

# CONTINUUM OF CARE

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. Within an evolving global healthcare landscape, clients and regulators want care solutions that are modern, convenient and, most importantly, affordable.

## SAFE, TRUSTED CLIENT-CENTRED CARE

Since 1983, 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*.

The client is entrenched in three of Mediclinic's organisational values: being client centred, trusting and respectful, and patient safety focused. Expansion across

the continuum of care will widen the Group's service focus, improve accessibility and create the opportunity to form a lasting relationship with clients and not only when they become patients. The expansion also allows the Group to deliver services in the most appropriate care setting at an optimal cost.

## PREVENT, CARE, ENHANCE AND RECOVER

By embracing new healthcare provision channels and industry partners which align with the Group's purpose to enhance the quality of life, Mediclinic progressed with its expansion across the continuum of care during the year under review through acquisitions, partnerships, collaborations and its own direct investments. It also strengthened existing services through technology to support other corporates and improve services offered to clients.

## THE MEDICLINIC CONTINUUM OF CARE

### PARTNERSHIPS

**medbase**

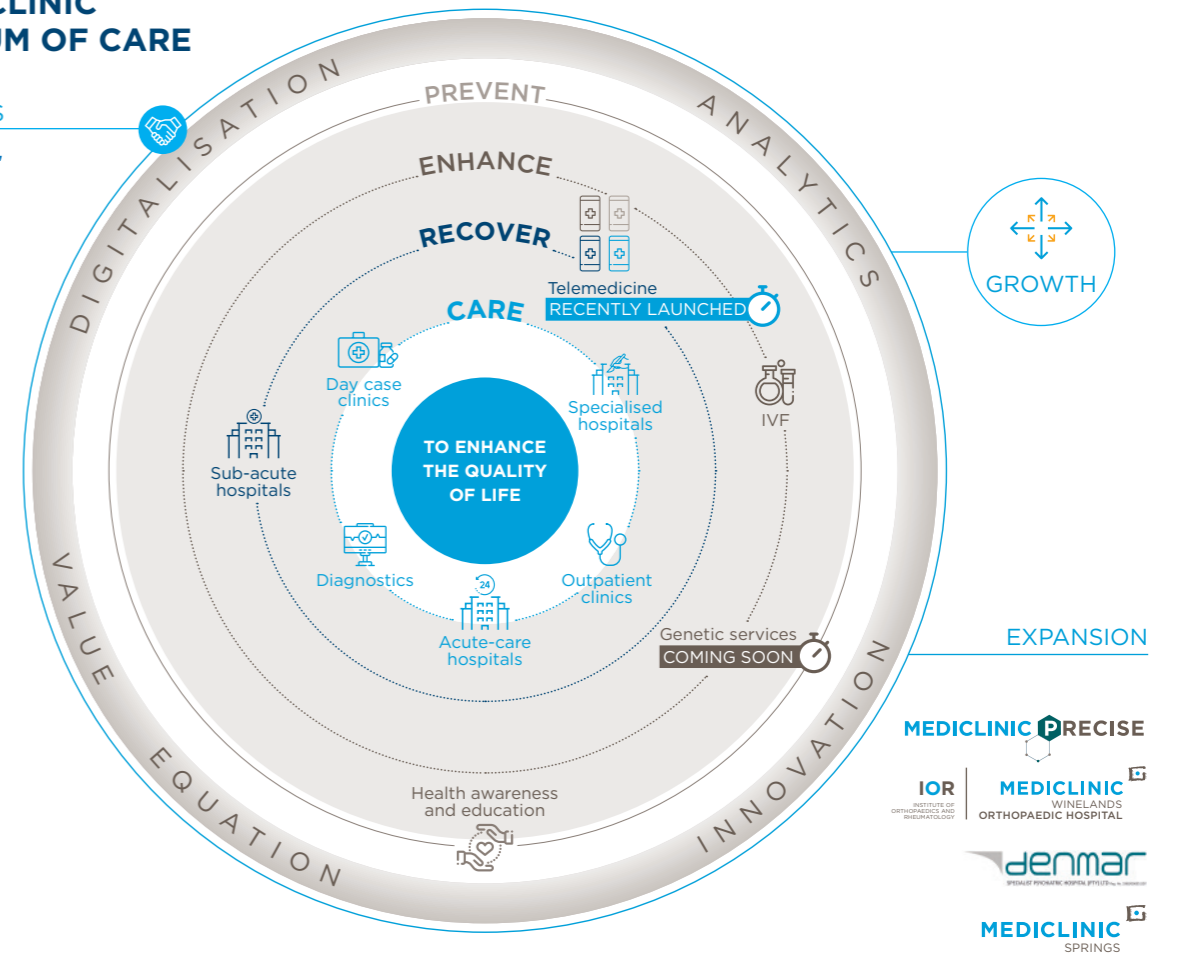


**HUG** Hôpitaux Universitaires Genève

**Kantonsspital Baselland**

**Intercare**

**Bourn Hall FERTILITY CLINIC**



### PREVENT

- Public health awareness campaigns in all three geographies
- More than 110 approved research studies across the Group

### CARE

- Hirslanden acquires Operationszentrum Zumikon, a day case clinic in Zurich (effective 1 April 2020)
- Klinik Hirslanden in Zurich offers CAR T-cell therapy for two types of lymphoma
- Mediclinic Winelands Orthopaedic Hospital and the Institute of Orthopaedics and Rheumatology form a specialist institute in South Africa
- Day case clinics open at Mediclinic Stellenbosch and Mediclinic Nelspruit in South Africa
- Hirslanden enters into network agreement with leading Swiss primary care provider Medbase (part of Migros)
