

POSITIONING TO BE A HEALTHCARE PARTNER

'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

GOALS AND PROGRESS



PRINCIPAL AND EMERGING RISKS

(AS DESCRIBED IN THE RISK MANAGEMENT REPORT ON PAGE 91)


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




BECOME AN INTEGRATED HEALTHCARE PROVIDER ACROSS THE CONTINUUM OF CARE

- Develop further service offerings that prevent, care, recover and enhance
- Align reimbursement models with the respective continuum of care offering

PROGRESS DURING FY22

- Expanded through investment in own facilities, bolt-on investments and partnerships
 See page 12
- Defined business plans per division
- Continued development of care coordination model

FOCUS AREAS FOR FY23

- Implement standardised BeeHealthy platform
 See page 19
- Implement client-centred, seamless care coordination across the continuum of care

LINK TO PRINCIPAL AND EMERGING RISKS

1, 2, 3, 4, 5, 6, 9, 10, 12

LINK TO KEY STAKEHOLDERS

- Clients
- Employees, alumni and potential applicants
- Financial institutions
- Healthcare insurers
- Industry partners
- Investors

CLIENT ACTIVITY BREAKDOWN¹

Inpatient cases **68%** FY21: 70% 

Day surgery cases **8%** FY21: 6% 

Outpatient cases **24%** FY21: 24% 

Note

¹ Based on financial year healthcare revenue.

OUR STRATEGY IN ACTION: A COMPLETE APPROACH TO CANCER CARE

Our cancer service offering demonstrates how we are integrating care to the benefit of clients.

Cancer is one of the leading threats to life globally, accounting for nearly one in six deaths in 2020. Yet early detection and prompt treatment can significantly improve life expectancy and quality.

The journey of diagnosis, treatment and management is far from straightforward, however. Involving a myriad of services and experts, its fragmented nature can consume valuable time and costs while uncoordinated treatment risks being inefficient.

To address these challenges, in May 2021, we opened an integrated oncology unit in the Middle East at Airport Road Hospital, creating one point of care to provide clients with unwavering support throughout. The new Abu Dhabi unit supplements our Comprehensive Cancer Centre ('CCC') in Dubai, developed in collaboration with our Swiss operations.

At Airport Road, we bring together experts in oncology, radiotherapy and nuclear medicine. A multidisciplinary tumour board discusses each new case to determine an optimal, personalised treatment plan. Sophisticated equipment enables advanced detection and

precise treatment while a breast care nurse and buddy service provide personalised support.

This integrated approach is also in evidence at our flagship cancer facility in Southern Africa. The ZAR45-million oncology unit at our Constantiaberg hospital, opened in partnership with Icon Oncology, consolidates clinical capabilities and industry expertise under one roof. Like our advanced oncology units in Switzerland and the Middle East, it boasts a Varian Truebeam Linear Accelerator for targeted radiation therapy. By offering full-service chemotherapy and radiotherapy alongside surgery, we can streamline the client journey and deliver the right care at the right time. The first of its kind in the region, the integrated oncology facility is indicative of our strategy.

We recognise that an individual's health needs are not confined to isolated incidents but span a sequence of episodes necessitating diverse contributions. This is why we are expanding across the continuum of care – our goal is nothing less than accompanying our clients throughout their entire healthcare journey.

SETTING THE STANDARD

One in five Swiss women with breast cancer is treated at one of our breast cancer centres across the country – testament to the high-quality care provided by our teams. Our focus on cancer includes a CCC and a unit dedicated to prostate cancer at Klinik Hirslanden, Zurich. Certification by the Swiss Cancer League and the German Cancer Society demonstrates our commitment to holistic treatment founded on the latest scientific evidence.



