

Sustainability Report

Scope and Boundary

IHH Healthcare Berhad (IHH or the Group) continuously strengthens its sustainability performance to develop a trusted brand in the world of healthcare services. In our fifth Sustainability Report, we build on last year’s efforts and disclose our performance on the economic, environmental and social aspects of our operations.

Our key home markets where we have our largest operating capacities are Malaysia, Singapore, Turkey and India. The Group also operates in Greater China, Brunei, Bulgaria, Macedonia, Myanmar, and the Netherlands. Across these 10 countries, we have 80 hospitals and over 15,000 licensed beds (including Fortis Healthcare) and, in Malaysia, we also have the International Medical University (IMU), our academic arm.

Boundary of Our Disclosures

The entities included in our scope of reporting for this year are listed below. In this report, we have chosen case studies from our home markets that holistically represent our economic, environmental and social efforts to strengthen sustainability across our hospitals, clinics and at our university.

Malaysia

Hospital (MOD)

- Pantai Hospital Sungai Petani (PHSP)
- Pantai Hospital Penang (PHP)
- Pantai Hospital Ipoh (PHI)
- Pantai Hospital Manjung (PHM)
- Pantai Hospital Klang (PHK)
- Pantai Hospital Kuala Lumpur (PHKL)

- Pantai Hospital Cheras (PHC)
- Pantai Hospital Ampang (PHA)
- Pantai Hospital Batu Pahat (PHBP)
- Pantai Hospital Ayer Keroh (PHAK)
- Pantai Hospital Laguna Merbuk (PHLM)
- Gleneagles Kuala Lumpur (GKL)
- Gleneagles Penang (GPg)

- Gleneagles Medini (GMH)
- Gleneagles Kota Kinabalu (GKK)

University:

- International Medical University (IMU)

Singapore (SOD)

- Mount Elizabeth Novena Hospital (MNH)
- Mount Elizabeth Hospital (MEH)
- Parkway East Hospital (PEH)
- Gleneagles Hospital (GEH)

India (IOD)

- BGS Gleneagles Global Hospitals Kengeri (Bengaluru)
- Gleneagles Global Hospital, Richmond Road (Bengaluru)
- Gleneagles Global Health City Perumbakkam (Chennai)
- Gleneagles Global Hospitals Parel (Mumbai)
- Aware Gleneagles Global Hospitals LB Nagar (Hyderabad)
- Gleneagles Global Hospitals Lakdi-Ka-Pul (Hyderabad)
- Continental Hospitals (Hyderabad)

Greater China

China (GCOD)

- Gleneagles Chengdu Hospital
- Shanghai Xin Rui Healthcare Co. Ltd (Luwan Clinic/GPS Clinic)
- Shanghai Rui Xin Healthcare Co. Ltd (Shanghai Center Clinic)
- Shanghai Rui Pu Clinic Co. Ltd (Jinqiao Clinic)

- Shanghai Rui Xiang Clinic Co. Ltd (Hongqiao Clinic)
- Shanghai Rui Ying Clinic Co. Ltd (Tomorrow Square Clinic)
- Suzhou Industrial Park Yuan Hui Clinic Co. Ltd (SIP Clinic)
- Shanghai Hui Xing Jin Pu Clinic Co. Ltd (Jinmao Clinic) (Ceased operations on 24 June 2020)

- Chengdu Shenton Health Clinic Co., Ltd (Chengdu Shenton Clinic)

Hong Kong

- Gleneagles Hong Kong (GHK)

Turkey and Central and Eastern Europe (ASYH)

Turkey

- Acibadem Adana Hospital
- Acibadem Altunizade Hospital
- Acibadem Ankara Hospital
- Acibadem Bakırköy Hospital
- Acibadem Bodrum Hospital
- Acibadem Bursa Hospital
- Acibadem Eskişehir Hospital
- Acibadem Fulya Hospital

