

# Helping to build a healthier Britain



## Helping to build a healthier Britain

### High-quality experiences

66

From the moment I entered the hospital, I was looked after by every person I came in contact with. I was treated with the utmost respect and made extremely comfortable. I felt completely safe”

**Patient**

Spire Healthcare hospital

66

Spire gave me a lot of flexible working. I feel like anything I’m going through; I can speak to them. We have time to have person-centred care, there is lots of training”

**Colleague**

Spire Healthcare

66

Fantastic service, same-day appointment, very helpful doctors and swift treatment. What more could you ask for?”

**Patient**

London Doctors Clinic

66

The critical incident support is very helpful, colleagues have found them to be supportive, compassionate and easy to access at work. The managers have found the responsiveness to be very timely”

**Critical incident support client**

Vita Health Group, part of Spire Healthcare

66

I wasn’t coping with work for months but now I’m back at work and thriving. I know I can reach out if I need to and I have tools and techniques to help myself”

**Patient**

Vita Health Group, part of Spire Healthcare

66

They provide a responsive and personal service to us and service levels are excellent...they can be relied upon to provide a service above and beyond their remit and I would have no hesitation in recommending them”

**Corporate client**

Spire Occupational Health

66

We give people the resources and tools they need. Everyone is different and we look at what’s going to be most beneficial for the patient”

**Senior talking therapies practitioner**

Vita Health Group, part of Spire Healthcare

66

Management and staff’s unwavering dedication to patient care and commitment to facilitating practitioners in providing the best possible care makes it my first choice for my private practice”

**Consultant**

Spire Healthcare hospital





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## Our strategy

- 1 Driving hospital performance
- 2 Building on quality
- 3 Investing in our workforce
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## Sustainability

- Respect the environment
- Engage our people and communities
- Operate responsibly



## Engaging with our stakeholders

- Patients
- Colleagues
- Consultants
- Suppliers
- Private Medical Insurers (PMI)
- NHS
- GPs
- Employers and corporates
- Regulators
- Investors/lenders
- Community



## Our purpose

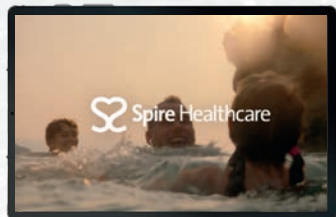
# Making a positive difference to people's lives through outstanding personalised care

### Brand campaign

We launched a targeted, multi-channel brand campaign in September with the theme, 'The sooner you're better, the better', which has seen strong results.



Scan here to watch our  
TV advert





## About us

### Our purpose

Making a positive difference to people's lives through outstanding personalised care

### Our strategy

Helping to meet Britain's healthcare needs by running great hospitals and developing new services

### Who we are

Britain's largest independent healthcare company by turnover, operating across England, Wales and Scotland

### What we provide

Spire Healthcare group offers a range of diagnostics and medical treatments from hospital and clinic to home. We have a nationwide network of independent GPs through Spire GP and London Doctors Clinic, offer a range of mental health, musculoskeletal and dermatological services via Vita Health Group and provide occupational health services to over 800 corporate clients through Spire Occupational Health and Vita Health Group.

#### For private patients

We offer treatments for patients who have private health insurance or wish to pay for their treatment. They are able to choose when and where they are treated, and benefit from excellent clinical outcomes.

#### For the NHS

We offer capacity, capability and flexibility, supporting the NHS by taking thousands of patients off waiting lists nationally at the same tariff prices as local NHS Trusts, and by delivering NHS services.

#### For businesses

We provide corporates with tailored, flexible support for their employees through occupational health and employee assistance programmes, helping employees to recover and stay healthy.

### Our values



Driving clinical excellence



Doing the right thing



Caring is our passion



Keeping it simple



Delivering on our promises



Succeeding and celebrating together

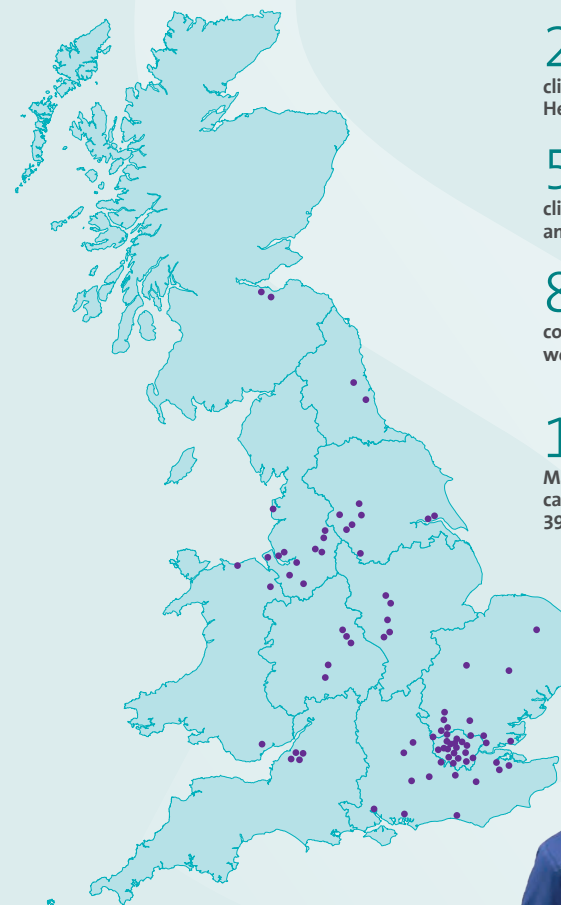


For more information see our business model on page 14

### Where we operate

We provide people with more choice, and the opportunity to access the healthcare they need quickly and safely. Our dedicated and highly trained colleagues work hard to help them back to good health from a wide range of locations across the country.

• Clinical locations



### Spire Healthcare in numbers

1.05m+

patients across the group

989,300

self-pay, insured and NHS patients cared for in 39 hospitals

16,800

colleagues across the group

99,000

GP appointments

24

clinic sites in Vita Health Group

800+

corporate occupational health clients

50+

clinics, consulting rooms and medical centres

137

GPs

8,650

consultants with whom we work in partnership

46,000+

people cared for by Vita Health Group since acquisition

15

Macmillan accredited cancer centres in 39 hospitals

1,120

musculoskeletal clinicians in Vita Health Group

12.6m

population able to access NHS services delivered by Vita Health Group

5

critical care units



## The value we create

## 2023 financial highlights

£1,359.0m

revenue up 13.4% from 2022 including £31.4m from acquired new services

6.8p

basic earnings per share 2.1p in 2022

17.6%\*

adjusted EBITDA margin up 0.6 percentage points from 2022 for the hospital business, and 0.2 percentage points for the total group after acquired new services

7.5%\*

ROCE up from 6.2% in 2022

£15m

in efficiency savings delivered in 2023

£126.2m

operating profit up 32.3% from £95.4m in 2022

2.1p

dividends per share up from 0.5p in 2022

£234.0m\*

adjusted EBITDA up 15% from 2022

£84.4m

invested in upgrading and maintaining our estate, down from £90.1m in 2022

Largest UK private healthcare provider by turnover

\* Refer to page 85 for a reconciliation of non-GAAP financial measures



## The value we create

# 2023 highlights: building a healthier Britain



## 1.05m+

patients cared for across the group  
(2022: 926,500)

## 989,300

self-pay, insured and NHS patients cared for  
in 39 hospitals (2022: 926,500)

## 99,000

private GP consultations at Spire GP  
and London Doctors Clinic  
(2022: 32,900 Spire GP only)

## 3%

ahead of 2023 target emissions (27,017  
tCO<sub>2</sub>e achieved, target 27,750 tCO<sub>2</sub>e)  
(2022: 9% ahead, 25,854 tCO<sub>2</sub>e achieved,  
target 28,163 tCO<sub>2</sub>e)

## £40,000

donated in corporate charity fundraising  
week (2022: £20,000)

## 430+

apprentices in Spire Healthcare  
and Vita Health Group (2022: 550 in  
Spire Healthcare only)

## 46,000+

people cared for by Vita Health Group  
since acquisition (2023 full year: 225,380,  
2022: 168,906)

## 98%

of locations rated Good or Outstanding or  
the equivalent by regulators in England,  
Scotland and Wales (2022: 98%)

## 23.5%

dry mixed waste recycled at sites only  
(2022: 18%)

## The value we create



### We're helping to create a healthier and more productive Britain

**Everything we do is geared up to help people return to good health, so they can get back to work and to what they love doing.**

That's why we have evolved from being purely a hospital-based business to become a more integrated healthcare provider, able to care for people's physical and mental health needs, offering GP appointments and occupational health, as well as community and hospital care.

We also support the NHS to reduce waiting lists, particularly helping those waiting the longest, and contributed to the government's Elective Recovery Taskforce, which was set up to make better use of the country's healthcare capacity

 **Read more in Our market on page 16**

### We're providing the highest quality care to patients and people

**Quality and patient safety is at the heart of everything we do, and we receive excellent feedback from our patients and regulators.**

Our governance, culture and systems for overseeing the practice of consultants has been transformed in recent years, while 98% of our inspected locations are rated 'Good' or 'Outstanding', or the equivalent by health inspectors in England, Scotland and Wales.

We have Freedom to Speak Up Guardians at clinical and non-clinical sites and available for remote colleagues, and have led the sector in this important safeguarding measure. 94% of patients in 2023 said they felt 'cared for' or 'looked after' in our hospitals.

 **Read more in Our strategy on page 20**






## The value we create

### We're boosting the UK economy

**We support the UK economy by investing in skills, technology and infrastructure, boosting productivity and contributing to net zero.**

We run one of the largest nurse apprenticeship programmes, and almost 4% of our permanent workforce – over 430 people – are apprentices. By growing and developing talented people, we are helping to address the shortage of skilled professionals in our sector.

We have committed over £360 million capital investment over the last five years, working closely with suppliers to develop partnerships that will deliver value for the wider community as well as our people, patients and their families

 **Read more in our Sustainability report on [page 36](#)**




### We're delivering sustainable shareholder value

**We have delivered another strong financial performance in 2023, in line with our plans, with sustained growth in revenue, earnings and EBIT margin.**

With our track-record as a fast-growing company, Spire Healthcare represents a real opportunity for pension funds and other long-term capital to invest in much needed UK healthcare services and a sector that is resilient.

Looking ahead, our strategy is designed to achieve continued momentum in top-line growth, margin improvement and ROCE improvement.

 **Read more in our Financial review on [page 82](#)**

## Chief executive officer's strategic review

# Delivering on our strategy to create wider value



### Highlights

96%

of patients rated their experience as 'Good' or 'Very Good', unchanged from 2022

13.4%

overall revenue increase compared to 2022

66

Our strategy is working, helping us deliver a strong set of results and strong profit growth, while enabling us to contribute in even greater measure to the nation's health, caring for over one million patients for the first time in 2023 and creating value through our hospitals and new services. Our number one priority will always be quality of care and patient safety. I thank all our colleagues and consultant partners for their tremendous contribution."

**Justin Ash**

Chief Executive Officer

### Helping to create healthier workplaces and a healthier Britain

I am delighted to report on another year of strong progress across the group. Our strategy is helping us to meet the changing demands for healthcare, as we expand our reach beyond our hospitals and clinics to support Britain's healthcare system. For the first time, we cared for over one million patients in 2023. It is well known that there are long NHS waiting lists, and this is clearly a backdrop to the demand that we can help with, both through partnering with the NHS and offering high-quality private care. But the picture more broadly in the UK is of general ill health, which is leading to economic inactivity. Around 35 million working days are lost each year due to self-reported work-related ill health or injuries, and more than 60% of people say they have attended work despite their mental health being poor<sup>1</sup>.

In that context, while hospital treatment will remain at the core of our activity for the foreseeable future, we are determined to be effective and relevant across all of the UK population's healthcare needs. That means helping to prevent ill health, through occupational health and primary care, supporting people if they need healthcare in the community and or a stay in hospital, right through to assisting people to recuperate, and returning to work and a normal healthy life.

### Strong performance backed by greater efficiency

Our business is performing well, which is reflected in our strong financial performance. Our overall revenue in the year was £1,359.0 million, up 13.4% on 2022, while adjusted EBITDA was £234.0 million, up 15.0% compared to 2022. The growth in demand for self-pay healthcare has softened in 2023, and some of those customers are moving to PMI. We have altered our service mix to focus on more complex, usually insurance-based, services like complex cardiac care. The stand-out growth area in 2023 was insurance-based care with revenue up 14.3%, driven by partnerships with PMI providers and a growing market. You can read a full breakdown of these results in our financial review on page 82.

Our efficiency programmes are well on track, with a further £15 million in savings delivered in 2023. Inflation has raised costs, and wage pressure issues face all businesses, including in administrative and healthcare roles in some parts of the country. But we are committed to achieving 21% EBITDA margin by 2025, are well resourced and we have made sound investments that will enable us to grow. We have a structured digitalisation plan which will improve our interactions with patients, make life easier for our colleagues and practising consultants and remove costs. As we move into 2024, we will make further investments that deliver efficiencies both financially and in our working practices. Following the successful introduction of a hub model for administration in the south east, we will roll this out across the country in 2024, improving call handling, bookings and management of resources.

1. Sources: Nuffield Trust and Health and Safety Executive



## Chief executive officer's strategic review continued

2023 saw another £84.4 million invested in the business. We opened a new outpatients and diagnostic centre at Spire Yale in Wales, following investment of £5.0 million. Spire Manchester and Spire Nottingham started to offer cardiac surgery, following investment of £3.4 million. We introduced our latest ophthalmic service at Spire Cambridge, following investment of £1.6 million. We also began or continued major hospital refurbishment programmes at sites including Portsmouth for £6.0 million, Claremont in Sheffield for £2.4 million, Cambridge for £1.5 million and Clare Park in Surrey for £1.5 million.

**Safety and quality care**

Something that will never change at Spire Healthcare is our ongoing investment in quality and patient safety. This is the bedrock to our operations and embedded in our purpose and culture.

In our latest survey, 96% of patients rated their experience as 'Very good' or 'Good', and I am pleased to confirm that 98% of our inspected locations are currently rated 'Good' or 'Outstanding', or the equivalent, by regulators in England, Scotland and Wales. We are awaiting reinspection of Spire Alexandra in Kent, our one remaining site which has a 'Requires Improvement' rating but has not been inspected since 2016/17.

We are making excellent progress in implementing the new NHS England Patient Safety Incident Response Framework (PSIRF). PSIRF promotes a new, more proportionate approach to responding to patient safety incidents within a wider system of improvement, with compassionate engagement and involvement of those affected by patient safety incidents. PSIRF is the biggest change for over a decade in how all NHS and independent medical settings review, investigate and share learnings from patient safety incidents. We are only obliged to implement this framework for NHS patients but are going much further to introduce it for everyone we care for and have worked with our teams throughout 2023 to trial new tools and techniques to deliver this well. We regularly consider all risks; you can read more in our Risks section on page 64.

**Maximising our capacity to enable patient choice**

Demand remains strong in the UK market. That's why it's so important that we invest in our people, our facilities and new services. Many people are looking for faster diagnosis and treatment, and healthcare is no longer an 'either or' choice between the NHS and private, as many people are making the most appropriate choices to suit their needs at different times of their lives. Our self-pay services provide patients with urgent access to specialists when they need them, while private medical insurance is becoming ever more desirable as a workforce benefit, both for responsible employers and individuals who are more conscious of their health.

We've also been pleased to launch a major new multichannel brand building campaign this year, with the key message 'The sooner you're better, the better'. We want to put our brand at the front-of-mind for people aged 35+ in particular, who are open to the idea of private healthcare or making a choice with their GP, positioning Spire Healthcare as the 'fast-track health service', getting people back to their lives, loved ones and the things they love, sooner.

**Adding new services and expanding our proposition**

Our journey towards becoming an integrated healthcare provider has moved on apace in 2023, with more than 4% of the group's revenue now from new services, through growth in our private GP, occupational health, musculoskeletal and NHS talking therapies services. We are supporting individuals, as well as employers looking to improve their employees' health and wellbeing, which ultimately reduces the strain and cost in the NHS. Prevention is becoming increasingly important to the overall healthcare agenda and we're moving into that space, which I believe lays the groundwork for exciting times ahead for Spire Healthcare.

We started this journey with the acquisition of The Doctors Clinic Group late last year, which increased our presence in private GP services and gave us access to the occupational health market. Good occupational health can enhance the health and wellbeing of people at work. The support we provide in workplaces helps to support many health issues, allowing early treatment of heart disease, diabetes



and hearing loss for example, which might otherwise have gone undetected and potentially worsen. Equally important is the support we provide to people returning to work after a period of ill health, such as advising employers on adjustments they can make to enable employees to settle back into work safely and comfortably, and stay in work. Our plan is to invest in occupational health through organic and inorganic growth, building pathways to the hospital business.

We have now restructured our two occupational health businesses, Soma Health and Maitland Medical, into Spire Occupational Health, while the GP business has been concentrated in London and is branded: London Doctors Clinic – part of Spire Healthcare.

In the last quarter of 2023, I was delighted with the acquisition of Vita Health Group (VHG) for a net cash consideration of £73.2 million, which takes us into critical new areas, covering both physical and mental health, expands further our occupational health capabilities, and makes Spire Healthcare the UK's largest independent sector healthcare provider by turnover. Revenue for VHG, since acquisition, was £18.3 million. I welcome Derrick Farrell, chief executive officer of VHG, who will continue to run the business.

VHG is the largest independent provider of NHS talking therapies, a fast-growing area, which makes a real difference to people's lives. Previously called Improving Access to Psychological Therapy (IAPT), but changed following NHS consultation in early 2023, NHS talking therapies provide counselling and effective psychological therapies to people experiencing the most common mental health problems: anxiety and depression. The business also provides mental health and employee assistance services for over 200 corporate employers and offers musculoskeletal support to relieve back, neck and limb problems. There are huge synergies with our existing businesses, for example referrals from musculoskeletal care to orthopaedics or, in cancer care, where we will now be able to provide much-needed mental health support to our patients. Much of VHG's business is through insurance, which increases our capabilities to our PMI customers; its occupational health business is also synergistic to Spire Occupational Health.

In December, we convened a roundtable event with the Institute for Public Policy Research and a variety of opinion formers to debate and explore the complex issues facing population health and the increasing role that occupational health services can play.

## Chief executive officer's strategic review continued



We are also opening new daycase clinics to meet the growing healthcare needs in our communities. The first of these, our Spire Healthcare Abergele Clinic in north Wales, opened in early 2024, offering diagnostic services, as well as orthopaedic, ophthalmic, dermatological, and gynaecological treatments. A second clinic in Harrogate will open later in 2024.

**Helping relieve the burden on the NHS**

We continue to support the NHS in reducing waiting lists, providing care for some of those patients who have been waiting the longest. Our NHS talking therapies, delivered through our VHG brand, cover 1.2 million people in England and we also now offer NHS musculoskeletal services.

I am pleased that Spire Healthcare contributed to the government's Elective Recovery Taskforce for England, the outcome of which was a set of measures designed to help the independent sector play its part in reducing the backlog in healthcare. A key outcome which we welcome, was a commitment, by the government, to promoting patient choice, where all patients have the right to select a hospital – NHS or independent – where they can receive their care the quickest.

**Supporting and developing our people**

It is well reported that there is a chronic shortage of healthcare professionals in the UK and competition for talent in the workplace. Reducing colleague leaver rates and filling vacancies is a key challenge for all healthcare companies and much of our organisational focus and strategy is devoted to

continuous improvement in this area. In that context, no company can outsource the job of being a good employer – and that's very much our philosophy. We continue to need to manage vacancies, especially as the business grows, rising hourly rates for agency workers and a need to invest in colleague pay and reward to attract and retain the best talent. Read more on pages 18 and 27.

We seek to provide an inclusive environment, encouraging colleagues to thrive and celebrate their differences. Working hard to recruit and retain the best people, we offer colleagues the best working experience we can, with genuine opportunities to grow and develop their careers.

I am proud that the first graduation from our sector-leading nurse degree apprenticeship programme took place in November. We run the programme in partnership with the University of Sunderland, aiming to build a talent pipeline for our business and the broader healthcare sector. A new cohort of 12 nurses joined in December 2023 for 2024. The group has over 430 apprentices in all, 160 of which are nurse apprentices, representing around 4% of our total permanent workforce.

I was also delighted that we launched our new Driving Clinical Excellence in Practice Programme for existing nursing colleagues towards the end of the year. The programme is a bespoke educational initiative that includes a comprehensive framework of competencies and skills aligned to our values, quality objectives and priorities. It will also support nurse revalidation, promote better patient outcomes, patient experience and better use of resources.

Since 2021, we have recruited over 670 colleagues from overseas, including 115 overseas nurses recruited in 2023. Our overseas colleagues make a fantastic contribution to our business. We only actively recruit in 'green' countries under the World Health Organization definition, providing training and development to support their career.

We recognise and value the hard work and dedication of all our colleagues, and I believe it is vitally important that everyone is properly rewarded. That's why we supported eligible colleagues with a 5.5%

salary increase from September 2023, on top of a 5% rise in 2022 for most eligible colleagues. At that point, our lowest paid colleagues moved in-line with the Real Living Wage. I am also delighted that our colleague engagement score rose by 1 percentage point to 81% this year, with a fantastic response rate of 86%. VHG colleagues received an average salary rise of 5% in April. Read more on page 28.

**Sustainability – adding value for our environment and communities**

Having integrated sustainability into our business strategy, we continue to develop and advance our sustainability strategy, setting out specific goals for us to work towards. We are making good progress, and our aim is to lead the health sector in championing environment, social and governance issues.

We furthered our ambition to achieve net zero carbon status by 2030, with investment during the year in the removal of piped nitrous oxide systems, the installation of new solar panels (in all hospitals by 2024), increasing recycling and generating carbon reduction through the effective management of our waste, and the optimisation of our building management systems. Waste is managed more efficiently with 23.5% of dry mixed waste now recycled at our sites, carbon emissions are 3% ahead of target, despite green energy being harder to source, and we have saved 27,000 litres of water in a trial at two hospitals. VHG is progressing towards their targets in line with the 2015 Paris Agreement. You can read more about these efforts in our sustainability report on page 36.

When it comes to our communities, Spire Healthcare and its people always seek to make a difference that includes, but also goes beyond, the healthcare services we provide. That's why colleagues from our clinics, hospitals and central functions forge relationships with local communities and fundraise for local charities. Every year, we take on company-wide charity challenges and other community initiatives, raising thousands for good causes. Our charity week in June this year raised over £40,000 for a range of local and national charities.