- Hirslanden enters into PPP with HUG to establish day case clinic and with *Kantonsspital Baselland* for musculoskeletal disorder treatment
- Mediclinic Southern Africa acquires Denmar, a leading specialised mental hospital
- Mediclinic Middle East establishes trauma and urgent care centres, and a 24-hour paediatric service at Mediclinic Welcare Hospital and Mediclinic Parkview Hospital

### RECOVER

- Mediclinic Springs, a dedicated paediatric outpatient clinic, opens in Dubai

### ENHANCE

- Mediclinic Middle East completes construction of an IVF centre at Mediclinic Al Bateen in Abu Dhabi

### DIGITAL & CLIENT ENGAGEMENT

- Mediclinic Middle East's EHR integrates successfully with HIE in Abu Dhabi
- Mediclinic City Hospital in Dubai introduces card readers linked to Emirates ID, for automatic patient registration in the emergency centre
- Mediclinic Southern Africa implements Intellispace online foetal heart rate monitors in 23 obstetric units
- Mediclinic Southern Africa publicly publishes subset of hospital-specific clinical performance results

### FY21 PROGRESS

- Precision medicine at Hirslanden and Mediclinic Middle East

- Day case clinics at Mediclinic Southern Africa
- Home delivery service for prescription medication and drive-through pharmacies at Mediclinic Middle East

- Precision medicine at Hirslanden and Mediclinic Middle East

- Telemedicine at Mediclinic Southern Africa and Mediclinic Middle East

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

# STRATEGY, GOALS AND PROGRESS

## STRATEGY

The Group's business model and strategic intent have been refined to ensure that in every geography it is able to attract returning clients who trust Mediclinic to enhance their quality of life across the continuum of care. The Group is expanding to provide a seamless suite of healthcare services that prevent, treat, recover and enhance – all under the umbrella of a single, connected system.

The goals, progress and focus areas reported on in this section of the Annual Report are those of the Group; additional objectives, initiatives and action plans exist at divisional level to address strategic, operational and regulatory considerations unique to their respective geographies.

