

A REFINED STRATEGIC APPROACH

During the year, the Group further refined its strategic intent to emphasise and prioritise the goals that will shape the Group's future state and ensure that in every geography it is able to attract returning clients who trust Mediclinic to enhance their quality of life across the physical and virtual continuum of care.

➤ Refer to the *Business model* on page 40 for more information.

The following FY21 strategic goals and transformation drivers have been repositioned for the year ahead.

GOAL: TO STRENGTHEN THE GROUP'S POSITION AS THE EMPLOYER OF CHOICE	GOAL: TO ACHIEVE SUPERIOR LONG-TERM FINANCIAL RETURNS	TRANSFORMATION DRIVER: SUSTAINABLE DEVELOPMENT
<p>Progress during FY21:</p> <ul style="list-style-type: none"> Further entrenched Diversity and Inclusion Strategy and Group purpose, vision and values Launched digital campus and commenced with integration of pockets of digital learning management elements in the Group future learning management system Successfully implemented integrated digital recruitment and recruitment marketing module in Switzerland and Southern Africa Implemented standardised reporting and introduced an advanced analytics human resources ('HR') dashboard with statistics and interactive data visualisation. Conducted annual Group-wide Gallup® employee engagement survey with participation rate of 77% Established several measures to support and safeguard employees during the pandemic 	<p>Progress during FY21:</p> <ul style="list-style-type: none"> Maintained returns-oriented decision-making at divisional, Group and Board level Embarked on Finance transformation process with an aligned strategy for the function and initiatives aimed at, <i>inter alia</i>, an aligned operating model, finance technology and process improvement Progressed with the implementation of a standard technology solution for indirect procurement based on an aligned blueprint across the Group 	<p>Progress during FY21:</p> <ul style="list-style-type: none"> Established Group Sustainable Development Forum to execute Group Sustainable Development Strategy Communicated Group Sustainable Development Strategy internally and externally Reviewed and established corporate social investment ('CSI') approaches across the Group Launched Group anti-bribery and corruption campaign to improve awareness and remarket the ethics lines <p>COVID DEVELOPMENT</p> <p>The implementation of the ISO 14001:2015 environmental management system at Hirslanden and Mediclinic Middle East was postponed to FY22.</p>
<p>Reason for repositioning:</p> <p>While an enabling factor to current and future success, being the employer of choice is not a determinant of the future state. Talent, however, remains of the utmost importance and positioning the Group as an employer of choice will remain a key focus area.</p> <p>Many of the FY21 employer of choice sub-goals have been incorporated into the social aspect of the Group Sustainable Development Strategy.</p>	<p>Reason for repositioning:</p> <p>While of key importance, achieving superior long-term financial returns is regarded as an outcome to successful strategy execution and capital allocation, and not a goal in and of itself. As such, it has been repositioned to form part of the short term incentive ('STI') and LTIP performance metrics.</p> <p>The sub-goal related to standardised and optimised product portfolios and e-procurement has been incorporated into the social aspect of the Group Sustainable Development Strategy.</p>	<p>Reason for repositioning:</p> <p>Due to healthcare's impact on the environment and the impact of climate change on the business, the environmental objectives have been elevated and incorporated into a Group strategic goal.</p> <p>All the objectives of the transformation driver are represented in the goals of the Group Sustainable Development Strategy.</p>

➤ Refer to the *Sustainable development overview* on page 51 and the **2021 Sustainable Development Report** for more information.

GOALS AND PROGRESS



PRINCIPAL AND EMERGING RISKS (AS DESCRIBED IN THE RISK MANAGEMENT REPORT ON PAGE 96)

1. Pandemics and infectious diseases
2. Disruptive innovation and digitalisation
3. Economic and business environment
4. Regulatory and compliance
5. Information systems security and cyberattacks
6. Competition
7. Workforce risks
8. Business projects
9. Patient safety and clinical quality
10. Availability and cost of capital
11. Financial and credit risk
12. Quality of service and operational stability
13. Business investments and acquisitions



TO BECOME AN INTEGRATED HEALTHCARE PROVIDER ACROSS THE CONTINUUM OF CARE

LINK TO PRINCIPAL AND EMERGING RISKS
1, 2, 3, 4, 5, 6, 8, 9, 10, 13

- Develop further service offerings based on the divisional business plans in the prevention, care, recovery and enhanced spaces
- Align the reimbursement models in each division with the respective continuum of care offering

PROGRESS DURING FY21:

The goal has been embedded throughout the organisation, with the development areas clearly defined per division.

