MEDICLINIC INTERNATIONAL

MEDICLINIC INTERNATIONAL PLC
("**Mediclinic**" or "**the Company**")

CORRECTION TO 2016 ANNUAL REPORT

A typographical error has been identified in the Remuneration Report on page 91 of the Company's Annual Report and Financial Statements for the year ended 31 March 2016 ("**2016 Annual Report**") under the heading "Implementation of the Remuneration Policy for the 2016/17 Financial Year" where the maximum STI opportunity for the CFO was incorrectly stated at 100% of annual salary. The correct figure is 133% of annual salary. This typographical error was repeated on page 93, regarding the bonus opportunity for the newly appointed CFO, Jurgens Myburgh, which should also have been 133%. This typographical error does not have any effect on the total remuneration for the CFO that could result from the remuneration policy in 2016/2017, as illustrated in the graph set out on page 79, where the maximum figure for the short-term incentive ("**STI**") was calculated based on 133% of annual salary.

There was a further typographical error on page 91 of the Company's 2016 Annual Report, which incorrectly stated that the 2017 STI has a three-year holding period. This should have stated a two-year holding period, as per the approved remuneration policy on page 76, which indicates that "*A portion of the bonus paid (the amount at the discretion of the Committee) may be deferred in shares, which are released ratably over two years, subject to continued employment.*"

The Company sincerely apologises for any inconvenience caused.

17 July 2017

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DIRECTORS' REMUNERATION REPORT

LETTER FROM THE REMUNERATION COMMITTEE CHAIRMAN

Dear Shareholder,

In February 2016, the Combination of Mediclinic International Limited and Al Noor Hospitals Group plc by way of a reverse takeover of Mediclinic International Limited was completed, resulting in the continued listing of the enlarged Company, renamed to Mediclinic International plc, on the LSE and the secondary listing of the Company on the JSE and NSX (the "**Combination**"). Shortly before the Combination of the businesses, a new Directors' Remuneration Policy was put to shareholders, which was intended to serve the needs of the combined Group, recognising the structures and governance expected of a FTSE-100 listed company. This policy remains in place and the Remuneration Committee considers it fit for purpose. No changes are therefore proposed to the policy, which is presented for information in the first half of this report.

The second half of this report contains information on payments and awards made, and cover the 15-month period up to 31 March 2016 for the Company. In addition, *pro forma* information relating to Mediclinic International Limited has been included in a separate section at the end.

Comment on the overall performance in the year and resulting variable pay awards are dealt with extensively in the Remuneration Policy document that follows.

The Combination triggered the vesting of ANHG's long-term incentives ("**LTI**") and the way in which these were treated (including the performance against targets) is reported below. Vesting in respect of the Mediclinic's incentives was also accelerated with performance being tested on 30 September 2015 as reported herein. The vesting date of the incentive remains unchanged subject to service conditions being met. A special bonus was also awarded to the CEO of Al Noor in connection with the transaction and the details of this are set out herein.

Following the Combination, we announced that our CFO, Craig Tingle, was to retire in June 2016. The Committee has yet to make a final determination on how the outstanding awards held by Craig Tingle will be treated, and will announce this at the time and in next year's Remuneration Report. Shortly before the production of this report, we announced that Jurgens Myburgh would replace Mr Tingle. Details of his remuneration are set out in the section dealing with the coming year.

Remuneration for 2016

In reviewing remuneration for executive directors for 2016, the Committee has adopted the following structure:

- The base compensation for the executive directors has been reviewed against the market for UK-listed company executives operating in similar international companies. As a result, we have decided to make an exceptional and significant increase in base compensation levels.
- The structure and quantum of the annual bonus for the executive directors is set in line with market practice, with performance measures selected to drive alignment with shareholders' interests. Deferral of half of annual bonus into equity is now required, with shares held for three years.
- Performance shares will be granted annually under LTI, with vesting after three years based on earnings per share ("**EPS**") growth and relative total shareholder return ("**TSR**") conditions, which we believe provide strong alignment between the executives and shareholders. This alignment is further strengthened by share ownership guidelines.

The Committee believes these structures are appropriate for the Company and are in the best interests of shareholders. We look forward to your support for the Remuneration Report.

Trevor D Petersen

Chairman of the Remuneration Committee
25 May 2016

The approach to disclosure in this Remuneration Report is to show results for the period 1 January 2015 to 31 March 2016 for the entity Mediclinic International plc ("**MIP**"), including the period it was formerly known as Al Noor Hospitals Group plc ("**ANHG**"). ANHG became known as MIP from 15 February 2016 as a result of the Combination.

Additionally, appended are the remuneration of the former directors of Mediclinic International Limited ("**MIL**") who are now directors of MIP for the period 1 April 2015 to 15 February 2016 for the entity MIL together with results for the period 15 February 2016 to 31 March 2016 for MIP to show a 12-month *pro forma* period for MIL and the combined entity MIP.

DIRECTORS' REMUNERATION POLICY

At the ANHG general meeting held in December 2015, 98.6% of shareholders approved a revised Remuneration Policy. The policy was developed taking into account the principles of the UK Corporate Governance Code and takes account of the views of major shareholders and proxy agencies, as expressed during previous engagement on remuneration matters.

There is no requirement to hold a vote on the policy in 2016, since no changes are proposed to that previously approved. The policy is set out below for information only. The remuneration scenarios on page 79 have been updated, as have details of the executives' service contracts.

POLICY CHANGES APPROVED IN DECEMBER 2015 COMPARED TO THE ANHG 2014 APPROVED POLICY

Annual short-term incentive ("**STI**")	The portion of the STI which is deferred is at the discretion of the Committee (previously 50% was specified).
Long-term incentive plan ("**LTIP**")	Flexibility was introduced to vary the weightings of the EPS and TSR components (previously the policy specified 50% of the awards to be subject to EPS and 50% subject to TSR). The new policy allows for the introduction of a broader range of companies in the TSR comparator group(s). Weighting of EPS and TSR measures has not been specified (previously the policy allowed only for 50% of the awards to be subject to EPS and 50% subject to TSR). The new policy allows for more flexibility with regards to the TSR comparator groups.
Benefits and pension	Previously ANHG had no Group-wide pension scheme, but did allow for an end-of-service gratuity as required by UAE Labour Law. The new policy allows for a defined pension contribution scheme, under which whereby directors can receive a Company contribution up to 10% of salary. Some changes were made to the benefits provided under the policy. Previously the ANHG policy allowed for private medical insurance, use of a company car and driver, car insurance, private fuel card, airfare tickets and housing and utility expenses. See policy table on pages 76 to 78 for benefits provided for under the new policy.
Service contracts	The executive directors' notice periods may be up to 12 months (previously no more than six months).

The changes made to the policy provide increased flexibility in a number of areas; however, in general the Committee has not sought to use this flexibility in practice, as will be seen from the proposed remuneration for 2016/17.

POLICY OVERVIEW

The Committee is responsible, on behalf of the Board, for establishing appropriate remuneration arrangements for the executive directors and other senior management in the Group.

In setting the Remuneration Policy for the executive directors, the Committee will ensure that the structures are in the best interest of both the Group and its shareholders, by taking into account the following general principles:

- To lead our chosen markets in medical quality by attracting, retaining and motivating the best person for each position, without paying more than is necessary.
- To ensure total remuneration packages are simple and fair in design so that they are valued by participants.
- To ensure that the fixed element of remuneration is determined in line with local market rates, taking account of individual performance, responsibilities and experience; and that a significant proportion of the total remuneration package is linked to financial rewards.
- To balance performance pay between the achievement of financial performance objectives and delivering sustainable stock market out-performance; creating a clear line of sight between performance and reward and providing a focus on sustained improvements in profitability and returns.
- To provide a significant proportion of performance-linked pay in shares allowing senior management to build shareholding in the business and therefore, aligning management with shareholders' interests and the Group's performance, without encouraging excessive risk taking.

DIRECTORS' REMUNERATION REPORT (continued)

CONSIDERATION OF SHAREHOLDER VIEWS

The Company is committed to maintaining good communications with investors. The Committee considers the annual general meeting to be an opportunity to meet and communicate with shareholders, giving investors the opportunity to raise any issues or concerns they may have. In addition, the Committee will seek to engage directly with major shareholders and their representative bodies should any material changes be made to the Directors' Remuneration Policy.

