

# Chairman's Statement

**We promote a patient-centred culture by constantly improving and prioritising quality of medical care as well as ensuring patients' satisfaction, safety, wellness and privacy.**



**Dato' Mohammed Azlan bin Hashim**  
Non-Executive Chairman

Dear Stakeholders,

Forging forward after a year of unparalleled challenges presented by a pandemic, IHH Healthcare (IHH) will continue tenaciously to strengthen the trust we have been cultivating with all our stakeholders. This is key if we are to realise our vision of becoming the world's most trusted healthcare services network.

In a global environment still threatened by COVID-19 and rife with economic, political and other uncertainties, trust forms the bedrock of our resilience and sustainable growth and is central to our governance culture. With an ingrained culture of trust, we can be confident of sustainable success, given our solid fundamentals, robust corporate oversight and the prudent management of our operations.

### Engendering Trust for Sustainable Healthcare

Being a best-in-class healthcare provider with a network of 80 hospitals across 10 countries, IHH was on the front line of the pandemic in 2020. Like many other businesses, we realised that this unprecedented health crisis demanded that we transform the way we operate and review how we connect with and deliver value for our stakeholders.

In response to the challenges of COVID-19, the Board realised that more than ever, it had to embrace new ways of governing our businesses. Together with our Senior Management team, we focused on our Refreshed Strategy on giving us the resilience to recover from the setbacks the pandemic brought.

At the core of this strategy is fostering a culture of trust because trust is quite simply the bedrock currency of a sustainable healthcare business. Despite and perhaps because of COVID-19, we had many opportunities this past year to make great strides in engendering trust with our people, patients, partners, investors and governments in the countries we operate.

Through important public-private partnerships in our home and key markets, we offered crucial support to the respective public health services. By rolling out telemedicine services in all our markets, we enabled our patients to continue to access healthcare solutions quickly and conveniently from the safety of their homes.

### Standing by Our People

Our initiatives and partnerships would not have been possible without the support of our people across our global network. During the year, we often saw the best sides of our colleagues as they went beyond the call of duty with selfless acts of volunteerism to assist public healthcare services in the battle against COVID-19. Driven by a singular focus to help others, these colleagues truly embody IHH's five core values of Putting Patients First, Integrity, Empathy, Teamwork and Excellence.

Inspired and touched by our colleagues, I would like to take this opportunity to thank them for their dedication to service and for helping us execute our mission of providing exemplary care to all our patients.

On behalf of the Board, we commit to continue to provide an environment where all the people of IHH are able to perform their roles safely and sustainably. The efforts we make here underpin our aim to nurture a culture of mutual trust within the Group.

### Delivering Best-in-Class Care Safely

We nurture our patients' trust by offering them best-in-class medical care delivered safely by IHH colleagues who are motivated to give their best every day. It is only when patients are assured of the best service from us on all fronts, be it clinical, administrative, customer service or general services, that they will trust and continue to support us.



*"My heartfelt thanks to all our colleagues at the forefront of our response to the COVID-19 outbreak.*

*Your sacrifice, hard work and dedication to the profession is admirable. I deeply appreciate what you are doing to protect our patients and all of us. You are not alone in this fight and I have no doubt we will pull through this together."*

In compliance with government regulations of our home and key markets, and the recommendations made by the World Health Organization (WHO), we established Emergency and Crisis Response (ECR) plans in 2020.

These ensured that we could provide medical care during the pandemic without compromising the safety and health of our people and our patients. Each ECR blueprint outlines procedures and protocols for preventing the spread of the disease and guidance on managing patients accordingly. Our Sustainability Report on page 79 has details on this.

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## Furthering Public-Private Partnership

With COVID-19 acknowledging no boundaries as it spreads around the world, IHH stepped up on a global scale to bolster public healthcare systems wherever we operate. We treated patients where jurisdictions permitted, offered beds where public hospitals were inundated with pandemic patients, assisted in screenings and swab testing, and plugged shortages of critical equipment such as ventilators when required to do so.

