



**Spire Healthcare**

This document is important and requires your immediate attention. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser or other independent adviser authorised under the Financial Services and Markets Act 2000 immediately. If you have sold or otherwise transferred all your shares in Spire Healthcare Group plc, please pass this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom you made the sale or transfer, for transmission to the purchaser or transferee.

## **Spire Healthcare Group plc** (09084066) *Notice of Annual General Meeting 2017*

*The third annual general meeting of Spire Healthcare Group plc will be held at the offices of J.P. Morgan, 60 Victoria Embankment, London EC4Y 0JP on Friday, 26 May 2017 at 11.00am.*

21 APRIL 2017

*Dear Shareholder,*

*I am delighted to invite you to the third annual general meeting (the 'AGM' or the 'Meeting') of Spire Healthcare Group plc (the 'Company') which will be held at the offices of J.P. Morgan, 60 Victoria Embankment, London EC4Y 0JP on Friday, 26 May 2017 at 11.00am.*

Full details of the business of the AGM and the resolutions that will be put to Shareholders are set out in the enclosed notice of the Meeting. All of your Board, except for John Gildersleeve, will stand for election or re-election at the AGM in line with best practice and the biographies of each of them can be found on pages 7 and 8 of the notice of the Meeting.

The AGM gives the Board of Directors the opportunity to present the Company's performance and strategy to Shareholders and to listen and respond to their questions. Shareholders who wish to put any questions to the Board prior to the Meeting are invited to send these for the attention of the Group Company Secretary to [companysecretary@spirehealthcare.com](mailto:companysecretary@spirehealthcare.com). There will also be the opportunity to meet Directors and senior management of the Company both before and after the Meeting.

If you cannot come to the AGM in person, your vote is still important and I would urge you to complete, sign and return the enclosed proxy card to our registrar, Equiniti Limited ('Equiniti'). Alternatively, you can appoint a proxy online at [www.sharevote.co.uk](http://www.sharevote.co.uk) and further instructions are provided on the reverse of the enclosed form. Proxy appointments must be received by Equiniti no later than 11.00am on Wednesday, 24 May 2017. If you hold your share through a corporate sponsored nominee, you will need to cast your vote no later than 11.00am on Tuesday, 23 May 2017.

At the AGM, all resolutions will be voted on a poll which ensures Shareholders' votes are counted according to the number of shares held. Following the conclusion of the Meeting the results of the poll will be announced via a regulated information service and made available on the Company's website at [www.spirehealthcare.com](http://www.spirehealthcare.com).

If you would like to receive notice of future general meetings electronically, please register through the online service provided by Equiniti at [www.shareview.co.uk](http://www.shareview.co.uk).

#### **Recommendation**

Your Directors believe all the proposals to be considered at the Meeting to be in the best interests of the Company and its Shareholders as a whole. They therefore unanimously recommend Shareholders to vote in favour of each of these resolutions, as they intend to in respect of their own beneficial shareholdings.

Your Board, and I, look forward to welcoming you to the AGM and to meeting as many of you as possible.

Yours faithfully

**Garry Watts**  
Chairman

# Notice of the Annual General Meeting 2017

NOTICE IS HEREBY GIVEN that the third annual general meeting ('AGM' or the 'Meeting') of Spire Healthcare Group plc (the 'Company') will be held at the offices of J.P. Morgan, 60 Victoria Embankment, London EC4Y 0JP on Friday, 26 May 2017 at 11.00am for the transaction of the following business:

To consider and, if thought fit, to pass resolutions 1 to 15 below as ordinary resolutions and resolutions 16 and 17 below as special resolutions:

## Ordinary Resolutions

1. THAT the report of the Directors and the audited accounts of the Company for the year ended 31 December 2016 be received (see Explanatory Notes on page 7).
2. THAT the Directors' remuneration report excluding the Directors' remuneration policy set out on pages 76 and 77, and pages 84 to 91 in the Annual Report and Accounts for the year ended 31 December 2016 be approved (see Explanatory Notes on page 7).
3. THAT a final dividend of 2.5 pence per ordinary share for the year ended 31 December 2016 be declared, to be paid on 27 June 2017 to holders of ordinary shares in the capital of the Company on the register of members at close of business on 2 June 2017 (see Explanatory Notes on page 7).
4. THAT Mrs Adèle Anderson be elected a Director of the Company (see Explanatory Notes on page 7).
5. THAT Mr Tony Bourne be re-elected a Director of the Company (see Explanatory Notes on page 7).
6. THAT Mr Simon Gordon be re-elected a Director of the Company (see Explanatory Notes on page 7).
7. THAT Professor Dame Janet Husband be re-elected a Director of the Company (see Explanatory Notes on page 8).
8. THAT Mr Danie Meintjes be re-elected a Director of the Company (see Explanatory Notes on page 8).
9. THAT Mr Simon Rowlands be re-elected a Director of the Company (see Explanatory Notes on page 8).
10. THAT Mr Garry Watts be re-elected a Director of the Company (see Explanatory Notes on page 8).
11. THAT Mr Andrew White be elected a Director of the Company (see Explanatory Notes on page 8).
12. THAT Ernst & Young LLP be reappointed as Auditor of the Company to hold office from the conclusion of the Meeting until the conclusion of the next annual general meeting of the Company at which accounts are laid (see Explanatory Notes on page 9).
13. THAT the Directors be authorised, subject to the passing of Resolution 12 above, to determine the Auditor's remuneration (see Explanatory Notes on page 9).
14. THAT the Company and those companies which are subsidiaries of the Company at any time during the period for which this Resolution has effect be authorised for the purposes of Part 14 of the Companies Act 2006 (the 'Companies Act') during the period from the date of the passing of this Resolution to the end of the next annual general meeting or 25 August 2018, whichever is the earlier:
  - (i) to make political donations to political parties, and/or independent election candidates;
  - (ii) to make political donations to political organisations other than political parties; and
  - (iii) to incur political expenditure,up to an aggregate amount of £100,000, and the amount authorised under each of paragraphs (i) to (iii) shall also be limited to such amount.

Words and expressions defined for the purposes of the Companies Act shall have the same meaning in this Resolution (see Explanatory Notes on page 9).
15. THAT the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act to exercise all the powers of the Company to allot shares or grant rights to subscribe for or convert any security into shares:
  - (a) up to a nominal amount of £1,336,938; and
  - (b) comprising equity securities (as defined in Section 560(1) of the Companies Act) up to a further nominal amount of £1,336,938 in connection with an offer by way of a rights issue;such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the Companies Act and to expire at the end of the next annual general meeting or on 25 August 2018, whichever is the earlier but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

For the purposes of this Resolution 'rights issue' means an offer to Shareholders in proportion (as nearly as may be practicable) to their existing holdings, to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory (see Explanatory Notes on pages 9).

## Notice of the Annual General Meeting 2017 *continued*

### Special Resolutions

16. THAT, subject to the passing of Resolution 15 above, the Directors be empowered to allot equity securities (as defined in Section 560(1) of the Companies Act) wholly for cash:

- (a) pursuant to the authority given by paragraph (a) of Resolution 15 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act in each case:
  - (i) in connection with a pre-emptive offer; and
  - (ii) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £401,081; and
- (b) pursuant to the authority given by paragraph (b) of Resolution 15 above in connection with a rights issue,

as if Section 561(1) of the Companies Act did not apply to any such allotment; such power to expire at the end of the next annual general meeting or on 25 August 2018, whichever is the earlier, but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends and the Board may allot equity securities under any such offer or agreement as if the power had not ended.

For the purposes of this Resolution:

- (a) 'rights issue' has the same meaning as in Resolution 15 above;
  - (b) 'pre-emptive offer' means an offer of equity securities open for acceptance for a period fixed by the Directors to holders (other than the Company) on the register of members on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;
  - (c) references to an allotment of equity securities shall include a sale of treasury shares; and
  - (d) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights (see Explanatory Notes on pages 9 and 10).
17. THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice (see Explanatory Notes on page 10).

