



20 December 2019

NMC Health plc
(the “Company” or “NMC”)

Remuneration KPIs updated

Revised KPI framework further aligns management compensation and shareholder interest

NMC Health plc is pleased to announce that following the significant 99.88% vote in favour of the renewal of the Group’s Directors’ Remuneration Policy at the General Meeting held on 5 December 2019, as part of the continuing exercise of reviewing and enhancing elements of governance, the Company’s Remuneration Committee (RemCo) is proposing an updated KPI framework for management compensation. The revised structure shifts focus on growth metrics from EBITDA to EPS for both the STIP and LTIP, while introducing a ROIC-based metric for LTIP. A formal consultation process on the proposals will commence with key shareholders from January.

STIP: EPS-based metric replaces EBITDA-based metric

The table below highlights the change in KPIs for 2020. All metrics used for STIP underpins remain unchanged from 2019 and must be met before any bonus is payable.

2019 KPIs	2020 KPIs
EBITDA	EPS
EBITDA margin	EBITDA margin

LTIP: Growth metric shifts to EPS; ROIC spread over WACC introduced

The table below highlights the changes in KPIs for 2020 LTIP. Performance will be measured over a 3-year period to determine the vesting of awards. Furthermore, the two-year holding period introduced in 2019 following the vesting of any awards will continue to apply.

2019 KPIs	2020 KPIs
Total Shareholder Return	Total Shareholder Return
EBITDA CAGR	EPS CAGR
	ROIC spread over WACC

For the purpose of this exercise, ROIC will be calculated on post-IFRS 16 basis as follows:

$$\text{ROIC} = \text{EBIT} / (\text{Total Equity} + \text{Total borrowing} + \text{IFRS 16 lease liabilities})$$

Where:

$$\text{EBIT} = \text{EBITDA} - \text{Depreciation} - \text{RoU assets depreciation}$$

The Company will engage an independent third-party consultant to estimate the WACC for this exercise.