

# **RESPONSIBILITIES OF THE CHAIR, SENIOR INDEPENDENT DIRECTOR AND CHIEF EXECUTIVE OFFICER**

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## 1. CHAIR

The role of the Chair of the Board of directors of Mediclinic International plc (respectively, the “**Chair**”, the “**Board**” and the “**Company**”) is to bring firm and objective leadership to the Board without limiting the principle of collective responsibility for Board decisions and be responsible for the Board’s overall effectiveness in directing the Company. The Chair’s principal duties and responsibilities are set out below:

### The Board, Board Meetings and Annual General Meeting

- Chairing the Board and the Nomination Committee.
- In conjunction with the Group Chief Executive Officer (the “**CEO**”) and the Company Secretary, setting a Board agenda primarily focused on strategy, performance, value creation, culture, stakeholders and accountability, and taking into account the issues and concerns of all Board members.
- Ensuring that the directors receive accurate, timely and clear information, to enable the Board to take sound decisions, monitor effectively and provide advice to promote the success of the Company.
- Ensuring the directors are fully informed on all issues which the Board will have to make a decision, through briefings from the CEO and other members of the executive management team as appropriate.
- Ensuring there is adequate time available for discussion of all agenda items, in particular strategic issues and reports from the chairs of each Committee, and that debate is not truncated;
- Shaping the culture in the boardroom and ensuring the style and tone of Board discussions promote constructive and effective challenge, debate and decision making.
- Ensuring the Board Committees are properly structured and have appropriate terms of reference and setting other Board level policies and procedures.
- Ensuring there is appropriate delegation of authority from the Board to the executive management team and that appropriate matters are reserved for Board decision.
- Through the Nomination Committee:
  - ensuring that Committee membership is periodically refreshed and that individual non-executive members are not over-burdened when deciding the chairs and membership of committees;
  - where appropriate, proposing the appointment of new members to the Board or seeking the resignation of others, to build a well-balanced Board taking account of existing directors’ experience, knowledge and skills and the Company’s current and future needs;
  - other than in relation to the appointment of their successor, actively participating in the selection of new Board members; and
  - overseeing a formal succession plan for the Board, Chief Executive Officer and other members of the senior executive management team, as appropriate.
- In conjunction with the Company Secretary, setting the agenda for the Annual General Meeting, arranging for all directors to attend the meeting and for the chairs of Board Committees to be available to answer questions.

## Board members

- Encouraging all Board members to engage in Board and Committee meetings by drawing on their skills, experience, knowledge and where relevant, their independence, and facilitating their effective contribution.
- Fostering relationships based on trust, mutual respect and open communication – both in and outside the boardroom – between non-executive directors and the executive team.
- Developing a productive working relationship with the CEO, mentoring and offering guidance as required while respecting executive responsibility.
- Holding meetings with the non-executive directors without the executive directors present.
- Consulting the SID on Board matters, as appropriate.

## Induction, development and performance evaluation

- Arranging for new directors to participate in a full, formal and tailored induction and orientation process.
- Providing guidance and mentoring new directors as appropriate.
- Ensuring an evaluation of the performance of the Board, the Chair, its Committees and individual directors takes place at least once a year and acting on the results of the evaluation by recognising the strengths and addressing any weaknesses of the Board. Ensuring an externally facilitated board evaluation takes place at least every three years.
- Ensuring that all directors are aware of and able to discharge their statutory duties.
- Ensuring that the development needs of directors (including the Chair's) and the Board as a whole are identified and addressed, and that directors continually update their skills, knowledge and familiarity with the Company to fulfil their role on the Board and its Committees.

## Relations with shareholders and other stakeholders

- Seeking regular engagement with the Company's major shareholders, ensuring effective engagement with all shareholders and ensuring that the Board as a whole has a clear understanding of the views of shareholders.
- Ensuring that the Board listens to the views of other key stakeholders (patients, the workforce, regulators, healthcare funders, suppliers and the community).
- Protecting and maintaining the reputation of the Company and its subsidiaries, associates and joint ventures (the "**Group**").

## General

- Acting with integrity and probity and setting the "tone at the top" for the Group in matters of ethics and compliance and the Company's purpose, culture and values.
- Ensuring that the Board fulfils its responsibilities.
- With the assistance of the Company Secretary and the CEO, promoting the standards of good corporate governance embodied in the UK Corporate Governance Code (the "**Code**"), by applying its Principles and seeking compliance with its provisions. If non-compliance with any of the Code's provisions is not appropriate, ensuring that the reasons for non-compliance are fully understood, agreed by the Board and explained to shareholders.
- Together with the Executive Directors, determine the fees for the Non-Executive Directors.
- Considering applications for clearance to deal in the Company's securities from the director's (except his/her own).