SUMMARY OF THE DIRECTORS' REMUNERATION POLICY

The following table sets out the key aspects of the Directors' Remuneration Policy.

ELEMENT OF PAY	PURPOSE AND LINK TO STRATEGY	OPERATION	MAXIMUM OPPORTUNITY	PERFORMANCE CRITERIA
BASE COMPENSATION[1]	• To attract, retain and motivate talented individuals who are critical to the Group's success	• Reviewed annually by the Committee or, if appropriate, in the event of a change in an individual's position or responsibilities • Base compensation levels set to reflect the experience and capabilities of the individual as well as the scope and scale of the role • Increases to base compensation may reflect individual performance as well as the pay and conditions in the workforce	• There is no prescribed maximum annual increase. The Committee takes into account remuneration levels in comparable organisations in the geographies in which the Company operates and in which it competes for talent. It is guided by the increase for the workforce generally. • On occasion, it may also recognise other factors such as additional responsibility, or an increase in the scale or scope of the role	• Not applicable
ANNUAL STI[3]	• To encourage and reward delivery of the Group's annual financial and operational objectives • To encourage share ownership and provide further alignment with shareholders	• Performance targets are reviewed annually by the Committee and are set to ensure they are linked to strategic objectives and are appropriately demanding, taking into account economic conditions and risk factors • A portion of the bonus paid (the amount at the discretion of the Committee) may be deferred in shares, which are released ratably over two years, subject to continued employment • Dividends that accrue on the deferred shares during the vesting period may be paid in cash or shares at the time of vesting • Clawback[2] provisions will apply for overpayments due to misstatement or error and other circumstances in respect of future bonus payments and also apply to previous payments made under the ANHG bonus scheme	• Maximum opportunity of 150% of base compensation	• At least 75% of the STI will be based on Group financial performance[2] • Performance below threshold results in zero payment. Payments increase from 0% to 100% of the maximum opportunity for levels of performance between threshold and maximum performance targets

ELEMENT OF PAY	PURPOSE AND LINK TO STRATEGY	OPERATION	MAXIMUM OPPORTUNITY	PERFORMANCE CRITERIA
LTIP[4]	• To balance performance pay between the achievement of financial performance objectives and delivering sustainable stock market out-performance • To encourage share ownership and provide further alignment with shareholders	• Annual awards of conditional shares with vesting dependent on the achievement of performance conditions over a three-year period • Performance targets are reviewed annually by the Committee and are set appropriate to the economic outlook and risk factors prevailing at the time, ensuring that such targets remain challenging in the circumstances, whilst remaining realistic enough to motivate and incentivise management • Dividends that accrue during the vesting period may be paid in cash or shares at the time of vesting, to the extent that shares vest • Clawback[2] provisions apply for overpayments due to misstatement or error and other circumstances	• Maximum opportunity of 200% of base compensation	• Performance is assessed against EPS growth and relative TSR metrics, which are measured independently[4] • No more than 25% of an award will vest for achieving threshold performance, increasing *pro rata* to full vesting for achievement of maximum performance targets
PENSION/ RETIREMENT BENEFITS	• To help recruit and retain high-performing executives • To provide employees with long-term savings via pension provisions	• Participation into a defined contribution pension scheme	• Directors can receive a Company contribution (of up to 10% of salary)	• Not applicable
BENEFITS	• To provide a market-competitive level of benefits to ensure the executive directors' well-being	• Benefits may include but are not limited to: – private medical insurance – death and disability insurance – leave and long service awards • Other ancillary benefits, including relocation and travel expenses, may be offered, as required, including an allowance towards reasonable fees for professional services such as legal, tax and financial advice	• Actual value of benefits provided	• Not applicable

ELEMENT OF PAY	PURPOSE AND LINK TO STRATEGY	OPERATION	MAXIMUM OPPORTUNITY	PERFORMANCE CRITERIA
NON-EXECUTIVE DIRECTORS' FEE	• Set to attract, retain and motivate talented individuals through the provision of market competitive fees	• Reviewed periodically by the Committee or, if appropriate, in the event of a change in an individual's position or responsibilities • Fee levels are set by reference to market rates, responsibility and time commitments and the pay and conditions in the workplace	• As for the executive directors there is no prescribed maximum annual increase. The Committee is guided by the general increase for the broader workforce, but on occasion may recognise an increase in certain circumstances, such as assumed additional responsibility or an increase in the scale or scope of the role	• N/A

Notes:

1 *Base compensation may include base salary plus fixed cash allowances, which are a normal part of the fixed remuneration package for employees in some countries in which the Company operates.*

2 *There are no malus provisions as the Company believes that the current clawback provisions appropriately address the risk of non-payment.*

3 *The Annual STI is focused predominantly on key financial performance indicators, to reflect how successful the Group has been in managing its operations. The balance is determined on how well the executive directors performed against annual Group operational targets including measures of clinical excellence.*
The current executive directors STI is calculated on the combined financial EBITDA performance of the three Platforms, weighted relative to their respective EBITDA contribution. The threshold and stretch targets are based on a percentage of the respected approved budgeted EBITDA.

4 *The LTIP incentive rewards significant long-term returns to shareholders and long-term financial growth.*
Targets are set on sliding scales that take account of internal strategic planning and external market expectations for the Company. Only modest rewards are available for achieving threshold performance with maximum rewards requiring substantial out-performance of challenging strategic plans approved at the start of each year or on the date of award, as the case may be.
The Committee operates LTI arrangements for the executive directors in accordance with their respective rules, the Listing Rules and the rules of relevant tax authorities where relevant. The Committee, consistent with market practice, retains discretion over a number of areas relating to the operation and administration of the plans. These include (but are not limited to) the following:
- *Who participates;*
- *The timing of the grant of award and/or payment;*
- *The size of an award (up to plan limits) and/or a payment;*
- *Discretion relating to the measurement of performance in the event of a change of control or reconstruction;*
- *Determination of a good leaver (in addition to any specified categories) for incentive plan purposes;*
- *Adjustments required in certain circumstances (e.g. rights issues, corporate restructuring and special dividends); and*
- *The ability to adjust existing performance conditions for exceptional events so that they can still fulfil their original purpose.*

The relative weights between TSR and EPS are determined annually by the Remuneration Committee. For the current reporting period TSR and EPS carried a weight of 50% respectively. For the 2016/2017 allocations EPS weight is 60% and TSR 40%.

PREVIOUS AWARDS

Authority was given to the Company to honour any commitments entered into with current or former directors before they became a director (such as, the vesting or exercise of past share awards) or before this policy came into effect, including those granted by companies in the Group prior to that company becoming part of the Group. For example, certain directors continue to hold awards granted under the terms of the Mediclinic Forfeitable Share Plan.

THE COMMITTEE CONSIDERS PAY AND EMPLOYMENT CONDITIONS OF EMPLOYEES IN THE GROUP WHEN DETERMINING EXECUTIVE DIRECTORS' REMUNERATION POLICY

When considering the executive directors' remuneration structure and levels, the Committee reviews base compensation and STI arrangements for the management team, to ensure that there is a coherent approach across the Group. The STI arrangements operate on a similar basis across the senior management team. The key difference in the policy for executive directors is that remuneration is more heavily weighted towards long-term variable pay than other employees. This ensures that there is a clear link between the value created for shareholders and the remuneration received by the executive directors.

