

NETCARE LIMITED
(Registration number 1996/008242/06)
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("Netcare" or the "Group")

Executive Leadership and Board Change

In accordance with paragraph 3.59 (b) and (c) of the JSE Listings Requirements, Netcare shareholders are advised that Dr Richard Friedland, the Chief Executive Officer ("CEO") of Netcare, has informed the Netcare Board of Directors ("Board") of his intention to take early retirement. He will step down from his current role as CEO, and as an Executive Director of the Board, with effect from 30 September 2024.

Netcare Chairman, Mr Mark Bower, thanked Dr Friedland for his servant leadership, loyalty, and invaluable contribution to Netcare during 30 years of unbroken, dedicated service to Netcare, 18 of which were served as CEO.

Mr Bower said: "The Board is grateful for the outstanding way in which Richard has humbly and successfully guided and transformed the Group, often through difficult and unprecedented times. He steered Netcare through the challenges arising from the COVID-19 pandemic, serving on the 'front line' and supporting the provision of quality care to over 160 000 South Africans, while remaining steadfast in overseeing the implementation of Netcare's key strategic imperatives, including its market-leading digitisation programme".

He added: "Netcare has a strong track record of effective leadership succession. A significant focus over the past few years has been the development of the executive team, several of whom have the potential to lead the company in the future. The Board recognises the wealth of internal and external talent, and a structured process is now underway to consider applicants for the role of CEO. The aim is to announce Richard's successor by the end of September 2023 to ensure a smooth transition."

During his tenure, Dr Friedland has grown Netcare into the largest hospital group in South Africa, building five new flagship hospitals, expanding the service offering across ten unique platforms, and founding several key and unique business units, among them Netcare 911, Netcare Diagnostics and NetcarePlus. He initiated and implemented the Group's strategy of person centred health and care that is digitally enabled and data driven.

Under his leadership, the Group has undertaken the most ambitious healthcare digitisation project on the continent, which is transforming Netcare and providing a long-term sustainable competitive advantage. The roll out of the project remains on track and, as reported on at H1 2023 results, the costs of this project are below budget and the financial benefits are exceeding expectations. Dr Friedland will continue to drive the successful implementation of this project, which is expected to be completed in April 2024.

His passion and commitment to both developing and leading the sustainability strategy has resulted in the Group being recognised as a world leader in healthcare environmental sustainability, endorsed by over 32 local and international awards. Netcare has exceeded its ten-year environmental sustainability targets ahead of schedule, achieving cumulative operational savings and cost avoidance of approximately R1.1 billion to date, yielding an IRR of over 25%. The foresight of this strategy which was implemented 10 years ago in 2013, has also played a pivotal role in reducing Netcare's exposure to the impacts of the instability of the national electricity grid.

Dr Friedland has always driven significant community based involvement, for example the establishment of the first sexual assault clinic in 1998 which has since grown to a network of 39 facilities throughout Netcare hospitals, then spearheading Netcare's intervention during the national public sector nursing strike in 2010 in treating nearly a thousand neonatal babies, pregnant woman

and emergency patients. Other social projects include the “My walk, made with soul” school shoe project that aims to provide a million South African school children with school shoes recycled from intravenous drip bags.

Dr Friedland said: “It has been a lifetime blessing to be part of Netcare and my heart is full of gratitude. This has been a considerable team effort and I am grateful to the Board and my leadership team for their constant support, guidance and collaboration. I remain especially grateful to my fellow healthcare co-workers: nurses, doctors, paramedics, allied health professionals, pharmacists, administrators, technical and support teams who are the bedrock of all we do, and who have made extraordinary sacrifices to render safe, quality and compassionate care to the people and communities we treat. We understand our purpose and calling and I remain confident that the Group will continue on its solid trajectory.”

In closing, Mr Bower noted: “Richard has been instrumental in the establishment of Netcare as a world-class healthcare group. His unparalleled combination of business acumen, vision, and entrepreneurial spirit have successfully contributed to the tremendous growth and many successes of the Group and, under his leadership, has delivered superior returns to shareholders notwithstanding the adverse financial impact of the COVID-19 pandemic.”

28 July 2023

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