**Looking ahead**

I'd like to thank the management team, all our leaders across the business, our hospital teams and support services, as well as all our consultant partners for their tremendous contributions to another impressive performance this year. I would also like to take this opportunity to welcome Professor Lisa Grant, our new group clinical director and chief nurse, who joined us following a successful 25-year career in the NHS holding a number of leadership and management roles; and Rachel King, who joined us as group people director, having most recently led the transformation of former national lottery operator Camelot's people strategy and culture.

2024 will be a key year as we continue to transform the business. Through our programme of investments in digital platforms, we will be driving further change and improvement, benefiting patients and colleagues, and generating significant efficiencies. Our new services will become material contributors to our operations and financial results, as we strive to provide a more integrated healthcare offering. I am excited about our prospects for 2024 and look forward to contributing in even greater measure to the nation's health in the year ahead. It should be an exciting year and I look forward to leading these programmes and updating shareholders on our progress.

Jitesh Sodha will be stepping down from the board at the AGM on 9 May 2024. Following the AGM, Jitesh will initially support the transition to his successor, before focusing on a number of strategic initiatives for the remainder of his notice period. I would like to take this opportunity to thank Jitesh for leading the transformation of our financial performance and his immense contribution to the group during his tenure. Jitesh will be succeeded by Harbant Samra. Harbant has been with the group since 2018, having most recently served as the deputy chief financial officer. Having worked closely with Harbant for many years, I am delighted to see him join the board.

**Justin Ash**  
Chief Executive Officer



## Delivering new care to new markets

# Strengthening our integrated healthcare offer

We are more than just our hospitals – we are becoming an integrated healthcare provider, looking after people's whole health and wellbeing with a range of private GP, occupational health, musculoskeletal and talking therapies services. We are seeking new ways to tackle the causes of ill health and low productivity, supporting choice, supporting the NHS while offering synergies to our hospital business.

We acquired The Doctors Clinic Group in December 2022, a provider of occupational health and private GP services that included London Doctors Clinic, Soma Health and Maitland Medical. Then in October 2023, we acquired Vita Health Group for £73.2 million, a market-leading provider of NHS talking therapies, musculoskeletal and dermatology services, as well as corporate and occupational health services.

During the year, we have worked to reorganise and rebrand many of these offerings, creating distinct and focused businesses with separate websites and new branding:

Spire Occupational Health  
London Doctors Clinic, part of Spire Healthcare  
Vita Health Group, part of Spire Healthcare.



### Spire Occupational Health

Spire Occupational Health is a dedicated partner to hundreds of businesses, helping them to build a healthier, more productive, and resilient workforce.

We offer robust clinical advice and high-quality corporate healthcare services including targeted interventions, health maintenance and preventative measures to provide fully-integrated, comprehensive occupational health and wellbeing solutions for businesses.

[spireoccupationalhealth.com](https://spireoccupationalhealth.com)

# 600+

corporate clients (2022: 600)

# 7,600

occupational health management referrals completed (2022: 6200)

### London Doctors Clinic, Part of Spire Healthcare (LDC)

Offering same-day London private GP appointments, our consulting rooms provide health screens, blood tests, STI tests, prescriptions, certificates, sick notes, referrals and much more. With experienced doctors, convenient locations and a range of extended opening times, LDC is ideal for busy commuters, residents and visitors to London. It's a one-stop-shop for private GP appointments, testing, medicals, advice and support. Five new locations opened in 2023 – Bank, Chiswick, Fulham, Hampstead and Islington.

[londondoctorsclinic.co.uk](https://londondoctorsclinic.co.uk)

# 7

days a week service

# 18

consulting rooms in Greater London

### Vita Health Group, Part of Spire Healthcare (VHG)

With over 30 years' experience delivering quality services, Vita Health Group is dedicated to improving lives both physically and mentally – it:

- Provides NHS, corporate and private mental and physical health services, offering insights and treatments in holistic, person-centred care
- Works with a variety of companies to help their teams stay fit, healthy, and happy
- Provides a range of musculoskeletal services to NHS, private and corporate patients

Physical health services range from physiotherapy to group exercise classes and more specialist treatments such as acupuncture and injection therapy, while mental health services include cognitive behavioural therapy (CBT), guided self-help and group therapy sessions.

Note: Private includes self-pay and PMI customers, corporate includes PMI, employee assistance and occupational health provision.

[vitahealthgroup.co.uk](https://vitahealthgroup.co.uk)

# 46,000+

people cared for by Vita Health Group since acquisition (2023 full year: 225,380, 2022: 168,906)

# 97%

of patients in corporate musculoskeletal services returned to work after treatment in 2023 (2022: 86%)

## Our business model

# How we create value for the business and our stakeholders

Spire Healthcare helps people return to good health, providing more health choices, quickly and safely, through our dedicated and highly trained colleagues, at a time of unprecedented healthcare demand.

### Our drivers and resources

#### Our purpose

Making a positive difference to people's lives through outstanding personalised care.

#### Our resources

- A highly motivated and skilled team of clinical and non-clinical colleagues
- GPs, consultants and other health professionals who are experts in their field
- Hospitals, critical care units, Macmillan-accredited cancer centres, clinics and consulting rooms
- Our digital infrastructure and the latest medical facilities and equipment

See more detail on how we generate revenue on [page 15](#)



### What we do and key trends

#### Our offer: from prevention to complex care

- A nationwide network of private GPs with rapid access clinics in London
- Occupational health and employee assistance programmes
- Diagnostics
- Treatment and surgery: from orthopaedics to cancer and complex care
- Physiotherapy, recovery and rehabilitation
- NHS talking therapies and corporate and private mental health

#### Market trends

- Population profile
- NHS waiting lists
- Private market
- Healthcare workforce
- Economic environment
- Role for employers in healthcare

Read more on this in Our market [page 16](#)

### Our objectives

#### Our strategy

We're helping to meet Britain's healthcare needs by running great hospitals and developing new services through the five pillars of our strategy:

- Driving hospital performance
- Building on quality
- Investing in our workforce
- Championing sustainability
- Expanding our proposition

Which together deliver strong financial performance.

We discuss our strategy in detail on [page 20](#)

#### Risk management

We ensure we achieve our strategic objectives by identifying, quantifying, and monitoring risks to Spire Healthcare in terms of consequence and likelihood.

See our Risks and internal control report on [page 64](#)

#### Sustainability

We want to become recognised as a leader in sustainability in our industry. Through our sustainability strategy, we seek to drive positive change in the workplace, local communities, and the environment.

See our Sustainability report on [page 36](#)

### The value we create

#### For patients

We provide fast access to high-quality, personalised clinical care with world-class experts

**989,300**

patients seen in hospitals in 2023 (2022: 926,500) 96% say their care was 'Very Good' or 'Good'

#### For shareholders

We aim to create value by delivering strong total shareholder returns

During the three-year period 2021-23, Spire Healthcare's share price rose by 45.8% and outperformed the FTSE All-Share Index by 30.6 percentage points. Our Total Shareholder Return for the same period was 46.1%

#### For colleagues

We provide our colleagues with high job satisfaction, a competitive reward and recognition framework, and the chance to learn, develop and grow

**16,800**

colleagues  
2022: 14,500

#### For the consultants

We invest in the best people, facilities, patient safety and equipment to make Spire Healthcare the partner of choice for our consultants

**8,650**

expert consultants we worked with in 2023  
2022: 8,760

#### For NHS and government

We help the NHS reduce waiting lists, work closely with the NHS centrally and in local communities, with commissioners and trusts, and provide NHS talking therapies, physiotherapy and dermatology services

**195,950**

NHS patients seen in our hospitals in 2023  
2022: 182,000

#### For society and the economy

We support the UK economy and employers by investing in skills, technology and infrastructure, while boosting productivity by helping people get back to work

**12**

new nurse apprentices joined in December 2023 (2022: 24)

#### For the environment

We aim to reduce our impact on the environment and work with our suppliers to align our goals and develop healthcare services sustainably

**3%**

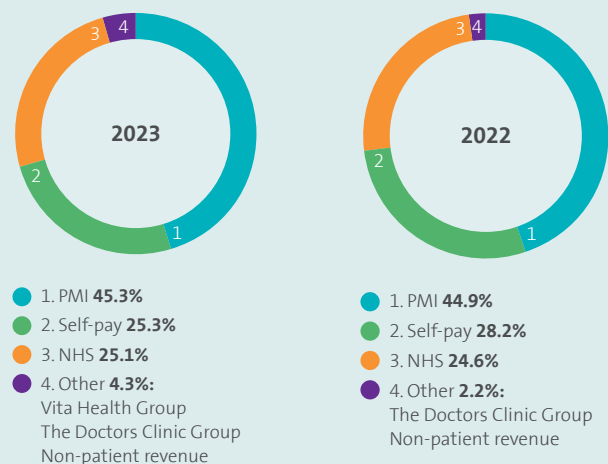
ahead of 2023 target emissions (27,017 tCO<sub>2</sub>e achieved, target 27,750 tCO<sub>2</sub>e) (2022: 9% ahead)



Our business model continued

# How we generate revenue

Spire Healthcare group revenue



## 1. Private patients

We offer assessment, diagnostic tests and treatments for patients who have private health insurance or wish to pay for their own care. We offer them a choice of when and where they are treated, in hospitals and clinics that combine excellent clinical outcomes and levels of infection control with 'hotel-style' levels of service.

### PMI

We have long-term relationships with all the major private medical insurance providers, with Aviva, AXA Health, Bupa and Vitality having combined market share estimated at over 90%. We market a Spire-branded insurance product, inSpire, underwritten by AXA Health which gives easy access to affordable private care at Spire Healthcare hospitals.

### Self-pay

We enable patients to take control of their own health by directly booking appointments with consultants without the need for a GP referral or an appointment with one of our private GPs through Spire GP or London Doctors Clinic, or talking therapies and musculoskeletal services through the Vita Health Group (VHG) brand.

## 2. NHS

Spire Healthcare offers the NHS capacity, capability and choice. We perform high volumes of routine elective surgery, including a proportion of complex surgery. Most work comes directly from GPs, allowing waiting NHS patients to access care. The activity is at the same tariff prices as local NHS Trusts and the capital we invest in our sites, at no charge to the NHS, allows us to increase capacity through expanded clinical teams, theatre time and bed availability. This means we can increase capacity aligned to NHS commissioning requirements. Most NHS work comes from NHS GPs via the Electronic Referral System (eRS) which allows patients to book appointments with providers of their choice with the shortest waits.

VHG is the biggest independent provider of NHS talking therapies and offers NHS musculoskeletal services. Services are free to patients, and they can self-refer to many of our services with no need to see their NHS GP. VHG also provides some NHS dermatology services and works in partnership with the NHS across the UK to provide physiotherapy and musculoskeletal services.

## 3. Corporates

VHG and Spire Occupational Health deliver services to employers through occupational health contracts and employee assistance programmes which support corporates to keep employees healthy, protect and promote good health and provide services such as health surveillance, training and mental health support. VHG has more than 200 corporate clients and Spire Occupational Health has over 630.

\* Source: LaingBuisson Health Cover 18th Edition June 2023

## Our market

### Key trends

The demand for healthcare remains strong – from GP and diagnostic services to hospital treatment, occupational health and NHS talking therapies.



More people are making different choices about their health, seeking the services we can provide sooner than may be available through the NHS or through their employer. However, many haven't had experience of private healthcare before, so we want to help patients make informed choices, understand their options, and get them back to their normal lives.

Demand for private healthcare remained strong in 2023, with patients seeking prompt, safe and effective diagnosis and treatment. There is softening demand from self-paying patients, while the growth in our private medical insurance (PMI) business is being driven by more awareness of the benefits to employers and employees, even among younger demographics, and the deepening of cover.

Our new integrated marketing campaign, launched in 2023, has seen good results. Recent acquisitions have expanded our offer into new markets.



## Key trends that affect our market today

01

### Population profile

The growing and ageing population and greater prevalence of long-term conditions continue to be underlying factors putting pressure on the UK's healthcare resources. Treatment and care for people with long-term conditions accounts for a large proportion of the nation's total health and social care expenditure, while the number of people who are economically inactive has grown to 2.6 million, with those experiencing long-term ill-health rising by almost 500,000<sup>1</sup> since the start of the pandemic in early 2020. In addition, 3.7 million working-age people are in work with a health condition that is 'work-limiting'<sup>2</sup>.

Mental health issues are growing and yet have been traditionally underserved and less recognised than physical health issues. Around one in six adults and 26% of late teens have a common mental health condition<sup>3</sup>. Demand is set to rise faster than other health services<sup>3</sup>. Talking therapies are effective and confidential treatments, delivered by trained and accredited practitioners for conditions like depression, worry and anxiety<sup>4</sup>.

To help improve the country's health, relieve pressure on the healthcare system, and support those with long-term ill-health, we are committed to delivering a range of vital services. That's why alongside investments in our hospitals, we are also developing care services such as occupational health, wellbeing, musculoskeletal therapy, mental health services and NHS talking therapies – creating an integrated healthcare offer.



1. Office for National Statistics (ONS) indicated an increase of 27,208 people on the previous month to hit 491,433 as of July 2023.  
2. The Health Foundation analysis of the ONS' Labour Force Survey, 2023.  
3. Committee of Public Accounts, 'Progress in improving NHS mental health services, July 2023.  
4. NHS England, NHS talking therapies for anxiety and depression, January 2022.

02

### NHS waiting lists

NHS waiting lists have been long since before the pandemic, but they have grown to record levels, rising to 7.6 million pathways. The problem is not only the length of the lists, but also the length of time people are waiting for diagnoses and treatments and people waiting on more than one pathway. In 2019, there were around 1,600 people waiting longer than a year for a procedure. Today, this number is in excess of 337,000.

# 337,000+

patients waiting over a year, down from over 400,000 in November 2022

Source: NHS waiting times data for December 2023, published February 2023.

# 7.6m

patient pathways on waiting lists, up from 7.2 million in 2022

Source: NHS waiting times data for December 2023, published February 2023.

# 58%

of Spire Healthcare target consumers would be more likely to consider using a private hospital, given growing waiting lists

Source: Proprietary Spire Healthcare research conducted with 2,416 target consumers during November 2023, up from 57% in 2022.



## Our market continued

## Key trends that affect our market today continued

03

## Private market

Demand for private care continues; it grew overall, driven primarily by private medical insurance (PMI), and penetration has grown significantly. The most recent LaingBuisson data<sup>5</sup> states that around 7.4 million lives are now covered by private medical cover, and 3.5 million each by health cash plans and dental benefit plans. Corporates are also looking to extend cover deeper into their workforces beyond senior employees, as a defence against NHS waiting times and a cost-effective additional offer to employees. Revenue from PMI is much higher due to more people using their insurance and our management of case and price mix.

The growth in demand for self-pay is down slightly, but remains significantly above pre-pandemic levels. PHIN data shows self-pay admissions down by 4% at quarter two in 2023.

Our target customer base – the number of people willing and able to use private healthcare in the areas in which we operate – is around 5.2 million people. The profile of our customers has remained similar in terms of age and wealth profile. Some people who previously might have defaulted to the NHS before the pandemic are turning to us to receive care, however some people on the edges of our audience are seeing a decline in affordability owing to the cost-of-living, which acts against them turning to us. Our new integrated and targeted marketing campaign, launched in 2023, focuses on the desire of patients to get back to their lives by having their health conditions diagnosed and treated swiftly and safely, with the message: 'The sooner you're better, the better'.

Read more about how we are 'Driving hospital performance' on page 21 and 'Expanding our proposition' on page 34



74%

of 25-34 year olds would consider using private healthcare if they needed treatment in the future

Source: IHPN polling 'Going Private', 2023.

People are also experiencing longer waits to see their NHS GPs and struggling to access community services for long-term conditions or other health issues. Spire Healthcare has increased the size of its GP services including Spire GP and the London Doctors Clinic, and new services including Spire Occupational Health. Most recently, through the acquisition of Vita Health Group, we now offer mental and physical therapies for private, corporate and NHS customers. Many of these services are increasingly part of the value chain into hospitals, as they refer to our clinicians and therapists who can help patients back to health.

04

## Healthcare workforce

The UK healthcare sector continues to face a severe skills shortage, with a large number of healthcare professionals leaving the industry each year. This is why the board considers workforce to be outside of our risk appetite – read more in our risks section on page 64.

Attracting and retaining the best people remains a challenge for all healthcare providers, both public and private, and this is the case for Spire Healthcare too. Rates for agency staff and specialist clinical roles are rising owing to both shortages and inflation, presenting a further challenge, but we are managing this well and agency spend is down.

We welcomed the government's announcement this year of the first comprehensive workforce plan for the NHS, putting staffing on a more sustainable footing and aimed at improving patient care. The plan focuses on retaining existing talent in the NHS and making the best use of new technology alongside a major recruitment drive.

The combination of recent high inflation and labour shortages means businesses like ours have to be competitive in the reward we offer colleagues, to attract and retain the best people, and we have addressed that again in our salary awards in 2023.

To counteract shortages, we run one of the largest nurse apprenticeship programmes run by a single organisation and offer a range of clinical and non-clinical apprenticeships, along with many training opportunities and student placements. We seek to be a positive contributor to the healthcare workforce. We continue to make progress in improving colleague retention, increasing hire rates and, as a result, are starting to reduce agency spend.



At Spire Healthcare, we offer a range of apprenticeship programmes and training opportunities. Read more on page 29 and on page 44



Our market continued

Key trends that affect our market today continued

05

## Economic environment

Following sharp rises in inflation in the UK last year, the rate has fallen in 2023, but remains much higher than the Bank of England's target of 2%. Cost-of-living pressures are still having a major impact on many people's disposable income, and higher interest rates have become a factor for individuals and businesses everywhere. This has the potential to temper growth in our market, but we have some resilience to these pressures in the private healthcare sector. Our core customer is generally more affluent and more insulated against rising costs, while our older self-funding customers, are mostly far less affected by mortgage increases.

The economic climate and financial concerns have resulted in a slight slowing of our enquiries, though this is, to some extent, being offset by our brand-building and advertising campaigns and the underlying demand due to NHS waiting lists. The inflationary environment we are in is quite complex, affecting our supply chain, our operational costs, and salary expectations, but we continue to remain competitive on price. We continue to hedge our energy prices, currently until autumn 2024, as energy costs have been a huge driver in increasing pressure for most businesses and families. We have planned for mitigating the impact of energy costs from 2024 onwards. The largest rise in our costs is colleague salaries, with increases to address the cost-of-living in 2022 and 2023, and remain a competitive employer on reward. Read more on pages 12, 28, 68 and 113.



### UK inflation rate

4.0%

in December 2023

10.5%

in December 2022

Source: UK Consumer Price Index (CPI), ONS.

06

## Role for employers in healthcare

It is increasingly understood that employers have a role to play in preventing, maintaining and improving the health of their employees, through occupational health and wellbeing interventions. The Chartered Institute of Personnel and Development<sup>6</sup> notes that 'Employee health is a core driver of a business's performance and employers should support employees not already covered by disability legislation' and the role that employers can play in health and wellbeing has risen up the public policy agenda during 2023.

As noted above, employers are increasing the provision of PMI for their employees<sup>7</sup>. Meanwhile, our occupational health services are seeing continued demand for employee health support.

Mental health and musculoskeletal services provided to employers through Vita Health Group are allowing employees to remain healthy at work or aid those off work to recover and return to their duties, helping to improve productivity for employers. Prioritising occupational health yields benefits like reduced absenteeism, improved morale, and helps employers comply with the law. It attracts and retains top talent, enhancing overall business success.



6. Chartered Institute of Personnel and Development, 'Health is everyone's business: Proposals to reduce ill-health-related job loss', 2019.  
7. Healthcare and Protection, 'Corporate wellbeing demand here to stay as services continue expanding – analysis' 2023.

## Our strategy

# Helping to meet Britain's healthcare needs

At Spire Healthcare, quality and patient safety always come first. This has been the cornerstone of a strategy that has proved successful in recent years


But in this time of unprecedented demand for healthcare, both in our hospitals and elsewhere, we evolved our strategy in 2022 to help us meet this demand, not simply by caring for patients in our high-quality hospitals, but also by developing and offering a range of vital healthcare services to improve the health of the nation in clinics, communities and workplaces. In 2023 we continue to deliver this strategy.

### Our purpose drives our strategy

Our purpose is 'Making a positive difference to people's lives through outstanding personalised care'. That's why we have a strategy that helps us to meet more of Britain's healthcare needs. A strategy that works by focusing on quality and safety, champions sustainability throughout the organisation, recognises the vital role our colleagues play, helps us to expand into new areas of healthcare to meet more people's needs, and delivers a strong financial performance for our shareholders while generating value for all our stakeholders.



	<b>Driving hospital performance</b>	Continue to grow across our existing hospital estate with increasing margins	 See page 21-23
	<b>Building on quality</b>	Maintain strong quality and safety credentials for patients and as a competitive advantage	 See page 24-26
	<b>Investing in our workforce</b>	Aspire to attract, retain and develop the most talented people to our business	 See page 27-30
	<b>Championing sustainability</b>	Become recognised as a leader in environmental, social and governance (ESG) in our industry	 See page 31-33
	<b>Expanding our proposition</b>	Selectively invest to attract patients and meet more of their healthcare needs	 See page 34-35
Which together delivers a strong financial performance for our shareholders and the fiscal strength we need to invest in future growth			

 Our key performance indicators (KPIs) are explained in detail on [page 61](#)

 Read about our engagement with stakeholders on [page 54](#)

 Read about our alignment to the United Nations Sustainable Goals (UN SDGs) on [page 36](#)





# 1. Drive hospital performance

## Continue to grow across our existing hospital estate with increasing margins.

As a preferred provider and partner, we aim to offer an outstanding patient experience in our hospitals, and ensure we are easy to do business with.



### Our goals

- Provide people with rapid access to diagnosis and treatment
- Provide market-leading offer to private patients, with targeted growth in NHS treatments
- Outperform the UK's overall hospital market growth
- Improve our hospital margins and maximise opportunities

### Highlights and priorities

#### Highlights of 2023

- Increased private revenue by 9.5% to £959.7 million from £876.7 million in 2022
- £84.4 million investment across our estate, including major projects at Spire Yale and Spire Cambridge
- Launched our new marketing campaign, 'The sooner you're better, the better'
- Enhanced our cyber security to strengthen information governance and our data security position

#### Priorities for 2024

- Drive further digitalisation, automation and efficiency in our business processes to deliver improved margins
- Continue to increase our private revenue and build the Spire Healthcare brand in new areas
- Maintain investments in the business at approximately 6-7% of revenue
- Work with our NHS partners to help address waiting lists

### Maximising our capacity

In our first full 'normal' post-COVID year since 2019, we delivered a strong performance, demonstrating that our strategy is working, despite having to navigate other issues, such as high levels of seasonal absence and consultant strike action in the NHS. While we have faced many challenges over the last three years, we have come through them well, and Spire Healthcare is a more resilient business than ever today.