Public-private collaboration is critical if we are to ensure the stability of our healthcare ecosystem, and such partnerships are only possible when there is mutual trust. This means private healthcare providers have to be more transparent about the health value they offer at any price point, while governments

establish policies that enable the private sector to participate sustainably.

As we learn and recover from the pandemic, we will continue cultivating relationships and working with the governments of the countries in which we operate.

## Making Strides in Sustainability

To create long-term value for stakeholders and realise our vision of becoming the world’s most trusted healthcare services network, IHH must ensure the sustainability of our operations. This means managing the impact of our operations efficiently and responsibly across the Group.

In 2020, we improved on our sustainability performance in spite of the challenges from a relentless pandemic. We also

### Where we were

2016

2017

2018

- Disclosed our inaugural sustainability statement in our Annual Report.
- Established our Sustainability governance structure with clear lines of accountability for sustainability management
- Conducted our first materiality assessment to identify our material sustainability matters

- Inclusion of hospitals in India in scope of sustainability reporting
- Adopted six United Nations Sustainable Development Goals
- Established Terms of Reference for the Sustainability Committee to outline roles and responsibilities of members
- Conducted materiality assessment to ensure relevance of material sustainability matters

- Inclusion of Gleneagles Global Hospital, Richmond Road (Bengaluru) in scope of sustainability reporting

established a Sustainability Policy and Key Performance Index for this and developed a five-year Sustainability Roadmap and Action Plan.

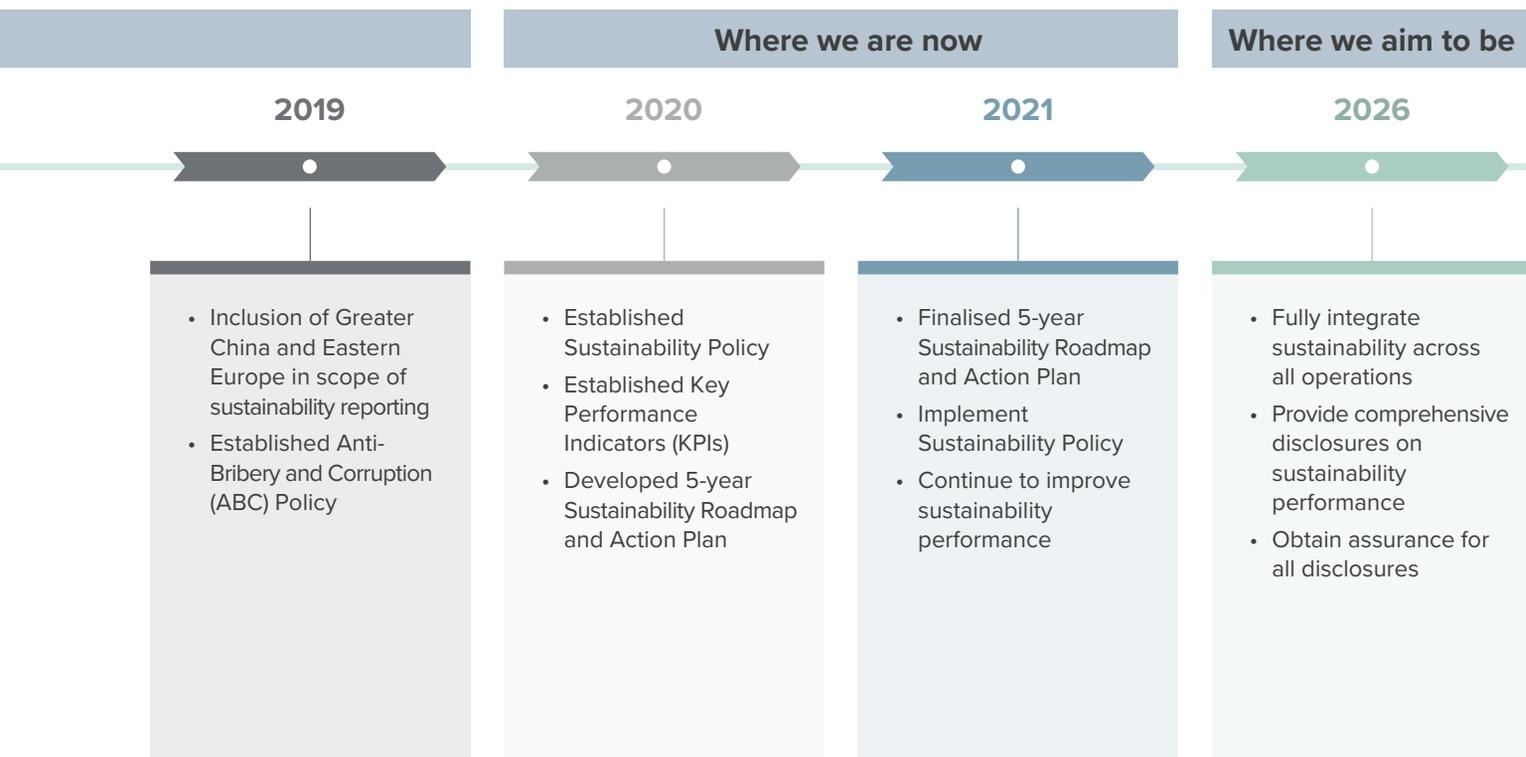
IHH has come a long way since starting our sustainability journey in 2016. With our latest roadmap and action plan, we have a clear direction and will focus to elevate our sustainability agenda even more in the next half decade. For 2021, we will be rolling out the Roadmap and Action Plan and implementing our Sustainability Policy to up the ante on our sustainability performance.

