

# OUR STRATEGY, GOALS AND PROGRESS

## GOALS AND PROGRESS IN THE 2019 FINANCIAL YEAR

During the reporting period, Mediclinic focused on creating long-term shareholder value through:

- putting *Patients First*;
- improving Group and operational efficiencies;
- pursuing attractive growth opportunities; and
- leveraging the Group's international scale; while
- continuing to invest in employees, ICT and analytics.

STRATEGIC PRIORITIES		DESCRIPTION	PROGRESS 2019 FINANCIAL YEAR
<p><b>PUTTING PATIENTS FIRST</b></p> <p>More information on this priority is included in the <b>Clinical services overview</b> on page 41 and the more detailed <b>Clinical Services Report</b> available on the Company's website at <a href="https://investor.mediclinic.com/results-centre/results-and-reports">https://investor.mediclinic.com/results-centre/results-and-reports</a></p>	<p><b>SUPERIOR CLINICAL PERFORMANCE IN A SAFE CLINICAL ENVIRONMENT</b></p>	<p>The Group strives to deliver superior clinical performance through efficient structures, processes and outcomes in accordance with the Group clinical performance framework.</p>	<ul style="list-style-type: none"> <li>• Further strengthened clinical leadership at hospital and corporate levels across all divisions and the Group.</li> <li>• Established a formal Clinical Performance Committee for Mediclinic Southern Africa.</li> <li>• Strengthened the application of health technology assessment as the cornerstone of making clinical investment and process decisions to the benefit of the Group.</li> <li>• Established an Internal Audit function for clinical services.</li> </ul>
	<p><b>IMPROVE PATIENT EXPERIENCE</b></p>	<p>The Group strives to deliver superior patient experience before, during and after treatment, through efficient structures, processes and outcomes to identify and respond to the needs of patients, family members and visitors.</p>	<ul style="list-style-type: none"> <li>• Managed the patient experience indices and worked toward improvement targets across the Group.</li> <li>• Maintained the patient experience index overall mean score for Hirslanden at 87.6% (2018: 87.8%) and for Mediclinic Southern African at 82.2% (2018: 81.9%). The index overall mean score for Mediclinic Middle East improved from 82.7% in 2018 to 85.6% in 2019.</li> </ul>
	<p><b>DELIVER INTEGRATED AND COORDINATED CARE</b></p>	<p>The Group strives to become a horizontally integrated healthcare system provider by focusing on effective collaboration with associated medical practitioners and allied healthcare professionals.</p>	<ul style="list-style-type: none"> <li>• Strengthened relationships with medical practitioners to reduce fragmentation and enhance the patient value proposition across the Group.</li> <li>• Initiated the rollout of an EHR at Hirslanden and Mediclinic Middle East.</li> <li>• Strengthened research initiatives across the Group, especially at Mediclinic Middle East where 45% of the research projects are due to a collaboration with MBRUHS.</li> </ul>
<p><b>IMPROVING GROUP AND OPERATIONAL EFFICIENCIES</b></p> <p>More information on this priority is included in the <b>Chief Executive Officer's Review</b> on page 24.</p>		<p>The Group strives to use combined international capacity and effective collaboration to achieve Group efficiencies through the principles of simplification, standardisation and centralisation.</p>	<p>Refer to the <b>Divisional Reviews</b> from page 62 for more information.</p>