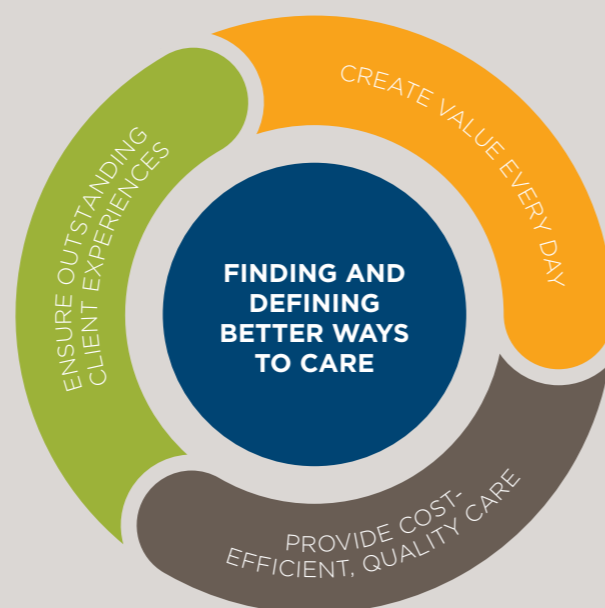
➤ Refer to the *Business model* on page 14 and the *Continuum of care* on page 44 for more information.

## GROUP PURPOSE

To enhance the quality of life

## GROUP VISION

To be the partner of choice that people trust for all their healthcare needs



## STRATEGIC GOAL 1: TO BECOME AN INTEGRATED HEALTHCARE PROVIDER ACROSS THE CONTINUUM OF CARE

Defining and developing a service model which will enable an integrated healthcare provider network

SUB-GOALS/OBJECTIVES	PROGRESS DURING FY20	FOCUS AREAS FOR FY21 <sup>1</sup>
<ul style="list-style-type: none"> <li>Define Mediclinic continuum of care model</li> <li>Identify gaps in current business model when compared to continuum of care model</li> <li>Gather data on the impact of care migration</li> <li>Develop divisional continuum of care business plans</li> <li>Develop system to manage care across continuum of care</li> <li>Finalise hospital infrastructure for the future</li> <li>Finalise staffing requirements</li> <li>Finalise future funding plan</li> </ul>	<ul style="list-style-type: none"> <li>Established Group and divisional continuum of care committees</li> <li>Completed market analysis per division</li> <li>Defined categories and corresponding disciplines across continuum of care, and subsequently the Mediclinic continuum of care model</li> <li>Finalised funding plan of the future</li> <li>Investigated systems to manage patients across the continuum of care (i.e. Care Direct)</li> <li>Commenced with defining hospital infrastructure of the future and determining digital and data requirements</li> </ul>	<ul style="list-style-type: none"> <li>Complete analysis on the impact of care migration</li> <li>Finalise business plan</li> <li>Define impact of continuum of care on hospital infrastructure of the future</li> <li>Finalise system to manage care across the continuum of care</li> <li>Continue to implement further services along the continuum of care according to the divisional development plans</li> </ul>

## STRATEGIC GOAL 2: TO IMPROVE OUR CLIENT VALUE PROPOSITION SIGNIFICANTLY

Enhancing the wellbeing of clients by improving all aspects of the value equation

