

Mediclinic International plc
(Incorporated in England and Wales)
Company Number: 08338604
LSE Share Code: MDC
JSE Share Code: MEI
NSX Share Code: MEP
ISIN: GB00B8HX8Z88
LEI: 2138002S5BSBIZTD5I60
(“**Mediclinic**”, or the “**Company**”, or the “**Group**”)

21 January 2020

Update following July 2019 Annual General Meeting

Mediclinic International plc, a diversified private healthcare services group, refers to the outcome of the voting which took place at the July 2019 Annual General Meeting (“**AGM**”) in relation to the resolutions to approve Mediclinic’s Directors’ Remuneration Report (Resolution 2) and to authorise the Directors to allot ordinary shares (Resolution 18), which received 71.44% and 78.88% support from shareholders respectively.

The Company seeks to maintain regular dialogue with its shareholders to establish an open forum for discussion on key market and company-specific issues.

In relation to the Directors’ Remuneration Report, the key areas of focus highlighted by shareholders during and after the 2019 AGM process included:

- The performance metrics used for the purpose of the long-term incentive plan (“**LTIP**”), with particular feedback in relation to the use of a formal metric reflecting return on invested capital (“**ROIC**”);
- The short-term incentive (“**STI**”) to be focused on Group EBIT rather than EBITDA;
- The 2019 LTIP awards to the executives in light of share price performance in the prior year;
- Cash versus share-based settlement for deferred awards under the STI and the LTIP; and
- The treatment of incentive awards for the previous Chief Executive Officer on stepping down from his executive responsibilities.

Since the 2019 AGM, the Remuneration Committee has reflected carefully on the feedback received from shareholders as well as recent developments in the UK remuneration environment. Based thereon, the Committee reviewed the current Remuneration Policy and its implementation in light of the requirement for a revised Remuneration Policy to be put to a shareholder vote at the 2020 AGM, in line with the normal three-year cycle.

As part of the review, the Committee explored a range of alternative approaches and received independent specialist advice to develop an approach that appropriately aligns executives’ remuneration with the interests of shareholders; supports the execution of the Company’s long-term strategy in a way that is consistent with its culture and values; and complies with the 2018 UK Corporate Governance Code.

The Committee has consulted with shareholders and proxy advisory bodies on proposed changes to the approach to remuneration at Mediclinic going forward. The key changes currently proposed, that will be incorporated into the new Remuneration Policy at the 2020 AGM include:

- The use of a performance metric for the STI which incorporates depreciation and amortisation to reflect the asset base of the group and to improve alignment with shareholders;
- The inclusion in the LTIP of two new formal metrics that will measure the Group's ROIC and Patient Satisfaction to ensure that awards are aligned with the Group's long-term strategic goals;
- Settling deferred incentive awards in the form of shares rather than their cash equivalent at the end of the deferral period; and
- Other minor changes to reflect the provisions of the 2018 UK Corporate Governance Code.

The Committee is grateful for the time and constructive feedback that shareholders and the proxy advisory bodies have provided to date and will continue the engagement over the coming months as we seek to finalise the revised Remuneration Policy.

Further details on the revised Remuneration Policy and how it will be implemented in the financial year ending 31 March 2021 will be set out in the Company's Annual Report for the financial period ended 31 March 2020.

In relation to Resolution 18 to authorise the Directors to allot ordinary shares, the Board notes that the voting outcome reflects the differing market practice between the UK and South Africa, where shareholders in the latter jurisdiction usually approve more restricted levels of authority to issue shares and prefer to vote on the proposed allotments of shares on a case by case basis.

The Company has consulted regularly with its larger international shareholders on this matter. Many operate under policies that do not permit the UK standard level of authority to be supported, although a number do understand the Company's position. Although there is no present intention to exercise this authority, as a UK premium listed company, the Board considers it appropriate to seek authorities in line with the UK's Investment Association's Share Capital Management Guidelines, to allow the Company to respond to market developments and to enable allotments to take place to finance business opportunities as they arise. The Board will continue to engage with international shareholders on this topic, however, as the voting outcome reflects the difficulty in balancing the expectations of different markets, it is likely that there will continue to be significant votes against this resolution.

About Mediclinic International plc

Mediclinic is an international private healthcare services group, established in South Africa in 1983, with divisions in Switzerland, Southern Africa (South Africa and Namibia) and the United Arab Emirates.

The Group's core purpose is to enhance the quality of life.

Its vision is to be the partner of choice that people trust for all their healthcare needs.

Mediclinic is focused on providing specialist-orientated, multi-disciplinary services across the continuum of care in such a way that the Group will be regarded as the most respected and trusted provider of healthcare services by patients, medical practitioners, funders and regulators of healthcare in each of its markets.

As at 30 November 2019, Mediclinic comprised 77 hospitals, five sub-acute hospitals, 13 day case clinics and 22 outpatient clinics. Hirslanden operated 17 hospitals, two day case clinics

and three outpatient clinics in Switzerland with more than 1 900 inpatient beds; Mediclinic Southern Africa operations included 53 hospitals (three of which in Namibia), five sub-acute hospitals and nine day case clinics (four of which operated by Intercare) across South Africa, and more than 8 500 inpatient beds; and Mediclinic Middle East operated seven hospitals, two day case clinics and 19 outpatient clinics with more than 900 inpatient beds in the United Arab Emirates.

The Company's primary listing is on the London Stock Exchange ("LSE") in the United Kingdom, with secondary listings on the JSE Ltd ("JSE") in South Africa and the Namibian Stock Exchange ("NSX") in Namibia.

Mediclinic also holds a 29.9% interest in Spire Healthcare Group plc, a leading private healthcare group based in the United Kingdom and listed on the LSE.

For further information, please contact:

Investor Relations, Mediclinic International plc

James Arnold, Head of Investor Relations
ir@mediclinic.com
+44 (0)20 3786 8181

Media queries

FTI Consulting
Ben Atwell/Ciara Martin – United Kingdom
+44 (0)20 3727 1000
Sherryn Schooling – South Africa
+27 (0)21 487 9000

Registered address: 6th Floor, 65 Gresham Street, London, EC2V 7NQ, United Kingdom

Website: www.mediclinic.com

Joint corporate brokers: Morgan Stanley & Co International plc and UBS Investment Bank

JSE sponsor (South Africa): Rand Merchant Bank (A division of FirstRand Bank Limited)

NSX sponsor (Namibia): Simonis Storm Securities (Pty) Ltd