Demand remains strong. Our hospital directors, directors of clinical services and other hospital leaders have continued to focus on maximising our capacity and increasing utilisation at our sites – back-filling cancelled appointments with patients ready to bring an appointment forward, making Saturdays more of a normal working day, taking work out of theatre where possible, creating new clinical space within our estate, being more disciplined on patient mix, and holding capacity meetings to make the most of our resources. We cannot control when colleagues, consultants or patients get sick or when cancellations occur, but we manage capacity closely and well and ensure patients are pre-assessed early so others can be offered any cancelled slot.

### Efficiency and digitalisation

We continue to improve the efficiency of our business, delivering a further £15 million savings this year. Acting for the whole organisation, rather than individual hospitals or sites, our professional procurement team is leveraging the power of the group to mitigate cost increases.

However, our big focus in 2023 has been developing a plan to modernise our whole IT system, update our data strategy, and digitalise what we do today to make improvements for our patients. The first step has been to benchmark our systems, put foundations in place for our plan, and scope out the size of the savings opportunity. We have a clear plan to deliver material savings, efficiencies and customer service improvements over the next three years.

## Our strategy continued

An important part of laying the foundations of our plan is upgrading Wi-Fi in hospitals and at our head office locations; this is currently in progress, and will mean patients, colleagues and consultants can easily access services on mobile devices. Next, we will be improving the performance of core digital platforms like our hospital management system, optimising our processes for everyone, and refreshing our website to provide a more streamlined, convenient and consistent experience. Digitalisation will support better appointment management, clear communications, and improved electronic prescribing systems and observations that help to improve patient safety and clinical outcomes.

Ultimately, it's all about making every patient's journey a seamless one, from booking an appointment to accessing treatment, and helping them build an ongoing relationship with Spire Healthcare. By embracing data and fostering innovation right across our organisation, our colleagues will be even better placed to provide personalised patient care, with reliable access to all the tools they need, while we are proactively exploring the opportunities presented by emerging artificial intelligence technologies to improve those tools. All these changes will remove cost from the hospital business to deliver a stronger financial performance.

## Investing in our estate

Our focus on digitalisation doesn't detract from the continued investments we are making in quality across our core estate, as we committed a further £84.4 million in capital expenditure this year, a level of investment that stands out in the private healthcare sector. This included investments in diagnostic imaging of £14.1 million for a further five MRI and CT scanner replacements, and around £7.5 million on three 'cath labs' (equipped rooms used for non-surgical heart procedures), two x-ray/fluoroscopy rooms, five mammography units, and three 'C-Arm' medical imaging devices used during procedures. These investments in state-of-the-art technology benefit both our patients and our hospitals, helping to provide the best environment for the consultants who work with us.

Major projects in 2023 that have supported expanded services to patients and revenue growth, have included:

- The opening of a £9.5 million outpatients centre and diagnostic unit with MRI facilities at Spire Yale Hospital in Wrexham. We have committed a further £1.25 million to a new sterile services facility that will serve Spire Yale, due to open in early 2024
- A new £1.6 million ophthalmology theatre facility at Spire Cambridge
- A new £2.4 million daycase theatre suite at Spire Clarendon in Sheffield
- And a combined investment of £3.4 million to enable us to provide robotic assisted cardiac surgery at Spire Nottingham and Spire Manchester

In line with our five-year refurbishment programme, we have spent almost £10.0 million improving many of our sites this year, including highly-visible patient-facing reception areas. We have also invested more than £8.0 million on important engineering and fire safety projects at our sites.

Patients say their experience of our service was 'Very Good' or 'Good'

96%

2022: 96%

Source: Patient Discharge Survey 2023.

Private inpatient revenue up 6%

£355.5m

2022: £335.3m



Strategy in action

## New outpatient and diagnostic centre at Spire Yale Hospital

An ambitious £9.5 million development at Spire Yale Hospital in Wrexham has seen us convert former administrative buildings into an outpatient centre.

This has created a more comfortable environment where people can receive much-needed diagnoses. The new Chesney Court Imaging, Orthopaedic and Outpatient Centre will increase the number of patients the hospital can treat per year by up to 20%, expand the patient services we offer, and provide faster care for daycase patients.

Chesney Court was part of an ongoing investment project at Spire Yale, which expanded the hospital's existing ward space from 18 beds to 24 to allow more patients to receive the overnight care they need.

Chesney Court's outpatient and diagnostic centre offers state-of-the-art MRI, X-ray and ultrasound facilities, as well as orthopaedic and physiotherapy rooms. The centre also includes nine consulting and treatment rooms, and provides people with rapid access to orthopaedic, urology, ophthalmology, gynaecology, general surgery and ear, nose and throat surgery, as well as diagnostic services for cardiac disease and chronic and acute pain conditions.

Through a mix of inpatient and outpatient services, this increases patient choice and in turn will help to address waiting lists in and around north Wales.



## Our strategy continued

**Building on our self-pay and PMI business**

Our self-pay revenue grew by 1.8%, while the private medical insurance (PMI) market has continued to expand, as employers seek to secure cover on a wider group of their employees. PMI revenue grew by 14.3% in 2023. We are building on our partnerships with insurers, demonstrating the value we provide through our effective operational performance and collaborative initiatives. We have value-based contracts with all four of the main PMI providers – Bupa, AXA Health, Aviva and Vitality – that are founded on clinical quality, patient experience and price. We continue to expand our marketing of the Spire-branded InSpire insurance product which gives easy access to private care at Spire hospitals and is underwritten by AXA Health. In 2024 we will grow capacity further to ensure prompt access for private patients, supported by online and digital improvements to enhance referrals.

To drive growth and build on our brand awareness, we launched a new multi-channel targeted marketing campaign in September 2023, developed in partnership with M&C Saatchi London and entitled 'The sooner you're better, the better'. The campaign focuses on the themes of accessing expert care quickly to make a swift recovery, getting back to being yourself, and returning to what you love doing. A 30-second TV spot spearheaded the campaign, with more media buy booked for early 2024. The campaign is designed to attract and retain customers, while appealing to consultants, employees, and NHS patients who may have an option to choose us. Since launch in September, we have recorded our highest-ever brand awareness and consideration scores. Since our first major campaign in 2021, we have seen a strong marketing return on investment.

**Supporting the NHS and its elective recovery plan**

We believe private healthcare has an important role to play in tackling waiting lists by working in partnership with the NHS. We were pleased to support the government's Elective Recovery Taskforce, which aimed to increase the volume of elective consultations and procedures for NHS patients carried out by the independent sector, to help tackle the backlog. We welcomed the Taskforce's recommendation, accepted by the government, of an increased role for the independent sector, more choice for NHS patients when first referred, and choice for anyone waiting longer than 52 weeks for treatment – static at around 337,000 patients according to NHS England – of hospitals with shorter waiting times.

We look forward to many NHS patients taking advantage of this newly promoted choice, to opt for a Spire Healthcare hospital or service, to receive their care.

Our volume of NHS work increased again during 2023, and we continued to help the NHS to treat patients waiting the longest. We have now cared for more than 623,800 NHS patients in our hospitals since the start of the pandemic in March 2020 with 195,950 in 2023. We also continued to engage closely and develop our relationships with the Integrated Care Systems (ICS) that bring together providers and commissioners of health and care services across geographical areas.

**Services for children and young people**

Children and young people are an important part of our patient mix. We offer a broad range of paediatric services in a hub and spoke model, from initial consultation and diagnosis through to treatment and surgery, including dermatology, orthopaedics, gastroenterology and ear, nose and throat services with the latter the busiest service. In 2023 we saw more than 48,000 children in our outpatient departments and cared for over 5,000 on our inpatient wards.

66 Digitalisation will remove cost from the hospital business to deliver a stronger financial performance, and make every patient's journey a seamless one, from booking an appointment to accessing treatment, and helping them to build an ongoing relationship with Spire Healthcare."

**Private new outpatient consultations 2023**

**+7.8%**

626,173 in 2023 vs 580,981 in 2022

**Private revenue growth 2023**

**+9.5%**

£959,700 in 2023 vs £876,600 in 2022

## Our strategy continued



## 2. Building on quality

We remain fully focused on quality and patient safety across the organisation, underpinned by an open, learning and quality improvement culture.



### Our goals

- 100% of our inspected locations achieve 'Good' or 'Outstanding' ratings from regulators in England, Scotland and Wales
- Sector-leading patient satisfaction
- Above average patient reported outcomes

### Highlights and priorities

#### Highlights of 2023

- Started implementing the NHS England Patient Safety Incident Response Framework (PSIRF)
- Quality Improvement strategy fully embedded across our sites
- Continued to strengthen our governance standards including increased compliance with the National Joint Registry
- Launched our new Driving Clinical Excellence in Practice programme

#### Priorities for 2024

- Complete the implementation of PSIRF
- Continue to use our Quality Improvement strategy to maximum effect
- Use our new patient experience and engagement framework to further enhance patient experience
- Work with our new services to ensure we have excellence in governance and learning across the group

### Outstanding clinical quality

Quality underpins everything we do, with the delivery of patient safety and high-quality patient care central to Spire Healthcare's operations and embedded in our purpose and culture. 96% of our patients rated their experience as 'very good' or 'good', while 98% of our inspected hospitals and clinics are currently rated 'Good' or 'Outstanding' or the equivalent by regulators in England, Scotland and Wales. We are still awaiting reinspection of Spire Alexandra, our one remaining site which has a 'Requires Improvement' rating, which has not been inspected since 2016/17. Inspected VHG locations are currently rated 100% 'Good' by CQC.

Achieving 100% 'Good' or 'Outstanding' ratings across the group is a key target for us, and we aim to deliver care to the highest possible standards at all sites, all the time. This means being uncompromising on patient safety, and we aspire to the highest levels of incident reporting and the lowest level of patient harm incidents. We work hard to support our colleagues and consultants to ensure they have the skills and the facilities they need to ensure patient safety.

### Driving clinical excellence

During the year, we developed a new Driving Clinical Excellence in Practice programme, to support our registered nurses and allied health professionals' continuing professional development and the requirements of their professional revalidation. Read more on page 28. Aligned to this programme, in early 2024 we are rolling out the national Diseases Attacking the Immune System (DAISY) award to recognise extraordinary registered nurses and nursing associates who go above and beyond, and the Inclusive Recognition of Inspirational Staff (IRIS) award, recognising registered allied health professionals' excellent care to our patients.



## Our strategy continued

### Our framework for continuous improvement

We speak with patients every day to better understand their experience in our care. We want to find out more about their experience with us, their outcomes, and their broader patient experience before and after they came into our care. We use online feedback and patient forums with a direct loop to our hospitals and clinics so we can learn across all parts of the patient pathway. We have introduced a new Patient Experience Framework which provides a toolkit for listening to patients, standardised guidance on running effective patient forums and support with responding to issues raised. We relaunched and strengthened our hospital's patient forums in 2023.

Hospital leaders attend a daily safety briefing with a standard agenda, to share key developments, and determine any improvements we can make. This is complemented by a weekly 10@10 meeting – 10 minutes at 10 am – for all our central function colleagues. Another fortnightly meeting for senior leaders is hospital focused and supported by a detailed weekly briefing for cascade. We think it is important to create safe spaces for our leaders to reflect on these matters and hold professional conversations and coaching discussions when required. All this means that vital information is shared swiftly to improve safety and encourage continuous improvement, and that conversations are happening across the organisation to make sure all lessons are learned.

### Governance and oversight

We continue to strengthen our governance standards, assurance and board oversight, using data to support hospitals through comprehensive reporting processes on quality and rigorous ward-to-board assurance. We are extending our governance approach to all parts of the business, including the services we provide outside of hospitals, seeking to share learning as we integrate newly acquired services and develop new ones.

Our integrated quality assurance framework includes a suite of key performance indicators (KPIs) that is reported monthly to the board. Our framework is based on the NHS National Quality Board framework, with KPIs grouped under safe, effective, experience, well led, and money and people. An expanded report with a full suite of KPIs is used to provide information,

context and actions to board members to support robust conversations around assurance. The committee reviews all KPIs and forensically probes for themes, trends or opportunities for patient safety improvement. It scrutinises consultant performance; identifies quality outliers by consultant, hospital, or procedure; ensures full compliance with our policies around multidisciplinary meetings, especially in cancer; and reviews specialist services such as cardiac and young people's services. It reviews any learnings arising from mortality reviews and always receives a presentation from hospitals on patient safety improvement. To read more, see page 101.

### Quality and safety

We continue to ensure that we benchmark our quality standards against best practice, including using appropriate accreditation programmes. We have earned JAG accreditation for our endoscopy services at 14 sites – two hospitals achieved first-time accreditation in 2023, three were reaccredited. This accreditation is awarded by the Royal College of Physicians' Joint Advisory Group on Gastrointestinal Endoscopy. In addition, 15 of our 16 chemotherapy sites have Macmillan Quality Environment Mark (MQEM) accreditation, which champions cancer environments that go above and beyond to create welcoming and friendly spaces for patients.

We continue to build our capacity to provide more complex care for patients in our hospitals. This opens up new areas of care we can provide, and makes Spire Healthcare more self-supporting, by ensuring that we need to do fewer transfers out where critical care needs arise.

### Regulatory inspections (with 6 reports published in 2023)

7

2022: 10 inspection reports

### Net promoter score among corporate customers towards VHG's employee assistance plans

97

Source: NPS scores, Vita Health Group.



### Patient Safety Incident Response Framework

We are implementing the new NHS England Patient Safety Incident Response Framework (PSIRF). PSIRF promotes a new, more proportionate approach to responding to patient safety incidents within a wider system of improvement, with compassionate engagement and involvement of those affected by patient safety incidents. It recommends a system approach to learning from incidents, with considered and proportionate responses, with supportive oversight focused on strengthening response systems and improvement.

PSIRF builds on our open and learning culture, and we have trained all the people who need to be trained in our hospitals, ready for the full implementation in 2024. Ahead of full rollout, we have trialled the new PSIRF processes at three sites: Spire Bristol, Spire Wellesley in Southend-on-Sea, and Spire St Anthony's in Sutton.

### Quality improvement

Our Quality Improvement (QI) Strategy reflects our continuous improvement approach to safety and quality, with a standard QI methodology we use across the business to enhance our quality improvement culture.

The strategy is underpinned by Spire Healthcare's QI principles:

- Pursue value and quality as defined by our customers and our stakeholders
- Understand through observation – go, look, see and measure
- Remove waste – work or systems and processes that add no value and increase workload
- Create flow – optimise efficiency in all that we do
- Make it visible so you can see what is happening
- Standardise, document and continuously improve operations

We put in place a QI framework in 2023 confirming our QI priorities, and all our hospitals have agreed their own QI priorities based on these. To date, we have run more than 200 QI projects, which have improved patient outcomes and experience, driven efficiency and reduced waste.

Projects have included a nurse-led approach to reduce incidences of hyponatraemia which was a finalist in the Nursing Times Awards 2023, a project to reduce the average length of stay for hip and knee surgery patients, efforts to use fewer opiates for pain relief at discharge for orthopaedics, a nationwide project to improve resuscitation skills which was a finalist at the LaingBuisson Awards 2023, and a multi-year project to improve patient discharge scores across the group.

## Our strategy continued



## Resuscitation quality improvement

Our resuscitation quality improvement (RQI) programme was delivered as part of a collaborative partnership with Netherlands-based Laerdal Medical.

They are a world leader in resuscitation initiatives, such as simulation skills, and worked with us to develop our clinical colleagues' skills.

We adapted what we learned from Laerdal to create a new centralised training overview, which has led to a standardised approach to resuscitation throughout our hospitals nationally. This has

brought a level of consistency and clinical skill across the group that would normally be seen as a challenge for one large hospital site alone to achieve, never mind a series of sites across the country.

The RQI initiative has been recognised as an example of 'Excellence in Training', having been selected as a finalist in the 2023 LaingBuisson Awards.

Colleagues receive training in our QI methodology through our QI Academy. To date, more than 13,000 colleagues have accessed the QI training, either virtually or in face-to-face sessions, and we now have more than 280 QI trained practitioners. We also deliver bespoke QI training to our medical advisory committee chairs, business unit directors, directors of clinical services, finance managers, and Freedom to Speak Up Guardians.

### Freedom to speak up

Like everyone working in healthcare, we have reflected on the terrible crimes of Lucy Letby, committed at an NHS Trust. It has reinforced the importance of our Freedom to Speak Up (FTSU) culture, and we are proud of our network of 58 FTSU Guardians across Spire Healthcare locations, with 90% of colleagues knowing who their FTSU guardian is, plus a network of ambassadors who can receive concerns. But having that culture in place does not mean we are ever complacent. We regularly re-emphasise to our colleagues and consultant partners that we encourage them to speak up, and inform them that they will always be listened to and supported. We believe that having the right culture where people feel psychologically safe is a prerequisite for improving quality and providing safe care.

Colleagues can submit a Freedom to Speak Up concern via a dedicated module on Datix, our risk management software. The concern is managed by one of our trained FTSU guardians. We also have 31 consultant ambassadors to receive concerns.

We surveyed our Spire Healthcare Limited FTSU guardians in 2023 and used their responses and feedback alongside listening sessions to shape our speak up strategy. We have issued clear communications from our Chief Executive Officer, Justin Ash, and Group Medical Director, Dr Cathy Cale: 'Whatever method you use, our message to you is this – if you have a concern about patient safety, please raise it immediately. We will protect anyone who raises a concern they reasonably believe to be true (proven or not) from suffering any form of reprisal or other detriment as a result.' To support this message we have launched the National Guardian's Office Speak Up training modules, 'Speak Up, Listen

Up and Follow Up', aimed at building awareness of the importance of speaking up. 'Speak Up' is mandatory for all colleagues, we will be adding it to our mandatory training for consultants who practise at Spire Healthcare and VHG will be introducing in 2024. 'Listen Up' and 'Follow Up' are for managers.

Colleagues also have access to a confidential whistleblowing helpline, managed by an independent third-party provider, enabling them to raise any concerns anonymously.

In 2023 Vita Health Group (VHG) updated their Speak Up policy and enriched their established Freedom to Speak Up Guardian roles to embed a culture where individuals confidently raise concerns in confidence and identify opportunities to improve standards of care, working environments, and colleague wellbeing. The Doctors Clinic Group has two guardians who have started their National Guardian's Office training programme. Spire Healthcare and VHG both hold a dedicated FTSU month each October – aligned to the National Guardian's Office national campaign – to raise the profile of speaking up and of the guardians, and to offer further support and training to ensure colleagues know who they are and how to contact them. In 2023 the theme was overcoming barriers.

Inspected locations rated 'Good' or 'Outstanding' or equivalent by regulators England, Scotland and Wales

# 98%

2022: 98%

Patients say they felt 'cared for' or 'looked after' when receiving care at Spire Healthcare hospitals

# 94%

2022: New question for 2023  
Source: Patient Discharge Survey





## 3. Investing in our workforce

### Recruit, retain and develop great people.

With the shortage of clinical staff across the healthcare sector, we aspire to attract, retain, train and develop the most talented people to our business.



#### Our goals

- Sector-leading colleague satisfaction
- Sector-leading consultant satisfaction
- Sector-leading private hospital apprenticeship programmes

#### Highlights and priorities

##### Highlights of 2023

- Brought our recruitment service in-house to improve attraction and efficiency, saving £0.5 million
- Launched a new Speak Up training module from the National Guardian's Office
- Welcomed a new cohort into our nurse apprenticeship programme
- Held our first colleague survey champions' day

##### Priorities for 2024

- Develop our new reward framework
- Refocus our equality, diversity and inclusion strategy
- Focus on the employee experience as part of our external employer brand
- Continue to develop networks to support colleagues

### Creating a positive working environment

As a healthcare service provider, we recognise and value the hard work and dedication of all our colleagues. That's why investing in our workforce is at the heart of the group's strategy, and why when we say we're here to make a positive difference to people's lives, we include our own people in that.

Given the well-documented shortage of skilled healthcare staff in the UK and internationally, the need for wellbeing, inclusion, and a positive, rewarding working environment has never been greater. More than that, we recognise that we have a vital role to play in addressing the shortage of clinical staff, not just in our own organisation, but also across the nation's healthcare system. We aim to develop, support and protect our colleagues within a welcoming culture that is characterised by openness, respect, collaborative working, a focus on clinical safety, and a spirit of continuous improvement. That's how we create value for our colleagues, our business and the whole health sector.

### Bringing recruitment in-house

Our workforce is a critical enabler to deliver our strategy, but resourcing remains the most significant barrier to building capacity across our services. Vacancies are a continuing challenge across the healthcare sector, notably for specialist clinical roles. That's why we brought hospital recruitment in-house early in the year, and this has led to a tangible improvement to the filling of vacancies and a reduced cost per hire – as of September 2023, the average cost per offer is 41% lower – and the project saved £0.5m in 2023. We are attracting talented people to join our teams, while we continue to actively promote people to new roles from within Spire Healthcare.

Agency costs remain an issue for us and all healthcare providers, and rates for specialist skills are higher, but we are controlling them well and costs are down. We now have a single agency booking system, with a master agreement in place. This helps us to manage our agencies and see all costs up front. We are still in the process of digitising our bank and agency staff recruitment, but a single platform will bring future efficiencies.

**Our strategy** continued

We also continue to develop the way we portray our employee experience to potential recruits. Building on work in 2023, we will develop use of social media, events and advertising to reach new colleagues in 2024.

**Valuing and rewarding colleagues**

With the ongoing cost-of-living pressures, high interest rates, and impact of high inflation, our colleagues want clarity and certainty about their pay. That's why for all eligible colleagues we prioritised a 5.5% salary increase from September 2023. This built on our 5% increase last year and means that most colleagues will have seen a rise of over 10% in salary since September 2022. We have also been developing a new reward framework with our hospital directors and senior leaders to provide our colleagues with a simple structure and clarity on role progression to support their careers.

**Engaging with colleagues**

We want our colleagues to have a great work experience at Spire Healthcare, and if they feel engaged they can perform at their best. We use a range of two-way communications channels to communicate and engage with colleagues. These channels include our Ryalto colleague communications tool, which is used to build employee communities, publish key information and videos to colleagues from our chief executive officer, Justin Ash, and members of the executive committee every month.

In April we held our first-ever colleague survey champions' day at our head office, getting people together from all our hospitals and central functions to discuss what matters most for our teams. Key themes from the meeting included the importance of getting the basics right, particularly around personal development and growth. The group also reviewed our activity since last year's colleague survey: since the survey, we have launched Justin Ash's monthly colleague and consultant update, encouraged and supported managers to carry out half-year performance reviews with their teams throughout July, highlighted the importance of regular 1:1 meetings between managers and colleagues, and held our first topic-specific colleague call to get colleagues behind our new multimedia brand campaign.

