

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT IN RESPECT OF THE FINANCIAL YEAR ENDED 31 MARCH 2021

MEDICLINIC INTERNATIONAL PLC

ZERO TOLERANCE FOR SLAVERY, SERVITUDE, FORCED LABOUR AND HUMAN TRAFFICKING

INTRODUCTION

This statement is issued by Mediclinic International plc (the '**Company**' or '**Mediclinic**') in respect of the financial year ended 31 March 2021 ('**FY21**') and marks the sixth statement issued by the Company.

This statement is published in accordance with the Modern Slavery Act 2015 and confirms Mediclinic's continued commitment to preventing modern slavery and human trafficking in the workplace, as well as its supply chain, and sets out the steps the Company has taken to prevent any form of such practices in its business or indirectly through its supply chain. No material incidents of modern slavery, human trafficking or any violation of human rights were observed or reported on throughout Mediclinic or its subsidiaries (the '**Group**').

BUSINESS OVERVIEW



Mediclinic is a diversified 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, multidisciplinary 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 all stakeholders in each of its markets.

The Company’s primary listing is on the London Stock Exchange (**‘LSE’**) in the United Kingdom (**‘UK’**), with

secondary listings on the JSE Ltd in South Africa and the Namibian Stock Exchange in Namibia.

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

For further information on the Mediclinic business and its divisions, visit www.mediclinic.com.

APPROACH



ETHICAL FOUNDATION AND POLICIES

The Company’s commitment to sound ethical relations with all its stakeholders – clients, communities, employees and potential applicants, governments and authorities, healthcare insurers, industry associations, industry partners, investors, media, medical practitioners, professional societies and suppliers – forms part of the Group’s values and is of fundamental importance.

Mediclinic’s [Code of Business Conduct and Ethics](#) (the **‘Ethics Code’**) specifically prohibits, in relation to employees, child, forced and/or compulsory labour. It also confirms the Group’s commitment to treating employees fairly, with respect for their human rights and dignity, and to circumventing any indirect adverse human rights impact linked to the Group’s operations or services by its suppliers or industry associates. The Ethics Code provides that suppliers

and associates, as far as practical and reasonably possible, are evaluated on their approach to human rights prior to the conclusion of procurement or related agreements, and are required to uphold equivalent ethical standards as Mediclinic. The Group further confirms that it will not support or transact with any business involved in slavery or human trafficking and will act in accordance with all applicable legislation of the jurisdictions in which it conducts business.

TRAINING AND OVERVIEW OF KEY AREAS

The Mediclinic Board of Directors (the '**Board**'), as well as all relevant employees, particularly those managing employees, dealing with potential applicants and overseeing the supply chain, has been informed about the regulatory requirement to ensure an understanding of the risks and the Group's position on slavery and human trafficking; to manage those risks accordingly; and to stay abreast of global developments in this regard. This information forms part of the induction programme for all new Board members and relevant employees. Recognising that the greatest risk lies within the supply chain, awareness training is scheduled on an annual basis with all procurement business units within the Group, as well as new recruits, to ensure employees and suppliers can identify modern slavery and combat any such activities they may encounter.

RECRUITMENT

Human resources employees are cognisant of human trafficking and other forms of modern slavery and assist in the elimination thereof, especially in the Group's hiring practices, by sharing this information with their teams and by reporting any incidents.

SUPPLY CHAIN MANAGEMENT

For Mediclinic to deliver its services and continuously improve the experience of its clients, it is dependent on a range of diverse suppliers. The Group selects reputable manufacturers and has suppliers all over the world. It requires suppliers to support the elimination of human trafficking and modern slavery and to exercise due

diligence in their operations as well as in their supply chains. The Group relies on its suppliers to deliver superior products and services that conform to the Mediclinic standards and values. Suppliers are expected to adhere to the Group's applicable policies.

Several criteria play a role in selecting suppliers. Factors considered when selecting new suppliers or reviewing the contractual relationship with existing suppliers include:

- the reputation and stability of the organisation;
- compliance with relevant labour legislation, including health and safety legislation and relevant local and international standards;
- company values;
- ethical behaviour;
- mutual trust and respect;
- transparency; and
- a safe environment.

Currently, the majority of the supply chain is required to conform to the following supply chain criteria:

- ISO 9000 and/or ISO 13485 quality management certification;
- relevant ISO certification of the products utilised;
- CE¹ and/or FDA² certification;
- compliance to all relevant local regulations, including applicable labour legislation; and
- new technologies introduced to the Group must be supported by credible health technology assessments.

Once suppliers are selected, continuous reviews of global contracts are carried out to track performance.

Modern slavery and sustainability are standing agenda points in meetings with suppliers.

Due to the geographic diversity of the Group's operations and the potential for cost saving and improved efficiency, Mediclinic drives international procurement initiatives with the aim of unlocking synergies and implementing standardisation for the greater benefit of the Group. Medical Innovations (Pty) Ltd ('**Medical Innovations**'), a wholly owned South African subsidiary of the Company, was established to attend to the innovation, purchasing and distribution of a limited range of medical supplies and related products. In 2016, it achieved the internationally accepted ISO 13485:2016³ certification, which is audited annually by an external auditor from the BSI, the national standards body of the UK, to maintain its certification. Formal agreements with critical suppliers as well as supplier selection evaluation are key focus areas in the ISO certification process. Medical Innovations complies with all local regulations and is registered with the South African Health Products Regulatory Authority to import and export medical devices and consumable products.

