



**Spire Healthcare**

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

# Spire Healthcare Group plc (09084066) *Notice of Annual General Meeting 2015*

The First Annual General Meeting (AGM) of the Company will be held at Freshfields Bruckhaus Deringer, 65 Fleet St, London EC4Y 1HS on Thursday, 21 May 2015 at 11.00am.

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22 April 2015

Dear Shareholder,  
I am delighted to welcome all of you as new shareholders of Spire Healthcare Group plc (the “Company”), and also to advise you that the 2014 Annual Report has now been published and a copy is enclosed with this letter.

Our first Annual General Meeting (AGM or Meeting) will be held at the offices of Freshfields Bruckhaus Deringer, 65 Fleet St, London EC4Y 1HS on Thursday, 21 May 2015 at 11.00am. The offices have facilities for attendees with disabilities; if you require assistance, please contact the Company Secretary in writing, or by e-mail: [companysecretary@spirehealthcare.com](mailto:companysecretary@spirehealthcare.com). There will be an opportunity to meet Directors and Senior Executives of the Group both before and after the meeting.

The Notice of AGM sets out each resolution on pages 3 to 6 and includes explanatory notes for all the business of the AGM on pages 7 to 11.

Shareholders who wish to put any questions to the Board prior to the AGM are invited to send these for the attention of the Company Secretary to: 3 Dorset Rise London EC4Y 8EN, e-mail (see above), or fax to: +44 (0)20 427 9001.

If you cannot attend, you have the right to appoint a proxy to vote at the AGM on your behalf. To appoint a proxy, please complete the enclosed form and send it to our Registrar, Equiniti Limited (“Equiniti”), in the envelope provided. Alternatively, you can appoint a proxy online at [www.sharevote.co.uk](http://www.sharevote.co.uk). Instructions are provided on the reverse of the enclosed form.

Proxy appointments must be received by Equiniti no later than 11.00am on 19 May 2015.

At the AGM, all resolutions will be voted on a poll which ensures shareholders’ votes are counted according to the number of shares held.

Following the AGM the results of the poll will be announced via a regulated information service and made available on the Company’s website ([www.spirehealthcare.com](http://www.spirehealthcare.com)).

If you would like to receive online notice of future general meetings, please see the enclosed letter and register through the online service provided by our Registrar, Equiniti, at <http://www.shareview.co.uk>.

#### **RECOMMENDATION**

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

Your Board, and I, look forward to welcoming you to our first AGM and to meeting as many of our new shareholders as possible at that time.

Yours faithfully

**Garry Watts**  
Chairman

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# Notice of the Annual General Meeting 2015

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the "Meeting") of Spire Healthcare Group plc (the "Company") will be held Freshfields Bruckhaus Deringer 65 Fleet St, London EC4Y 1HS on Thursday, 21 May 2015 at 11.00am for the transaction of the following business:

To consider and, if thought fit, to pass resolutions 1 to 17 below as ordinary resolutions and resolutions 18 and 19 below as special resolutions:

## ORDINARY RESOLUTIONS

1. THAT the report of the Directors and the audited accounts of the Company for the year ended 31 December 2014 be received. See Explanatory Notes – page 7.
2. THAT a final dividend of 1.8 pence per ordinary share for the year ended 31 December 2014 be declared, to be paid on 30 June 2015 to holders of ordinary shares in the capital of the Company on the register of members at close of business on 5 June 2015. See Explanatory Notes – page 7.
3. THAT Mr G Watts be re-elected a Director of the Company. See Explanatory Notes – page 7.
4. THAT Mr R Roger be re-elected a Director of the Company. See Explanatory Notes – page 7.
5. THAT Mr S Gordon be re-elected a Director of the Company. See Explanatory Notes – page 7.
6. THAT Mr J Gildersleeve be re-elected a Director of the Company. See Explanatory Notes – page 7.
7. THAT Mr T Bourne be re-elected a Director of the Company. See Explanatory Notes – page 8.
8. THAT Professor Dame Janet Husband be re-elected a Director of the Company. See Explanatory Notes – page 8.
9. THAT Mr R Lerwill be re-elected a Director of the Company. See Explanatory Notes – page 8.
10. THAT Dr S Rajagopalan be re-elected a Director of the Company. See Explanatory Notes – page 8.
11. THAT Mr S Rowlands be re-elected a Director of the Company. See Explanatory Notes – page 8.
12. THAT Ernst & Young LLP be reappointed as Auditor of the Company to hold office from the conclusion of the Meeting until the conclusion of the next Annual General Meeting of the Company at which accounts are laid. See Explanatory Notes – page 8.
13. THAT the Directors be authorised, subject to the passing of Resolution 12 above, to determine the Auditor's remuneration. See Explanatory Notes – page 8.
14. THAT the Directors' remuneration policy set out on pages 75 to 82 in the Annual Report for the year ended 31 December 2014 be approved. See Explanatory Notes – page 9.
15. THAT the Directors' remuneration report excluding the Directors' remuneration policy set out on page 74 and pages 83 to 88 in the Annual Report for the year ended 31 December 2014 be approved. See Explanatory Notes – page 9.
16. THAT the Company and those companies which are subsidiaries of the Company at any time during the period for which this Resolution has effect be authorised for the purposes of Part 14 of the Companies Act 2006 (the "Companies Act") during the period from the date of the passing of this Resolution to the end of the next Annual General Meeting or 20 August 2016, whichever is the earlier:
  - (i) to make political donations to political parties, and/or independent election candidates;
  - (ii) to make political donations to political organisations other than political parties; and
  - (iii) to incur political expenditure, up to an aggregate amount of £100,000, and the amount authorised under each of paragraphs (i) to (iii) shall also be limited to such amount.Words and expressions defined for the purposes of the Companies Act shall have the same meaning in this Resolution. See Explanatory Notes – page 9.

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## Notice of the Annual General Meeting 2015 *continued*

17. THAT the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act to exercise all the powers of the Company to allot shares or grant rights to subscribe for or convert any security into shares:

- (a) up to a nominal amount of £1,336,938;
- (b) comprising equity securities (as defined in Section 560(1) of the Companies Act) up to a further nominal amount of £1,336,938 in connection with an offer by way of a rights issue;

such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the Companies Act and to expire at the end of the next Annual General Meeting or on 20 August 2016, whichever is the earlier but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

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

### SPECIAL RESOLUTIONS

18. THAT, subject to the passing of Resolution 17 above, the Directors be empowered to allot equity securities (as defined in Section 560(1) of the Companies Act) wholly for cash:

- (a) pursuant to the authority given by paragraph (a) of Resolution 17 above or where the allotment constitutes an allotment of equity securities by virtue of section 560(3) of the Companies Act in each case:
  - (i) in connection with a pre-emptive offer; and
  - (ii) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £200,540; and
- (b) pursuant to the authority given by paragraph (b) of Resolution 17 above in connection with a rights issue,

as if Section 561(1) of the Companies Act did not apply to any such allotment; such power to expire at the end of the next Annual General Meeting or on 20 August 2016, whichever is the earlier but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends and the Board may allot equity securities under any such offer or agreement as if the power had not ended.

For the purposes of this Resolution:

- (a) “rights issue” has the same meaning as in Resolution 17 above;
- (b) “pre-emptive offer” means an offer of equity securities open for acceptance for a period fixed by the Directors to holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;
- (c) references to an allotment of equity securities shall include a sale of treasury shares; and
- (d) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights. See Explanatory Notes – page 10.

19. THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days’ notice. See Explanatory Notes – page 10.

By Order of the Board

**DANIEL TONER**  
**GENERAL COUNSEL AND GROUP COMPANY SECRETARY**  
22 April 2015

Registered office: 3 Dorset Rise, London EC4Y 8EN

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# Notes

1. Shareholders (or their proxies) are entitled to attend and vote at general meetings of the Company. On a vote by “show of hands” every Shareholder or effectively appointed proxy who is present shall have one vote. On a poll vote every Shareholder who is present in person or by proxy shall have one vote for every ordinary share of which he is the holder.
2. A Shareholder entitled to attend and vote at the AGM is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and speak and vote at the AGM. A Shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. Proxies need not be Shareholders of the Company.
3. The appointment of a proxy must be in writing in any usual or common form or in any other form which the Directors may approve and (i) in the case of an individual must either be signed by the appointor or his attorney; and (ii) in the case of a corporation must be either given under its common seal or be signed on its behalf by an attorney or a duly authorised officer of the corporation. Any signature on, or authentication of, such appointment need not be witnessed. Where an appointment of a proxy is signed on behalf of the appointor by an attorney, the power of attorney or a copy thereof certified notarially or in some other way approved by the Directors must (failing previous registration with the Company) be submitted to the Company, failing which the appointment may be treated as invalid.
4. A Form of Proxy is enclosed with this notice. The appointment of a proxy will not preclude a Shareholder from attending the AGM and voting in person if they subsequently wish to do so.
5. To be effective, the instrument appointing a proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must either be (a) sent to the Company's Registrars, Equiniti Limited, of Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA or (b) lodged using the CREST Proxy Voting Service – see Note 9 below – in each case so as to arrive no later than 11.00am on 19 May 2015 or, if the AGM is adjourned, 48 hours before the time fixed for the adjourned AGM.

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those Shareholders registered in the register of Shareholders of the Company as at 6.00pm on 19 May 2015 will be entitled to attend or vote at the AGM in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of Shareholders after 6.00pm on 19 May 2015 will be disregarded in determining the rights of any person to attend or vote at the AGM.
6. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act (“Nominated persons”). Nominated persons may have a right under an agreement with the Shareholder on whose behalf they hold the shares to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
7. Entitlement to attend and vote at the AGM, and the number of votes which may be cast at the AGM, will be determined by reference to the Company's register of Shareholders at 6.00pm on 19 May 2015 or, if the AGM is adjourned, at 6.00pm on the day two days before the day fixed for the adjourned AGM (as the case may be). In each case, changes to the register of Shareholders after such time will be disregarded.
8. As at 10 April 2015 (which is the last practicable date before the publication of this Notice) the Company's issued share capital consists of 401,081,391 ordinary shares, carrying one vote each on a poll. Therefore, the total voting rights in the Company as at 10 April 2015 were 401,081,391.
9. CREST Shareholders who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on 21 May 2015 and any adjournment(s) thereof by using the procedures described in the CREST Manual which can be viewed at [www.euroclear.com](http://www.euroclear.com). CREST personal Shareholders or other CREST sponsored Shareholders, and those CREST Shareholders who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for the appointment of a proxy or instruction made by means of CREST to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy, the revocation in appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of appointments of proxy specified in Note 4 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to the appointed Proxy by other means.
11. CREST Shareholders (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST Shareholder concerned to take (or, if the CREST Shareholder is a CREST personal Shareholder or sponsored Shareholder or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST Shareholders (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

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## Notes *continued*

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

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# Explanatory Notes to Business of the Annual General Meeting 2015

## ORDINARY AND SPECIAL RESOLUTIONS

Resolutions 18 and 19 are special resolutions; the remainder are ordinary resolutions. Ordinary resolutions require a simple majority of Shareholders voting in person or by proxy to pass the resolutions, whereas special resolutions require at least 75% of Shareholders voting in person or by proxy to pass the resolutions.

## ITEMS OF BUSINESS

### RECEIPT OF 2014 ANNUAL REPORT AND DECLARATION OF A DIVIDEND (RESOLUTIONS 1 AND 2)

Resolution 1 deals with the receipt of the Directors' report and audited accounts of the Company. Resolution 2 deals with the declaration of the final dividend of 1.8 pence per ordinary share for the year ended 31 December 2014. If approved, the dividend will be paid on 30 June 2015 to Shareholders on the register of members at 5 June 2015.