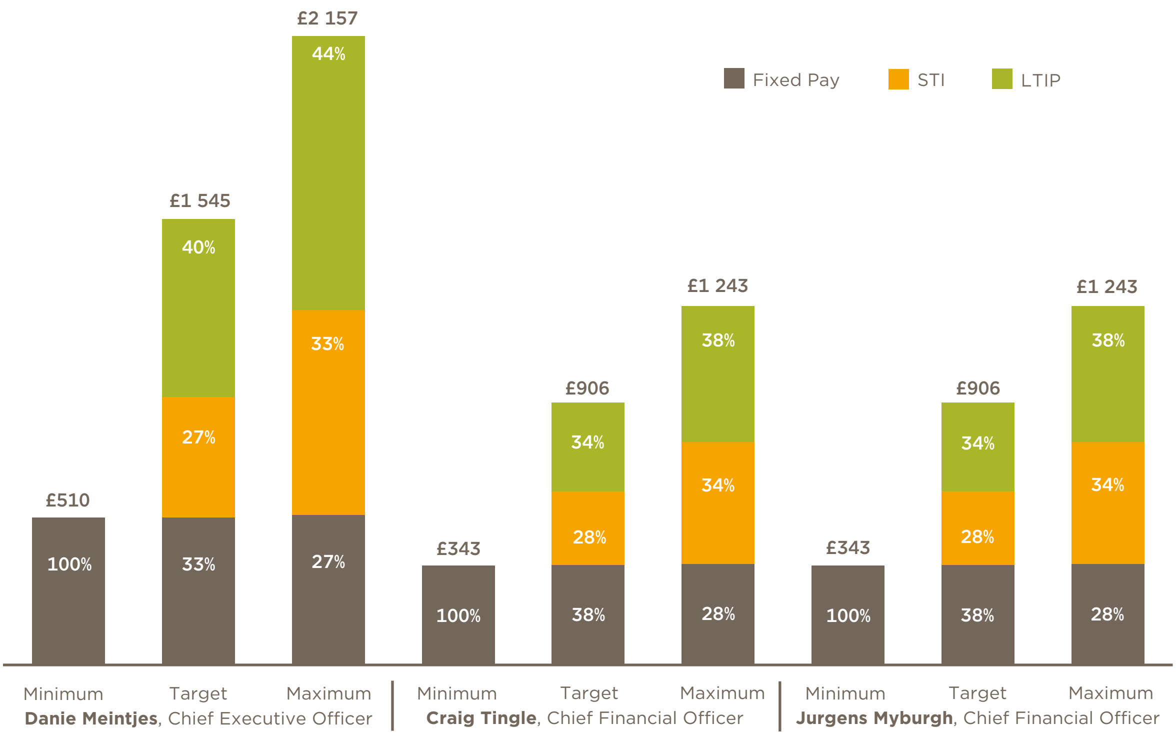
The Committee does not formally consult with employees in respect of the design of the executive director Remuneration Policy, although the Committee will keep this under review.

REMUNERATION SCENARIOS FOR THE EXECUTIVE DIRECTORS

The total remuneration for each of the executive directors that could result from the remuneration policy in 2016/2017 is shown below under three different performance levels – below threshold (when only fixed pay is receivable), on target and maximum. The chart highlights that the performance-related elements of the package comprise a significant portion of total remuneration at on-target and maximum performance.

Remuneration is earned in pounds sterling (GBP) and South African rand (ZAR). The ZAR portion of the remuneration package is translated into GBP at a rate of £1: ZAR20.73.

EXECUTIVE DIRECTOR REMUNERATION (£'000)



Assumptions:

1. *Salary levels applying as at 1 April 2016.*
2. *The value of taxable benefits is based on the expected cost in the year ended 31 March 2017 of benefits and cash allowances.*
3. *The value of pension contribution is based on a Company contribution of 9% of salary.*
4. *Minimum performance assumes no award is earned under the STI plan and no vesting is achieved under the LTIP; at on-target, 60% of a maximum bonus is earned under the STI plan and 65% of a maximum bonus is achieved under the LTIP; and at maximum full vesting under both plans.*
5. *Share price movement and dividend accrual have been excluded from the above analysis.*

DIRECTORS' REMUNERATION REPORT (continued)

DIRECTORS' RECRUITMENT AND PROMOTIONS

The policy on the recruitment or promotion of an executive director takes into account the need to attract, retain and motivate the best person for each position, while at the same time ensuring a close alignment between the interests of shareholders and management.

If a new executive director were appointed, the Committee would seek to align the remuneration package with the Remuneration Policy approved by shareholders, save that there would be discretion to award a combined STI and LTIP of up to 400% of base compensation inclusive of potential buyout rewards. Flexibility would be retained to set base compensation at the level necessary to facilitate the hiring of candidates of appropriate calibre in external markets and make awards or payments in respect of deferred remuneration arrangements forfeited on leaving a previous employer. In terms of remuneration to compensate for forfeited awards, the Committee would look to replicate the arrangements being forfeited as closely as possible and in doing so, would take account of relevant factors including the nature of the deferred remuneration, performance conditions and the time over which they would have vested or been paid. The face and/or expected values of the award(s) offered will not materially exceed the value ascribed to the award(s) foregone.

For an internal appointment, any incentive amount awarded in respect of a prior role may be allowed to vest on its original terms, or adjusted as relevant to take into account the appointment. Any other ongoing remuneration obligations existing prior to appointment may continue.

The Committee may also agree that the Company will meet certain relocation and incidental expenses as appropriate.

For the appointment of a new Chairman or non-executive director, the fee arrangement would be set in accordance with the approved Remuneration Policy at that time.

DIRECTORS' SERVICE AGREEMENTS AND PAYMENTS FOR LOSS OF OFFICE

The Committee seeks to ensure that contractual terms of the executive director's service agreement reflect best practice. It is the Company's policy that all executive directors have rolling contracts that can be terminated by the employee in line with his service agreement.

The revised service agreements of the current and future executive directors are terminable on six months' notice, a change effective from the date of the Combination.

In circumstances of termination on notice, the Committee will determine an equitable compensation package, having regard to the particular circumstances of the case. The Committee may require notice to be worked or to make payment in lieu of notice or to place the director on garden leave for the notice period. Such a decision would be made to ensure the protection of the Company's and shareholders' interests.

In case of payment in lieu or garden leave, salary, benefits and end of service gratuity will be paid for the period of notice served on garden leave or paid in lieu. If the Committee believes it would be in shareholders' interests, payments would be made in phased instalments and in the case of payment in lieu will be subject to be offset against earnings elsewhere.

An STI payment may be made in respect of the period of the incentive year worked by the director; there is no provision for an amount in lieu of bonus to be payable for any part of the notice period not worked. The bonus payment will be scaled back *pro rata* for the period of the incentive year worked by the director and would remain payable at the normal payment date.

Shares under the deferred STI and LTI arrangements are subject to the rules which contain discretionary provisions setting out the treatment of awards

where a participant leaves for designated reasons (i.e. participants who leave early on account of injury, disability or ill health, death, a sale of their employer or business in which they were employed, statutory redundancy, retirement or any other reason at the discretion of the Committee). In these circumstances a participant's awards will not be forfeited on cessation of employment and instead will continue to vest on the normal vesting date or earlier at the discretion of the Committee, subject to the performance conditions attached to the relevant awards. The awards will, other than in exceptional circumstances, be scaled back *pro rata* for the period of the incentive year worked by the director.

In addition to the above payments, the Committee may make any other payments determined by a court of law in respect of the termination of a director's contract. The Company may, however terminate the contract of any executive director summarily in accordance with the terms of their service agreement.

In the event of a change of control, all unvested awards under the deferred STI and LTI arrangements would vest, to the extent that any performance conditions attached to the relevant awards have been achieved. The awards will, where the Committee dictates, be scaled back *pro rata* for the period of the incentive year worked by the director.

Executive directors may, on nomination from Mediclinic, take on outside appointments, however all fees will be retained by the Company.

The dates of the executive directors' service contracts are:

Danie Meintjes	01 April 2016 – Joined Group 01/08/1981
Craig Tingle	01 April 2016 – Joined Group 01/02/2006

The service contracts are available for inspection during normal business hours at the Company's registered office, and available for inspection at the annual general meeting.

NON-EXECUTIVE DIRECTORS' TERMS OF ENGAGEMENT

Non-executive directors are appointed by letter of appointment for an initial period of three years, which are terminable by three months' notice on either side. However, the Company intends on complying provision B.7.1 of the UK Corporate Governance Code and accordingly all directors will stand for annual re-election by shareholders at future annual general meetings until the Board determines otherwise.

All non-executive directors, except for Dr Edwin Hertzog and Mr Jannie Durand were considered to be independent of the Company.

The dates of the terms of engagement of the non-executive directors are:

Dr Edwin Hertzog	15 February 2016
Desmond Smith	15 February 2016
Ian Tyler	15 February 2016
Seamus Keating	15 February 2016
Trevor Petersen	15 February 2016
Nandi Mandela	15 February 2016
Prof Dr Robert Leu	15 February 2016
Alan Grieve	15 February 2016
Jannie Durand	15 February 2016

All the non-executive directors listed above, excluding Ian Tyler and Seamus Keating, previously served on the Board of MIL. At the time of the Combination they resigned from the Board of MIL and were appointed as directors of MIP pursuant to letters of appointment on terms in line with those above. Ian Tyler and Seamus Keating previously served on the Board of ANHG and also signed new letters of appointment at the time of the Combination.