We also established a new workforce committee in July that reports to our executive committee and is dedicated to strategic workforce matters. We held further colleague listening sessions with the executive committee and our non-executive directors – including a session with Justin Ash on Freedom to Speak Up.

**Colleague survey results**

While we encourage regular feedback from our people formally and informally, our annual colleague survey is open to all colleagues and provides in-depth feedback from all parts of the business. We held our 2023 survey in November and achieved an overall response rate of 86% (77% in 2022), with 81% of colleagues saying they are proud to work for Spire Healthcare (+1 percentage point from 2022) and 84% of colleagues saying that they get personal satisfaction from the work they do, level with 2022. 86% of colleagues would be happy with the standard of care if their friends or family needed treatment at Spire Healthcare (up 3 percentage points from 2022) and 71% would recommend Spire Healthcare as a place to work (down from 72% in 2022). Following these results, teams are developing action plans to drive improvements such as learning opportunities, line management and variances between sites.

As part of our analysis of the feedback, we view the results of the survey by demographic to help us understand the needs and experiences of different colleague groups. 75% of respondents in the survey believe that we treat all people as equals, regardless of individual differences, up from 70% in 2022.

**Equity, diversity and inclusion**

We believe that diversity and inclusion are core to sustaining a successful business, and we aspire to create an environment where everyone is respected and cared for, and where difference is celebrated. We want to ensure that our colleagues feel confident to bring their whole selves to work, which in turn makes us stronger as a team and as an organisation. We were pleased to be listed in the Financial Times Statista Diversity Leaders index for another year; this is an index of companies considered to be Europe's Diversity Leaders, based on a survey of 100,000 employees across Europe.



## Driving Clinical Excellence in Practice programme

We were pleased to launch our new Driving Clinical Excellence in Practice Programme this year. It is a bespoke educational initiative that covers a comprehensive framework of necessary competencies and skills for our registered nurses and allied health professionals. The programme encourages participants to engage with their peers to foster a deeper sense of community and reinforce pride in the profession. It will also support nurse revalidation, promote better patient outcomes, patient experience and promote better use of resources. The programme was launched at the beginning of November for our first cohort of registered nurses. The first education day was held

at Spire Manchester, with 27 registered nurses from 16 hospitals who work across wards, outpatients, recovery, theatres, eye centres and pre-operative assessment. The second education day took place at our head office and was attended by 44 registered nurses. The first cohort of registered nurses who complete the programme will be awarded their Driving Clinical Excellence in Practice badge and certificate at a graduation event to be held at our head office, where we will celebrate and acknowledge all of their hard work and commitment. This event is scheduled to coincide with International Nurses Day in May 2024. The second cohort of the programme is scheduled to begin in April 2024.



## Our strategy continued

Our equity, diversity and inclusion (EDI) strategy is based on four commitments: (i) we recognise the value of diversity, (ii) we understand how it will help us deliver our purpose, (iii) we respect and appreciate each other for who we are, and (iv) we include diverse colleagues in our problem-solving to make better, faster decisions.

Our colleague networks are an important part of delivering our EDI strategy – we run regular meetings, lunch-and-learn sessions with external speakers and other activities to support colleagues and patients. Networks provide safe spaces for colleagues to discuss issues of relevance, raise awareness and competency of those issues, and influence change. For example, our Let's Talk LGBTQ+ network extended the network of trained champions to every hospital in 2023 and has held sessions on transgender awareness and HIV-positive living, in partnership with Manchester-based charity, George House Trust. The network produced three Spire LGBTQ+ podcasts, made available via our internal channels. These featured interviews with colleagues on adoption, career development and living and working as a transgender person. Vita Health Group runs an LGBTQIA+ network.

Our menopause colleague network is now in its second year and has trialled a menopause checklist to support and enable conversations between line managers and colleagues when reviewing adaptations in line with our menopause policy, and explored a new menopause-friendly uniform in 2023. Results from a second survey are expected in early 2024. The first survey showed colleague difficulties with insomnia, anxiety, low confidence and self-esteem.

Read about our race equality network, and more on diversity, in the sustainability report on page 45.

### Development and apprenticeships

Supporting the development of our colleagues is crucial if we are to maintain the high standards of quality and care that we expect for our patients and pride ourselves on. Professional development is also an important part of our offer for attracting and retaining the very best people for our hospitals. We currently have over 430 apprentices across the

business in a wide range of clinical areas such as biomedical science, physiotherapy, medical laboratory technicians, as well as non-clinical disciplines, representing almost 4% of our permanent workforce. We welcomed another 12 nurse apprentices at 10 hospitals onto our nurse apprenticeship programme in late 2023. All 12 passed a rigorous assessment to join the programme, which is run with The University of Sunderland. They will each enjoy remote studying as well as placements in a range of nursing settings. Some of Spire Healthcare's 160 nursing apprentices graduated in November with high honours, delivering critically-needed nursing skills directly into the UK healthcare sector. Spire Healthcare was named Employer of the Year at the University of Sunderland and MTC Training Awards.

### International colleagues

We continue to recruit overseas nurses, recruiting 115 in 2023. This recruitment not only adds valuable colleagues and capacity to the group, but also broadens the opportunities available to the nurses who join us from other countries, however long they stay with us and wherever they choose to pursue their future careers. Each new nurse undertakes Objective Standard Clinical Examination (OSCE) training and is individually welcomed, and we provide them with access to support teams 24/7.

As ethical recruiters, we only recruit actively in 'green' countries under the World Health Organization definition. We help overseas colleagues, including resident doctors, to connect with others making the same journey. Since 2021, we have recruited over 670 members of staff from overseas.



### Mental health and wellbeing

We have a network of trained volunteer Mental Health First Aiders who support colleagues at our sites. Resilience training is available, and attendance is encouraged to ensure our first aiders have the support they need and the opportunity to acquire additional skillsets to prioritise self-care before helping their colleagues. Group People Director, Rachel King, attends regular listening calls with our network of mental health volunteers to enable colleagues to raise concerns in a safe, supportive and confidential environment.

We also offer a comprehensive Employee Assistance Programme providing confidential advice and support online and via a free helpline, available 24 hours a day, 365 days a year. In late 2023, Spire Occupational Health started to provide support to non-clinical Spire Healthcare employees through new starter assessments, bringing services in-house.

### Working with consultants

A crucial part of the care we provide is our consultant partners, who operate as self-employed practitioners in our hospitals, drawn from all medical disciplines. Each hospital's medical advisory committee meets quarterly with consultants, and the committee chairs meet hospital directors and directors of clinical services regularly to ensure proper, safe, efficient and ethical medical use of the hospital. In 2023, hospital leadership teams developed action plans to build on our existing relationships with consultants. These aimed to ensure we have the best clinical facilities available to them, and effective digital systems which make it easy for them to do business with us. Our annual consultant survey in 2023 ran using our new experience measurement platform, Qualtrics, and saw a seven percentage point rise in the response rate. Results showed that 83% of consultants now state that the care provided in hospitals is 'very good' or 'excellent', up from 78% in 2022, and driven exclusively by uplifts in consultants rating care as 'excellent'. Five hospitals saw rises of 12 percentage points or higher. Consultants rating the quality of service provided to them by our hospitals as 'very good' or 'excellent' is 69%, up from 64% in 2022 and the highest level since 2016.

66 Diversity and inclusion are core to sustaining a successful business, and we aspire to create an environment where everyone is respected and cared for, and where difference is celebrated. We want colleagues to feel confidence to bring their whole selves to work, which makes us stronger as a team."

### Colleagues proud to work for Spire Healthcare

81%

2022: 80%

Spire Healthcare annual survey 2023 (Spire Healthcare Limited and The Doctors Clinic Group)

### Consultants describe the care provided in hospitals as 'excellent' or 'very good'

83%

2022: 78%

Spire Healthcare consultant survey 2023

## Our strategy continued

## NHS sexual safety in healthcare charter

Following reports of sexual assault, harassment and abuse in the NHS, NHS England launched a new sexual safety charter this year – urging all NHS trusts, Integrated Care Boards and others across the healthcare sector to sign up. We stand in full support of anyone who has been the victim of this kind of behaviour and were pleased to sign up to the organisational charter which commits us to a zero-tolerance approach to any unwanted, inappropriate and/or harmful sexual behaviours towards our workforce. We also commit to actively working to eradicate sexual harassment and abuse in the workplace, and to promote a culture that fosters openness and transparency. These commitments apply to everyone in our organisation equally.

## Creating value for each other

With the pressures of the past few years compounded by the cost of living, high inflation, and recession in the economy, supporting our colleagues' health and wellbeing remains a top priority. Our Helping Hand initiative uses bespoke notice boards at all hospitals where our people can ask for or offer help such as donating or loaning useful items or offering their skills and time. Our virtual monthly nightcap club remains in place, giving colleagues a safe space to share how they are doing. One of the chief executive's key messages for 2023 was 'Be Kind', supported by messaging on financial, mental health and exercise, and a 'Be Kind' Christmas campaign.

We introduced new questions in our 2023 colleague survey about wellbeing to enable us to better understand how colleagues feel they are being supported. We offer discount savings via our online colleague portal, Spire for You, and have promoted Blue Light cards to colleagues; these provide more than 15,000 discounts for healthcare workers.

## Absence and turnover

Managing absence and turnover helps us understand our colleagues and ensure they are valued and rewarded. We use data to flex our workforce and ensure we have sufficient capacity and resilience.

Our absence rates show a further reduction in 2023, particularly short-term absence. The overall rate of absence was 4.7% (5.9% in 2022, 6.3% in 2021). Cost of sickness absence reduced by over £2 million across the group in hours lost compared to 2022. Our monthly turnover rate continued to reduce significantly, with 23% fewer leavers in 2023, compared with 2022, suggesting that recent pay awards and increased development opportunities have had a positive impact on retention. The highest recorded reasons for leaving are personal circumstances and career progression; our focus will continue to be on career development and flexible working solutions. The market for talented people remains competitive, with the demand for nurses particularly high. We are pleased to see a 40% increase in the number of offers made to new colleagues, compared to 2022, following the successful insourcing of our recruitment team.

Absence rose at Vita Health Group during 2023 with an overall rate of absence of 3.6% (3.2% in 2022). Turnover fell slightly from 24% in 2022 to 23.5% in 2023. Absence at The Doctors Clinic Group during 2023 was 1.2% overall, and turnover was 46%.

## Overseas nurses recruited

115

2022: 112

Spire Healthcare Limited recruitment data

## Colleagues who get satisfaction from their work

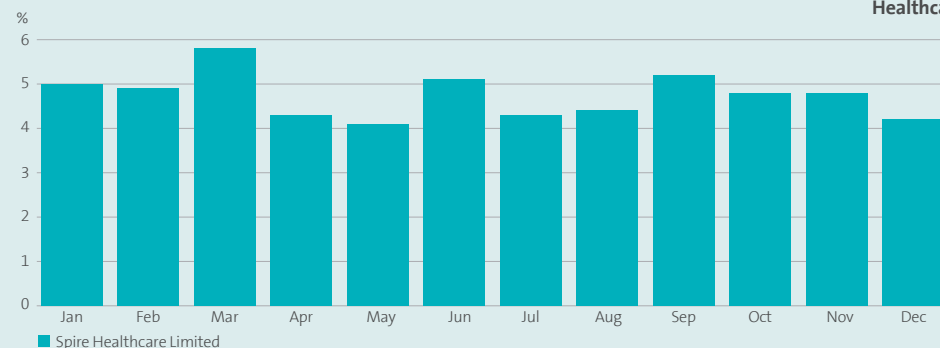
84%

2022: 84%

Spire Healthcare annual survey 2023 (Spire Healthcare Limited and Doctors Clinic Group)

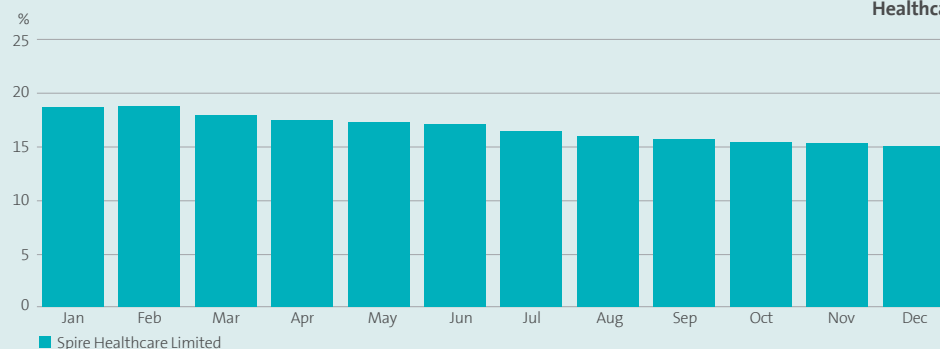
## Employee absence, 2023, Spire Healthcare

Total sickness absence in hours as a % of total employed hours

4.7%  
overall Spire  
Healthcare

## Employee turnover, 2023, Spire Healthcare

12-month rolling turnover rate as a % of total headcount

15.1%  
overall Spire  
Healthcare

➤ Read more about diversity networks, allyship and data in our sustainability report on [page 36](#)

➤ Read more about apprentices and learning and development in our sustainability report on [page 36](#)



Our strategy continued



## 4. Championing sustainability

### Become recognised as a leader in environmental, social and governance (ESG) in our industry.

Spire Healthcare's purpose, strategy and sustainability ambition are integrally linked to each other. By managing sustainability successfully, we aim to create lasting economic and social value.

#### Our goals

- Leading the independent sector in being carbon neutral by 2030
- Contributor to Britain's healthcare workforce and a diverse employer
- Protect and manage all sensitive data
- Reduction in waste and improved recycling

#### Highlights and priorities

##### Highlights of 2023

- 3% ahead of 2023 emissions target (27,017 tCO<sub>2</sub>e achieved vs target 27,750 tCO<sub>2</sub>e)
- 35% of overall waste is recycled, up from 30% in 2022
- 47% female representation at board and executive committee level combined at end 2023
- 18.9% of colleagues classify themselves as non-white by ethnicity, up from 17.3% in 2022

##### Priorities for 2024

- Continue to seek opportunities for carbon reduction at all Spire Healthcare sites
- Continue to encourage, and train for, effective recycling and waste management
- Further increase female representation at executive committee level in pursuit of 40% board and executive committee combined target by 2025
- Strengthen security measures governing the storage of and accessibility of sensitive data

### Sustainability is core to Spire Healthcare\*

Championing sustainability is core to the group's strategy and fundamental to our success and future. By managing sustainability successfully, we aim to create lasting social economic value.

Our sustainability strategy, which we launched in 2022, charts a progressive journey in which the group is evolving from risk management to providing social value and driving opportunities for sustainable growth. We actively collaborate with our stakeholders, including patients, colleagues, consultants, local communities and partners, to enrich lives and be a net contributor to society, not just through the services we provide, but in everything we do. This includes challenging our colleagues and the people we work with to factor sustainability into all aspects of what they do.

Our ambition, through our strategy, is to become recognised as a leader in sustainability in our industry:



\* The sustainability strategy covers Spire Healthcare Limited only at this stage; we anticipate working to bring the rest of the group under the same plan.

## Our strategy continued

## Respect the environment

We continually seek ways to reduce the impact our business has on the environment. We are continually looking at ways to reduce our carbon emissions, focusing our efforts on waste and recycling, including reducing the use of single-use plastics, finding ways to reuse our single use metal instruments and reducing the number of disposable gloves we use. We are doing all of this while working with suppliers to align goals, to ensure we work together to develop healthcare in sympathy with a sustainable planet. As an example, since 2019, we reduced CO<sub>2</sub> for Scopes 1 and 2 and improved waste segregation and reduction, to the equivalent of 28,850 trees planted or the equivalent of 16 football pitches.

Our journey towards achieving net zero carbon status by 2030 is going well, with investment in 2023 to remove piped nitrous oxide systems, further installations of LED lighting, and carbon reduction through effective management of our waste and the optimisation of our building management systems. We increased the amount of all dry mixed waste we recycled by 5% since 2022, with 99.7% of our domestic waste diverted from landfill and used for renewable energy, reused or recycled in the year. We also set up all our sites to manage food and glass recycling. Read more in our sustainability report on page 36.

## Engage our people and communities

As set out in the previous section, to deliver our purpose we need a dedicated and engaged workforce. We celebrate the large number of long-standing colleagues who bring many years of experience and dedication. However, we continue to invest in our workforce through strong recruitment, retention and development programmes. We aim to provide a stimulating, diverse, inclusive and healthy working environment in which colleagues can thrive and achieve their career goals and aspirations.

3%

ahead of 2023 target emissions: 27,017 tCO<sub>2</sub>e achieved, target 27,750 tCO<sub>2</sub>e (2022: 9% ahead, 25,854 tCO<sub>2</sub>e achieved, target 28,163 tCO<sub>2</sub>e)

Report on CO<sub>2</sub> emissions by Inenco Group Ltd for Spire Healthcare

Our overall median gender pay gap in Spire Healthcare Limited is 9.2% in 2023 (2022: 6.2%) and the mean is 17.7% (2022: 17.1%). We are taking a number of positive steps to invest in and provide development opportunities for our female colleagues to progress into senior roles and work towards a balanced representation to reduce the gender pay gap. We welcomed two new female board, and two new female executive committee, members in 2023.

A key way we ensure the sustainability of our business is through our award-winning learning and development programmes. We are also embedding equity, diversity and inclusion across the organisation with active colleague-led networks for sexuality, race and mental health. Vita Health Group (VHG) has additional networks for faith, women and carers.

Closely linked to this is the way we engage with our local communities. Alongside expanding the healthcare services we provide, we also fundraise to support national and local causes in the areas around our hospitals. In June, we held a company-wide charity focus week, raising more than £40,000. An 'around the world' theme challenged participants to cover more than 40,000km through local skating, swimming, dancing and walking challenges, including a two-day 110km Thames Path walk between our offices in Reading and London, and cycling across 50km, 100km and 200km distances visiting Spire Bushey in north London and Spire Harpenden Hospital. Locally, hospitals contribute informally to food banks and other charities throughout the year; we would like to build wider engagement in the future as our charity committee becomes more established. Read more on page 49.

To promote services to 'hard to reach' patient groups, our VHG colleagues work closely with voluntary sector partners to stimulate referrals and bring services to supermarkets, libraries and community centres through a network of partnership liaison officers. In 2023, VHG commissioned a 'mental health bus' which stimulated community awareness of NHS talking therapies in the east Midlands.



Read more about our diversity and people initiatives in our sustainability report on page 36 and in the strategy on workforce on page 27



Strategy in action

## Ramping up our recycling culture

As our business grows, we have launched a number of initiatives to improve further our recycling culture across Spire Healthcare. All sites are now set up with facilities to recycle food and glass, and we are planning an initiative to turn our hard plastics into benches and planters that we can donate to schools, parks and other places where they will add value to our communities.

Previously, items such as disposable curtains and tray wraps would find their way into general waste, but we are now set up at most sites to segregate these and dispose of them properly.

We are also exploring alternative solutions to using disposable paper tissue roll in many of our outpatient areas.

Another area planned for 2024 is a 'gloves off' campaign, to reduce, within strict safety parameters, the use of disposable gloves. A reduction in glove use would reduce carbon emissions and cost both in procurement and the cost of waste management.

## Our strategy continued



66 In 2023, we improved waste segregation and reduction, removing 358.15 tonnes of CO<sub>2</sub>. This is the equivalent of planting 1,194 trees, removing 134 cars from the roads or powering 218 houses for a year.”

**Operate responsibly**

We believe ethical and responsible behaviour is borne out of a culture that is based on core values. Spire Healthcare’s values are:

- Driving clinical excellence
- Doing the right thing
- Caring is our passion
- Keeping it simple
- Delivering on our promises
- Succeeding and celebrating together

We have a relentless focus on delivering healthcare to the highest standards and prioritise patient safety at all times. We aim to maintain robust standards of clinical and corporate governance in line with best practice while promoting an open and learning culture for all colleagues. Operating responsibly also requires strict compliance with the law. We continue to monitor all aspects of the group’s operations to ensure we comply with all applicable laws, including competition law, anti-bribery law, anti-tax evasion facilitation law, healthcare regulations and data protection law.

**Strengthening information and data security**

Security can never be risk free, but at Spire Healthcare, we have demonstrated our commitment and support to continual improvement through investment in our people, processes and technology to mitigate against cyber risk. This is a particular focus as we update and invest further in our digital systems, ensuring that we continue to reduce risk and strengthen the group’s information governance and data security position. Read more on page 53.



Read more about sustainability and our goals, progress and KPIs in our Sustainability report on [page 36](#)

**Dry mixed recycling rate for hospital sites only**

23.5%

2022: 18%

Source: Spire Healthcare waste report 2023.

**Female representation at executive committee and board level combined**

47%

2022: 37%

Source: Spire Healthcare data.



Our strategy continued



## 5. Expanding our proposition

### Selectively invest to attract patients and meet more of their healthcare needs.

Expanding our proposition enables us to meet changing demands for healthcare, reach a wider target market, and provide a broader service to patients and the public.



#### Our goals

- Develop Spire Healthcare as an innovative integrated healthcare business
- Build new revenue and profit streams by building and acquiring new services, as well as partnering to expand our proposition
- Meet more of Britain's healthcare needs with a broader service

#### Highlights and priorities

##### Highlights of 2023

- Acquisition of Vita Health Group for £73.2 million
- Developed our first diagnostic and outpatient clinic in Abergele in north Wales, opened early 2024
- Integrated The Doctors Clinic Group, rebranding as two business units – Spire Occupational Health and London Doctors Clinic (LDC)
- 8,000 GP appointments each month across our Spire GP and LDC businesses

##### Priorities for 2024

- Begin the integration of Vita Health Group into Spire Healthcare
- Expand our national footprint of diagnostic and outpatient clinics
- Grow our occupational health services, working closely with employers
- Expand our network of NHS talking therapy services

#### Becoming an integrated healthcare provider

While running great hospitals remains central to Spire Healthcare, we are responding to the rapid and fundamental changes taking place in the UK healthcare landscape by making selective investments in new services that are designed to attract new patients and meet more of their healthcare needs. We want to take a more proactive role in our patients' care before and after a stay in hospital. More than that, we want to be with people throughout their whole healthcare journey. That means offering the services they need, when they need them – like private GP consultations, occupational health, musculoskeletal treatment, and even NHS talking therapies services, bridging the gap between physical and mental health services.