SUB-GOALS/OBJECTIVES	PROGRESS DURING FY20	FOCUS AREAS FOR FY21 <sup>1</sup>
<ul style="list-style-type: none"> <li>Significantly reduce the 'cost of us'</li> </ul>	<ul style="list-style-type: none"> <li>Commenced implementation of fixed fee payment models for private paying patients in Mediclinic Southern Africa to ensure fair and transparent offerings</li> <li>Progressed with the creation of indication boards to review and guide the treatment decisions of highly complex cases, e.g. oncology, highly complex visceral surgery, etc.</li> <li>Proactively migrated selected elective cases to day case clinics</li> <li>Actively participated in network arrangements with funders that offer value-based contracting</li> </ul>	<ul style="list-style-type: none"> <li>Quantify and monitor effect of treatment at alternative care settings (incl. digital and home-based settings)</li> <li>Optimise preadmission and discharge, as well as post-discharge care</li> <li>Expand enhanced recovery after surgery initiatives (erassociety.org)</li> <li>Create standardised framework for indication quality boards for oncology and highly specialised medicine</li> </ul>
<ul style="list-style-type: none"> <li>Significantly improve client experience</li> </ul>	<ul style="list-style-type: none"> <li>Shortened and standardised Press Ganey® client experience survey to allow for internal and external benchmarking</li> <li>Expanded client experience surveys to include emergency centres, day case clinics and paediatrics, and provide a wider view of quality of client experience</li> <li>More closely aligned client experience and patient safety to create integrated view of patient care</li> <li>Instituted various digital tools to simplify client engagement and support remote interactions</li> </ul>	<ul style="list-style-type: none"> <li>Improve Press Ganey® patient experience survey response rate per division to 22% or more</li> <li>Align divisional Press Ganey® overall mean score targets</li> <li>Implement digital solution to capture and report on patient experience</li> <li>Standardise compliments and complaints management and reporting</li> </ul>
<ul style="list-style-type: none"> <li>Improve clinical outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Hosted Group patient safety workshop for leadership (attended by 130 management employees)</li> <li>Intellispace online foetal heart rate monitors implemented in 23 Mediclinic Southern Africa obstetric units allowing for remote monitoring of patients and improved care</li> <li>Commenced with implementing a standardised adverse event reporting system across the Group</li> </ul>	<ul style="list-style-type: none"> <li>Implement standardised adverse event and risk management tool</li> <li>Create and implement e-learning curriculum for clinical quality indicators focused on clinical care</li> <li>Standardise medication management and obstetric emergency training</li> <li>Establish doctor-specific KPIs</li> <li>Expand on remote patient monitoring</li> </ul>

**STRATEGIC GOAL 3: TO TRANSFORM OUR HEALTHCARE SERVICES AND CLIENT ENGAGEMENT THROUGH DIGITALISATION**

Building and implementing new, client-centred solutions to connect data, improve systems and processes, expand services and empower clients



SUB-GOALS/OBJECTIVES	PROGRESS DURING FY20	FOCUS AREAS FOR FY21 <sup>1</sup>
<ul style="list-style-type: none"> <li>Provide digital capabilities for enhanced client engagement, care delivery, continuum of care and business efficiencies</li> </ul>	<ul style="list-style-type: none"> <li>Completed digital blueprint for continuum of care and for clinical solutions</li> <li>Enabled client relationship management/contact centre capability</li> </ul>	<ul style="list-style-type: none"> <li>Develop patient engagement portals for each division</li> <li>Create digital clinical solutions for the Group (e.g. telemedicine platforms)</li> <li>Create digital solutions for continuum of care</li> <li>Roll out virtual critical care collaborative sessions across Group (in light of COVID-19)</li> </ul>
<ul style="list-style-type: none"> <li>Establish the foundations of digital healthcare</li> </ul>	<ul style="list-style-type: none"> <li>Progressed HIT2020 at Hirslanden</li> <li>Established client digital platform at Mediclinic Southern Africa</li> <li>Progressed Bayanaty project (EHR) at Mediclinic Middle East</li> </ul>	<ul style="list-style-type: none"> <li>Further progress the roll-out of HIT2020 at Hirslanden, client digital platform at Mediclinic Southern Africa and Bayanaty project (EHR) at Mediclinic Middle East</li> </ul>
<ul style="list-style-type: none"> <li>Ensure effective digital leadership, governance and readiness across the Group</li> </ul>	<ul style="list-style-type: none"> <li>Appointed Group General Manager: Digital Transformation</li> <li>Established central digital steering group and divisional digital working groups</li> <li>Established Group digital initiative register</li> <li>Built digital lexicon reference to align Group-wide digital communication</li> </ul>	<ul style="list-style-type: none"> <li>Mature divisional digital working groups</li> <li>Leverage governance framework for digital initiatives</li> <li>Establish digital alignment with Innovation and Data Science and Information Management functions</li> <li>Maintain and review digital initiatives register</li> </ul>

**STRATEGIC GOAL 4: TO EVOLVE AS AN ANALYTICS-DRIVEN ORGANISATION**

Translating healthcare and client data into decision enablers and combining insights derived from data and experience to create new, scalable, client-centred services