DIRECTORS' ANNUAL REMUNERATION REPORT

This part of the report has been prepared in accordance with Part 4 of The Large and Medium-sized Companies and Groups (Financial Statements and Reports) (Amendment) Regulations 2013 and 9.8.6R of the Listing Rules. The Annual Report on Remuneration will be put to an advisory shareholder vote at the 2016 annual general meeting. Certain specified information on pages 84 to 89 has been audited.

Information contained in this section relates to ANHG for the period from 1 January 2015 up to the date of the Combination (15 February 2016), and to MIP from the Combination to 31 March 2016. A separate section which follows this report describes the arrangements for MIL for the period from 1 April 2015 to 31 March 2016. This additional disclosure is provided for information only and does not form part of this report for the purposes of the reporting regulations. Furthermore, due to an overlap in the reporting periods; it includes some payments which are also disclosed in this main section of this report. Providing this *pro forma* this information is intended to provide shareholders with clear information about the remuneration of MIL directors appointed to the MIP Board for the financial year ended 31 March 2016.

RESPONSIBILITIES OF THE COMMITTEE

The Committee is responsible for determining and agreeing with the Board the policy on executive directors' remuneration, including setting the over-arching principles, parameters and governance framework and determining the initial remuneration package of each executive director. In addition, the Committee monitors the structure and level of remuneration for the senior management team and is aware of pay and conditions in the workforce generally. The Committee also ensures full compliance with the UK Corporate Governance Code in relation to remuneration.

MEMBERS AND ACTIVITIES OF THE COMMITTEE

The Committee members prior to the Combination (ANHG) were Ian Tyler (Chairman), Seamus Keating and, up to his resignation on 22 April 2015, Faisal Belhoul. Following the Combination, the Committee members were Trevor Petersen (Chairman), Robert Leu and Ian Tyler. All members were independent non-executive directors, save Ian Tyler, who was non-executive Chairman before the Combination but considered independent thereafter. Following the Combination, Jannie Durand attends Committee meetings at the invitation of the Committee, but is not a voting member.

None of the Committee members have day-to-day involvement with the business, nor do they have any personal financial interest, except as shareholders, in the matters to be recommended. The Company Secretary acts as Secretary to the Committee. The number of formal meetings held during the period under review and the attendance by each member is shown in the table below. The Committee also held informal discussions as required.

REMUNERATION COMMITTEE MEETING ATTENDANCE

NAME	ROLE	NUMBER OF ANHG COMMITTEE MEETINGS ATTENDED PRIOR TO THE COMBINATION (01/01/2015 – 15/02/2016)	NUMBER OF MIP COMMITTEE MEETINGS ATTENDED AFTER THE COMBINATION (15/02/2016 – 31/03/2016)[4]
Ian Tyler	Senior Independent Director	2 of 2	1 of 1
Trevor Petersen[1] (Committee Chairman)	Independent non-executive director	n/a	1 of 1
Seamus Keating[2]	Independent non-executive director	2 of 2	n/a
Faisal Belhoul[3]	Non-executive director	2 of 2	n/a
Prof Dr Robert Leu[1]	Independent non-executive director	n/a	1 of 1

1 *Appointed following the Combination on 15 February 2016. Their biographies can be found on page 61 of the report.*
2 *Following the Combination, Seamus Keating continued to serve as a director of the Company, but no longer as a member of the Remuneration Committee.*
3 *Faisal Belhoul resigned as a director and a member of the Committee on 21 April 2015.*
4 *One Committee meeting was held since the Company's financial year end.*

EXTERNAL ADVICE RECEIVED

During the 15-month period to 31 March 2016, the ANHG and MIP Committees received independent advice on remuneration matters from New Bridge Street ("**NBS**"), a trading name of Aon plc. NBS was selected through a competitive tendering process at the time of the initial public offering of ANHG and their appointment has been reviewed annually by the ANHG Committee and again following the Combination. The Committee remains of the opinion that NBS remains independent and provides robust and objective advice. NBS is a member of the Remuneration Consultants Group and adheres to the Voluntary Code of Conduct in relation to executive remuneration consulting in the UK. The fees paid to NBS for advice to the Committees for the 15-month period to 31 March 2016, based on time charges for work completed, were £222 538. No additional fees were paid by the Company to NBS in respect of other services.

SHAREHOLDER VOTING AT AGM

The Policy Report was put to a binding shareholder vote at the ANHG general meeting held on 15 December 2015. At the same meeting, a resolution was approved to pay a special bonus to the CEO. At the previous AGM, the 2014 Annual Report on Remuneration was put to an advisory shareholder vote.

At last year's ANHG annual general meeting held on 12 May 2015, the following votes were received from shareholders:

	FOR	%	AGAINST	%	WITHHELD	TOTAL
Remuneration Report	95 193 433	99.63	348 867	0.37	496 231	95 542 300

At the ANHG general meeting held on 15 December 2015, the following votes were received from shareholders:

	FOR	%	AGAINST	%	WITHHELD	TOTAL
Remuneration Policy	85 445 949	98.62	1 194 996	1.38	0	86 640 945
CEO special bonus	54 533 333	63.61	31 192 548	36.39	915 064	86 640 945

DIRECTORS' REMUNERATION REPORT (continued)

DIRECTORS' REMUNERATION EARNED IN THE 15-MONTH PERIOD TO 31 MARCH 2016 AT MEDICLINIC INTERNATIONAL PLC (FORMERLY AL NOOR HOSPITALS GROUP PLC) (AUDITED)

The table below summarises the directors' remuneration received in the 15-month period to 31 March 2016 for directors serving on the Boards of ANHG and MIP. The comparative figures for the previous financial year are the 12-month period to 31 December 2014, as disclosed in the 2014 Directors' Remuneration Report for ANHG.

		SALARY AND FEES £000	BENEFITS £000	ANNUAL BONUS £000	LONG-TERM INCENTIVES £000	PENSION £000	OTHER £000	TOTAL REMUNERATION £000
EXECUTIVE DIRECTORS								
Ronald Lavater[1]	2015/16	583	42	155	960	57	1 070	2 867
	2014	129	12	22	0	0	7	170
Danie Meintjes[2]	2015/16	37	0	38	0	3	0	79
	2014	0	0	0	0	0	0	0
Craig Tingle[2]	2015/16	28	0	22	0	3	0	53
	2014	0	0	0	0	0	0	0
NON-EXECUTIVE CHAIRMAN								
Ian Tyler[3]	2015/16	239						239
	2014	200						200
Edwin Hertzog[3]	2015/16	31						31
	2014	0						0
NON-EXECUTIVE DIRECTORS								
Dr Kassem Alom[4]	2015/16	101						101
	2014	318						318
Seamus Keating[3]	2015/16	100						100
	2014	80						80
William J. Ward[5]	2015/16	84						84
	2014	75						75
Mubarak Matar Al Hamiri[5]	2015/16	73						73
	2014	65						65
William S. Ward[5]	2015/16	73						73
	2014	65						65
Sheikh Mansoor Bin Butti[5]	2015/16	0						0
	2014	0						0
Ahmad Nimer[5]	2015/16	0						0
	2014	0						0
Faisal Belhoul[5]	2015/16	0						0
	2014	0						0
Khaldoun Haj Hasan[5]	2015/16	0						0
	2014	0						0

		SALARY AND FEES £000	BENEFITS £000	ANNUAL BONUS £000	LONG-TERM INCENTIVES £000	PENSION £000	OTHER £000	TOTAL REMUNERATION £000
Desmond Smith[3]	2015/16	9						9
	2014	0						0
Trevor D Petersen[3]	2015/16	11						11
	2014	0						0
Nandi Mandela[3]	2015/16	8						8
	2014	0						0
Robert Leu[3]	2015/16	9						9
	2014	0						0
Alan Grieve[3]	2015/16	10						10
	2014	0						0
Jannie Durand[3]	2015/16	8						8
	2014	0						0
Non-Executive Director Total	2015/16	755						755
	2014	803						803

1 *Ronald Lavater's remuneration includes payments for the period 1 January 2015 – 15 February 2016 when he held the role of CEO of ANHG. His remuneration was set in US dollars (USD) and is reported in pound sterling (GBP) using an exchange rate of £1: USD1.45. Mr Lavater's reported bonus payment includes his 2015 annual bonus; a special bonus relating to the Combination, which is described in this report included under "other" payments.*