IMPROVE OUR VALUE PROPOSITION SIGNIFICANTLY

- Partner with clients to create true client centricity
- Aim for zero preventable harm to clients
- Reduce the 'cost of us'

PROGRESS DURING FY22

- Elevated client experience as integral part of clinical care
- Introduced Net Promoter Score® ('NPS®') as new client experience measure and integrated into management incentive metrics
- Implemented safety event reporting system
- Enhanced research collaboration and established research committee in Southern Africa
- Established minimum standards for obstetrics and surgical safety

FOCUS AREAS FOR FY23

- Implement minimum standards for safe surgery and obstetrics
- Improve clinical cost efficiency and care effectiveness by:
 - implementing Early Recovery After Surgery principles;
 - optimising care process through digitalisation and virtual care; and
 - managing outcome and cost variation in elective surgery
- Gain integrated view of client needs and incorporate their voice in decision-making by:
 - improving NPS® across all care settings; and
 - embedding client advisory groups

LINK TO PRINCIPAL AND EMERGING RISKS

1, 2, 4, 5, 6, 7, 9

LINK TO KEY STAKEHOLDERS

- Clients
- Employees, alumni and potential applicants
- Healthcare insurers
- Industry partners
- Medical practitioners

OUR STRATEGY IN ACTION: PROMOTING CLIENT CENTRICITY

We have expanded our client experience measures to ensure we thoroughly understand clients' needs and adapt our care accordingly.

Client feedback is crucial for service excellence, perhaps nowhere more so than in healthcare. Measuring client experience not only enables us to shape our care services to better meet their needs, it also helps us achieve our goal of zero preventable harm to patients.

Research has shown that better patient experience is associated with favourable outcomes. Satisfied clients make better use of the clinical advice given and there are lower rates of in-hospital complications. We have, therefore, been surveying inpatients since 2014 using the internationally recognised Press Ganey® survey and this has now been expanded to include clients in other settings such as day case clinics and emergency centres. Additionally, we provide multiple feedback channels to capture the client's unfiltered voice. In FY22, we introduced a taxonomy to systematically analyse complaints and implement quality improvement projects in response. We furthermore have employees dedicated to handling these matters across all our geographies.

But our expansion across the continuum of care has necessitated the implementation of a single client experience metric that applies across physical and virtual settings.

For this reason we have implemented NPS® to track customer satisfaction. Moreover, from FY23, management's variable remuneration will be linked to NPS® achievement.

See page 144 for more

UNDERSTANDING NET PROMOTER SCORE®

One question = top indicator of customer loyalty

'How likely are you to recommend us to a friend, family member or colleague?'



HOW IS NPS® DETERMINED?

$\% \text{ promoters} - \% \text{ detractors} = \text{NPS}^\circ$

INTERPRETING THE SCORE


NPS®	RANKING
-100-0	Needs improvement
0-30	Good
31-70	Great
71-100	Excellent



TRANSFORM OUR SERVICES AND CLIENT ENGAGEMENT THROUGH INNOVATION AND DIGITALISATION

- Establish radical innovation capability
- Optimise through automation
- Drive digital transformation
- Establish comprehensive virtual care offering
- Optimise people, technology and data through healthcare informatics to improve care

PROGRESS DURING FY22

- Partnered with Mehiläinen (business-to-consumer tool BeeHealthy) to launch client app in Switzerland, virtual clinic in Southern Africa and virtual clinic pilot in the Middle East
-  [See alongside](#)
- Established Centre of Expertise for automation and solid pipeline for initiatives
- Mapped Group digital capabilities and expanded on virtual intensive care unit ('ICU') project
- Established innovation hub in Switzerland
- Launched innovation and digital transformation ambassadors
- Initiated cultural transformation projects

LINK TO PRINCIPAL AND EMERGING RISKS

3, 4, 5, 6, 10, 12

FOCUS AREAS FOR FY23

- Drive innovation pipeline with at least 11 distinct innovation projects across three horizons
- Build relationships with other innovation centres and start-up curators
- Increase uptake of automation
- Drive adoption and expand use cases for BeeHealthy
- Establish baseline for real-time sensing capability

LINK TO KEY STAKEHOLDERS

- Clients
- Employees, alumni and potential applicants
- Industry partners
- Medical practitioners

OUR STRATEGY IN ACTION: INNOVATIVE SERVICE DELIVERY THROUGH TECHNOLOGY

Our Mediclinic apps deliver on clients' expectations of a healthcare experience that is convenient, personalised, and easy to use.