- Acibadem International Hospital
- Acibadem Kadıköy Hospital
- Acibadem Kayseri Hospital
- Acibadem Kocaeli Hospital
- Acibadem Kozyatağı Hospital
- Acibadem Maslak Hospital
- Acibadem Mehmet Ali Aydınlar Üniversitesi Atakent Hospital
- Acibadem Taksim Hospital

Bulgaria

- Acibadem City Clinic Tokuda Hospital
- Acibadem City Clinic Cardio Hospital
- Acibadem City Clinic Mladost Hospital

Macedonia

- Acibadem Sistina Hospital

Netherlands

- Acibadem International Medical Center

Reporting Timeline

This report covers our performance for the reporting period from 1 January to 31 December 2020 (FY2020), unless otherwise stated.

Reporting Framework

Our sustainability statement for FY2020 has been prepared in accordance with Bursa Malaysia Securities Berhad's (Bursa Securities) Main Market Listing Requirements, with reference to Bursa

Securities' Sustainability Reporting Guide (2nd Edition). To ensure that our sustainability statement is disclosed in a meaningful and balanced manner, we have referred to the Global Reporting Initiative (GRI) Standards, and GRI's Sector Specific Sustainability Topics for Healthcare Providers and Services and Healthcare Technology.

Like our Sustainability Report in FY2019, this year's Report demonstrates our commitment to the principles of Integrated Reporting as

such a framework provides a way for IHH to examine and communicate our financial and non-financial drivers comprehensively. Since sustainability is so intrinsically connected to the way IHH operates, we have integrated sustainability into other key areas of reporting to reflect the way we communicate our sustainability efforts.

The table of sustainability content below guides readers in accessing sustainability information within this Report.

Contents of the Sustainability Statement	Can be found in	Page number
Material sustainability matters <ul style="list-style-type: none"> • How they are identified • Why they are important to IHH 	Stakeholder Engagement Our Material Matters	38 to 41 42 and 43
The scope and boundary of the Sustainability Statement	Sustainability Report	60 and 61
Sustainability highlights	Sustainability Report	62
Sustainability approach and policy	Sustainability Report	63
<ul style="list-style-type: none"> • Sustainability Journey • The Group's Strategic Thrust and Sustainability Strategy 	Chairman's Statement Business Strategy	22 and 23 36 to 37
Benchmarking Sustainability and Sustainability Pillar	Sustainability Report	64
Our global initiative	Sustainability Report	65
Material sustainability matters <ul style="list-style-type: none"> • Policies to manage these sustainability matters • Measures and actions taken to deal with these sustainability matters which demonstrate how IHH has performed in managing these sustainability matters 	Our Patients Our People Our Organisation Our Environment Our Community	66 to 71 72 to 75 76 to 82 83 to 85 86 to 89
<ul style="list-style-type: none"> • The governance structure in place to manage economic, environmental and social risks and opportunities 	Sustainability Governance Report	137

Sustainability Report

Report Highlights

In FY2020, we reached a key milestone in our sustainability journey by rolling out the Group-wide Sustainability Policy in the fourth quarter of 2020. We also embarked on a 5-year sustainability roadmap to strengthen accountability and build the Group's sustainability performance to meet annual targets. Through this initiative, we intend to secure our future by creating long-term value for our stakeholders. This roadmap will drive us forward in our journey to become a leading, sustainable premium healthcare provider.

We have established key performance indicators (KPIs) to help measure, track and implement corrective action for the continuous improvement of the Group's sustainability performance. This year, we achieved three KPIs representing these three sustainability pillars: Our Patients, Our People and Our Environment.

As we understand that our stakeholders value more transparency and accountability from us, we have reviewed our Anti-Bribery and Corruption (ABC) Policy to ensure that we are up to date with the latest regulatory requirements and best practices. In doing so, we uphold integrity across the Group and foster trust among our stakeholders through the elimination of unethical behaviour and practices.

This year, with the coronavirus (COVID-19) pandemic spreading across the globe rapidly, IHH rose to acclimatise ourselves to unfamiliar environments by developing policies and procedures to manage the pandemic across all operations. In our home markets, we mitigated the impacts of the pandemic by contributing to national efforts – from lending ventilators to rapid testing in communities, we put in our best effort to protect the health of the

public without compromising the safety of our own people.