2 *Danie Meintjes and Craig Tingle's remuneration includes payments for the period 15 February – 31 March 2016 when they held the roles of CEO and CFO of MIP. Their remuneration is paid in South African rand (ZAR) and reported in GBP using an exchange rate of £1: ZAR20.73. The annual bonus if a pro rated amount of 46 days for the period 15 February 2016 to 31 March 2016. Full details of their annual bonuses are disclosed as part of the pro forma statement of Directors' remuneration.*

3 *Ian Tyler and Seamus Keating's remuneration consists of the period 1 January 2015 – 31 March 2016 and relates to their roles at both ANHG and MIP. Edwin Hertzog, Desmond Smith, Trevor D Petersen, Nandi Mandela, Robert Leu, Alan Grieve and Jannie Durand's remuneration consists of the period after Combination and until 31 March 2016. They are paid in GBP.*

4 *Dr Kassem Alom's remuneration includes payments for the period 1 January 2014 – 1 October 2014 when he held the role of CEO of ANHG as well as the period 1 January 2015 – 15 February 2016, when he held the role of Vice Chairman of ANHG. His remuneration is paid in UAE dirhams (AED) and reported in GBP using an exchange rate of £1: AED5.95 for 2014 and £1: AED5.32 for 2016.*

5 *William J. Ward, Mubarak Hamiri, William S. Ward served as non-executive Directors at ANHG for the period 1 January 2015 to 15 February 2016 . Sheikh Mansoor Bin Butti, Ahmad Nimer, Khaldoun Haj Hasan and Faisal Belhoul (all of whom were shareholder representatives) received no payment from the Company for their services as a director in the period 1 January 2015 – 15 February 2016. Faisal Belhoul stepped down from his position on 22 April 2015.*

DIRECTORS' REMUNERATION REPORT (continued)

The sections below provide further detail of the remuneration shown in the table on pages 84 to 85.

SALARIES FOR 2015/16 (AUDITED)

Ronald Lavater's salary during the period up to the Combination was USD750 000 per annum.

Danie Meintjes and Craig Tingle's salary in the table on pages 84 to 85 reflects a pro rated amount for their salaries in the period from the Combination to 31 March 2016. Their salaries for the period were R762 000 and R570 847 respectively. All numbers have been converted to pounds sterling.

BENEFITS FOR 2015/16 (AUDITED)

Ronald Lavater's benefits included private medical insurance, the use of a company car and a driver, car insurance, private fuel card, airfare tickets, housing and utility expenses.

Danie Meintjes and Craig Tingle's benefits include private medical insurance.

DIRECTORS' PENSION ENTITLEMENT (AUDITED)

ANHG did not operate a pension scheme and accordingly no element of remuneration was pensionable. Retirement benefits were, however, provided in accordance with the local labour law of the UAE. The value of statutory end-of-service benefits payable to Ronald Lavater as an employee based in the UAE is included in the table.

Mediclinic offers membership of a defined contribution fund for its Mediclinic Southern Africa employees and a defined benefit fund for its Hirslanden employees. Retirement benefits are provided to employees of Mediclinic Middle East according to the local labour laws of the UAE.

The executive directors participate in the Mediclinic Southern Africa defined contribution fund and are eligible for a 9% Company pension contribution, in line with the policy. No executive director has a prospective entitlement to a defined benefit pension.

ANHG ANNUAL BONUS FOR 2015 (AUDITED)

The maximum bonus payable for 2015 for the ANHG CEO was 150% of salary. The annual bonus was assessed at 80% against financial and 20% against operational objectives, including measures of clinical excellence, to provide a rounded assessment of the Group's and the individual's performance.

The measures, targets and performance against them are set out in the table below.

The resulting bonus was paid in February 2016 and, in light of the vesting of all share awards at the time of the Combination, was paid in cash and not required to be deferred. Clawback provisions apply to the payment.

ANHG SPECIAL BONUS (AUDITED)

In light of the proposed combination with Mediclinic, the Remuneration Committee of ANHG determined that a special bonus should be offered to the CEO, Ronald Lavater in order to incentivise performance up to the Combination and promote stability among the senior population at this time. The amount of the special bonus was to be up to USD1.5m (i.e. two times annual salary) paid in cash, and would be contingent on the Committee's assessment of the execution of the transaction and the organisational stability and continued strong performance of the Company in the period up to the Combination. In order to promote the retention of Mr Lavater in the period immediately following the Combination, the payment was to be paid in two equal instalments three and nine months after the Combination completed.

MEASURE	WEIGHTING	SUMMARY OF TARGETS	RESULT	% OF MAXIMUM	% OF SALARY
Adjusted EBITDA[1]	70%	Threshold: USD106.4m Target: USD112.0m Maximum: USD123.2m	Threshold not achieved	0%	0%
Cash conversion	10%	Threshold: 84.0% Target: 87.5% Maximum: 89.0%	Threshold not achieved	0%	0%
Operational and quality measures	20%	Achievement of key strategic milestones, including those relating to medical quality, patient satisfaction and corporate development.	All milestones were fully achieved	100%	30%
TOTAL	**100%**				**30%**

[1] *The bonus amounts are audited, however, the adjusted EBITDA, cash conversion, and operational and quality measures all relate to the legacy Al Noor Hospitals Group plc and have not been audited as part of the financial statements.*

Since this proposed payment fell outside the ANHG Remuneration Policy at the time it was required to be put to shareholders. It was approved at the ANHG general meeting on 15 December 2015.

Shortly prior to the Combination, the ANHG Remuneration Committee confirmed that the performance conditions attaching to the special bonus had been fully achieved.

At the ANHG general meeting on 15 December 2015, shareholders approved a payment to Ronald Lavater of a retention bonus of USD1.5m.

ANHG LTI AWARDS GRANTED IN 2015/16 (AUDITED)

A conditional share award under the LTIP was made to Ronald Lavater on 28 April 2015 with a value at grant of 175% of salary.

	DATE OF GRANT	NUMBER OF SHARES[1]	FACE VALUE	FACE VALUE AS A PERCENTAGE OF SALARY	END OF PERFORMANCE PERIOD	PERFORMANCE CONDITIONS
Ronald Lavater	28 April 2015	97 398	USD1 312 500	175%	31 December 2017	See table below

[1] *The number of shares to be granted was determined based on the average share price over the five dealing days prior to grant, which was £8.87 and translated at the exchange rate at grant £1: USD1.52.*

At grant, vesting of 50% of the award was based on EPS growth and the remaining 50% would be determined by TSR, with half of that amount measured relative to the FTSE World Healthcare Index and the other half against a tailored group of healthcare companies operating in markets similar to the Company.

PERFORMANCE CONDITION	WEIGHTING	THRESHOLD TARGET (25% VESTING)	STRETCH TARGET (100% VESTING)
EPS growth	50%	6% per annum	15% per annum
TSR vs Healthcare sector peers	25%	In line with index	8.5% per annum above the index
TSR vs Healthcare sector peers	25%	Median of peers	Upper quartile of peers

EPS and relative TSR are considered to be the most appropriate measures of long-term performance, in that they ensure the CEO is incentivised and rewarded for the underlying financial performance of the Group as well as creating value for shareholders. The award was subject to clawback provisions.

The treatment of this award as a result of the Combination is set out in a separate section below.

ANHG LTI AWARDS VESTING IN 2015/16 – RONALD LAVATER (AUDITED)

Under the rules of the LTIP, the Committee had discretion as to the treatment of outstanding awards as a result of the financial events which followed the Combination. The Committee judged that it was appropriate that awards should vest subject to the extent that the relevant performance conditions had been achieved.

For all awards, the final value has been calculated using £11.68 (the mid-market closing price on 10 February 2016, being the last relevant trading day before the shares went ex-dividend) and, where relevant, the impact of dividends foregone in the vesting periods elapsed has been taken into consideration.

2014 ANHG Deferred Annual Bonus (audited)

Ronald Lavater held an award of 1 231 shares under the 2014 deferred bonus plan whose vesting was subject only to continued service. This award vested in full and the value of the award on 15 February 2016 was £14 585.