FOCUS AREAS FOR FY22:

- Finalise divisional business plans and funding strategies
- Incorporate elements and partner with businesses to expand the Mediclinic network
- Develop key performance indicators ('KPIs') and measure progress against these



TO IMPROVE THE GROUP'S VALUE PROPOSITION SIGNIFICANTLY

LINK TO PRINCIPAL AND EMERGING RISKS
1, 3, 4, 6, 7, 8, 9, 12

- Aim for zero preventable harm to clients
- Reduce the 'cost of us'
- Partner with patients to create true patient centricity
- Develop patient care journeys which enable an integrated care delivery system and value-based healthcare

PROGRESS DURING FY21:

- Expanded disciplines covered by indication boards to include oncology, complex visceral and cardiac surgery, and bariatric surgery
- Standardised and shortened Press Ganey® patient experience survey, and expanded it to all care settings
- Implemented standardised taxonomy for complaints received via the survey tool
- Progressed well with the implementation of standardised event reporting software, completing successful pilots in two divisions, and the establishment of doctor-specific KPIs

COVID DEVELOPMENT

- Postponed the standardisation of obstetric care to FY22

FOCUS AREAS FOR FY22:

- Quantify and reduce variation in clinical care outcomes and complications of care
- Further expand patient-reported outcome measures
- Establish patient advocacy groups
- Measure client experience in integrated care solutions and virtual healthcare
- Standardise obstetric care
- Develop and implement an integrated care framework
- Pilot client-facing application for pregnancy and baby care pathway at Hirslanden and Mediclinic Southern Africa

GOAL CHANGE/S: 'Develop patient care journeys which enable an integrated care delivery system and value-based healthcare' has been introduced as a new sub-goal and further progress will be reported on in the **2022 Annual Report**.



TO TRANSFORM THE GROUP'S SERVICES AND CLIENT ENGAGEMENT THROUGH INNOVATION AND DIGITALISATION

LINK TO PRINCIPAL AND EMERGING RISKS
1, 2, 5, 6, 8, 10, 13

- Establish a radical innovation capability for the Group
- Optimise through automation as part of digital transformation
- Drive Group-wide departmental digital transformation
- Establish a comprehensive virtual care offering
- Optimise the use of people, technology and data through healthcare informatics to improve the safety, quality and cost of patient care

PROGRESS DURING FY21:


- Launched alternative care settings and treatment modalities, e.g. telemedicine and home care
- Facilitated critical care collaborative forum for specialist intensivists from all three divisions between April and August
- Electronic health record ('EHR'), patient data management system and radiology information system rolled out to AndreasKlinik Cham Zug and Klinik Stephanshorn as part of Hirslanden's HIT2020, a larger back-office centralisation project
- CareConnect health information exchange ('HIE') project progressed well at Mediclinic Southern Africa
- Concluded roll-out of EHR at Mediclinic Airport Road Hospital, the Al Ain clinics, Mediclinic Al Jowhara Hospital and Mediclinic Al Ain Hospital at Mediclinic Middle East
- Mediclinic Middle East integrated its EHR successfully with HIEs in both Dubai and Abu Dhabi

FOCUS AREAS FOR FY22:

- Develop innovation pipeline across the Group assisted by innovation management software
- Expand precision medicine offering
- Establish foundation to enable execution of Group Innovation Strategy
- Embed automation across several business functions
- Support the digital transformation of the broader Legal department
- Prioritise digital transformation efforts in the Group
- Evaluate client engagement platform functionality across the Group
- Integration of pre-diagnostic symptom checker in digital client offering
- Extend virtual ICU pilot
- Develop a virtual home care strategy for the Group
- Establish a roadmap for virtual command centres
- Standardise and define adoption of client relationship management systems

GOAL CHANGE/S: Innovation occurs on a continuum, starting at the core, moving through areas peripheral to the core and ending with radical innovation. Digital transformation is one of the means to achieve some of the innovation peripheral to the core. Mediclinic created a new portfolio of innovation and appointed a Chief Group Innovation Officer to oversee both functions. As such, the innovation transformation driver and the digitalisation sub-goals have been aligned to create a new strategic goal.