Becoming an integrated healthcare provider and meeting more of people's needs also helps us to boost Britain's economy, as we can lift some of the burden on the NHS by helping to tackle the causes of ill health and low productivity. More than ever, employers are looking to improve their employees' health and wellbeing, and this can often be done better outside of hospitals before a health issue becomes a major concern. Prevention is an increasingly important aspect of healthcare, and we believe this is an area to which Spire Healthcare can make a significant contribution.

#### Occupational health

# 800+

corporate clients through Spire Occupational Health and Vita Health Group

#### Integrated healthcare provider

# 4%

of our revenue is now from new services

## Our strategy continued

### Acquisition of Vita Health Group

We made a significant addition to our business with the acquisition of Vita Health Group (VHG) late in 2023. VHG provides NHS outpatient mental health talking therapies, musculoskeletal and dermatology services, with operational hubs in London and four regional centres in Bristol, Orpington, Oldham and Leicestershire. Talking therapies are effective and confidential treatments delivered by trained and accredited practitioners for conditions like depression, and anxiety. With a customer base of 16 NHS integrated care boards and more than 200 corporate clients, the company also offers outsourced physiotherapy and counselling services to the corporate and occupational health markets.

The acquisition enables us to expand our capabilities into low-acuity mental health while providing synergies with the relationships we have already built with corporate and PMI customers, and occupational health businesses. VHG is a leading provider of community-based healthcare solutions, and comes to the group with outstanding patient feedback, a proven management team, and a strong track record in winning new contracts – several of which are likely to come online in early 2024. And 100% of inspected VHG locations are rated ‘Good’ by the CQC.

### The Doctors Clinic Group – integration and rebranding

The integration of The Doctors Clinic Group (DCG), which was acquired in December 2022, is progressing well. We have spent a lot of time with the DCG team in 2023, integrating our systems and sharing best practice, governance and ways of working. We have also restructured the business into two units – Spire Occupational Health and London Doctors Clinic, Part of Spire Healthcare (LDC). Both units have new branding, with Spire Occupational Health focused on developing customised health services for employers, building on more than 600 existing corporate clients, while LDC offers a range of private GP services including blood tests, sexual health, men’s and women’s health, mental health and ECGs, as well as referrals for diagnostic investigations.

Having reviewed the LDC estate during the year, we took the difficult decision to close down four clinics in Manchester and Birmingham to focus the business on London and the south east. We have since opened five new clinics in our core target areas of Bank, Chiswick, Fulham, Hampstead and Islington. We did not meet our goal of being break even in 2023, owing to investment in new clinics and a delay to our ability to offer in-house laboratory services. This is now rolling out and profitability is expected in 2024.

With the acquisition of VHG, integration will again be a key workstream as we benefit from synergies between areas of the business.

### Nationwide private GP network

Our Spire GP primary care services continue to grow in recent years, with patients attracted by a high-quality service offering efficient access to a GP near to where they live. Patients also value the longer appointment times that enable a fuller examination and discussion of their medical needs with the GP. Spire GP is now available through almost all of our hospitals, providing people with a fast and convenient way to access the diagnoses and treatments we can offer in our hospitals.

With our Spire GP and LDC businesses, we now have a large, nationwide private GP network with 18 rapid-access clinics in the capital, delivering around 8,000 GP appointments each month.

### Getting people back to work

Following a year of integration, we will now look to develop and expand our newly rebranded Spire Occupational Health business. Together with VHG’s occupational health business, it is poised to make a positive difference to Britain’s working population in the year ahead. During 2023, the government launched two consultations aimed at improving access to occupational health services, which we welcomed. At the time of writing, we are awaiting a final decision from the government on whether to introduce incentives into the tax system to encourage employers to provide high-quality occupational health services to employees. We believe that this would be a positive step forward, which would result in greater take up of occupational health, with positive benefits for employers and employees.

### Treatment clinics

Opening new clinics that offer daycase care is a big part of expanding our footprint, allowing us carry out minor treatments in many areas. The first of our new clinics in Abergele, north Wales, opened in early 2024 (see more, right), with work on another in Harrogate underway.

The clinics offer ambulatory care, enabling us to build in efficiencies from the start, which is not possible when running a full hospital. Some of the clinics will follow an ‘outreach’ model, opening close to existing hospitals and enabling us to move some of our outpatient functions and minor treatments away from our hospitals. Others will be in completely new parts of the country where we don’t currently have a presence, enabling us to meet the healthcare needs of more people, and to build relationships with new consultants.

 **Read more on our 17 sustainability goals on page 36**

### Private GP consultations in 2023

**99,000**

**2023: 35,798 Spire GP, 63,270 LDC**  
**2022: 32,900 Spire GP**  
Spire Healthcare data

### Patients cared for by Vita Health Group in 2023 since acquisition

**46,000+**

**2023 full year: 225,380, 2022: 168,906**  
Vita Health Group data



Strategy in action

## Broadening our community healthcare services

Following several months of building work during 2023 to upgrade the old Spire Abergele Consulting Rooms at North Wales Business Park, we were pleased to open the new Spire Healthcare Abergele Clinic in early 2024.

The clinic provides patients with access to Spire GPs and will deliver up to 4,000 operations every year to patients who don’t require an overnight stay. Spire Healthcare Abergele Clinic represents an important step in broadening our community healthcare services, giving local people fast access to our diagnostic services, as well as treatments for orthopaedic, ophthalmic, dermatological, and gynaecological conditions – showing our determination to deliver outstanding personalised care in the community. Those people needing more complex care or treatment that requires an overnight stay can be referred to our Yale Hospital in Wrexham.

## Sustainability report

# We are a progressive, sustainable business

We want to become recognised as a leader in sustainability in our industry. Through our sustainability strategy we seek to create value in the workplace, our local communities and the environment.



### What sustainability means to Spire Healthcare

Sustainability is a core component of Spire Healthcare's strategy and operations. Our ability to succeed today and plan for tomorrow depends on us being able to positively contribute towards enhancing the world for current and future generations. As an independent healthcare company, we have an important societal role to play as our delivery of people's care contributes to the health of the nation and benefits society.

As we execute our strategy, we seek to take a long-term view, whether that is through the investments we make in our colleagues, hospitals, clinics and services, or our interactions with the communities that we serve. We aim to develop a business that is fit for purpose now and capable of providing lasting impact in the future.

Over 35 years ago, the United Nations Brundtland Commission introduced the concept of sustainable development and described how it could be achieved. It defined sustainability as 'meeting the needs of the present without compromising the ability of future generations to meet their own needs'. This definition has stood the test of time and underpins Spire Healthcare's approach to sustainability.

We believe that acting conscientiously as a business and investing responsibly to achieve positive social and environmental outcomes, are critical to the long-term success of Spire Healthcare.

### How we make an impact and add value

We will deliver on our ambition to be a sustainability leader by focusing on our purpose, 'making a positive difference to people's lives through outstanding personalised care', which is implemented through our strategy and engagement with our stakeholders. The implementation of our purpose and strategy is supported by our values. All of this is enabled by our sustainability strategy. There are three elements to the strategy:



#### Respect the environment

We are committed to minimising the environmental impact of our operations and maintaining the group's resilience to environmental risks and impacts.



#### Engage our people and communities

We're a people business. By hiring talented people and providing an environment in which to grow and develop their careers, our patients and the communities with whom we interact, and society at large, will benefit.



#### Operate responsibly

We aim to operate to the highest standards in everything we do, ensuring honesty, integrity, proper governance and compliance at all times. We promote an ethical culture across the group.

\* The sustainability strategy covers Spire Healthcare Limited only at this stage; we anticipate working to bring the rest of the group under the same plan.



# How we support the United Nations Sustainable Development Goals

The United Nations Agenda 2030 is underpinned by 17 Sustainable Development Goals (SDGs) that were ratified by UN Member Countries in September 2015.

The SDGs together form a roadmap for global prosperity that can only be achieved with a concerted global effort led by national governments and supported by non-governmental organisations, civil society and business enterprises.

As a leading corporation in UK healthcare, Spire Healthcare is committed to the UN's SDGs and, where possible, we map our sustainability activities to them. Our long-term success depends on

responding to the needs of all our stakeholders and the world around us. The SDGs have helped us understand how our objectives and targets align to broader global issues and have shown us where we can make a positive impact on society.

We apply our expertise, skills and ambition to drive the group's contribution towards the achievement of the eight SDGs where we can provide the greatest impact to society:

## How we manage sustainability

Responsibility for approving Spire Healthcare's sustainability strategy and overseeing its delivery rests with the board of directors. Regular progress updates are provided at board meetings. Our chief financial officer (CFO) oversees delivery of the sustainability strategy at a business level, while our executive committee tracks progress towards the group's sustainability targets on an ongoing basis throughout the year.

## Our sustainability goals, timelines and KPIs

This table is a summary of Spire Healthcare's current and high priority sustainability-related goals, mapped to the SDGs. The following pages provide further detail on these goals, the actions we are taking to achieve them, together with relevant timelines and KPIs where appropriate.



### Respect the environment



Providing affordable, reliable, and sustainable energy for all. Promoting international cooperation to provide access to advanced clean energy technology.



Ensuring sustainable consumption and production patterns. Controlling our resource use and managing waste through policies and cooperation.



Acting immediately to fight the climate crisis and adapt to the impact. Promoting awareness, policy change and support for vulnerable countries and states.



### Engage our people and communities



Ensuring everyone leads healthy lives, physically, mentally and emotionally. Lower mortality rates. Promoting health and wellbeing.



Providing quality, equal and free education to all girls and boys. Making sure adults get access to further education and training. Increasing number of quality teachers.



Achieving gender equality for all girls and women in the world. Ending discrimination and violence against women. Promoting women's wellness and access to health care.



Achieving sustainable economic growth and protection for fair, safe and decent employment. Preventing slavery and child labour.



### Operate responsibly



Ensuring everyone leads healthy lives, physically, mentally and emotionally. Lower mortality rates. Promoting health and wellbeing.



Achieving gender equality for all girls and women in the world. Ending discrimination and violence against women. Promoting women's wellness and access to health care.



Achieving sustainable economic growth and protection for fair, safe and decent employment. Preventing slavery and child labour.



Building peaceful, inclusive societies with law and accountability at all levels. Ending violence, trafficking and corruption.

Having launched our sustainability strategy in mid-2022, we established a cross-functional internal sustainability committee in 2023, chaired by our CFO, and bringing together 15 members from across the business. Our previous workforce and sustainability committee joint structure has been split in two to give proper attention to each area. The sustainability committee reports to the executive committee, and acts with delegated authority. It meets every two months to share progress on delivering actions and meeting targets and explore initiatives that will accelerate our progress and identify associated risks and opportunities.

## The main roles and responsibilities of the sustainability committee are to:

1. Oversee, review and advise the executive committee on the company's strategies, objectives and commitments related to sustainability and environmental, social and governance (ESG) factors
2. Oversee, review and recommend changes to Spire Healthcare's sustainability-related goals, objectives, commitments and key performance indicators and monitor the company's progress against the same

15

members of the sustainability committee from across the business







## Sustainability report continued

# Our sustainability goals, timelines and KPIs

This table is a summary of Spire Healthcare's current and high priority sustainability-related goals. The following pages provide further detail and the actions we are taking, together with relevant timelines and KPIs where appropriate.










## Respect the environment

Goal	SDG	Page
<b>1</b> Attain net zero carbon status by the end of 2030 – includes carbon emissions, energy use and capital investment	 	39
<b>2</b> Manage our waste more efficiently while minimising detrimental effects to our planet		42
<b>3</b> Undertake a comprehensive review of climate risk across our operations		43
<b>4</b> Identify opportunities to reduce use of single-use plastics		43
<b>5</b> Identify and act on water-saving opportunities		44



## Engage our people and communities

Goal	SDG	Page
<b>6</b> Be a contributor to the UK's healthcare workforce through innovative programmes		44
<b>7</b> Take action to ensure that the ethnic diversity of Spire Healthcare's leadership reflects, or is ahead of, the overall ethnic diversity of the business as a whole	 	45
<b>8</b> Achieve a gender balance of at least 40% female representation at board and executive committee level by 2025		46
<b>9</b> Further reduce gender pay gap among Spire Healthcare colleagues		47
<b>10</b> Maintain an overall colleague engagement score of at least 80%		48
<b>11</b> Build strong connections between Spire Healthcare hospitals and local communities		49



## Operate responsibly

Goal	SDG	Page
<b>12</b> Target 'Good' / 'Outstanding' or equivalent scores in England, Scotland and Wales across all inspected sites	 	50
<b>13</b> Target all Spire Healthcare hospitals to achieve a rating of at least 80% across: – Colleague experience – Patient experience – Consultant experience		50
<b>14</b> Maintain robust standards of clinical and corporate governance in line with best practice	 	51
<b>15</b> Promote an open and learning culture	 	51
<b>16</b> Further develop our approach to controls around modern slavery		52
<b>17</b> Maintain and strengthen information governance and data security		53



## Respect the environment

# Attain net zero carbon status by the end of 2030

## Timeline

End 2030

## KPI

tCO<sub>2</sub>e emissions in line with our decarbonisation plan – 3% ahead of target in 2023 (2022: 9% ahead)

Net zero target includes full Scope 1 and 2 emissions and Scope 3 emissions from air and rail travel

## Initiatives

- Continuing LED replacements
- Optimisation of Building Management Systems (BMS)
- Replacement of remaining gas-powered primary steam boilers at Spire Claremont
- Removal of the remaining piped nitrous oxide across the estate
- Further PV installations and thermal upgrades as part of roofing replacements
- Completion of the EV charging point roll-out across the hospital estate
- Use of electric vehicles in the group's fleet

1



## Progress in 2023

### Our 10-year carbon reduction target

Our work continues to reduce the harmful impact of climate change on our planet through a robust decarbonisation strategy and delivery programme that is designed to achieve net zero carbon emissions (Scope 1 and 2), and elements of Scope 3, by 31 December 2030<sup>1</sup>. We were the first independent healthcare provider to make such a commitment. Our dedicated investment to help achieve this aim by 2030 continues with a £12.2 million commitment in 2024 to install solar PV panels at every hospital and upgrade all hospital Building Management Systems (BMS).

Our underlying strategy continues to prioritise a targeted approach to reduction from the greatest carbon emission sources, for example by installing LED lighting throughout all our buildings, removing the remaining inefficient gas-powered primary steam boilers and piped nitrous oxide across the estate, and optimising the use of our buildings' fixed plant and equipment to ensure we maximise both energy and operational efficiencies.

We continue to engage, empower and support the Carbon Champions we have at each of our hospitals. They play a key role in helping us meet our net zero objective by promoting, coordinating and delivering carbon management improvement at a local level. Through the implementation of their audits and action plans, we realise greater efficiencies across the group to further support our carbon reduction targets and strategy, as well as our operational savings objectives.

1. The trajectory to net zero by 2030 and figures presented here exclude VHG; we will look to integrate our plans going forward.

## Measuring our performance

We use the intensity metric of carbon emissions per £ revenue, which increases in proportion to the growth of our business.

If revenue grows and intensity figures reduce, this will demonstrate that we are becoming less reliant on carbon.

### Our carbon reduction roadmap

We have mapped out our carbon reduction plans to net zero in 2030, using 2019 as our reference base year. The projected waterfall diagram has been updated from 2023 to reflect Spire Healthcare's current energy procurement strategy and continued use of brown electricity until at least 2025. The overall reduction target remains unchanged and we continue to reduce our carbon emissions in line with target.

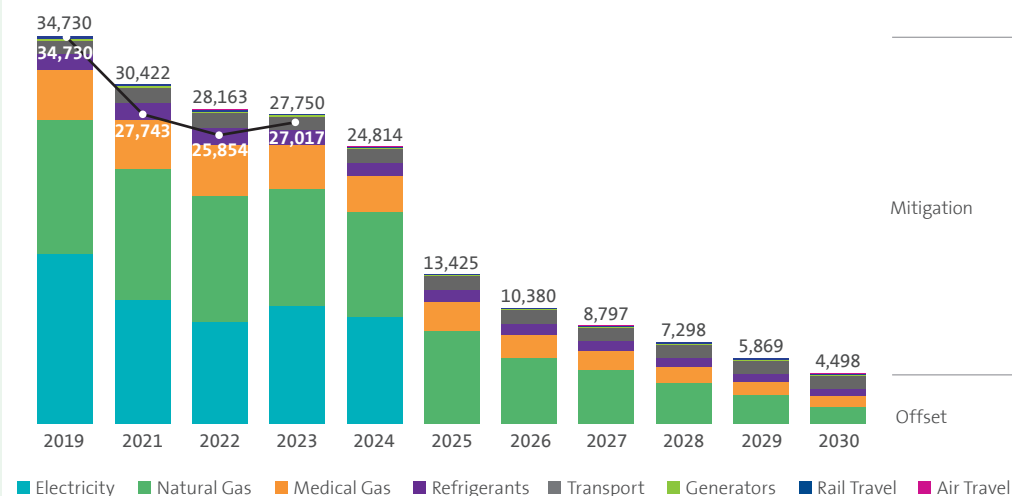
The reduction to date has been achieved through:

- Monitoring and targeting utility benchmarking reports which are issued monthly to our sites
- Reviewing half-hourly energy consumption data and heat maps for each of our hospitals to identify energy efficiency and cost saving opportunities
- Targeted and informed investment in low carbon infrastructure and heat recovery, including LED lighting technology across the estate and end-of-life replacement of fixed engineering and building services plant and equipment with the most efficient technology available

Our emissions in 2023 were 27,017 tCO<sub>2</sub>e, against a target of 27,750 tCO<sub>2</sub>e (3% ahead of target).

This excludes Scope 3 emissions included in our 2023 greenhouse gas emissions data shown on page 40 from electricity transmission (1,051 tCO<sub>2</sub>e), waste 117 tCO<sub>2</sub>e, and hotels (41 tCO<sub>2</sub>e).

## Spire Healthcare net zero carbon emissions (tCO<sub>2</sub>e) plan





## Sustainability report continued

## Energy monitoring

Business utility and sustainability consultancy Inenco produces quarterly performance reports that chart our results against our carbon reduction targets. We also separately monitor our hospitals on a monthly basis, and issue energy reports detailing their utilities' consumption and benchmarking them against similar-sized hospitals within the group. The reports include dashboards at site and group-level, detailing year-on-year performance. Our regional engineering team audits and monitors our hospitals' carbon reduction action plans as part of our annual compliance auditing programme.

# 50-60%

new LED light fittings are  
50% to 60% more energy efficient

## Capital investment in low carbon infrastructure

We continue to invest in our estate and engineering infrastructure to improve our energy efficiencies. Key projects in 2023 included:

- Continuing replacement of gas-powered primary steam boilers within the estate with more efficient electrically powered heating plant and equipment at Spire Claremont in Sheffield
- Replacement of a central chiller plant incorporating and utilising heat recovery into our hot water systems at Spire Gatwick and Spire Leeds
- Continuing to replace the remaining 10% of older lighting across the hospital estate with LED fittings that are 50% to 60% more energy efficient
- Installation of roof and ground mounted photo-voltaic (PV) solar panels at Spire Murrayfield, Wirral that will generate up to 12% of the hospital's electricity when completed in Q1 2024
- Pipework and ducting insulation upgrades and replacement of old inefficient single-glazed windows as requested by Carbon Champions at Spire Alexandra in Kent, Spire Hull and Spire Little Aston in the West Midlands

Alongside these investments, our Carbon Champions continue to receive training and guidance to help them produce local action plans and identify opportunities for operational improvements and efficiencies. Their action plans are reviewed twice-yearly to monitor and track progress.

## Legislation

Since becoming a publicly listed company in 2014, Spire Healthcare has discharged its responsibilities under the government's CRC Energy Efficiency Scheme, and we will continue to report on our energy consumption in line with the requirements of the upcoming Streamlined Energy and Carbon Reporting legislation.

Spire Healthcare was invited to participate in the CDP (formerly the Carbon Disclosure Project) again in 2023. We made our ninth annual submission to the CDP and received a 'B' grading for 2023, maintaining our previous 'B' rating, placing Spire Healthcare well above the market sector average of 'D', and demonstrating our knowledge and understanding of our impact on climate change issues.

## Greenhouse gas emissions in 2023

This section provides the emissions data and supporting information required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. Total greenhouse gas (GHG) emissions for Spire Healthcare for January to December 2023 were 28,226 tCO<sub>2</sub>e. The table below shows this, broken down by emissions source.

We achieved emissions reduction of 3% ahead of our planned net zero target, but for our wider SECR/GHG obligations, we experienced a 4% increase year-on-year. The primary reason for this is the unexpected market increase in electricity emissions factor, influenced by global energy supplies and the war in Ukraine.

Emissions source	2019	2020	2021	2022	2023	Share %	YoY % change
Fuel combustion: stationary	12,098	11,590	12,539	10,943	10,943	39%	<1%
Fuel combustion: mobile	1,209	1,447	1,325	1,346	1,176	4%	-13%
Fugitive emissions	5,895	5,018	5,139	4,703	2,646	9%	-44%
Purchased electricity	15,193	13,330	9,802	9,837	13,202	47%	34%
Air travel				40	41	<1%	2%
Rail travel				40	59	<1%	48%
Hotel				75	41	<1%	-46%
Waste				106	117	<1%	10%
<b>Total emissions (tCO<sub>2</sub>e)</b>	<b>34,395</b>	<b>31,384</b>	<b>28,805</b>	<b>27,091</b>	<b>28,226</b>	<b>100%</b>	<b>4%</b>
Revenue £m	980.8	919.9	1,106.2	1,199	1,359		13%
<b>Intensity: (tCO<sub>2</sub>e per £m)</b>	<b>35.1</b>	<b>34.1</b>	<b>26.0</b>	<b>22.6</b>	<b>20.76</b>		<b>-8%</b>

Energy consumption by year (MWh)	2019	2020	2021	2022	2023	Share %	YoY % change
Natural gas	65,285	63,032	67,766	59,648	59,337	48%	-1%
Electricity	54,788	52,647	54,704	59,717	58,679	48%	-2%
Transport fuel	4,883	5,386	5,363	5,407	4,743	4%	-12%
Gas oil	374	369	384	212	340	<1%	60%
<b>Total</b>	<b>125,330</b>	<b>121,434</b>	<b>128,217</b>	<b>124,984</b>	<b>123,099</b>	<b>100%</b>	<b>-2%</b>



Sustainability report continued

**Notes to the table:**

Please note the figures reported for SECR include Scope 3 emissions from electricity transmission and distribution, hotel stays and waste. These emissions are not currently included in our annual targeted emissions and net zero roadmap. We aim to progress our Scope 3 reporting in 2024.

**a. Scope 2 / purchased electricity emissions reporting**

The figure for emissions from purchased electricity from October 2021 to March 2022 reflects our investment in a zero-carbon electricity tariff across all our sites and as such a market-based methodology was applied for this period. The remainder of these calendar years followed a location-based methodology. In 2023 we returned to adopting a location-based methodology across the whole year.