By Order of the Board

**Daniel Toner**

General Counsel and Group Company Secretary

21 April 2017

Registered office: 3 Dorset Rise, London EC4Y 8EN

# Notes

1. Shareholders (or their proxies) are entitled to attend and vote at general meetings of the Company. On a vote by 'show of hands' every Shareholder or effectively appointed proxy who is present shall have one vote. On a poll vote every Shareholder who is present in person or by proxy shall have one vote for every ordinary share of which he is the holder.
2. A Shareholder entitled to attend and vote at the AGM is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and speak and vote at the AGM. A Shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. Proxies need not be Shareholders of the Company.
3. The appointment of a proxy must be in writing in any usual or common form or in any other form which the Directors may approve and (i) in the case of an individual must either be signed by the appointor or his attorney; and (ii) in the case of a corporation must either be given under its common seal or be signed on its behalf by an attorney or a duly authorised officer of the corporation. Any signature on, or authentication of, such appointment need not be witnessed. Where an appointment of a proxy is signed on behalf of the appointor by an attorney, the power of attorney or a copy thereof certified notarially or in some other way approved by the Directors must (failing previous registration with the Company) be submitted to the Company, failing which the appointment may be treated as invalid.
4. A Form of Proxy is enclosed with this notice. The appointment of a proxy will not preclude a Shareholder from attending the AGM and voting in person if they subsequently wish to do so.
5. To be effective, the instrument appointing a proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must either be (i) sent to the Company's Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or (ii) lodged using the CREST Proxy Voting Service – see Note 9 below – in each case so as to arrive no later than 11.00am on Wednesday, 24 May 2017 or, if the AGM is adjourned, 48 hours before the time fixed for the adjourned AGM. Alternatively, Electronic Proxy Appointment ("EPA") is available for the AGM. To use this facility you must visit [www.sharevote.co.uk](http://www.sharevote.co.uk) where details of the procedure are shown. The Voting ID, Task ID and Shareholder Reference Number shown on the Form of Proxy will be required to complete the procedure. EPA will not be valid if received after 11.00am on Wednesday, 24 May 2017 and will not be accepted if found to contain a computer virus.

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those Shareholders registered in the register of members of the Company as at 6.30pm on Wednesday, 24 May 2017 will be entitled to attend or vote at the AGM in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of members after 6.30pm on Wednesday, 24 May 2017 will be disregarded in determining the rights of any person to attend or vote at the AGM.
6. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act ('Nominated persons'). Nominated persons may have a right under an agreement with the Shareholder on whose behalf they hold the shares to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
7. Entitlement to attend and vote at the AGM, and the number of votes which may be cast at the AGM, will be determined by reference to the Company's register of members at 6.30pm on Wednesday, 24 May 2017 or, if the AGM is adjourned, at 6.30pm on the day two days before the day fixed for the adjourned AGM (as the case may be). In each case, changes to the register of members after such time will be disregarded.
8. As at 21 April 2017 (which is the last practicable date before the publication of this Notice) the Company's issued share capital consists of 401,081,391 ordinary shares, carrying one vote each on a poll. Therefore, the total voting rights in the Company as at 21 April 2017 were 401,081,391.
9. CREST Shareholders who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on Friday, 26 May 2017 and any adjournment(s) thereof by using the procedures described in the CREST Manual which can be viewed at [www.euroclear.com](http://www.euroclear.com). CREST personal Shareholders or other CREST sponsored Shareholders, and those CREST Shareholders who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for the appointment of a proxy or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy, the revocation in appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of appointments of proxy specified in Note 5 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to the appointed Proxy by other means.
11. CREST Shareholders (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST Shareholder concerned to take (or, if the CREST Shareholder is a CREST personal Shareholder or sponsored Shareholder or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST Shareholders (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