2014 ANHG LTIP (audited)

Conditional share awards granted under the 2014 LTIP were subject to an EPS condition and TSR conditions relative to a sector-specific group and an index:

PERFORMANCE CONDITION	THRESHOLD TARGET (25% VESTING)	STRETCH TARGET (100% VESTING)	ACTUAL	% VESTING
EPS growth (50%)	6% per annum	15% per annum	12.38% per annum	**39.1%** (50% of 78.15% vesting)
TSR vs World Healthcare Index (25%)	In line with index	8.5% per annum above the index	4.9% per annum above the index	**16.8%** (25% of 67.36% vesting)
TSR vs Healthcare sector peers (25%)	Median of peers	Upper quartile of peers	Between median and upper quartile	**9.5%** (25% of 37.91% vesting)
TOTAL VESTING				**65.4%**

EPS performance was measured over the two financial years from grant. The TSR performance condition was tested based upon performance to 10 February 2016.

At the time of the Combination, Ronald Lavater held an award of shares under the 2014 cycle of the ANHG LTIP, which was treated as shown in the table below, and settled in cash.

	DATE OF GRANT	NUMBER OF SHARES	% VESTING	NUMBER OF SHARES VESTING	VALUE OF VESTING SHARES	NUMBER OF SHARES LAPSING
Ronald Lavater	25 November 2014	20 978	65.4%	13 719	£162 024	7 259

2015 ANHG LTIP (audited)

The 2015 awards were granted subject to conditions similar to the 2014 awards. However, as only one financial year had elapsed since grant, the Committee understood that the EPS performance period could not be tested robustly and therefore exercised its discretion under the plan rules to exclude this element and test the award based wholly on the TSR performance conditions.

PERFORMANCE CONDITION	THRESHOLD TARGET (25% VESTING)	STRETCH TARGET (100% VESTING)	ACTUAL	% VESTING
TSR vs World Healthcare Index (50%)	In line with index	8.5% per annum above the index	13.6% per annum above the index	**50%** (50% of 100% vesting)
TSR vs Healthcare sector peers (50%)	Median of peers	Upper quartile of peers	Between median and upper quartile	**19.9%** (50% of 39.75% vesting)
TOTAL VESTING				**69.9%**

The TSR vesting outcomes are based upon performance to 10 February 2016.

At the time of the Combination, Ronald Lavater held an award of shares under the 2015 cycle of the ANHG LTIP, which was treated as shown in the table below, and settled in cash.

	DATE OF GRANT	NUMBER OF SHARES	% VESTING	NUMBER OF SHARES VESTING	VALUE OF SHARES VESTING	NUMBER OF SHARES LAPSING
Ronald Lavater	28 April 2015	97 398	69.9%	68 081	£797 711	29 317

TERMINATION ARRANGEMENTS FOR RONALD LAVATER

Ronald Lavater stepped down from the role of Chief Executive Officer on the date of the Combination. He received normal pay and benefits up to this date and six months' salary in lieu of notice. He received a bonus of £155 000 in February 2016 which, in light of the Combination, was not required to be deferred. He also received a special bonus, approved at the ANHG general meeting on 15 December 2015 of USD1.5m. There are conditions attached to the bonus whereby he would lose his entitlement to the bonus if he does not meet the required service conditions.

Upon the date of the Combination, Ronald Lavater's outstanding LTIP awards vested and he received £162 024 for the 2014 LTIP and £797 711 for the 2015 LTIP, in cash. He also received awards vesting under the deferred bonus plan on 15 February 2016 with a value of £14 585.

PAYMENTS TO FORMER DIRECTORS (AUDITED)

In addition to the amounts disclosed above, no further payments were made to former directors of MIP or ANHG in the 15-month period to 31 March 2016.

PAYMENTS FOR LOSS OF OFFICE (AUDITED)

No payments were made in respect of loss of office during the 15-month period to 31 March 2016.

DIRECTORS' SHAREHOLDING AND SHARE INTERESTS (AUDITED)

The following table sets out the directors' beneficial shareholding, whether held directly or indirectly, and share interests.

	BENEFICIALLY OWNED AT 31 MARCH 2016[1]	OUTSTANDING LTIP AWARDS	OUTSTANDING DEFERRED ANNUAL BONUS AWARDS[2]	SHAREHOLDING REQUIREMENT MET[3]
EXECUTIVE DIRECTORS				
Danie Meintjes	118 215	0	83 372	Yes
Craig Tingle	68 969	0	47 516	Yes
Ronald Lavater[4]	0	0	0	n/a
NON-EXECUTIVE DIRECTORS				
Dr Edwin Hertzog	3 754 855	–	–	n/a
Desmond Smith	–	–	–	n/a
Ian Tyler[5]	–	–	12 090	n/a
Seamus Keating	–	–	–	n/a
Trevor Petersen	–	–	–	n/a
Nandi Mandela	–	–	–	n/a
Prof Dr Robert Leu	–	–	–	n/a
Alan Grieve	–	–	–	n/a
Jannie Durand	–	–	–	n/a

1 *There were no changes to the interests of the directors in the ordinary shares of the Company in the period from 31 March 2016 to 25 May 2016. Full details of the Directors' shareholdings and share allocations are given in the Company's Register of Directors' Interests, which is open to inspection at the Company's registered office during business hours.*
2 *The DAB awards above includes conditional and forfeitable share awards where the performance has been tested but shares have not yet been released and are subject to service conditions only.*
3 *The shareholding requirements for directors of MIP are 225% (CEO) and 200% (CFO) of salary respectively.*
4 *All conditional share options allocated to Ronald Lavater was settled in cash.*
5 *On 20 June 2013, the Board granted Ian Tyler £50 000 (8 695) ordinary shares at a share price of £5.75. To preserve his position after the Combination of Al Noor and Mediclinic, and the subsequent expected drop in share price, the Company has increased the number of shares allocated to 12 090. The shares will vest net of any tax on the third anniversary of grant subject to Ian's continued service to the Group as a non-executive director on the Board.*

DIRECTORS' REMUNERATION REPORT (continued)

PERCENTAGE CHANGE IN REMUNERATION LEVELS

The table below shows salary, benefits and annual bonus for the CEO Ronald Lavater in the 12-month period to 31 December 2015 versus the prior 12 months, compared to the change over the same period for the other ANHG employees:

	% CHANGE
Chief Executive Officer	
Salary	0%
Benefits	(22.9%)
Bonus	76%
All employees	
Salary	13.8%
Benefits	(0.6%)
Bonus	(32.8%)

RELATIVE IMPORTANCE OF THE SPEND ON PAY

The table below shows the spend on staff costs in the 12-month period to 31 December 2015, compared to returns to shareholders over the same period:

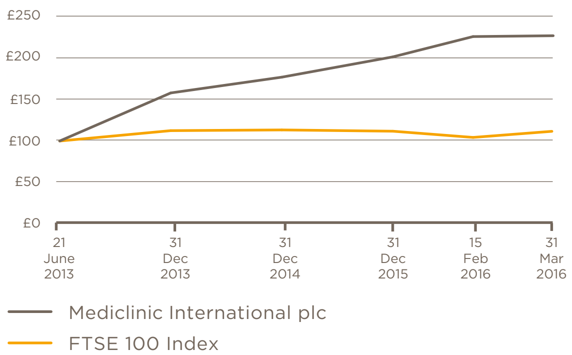
	2015/16 £000	2014/15 £000	% CHANGE
Staff costs	150 044	136 790	9.7%
All employees	14 878[1]	15 702	(5.2%)

[1] *Excludes the special dividend of £383.3 million paid on Combination.*

PERFORMANCE GRAPH AND CEO PAY

This graph shows the value, at 31 March 2016, of £100 invested in MIP (and previously Al Noor Hospitals Group) since inception compared with the value of £100 invested in the FTSE 100 Index on the same date. The intervening points are the financial year ends prior to the data of Combination and the date of the Combination.

TOTAL SHAREHOLDER RETURN



Source: Thomson Reuters

The table below shows the total remuneration for the CEO over the same period. Consistent with the calculation methodology for the single figure for total remuneration, the total remuneration figure includes the total annual bonus award based on that year's performance and the LTIP award based on the three-year performance period ending in the relevant year. The annual bonus payout and LTIP award vesting level as a percentage of the maximum opportunity are also shown for this year for both Ronald Lavater and Danie Meintjes for the period in which they served as CEO.