SUB-GOALS/OBJECTIVES	PROGRESS DURING FY20	FOCUS AREAS FOR FY21 <sup>1</sup>
<ul style="list-style-type: none"> <li>Enable fact-based strategic and operational decisions</li> <li>Improve and manage data assets</li> <li>Implement data-driven innovation</li> </ul>	<ul style="list-style-type: none"> <li>Analytics and Reporting, Enterprise Information Management and Health Information Management departments integrated to form Data Science and Information Management function</li> <li>Established Analytics function at Mediclinic Middle East that forms part of core Group function</li> <li>Established in-house machine learning capability and implemented state-of-the-art machine learning tools</li> <li>Applied machine learning for optimal emergency services staffing</li> </ul>	<ul style="list-style-type: none"> <li>Establish and support cohort of analytical champions (citizen data scientists) across the organisation</li> <li>Establish core Analytics functions at all divisions</li> <li>Improve data visualisation capability to improve storytelling from data</li> <li>Establish a graded data inventory of data sources for the Group</li> <li>Automate data collection for clinical indicators for all divisions</li> <li>Embed machine learning to improve operational decision-making and automation</li> <li>Establish ESG reporting solution</li> <li>Create management information system</li> </ul>

**STRATEGIC GOAL 5: TO STRENGTHEN OUR POSITION AS THE EMPLOYER OF CHOICE**

Ensuring a culture that enables the achievement of strategic goals and the pursuit of the Group's purpose by attracting top talent and valuing diversity and inclusion



SUB-GOALS/OBJECTIVES	PROGRESS DURING FY20	FOCUS AREAS FOR FY21 <sup>1</sup>
<ul style="list-style-type: none"> <li>Drive employee engagement towards enhancing the quality of life of clients</li> </ul>	<ul style="list-style-type: none"> <li>Conducted annual Group-wide Gallup® employee engagement survey with participation rate of 83%</li> <li>Included first diversity and inclusion culture survey within engagement measurement</li> <li>Implemented action planning on team-level based on engagement survey results</li> <li>Commenced with implementation of a Group-wide Diversity and Inclusion Strategy</li> <li>Defined Group-wide leadership development framework</li> <li>Reviewed current incentive plan to align Mediclinic Group Strategy with envisaged behaviour and to attract and retain affected employees</li> <li>Implemented new Group-wide workforce engagement requirements as per 2018 Corporate Governance Code</li> </ul>	<ul style="list-style-type: none"> <li>Review performance management across the Group</li> <li>Further entrench the Diversity and Inclusion Strategy, incl. digital campus</li> <li>Further entrench Group purpose, vision and values</li> <li>Participate in United Nations Women's Empowerment Principles initiative</li> </ul>
<ul style="list-style-type: none"> <li>Enhance Mediclinic's market identity to attract talent</li> </ul>	<ul style="list-style-type: none"> <li>Completed first phase of implementing integrated digital recruitment module at Mediclinic Middle East</li> <li>Developed Group careers website</li> <li>Reviewed current incentive plan to align Mediclinic Group Strategy with envisaged behaviour and to attract and retain affected employees</li> </ul>	<ul style="list-style-type: none"> <li>Implement integrated digital recruitment and recruitment marketing module at Hirslanden and Mediclinic Southern Africa</li> <li>Define and implement Group employer marketing strategy</li> </ul>
<ul style="list-style-type: none"> <li>Gain efficiency and effectiveness by transforming the human resources organisation and service delivery model</li> </ul>	<ul style="list-style-type: none"> <li>Continued to standardise international processes and further develop and implement digitalisation of human resources to lower associated service delivery cost and increase service quality</li> <li>Standardised data and data definitions to enable centralised reporting, ensuring timeous and focused decision-making</li> </ul>	<ul style="list-style-type: none"> <li>Further integrate and consolidate human resources system landscape and progress with implementation of <i>HR Aligned</i> digitalisation initiative</li> <li>Optimise recruitment, onboarding and offboarding processes to increase efficiencies</li> <li>Continue implementation of human resources shared services at all divisions</li> <li>Finalise Group data warehouse to standardise reporting and data access</li> </ul>

