



23 November 2017

## **NMC Health plc**

### **Statement in response to proposed inclusion in Investment Association public register**

The Remuneration Committee of NMC Health plc (“**NMC**”) notes that it will be included in a public register of companies, to be published by the Investment Association, who have received shareholder opposition of more than 20% of votes on any shareholder resolution. In relation to NMC, inclusion relates to voting on our 2016 Remuneration Report and we will be asking the Investment Association to link this statement to the public register entry.

In our Directors’ Remuneration Report for 2015 and 2016, and the circular relating to our new Directors Remuneration policy approved by shareholders in December 2016, we have, through shareholder and proxy adviser consultation, consistently and in detail set out our rationale in relation to changes made to executive remuneration. Our challenge was to move remuneration from well below lower quartile levels to a competitive market level over the period from 2015 to 2017 at a time when shareholders enjoyed a four-times increase in the market value of the Company, along with double-digit earnings growth, an expanded geographic footprint through acquisitions, and the maintenance of high levels of facility efficiency and quality. During this growth, the Committee determined to phase in increases rather than make a large one-off percentage adjustment in order to align with mid- market practice of companies of comparable size. This was the principal issue raised by shareholders. The Committee, while cognisant of some shareholders’ views, is disappointed that not all shareholders have agreed with our approach to phase increases in executive remuneration during, rather than before, this period of exceptional performance.

The Committee also notes that, as disclosed in our 2016 Directors’ Remuneration Report, we have taken account of shareholder views and in light of that feedback we have enhanced our STIP disclosure, rebalanced our STIP towards financial measures, increased the threshold on the EPS component of the LTIP, and increased shareholding requirements.

We intend to continue to engage with shareholders and will arrange a meeting with our major shareholders early in 2018. In the interim, the Chairman of the Remuneration Committee is available to answer any shareholder questions at any time.