	YEAR ENDING 31 DECEMBER					1 JAN 2016 – 15 FEB 2016	15 FEB 2016 – 31 MARCH 2016
	2012	2013	2014	2014	2015		
Chief Executive Officer	Dr Kassem Alom	Dr Kassem Alom	Dr Kassem Alom	Ronald Lavater	Ronald Lavater	Ronald Lavater	Danie Meintjes
Total remuneration £000	326	361	290	170	702	2 165	79
Annual bonus %				11.8%	20.0%	n/a	78%
DAB				100%			0%
LTIP vesting %				65.4%	69.9%	n/a	

IMPLEMENTATION OF THE REMUNERATION POLICY FOR THE 2016/2017 FINANCIAL YEAR

SALARY

Following the Combination, the salaries of the CEO and CFO were reviewed. The Committee considered their remuneration packages in the context of other London-listed companies of similar size and international footprint. The incumbents' pay in their previous roles at MIL had been set with reference to both local South African pay levels and a broader international comparison, but given the widening geographic footprint of the Group, the Committee was minded to place greater weight on the international comparators going forward. As a result the salaries for Danie Meintjes and Craig Tingle have been increased by 40% and 22% respectively.

	SALARY FROM 1 APRIL 2016 £000	SALARY FROM 1 APRIL 2015 £000	% INCREASE
Danie Meintjes	471	337	40%
Craig Tingle	319	261	22%

Translated into GBP at a rate of £1: ZAR20.73 at 1 April 2016 and £1: ZAR17.82 at 1 April 2015.

STI 2017

The executive directors have a maximum STI opportunity of 150% (CEO) and 100% (CFO) of annual salary. Of the achieved award, 50% will be deferred in equity with a three-year holding period subject to continued employment.

The performance measure for the executive directors' STI is calculated on a weighted average of the Company's three operating platforms.

	FINANCIAL	CLINICAL AND PATIENT QUALITY
Southern Africa (24.8%)	EBITDA Hospital EBITDA margin Employment costs Debtor days	Clinical care quality indicator Patient expenses indicator Employment Equity
Switzerland (46.6%)	EBITDA Regional EBITDA margin Cash conversion	Patient satisfaction Safe surgery rate Patient mix
Middle East (28.6%)	EBITDA Employment costs Debtor days	Inpatient and outpatient satisfaction

For each platform, EBITDA outcome determines the total amount of available bonus, with the other financial and clinical/patient measures used to adjust this number.

We do not publish details of the financial targets in advance since these are commercially confidential. We will publish achievement against these targets at the same time as we disclose bonus payments in the annual report, so that shareholders can evaluate performance against those targets.

DIRECTORS' REMUNERATION REPORT (continued)

LTIP TO BE GRANTED IN 2016

The Committee intends to grant an LTIP conditional award to the executive directors in 2016 over shares with a value of 200% (CEO) and 150% (CFO) of salary. Upon vesting, awards will be settled in shares, dependent on the achievement of performance conditions over a three-year period. Vesting of 60% of the award will be based on EPS growth and the remaining 40% will be determined by TSR measured relative to the FTSE 100.

Vested shares are subject to a holding period of two years following the vesting date and dividends that accrue during the vesting period may be paid in cash or shares at the time of vesting, to the extent that shares vest.

EPS and relative TSR are considered to be the most appropriate measures of long-term, in that they ensure the directors are incentivised and rewarded for underlying the financial performance of the Group as well as creating value for shareholders.

The award will be subject to clawback provisions.

PERFORMANCE CONDITION	THRESHOLD TARGET (25% VESTING)	STRETCH TARGET (100% VESTING)
EPS growth (60%) TSR vs FTSE 100 (40%)	5% per annum Median of peers	12% per annum Upper quartile of peers

PENSION ENTITLEMENT

Mediclinic offers membership of a defined contribution fund for its Mediclinic Southern Africa and a defined benefit fund for its Hirslanden employees. Retirement benefits are provided to employees of Mediclinic Middle East according to the local labour laws of the UAE.

The executive directors partake in the Mediclinic Southern Africa defined contribution fund and will be eligible for a 9% Company pension contribution, in line with the policy.

FEES FOR THE CHAIRMAN AND NON-EXECUTIVE DIRECTORS

The Chairman and non-executive directors remuneration is determined by the Board, based on the responsibility and time committed to the Group's affairs and appropriate market comparisons. Individual non-executive directors do not take part in decisions regarding their own fees. The Chairman and non-executive directors receive no other benefits and do not participate in short-term or long-term reward schemes.

In light of the Combination, a review of non-executive and Chairman fees has been undertaken and a summary of the current fees and those for 2016/17 are set out below:

BASE FEES	FEE FROM 15 FEBRUARY 2016	FEE FROM 1 APRIL 2015	% INCREASE
Chairman	**£250 000**	£200 000	25%
Base Board Fee	**£60 000**	£65 000	(8%)
Audit and Risk Committee Chair	**£15 000**	£10 000	50%
Remuneration Committee Chair	**£15 000**	£10 000	50%
Nomination Committee Chair	**£0**	£0	–
Clinical Performance and Sustainability[3] Committee Chair	**£10 000**	£10 000	0%
Investment Committee Chair	**£10 000**	n/a	–
Senior Independent Director	**£25 000**	£5 000[1]	400%
COMMITTEE MEMBER FEES			
Audit and Risk Committee	**£10 000**	n/a[2]	–
Remuneration Committee	**£10 000**	n/a[2]	–
Nomination Committee	**£0**	n/a[2]	–
Clinical Performance and Sustainability[3] Committee	**£6 600**	n/a[2]	–
Investment Committee	**£6 600**	n/a[2]	–

[1] *Ian Tyler, previously the ANHG Chairman, has been appointed as the Senior Independent Director for MIP subsequent to the Combination.*

[2] *The Committee member fees were previously included in the fixed base Board fee.*

[3] *The Quality Committee was reconstituted as the Clinical Performance and Sustainability Committee in May 2016.*

TERMINATION ARRANGEMENTS FOR CRAIG TINGLE

Craig Tingle will step down from the role of Chief Financial Officer on 15 June 2016.

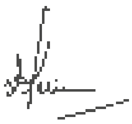
He will receive normal pay and benefits up to this time. No further payments have been agreed at this time. Any such payments, if made, would be disclosed shortly after his departure.

PACKAGE FOR JURGENS MYBURGH

Jurgens Myburgh takes on the role of Chief Financial Officer from 1 August 2016. He will receive a base salary of £319 000 per annum and receive benefits including private medical insurance. The Company will provide pension contributions of 9% of salary.

His bonus opportunity will be up to 100% of base salary (*pro rata* in the first year of appointment) and he will be eligible for awards under the 2016 LTIP grant, with his first award granted as soon as is practicable post joining and on similar terms to the 2016 awards granted to other executive directors.

Signed on behalf of the Remuneration Committee.



Trevor D Petersen
Chairman of the Remuneration Committee
25 May 2016

PRO FORMA STATEMENT OF DIRECTORS' REMUNERATION AT MEDICLINIC INTERNATIONAL LIMITED FOR THE FINANCIAL YEAR ENDING 31 MARCH 2016 (including Mediclinic International plc (formerly Al Noor Hospitals Group plc) in respect of the period from 15 February 2016 to 31 March 2016)

This part of the report is not required under the reporting regulations. It is provided for information only and does not form part of the Directors' Remuneration Report that will be subject to a vote at the annual general meeting.

The table below summarises Directors' remuneration received in the financial year ended 31 March 2016 for all MIL directors' appointed to the MIP Board. For the period from 1 April 2015 up to the Combination (15 February 2016) payments in respect of MIL are captured. From the date of the Combination until 31 March 2016, payments in respect of MIP are captured. The comparative figures for the previous financial year are the 12-month period to 31 March 2015, as disclosed in the 2015 Directors' Remuneration Report for MIL.

		SALARY £000	PENSION £000	ANNUAL BONUS £000	LONG-TERM INCENTIVES £000	OTHER BENEFITS £000	TOTAL REMUNERATION £000
EXECUTIVE DIRECTORS							
Danie Meintjes	2015/16	286	26	395	439	1	1 146
	2014/15	314	28	208	0	4	554
Craig Tingle	2015/16	215	20	249	250	2	736
	2014/15	245	22	162	0	2	431
NON-EXECUTIVE CHAIRMAN							
Edwin Hertzog	2015/16	72					72
	2014/15	37					37

		SALARY £000	PENSION £000	ANNUAL BONUS £000	LONG-TERM INCENTIVES £000	OTHER BENEFITS £000	TOTAL REMUNERATION £000
NON-EXECUTIVE DIRECTORS							
Alan Grieve	2015/16	124					124
	2014/15	78					78
Robert Leu	2015/16	123					123
	2014/15	78					78
Nandi Mandela	2015/16	35					35
	2014/15	16					16
Trevor D Petersen	2015/16	48					48
	2014/15	27					27
Desmond Smith	2015/16	58					58
	2014/15	31					31
JJ Durand	2015/16	30					30
	2014/15	22					22
NON-EXECUTIVE DIRECTOR TOTAL	2015/16	490					490
	2014/15	289					289

The sections below provide further detail of the remuneration shown in the table above.