Our promise of 'Expertise you can trust' is being realised in novel ways through our client-facing apps. Made possible by our partnership with Nordic healthcare provider Mehiläinen, our healthcare apps utilise the BeeHealthy platform to combine authoritative content with digitally delivered expert healthcare.

Since April 2021, Swiss mothers-to-be can turn to us for health support via their smartphones. On discovering she is pregnant, a woman might first use the Hirslanden app to work out her due date and receive customised weekly information on her progress. If she suffers from morning sickness, she can chat to a midwife and make an appointment if in-person care is recommended. When it comes to choosing a maternity hospital, she can take a virtual tour, then visit her chosen facility in the real world for a birth preparation course. This journey will soon be expanded to incorporate IVF and family planning for prospective parents, and early infant care for those who have just welcomed a baby.

This interplay between our physical and virtual offerings enables us to proactively guide clients through seamless, well-defined healthcare journeys and achieve better outcomes as a result, as well as improve client experience. Clients who might have delayed consulting a doctor can get medical advice and an e-prescription via smartphone where and when it suits them. This enables Mediclinic to reach clients outside of our normal sphere and opens up opportunities

to enhance our service. Already the pregnancy journey has been expanded to include paediatrician and GP chats as well as lifestyle coaching in Switzerland. Additional products such as birth kits can be offered through an online shop.

The end-to-end solution is not only a benefit for clients; it offers us several strategic advantages. Continuous insight into client needs and preferences empowers us to improve our offering, shaping not only the business of today, but the business of tomorrow through the use of data. This allows us to become a more business-to-consumer-focused organisation. We are working on BeeHealthy as a Group and sharing the learnings across the geographies, which has accelerated implementation. In September 2021, our subsidiary, Intercare, launched a pilot for a digital clinic in Southern Africa. This on-demand service uses chat-based symptom assessments and offers video consultations. Roll-out to the public is planned during FY23.

Furthermore, apps offer operational benefits through the use of digital services to find a doctor or make an appointment. Online bookings decrease the burden on our engagement centres - in the Middle East, some 28 000 appointments a month are now booked digitally. They also reduce the number of non-arrivals at appointments due to the ease of cancelling and rescheduling. This makes more efficient use of doctors' time and frees up our employees to do what they do best: bring the human touch to healthcare.



EVOLVE AS A DATA-DRIVEN ORGANISATION

- Build data lake that curates all data assets
- Manage data as strategic asset
- Develop company culture of using data every day for fact-based decision-making
- Implement data-driven innovation using advanced analytics, artificial intelligence and machine learning

PROGRESS DURING FY22

- Established data lake and commenced Cloud migration, enabling us to source and integrate data (structured and unstructured) across many applications and processes, and support different data usage scenarios, including real-time predictive and prescriptive analytics
- Created solutions for ESG, mobile device management and continuum of care scenario evaluation in support of other strategic goals

FOCUS AREAS FOR FY23

- Create data solution to better understand clients, learning how they engage with us in order to improve our value proposition
- Develop machine learning solutions that:
 - identify revenue leakage;
 - reduce cost; and
 - support value-based and virtual care

LINK TO PRINCIPAL AND EMERGING RISKS

3, 5

LINK TO KEY STAKEHOLDERS

- Clients
- Employees, alumni and potential applicants
- Governments and authorities
- Healthcare insurers
- Industry partners
- Medical practitioners



MINIMISE OUR ENVIRONMENTAL IMPACT

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

PROGRESS DURING FY22

- Centralised environmental data management
- Reached agreement with Energy Exchange of Southern Africa ('Energy Exchange') to initially procure renewable energy for five facilities in Southern Africa
- Procured 38 554MWh of clean energy in the Middle East
- Finalised roadmaps to become carbon neutral and have zero waste to landfill in Southern Africa
- Ongoing implementation of ISO 14001:2015 environmental management system ('EMS') in Switzerland and the Middle East
- Achieved most qualitative targets to reduce carbon emissions and waste to landfill