A selection of supplier premises located in geographic areas that are considered high risk for instances of modern slavery and human trafficking are physically visited, inspected and audited by Mediclinic, prior to procurement contracts being concluded.

Notes

¹ CE marking is a certification mark that indicates conformity with health, safety and environmental protection standards for products sold within the European Economic Area ('**EEA**'). The CE marking is also found on products sold outside the EEA that are manufactured in, or designed to be sold in, the EEA. Manufacturing standards and labour practices are considered in this certification process.

² Companies exporting products from the United States are often asked by foreign customers or foreign governments to supply a certificate for products regulated by the Food and Drug Administration ('**FDA**'). The certificate is prepared by the FDA containing information about the product's regulatory or marketing status. All aspects of manufacturing are considered in this process, including labour practices.

³ ISO 13485:2016 specifies requirements for a quality management system where an organisation needs to demonstrate its ability to provide medical devices and related services that consistently meet customer and applicable regulatory requirements. This certification process has a specific section relating to supplier selection and contracting.

The Group Supply Chain Risk Management Policy has been implemented across all divisions. The purpose of this policy is to ensure that the Group maintains a reliable supply chain and that reputable service providers and safe products are utilised in all of its facilities. It provides the framework to realise the Group procurement philosophy; to identify, assess and mitigate supply chain risks; and to ensure compliance with all applicable regulations and legislation in all jurisdictions in which the Group operates. Internal audits are performed annually on all procurement departments to test compliance against supply chain policies and to identify areas for improvement.

During international procurement meetings where senior procurement team members from all divisions are present, the supply chain is assessed and training provided to increase awareness and identify potential areas of risk.

During 2020, the efficiency of the Group's ethics lines was reviewed and the service relaunched to ensure all stakeholders remain informed of the availability, dedicated process and confidentiality thereof. This entailed developing collateral for employees as well as suppliers to promote the reporting of any incidents of ethical concern.

DUE DILIGENCE AND RISK ASSESSMENT

A due diligence questionnaire forms part of the onboarding process with new suppliers and was also sent to a selection of the Company's existing suppliers during the reporting period to proactively assess risks relating to, *inter alia*, human rights, transparency and awareness. Positive responses were received from multinational suppliers indicating their initiatives to eliminate all risks relating to violations

of human rights in their organisation as well as their supply chain.

Although representatives of the Group procurement department were unable to physically visit manufacturers' facilities due to the travel restrictions imposed as a result of COVID-19, local agents were requested to attend to physical site inspections.

During 2020, factories of five manufacturers situated in high-risk jurisdictions were visited to assess operations. Mediclinic's representatives were equipped with the requisite information pertaining to modern slavery and related activities, the identification of signs of worker exploitation, and the manner in which to report any such instances.

No steps against suppliers were required as they all met the requisite standards to the representatives' reasonable knowledge and belief.

Should certain suppliers require training on modern slavery and human trafficking, assistance and guidance will be provided in order for the suppliers to improve related practices. Mediclinic employees that are involved in the purchasing of equipment or consumables are also bound to strict ethical principles ensuring that a high standard of integrity is maintained in the Group's supplier relationships.

COVID-19

The safety of employees, doctors, allied healthcare providers and patients has always been of utmost importance. Continuous education and training ensure that employees, doctors and allied healthcare providers remain informed on how to protect themselves and others.

Health and safety policies and procedures govern the hygiene,

health and safety of all Mediclinic facilities. Throughout the pandemic, additional infection prevention and control measures and protocols have been implemented to ensure a safe working environment. Social distancing is endorsed throughout the Group, with work-from-home arrangements enabled for qualifying employees.

Working hours are determined by operational requirements per division and per facility. Management has ensured continued health (including mental health) support for all frontline staff and recruitment practices are maintained.

The demand for personal protective equipment increased as a direct result of COVID-19, resulting in very few instances to new suppliers being contracted. However, Mediclinic maintained its supplier selection criteria and onboarding processes in this regard.

For more information on the Group's response to the COVID-19 pandemic, refer to the [2021 Annual Report](#).

MOVING FORWARD

Mediclinic does not tolerate any form of human rights violations and is committed to ensuring that no form of modern slavery, human trafficking or related exploitation occurs in any part of its operations. It recognises the responsibility to eliminate illegal practices that encroach and infringe upon human rights, as well as the need to respond to the reality of modern slavery.

The Group's anonymous toll-free ethics lines, which are managed by independent service providers, are available to all employees, suppliers and third parties who wish to report a concern that requires further investigation.

All reports are dealt with in a non-discriminatory and confidential manner. Any form of retaliation against an employee or other person making a report in good faith will not be tolerated.

Objectives for the next financial year:

- monitoring the implementation of all aspects of the Group Supply Chain Risk Management Policy across the Group by way of internal audits;
- continuing with the Group's annual due diligence questionnaire to

suppliers to proactively assess risks relating to, *inter alia*, human rights violations, and to improve transparency, create awareness and provide further insight into modern slavery and human trafficking;

- promoting awareness of human rights abuses within the divisions and providing the necessary training to key staff members to recognise and, most importantly, report such incidents; and
- considering trends, current practices and recommendations

developed by governments or other institutions on preventing modern slavery and human trafficking.

Approved by the Board on 25 May 2021.



Dame Inga Beale

Non-executive Chair of the Board