## Notes continued

12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
13. Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of the same powers as the corporation could exercise if it were an individual Shareholder provided that they do not do so in relation to the same shares.
14. Shareholders should note that under Section 527 of the Companies Act it is possible that Shareholders meeting the threshold requirements set out in that section may require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM or (ii) any circumstance connected with an Auditor of the Company appointed for the financial year ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the Shareholder requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) of the Companies Act. Where the Company is required to place a statement on the website under Section 527 of the Companies Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act to publish on a website.
15. All Shareholders and their proxies have the right to, and will have the opportunity to, ask questions at the Meeting. When invited by the Chairman, any Shareholder or proxy who wishes to ask a question should wait for a Company representative to bring them a microphone. It would be helpful if questioners could state their name before asking their question. Questions may not be answered at the Meeting if they are deemed not to be in the interests of the Company or the good order of the Meeting, would involve the disclosure of confidential information, or the answer has already been given on the website. The Chairman may also nominate a Company representative to answer a specific question after the Meeting or refer to the relevant response on the Company's website.
16. Shareholders have the right, under Section 338 of the Companies Act, to require the Company to give Shareholders entitled to receive notice of the AGM, notice of a resolution which the Shareholders wish to be moved at the Company's AGM. Additionally, Shareholders have the right under Section 338A of the Companies Act to require the Company to include a matter (other than a proposed resolution) in the business to be dealt with at the AGM. The Company is required to give such notice of a resolution or include such matter once it has received requests from Shareholders representing at least 5% of the total voting rights of all the Shareholders who have a right to vote at the AGM or from at least 100 Shareholders with the same right to vote who hold shares in the Company on which there has been paid up an average sum per Shareholder of at least £100. A resolution may properly be moved or a matter may properly be included in the business unless (i) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (ii) it is defamatory of any person, or (iii) it is frivolous or vexatious. Such a request may be in hard copy form or electronic form and must be received by the Company not later than six clear weeks before the AGM or, if later, the time at which notice is given of the AGM. In the case of a request relating to Section 338A of the Companies Act, the request must be accompanied by a statement setting out the grounds for the request.
17. In accordance with Section 311A of the Companies Act, the contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM, details of the total number of the voting rights that Shareholders are entitled to exercise at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website at [www.spirehealthcare.com](http://www.spirehealthcare.com).
18. Email addresses provided in this notice of meeting or any related documents (including the Form of Proxy) should not be used to communicate with the Company for any purposes other than those expressly stated.
19. Each of the resolutions to be put to the meeting will be voted on by poll and not by 'show of hands'. This is a more transparent method of voting as Shareholders' votes are counted according to the number of shares held. As soon as practicable after the AGM the results of the poll (and other information required by Section 341 of the Companies Act) will be announced via a regulated information service and made available on the Company's website at [www.spirehealthcare.com](http://www.spirehealthcare.com).
20. Copies of all contracts of service or, where applicable, letters of appointment of the Directors are available for inspection during business hours at the registered office of the Company and will also be available for inspection at the place of the Meeting for fifteen minutes prior to and during the AGM.
21. Only Shareholders of ordinary shares (or their proxies) are entitled to attend or vote at the AGM.
22. This document is important and requires your immediate attention. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser or other independent adviser authorised under the Financial Services and Markets Act 2000 immediately. If you have sold or otherwise transferred all your shares in Spire Healthcare Group plc, please pass this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom you made the sale or transfer, for transmission to the purchaser or transferee.

# Explanatory Notes to Business of the Annual General Meeting 2017

## Ordinary and Special Resolutions

Resolutions 16 and 17 are special resolutions; the remainder are ordinary resolutions. Ordinary resolutions require a simple majority of Shareholders voting in person or by proxy to pass the resolutions, whereas special resolutions require at least 75% of Shareholders voting in person or by proxy to pass the resolutions.

## Items of business

### Receipt of 2016 Annual Report and declaration of a dividend (Resolutions 1 and 3)

Resolution 1 deals with the receipt of the Directors' report and audited accounts of the Company. Resolution 3 deals with the declaration of the final dividend of 2.5 pence per ordinary share for the year ended 31 December 2016. If approved, the final dividend will be paid on 27 June 2017 to Shareholders on the register of members at close of business on 2 June 2017.

### Remuneration Report (Resolution 2)

In accordance with the provisions of the Companies Act the Directors' Remuneration Report contained within the 2016 Annual Report comprises:

- an Annual Statement from the Remuneration Committee chair, Tony Bourne; and
- the Annual Report on Remuneration.

Resolution 2 seeks shareholder approval for the Directors' Remuneration Report as set out on pages 76 and 77, and pages 84 to 91 (inclusive) of the 2016 Annual Report. This vote by ordinary resolution is advisory only. The Company's Remuneration Policy was approved by Shareholders at the 2015 annual general meeting for a period of up to three years, a copy of which can be found repeated in full on pages 75 to 82 inclusive of the 2014 Annual Report.