The table below, titled “Our Sustainability Journey”, offers an overview of our efforts to widen our scope for sustainable growth and to present a representative yet balanced narrative of our sustainability plans, actions and achievements. It also sets out our targets and what we wish to

achieve by 2026. So far, the Group has embraced seven of the Sustainability Development Goals (SDGs) set by the United Nations in its efforts to counter extreme poverty, inequality, injustice and climate change.

Our SDG focus areas are: Good Health and Well-Being (SDG3); Affordable and Clean Energy (SDG7); Decent Work and Economic Growth (SDG8); Industry, Innovation and Infrastructure (SDG9); Responsible Consumption and Production (SDG12), Peace, Justice and Strong Institutions (SDG16) and, since 2019, Quality Education (SDG 4).

Page 58 of our Fifth Sustainability Report provides insights on how the Group’s collaborative businesses have been embedding sustainability and identifying key risks and opportunities when managing operations.



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**Our network of healthcare services is anchored by arguably some of the best hospitals in our home and key markets, with outstanding reputation for clinical outcomes.**

## Governing Risks

Over the past year, particularly as we were operating against a backdrop of unprecedented challenges, the IHH Board increased its vigilance over our processes. This entailed reviewing and enhancing our risk management methodology and approach. Risk areas, including emerging risks, are continuously being assessed in each operating division in line with the business planning cycle to ensure the adequacy and effectiveness of our risk control processes and risk reporting systems.

With the introduction of the Corporate Liability Provision under Section 17a of the Malaysian Anti-Corruption Commission Act 2009, which came into force on 1 June 2020, we understand that our stakeholders would expect even greater transparency and accountability. We have therefore reviewed our Anti-bribery and Corruption (ABC) Policy and practices to ascertain that we are fully complying with the latest regulatory requirements and best practices to ensure procedures and mechanisms are in place to foster a corruption-free business environment. We have also taken steps to conduct Group-wide risk assessment of bribery and corruption exposures, including enhancing our methodology, to focus on corruption risk assessment on vulnerable areas for each country where we operate. IHH has also completed Group-wide training initiatives in relation to combating anti-bribery and corruption and undertaken anti-corruption compliance readiness assessment in accordance with regulatory guidelines.