New sub-goals have been introduced and further progress will be reported on in the **2022 Annual Report**.



4

TO EVOLVE AS A DATA-DRIVEN ORGANISATION

LINK TO PRINCIPAL AND EMERGING RISKS
5

- Build a robust, modern and secure enterprise data lake that curates all data assets
- Manage data as a strategic company asset
- Develop a company culture of using data every day for fact-based decision-making
- Implement data-driven innovation using advanced analytics, AI and machine learning
- Develop a strategy and implementation plan for AI and machine learning solutions for the Group


PROGRESS DURING FY21:

- Implemented cohorts of analytical champions (citizen data scientists) across the organisation
- Established core Data Science and Information Management functions at all divisions
- Implemented Tableau as standard for data visualisation
- Automated data collection for various clinical indicators
- Developed various dashboards to measure operational performance and report and manage COVID-19 outcomes

FOCUS AREAS FOR FY22:

- Establish foundation for a true enterprise data lake and develop a roadmap to migrate data and analytical solutions and workload to cloud infrastructure
- Move data curation into the business as a core competency and improve data literacy across the Group
- Use AI to guide and automate a variety of critical decisions, virtual care processes and operational actions

GOAL CHANGE/S: The word 'analytics' has been replaced with 'data' to emphasise data curation as a core competency.



5

TO MINIMISE THE GROUP'S ENVIRONMENTAL IMPACT

LINK TO PRINCIPAL AND EMERGING RISKS
4, 12

- Become carbon neutral by 2030
- Have zero waste to landfill by 2030

PROGRESS DURING FY21:

Although this is a new goal, progress was made against the two sub-goals.

- Implemented standardised methodologies to capture and assure all carbon emission data
- Implemented data management system to capture and manage all environmental data across the Group
- Developed and implemented a Group Waste Management Policy

FOCUS AREAS FOR FY22:

- Conclude renewable energy purchase agreements at five Mediclinic Southern Africa facilities for 8GWh/year for implementation in FY22
- Photovoltaic ('PV') installations at 10 Mediclinic Southern Africa facilities, generating 4.9GWh/year
- CHF4m, ZAR40m and AED8m budgeted for green initiatives in FY22 at Hirslanden, Mediclinic Southern Africa and Mediclinic Middle East, respectively
- Conclude on annual targets and roadmaps to achieve carbon neutrality and have zero waste to landfill by 2030
- In collaboration with the Procurement department, review top suppliers' environmental practices and discuss plans to reduce packaging waste
- Implement ISO 14001:2015 Environmental Management System at three Hirslanden and five Mediclinic Middle East hospitals

GOAL CHANGE/S: This is a new goal which stems from the sustainable development transformation driver.



6

TO GROW IN EXISTING MARKETS AND EXPAND INTO NEW MARKETS

LINK TO PRINCIPAL AND EMERGING RISKS
3, 4, 6, 8, 10, 11, 13

- Grow in existing markets based on the continuum of care goal
- Expand into new markets

PROGRESS DURING FY21:

- Refer to the *Continuum of care* on page 38 for more information on expansion in existing markets
- Proactively searched for and investigated growth opportunities
- Completed market analyses of identified priority areas, including country and site visits

FOCUS AREAS FOR FY22:

- Expand PPPs
- Expand outpatient radiology and laboratory services across Switzerland
- Progress Hirslanden's defined growth strategy for day case clinics
- Launch precision medicine at Hirslanden and Mediclinic Middle East
- Expand acute hospital capacity and grow day case clinic footprint selectively in Southern Africa
- Embed and grow mental health capabilities at Mediclinic Southern Africa
- Embed renal dialysis service, and establish new chronic clinics at Mediclinic Southern Africa
- Launch home care, long-term care and mental health at Mediclinic Middle East
- Complete acquisition of Bourn Hall International MENA
- Open new wing at Mediclinic Airport Road Hospital
- Manage Al Murjan hospital project in Kingdom of Saudi Arabia
- Proactively build a pipeline of opportunities for future growth in priority markets
- Continue disciplined capital allocation to incremental international expansion
- Consider ad hoc opportunities for growth outside of priority markets

GOAL CHANGE/S: The sub-goal 'Attract, retain and engage doctors' was closed as it was decided that divisions will take individual responsibility for this area going forward aided by strategies developed collaboratively between divisions.

A new sub-goal has been introduced and further progress will be reported on in the **2022 Annual Report**.

PATIENT FIRST AT EVERY STEP

PREVENT, CARE, RECOVER AND ENHANCE

For close on four decades, Mediclinic has grown its expertise across geographies. The Group has earned a reputation of being a respected and trusted provider of healthcare services in each of its markets. It has put its *Patients First*.

Innovation both inside and outside healthcare is increasingly influencing the way clients perceive the quality of care, as well as how and where it should be offered. Expansion across the continuum of care widens the Group's service focus, improves accessibility, delivers integrated care solutions and creates the opportunity to form a lasting relationship with clients. It also allows the Group to deliver services in the most appropriate care setting at an optimal cost.

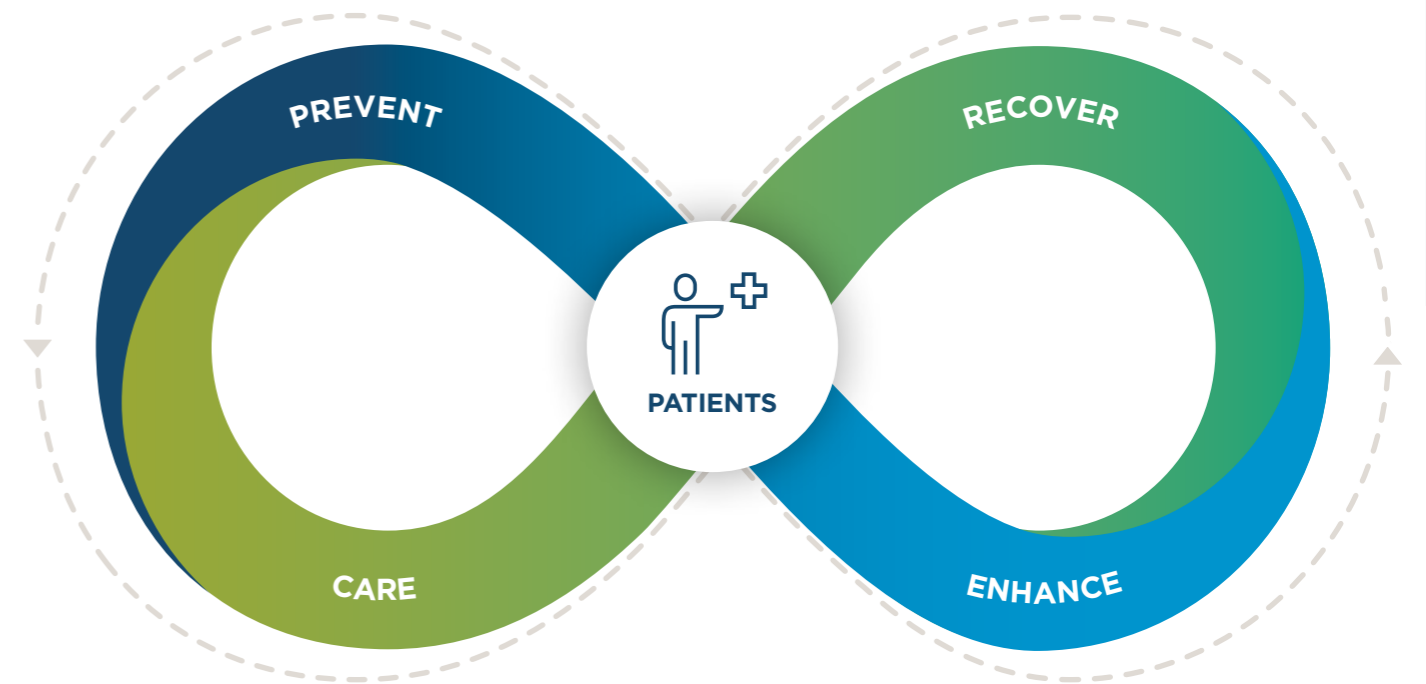
By embracing new healthcare provision channels and industry partners, Mediclinic progressed with its expansion during the year under review through acquisitions, partnerships, collaborations and its own direct investments. It also strengthened existing services through technology and innovation to support other corporates and improve services offered to clients.