### Election of Directors (Resolutions 4 to 11)

All the Directors, except for John Gildersleeve, will retire and offer themselves for election or re-election at the AGM in accordance with the Company's Articles of Association and the UK Corporate Governance Code (which recommends that all Directors of FTSE 350 companies be subject to annual election by Shareholders).

The Company completed an evaluation of the Board's performance and effectiveness in 2016 which concluded that the Board was operating effectively, in an open and transparent manner, providing support and challenge to senior management. Each Non-Executive Director has shown sufficient time commitment to the role. As such, the Chairman recommends the election or re-election of each of the Directors standing.

The biographies on pages 7 and 8 contain details of the individual skills and experience that each Director brings to the Board.

## Adèle Anderson, Independent Non-Executive Director

Adèle Anderson was appointed an independent Non-Executive Director in July 2016.

### Current external appointments

- non-executive director and chair of the audit committee of easyJet plc
- non-executive director and chair of the audit committee of intu properties plc
- member of the board of trustees of Save the Children UK
- member of the audit committee of the Wellcome Trust

### Skills and previous experience

Adèle has gained extensive financial experience throughout her career and has significant knowledge of audit committees. Until July 2011, she was a partner in KPMG LLP and held a number of senior roles across their business including Chief Financial Officer of KPMG UK, Chief Executive Officer of KPMG's captive insurer and Chief Financial Officer of KPMG Europe.

## Tony Bourne, Independent Non-Executive Director

Tony Bourne was appointed an independent Non-Executive Director in June 2014.

### Current external appointments

- non-executive director of Barchester Healthcare Limited
- non-executive director of Bioquell Plc
- non-executive director of Totally plc

### Skills and previous experience

Tony brings considerable knowledge of the healthcare industry to his role, having been chief executive of the British Medical Association for nine years until 2013. Prior to this, he was in investment banking for over 25 years, including as a partner at Hawkpoint and as global head of the equities division and a member of the managing board of Paribas. Tony has also previously served as a non-executive director of Southern Housing Group, and the charity, Scope.

## Simon Gordon, Chief Financial Officer

Simon Gordon joined Spire Healthcare as Chief Financial Officer in July 2011 and became an Executive Director of the Company in June 2014.

### Skills and previous experience

Simon has a broad range of financial experience and brings invaluable knowledge of both audit and transaction advisory projects for both listed and private companies to the role. He qualified as a chartered accountant with KPMG before spending eight years as group finance director of Virgin Active. During his time at Virgin Active, the business grew from break-even to £150 million EBITDA, operating in five countries. This growth was achieved by a successful combination of organic development and acquisition.

# Explanatory Notes to Business of the Annual General Meeting 2017 *continued*

## Professor Dame Janet Husband, Independent Non-Executive Director

Dame Janet Husband was appointed an independent Non-Executive Director in June 2014.

### Current external appointments

- Emeritus Professor of Radiology at the Institute of Cancer Research
- non-executive director of Royal Marsden NHS Foundation Trust

### Skills and previous experience

Having trained in medicine at Guy's Hospital Medical School, Dame Janet's extensive career in healthcare allows her to bring invaluable insight and knowledge of the healthcare industry. She has previously served as a specially appointed commissioner to the Royal Hospital Chelsea, was president of the Royal College of Radiologists, chaired the National Cancer Research Institute in the UK and was a non-executive director of Nuada Medical Group. Dame Janet was appointed as Professor of Diagnostic Radiology at the University of London, Institute of Cancer Research, in addition to more than 30 years as a practising consultant radiologist at the Royal Marsden Hospital.

## Danie Meintjes, Non-Executive Director

Danie Meintjes was appointed as a Non-Executive Director in August 2015. The Company does not consider Danie to be independent as he has been appointed to the Board by the Company's principal shareholder, Mediclinic International PLC, under the terms of the relationship agreement with them.