### STRATEGIC GOAL 6: TO GROW IN EXISTING MARKETS AND EXPAND INTO NEW MARKETS

Ensuring organic growth and acquired expansion add value to the organisation



SUB-GOALS/OBJECTIVES	PROGRESS DURING FY20	FOCUS AREAS FOR FY21 <sup>1</sup>
<ul style="list-style-type: none"> <li>Develop and implement structured approach to enter new markets</li> </ul>	<ul style="list-style-type: none"> <li>Defined general criteria, aligned with broader strategy, for prioritising and evaluating growth opportunities</li> <li>Established International Growth Committee (subcommittee of Group Executive Committee) to identify and consider possible international expansion opportunities and provide feedback on progress against strategic growth objective to Group Executive Committee</li> <li>Identified priority areas in Europe, Middle East, North Africa, Sub-Saharan Africa and internationally to proactively investigate as growth opportunities</li> <li>Entered into a partnership with Al Murjan to establish internationally accredited 200-bed private hospital in Jeddah, Saudi Arabia</li> </ul>	<ul style="list-style-type: none"> <li>Proactively search for and investigate growth opportunities</li> <li>Complete market analyses of identified priority areas, incl. country and site visits</li> <li>Create pipeline of opportunities for future growth</li> </ul>
<ul style="list-style-type: none"> <li>Grow in existing markets based on continuum of care goal</li> </ul>	<ul style="list-style-type: none"> <li>Hirslanden and Swiss primary care provider Medbase (part of Migros) entered into network agreement</li> <li>Hirslanden acquired Operationszentrum Zumikon, a day case clinic in Zurich (effective 1 April 2020)</li> <li>Mediclinic Winelands Orthopaedic Hospital and the Institute of Orthopaedics and Rheumatology formed specialist institute in South Africa</li> <li>Mediclinic Southern Africa acquired Denmar, a leading specialised mental hospital</li> <li>Day case clinics opened at Mediclinic Stellenbosch and Mediclinic Nelspruit in South Africa</li> <li>Mediclinic Springs, a dedicated paediatric outpatient clinic, opened in Dubai</li> <li>Completed upgrade of Mediclinic Al Noor Hospital entrance, ground and mezzanine floors in Abu Dhabi</li> <li>Mediclinic Middle East completed construction of an IVF centre at Mediclinic Al Bateen in Abu Dhabi</li> </ul>	<ul style="list-style-type: none"> <li>Launch precision medicine service at Hirslanden and Mediclinic Middle East</li> <li>Expand outpatient radiology and laboratory services across Switzerland</li> <li>Acquire Klerksdorp hospitals in South Africa, subject to Competition Commission's Constitutional Court appeal</li> <li>Explore opportunities across the continuum of care at Mediclinic Southern Africa, incl. oncology, dialysis and radiology</li> <li>Open new wing at Mediclinic Airport Road Hospital in Abu Dhabi</li> </ul>

SUB-GOALS/OBJECTIVES	PROGRESS DURING FY20	FOCUS AREAS FOR FY21 <sup>1</sup>
<ul style="list-style-type: none"> <li>Attract, retain and engage doctors</li> </ul>	<ul style="list-style-type: none"> <li>Established steering committee and working groups</li> <li>Formalised five priorities:                             <ul style="list-style-type: none"> <li>Standardisation of doctor landscape</li> <li>Data visualisation and harmonisation</li> <li>Multichannel marketing</li> <li>Doctor relationship mobile application</li> <li>Training fellowships</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Implement doctor landscape at divisional level</li> <li>Create standardised doctor reporting metrics (non-clinical) across divisions</li> <li>Develop unified marketing plan for doctor recruitment</li> <li>Implement doctor engagement surveys for all supporting Mediclinic doctors across the Group</li> <li>Create and implement cross-divisional training/academic programme for doctors</li> </ul>

### STRATEGIC GOAL 7: TO ACHIEVE SUPERIOR LONG-TERM FINANCIAL RETURNS

Analysing and realising further synergies across the Group and at divisional level