FOCUS AREAS FOR FY23

- Finalise action plans to reduce anaesthetic gases and N₂O emissions in Southern Africa and the Middle East, respectively
- Finalise Swiss roadmap to become carbon neutral and develop roadmap to reduce waste and increase recycling
- Finalise Middle East roadmap to become carbon neutral and have zero waste to landfill
- Progress ISO 14001:2015 EMS implementation in Switzerland and the Middle East

LINK TO PRINCIPAL AND EMERGING RISKS

8

LINK TO KEY STAKEHOLDERS

- Clients
- Communities
- Employees, alumni and potential applicants
- Financial institutions
- Industry partners
- Medical practitioners
- Professional societies
- Suppliers



GROW IN EXISTING MARKETS AND EXPAND INTO NEW MARKETS

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

PROGRESS DURING FY22

- Proactively searched for and investigated growth opportunities
- Completed market analyses of identified priority areas, including country and site visits

FOCUS AREAS FOR FY23

- Deliver on geographical strategies for growth across the continuum of care
- Continue with building and preparing to open first hospital in Kingdom of Saudi Arabia

LINK TO PRINCIPAL AND EMERGING RISKS

1, 2, 5, 6, 10, 12

LINK TO KEY STAKEHOLDERS

- Clients
- Employees, alumni and potential applicants
- Financial institutions
- Industry partners
- Investors
- Medical practitioners

OUR STRATEGY IN ACTION: GROWTH ACROSS THE CONTINUUM OF CARE

PREVENT, CARE, RECOVER AND ENHANCE

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 our service focus, improves accessibility, delivers integrated care solutions and creates the opportunity to form a lasting relationship with clients.

It also allows us to deliver services in the most appropriate care setting at an optimal cost.

During the year under review, we continued to expand our service offering through acquisitions, partnerships, collaborations and own investments. We also made strides in strengthening existing services through technology and innovation, laying the foundation for coordinated care.



STRATEGY OVERVIEW CONTINUED

OUR STRATEGY IN ACTION: GROWTH ACROSS THE CONTINUUM OF CARE CONTINUED

<p>PREVENT</p>	<p>Invested in at-home health-monitoring company DomoSafety in Switzerland</p> <p>Acquired Ayadi home healthcare business in the Middle East</p>	<p>Launched precision medicine service</p>				
<p>CARE</p>		<p>Opened four renal care facilities in Southern Africa and entered into PPPs in the Middle East to operate two dialysis centres</p>	<p>Opened three day case clinics</p>	<p>Opened oncology centre in partnership with Icon Oncology in Southern Africa and integrated oncology unit in the Middle East</p> <p>See page 17</p>	<p>Entered into four PPPs</p> <p>Commenced infrastructure expansions at two hospitals</p>	<p>Finished two hospital expansions, including 100-bed hospital expansion in Abu Dhabi</p>
<p>RECOVER</p>	<p>Cosmetic centre opening early FY23</p>	<p>Launched sports medicine unit, Mediclinic Perform</p>	<p>Converted acute care beds to long-term care beds</p>	<p>Launched HomeCareOnline for RPM</p>		
<p>ENHANCE</p>		<p>Acquired remaining 70% of Bourn Hall Fertility Centre</p>	<p>Launched new insurance product with Helsana, Medbase</p>			
<p>DIGITAL & CLIENT ENGAGEMENT</p>	<p>Partnered with Mehiläinen to launch client app in Switzerland, virtual clinic in Southern Africa and virtual clinic pilot in the Middle East</p> <p>See page 19</p>	<p>Baby client-journey framework established and implemented</p>	<p>Launched digital online booking</p>	<p>Established care collaboration centre for coordination of chronic disease management (incorporating RPM), virtual clinic pilot for staff, and pharmacy home delivery</p>		