### Current external appointments

- chief executive officer of Mediclinic International PLC

### Skills and previous experience

Danie joined the Mediclinic International group in 1985, where he has held a number of senior positions. He was appointed as a director of Mediclinic International Limited (South Africa) in 1996 and then became its chief executive officer in April 2010. Danie holds a Bachelor of Personnel Leadership from the University of the Free State (South Africa) and has also attended the Advanced Management Program at Harvard Business School.

## Simon Rowlands, Non-Executive Director

Simon Rowlands was appointed a Non-Executive Director in June 2014, although he served in a similar capacity prior to Admission having been an appointment of Cinven, the Company's former principal shareholder. The Company does not consider Simon to be independent due to the senior position he continues to hold with Cinven Partners.

### Current external appointments

- non-executive director of Avio S.P.A. (Italy)
- non-executive director of MD Medical Group Investment plc
- founding partner of Africa Platform Capital

### Skills and previous experience

Simon's extensive knowledge of the Company and its markets, combined with his wise counsel over a number of years, were among the reasons he was asked to continue to serve as a member of the Board following Cinven's sale of their shareholding. He was a founding partner and senior adviser of the private equity firm Cinven until 2013 and 2017 respectively, and established and led its healthcare team. Simon founded a new private equity firm in 2016 focused on healthcare and consumer sectors of Sub-Saharan Africa. Prior to joining Cinven, he worked with an international consulting firm on multidisciplinary engineering projects in the UK and southern Africa.

## Garry Watts, Executive Chairman

Garry Watts joined the Group as Executive Chairman in 2011 before becoming Non-Executive Chairman between Admission and March 2016. He resumed the role of Executive Chairman in March 2016. The Company does not consider Garry to be independent due to his executive role.

### Current external appointments

- chairman of BTG plc
- chairman of Foxtons Group plc
- non-executive director of Coca-Cola European Partners Ltd

### Skills and previous experience

A chartered accountant by profession and former partner at KPMG, Garry's extensive business knowledge and leadership on other listed company boards, including SSL International plc and Celltech Group plc, has ensured a seamless transition from private to public for the Company. He has a deep understanding of the healthcare sector, having served as a member of the UK Medicines and Healthcare Products Regulatory Agency Supervisory Board for 17 years. Garry was also previously an executive director of Medeva plc, deputy chairman of Stagecoach Group plc and a non-executive director of Protherics plc.

## Andrew White, Executive Director

Andrew White joined Spire Healthcare in November 2015 and served as Chief Operating Officer until December 2016. He was appointed an Executive Director in July 2016. Andrew is expected to be appointed the Company's new Chief Executive Officer once he has recovered from a period of sustained medical treatment. He remains engaged with the business in his capacity as a Director whilst temporarily stepping down from all Board and management committees.

### Skills and previous experience

Andrew began his working life in the Royal Electrical and Mechanical Engineers and served in Bosnia, Northern Ireland and the first Gulf War. After leaving the army in 1995, Andrew held senior positions at Serco plc and Nomura Principal Finance Group and later Serco Nomura Infrastructure Fund. Andrew became CEO of Serco UK&E Local & Regional Government division in January 2014 where he was responsible for all aspects of Serco's business in the UK and Europe.

Andrew is an ambassador to the National Apprenticeship Service and has been the industry chair of the Defence Suppliers Forum Executive Group. He attended the Advanced Management Program at Harvard Business School in 2013.

### **Reappointment of Auditor and authorisation of Directors to determine its remuneration (Resolutions 12 and 13)**

Resolutions 12 and 13 deal, respectively, with the reappointment of Ernst & Young LLP as Auditor of the Company and the authorisation of the Directors to determine its remuneration for the current financial year. The level of remuneration paid in 2016 by way of audit fees to the Auditor, together with the amounts paid in respect of non-audit fees, are shown in note 11 on page 117 of the 2016 Annual Report.

### **Authority for the Company to incur political expenditure (Resolution 14)**

Resolution 14 is an ordinary resolution which authorises the Company and its UK subsidiaries to make political donations and to incur political expenditure. The Companies Act requires companies to obtain Shareholders' authority for donations to registered political parties, other political organisations and independent election candidates totalling more than £5,000 in any twelve month period, and for any political expenditure, subject to limited exceptions. The definitions of 'donations', 'political organisations', 'independent election candidates' and 'political expenditure' are very wide in this context and there is concern that they may have had the effect of covering a number of normal business activities that would not be thought to be political donations in the usual sense.