### ELECTION OF DIRECTORS (RESOLUTIONS 3 TO 11)

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

The Company did not undertake an evaluation of the Board's performance and effectiveness as the non-executive directors were appointed just prior to the date of listing and the Board, as yet, has not gone through a full business cycle. However, the Chairman considers that in the period to date each individual Director has performed effectively, shown the commitment required and the overall composition of the Board provides the appropriate mix of diversity, skills and experience to manage the strategic direction of the company.

The biographies below contain details of the individual skills and experience that each Director brings to the Board. As such the Chairman recommends the re-election of each of the Directors standing for election.

#### Garry Watts (Non-executive Chairman)

Garry Watts, FCA, MBE, joined the Group as executive chairman in 2011 and became non-executive chairman at the time of the IPO in 2014. Prior to joining Spire, he was CEO of SSL International plc for seven years (and, before that, its CFO). SSL was a £2.5 billion international consumer healthcare brands company, which was acquired by Reckitt Benckiser in late 2010. Garry is also Chairman of BTG plc, and of Foxtons Group plc, deputy chairman of Stagecoach Group plc and a non-executive director of Coca-Cola Enterprises Inc. A chartered accountant and former partner at KPMG, Garry was previously an executive director of Celltech plc and of Medeva plc, and a non-executive director of Protherics plc. Other roles have included 17 years as a member of the UK Medicines and Healthcare Products Regulatory Agency Supervisory Board.

Garry is a member of the Clinical Governance and Safety Committee.

#### Rob Roger (Chief Executive Officer)

Rob Roger has been CEO of Spire since May 2011. Previously, he was appointed CFO when Spire Healthcare was formed in 2007. Prior to joining Spire, Rob spent nine years with the Tussauds Group as CFO. During this time, he also had responsibility for business development, was CEO (acting) in 2001–2002 and oversaw the opening of Madame Tussauds in six markets. He oversaw the sale of the Tussauds Group to Merlin Entertainment in April 2007. Prior to this, Rob was CFO of First Choice holidays and flights in 1995–1997, and was CFO of Pizza Hut in France in 1992–1995 overseeing the roll-out of 150 sites across France. Rob qualified as a chartered accountant with PricewaterhouseCoopers LLP.

Rob is a member of the Nomination Committee and Clinical Governance and Safety Committee.

#### Simon Gordon (Chief Financial Officer)

Simon Gordon joined Spire in July 2011, having spent eight years as Group Finance Director of leading international health and fitness club business, Virgin Active. During his time at Virgin Active, the business grew from breakeven to £150 million EBITDA, operating in five countries. This growth was achieved by a successful combination of organic development and acquisition.

Prior to joining Virgin Active, Simon worked for KPMG on both audit and transaction advisory projects for both listed and private companies. Simon qualified as a chartered accountant with KPMG.

Simon does not sit on any Board Committees.

#### John Gildersleeve (Deputy Chairman and Senior Independent Director)

John Gildersleeve has been the Non-Executive Deputy Chairman and Senior Independent Director of Spire since June 2014. He has been chairman of The British Land Company plc since January 2013, prior to which he served as a non-executive director of British Land from September 2008 and as senior independent director from November 2010. John is also non-executive director of Dixons Carphone and TalkTalk Telecom Group plc. John served as a director of Tesco plc for 20 years until he retired in 2004. He was formerly chairman of EMI Group and Gallaher Group plc, and was also a non-executive director of Lloyds TSB Bank plc and Vodafone Group.

John is a member of the Remuneration Committee and is Chair of the Nomination Committee.



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# Explanatory Notes to Business of the Annual General Meeting 2015 *continued*

## **Tony Bourne (Independent Non-executive Director)**

Tony Bourne has been a non-executive director since June 2014. He is also non-executive director at various companies, including Barchester Healthcare Limited, one of the UK's largest residential care home businesses, and Bioquell Plc, a London Stock Exchange-listed company with a leading position in bio-decontamination and in testing, regulatory and compliance services. Tony was Chief Executive of the British Medical Association for nine years until 2013. Prior to that, he was in investment banking for over 25 years, including as a partner at Hawkpoint and as global head of the equities division and a member of the managing Board of Paribas. Tony has also previously served as a non-executive director of Southern Housing Group, from 2004 to 2013, and Scope, which focuses on cerebral palsy and is one of the UK's largest charities.