I carefully considered the nature of the relationship between Mediclinic and those who make use of our services within an evolving healthcare landscape. A patient is a person receiving medical care; a client is a person who receives advice. The latter implies a level of trust and a long-term relationship that extends beyond mere treatment. We want our patients to interact with Mediclinic beyond the conventional treatment process, rather as a client who turns to us to enhance their quality of life.

Dr Ronnie van der Merwe
Group Chief Executive Officer

THE MEDICLINIC CONTINUUM OF CARE



PREVENT	CARE	RECOVER	ENHANCE	DIGITAL & CLIENT ENGAGEMENT	
<ul style="list-style-type: none"> Public health awareness campaigns in all three geographies More than 200 approved research studies across the Group Pilots launched for single electronic safety event reporting system in every facility across the Group Prepared for launch of genetics service Mediclinic Precise at Hirslanden and Mediclinic Middle East Six vaccination centres managed by Hirslanden Vaccine centres launched across the UAE by Mediclinic Middle East 	<ul style="list-style-type: none"> Hirslanden expanded Medbase partnership by establishing a radiology joint venture More than 10 COVID-19 test centres operated by Hirslanden Mediclinic Southern Africa partnered with independent oncology experts to host affiliated treatment centres, and with BGM Renal Care to establish renal service units Home delivery service for prescription medication and drive-through pharmacies at Mediclinic Middle East Mediclinic Middle East launched PCR drive-through testing stations throughout the UAE 	<ul style="list-style-type: none"> Hirslanden expanded services through two new PPPs Day case clinics opened at Mediclinic Bloemfontein and Mediclinic Cape Gate in South Africa and at Operationszentrum St. Gallen in Switzerland Surgical Review Corporation accredited Metabolic and Bariatric Surgery CoE at Mediclinic Airport Road Hospital in Abu Dhabi CCC opened at Mediclinic Airport Road Hospital in the UAE Mediclinic Middle East partnered with Mohammed Bin Rashid University of Medicine and Health Sciences and Al Jalila Children's Specialty Hospital to complete Dubai's first transplant surgeries using kidneys from living donors at Mediclinic City Hospital 	<ul style="list-style-type: none"> Mediclinic Middle East partnered with Abu Dhabi Department of Health to enrol patients into remote chronic disease management programme Mediclinic Middle East piloted remote patient monitoring 	<ul style="list-style-type: none"> Prepared for launch of genetics service Mediclinic Precise at Hirslanden and Mediclinic Middle East 	<ul style="list-style-type: none"> Virtual care in all three geographies Improved feedback channels by expanding Press Ganey® patient experience survey tool to cover all care settings Hirslanden introduced digital platform for repetitive testing, Together we test Hospital access control and pre-admissions apps introduced at Mediclinic Southern Africa Mediclinic Middle East's EHR integrated successfully with HIE in Abu Dhabi and Dubai Mediclinic Middle East partnered with Abu Dhabi Department of Health to enrol patients into remote chronic disease management programme Mediclinic Middle East piloted remote patient monitoring