As required by the Companies Act, the resolution is in general terms and does not purport to authorise particular donations. It remains the policy of the Company not to make political donations or incur political expenditure as those expressions are normally understood, and the Company has no present intention of using such authority granted. This was previously approved by Shareholders at the annual general meeting in May 2016.

Hence, to avoid inadvertent infringement of the Companies Act, the Directors are again seeking Shareholders' authority for the Company and its subsidiaries to make political donations and to incur political expenditure during the period from the passing of the resolution until the conclusion of the Company's next annual general meeting or 25 August 2018, whichever is the earlier, up to a maximum aggregate amount of £100,000.

### **Directors' authority to allot shares (Resolution 15)**

Under the Companies Act the Directors may only allot unissued shares if authorised to do so by the Shareholders in a general meeting. The authority conferred on the Directors at last year's annual general meeting held on 19 May 2016 under section 551 of the Companies Act to allot shares expires on the date of the AGM.

Resolution 15, part (a), thus seeks new authority to allow the Directors to allot shares or grant rights to subscribe for or convert any security into shares up to an aggregate nominal amount of £1,336,938 representing an amount equal to one-third of the Company's issued share capital (excluding treasury shares) as at 21 April 2017. This authority complies with the latest institutional guidelines issued by the Investment Association.

In addition, the Company is seeking authority in part (b) of Resolution 15 to allow the Directors to allot new shares or grant rights to subscribe for or convert any security into shares only in connection with a rights issue up to a further nominal value of £1,336,938 representing an amount equal to one-third of the Company's issued share capital (excluding treasury shares) as at 21 April 2017. If this resolution is passed, the Directors will have the authority in certain circumstances to allot new shares and other relevant securities up to a total nominal value of £2,673,876 representing a total amount equal to two-thirds of the Company's issued share capital (excluding treasury shares) as at 21 April 2017.

The Company has no present intention of undertaking a rights issue, or of allotting new shares other than in connection with any outstanding share option awards.

The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place. If this authority – as set out in part (b) of Resolution 15 – was used, the Board anticipates that all Directors would submit themselves for re-election at the subsequent annual general meeting.

The authorities granted in Resolution 15 will expire on the date of the Company's next annual general meeting or 25 August 2018, whichever is the earlier. The Company holds no shares in treasury as at 21 April 2017.

### **Special Resolutions**

#### **Directors' authority to allot shares other than on a pre-emptive basis (Resolution 16)**

If equity securities are to be allotted for cash using the authority given by Resolution 15 explained above, Section 561(1) of the Companies Act requires that those securities be offered first to existing Shareholders in proportion to their existing holdings. The Board considers it appropriate for the Company to seek approval from Shareholders to waive these rights in certain circumstances, in order to allow the Company maximum flexibility to react to future business needs without the need to comply with the strict requirements of the statutory pre-emption provisions.

To this end, Resolution 16 is a special resolution which requests the authority for Directors, once granted by the Shareholders at a general meeting, to allot equity securities, or sell treasury shares, for cash without first being required to offer such shares to existing Shareholders in proportion to their existing holdings.

## Explanatory Notes to Business of the Annual General Meeting 2017 *continued*

Apart from a rights issue or other pre-emptive offer concerning equity securities, the authority will be limited to the issue of shares for cash up to a maximum aggregate nominal value of 10% of the Company's issued share capital (excluding treasury shares) as at 21 April 2017. This is in line with institutional shareholder guidance, and in particular with the Pre-Emption Group's Statement of Principles, which provided for the authority for an issue of shares for cash otherwise than in connection with a pre-emptive offer to be increased from 5% to 10% of the Company's issued share capital, provided that the Company confirms that it intends to use the additional 5% authority only in connection with an acquisition or specified capital investment. In respect of this aggregate nominal amount, the Directors confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles, as updated in March 2015, and not to allot shares for cash on a non-pre-emptive basis pursuant to the authority in Resolution 16:

- (i) in excess of an amount equal to 5% of the total issued ordinary share capital of the Company excluding treasury shares; or
- (ii) in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company excluding treasury shares within a rolling three-year period, without prior consultation with Shareholders,

in each case other than in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment. None of the Company's current issued share capital has been allotted for cash on a non-pre-emptive basis to settle obligations arising from the exercise of share incentives during the period since incorporation.