Tony is a member of the Audit and Risk Committee, the Clinical Governance and Safety Committee and is Chair of the Remuneration Committee.

## **Professor Dame Janet Husband (Independent Non-executive Director)**

Dame Janet Husband has been a non-executive director since June 2014. She holds the position of Emeritus Professor of Radiology at the Institute of Cancer Research and currently serves on the Boards of Royal Marsden NHS Foundation Trust and Nuada Medical Group as a non-executive director. Prior to her appointment with the Group, she also served as a Specially Appointed Commissioner to the Royal Hospital Chelsea, was President of the Royal College of Radiologists and chaired the National Cancer Research Institute in the UK. She trained in medicine at Guy's Hospital Medical School and was appointed as Professor of Diagnostic Radiology at the University of London, Institute of Cancer Research, in addition to more than 20 years as a practising consultant radiologist.

Janet is a member of the Audit and Risk Committee, the Nomination Committee and is Chair of the Clinical Governance and Safety Committee.

## **Robert Lerwill (Independent Non-executive Director)**

Robert Lerwill is a chartered accountant and has been a non-executive director since June 2014. He spent 13 years with Arthur Andersen and 10 at WPP as CFO. He then joined Cable & Wireless as CFO in 1996 and subsequently became deputy CEO and CEO of Cable & Wireless Regional, leaving in 2003. In 2000, Robert joined Aegis plc as a non-executive director and Chair of the Audit Committee and then served as CEO of Aegis Group from 2005 to 2008. Robert also served as a non-executive director at Synergy Health plc from 2005 to 2012, becoming Chairman of the Board in 2010, and at British American Tobacco plc from 2005 to 2013, where he was Chair of the Audit Committee. Robert currently serves as a non-executive director of ITC Limited (a large Indian conglomerate), DJI (Holdings) plc and the Payments Council Limited. Robert has a BA degree from Nottingham University (industrial economics) and has also attended the Advanced Management Program at Harvard Business School.

Robert is a member of the Nomination Committee, the Remuneration Committee and is Chair of the Audit and Risk Committee.

## **Dr Supraj Rajagopalan (Non-executive Director)**

Dr Supraj Rajagopalan has been a non-executive director since June 2014 and has served as a non-executive director of the Group since 2012. He is a partner at Cinven, where he leads the firm's activities in the healthcare sector. During nearly 10 years at Cinven, he has been involved in a wide variety of transactions, most recently leading the firm's investments in AMCo and Medpace. He has sat on the Board of several other Cinven portfolio companies, including Phadia and Ahlsell. Prior to joining Cinven in 2004, Supraj worked at the Boston Consulting Group in London, advising corporate clients in the healthcare and financial services sectors. Before this, he was a doctor in the NHS. Supraj graduated with undergraduate and postgraduate degrees in Medical Sciences from the University of Cambridge.

Supraj does not sit on any Board Committees.

## **Simon Rowlands (Non-executive Director)**

Simon Rowlands has been a non-executive director since June 2014 and has served as a non-executive director of the Spire Group since 2007. His other current appointments include non-executive directorships at MD Medical Group and Avio. Simon is a Founding Partner of European private equity firm Cinven Partners, which he joined in 1986. At Cinven, Simon established and led the healthcare team and was involved in a number of transactions, including: General Healthcare Group, Amicus and Partnerships in Care in the UK; USP in Spain; and Générale de Santé, Aprovia and MediMedia in France. In July 2012, Simon became senior adviser at Cinven. Prior to joining Cinven, Simon worked with an international consulting firm on multi-disciplinary engineering projects in the UK and southern Africa. He has an MBA in business, a BSc in engineering and is a chartered engineer.

Simon does not sit on any Board Committees.