**b. Footprint boundary**

An operational control approach has been used to define the GHG emissions boundary, as defined in the Department for Environment, Food and Rural Affairs' latest environmental reporting guidelines: "Your organisation has operational control over an operation if it, or one of its subsidiaries, has the full authority to introduce and implement its operating policies at the operation." For Spire Healthcare, this boundary captures emissions associated with the operation of all our hospitals and other buildings such as clinics, offices, and our National Distribution Centre, plus company-owned and leased transport. Additionally, from 2022 this now also includes air and rail travel, hotel stays and waste.

**c. Emission sources**

All material Scope 1 and Scope 2 emissions are included, plus Scope 3 as required by SECR legislation. Additional data sets included that are over and above mandatory compliance include:

- Electricity transmission and distribution losses
- Emissions from air and rail travel
- Emissions from hotel stays and waste

**d. Methodology and emissions factors**

This information was collected and reported in line with the methodology set out in the UK government's Environmental Reporting Guidelines, 2019.

Emissions factors are taken from the Department for Business, Energy and Industrial Strategy emissions factor update published in 2023. There are no notable omissions from the mandatory Scope 1 and 2 emissions. 0% of emissions are based on estimated activity data.

**e. Fugitive emissions**

These are attributable to the use of refrigerants and medical gases (eg, carbon dioxide, nitrous oxide and Entonox).

**Scope 3 emissions**

The Scope 3 emissions stated in this section are in relation to electricity transmission and distribution, air and rail travel, hotel stays and waste. We recognise that this is not the full extent of our Scope 3 emissions, and have carried out a spend-based method for estimation. Using 2022 spend data it has been determined that 95% of our emissions are Scope 3 (for more information, including quantification of these emissions, please see page 80). In 2024 we plan to take steps to progress our Scope 3 reporting.

**Engineering governance and compliance**

To support the group's quality and patient safety agenda, the estate in which we operate must be monitored, maintained and developed appropriately to satisfy our goals and remain fit for purpose. Our property portfolio, engineering and health and safety governance sit under a common leadership provided by the estates and facilities directorate.

The identification, publication and management of risk associated with our estate and its operation is managed through annual audit alongside our clinical team. These audits are used to make this risk transparent, enabling a prioritised approach to risk mitigation. The resultant risk profile informs the business of future capital requirements, gives confidence that this capital is managed on a true risk basis and is targeted in the most efficient and effective way. The central estates team supplement the formal annual audits with regular routine visits that ensure our governance system is dynamic, with continual addition, closure and reassessment of risk. This, in turn, future-proofs the business.

**Vita Health Group**

Vita Health Group (VHG) started its sustainability journey two years ago and formed a working group to raise awareness of environmental matters, identify value impact measures and consider net zero. VHG does not own its estates which makes getting control over, and information about, emissions reductions, energy consumption data and preferred waste management arrangements more difficult.

However, in 2023, VHG reduced emissions, improved renewable energy consumption and developed a sustainable development plan covering key commitments including reaching net zero emissions in line with the government target of 2050, modelled to comply with the 1.5 degree pathway outlined in the 2015 Paris Agreement. This commitment will be submitted for Science Based Target Initiatives (SBTi) verification in 2024. The near-term target is to achieve a 42% absolute reduction in Scopes 1, 2 and 3 emissions by 2030.

Training and awareness raising for colleagues and internal champions began in 2024, along with a webinar from the Centre for Sustainable Healthcare, and VHG plans to apply for ISO 14001, an internationally agreed standard that sets out the requirements for an environmental management system.

The net zero strategy covers Spire Healthcare Limited only at this stage; we anticipate working to bring the rest of the group under the same plan.



## Sustainability report continued



## Respect the environment

## Manage our clinical and non-clinical waste more efficiently while minimising detrimental effects to our planet

## KPI

- Overall recycling 30% by end 2023 – 35%
- Hospital sites only dry mixed recycling 30% by end 2023 – 23.5%
- Offensive waste 40% by end 2023 – 36.5%

## Initiatives

- Increased recycling rates through further segregation of waste and hazardous materials
- Worked to increase the percentage of offensive waste segregated into this waste stream
- Reduced infectious waste to 3% of total which lowered carbon emissions and cost, and helped remove offensive waste from incineration
- Working with current waste carrier to mitigate, where possible, waste going to landfill sites
- Trained 1,300 colleagues in waste segregation and training is now mandatory for all colleagues
- Recycling at 47 sites, up from 44 in 2022
- Expansion of reusable sharps containers

### Progress in 2023

As a business, we generate a considerable amount of general waste – largely a combination of ‘domestic waste’, most of which generates renewable energy, and dry mixed recycling, which can be reused or repurposed. The group also disposes of clinical, infectious and offensive healthcare waste that requires specialist treatment, incineration or disposal through the renewable energy system. The challenge of managing and sorting such complex waste streams is unique to the healthcare sector.

Ensuring that we manage our waste properly, and recycle what we can, is vital for a healthcare business. It is all about doing the right thing, contributing to our carbon reduction programme, protecting the environment, and reducing costs.

It is important for our teams to understand the various types of waste and we have been rolling out in-house waste segregation training. By November 2023, just under 1,300 colleagues had been trained. The training is becoming mandatory for all colleagues in 2024 and we hope this will result in improved waste segregation and recycling outcomes. Although we incinerate less, prices have increased, so costs have not reduced in this area.

In 2023, Spire Healthcare’s waste management initiatives saved over 358 tonnes of CO<sub>2</sub>. This is equivalent to:

- 1,194 trees planted each year or
- 134 cars off the road or
- 218 houses powered each year

If we combined our carbon savings for waste with our Scope 1 and 2 carbon savings, from 2019, this would equate to 28,852 trees planted, or 16 football pitches. We are now recycling at 47 sites, up from 44 in 2022.

Dry Mixed Recycling (DMR), (food waste and glass recycling) has been rolled out across the business (which includes plastic bottles, Vegiware cups and food trays, cans, etc) resulting in an improved DMR recycling figure of 23.5% at hospital sites only.

Most sites are now segregating disposable curtains and tray wraps, and we are investigating the feasibility of a ‘gloves off’ campaign to see if this waste can be removed from our clinical waste. We are also looking at removing or reducing disposable paper tissue roll use in many of our outpatient areas. Spire Healthcare continues to increase its overall recycling:

# 35%

overall waste recycled in 2023, up from 30% in 2022

This includes recycled waste returned to our National Distribution Centre.

# 23.5%

dry mixed waste recycled, up from 18% in 2022

This excludes National Distribution Centre waste and is at hospital sites only.

We have ‘offensive waste’ segregation at all our sites. Disposal of offensive waste, as bad as it sounds, costs more than 60% less, and uses a more environmentally friendly waste disposal process than clinical or infectious waste. It is not incinerated; instead, it goes to a special materials recovery facility, where it generates renewable energy, without releasing any harmful substances into the atmosphere. By encouraging segregation into offensive waste, we reduce our carbon emissions from having to incinerate clinical waste which should only include infectious and chemically contaminated types.

To help reduce our carbon footprint, the Sharps Bio System, designed by Stericycle, our waste partner, has been rolled out further across the estate. Stericycle’s containers are reusable UN-approved puncture-resistant containers that can be used up to 600 times after washing and disinfection, as opposed to the single-use sharps containers that are disposed of after just one use. The roll-out has taken a little longer than planned due to a lack of containers and materials in the UK but is due to be complete early in 2024.







#### Respect the environment

## Undertake a comprehensive review of climate risk across our operations

#### Timeline End 2026

#### Initiatives

- Undertake scenario analysis of future climate warming scenarios in three years' time
- Consider further mitigation requirements for our facilities with higher risk from climate change

## Progress in 2023

We engaged an expert advisory firm to conduct a scenario analysis to assess our climate risk. We set out the scenario, the analysis they conducted, and the outcomes that the models predict against our physical assets in our TCFD reporting on pages 75 to 80. The firm also advised us on the potential risks we face from an aggressive transition to a low carbon economy.

We considered the outcomes of their modelling and analysis at our audit and risk committee in November 2023. We recognise that:

- The scenario analysis undertaken is dependent on the quality and quantum of data we could provide to our expert for them to model (for example, we could give them high-quality data on our physical assets, but because we have experienced only minor impacts from adverse weather on our facilities, the financial impacts we could provide due to past heatwaves, floods and storm damage to predict future financial impacts is very limited)
- The scenario analysis is based on the current predictions of how the climate may evolve. As the actual impacts of climate change become more apparent and the models become more accurate, the predictions from these models will improve in reliability. We will repeat the scenario analysis in 2026 unless disclosure requirements or other factors mean we need to do it sooner

As an output from the analysis, we are following up on risks where the predicted impact at risk was higher, notably the potential impact of heat stress on our facilities.

 For more information, see our TCFD section [page 75](#)



#### Respect the environment

## Identify opportunities to reduce use of single-use plastics

#### KPI

- Overall recycling 30% by end 2023 – 35%
- Hospital sites only dry mixed recycling 30% by end 2023 – 23.5%

#### Initiatives

- Plastic packaging, large cardboard and polystyrene is returned to Spire Healthcare's National Distribution Centre for baling and recycling
- Dry mixed recycling (DMR) continues to be rolled out across the business
- Plastic cutlery replaced with reusable or disposable items in all sites
- Working with waste treatment supplier to develop recycle initiative for single-use items

## Progress in 2023

The use of plastics is a major environmental issue across the healthcare industry in the UK and globally. Plastic is a very versatile product for keeping medical equipment sterile, storage of clinically related products (eg drugs), and as an infection control barrier. It will take concerted effort across the global healthcare industry to develop new products that can replace the versatility of plastic over the medium to long term.

We are examining what steps we can take as a business to reduce our use of single-use plastics. To improve recycling, a baler was put in place at our National Distribution Centre to bundle large-scale plastic packaging such as linen wrapping or surgical packaging for recycling at a specialist provider.

In 2023, we replaced plastic cutlery with metal reusable or wooden disposable items and replaced plastic cups with paper ones. This year, we have been working with Veolia, a specialist waste treatment supplier, to enable us to start recycling single-use oxygen face masks, tubing and hard plastics in 2024.

In 2024 we will explore an initiative to turn our hard plastic waste into benches and planters that we can donate to local schools and parks.

Vita Health Group are committed to improving and aligning their waste management procedures with plans in the rest of the group.

 Read more in goal number two on [managing waste on page 42](#)



Sustainability report continued



Respect the environment

## Identify and act on water-saving opportunities

KPI

Target of consumption m<sup>3</sup> to be determined

Initiatives

- Making most efficient use of equipment
- Reducing low use outlets
- Leak detection
- Automatic meter reading

## Progress in 2023

### Water conservation

We continue to develop Spire Healthcare's strategic water management plan and in 2023 we achieved a reduction in both water and energy consumption without compromise to compliance and safety. Initiatives include:

- Analysing consumption per site to identify outliers and equipment efficiencies. After a trial at Spire Cheshire and Spire Fylde Coast in Blackpool, we have reduced the self-disinfection cycles of our endoscopy reverse osmosis systems from seven to four times a week, offering savings of 27,000 litres of water per annum
- Identification and safe removal of low-use outlets within our hospitals – eg a shower or tap that isn't regularly flushed through. This will be supplemented by external audits in 2024
- Automatic meter reading, which together with BMS optimisation and replacements, will improve our consumption monitoring capabilities and help to identify potential leaks or high usage. Our existing water contract has been rolled forward to May 2024; on renewal, the roll out of automatic meter reading can start

Development of the plan will continue in 2024, as we scope out opportunities in our central functions and areas of the business that have yet to be explored, such as catering and housekeeping.



Engage our people and communities

## Be a contributor to the UK's healthcare workforce through innovative programmes

Initiatives

- Learning and development strategy
- Apprenticeship programmes including one of the largest nurse apprenticeship programmes in England
- Driving Clinical Excellence in Practice programme
- Range of leadership training programmes

## Progress in 2023

Investing in our talented people is a major focus for us, as we seek to train and upskill colleagues, preparing them for a fulfilling and rewarding career at Spire Healthcare or elsewhere in the wider health and care sector.

### Our apprenticeships and people development

We offer a range of training opportunities, supplemented by innovative programmes to help new and existing colleagues develop professional and leadership skills to further their careers. This year we launched our new Driving Clinical Excellence in Practice programme, which supports the continuing professional development of our registered nurses and allied health professionals.

Making almost full use of the UK Government's apprenticeship levy, we have over 430 apprentices in a range of clinical areas such as biomedical science, physiotherapy, medical laboratory technicians, and non-clinical disciplines such as marketing, human resources, engineering and business administration. The most significant is our nurse degree apprenticeship programme in England, run in partnership with the University of Sunderland, which combines study and assessments with on-site placements to gain practical knowledge. Read more in our strategy section on people on page 27.

We have delivered training to equip current and future leaders of our business. The learning and development team introduced a suite of Mastering Management modules with almost 1,400 delegates attending. Our GROW learning framework includes LEAP, for new managers or those coming into a leadership role; our Step Up Leadership Programme for our talented future leaders; our Stretch Leadership Programme for senior leaders; and our Operations Directors' Leadership Programme. The framework is moving us towards blended learning where colleagues are supported to take accountability for their own development and can choose from digital, class-based or webinar sessions. This approach ensures a strong succession pipeline.



For more information, see our TCFD section page 75, and 'Invest in our workforce' strategy section page 27



#### Engage our people and communities

## Take action to ensure that the ethnic diversity of Spire Healthcare's leadership reflects, or is ahead of, the overall ethnic diversity of the business as a whole

#### Initiatives

- Consider ethnic diversity balance when constructing Spire Healthcare's leadership programmes
- Broad range of networks including mental health and wellbeing support, and for sexuality, racial equality, menopause, women, faith, carers
- Review external benchmarks eg Parker Review
- Working towards better data to improve reporting and planned action

### Progress in 2023

During 2023, we have been reviewing this goal in line with the requirements of the Parker Review: 'Improving the Ethnic Diversity of Business', published in March 2023, to assess how best to support diversity in the business. Diversity remains vital to our success, and we were pleased to be listed in the Financial Times Diversity Leaders index for another year; this is an index of companies considered to be Europe's Diversity Leaders, based on a survey of 100,000 employees across Europe.

The group's executive committee demographic was 25% ethnically diverse in 2023 (2022: 25%) and the board is 8% ethnically diverse, unchanged from 2022.

We support the diversity of the business in various ways; we aspire to create an environment where everyone is respected and cared for, and where difference is celebrated.

#### Race Equality Network

To support our equity, diversity and inclusion strategy, we have networks supported by a member of the executive committee to give focus and impetus. Our Race Equality Network is a highly supportive and confidential colleague network that provides individuals from diverse backgrounds with a safe and open platform to share their personal experiences. The network has been active with regular meetings attended by colleagues and senior leaders, and communications updating colleagues on any actions taken and celebrating successes. We have introduced 'Diversity Toolkits' to encourage hospitals to promote key events and activities such as Race Equality Week, South Asian Heritage Month, and Black History Month, and support them to promote diversity and inclusivity at work. Regular catering events have also taken place to encourage colleagues to embrace each other's cultures and backgrounds.

The Race Equality Network has taken positive steps to engage with senior leaders and executive committee members during the year. It was also involved in the production of Spire Healthcare's annual Workforce Race Equality Standard (WRES) Action plan.

### Understanding our workforce better

Colleagues are encouraged to share their ethnicity during the annual colleague survey to help Spire Healthcare better understand the different experiences of colleagues. The survey results are reported and shared nationally and locally, including the responses to questions on reporting instances of harassment, bullying, or abuse at work from patients, managers, and colleagues. The survey also asks whether colleagues believe that Spire Healthcare provides equal career progression and promotion opportunities, regardless of factors such as ethnic background, gender, religion, sexual orientation, disability, or age.

Of those colleagues who disclose their ethnicity in Spire Healthcare Limited, 18.9% report having a non-white background, up from 17.3% in 2022.

Vita Health Group has a positive action scheme in place to reduce barriers for people from ethnic minorities accessing employment; an interview is guaranteed if an applicant meets the criteria. Colleagues have been offered training in understanding micro-aggressions along with a pilot scheme for anti-racism training.



# 18.9%

report having a non-white background, of those colleagues who disclose their ethnicity, up from 17.3% in 2022

#### Headcount by ethnicity Spire Healthcare Limited

Asian	1,578
Black	549
Chinese	69
Mixed	226
White	10,492
Other	23
Not stated	2,070



Sustainability report continued



Engage our people and communities

## Achieve a balance of at least 40% female representation at board and executive committee level by 2025

### Timeline End 2025

#### KPI

- Proportion of female representation – 40% at board and executive committee combined
- Board diversity policy – agreed targets of a minimum 33% female directors on the board by the 2023 AGM and 40% by 2025

#### Initiatives

- FTSE Women Leaders Review – first in Health Care and 7th overall
- FT Diversity Index top 850 company

## Progress in 2023

Spire Healthcare is committed to diversity and inclusion, which includes supporting women to become leaders within the business.

The combined board and executive committee demographic in 2023 is 47% female up from 37% in 2022.

We have five women on our group board, representing 45% female board members in 2023 (2022: 33%), and reflecting our commitment to fair representation across the business. The board considers its members' diversity regularly through data reviews, recruitment decisions and discussions in board meetings. Diversity is also regularly reviewed as part of the workforce demographics discussions at meetings of the remuneration committee and executive committee.

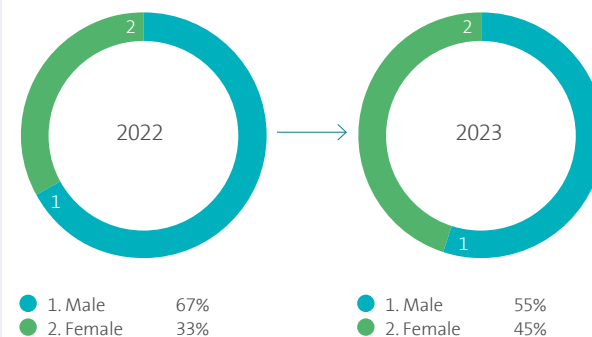
Our executive committee demographic was 38% female in 2023 (2022: 38%).

Spire Healthcare is 7th overall for women in senior leadership positions in the FTSE 250, as recognised by the FTSE 'Women Leaders Review' report for 2023, and first in the health care sector which covers the FTSE 350 and the 50 largest private companies. Our executive committee combined with our senior managers – their direct reports – was 51% female at 31 October 2023, as reported to the review.

We are one of 68 FTSE 350 companies that have already met, or exceeded the target for Women in Leadership, and have done so two years ahead of the target date of 2025.

For more information, see 'Invest in our workforce' strategy section [page 27](#), gender pay gap [page 47](#) and KPIs section [page 61](#)

### Gender balance of board





Engage our people and communities

## Further reduce gender pay gap among Spire Healthcare colleagues

### Timeline End 2025

### KPI

Gender pay gap: year-on-year reduction – positive initiatives underway

### Initiatives

- Establish workforce committee
- Inclusive approach to training and development
- Monitor and report on gender pay gap
- Support colleague development

## Progress in 2023

We are required to report gender pay gap figures for our main employing entity – Spire Healthcare Limited – covering 96.6% of all reportable employees of Spire Healthcare Group. Gender pay reflects the structure of our workforce and is a reflection of the differences in the balance of male and female workers within the wider healthcare sector.

In the interests of transparency, we have supplemented the statutory disclosure requirements with additional data that captures relevant employees across the Spire Healthcare Group. The gender pay gap required by the Gender Pay Gap Regulations represents an average figure. This is distinct from ‘equal pay’, which considers whether men and women are paid the same for carrying out the same work, or work of equal value.

In 2023, the overall median gender pay gap in Spire Healthcare Limited was 9.2% (2022: 6.2%) and the mean was 17.7% (2022: 17.1%).

The median in Spire Healthcare Group was 9.1% (2022: 6.1%) which is below the Office for National Statistics median of 14.3% in November 2023 and the mean in Spire Healthcare Group was 17.2%, (2022: 16.6%).

Our mean gender bonus gap is 82.0%, while the median gender bonus gap is 50.0% for Spire Healthcare Limited. In 2023, 30.5% of males received a bonus across both Spire Healthcare Limited and Spire Healthcare Group, (down from 82.2% in 2022) compared to 28.5% of females in Spire Healthcare Limited and 28.6% of females in Spire Healthcare Group, (down from 83.7% in 2022). Bonus recipients have reduced as all colleagues received a thank you award, classified as a bonus under reporting rules, in 2022 and 2021 gender bonus gap reporting periods.

Gender pay figures are a snapshot from April 2023 and therefore only apply to Spire Healthcare Limited and Spire Healthcare Group, and exclude Vita Health Group, which was not acquired until October 2023. Vita Health Group will report in 2024.

## Responding to the gender pay gap

We are taking a number of positive steps to invest in and provide development opportunities for our female colleagues to progress into senior leadership roles and work towards a balanced representation across the organisation to reduce the gender pay gap. The workforce committee has been established to provide oversight of the company’s people strategies.

We are undertaking substantial work with hospital directors and senior leaders to develop a job framework to provide clarity on roles and progression to support careers within Spire Healthcare. We have launched an induction framework for hospital directors, and completed a comprehensive leadership development programme for operations directors, a key role within hospitals which will support newly appointed colleagues.

The resourcing team was brought in-house in 2023 to allow better focus on and control of our approach to candidate pools and recruitment. We continue to undertake talent and succession planning where we look to create opportunities and support the development of female leaders.

We will continue to invest in colleague development and training, focusing particularly on management and leadership capabilities, as well as extending the induction programme for all senior leaders, and we have launched the Driving Clinical Excellence in Practice programme, to enable delivery of high-quality care. It will include a development pathway for allied health professionals and nurses, which will enhance current recruitment and retention.

## Gender breakdown

Employees	Male	Female
Overall employees	2,303	8,955

## Employee table

Entity	Spire Healthcare Limited		Spire Healthcare Group plc <sup>1</sup>	
Number of employees (includes bank workers) <sup>2</sup>	12,787		13,236	
<b>Women’s hourly rate is:</b>				
Mean	17.7% lower		17.2% lower	
Median	9.2% lower		9.1% lower	
<b>Pay quartiles:</b>				
	Men	Women	Men	Women
Top quartile	24.7%	75.3%	24.7%	75.3%
Upper middle quartile	18.7%	81.3%	18.8%	81.2%
Lower middle quartile	20.2%	79.8%	20.3%	79.7%
Lower quartile	16.9%	83.1%	17.2%	82.8%
<b>Women’s bonus pay is:</b>				
Mean	82.0%		81.7%	
Median	50%		50%	
<b>Who received a bonus?</b>				
Men	30.5%		30.5%	
Women	28.5%		28.6%	

1. Including Spire Healthcare Limited, Montefiore House Limited and Claremont.

2. In line with government reporting requirements, the number of employees stated in the table above is the number of colleagues who received full pay in the pay period April 2023.