SALARIES FOR 2015/16

Danie Meintjes' and Craig Tingle's salary in the table above reflects their salaries in the period from 1 April 2015 to 31 March 2016. Their salaries for the year were R14 780 167 and R10 118 970 respectively, translated into GBP at a rate of £1:ZAR20.73 at 31 March 2016.

BENEFITS FOR 2015/16

Danie Meintjes' and Craig Tingle's benefits include private medical insurance.

The executive directors participated in the Mediclinic Southern Africa defined contribution fund and received a 9% Company pension contribution, in line with the policy.

MIL ANNUAL BONUS FOR 2015/16

For 2015/16, the annual bonus opportunity for the CEO and CFO was 133% and 100% of salary respectively. The bonuses of Mediclinic International management are determined by a weighted average of the platform bonuses achieved.

The full annual bonus payable in the 2015/16 financial year will be paid in cash, subject to employment. Clawback provisions will apply.

The measures, targets and performance against them are set out below:

DANIE MEINTJES

MEASURE	WEIGHTING	ACHIEVED % OF MAXIMUM	WEIGHTED ACHIEVED % OF MAXIMUM	% OF SALARY
MCSA Bonus achieved	36%	58%	21%	28%
MCCH Bonus achieved	50%	94%	47%	63%
MCME Bonus achieved	14%	75%	10%	14%
TOTAL	**100%**		**78%**	**105%**

Consequently, the annual bonus achieved was 78% of a maximum bonus, therefore the amount awarded to Danie Meintjes was £236 163 (105% of salary, i.e. 78% of his 133% of salary). Translated into GBP at an exchange rate of £1: ZAR22.81 at 15 February 2016.

CRAIG TINGLE

MEASURE	WEIGHTING	ACHIEVED % OF MAXIMUM	WEIGHTED ACHIEVED % OF MAXIMUM	% OF SALARY
MCSA Bonus achieved	36%	58%	21%	21%
MCCH Bonus achieved	50%	94%	47%	47%
MCME Bonus achieved	14%	75%	10%	11%
TOTAL	**100%**		**78%**	**80%**

Consequently, the annual bonus achieved was 78% of a maximum bonus, therefore the amount awarded to Craig Tingle was £137 544 (78% of salary, i.e. 78% of his 100% of salary). Translated into GBP at a rate of £1: ZAR22.81 at 15 February 2016.

MIL LTI AWARDS VESTING IN 2015/16 – DANIE MEINTJES AND CRAIG TINGLE

Mediclinic International executives participate in a LTIP, namely a Forfeitable Share Plan ("FSP"). Awards in terms of the FSP to executives are dependent upon achievement of challenging pre-determined Company performance conditions and remain subject to the final discretionary approval of the Board. The purpose of the FSP is to provide executives with the opportunity to acquire shares in Mediclinic, ensuring that participant's interests are strategically aligned with shareholder interests. It further serves as a retention mechanism for strategic talent and a tool to attract prospective employees.

Participation in the scheme is at the discretion of the Remuneration Committee and is generally limited to employees whose role or contribution could directly influence the performance of the Group.

The performance conditions constitute a combination of absolute total shareholder return ("**TSR**") and normalised diluted headline earnings per share ("**HEPS**").

2014 MIL LTIP

PERFORMANCE SHARES

Award Date	31 July 2014
Employment Period	1 August 2014 – 31 May 2017
Performance Period	1 April 2014 – 31 March 2017
Vesting Date	The later of 31 May 2017 or the date upon which the Remuneration Committee has satisfied themselves that the Performance Condition has been met

	DATE OF GRANT	NUMBER OF SHARES [1]	FACE VALUE £000	END OF PERFORMANCE PERIOD	PERFORMANCE CONDITIONS
Danie Meintjes	31 July 2014	49 423	294	31 March 2017	See table below
Craig Tingle	31 July 2014	27 700	165	31 March 2017	See table below

[1] *The number of shares to be granted was determined based on the volume weighted average share price over one month prior to grant, which was £5.95 and translated at the exchange rate at grant of £1: ZAR18.02.*

PERFORMANCE CONDITION	THRESHOLD TARGET (30% VESTING)	STRETCH TARGET (100% VESTING)	ACTUAL	% VESTING
Absolute TSR (40%)	11%	18%	33.97%	40%
HEPS (60%)	Compounded South African Consumer Price Index (“CPI”) growth plus 2%	Compounded CPI growth plus 6%	Growth above compounded CPI of 6.57%	60%
TOTAL VESTING				**100%**

Due to the change of control of the Company occurring before the vesting date the performance period was brought forward to 30 September 2015 and accordingly tested. Final vesting will take place on the original vesting date, subject to service conditions being met.

Absolute TSR (40%) – was measured by taking the average TSR for 20 trading days preceding and including the start of the performance period (1 April 2014) and the average TSR for 20 trading days preceding and including the end of the performance period (30 September 2015). Absolute TSR performance was calculated with reference to the compounded annual growth rate in TSR.

HEPS (60%) – The growth in HEPS for the period 1 April 2014 to date must be greater than or equal to the growth in the South African Consumer Price Index (“CPI”) for the same period plus a fixed percentage per annum. Given that the performance period is shorter, the actual 2014 HEPS and the estimate 2016 HEPS were used.

The value of these awards at the end of the performance period, being 30 September 2015, was calculated as £259 965 for Danie Meintjes and £145 702 for the Craig Tingle, calculated at a share price of £5.26 per share.

2015 MIL LTIP

PERFORMANCE SHARES

Award Date	23 June 2015
Employment Period	1 June 2015 – 31 May 2018
Performance Period	1 April 2015 – 31 March 2018
Vesting Date	The later of 31 May 2018 or the date upon which the Remuneration Committee has satisfied themselves that the Performance Condition has been met

	DATE OF GRANT	NUMBER OF SHARES[1]	FACE VALUE £000	END OF PERFORMANCE PERIOD	PERFORMANCE CONDITIONS
Danie Meintjes	23 June 2015	43 524	196	31 March 2018	See table below
Craig Tingle	23 June 2015	25 405	114	31 March 2018	See table below

[1] *The number of shares to be granted was determined based on the volume weighted average share price over one month prior to grant, which was £4.50 and translated at the exchange rate at grant of £1: ZAR19.22.*

PERFORMANCE CONDITION	THRESHOLD TARGET (30% VESTING)	STRETCH TARGET (100% VESTING)	ACTUAL	% VESTING
Absolute TSR (40%)	8.5%	15.5%	Implied TSR growth 10.11%	18%
HEPS (60%)	Compounded South African Consumer Price Index ("CPI") growth plus 2%	Compounded CPI growth plus 6%	Growth above compounded CPI of 7.72%	60%
TOTAL VESTING				**78%**

Due to the change of control of the Company occurring before the vesting date, the performance period was brought forward to 30 September 2015 and accordingly tested. Final vesting will take place on the original vesting date subject to service conditions being met.

Absolute TSR (40%) – Given that the period to measure TSR is too short, the fair value (or expected value) valuation of the FSP instruments used for IFRS 2 to book the P&L charge for the three years of the grant, as determined by PWC actuarial service line, was used as basis.

The fair value (or expected value) of the FSP instrument for IFRS 2 purposes was calculated as 46.1 cents in the rand (or 46.1%). This fair value calculation is an indication of the vesting probability of the FSP instruments (i.e. 46.1%) and results in an implied TSR growth of 10.11% (see table on page 98).

HEPS (60%) – The estimate growth in HEPS from 1 April 2015 to 31 March 2016 must be greater than or equal to: The growth in the South African Consumer Price Index ("CPI") between 1 April 2015 and 31 March 2016 plus a fixed percentage per annum for the performance period.

The value of these awards at the end of the performance period, being 30 September 2015, was calculated as £178 572 for Danie Meintjes and £104 232 for the Craig Tingle, calculated at a share price of £5.26 per share.