Resolution 16 seeks a disapplication of the pre-emption rights in relation to a rights issue to allow the Directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems, for example issues arising as a result of local legal or regulatory requirements in respect of overseas Shareholders' participation in a rights issue. It complies with the Investment Association guidelines and Pre-Emption Group's Statement of Principles.

If passed, the authority given in this Resolution will expire on the date of the Company's next annual general meeting or 25 August 2018, whichever is the earlier.

### **Authority for the Company to call a general meeting on 14 clear days' notice (Resolution 17)**

Under the Companies Act, the notice period required for all general meetings of the Company is 21 days. Annual general meetings will always be held on at least 21 clear days' notice but Shareholders can approve a shorter notice period for other general meetings, as long as this is not less than 14 clear days.

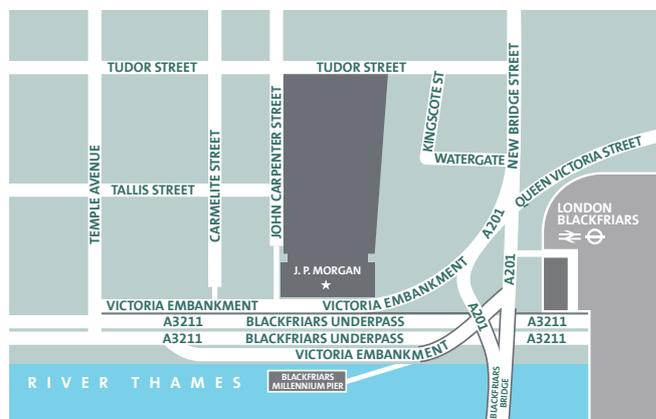
Resolution 17 is a special resolution which will preserve the ability of the Company to call general meetings (other than an annual general meeting) on 14 clear days' notice. The Company does not propose to use this reduced notice period as a matter of routine, but wishes to maintain the flexibility to do so where it is merited by the business of the meeting (for example because the matter to be discussed is time sensitive) and is thought to be to the advantage of Shareholders as a whole. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

The Company will also need to meet the requirements for electronic voting under the Companies (Shareholders' Rights) Regulations 2009 in order to be able to call a general meeting on 14 clear days' notice.

# Attending the Annual General Meeting 2017

If you are planning to attend the annual general meeting, the J.P. Morgan offices are a short walk from Blackfriars station, which can be accessed from both the District and Circle London Underground lines and also main line services. Nearby Blackfriars Bridge, Victoria Embankment and New Bridge Street are all well served by London buses and river buses also stop at Blackfriars Millennium Pier.

The venue has facilities for attendees with disabilities and if you require assistance, please contact the Group Company Secretary prior to the Meeting by e-mail at [companysecretary@spirehealthcare.com](mailto:companysecretary@spirehealthcare.com). There will be an opportunity to meet the Company's Directors both before and after the Meeting.



## Glossary

### Definitions

'2016 Annual Report'	The annual report and accounts of the Company for the year ended 31 December 2016
'Admission'	The admission of the shares to the premium listed segment of the official list and to trading on the London Stock Exchange's main market for listed securities
'AGM' or the 'Meeting'	The 2017 annual general meeting, notice of which is contained in this document
'Board'	The board of directors of the Company
'Companies Act'	The Companies Act 2006
'Company' or 'Spire Healthcare'	Spire Healthcare Group plc, registered in England and Wales with company number 09084066
'Director'	A director of the Company
'Listing Rules'	The United Kingdom Listing Authorities' listing rules relating to the admission of securities to the official list of the London Stock Exchange
'Share'	An ordinary share of 1 pence each in the capital of the Company
'Shareholder'	A holder of Shares

**Spire Healthcare Group plc**

3 Dorset Rise  
London  
EC4Y 8EN

Company number: 09084066  
Registered in England and Wales

[spirehealthcare.com](https://www.spirehealthcare.com)