## Sustainability report continued



Engage our people and communities

## Maintain an overall colleague engagement score of at least 80%

### KPI

Target 80% – 81% proud to work for Spire Healthcare – up 1 percentage point from 2022 based on 86% response rate

### Initiatives

- Bespoke guides, support materials and briefing sessions for leaders and teams to support communication of 2022 colleague survey results and action planning
- Role and involvement of colleague survey ‘champions’ developed
- Engagement sessions with survey ‘champions’, throughout the 2023 colleague survey to drive participation, resulting in a response rate increase of nine percentage points
- National and local communications campaign to share progress and positive actions taken since 2022 survey in the lead up to 2023 survey
- Monthly colleague and consultant updates from Chief Executive Officer, Justin Ash, launched in January 2023, and colleague engagement sessions with executive committee and senior leaders in September

## Progress in 2023

To help improve engagement, we held an engagement day in April with more than 80 representatives from every part of the business where our colleagues discussed priority areas for driving improvements and shared ideas for embedding changes locally and at a company level.

Ahead of the 2023 survey, each executive committee member hosted engagement sessions in our hospitals, office locations and virtually to give colleagues a business update and an opportunity to ask questions, supported by detailed materials.

We held our annual colleague engagement survey in November 2023. The overall response rate for the full survey was 86% (up nine percentage points from 2022), with our key engagement measure of colleagues being proud to work for Spire Healthcare improving one point to 81%. 84% of colleagues said they get personal satisfaction from the work they do, 86% say they would be happy with the standard of care provided by Spire Healthcare if their friends or family needed treatment (up three percentage points from 2022) and 71% would recommend Spire Healthcare as a place to work. After publication, teams across the business are developing action plans to drive improvements.

Vita Health Group carried out a colleague survey in 2023; with an 80% response rate, 74% of colleagues recommended it as a place to work (2022: 69%).



For more information, see ‘Invest in our workforce’ strategy section on [page 27](#) and KPIs section on [page 61](#)



# 10



The survey was of Spire Healthcare Limited, LDC and Spire Occupational Health colleagues.





Engage our people and communities

## Build strong connections between Spire hospitals and local communities

### Initiatives

- Corporate fundraising week
- Long-standing community relationships with local charities
- Working with voluntary sector partners
- Informal community efforts, including supporting local foodbanks
- Outreach to bring NHS services to local communities

## Progress in 2023

### Contributing to our communities

We firmly believe in the power of giving back to our local communities and making a positive impact on society. In 2023, Spire Healthcare established a group-wide charity committee for the first time. Though various parts of the group contribute to their local communities through different charitable initiatives, the executive committee decided to establish a central committee with the purpose of coordinating, considering and agreeing the group's overall charitable initiatives. The committee is chaired by a member of the executive committee and members have been identified to represent a cross-section of the organisation, with participants from various central functions and each division of our hospitals. The charity committee met three times in 2023 and will seek to meet six times in 2024, with the intention of supporting and facilitating a broader contribution to our communities.

During our annual corporate charity week in June, we fundraised for more than 30 different local and national causes through a huge variety of activities as we aimed to cover more than 40,000km – which is once around the world – between us. For example, Spire Thames Valley held a danceathon and dog show, Montefiore colleagues went wild swimming and for local walks, and central function and hospital colleagues walked between our Reading and London offices. A number of colleagues and consultants cycled between 50 and 200km each and visited Spire Harpenden and Spire Bushey as part of their route. Colleagues sought to live out the objectives of being kind, making a positive difference to worthy causes and having some fun along the way. Colleagues at Spire Nottingham worked with their local school, Tollerton Primary, to raise £750 for its sensory room and to buy a new aquarium for the library. The week raised over £40,000 for a range of local and national good causes.

As well as supporting national charities such as Macmillan Cancer Support during that week, many of our hospitals have strengthened their relationships with local charities and organisations in their communities throughout the year. These charities are chosen by our colleagues, closely reflect the communities they serve, and the support goes beyond fundraising. The relationships with our charity partners are often long-standing and symbiotic, and we offer them valuable resource, locations for meetings and events, workplace experience, and publicity where possible.

For example, we have a close link with LOROS, a Leicestershire charity that provides hospice care. LOROS is funded by voluntary income and delivers high-quality, compassionate care and support for patients, their family and carers. As a provider of chemotherapy, Spire Leicester has access to the excellent palliative care physicians at LOROS who provide expertise and support. This is a service we are pleased to pay for through a service level agreement and we support LOROS in their fundraising efforts, such as marathon walks and the Rocket Round Leicester campaign. We also link with Leicester Riders, who are the country's oldest and most successful professional basketball team – having won 19 titles in the top tier of UK basketball. We provide care and treatment for their players, and many of our colleagues attend their games at the Morningside Arena. We were delighted when Mo Walker, Leicester Riders' 6'10" tall, high-scoring forward, kindly joined us to open the recent upgrade to the hospital's outpatient facilities.

To promote services to 'hard to reach' patient groups, Vita Health Group colleagues work closely with voluntary sector partners to stimulate referrals and bring services to supermarkets, libraries and community centres through a network of partnership liaison officers. In 2023, VHG commissioned a 'mental health bus' which stimulated community awareness of NHS talking therapies in the east Midlands.



## Sustainability report continued



## Operate responsibly

## Target 'Good' / 'Outstanding' CQC scores across all our hospitals (or equivalent)

## KPI

Our target is for 100% of our inspected locations to achieve 'Good' or 'Outstanding' ratings or the equivalent from regulators in England, Scotland and Wales – 98% in 2023 (98%: 2022)

### Progress in 2023

Quality underpins everything we do. We have robust ward-to-board governance and internal audit procedures, and members of the board and executive committee regularly visit and meet with hospital leaders, colleagues, consultants and medical advisory committees.

We expect the highest possible standards across all Spire Healthcare sites, delivering care and safety to the highest standards every day. Currently 98% of our inspected sites are rated 'Good' or 'Outstanding' or the equivalent by health inspectors in England, Scotland and Wales.

100% of Vita Health Group locations are rated 'Good' or have not yet been inspected by the Care Quality Commission but are registered with no conditions or concerns.



For more information, see 'Building on quality' strategy section on [page 24](#)



12



## Operate responsibly

## All Spire Healthcare hospitals to achieve a rating of at least 80% across colleague experience, patient experience and consultant experience

## KPI

80% of employees stating they are proud to work for Spire Healthcare – 81%

80% of private patients rating their overall experience as 'very good' – 80%

80% of consultants who rate the care given to their patients by Spire as either 'excellent' or 'very good' – 83%

In 2023, seven hospitals met all three of these criteria (2022: 7), 31 hospitals met at least one (2022: 31) and 16 met at least two (2022: 16).

### Progress in 2023

We seek to offer our patients rapid access to high-quality, compassionate, personalised healthcare, with expert clinicians, at a price they can afford. We aim to make Spire Healthcare the first choice for consultants, and to invest in the best people, facilities and equipment to achieve this.



For more information, see strategy sections 'Drive hospital performance', 'Build on quality' and 'Invest in our workforce' on [pages 21 to 30](#)



13





Operate responsibly

## Maintain robust standards of clinical and corporate governance in line with best practice

### Initiatives

- Implementing PSIRF across the organisation

## Progress in 2023

We constantly seek to improve our standards of clinical and corporate governance, while quality sits at the heart of Spire Healthcare's culture. Our Quality Improvement (QI) strategy is now fully embedded across the organisation, while our non-executive directors conduct regular hospital visits, meet with hospital leaders, and attend local medical advisory boards and national conferences.

We are also implementing the new NHS England Patient Safety Incident Response Framework (PSIRF), which promotes a new, more proportionate approach to responding to patient safety incidents. It recommends a system-based approach to learning, with supportive oversight of consultants focused on strengthening our response systems and continuous improvement. The PSIRF strategy advocates the use of QI methodology to seek lasting solutions for issues, created by the people involved. This promotes colleague and patient engagement, ensuring we respond to the voice of those involved in incidents.

We continue to actively contribute data to relevant registries including the National Joint Registry (NJR) in 2023. 31 Spire hospitals achieved the Quality Data Provider certificate, based on 2022/23 NJR Data Quality Audit with 19 receiving the 'gold' award.

The Independent Healthcare Providers Network (IHPN) published a refreshed Medical Practitioners Assurance Framework (MPAF) in September 2022; we conducted a review and provided assurance to the board. In 2023, we remain fully compliant with the framework.



For more information, see 'Build on quality' strategy section on [page 24](#) and Clinical governance and safety committee report on [page 101](#)

14



Operate responsibly

## Promote an open and learning culture

### Initiatives

- Freedom To Speak Up Guardians at all our sites
- Launched a Speak Up training module from the National Guardian's Office, mandatory for all colleagues and consultant partners
- Piloted PSIRF in three hospitals

## Progress in 2023

We welcome PSIRF, as the framework not only helps us manage professional standards, but also builds on our open and learning culture.

We work hard to create a culture that is characterised by openness, respect, collaborative working, a focus on clinical safety, and a spirit of continuous improvement. Attracting, retaining and developing great people is a high priority for us, and we can only do this if colleagues feel valued, rewarded, motivated, and supported by clearly defined career paths.

We continue to encourage our colleagues and consultant partners to speak up if they see something that's wrong, and we will always listen to them and support them. We have Freedom to Speak Up Guardians at all our hospital and non-hospital sites, and available for colleagues who work remotely, to whom colleagues can turn.



For more information, see 'Build on quality' strategy section on [page 24](#) and 'Investing in our workforce' [page 27](#)

15





## Sustainability report continued



## Operate responsibly

## Further develop our approach to controls around modern slavery

### Initiatives

- Review the level of performance and risk of our key suppliers across a range of areas including the environment, labour and human rights, fair business practices, ethics and sustainable procurement

### Progress in 2023

Spire Healthcare Group is committed to acting ethically and with integrity in all our relationships, in line with our value of 'Doing the right thing'. Our approach to tackling the risk of modern slavery continues to evolve under the oversight of our sustainability committee, which reports to our executive committee to ensure that our directors have full oversight on all relevant matters.

Our two main areas of focus are, a) to safeguard patients, colleagues and others who come through our facilities, and b) in our supply chain. In our business operations, we believe practitioners and colleagues are well-placed to identify and deal with modern slavery concerns through the safeguarding training and protections we have in place. The safeguarding system trains those practitioners and other colleagues (clinical and non-clinical) to recognise and report signs of abuse. We believe the rigour of this system mitigates the risk of modern slavery from either going undetected or being dealt with inadequately. This risk is further controlled by the support, training and infrastructure in place for all colleagues to be able to raise concerns through our network of Freedom to Speak Up Guardians, or other available channels. In 2023, we:

- Maintained our modern slavery due diligence process for new suppliers with an annual spend of in excess of £1 million. There were no issues identified through this process
- Updated our procurement policy, which ensures that our hospitals and clinics are equipped with guidance and a risk assessment tool for evaluating modern slavery risks in local contracts



- Completed an initial assessment exercise of third-party management systems which can risk-assess and monitor the level of performance and risk of key suppliers across a range of areas including labour and human rights. It is intended that our sustainability committee will review this during 2024
- Continued supplier and product rationalisation initiatives, focusing our attention on increasing the proportion of spend with long-standing reputable suppliers, with whom satisfactory due diligence has been carried out, where appropriate

In 2024, we plan to continue the activities outlined above, and further review our approach to enhance third-party supplier risk monitoring and performance.

**Spire Healthcare's latest Modern Slavery Act statement**  
[investors.spirehealthcare.com/investors/modern-slavery-act-statement](https://investors.spirehealthcare.com/investors/modern-slavery-act-statement)

**Vita Health Group's Modern Slavery Act statement**  
[vitahealthgroup.co.uk/slavery-and-human-trafficking-statement](https://vitahealthgroup.co.uk/slavery-and-human-trafficking-statement)

**The Doctors Clinic Group's Modern Slavery Act statement**  
[spireoccupationalhealth.com/about-us/accreditations-policies](https://spireoccupationalhealth.com/about-us/accreditations-policies)



## Operate responsibly

## Maintain and strengthen information governance and data security

## KPI

Establish security performance dashboard to facilitate investment decisions by measuring investment versus protection – 2024

Establish security programme of work to implement the NIST recommendations of 2022/3 – ongoing

Onboard new security operations centre – 2024

Define enterprise-wide data strategy and implement a modern data platform architecture – 2024

## Initiatives

- New data strategy, governance and security committee
- Investments to strengthen and enhance our security posture, or overall cyber security strength

## Progress in 2023

Spire Healthcare's cyber security sustainability strategy covers three key pillars: people, process and technology. We are investing time, attention and capital to reduce risk and strengthen the group's information governance and data security position.

With ever changing security landscapes, risks and threats, we take this very seriously, and engage with security partners to conduct independent reviews and audits of our systems. We maintain industry-recognised security certifications such as ISO27001:2013, Cyber Essentials, Cyber Essentials Plus and regulatory compliance for contracts such as the NHS Data Security and Protection toolkit. We also use the National Institute of Standards and Technology (NIST) score for continual security assessment for benchmarking purposes against our peers in the healthcare industry and more broadly.

In 2023, we established a new data strategy, governance and security committee, which reports to the executive committee and has a dotted line to the audit and risk committee of the board. The committee draws its members from across the organisation, including from the clinical, IT, commercial, operational and legal functions. This ensures wide visibility and consideration of data and security matters from around the business, enabling more effective management of information and data risk.

We continued to make considerable investments in 2023 to strengthen and enhance our security position by adopting enterprise level platforms (software designed for the complex needs of large organisations) and working with industry-leading security partners. At the same time, we received regular intelligence on potential threats from a number of sources and agencies.

The strategy covers Spire Healthcare Limited only at this stage; we are working to bring the rest of the group under the same security governance.



## Engagement with stakeholders

# Creating value with our stakeholders

Engagement with our stakeholders is critical to our success and delivering on our purpose, strategy and objectives. Their input informs our strategic and everyday business-level decisions, and the board is provided with an overview of any relevant stakeholder feedback.

### Our stakeholders

Patients	p55
Colleagues	p55
Consultants	p56
Suppliers	p56
Private Medical Insurers (PMI)	p57
NHS	p57
GPs	p58
Employers and corporates	p58
Regulators	p59
Investors/lenders	p59
Community	p60

### Our campaign

We launched a targeted, multi-channel campaign in September with the theme, 'The sooner you're better, the better', which has seen strong results.



Scan to watch our TV advert





Engagement with stakeholders continued

## Patients

**Responsible executive owner**  
Group clinical director

### Who they are and how we engage

#### Who they are

We treat a wide variety of patients who self-pay, use private medical insurance or are referred to us by the NHS.

#### Why they are important to us

Providing the highest quality, safe, personalised care is at the core of everything we do.

#### What is important to them

Rapid access to high-quality healthcare, both diagnosis and treatment, at a price they can afford.

#### How we engage

We engage continuously with patients before, during and after their treatment and seek to involve them in all key decisions about their care.

We use a framework of customer and patient surveys, including questions mandated by regulation (eg Private Healthcare Information Network) or contracts (eg NHS). These cover our major touchpoints with patients, whether they receive admitted care or come to us as outpatients.

We work closely with patients, with the support of the Patients Association, on a range of projects, to understand their experience of care with us, and we use their feedback to further shape and refine our processes. We run hospital patient forums and conduct regular director and board level site visits.

#### Board engagement

While we review the feedback from our patient engagement locally in our hospitals and as part of our operational reviews, we also do this through the board's clinical governance and safety committee. This helps us develop and continuously improve the services we provide to patients, as well as define our annual quality priorities, which we set out in our annual Quality Account.

#### Sentiment

- 96% of patients say their experience of our service was 'Very Good' or 'Good'
- Target audience financially more optimistic<sup>1</sup>

#### Issues raised

- Increased demand for patient care, in and out of hospital, due to longer NHS waiting times

#### Action/outcomes

- Care provided for over 1,070,000 patients (NHS and private) in the year
- Expansion of care for private patients seeking to avoid NHS waiting lists
- Government elective recovery initiatives, in which Spire Healthcare is participating
- Relationships with NHS GPs to enable patient choice
- Expansion of Spire GP and other new propositions to meet demand

- Increased need for care provided by employers owing to ill health of employees

- New provision of services through Spire Occupational Health, London Doctors Clinic and Vita Health Group

- Need to provide safe and efficient patient pathways

- Increasing use of digital technology, offering in-person and virtual consultations and assessments, online brochures and appointment booking

 **Strategy: build on quality, page 24**

 **Chief executive officer's review, page 10**



## Colleagues

**Responsible executive owner**  
Group people director

### Who they are and how we engage

#### Who they are

We have 16,800<sup>2</sup> colleagues; nurses, theatre teams, allied health professionals, non-clinical support (such as reception staff, porters, finance and human resources), central function teams, musculoskeletal, counselling and occupational health specialists and GPs.

#### Why they are important to us

Our colleagues interact with thousands of patients every day and play a crucial role in delivering the highest quality care and outcomes. Non-patient facing colleagues are vital in making the business run smoothly and efficiently.

#### What is important to them

A fulfilling career with an organisation that offers opportunities for development, the chance to make a difference, and appropriate rewards and recognition for their efforts. Colleagues are supported to learn and develop.

#### How we engage

We value what our colleagues do, engage closely, and support them with their personal health and wellbeing, as well as in their professional lives and career aspirations. We gain regular feedback from colleagues and new starters, and those leaving the business. In April, an engagement day took place with representatives from across the business to shape actions from the 2023 survey and drive engagement across hospitals and central function teams, discuss priority areas and embed change. Our annual survey took place in November, this time including LDC and Spire Occupational Health colleagues. Each executive committee member hosted engagement sessions in multiple locations, and virtually, ahead of the survey to update and encourage questions. After the survey, teams developed action plans to drive further improvements. Vita Health Group carried out a colleague survey in 2023; with an 80% response rate, 74% of colleagues recommended it as a place to work (2022: 69%).

#### Board engagement

The survey feedback we receive is analysed by the full board, remuneration committee and executive committee, with action plans put in place to respond to the findings.

#### Sentiment

- 81% of colleagues proud to work for Spire Healthcare
- 84% of colleagues get personal satisfaction from their work
- 86% of colleagues happy with standard of care if friends or family treated
- 71% recommend Spire Healthcare as a place to work to friends or family

#### Issues raised

- Continued focus on colleagues' health and wellbeing

#### Action/outcomes

- Increased investment in wellbeing support, including mental health support
- Ran sessions with expert speakers
- Occupational health provided to all colleagues
- Support available to colleagues promoted internally and externally

- National shortage of healthcare professionals across the UK, increasing pressure on existing workforce

- Nursing and other apprenticeship programmes, addressing future as well as current requirements
- Recruiting, integrating and training overseas nurses
- Reward packages in 2023 to retain colleagues
- Insourcing of recruitment to improve outcomes and reduce costs. Savings in 2023 were £0.5 million.

- Continued focus on issues from feedback such as vacancies, volume of work

- Strong recruitment, retention, and development programmes
- Surveys during the year, eg online pulse surveys, new joiner surveys, exit interviews, full annual survey
- Forums with chief executive officer and executive committee members when they visit sites
- Regular all-hands calls and online sessions, 'askJustin' email address
- Consultation with selected colleagues on key initiatives
- Listening sessions with board members and hospital teams
- Fortnightly listening calls with chief operating officer for hospital directors
- Listening sessions with new group people director in 2023 to develop new programmes

 **Strategy: Invest in our workforce, page 27**

1. Spire Omnibus Survey, November 2023

2. Number includes bank colleagues.

Engagement with stakeholders continued

# Consultants

Responsible executive owner  
Group medical director

## Who they are and how we engage

**Who they are**  
We work with 8,650 consultants, who operate as self-employed practitioners in our business. They are experts in their fields, drawn from all medical disciplines, who are granted privileges to practise in our hospitals, in line with our stringent medical governance procedures.

**Why they are important to us**  
Our consultants are integral to providing high levels of medical care to our patients.

**What is important to them**  
High-quality facilities, continuity of trained, committed employees providing support to help them establish and develop an efficient practice at our sites, and the quality of care that we provide to patients.

**How we engage**  
We meet with consultants to plan individual procedures, understand their future needs and horizon scan for developing clinical innovation. They are invited to complete an annual feedback survey; in 2023 this had our highest ever response rate, up 7 percentage points on 2022. In addition, each hospital has its own medical advisory committee (MAC) to advise the hospital director, the director of clinical services on any matter relating to the proper, safe, efficient and ethical medical and dental use of the hospital; they meet quarterly. Each medical specialty is represented. Topics including clinical quality, learning from concerns, incidents and complaints are discussed, plus feedback from members about matters concerning consultants. MACs are governed by standard terms of reference, and all discuss the same key items using a standard agenda. The medical director and associate medical directors attend MACs at hospitals, with the aim of attending all MACs at least annually. In addition, hospitals hold an AGM for their whole medical society, to which all consultants are invited. MAC chairs run performance appraisals for each consultant.

**Board engagement**  
Feedback from our annual survey is reviewed by the board's clinical governance and safety committee and we use this to enhance the offer we provide to consultants. Board and executive committee members visit regularly to listen, learn and guide and there are biannual reviews with hospital directors.

**Sentiment**  
– 83% of consultants say care provided in hospitals is 'very good' or 'excellent', up from 78% in 2022  
– Improved relationship and closer involvement between MAC chairs, consultants and Spire Healthcare leadership  
– Consultants experience improved accountability for clinical and medical governance

Issues raised	Action/outcomes
– Desire for improved digital solutions including one patient record	– Structured digitalisation plan which will enhance working practices for consultants
– Desire for improved administrative processes	– Investment in equipment and marketing support, which create an improved patient experience and make it easier for consultants to do business with Spire Healthcare
	– Such investment results in improved feedback from consultants on the high-quality service we provide
– Ongoing need for open and regular dialogue with our consultants	– Fortnightly 'Two Minute Times' connects consultants with each other and with Spire Healthcare with a mix of national and local news
	– MAC chairs meet regularly with board members and executive committee
	– Continued close working with our MAC Chairs, led by group medical director
	– Continued rigorous oversight of all aspects of consultant clinical practice

# Suppliers

Responsible executive owner  
Chief operating officer

## Who they are and how we engage

**Who they are**  
We work with a diverse range of organisations who supply the group with everything from medicines, equipment, services and food to people.