## **REAPPOINTMENT OF AUDITOR AND AUTHORISATION OF DIRECTORS TO DETERMINE ITS REMUNERATION (RESOLUTIONS 12 AND 13)**

Resolutions 12 and 13 deal, respectively, with the reappointment of Ernst & Young LLP as Auditor of the Company and the authorisation of the Directors to determine its remuneration for the current financial year. The level of remuneration paid in 2014 by way of audit fees to the Auditor, together with the amounts paid in respect of non-audit fees, are shown in note 12 on page 109 of the Annual Report.



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#### **REMUNERATION REPORT (RESOLUTIONS 14 AND 15)**

In accordance with the provisions of the UK Companies Act 2006 (the "Companies Act"), the Directors' Remuneration Report in the Annual Report contains:

- a statement by the Chair of the Company's Remuneration Committee;
- the Directors' Remuneration Policy (the Policy) in relation to future payments to the Directors and former directors; and
- the Annual Report on Remuneration, which sets out payments made in the financial year ended 31 December 2014.

The Policy part of the Report, setting out the Company's forward looking policy on directors' remuneration (including the approach to exit payments to directors), is subject to a binding shareholder vote by ordinary resolution at least every three years.

The statement by the Remuneration Committee Chair and the Annual Report on Remuneration will, as in the past, be put to an annual advisory shareholder vote by ordinary resolution.

The Directors' Remuneration Report is set out in full in the Annual Report on pages 74 to 88.

Resolution 14 is the ordinary resolution to approve the Policy which is set out in the Directors' Remuneration Report in the Annual Report on pages 75 to 82.

As noted in the Policy on page 75 of the Annual Report, the Directors' Remuneration Policy will commence on 21 May 2015. Payments will continue to be made to directors in line with existing contractual arrangements until this date.

Once the Policy commences, all payments by the Company to the directors and any former directors must be made in accordance with the Policy (unless a payment has been separately approved by a shareholder resolution).

If the Policy is approved and remains unchanged, it will be valid for up to three financial years without a new shareholder approval. If the Company wishes to change the Policy, it will need to put the revised Policy to a vote again before it can implement the new Policy.

Resolution 15 is the ordinary resolution for the annual advisory vote on the statement by the Remuneration Committee Chair and the Annual Report on Remuneration which is set out in the Directors' Remuneration Report in the Annual Report on page 74, and pages 83 to 88, respectively.

#### **AUTHORITY FOR THE COMPANY TO INCUR POLITICAL EXPENDITURE (RESOLUTION 16)**

Resolution 16 is an ordinary resolution which authorises the Company and its UK subsidiaries to make political donations and to incur political expenditure. The Companies Act requires companies to obtain Shareholders' authority for donations to registered political parties, other political organisations and independent election candidates totalling more than £5,000 in any twelve month period, and for any political expenditure, subject to limited exceptions. The definitions of "donations", "political organisations", "independent election candidates" and "political expenditure" are very wide in this context and there is concern that they may have had the effect of covering a number of normal business activities that would not be thought to be political donations in the usual sense.

As required by the Companies Act, the resolution is in general terms and does not purport to authorise particular donations. It remains the policy of the Company not to make political donations or incur political expenditure as those expressions are normally understood. This was previously approved by shareholders as part of the IPO process before the date of Admission.

Hence, to avoid inadvertent infringement of the Companies Act, the Directors are again seeking Shareholders' authority for the Company and its subsidiaries to make political donations and to incur political expenditure during the period from the passing of the resolution until the conclusion of the Company's next AGM or 20 August 2016, whichever is the earlier, up to a maximum aggregate amount of £100,000.

#### **DIRECTORS' AUTHORITY TO ALLOT SHARES (RESOLUTION 17)**

Under the Companies Act the directors may only allot unissued shares if authorised to do so by the Shareholders in general meeting. As this is the first Annual General Meeting of the company, Shareholders have not previously granted the Directors authority to allot relevant securities under Section 551 of the Companies Act.

Resolution 17 thus seeks authority to allow the Directors to allot shares or grant rights to subscribe for or convert any security into shares up to an aggregate nominal amount of £1,336,938 representing an amount equal to one-third of the Company's issued share capital as at 10 April 2015. This authority complies with the latest institutional guidelines issued by the Association of British Insurers ("ABI").