SUB-GOALS/OBJECTIVES	PROGRESS DURING FY20	FOCUS AREAS FOR FY21 <sup>1</sup>
<ul style="list-style-type: none"> <li>Standardise and optimise product portfolios and implement e-procurement</li> <li>Develop strategy for finance transformation</li> <li>Exploit synergies arising from cloud strategy</li> </ul>	<ul style="list-style-type: none"> <li>Established investment criteria and hurdle rates for investments across all countries of operation</li> <li>Institutionalised investment review process, aimed at evaluating all investments, approved by Group Executive Committee, investment committee of the Board and the Board</li> <li>Launched initiative within Finance function to achieve improved standardisation and consistency of business processes, aimed at realising Group efficiencies and providing a process automation platform</li> <li>Approved framework to enhance Group-wide procurement synergies and savings by embracing digitalisation; improving spend visibility and control; simplifying human interface; and driving adoption of standardised procurement processes across the Group</li> <li>Defined and commenced with implementation of cloud strategy</li> <li>Included return on invested capital ('ROIC') as formal long-term incentive plan ('LTIP') measure, as proposed in new Remuneration Policy</li> </ul>	<ul style="list-style-type: none"> <li>Ensure good decision-making and capital allocation in line with established investment criteria</li> <li>Progress with initiative to achieve standard and consistent business processes to unlock further synergies in Finance function</li> <li>Establish framework for improved efficiency in Finance function by identifying processes for and methods to standardise and/or automate</li> <li>Develop Group blueprint for standardised procurement procedures and implement pilot e-procurement project at Hirslanden aimed at achieving procurement synergies across indirect spend categories</li> <li>Leverage cloud optimisation synergies e.g. shared services, and rapidly realise subsequent savings, e.g. alternative international network infrastructure</li> </ul>

### TRANSFORMATION DRIVER 1: INNOVATION

Developing and implementing an innovation strategy to diversify conventional revenue streams and ensure more personalised and precise client care



OBJECTIVES	PROGRESS DURING FY20	FOCUS AREAS FOR FY21 <sup>1</sup>
<ul style="list-style-type: none"> <li>• Increase relevance across the continuum of care</li> <li>• Develop new revenue streams</li> <li>• Self-disrupt own business models in time</li> <li>• Expand innovation pipeline for the Group</li> </ul>	<ul style="list-style-type: none"> <li>• Appointed Group General Manager: Innovation</li> <li>• Developed and approved comprehensive Group Innovation Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Establish innovation teams</li> <li>• Develop innovation pipeline across the Group assisted by innovation management software</li> <li>• Expand precision medicine offering</li> <li>• Establish foundation to enable execution of Group Innovation Strategy</li> </ul>

### TRANSFORMATION DRIVER 2: SUSTAINABLE DEVELOPMENT

Developing and implementing a sustainable development strategy to ensure that every day Mediclinic improves sustainability by managing its resources responsibly and efficiently to the benefit of its stakeholders and the environment



OBJECTIVES	PROGRESS DURING FY20	FOCUS AREAS FOR FY21 <sup>1</sup>
<ul style="list-style-type: none"> <li>• Neutralise the Company's environmental impact</li> <li>• Be the partner of choice that all stakeholders trust</li> <li>• Strengthen the corporate culture to remain an ethical and responsible corporate citizen</li> </ul>	<ul style="list-style-type: none"> <li>• Formalised a Group Sustainable Development Strategy</li> <li>• Reviewed and updated the Group's material issues relating to sustainable development</li> <li>• Improved on reporting standardisation across the Group</li> <li>• Finalised statement on climate change and becoming carbon neutral by 2030</li> <li>• Finalised statement on having zero waste to landfill by 2030</li> </ul>	<ul style="list-style-type: none"> <li>• Communicate Sustainable Development Strategy internally and externally</li> <li>• Implement Sustainable Development Strategy across the Group</li> <li>• Implement environmental management system (ISO 14001:2015) at Hirslanden and Mediclinic Middle East</li> <li>• Develop and align Group corporate social investment ('CSI') focus</li> <li>• Develop and launch Group anti-bribery and corruption campaign to improve awareness</li> </ul>

**Note**

<sup>1</sup> Focus areas identified pre-COVID-19. It is possible that the pandemic could impact the timing of deliverables.