**Why they are important to us**  
A reliable and effective supply chain is vital to us being able to carry out medical treatment and run the business. In an increasingly volatile environment, resulting from rising inflation and international conflicts, the existence of a reliable and effective supply chain has been particularly important during 2023.

**What is important to them**  
Clear policies, contracts and a strong relationship to ensure long-term and mutually beneficial commercial arrangements.

**How we engage**  
We hold performance evaluation sessions with our existing suppliers, with the frequency determined by the nature of purchase and the risk profile of the goods or services supplied. Spire Healthcare's procurement team undertake detailed supplier assessments as part of tender evaluation processes to ensure a supplier's capabilities are aligned to the group's business requirements. We require suppliers to be contractually compliant on key issues, including modern slavery.

**Board engagement**  
The audit and risk committee reviews all relevant risks in our supply chain as part of its annual risk assessments.

**Sentiment**  
– Our strategic suppliers value our collaborative engagement  
– Suppliers recognise our integrity and professionalism  
– Key suppliers have recognised how their values are aligned to ours

Issues raised	Action/outcomes
– Continuity in our supply chain	– Work with supply chain to mitigate detrimental impacts from global product recalls, supply issues and supply chain friction
a) Inflation	
b) Temporary cessation of supply of renewably-sourced electricity	a) Work with suppliers and internal stakeholders to minimise impact of inflation through effective use of demand and supply levers
	b) Rephrasing of trajectory to reflect impact until end of 2024 and commitment to acceleration of other measures, eg solar and Building Management Systems (BMS) controls to reduce emissions impact



Engagement with stakeholders continued

## Private medical insurers (PMI)

**Responsible executive owner**  
Chief commercial officer

### Who they are and how we engage

#### Who they are

Private Medical Insurers (PMI) provide medical insurance cover for both employees and individual members.

#### Why they are important to us

PMIs are a core part of our referral network, as in a normal year, approximately 40-50% of our revenue comes from PMIs.

#### What is important to them

The need to provide their members with prompt access to leading consultants, facilities and clinical teams with a strong track record on safety, quality and patient satisfaction.

#### How we engage

Regular commercial and clinical review meetings are held with insurers, covering strategic initiatives, contract performance, clinical and financial governance, member satisfaction and operational and clinical KPIs. We also work to agree and action strategic joint projects. This is a key part of the relationship management of our payors and therefore is conducted quarterly.

We have opened a number of cancer specialist centres (breast and prostate) accredited by, and in partnership with, Bupa. We have a rolling plan to launch in more locations and to work on further cancer pathways together such as skin and bowel cancer care.

All our hospitals are, for example, providing fast access to imaging and pathology services to AXA Health, one of our key partners to support their primary care virtual GP service and onward hospital referrals.

#### Board engagement

The board supports management as needed in their relationships with leading PMIs.

#### Sentiment

- Spire Healthcare is viewed as a valued partner with a clear patient focus, always accessible, responsive and supportive
- Viewed as getting good outcomes for members and aligned in views on value based healthcare

#### Issues raised

- Insurers want good engagement

#### Action/outcomes

- Regular proactive and real-time, open communications with the insurers:
  - Daily reporting at an individual hospital and service level of available care for private patients
  - Regular meetings with the PMI medical governance and operational leads
  - PMIs kept abreast of key strategic initiatives and plans to ensure rapid access to the best quality clinical care, and develop our propositions in partnership

- Insurers looking for clear commitments on carbon and ESG

- Shared detailed action plan with clear commitments to net zero

 **Our market, page 16**

## NHS and government

**Responsible executive owner**  
Chief executive officer

### Who they are and how we engage

#### Who they are

Within central government, we work closely with the Department of Health and Social Care (DHSC). We liaise closely with the NHS; we work with NHS England, Integrated Care Boards, local NHS trusts (and the equivalent in Scotland and Wales), and central NHS teams.

#### Why they are important to us

The government sets the political and regulatory environment in which we operate and overall NHS policy towards the independent sector. The NHS is a large customer, as we provide care for NHS patients, either through referrals, commissioning or contracts.

#### What is important to them

Our ability to provide high-quality, planned care for NHS patients, helping them to address waiting times and relieving pressure on NHS services.

#### How we engage

Our local leadership teams maintain their well-established relationships with NHS counterparts. As well as holding regular meetings, local NHS leaders visit our hospitals, to ensure they understand the capability we have and the services we offer. Our national leadership team holds relationships with NHS central teams in England, Scotland and Wales. We have relationships with various DHSC and NHS England officials covering a range of portfolios and fed views into the government's Elective Recovery Taskforce.

Through our Vita Health Group brand, we bid for NHS talking therapy and MSK contracts in England through central tendering processes. VHG has regular engagement with commissioners and the local health system where contracts are held.

#### Board engagement

Our executive committee liaise with their NHS counterparts to agree the contractual support we provide to them in meeting Britain's demand for healthcare.

#### Sentiment

- The NHS values our sustained commitment to providing high-quality care across England, Scotland and Wales
- Government expressed a desire to make more use of the independent sector through the Elective Taskforce

#### Issues raised

- Elective Recovery Taskforce recommended an expansion in patient choice for NHS patients
- Local requests for assistance to address elective care backlog

#### Action/outcomes

- Patients are able to opt to receive care in a hospital of their choice, including one run by an independent provider. Spire Healthcare is listed as a provider to NHS patients when making a choice with their GP and NHS GPs are increasingly open to speaking to patients about using independent healthcare
- Recontracted with local commissioners for all Spire Healthcare sites and increased volumes in eReferrals

 **Chief executive's review, page 10**





## Engagement with stakeholders continued

### GPs

**Responsible executive owner**  
Group medical director  
Chief commercial officer

#### Who they are and how we engage

##### Who they are

GPs treat all common medical conditions and refer patients to hospitals and other medical services for urgent and specialist treatment.

##### Why they are important to us

GPs are a critical part of our referral network, as most patients are referred to us by their NHS GP. For that reason, we seek to liaise closely with them. We are also seeing more patients self-refer. We have invested in a network of primary healthcare relationship managers available to all hospitals; these provide the key link with GPs and deliver training, education and information.

We also offer our own private GP services, Spire GP and London Doctors Clinic (LDC). They are a network of over 137 GPs, who are granted privileges to operate in our hospitals, in the same way as consultants or are directly employed by or contract with LDC.

##### What is important to them

An understanding of our business and services, to make it easier for them to refer patients to us. They value a high-quality environment, suitable for consulting with patients.

##### How we engage

Our hospitals offer regular educational events which support the continuing professional development of NHS GPs which have been extended to include the LDC GPs. Hospital colleagues also provide educational events on site at NHS GP practices. We use the feedback that we receive to organise future events that are tailored to their ongoing needs.

For the first time in 2023, LDC GPs participated in the Spire Healthcare annual colleague engagement survey.

##### Board engagement

Some of our board members are experienced medical practitioners and liaise with NHS GPs through medical forums and conferences.

#### Sentiment


- For our private GP network, they value the ability to achieve a portfolio career across the independent and NHS sectors
- 89% of respondents to the colleague engagement survey (LDC GPs colleagues) get personal satisfaction from their work
- NHS GPs value the relationship between their practice staff and our consultants
- NHS GPs are increasingly open to asking patients if they are insured

#### Issues raised

- Minor local issues with increasing referral levels affecting capacity at Spire Hospital locations

#### Action/outcomes

- Close relationships with NHS GPs and electronic referral system (eRS) as a major form of referrals
- Capacity at all sites is constantly reviewed and new consultants engaged to increase capacity to meet demand

 **Business model, page 14**



### Employers and corporates

**Responsible executive owner**  
Chief commercial officer

#### Who they are and how we engage

##### Who they are

Employers are the customers for our occupational health and employee assistance programmes, along with musculoskeletal and mental health services. Meanwhile, more employers are providing PMI for their employees, who subsequently come to us to receive care.

##### Why they are important to us

We deliver care to employees, but the care is purchased by the employer as a package to support occupational health and wellbeing, to prevent ill-health, stress reduction, health intervention, education and self-help.

##### What is important to them

The need to provide their employees with access to leading clinicians, facilities, locations and virtual services with a strong track record on safety, quality, patient satisfaction and good quality clinical advice and outcomes, to enable people to be healthy and productive and to stay or get back to work.

##### How we engage

Account managers regularly engage with employers who hold occupational health or employee assistance programme contracts, or both, to discuss current and future requirements and where bespoke services may be developed. Employers hold contracts with us for mental and physical health on an annual or ad-hoc basis. We work with business leaders and their human resources, health and safety colleagues, wellbeing champions, preventative service teams and training departments to engage on the best mix of support for varied workforces and types of employer.

##### Board engagement

The board supports management as needed in their relationships with business customers.

#### Sentiment

- Clients appreciate transparent, responsive and consistent communication, being made aware of market trends and business updates
- Contract holders feel prepared for upcoming changes and pleased with the support provided, both bespoke and included in contracts
- Growing need for mental and physical support owing to rising population ill-health makes employers amenable to purchase our services

#### Issues raised

- Poor employer understanding of what occupational health can achieve and how to access services
- Line managers not aware how to use occupational health and employee assistance programmes contracts in place
- Need for specialist services to address trauma, stress, substance abuse, neurodiversity and mental health first aid
- Request for support on new legislation on sexual harassment in the workplace
- Support for high levels of sickness absence in employers
- Employers requesting support on the menopause for employees

#### Action/outcomes

- Marketing approaches to address customer understanding
- Service promotion and training to help managers identify when employees would benefit from support
- Development of bespoke services, webinars, training and information to meet employers' needs
- Mental health first aid training (MHFA) delivered to line managers

Engagement with stakeholders continued

## Regulators

**Responsible executive owner**  
Group clinical director

### Who they are and how we engage

#### Who they are

We are required to engage with a range of financial, clinical, health and safety, and competition and market regulators.

The principal healthcare regulators we engage with are the Care Quality Commission (CQC), the Healthcare Inspectorate Wales (HIW) and Healthcare Improvement Scotland (HIS). Safe Effective Quality Occupational Health Service (SEQOHS) accredits occupational health services.

#### Why they are important to us

Each of our hospitals is required to be registered with the relevant national healthcare regulator in order to be authorised to offer services to patients.

#### What is important to them

Compliance with the law and all relevant regulations.

#### How we engage

We have regular dialogue with the healthcare regulators, with local relationships at hospital level and a national relationship with the group clinical director. Our hospitals have focused contact with inspection teams pre, during and post formal inspections. Individual hospitals draw up and implement improvement plans on the basis of feedback from regulators.

Centrally, we also have regular calls with CQC, HIW and HIS, to understand the changing face of regulation, and to provide assurance to the regulators of action being taken to maintain and improve safety and quality and share good practice.

For other regulators, such as the Competition and Markets Authority, we have a dedicated legal team who, with external counsel, monitor and advise the group on legal and regulatory developments.

#### Board engagement

The board supports management with assurance of effective ward-to-board governance processes and reviews collated feedback from regulators to identify trends and drive responses.

#### Sentiment

- 98% of our inspected locations are currently rated 'Good' or 'Outstanding' or the equivalent by regulators in England, Scotland and Wales
- Inspected Vita locations are currently rated 100% 'Good' by CQC.

#### Issues raised

- CQC began to change its assessment model during 2023, rollout will continue in 2024
- Spire Occupational Health rebranding

#### Action/outcomes

- We have worked with CQC to understand the proposed changes and their impact on our business
- Extensive training for colleagues on the changes
- Safe Effective Quality Occupational Health Service (SEQOHS) awarded Spire Occupational Health full accreditation, the industry standard for occupational health, in late 2023

 **Strategy: 'Build on quality', page 24**

## Investors/lenders

**Responsible executive owner**  
Chief executive officer  
Chief financial officer

### Who they are and how we engage

#### Who they are

Shareholders, potential shareholders, analysts and lenders. Our largest investor is Mediclinic, which holds a 29% stake in Spire Healthcare and has a seat on the board.

#### Why they are important to us

Our investors and lenders help to ensure we have access to the resources, support and finances we need to develop and grow the business.

Our aim is to reduce covenant leverage over time through robust cash management and conservation.

#### What is important to them

Investors and lenders are looking for sustainable returns from any capital outlaid and are keen to understand our work with the NHS, how we are building our private business, expansion into new areas of healthcare and how we work sustainably and support the community.

#### How we engage

Our director of investor relations engages with shareholders and analysts. We also maintain regular contact with lenders and keep them informed on all major issues affecting the business. Our full year and half year results were presented as hybrid events; both were well attended. We regularly gather feedback after each results roadshow and use this to guide our future investor relations strategy.

The chief executive officer and chief financial officer regularly meet with investors.

#### Board engagement

Our chairman, senior independent director and executive directors meet with institutional investors at individual meetings and analyst presentations, as well as at results roadshows.

#### Sentiment

- Investor feedback received is generally good, with support for the group's strategy and management team
- Lack of share liquidity is sometimes a barrier for investment for institutional investors

#### Issues raised

- Recovery of our private self-pay business has a critical impact on Return on Capital Employed and other measures
- Environmental, social and governance (ESG) impacts
- Effect on the business of operating in a high inflationary environment
- Capital allocation – use of surplus cash generated, capex, margins and return on investment

#### Action/outcomes

- Presentations to investors and analysts
- Net carbon zero target by 2030
- Sustainability committee with nominated owners for each section of the sustainability strategy and a scorecard developed for each area
- Through our efficiency programmes, we have delivered more than £30 million of cost savings in 2022 and 2023.
- Further self-help actions taken include implementing price rises where appropriate, managing our mix of services and being more selective in the choice of products we use
- We balance use of surplus cash between a number of areas including reduction of leverage, payment of dividends to our shareholders and M&A opportunities
- We continue to invest strongly in the business to improve margins and return on investment

 **Risk management, page 64**

 **Financial review, page 82**

 **Our strategy, page 20**

## Engagement with stakeholders continued

## Community

Responsible executive owner  
Chief executive officer

## Who they are and how we engage

## Who they are

Our business plays an important part in the communities in which we operate.

## Why they are important to us

We want to be involved in the local communities of our patients, existing and future colleagues. As a responsible business, we have a duty to give back to these areas and contribute to their greater wellbeing. We also have a duty of care to the environment and have plans aimed at becoming net zero carbon by 2030.

## What is important to them

A strategy that focuses on the ethical, social, environmental, cultural, and economic dimensions of doing business.

## How we engage

Local hospitals forge relationships with community organisations in their locality and liaise with local authorities and other local groups when investment projects are planned which may cause disruption to residents. Many hospitals also undertake fundraising initiatives for local charities. Nationally Spire Healthcare undertakes company-wide charity activities and other community initiatives. We are engaged in environmental projects to reduce our greenhouse gas emissions and manage our waste effectively. Engagement with Integrated Care Systems, including local authorities and community services, can provide closer links with local health and social care communities around our hospitals and clinics.

## Board engagement

The board reviews our sustainability and environmental ambitions on a regular basis.

## Sentiment

- Charities receiving donations express gratitude and explain what can be provided for recipients through monies raised
- Longer-term relationships with local sites are valued and bring communities closer

## Issues raised

- The cost-of-living crisis has affected people in the communities we serve

## Action/outcomes

- Our 2023 company-wide charity focus week raised £40,000 for more than 30 causes around Britain selected by local hospitals through cycling, baking and walking challenges to name a few
- As a business we support several major fundraising and awareness events such as Macmillan's coffee morning and Breast Cancer Now's wear it pink'
- Vita Health Group (VHG) introduced one day's paid leave for colleagues to volunteer each year in 2023
- Growth in need for talking therapies and musculoskeletal support in local NHS communities
- VHG works with voluntary sector partners to stimulate referrals and bring services to local communities
- VHG commissioned a 'mental health bus' to build local awareness

 Chief executive's review, [page 10](#)  
and Sustainability report, [page 36](#)





## Our key performance indicators

We use a range of financial and non-financial metrics to measure group performance in line with our strategy and to deliver strong financial performance.

### Non-financial KPIs

#### Colleague engagement index >80%

81%

2022: 80%

#### Why is this a KPI?

We are a people business. Having engaged colleagues is not only important for their own wellbeing, but also helps them in their daily efforts to provide high-quality care to our patients.

#### Performance

We are achieving high levels of colleague engagement – 81% of colleagues said they felt proud to work for Spire Healthcare, one percentage point up on 2022, based on an 86% response rate.

The 2023 colleague survey applies to Spire Healthcare Limited and The Doctors Clinic Group.

#### 100% CQC/HIS/HIW Good or Outstanding

98%

2022: 98%

#### Why is this a KPI?

Providing personalised quality care is our daily responsibility and a key business driver. We seek to reach 100% Good or Outstanding ratings from regulators in England, Scotland and Wales.

#### Performance

98% of inspected locations are rated 'Good' or 'Outstanding' or the equivalent. 100% of inspected Vita Health Group and London Doctors Clinic locations are rated 'Good'.

#### >75 net promoter score among admitted patients

80

2022: 81

#### Why is this a KPI?

Our net promoter score (NPS) metric measures admitted patients' likelihood to recommend Spire Healthcare to friends or family in need of similar treatment. This is a key indicator of customer satisfaction and the quality we are delivering to our patients.

#### Performance

We continue to achieve high levels of private patient recommendation. NPS among admitted patients was 80.2%, down slightly from 80.6% in 2022.

At Vita Health Group, the NPS is 84 overall for corporate clients (with employee assistance plan corporate customers scoring 97). NPS for NHS customers is 95.

We continue to monitor all patient feedback to drive continuous improvement.

#### Apprentices constitute 5% of our workforce

4%

2022: 5%

#### Why is this a KPI?

There is a shortage of clinicians in the UK and worldwide. We are committed to building up the talent pipeline for our business and for the UK healthcare sector more widely.

#### Performance

We now have over 430 clinical and non-clinical apprentices in Spire Healthcare and Vita Health Group, which is almost 4% of our total permanent workforce. We will continue to make apprenticeships an attractive option for new and existing colleagues and ensure both learning and supervising colleagues are fully supported.

## Our key performance indicators continued

## Non-financial KPIs continued

Net zero carbon emissions  
(tCO<sub>2</sub>e) by 2030

3%

ahead of 2023 target emissions (27,017 tCO<sub>2</sub>e achieved, target 27,750 tCO<sub>2</sub>e) (2022: 9% ahead, 25,854 tCO<sub>2</sub>e achieved, target 28,163 tCO<sub>2</sub>e)

## Why is this a KPI?

We continually seek ways to reduce our impact on the environment. We are reducing our carbon emissions, focusing our efforts on waste and recycling, while working with our suppliers to align goals to develop healthcare in sympathy with a sustainable planet. This is the responsible approach of any healthcare business.

## Performance

Spire Healthcare Limited is in line to hit our planned 2030 target, delivering 3% ahead of emissions target. Our emissions in 2023 were 27,017 tCO<sub>2</sub>e, against a target of 27,750 tCO<sub>2</sub>e.

We achieved an emissions reduction of 3% ahead of our planned net zero target, but for our wider SECR/GHG obligations, we experienced a 4% increase YoY, owing to increased brown electricity, influenced by global energy supplies and the war in Ukraine. The net zero strategy covers Spire Healthcare Limited only at this stage; we anticipate working to bring the rest of the group under the same plan.

Year-on-year reductions in gender  
pay gap

9.2%

2022: 6.2%

## Why is this a KPI?

Our purpose is to make a positive difference to people's lives and that includes all our colleagues. Gender pay reflects the structure of our workforce and is a reflection of the differences in the balance of male and female workers within the wider healthcare sector.

## Performance

In 2023, the overall median gender pay gap in Spire Healthcare Limited was 9.2% (2022: 6.2%). We are taking a number of positive steps to invest in and provide development opportunities for our female colleagues to progress into senior leadership roles and work towards a balanced representation across the organisation to reduce the gender pay gap. Read more developments and detail in our Sustainability report on p47.

40% female membership of board  
and executive committee by 2025

47%

2022: 37%

## Why is this a KPI?

Spire Healthcare wants to support women to become leaders within the business. More diverse boards are more effective; diversity drives innovation and better decision-making and is reflective of the group and its employees.

## Performance

The combined executive committee and board demographic in 2023 is 47% female. Our executive committee demographic is 38% female. Spire Healthcare is supporting women to become leaders within the business, and we now have five women on our board, moving the board's gender balance to 45% women. We are recognised as the first company in healthcare in the 'FTSE 250 Women Leaders Review', in which our executive committee and their direct reports combined is listed as 51% female at 31 October 2023.



Please see the Sustainability report for more information on page 36

Our key performance indicators continued

All three financial KPIs described below align with Spire Healthcare's strategy and the long-term financial objectives outlined at the group's Capital Markets Day event in June 2022.

Financial KPIs

**Revenue CAGR c5% by 2025**

2023	1,359.0m
2022	1,198.5m
2021	1,106.2m
2020	919.9m
2019	980.8m

**Why is this a KPI?**

Monitoring revenue provides a measure of Spire Healthcare's growth.

**Performance**

Overall revenue was £1,359.0 million, up 13.4% compared to 2022 including £31.4 million from acquisitions in 2023.

**Adjusted EBITDA\* margin >21% by 2025**

2023	17.6%
2022	17.0%
2021	16.1%
2020	17.5%
2019	19.3%

**Why is this a KPI?**

The margin we achieve reflects the group's efficiency in generating shareholder returns from the hospital business, which excludes new services. An increasing margin makes the profit more resilient to adverse effects and demonstrates the group's strategy for managing cost and targeting private payors is the right one.

**Performance**

Adjusted EBITDA for the group was £234.0 million in 2023, up 15.0% on 2022.

Hospital adjusted EBITDA was £233.8 million, up 14.9% on 2022. Hospital revenue was £1,327.6 million, up 10.8% on 2022. Hospital adjusted EBITDA margin was 17.6%, up from 17.0% in 2022.

**ROCE\* >10% by 2025**

2023	7.5%
2022	6.2%
2021	4.9%
2020	4.0%
2019	5.1%

**Why is this a KPI?**


ROCE is an important metric and measures how well the group's capital is being deployed to generate returns. Adopting ROCE as a KPI influences future investment strategy by the business to ensure that available capital is directed towards generating improving shareholder return.

**Performance**

Spire Healthcare seeks financial discipline with a clear capital allocation policy and targeted investment. We have improved operational effectiveness with our efficiency programmes which delivered more than £15 million savings in the year. We have also implemented price rises where appropriate, managed our mix of services and been more selective in the choice of products we use. The strong operational performance in the period resulted in Adjusted EBIT climbing by 23.5% to £130.4 million, leading to a material improvement in ROCE, up by 1.3 percentage points to 7.5%.

\* Refer to page 85 for a reconciliation of non-GAAP financial measures.

 **Risks – for more information see page 64**

 **Read more in our Financial review page 82**