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# Explanatory Notes to Business of the Annual General Meeting 2015 *continued*

In addition, the Company is seeking authority in part (b) of Resolution 17 to allow the Directors to allot new shares or grant rights to subscribe for or convert any security into shares only in connection with a rights issue up to a further nominal value of £1,336,938 representing an amount equal to one-third of the Company's issued share capital as at 10 April 2015. If this resolution is passed, the Directors will have the authority in certain circumstances to allot new shares and other relevant securities up to a total nominal value of £2,673,876 representing a total amount equal to two-thirds of the Company's issued share capital as at 10 April 2015.

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

The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place. If this authority – as set out in part (b) of Resolution 17 – was used, the Board anticipates that all Directors would submit themselves for re-election at the subsequent AGM.

The authorities granted in Resolution 17 will expire on the date of the Company's next AGM or 20 August 2016, whichever is the earlier.

## **SPECIAL RESOLUTIONS**

### **DIRECTORS' AUTHORITY TO ALLOT SHARES OTHER THAN ON A PRE-EMPTIVE BASIS (RESOLUTION 18)**

If equity securities are to be allotted for cash using the authority given by Resolution 17 explained above, Section 561(1) of the Companies Act requires that those securities be offered first to existing Shareholders in proportion to their existing holdings. The Board considers it appropriate for the Company to seek approval from Shareholders to waive these rights in certain circumstances, in order to allow the Company maximum flexibility to react to future business needs without the need to comply with the strict requirements of the statutory pre-emption provisions.

To this end, Resolution 18 is a special resolution which request the authority for Directors, once granted by the Shareholders at a the first general meeting, to allot equity securities, or sell treasury shares, for cash without first being required to offer such shares to existing Shareholders in proportion to their existing holdings.

Apart from a rights issue or other pre-emptive offer concerning equity securities, the authority will be limited to the issue of shares for cash up to a maximum aggregate nominal value of 5% of the Company's issued share capital as at 10 April 2015. In respect of this aggregate nominal amount, the Directors confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles regarding cumulative usage of authorities within a rolling three-year period where the Principles provide that usage in excess of 7.5% should not take place without prior consultation with Shareholders. None of the Company's current issued share capital has been allotted for cash on a non-pre-emptive basis to settle obligations arising from the exercise of share incentives during the period since incorporation.

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

If passed, the authority given in this Resolution will expire on the date of the Company's next AGM or 20 August 2016, whichever is the earlier.

### **AUTHORITY FOR THE COMPANY TO CALL A GENERAL MEETING ON 14 CLEAR DAYS' NOTICE (RESOLUTION 19)**

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

Resolution 19 is a special resolution which will preserve the ability of the Company (other than an AGM) to call general meetings on 14 clear days' notice. The Company does not propose to use this reduced notice period as a matter of routine, but wishes to maintain the flexibility to do so where it is merited by the business of the meeting (for example because the matter to be discussed is time sensitive) and is thought to be to the advantage of Shareholders as a whole. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

The Company will also need to meet the requirements for electronic voting under the Shareholder Rights Directive in order to be able to call a general meeting on 14 clear days' notice.

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# Glossary

## AGM – DEFINITIONS SECTION

<b>“Annual Report”</b>	The annual report and accounts of the Company for the year ended 31 December 2014
<b>“Share”</b>	An ordinary share of 1 pence each in the capital of the Company
<b>“Company” or “Spire Healthcare”</b>	Spire Healthcare Group plc, registered in England and Wales with company number 09084066
<b>“Shareholder”</b>	A holder of Shares
<b>“AGM”</b>	the 2015 annual general meeting, notice of which is contained in this document
<b>“Director”</b>	A director of the Company
<b>“Board”</b>	The board of directors of the Company
<b>“Listing Rules”</b>	The United Kingdom Listing Authorities’ listing rules relating to the admission of securities to the official list of the London Stock Exchange