## 2. SENIOR INDEPENDENT DIRECTOR (“SID”)

The principle duties and responsibilities of the SID are as follows:

- Acting as a sounding board for the Chair and providing support to the Chair in delivering on his or her objectives.
- Leading a meeting of the non-executive directors excluding the Chair at least annually to appraise the performance of the Chair, and on other occasions as necessary.
- Leading the annual evaluation of the independence of the independent non-executive directors.
- Being available to shareholders if they have concerns which they have failed to resolve via the Chair or the CEO (any other executive directors for the time being holding office), or in respect of which such other channels would be inappropriate.
- Attending sufficient meetings with major shareholders and financial analysts to obtain a balanced understanding of the issues and concerns of such shareholders.
- Chairing Board or other meetings (or part thereof) initiated by the Chair and/or the SID and/or any other director in instances where the Chair may have a conflict of interest.
- Chairing meetings of the Nomination Committee or the Board (or part thereof) which deal with the succession to the role of the Chair or the performance evaluation of the Chair.
- Working with the Chair and other directors and/or shareholders to resolve contentious issues, including:
  - a dispute between the Chair and the CEO or conversely, the relationship between the two parties is particularly close;
  - shareholders or non-executive directors have expressed concerns that are not being addressed by the Chair or CEO;
  - the strategy is not supported by the entire Board;
  - decisions are being made without the approval of the full Board; or
  - succession planning is being ignored.

## 3. CHIEF EXECUTIVE OFFICER

The role of the CEO is to lead the executive team in managing the day-to-day operation of the Group. The CEO is accountable and reports to the Board and is assisted in his/her role by the Group Executive Committee and other members of the Group’s executive team, all of whom report, directly or indirectly, to the CEO. The CEO has the power to delegate any aspect of his/her role to the executive management team, as he/she sees fit. The principal duties and responsibilities of the CEO are set out below:

### **Business strategy and leadership**

- Developing and recommending to the Board for approval the purpose, vision, long-term strategy and objectives for the Group, which will generate satisfactory levels of long-term sustainable shareholder value and contribute to wider society.
- Developing and recommending to the Board for approval an annual budget and five year strategic and financial business plan that supports the Group’s long-term strategy.
- Executing the Group’s strategy and striving to achieve the Group’s strategic objectives and financial and operational targets.
- Implementing effectively any other relevant decisions taken by the Board or its Committees.

- Ensuring that the day-to-day business affairs, operational performance and strategic direction of the Group are effectively monitored and managed.
- Optimising as far as is reasonably possible the use and adequacy of the Group's resources, ensuring continuous improvement in business processes and product offerings, and identifying and executing new business opportunities, so that the Company retains its competitiveness in the market.
- Providing coherent leadership of the Group, acting with integrity and probity and setting the "tone at the top" for the Group in matters of ethics and compliance and the Group's purpose, culture and values.
- Regularly reviewing the Group's organisational structure and recommending changes as appropriate.
- Ensuring that the Group has an effective management team and participating actively in the development of a diverse talent pipeline and succession planning for the senior executive management team.
- Maintaining a positive and ethical work climate that is conducive to attracting, retaining and motivating a diverse group of top quality employees throughout the Group.
- Supporting the Chair to ensure that appropriate standards of governance are applied.
- Ensuring, in consultation with the Chair and the Company Secretary / Company Secretariat as appropriate, that the Group Executive Committee complies with Board approved procedures, including the matters reserved for decision by the Board or its Committees.
- Setting Group policies and procedures that conform to the highest appropriate standards and drive appropriate behaviours and monitoring that they are implemented and followed.

#### **Board and Committee meetings**

- Maintaining a dialogue with the Chair on important and strategic issues facing the Group and alerting the Chair to forthcoming complex, contentious or sensitive issues affecting the Group.
- Providing input into the Board's agenda and proposing agenda items which reflect the above issues.
- Keeping the Board regularly informed of key business issues and the activities of the Group Executive Committee.
- Ensuring that the Board is aware of the views of the Group Executive Committee members on business issues and prior to a final decision on an issue, explain in a balanced manner any divergence of view.
- Ensuring that the Board is made aware of views on issues of relevance to the business gathered via engagement between management and the workforce and other key stakeholders.
- Encouraging non-executive colleagues to test proposals in the light of their wider experience outside the Group.
- Attending meetings of the Audit and Risk, Nomination and Remuneration Committees as a guest, at the invitation of the corresponding Committee chairs.
- Except in respect of him/herself:
  - approving recommendations made by the executive team to the Remuneration Committee in respect of the remuneration policy, individual remuneration packages and terms of employment for the executive team; and
  - make recommendations to the Nomination Committee on the role and capabilities required in respect of the appointment of executive directors.

- Together with the Chair and other Executive Directors, set the fees for the Non-Executive Directors.
- Ensuring that management fulfils its obligation to provide the Board with:
  - accurate, timely and clear information in a form and of a quality and comprehensiveness that will enable the directors to discharge their duties;
  - the necessary management time and resources for directors to develop and update their knowledge and capabilities, as part of their initial induction and on an ongoing basis; and
  - appropriate knowledge of the Group, including access to company operations and members of the workforce.

### **Risk management and controls**

- Managing the Group's risk profile in line with the risk appetite identified as acceptable by the Board.
- Ensuring that effective internal controls (including financial, operational and compliance and clinical controls) and risk management processes are in place across the Group and that all relevant laws and regulations are complied with.
- Ensuring that the Group has a suitable policy and procedures for the timely and accurate disclosure of information in accordance with regulatory requirements.

### **Relations with shareholders and stakeholders**

- Serving as the chief spokesperson for the Company, leading the communication programme with the Company's shareholders, potential investors and other key stakeholders (i.e. patients, the workforce, regulators, healthcare funders, suppliers and the community), and ensuring their views are communicated to the Board.
- Protecting and maintaining the reputation of the Group.

*Details of the role of the Board and its committees can be found in the Company's annual report and in the terms of reference for each committee, available in the Corporate Governance section of the Company's website.*