In addition, IHH Group's Code of Conduct Policy sets out the standards of integrity and behaviour that are required of our employees. Our Whistleblowing Policy provides an avenue for all to raise concerns and offers protection from reprisals or victimisation, in line with local and/or foreign whistle-blowing related laws and regulations. Through these measures, we ensure that we uphold integrity across our global operations by eliminating unethical behaviour and bad practices. This, in turn, enhances trust among our stakeholders.

## Leveraging Our Strong Foundation

IHH as a Group has so far been able to respond to challenges created by COVID-19 because of our strong foundation. Our network of healthcare services is anchored by some of the best hospitals in our home and growth markets, with outstanding reputations for clinical outcomes.

Our international scale allows for earnings and other synergies to help us to remain financially stable and resilient to current and future challenges.

## Board and Management Changes

Our Board has given us the support and direction needed to negotiate the twists and turns of a very rough road this past year and I would like to thank all Board members for their contributions. As is often the case with dynamic and growing organisations, it is usual to see movements at Board and Senior Management levels each year. In August 2020, IHH bid farewell to Mr Low Soon Teck, who left his post as Group Chief Financial Officer after four years to pursue other interests and opportunities.

We thank Mr Low for his dedication and many contributions during his time with us and wish him the best for his future endeavours.

Taking over from Mr Low as Group Chief Financial Officer is Mr Joerg Ayrle, who joined us on 1 February 2021. Mr Ayrle was most recently with a Thai-based conglomerate, as their Group Chief Financial Officer. Prior to that, he held various senior management roles with international conglomerates in Germany, the United States of America, China and Singapore. We are confident he will boost the strength of our management bench.

We also welcome Mr Stephen Byrne, who replaces Ms Audrey Huang as our Group Head, Internal Audit, from 4 January 2021. Mr Byrne is a UK-qualified Chartered Accountant with 25 years of international experience in both corporate and site-based roles. With a career that has spanned several sectors, Mr Byrne will be implementing best practices in internal audit and promoting international standards and methodology.

Among our Board members, Ms Ong Shilin resigned as a non-Independent, non-executive Alternate Director to Mr Takeshi Saito. Joining our Board of Directors on 1 January 2021 are: Dato' Muthanna bin Abdullah, Miss Ong Ai Lin, Mr Satoshi Tanaka, and YM Tunku Alizakri bin Raja Muhammad Alias. I extend my warm welcome to all of them.

## **Our Heartfelt Thanks**

We have always appreciated the support and trust from our stakeholders – our patients, partners such as doctors, specialists and consultants, investors, and management and staff. In these uncertain times, this trust is even more important in motivating us to deliver best-in-class healthcare for our patients and ensure sustainable growth for the Group.

To our patients we believe trust is the cornerstone of all our relationships and it starts with honouring our commitments. Thank You heartily for trusting us to give you the best healthcare services possible. It is this trust that inspires us to continually raise the bar on the services we provide so that we can remain your preferred healthcare partner.

We also thank our partners – the doctors, specialists, consultants and other allied healthcare professionals – who enhance our brand names by epitomising our core values of putting patients first, integrity, empathy, teamwork and excellence.

Our gratitude goes to our loyal investors as well for believing in us and letting us represent your interest in the boardroom and enhance your shared value.

Finally, and not least, we thank Board members, the management team and all staff for your industry, work ethics, and dedication. You are the reason we are the best-in-class healthcare service provider we are today.

Moving on to the new normal that lies ahead, the Board will continue building on the trust we have earned from all our stakeholders and working hard to live up to your expectations. Our vision of becoming the world's most trusted healthcare services network is something we know we can achieve. We have every intention of realising this ambition.

Thank You.

**Dato' Mohammed Azlan bin Hashim**  
Non-Executive Chairman