# OUR STRATEGY, GOALS AND PROGRESS (CONTINUED)

STRATEGIC PRIORITIES	DESCRIPTION	PROGRESS 2019 FINANCIAL YEAR
<p><b>CONTINUING TO GROW</b> More information on this priority is included in the <b>Chief Executive Officer’s Review</b> on page 24.</p>	<p>The Group strives to increase the performance of the business by identifying and pursuing growth opportunities.</p>	<p>Refer to the <b>Divisional Reviews</b> from page 62 for more information.</p>
<p><b>CONTINUING TO ADDRESS THE BUSINESS ENVIRONMENT</b> More information on this priority is included in the <b>Chief Executive Officer’s Review</b> on page 24.</p>	<p>In order to minimise risk to the business, the Group positions itself to effectively respond to changes in the business environment.</p>	<p>Engaged continuously with regulators to monitor and influence the regulatory environment in all divisions.</p>
<p><b>INVESTING IN EMPLOYEES</b> More information on this priority is included in the <b>Sustainable development overview</b> (material issue 1) on page 76 and the more detailed <b>Sustainable Development Report</b> available on the Company’s website at <a href="https://investor.mediclinic.com/results-centre/results-and-reports">https://investor.mediclinic.com/results-centre/results-and-reports</a></p>	<p>The Group strives to provide human resources services to attract, develop, engage and retain a diverse workforce that effectively enables its objectives and performance.</p>	<ul style="list-style-type: none"> <li>• Increased the overall participation rate in the annual <i>Your Voice</i> Gallup® employee engagement programme to 82% (2018: 77%), higher than the Gallup® Healthcare (peer) overall participation rate of 78%.</li> <li>• Increased <i>Your Voice</i> employee engagement grand mean scores across all divisions and, consequently, across the Group.</li> <li>• Significantly improved the ratio of Engaged to Actively Disengaged employees to 4.5:1 (2018: 3.33:1).</li> <li>• Continuously entrenched trackable action planning by line managers toward improving employee engagement.</li> </ul>
<p><b>INVESTING IN ICT</b></p>	<p>ICT solutions and support across the Group should effectively enable business objectives and performance.</p>	<ul style="list-style-type: none"> <li>• Progressed with the rollout of SAP at Hirslanden (enabling business process standardisation and centralisation).</li> <li>• Completed phase 1 rollout of the SAP SuccessFactors-based HR system across the Group.</li> <li>• Progressed with EHR systems across the Group, especially at Mediclinic Middle East where implementation is in progress.</li> <li>• Completed the rollout of a Group-wide digital marketing platform.</li> <li>• Progressed with a Group-wide data privacy programme based on the principles and standards of the General Data Protection Regulation (“GDPR”).</li> <li>• Further enhanced the information security capabilities of the Group.</li> </ul>
<p><b>INVESTING IN ANALYTICS</b> More information on this priority is included in the <b>Clinical services overview</b> on page 41 and the more detailed <b>Clinical Services Report</b> available on the Company’s website at <a href="https://investor.mediclinic.com/results-centre/results-and-reports">https://investor.mediclinic.com/results-centre/results-and-reports</a></p>	<p>The Group strives to provide analytics solutions and support that effectively enable business objectives and performance.</p>	<ul style="list-style-type: none"> <li>• Strengthened the central clinical data warehouse and continued improving clinical performance measurement and benchmarking across the Group.</li> <li>• Continued developing machine learning capabilities to the benefit of the Group.</li> </ul>

# OUR STRATEGY, GOALS AND PROGRESS (CONTINUED)

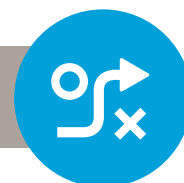
## OUR STRATEGY

### Future objectives

During the year under review, the Group Executive Committee collectively examined the operational, market and regulatory environments across the Group. The focus of this project was to define the evolution needed to support the future direction and success of the business. As a result, Mediclinic's strategic goals have been refined so it is specifically geared toward anticipating market developments and counteracting potential risks.

Amended objectives came into effect on 1 April 2019 and are closely aligned with the Group's refined strategic goals, as described below. These objectives – and progress against them – will be disclosed in detail in the 2020 annual report.

## STRATEGIC GOALS

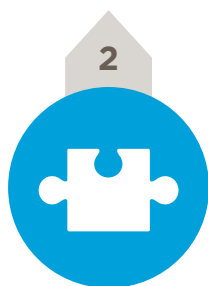


Refined strategic goals, with effect from 1 April 2019

### TO ENHANCE THE QUALITY OF LIFE



To improve our client **value proposition** significantly



To become an **integrated healthcare provider** across the continuum of care



To transform our healthcare services and client engagement through **digitalisation**



To **grow** in existing markets and to **expand** into new markets



To achieve superior long-term **financial returns**

BY:

**BEING  
ANALYTICS DRIVEN**

**BEING THE  
EMPLOYER OF CHOICE**

**BEING CLIENT CENTRED  
IN EVERYTHING WE DO**