The pandemic forced us to think on our feet to meet new patient expectations, which resulted in innovative methods of healthcare consultation, as demonstrated by our telemedicine services. We are proud of the commitment demonstrated by our employees and leadership team in managing the COVID-19 pandemic.

Despite challenges brought on by the pandemic, we were able to monitor our performance and achieve milestones in our journey to be sustainable. Looking ahead, we will continue to plan and implement initiatives for long-term and shared value creation, bringing us closer to our vision of becoming the world's most trusted healthcare services network.

Here are our key achievements this year across our home markets:

Sustainability Highlights for FY2020

Our Patients



- Implemented Antimicrobial Stewardship programmes across **ALL** IHH hospitals in Malaysia
- Achieved target NPS scores across **ALL** home markets

Our People



- **100%** of eligible employees underwent performance appraisals in FY2020
- Recorded **ZERO** fatalities for FY2020

Our Organisation



- **100%** of employees were offered access to training on the Group's Anti-Bribery and Corruption Policy
- Established **telemedicine and e-Health video consultation services** across IHH hospitals to limit the spread of COVID-19

Our Environment



- **15%** of non-scheduled waste generated was diverted from landfills in FY2020

Our Community



- **78%** of community contributions provided by IMU was in the form of COVID-19 aid and relief



IHH's Sustainability Approach

Our approach to embed sustainability throughout our business is multifold. The illustration below demonstrates how our business strategy, sustainability pillars, the recently established Sustainability Policy and the United Nation's Sustainable Development Goals interweave in our comprehensive approach.

Sustainability Policy

This year the IHH Board approved our Sustainability Policy, which outlines our commitment to uphold sustainable practices across our operations. The policy was developed in alignment with the Group's sustainability approach by building on our vision and mission, strategic thrusts, sustainability strategy, core values and pillars of sustainability.

IHH's Sustainability Policy Tenets

- 1 Conducting business with the highest standards of ethics and transparency across our operations
- 2 Ensuring compliance with legislation, regulations and codes of practice governing healthcare facilities in the countries we operate
- 3 Delivering sustainable economic growth and returns to our investors and enriching the local economy
- 4 Continuously engaging with relevant stakeholders who include, but are not limited to patients, employees, suppliers, students, amongst others, to address and manage their concerns and expectations of the Group
- 5 Constantly working to improve the quality of our healthcare services to ensure delivery meets stakeholder expectations
- 6 Ensuring that stakeholders receive quality healthcare services through highly trained medical, nursing and administrative staff
- 7 Identifying and monitoring the environmental impacts of the Group's business activities and facilities to improve our environmental performance
- 8 Improving environmental awareness amongst employees and promoting green practices where possible
- 9 Contributing to local communities and assisting them in improving and enhancing their socio-economic status and well-being

Sustainability Report

Benchmarking Sustainability

IHH recognises its responsibility to the global community in contributing towards a healthy and sustainable future. The Sustainable Development Goals (SDGs) were announced under the aegis of the United Nations Sustainability Agenda 2030 to eliminate economic, environmental and social disparities across the globe.

The Group focuses its efforts on seven SDGs for which we are positioned to

create sustainable and scalable impacts. They are: **SDG 3** Good Health and Well-being, **SDG 4** Quality Education, **SDG 7** Affordable and Clean Energy, **SDG 8** Decent Work and Economic Growth, **SDG 9** Industry Innovation and Infrastructure, **SDG 12** Responsible Consumption and Production and **SDG 16** Peace, Justice and Strong Institutions. We review our goals and initiatives regularly to ensure that our activities are aligned with these seven SDGs.

IHH's Sustainability Pillars

IHH identified five areas that have an impact on our business performance. These five areas are the pillars by which we define our approach to sustainability within the organisation. They cover key economic, governance, environmental and social aspects of our business and this categorisation has helped us expand and strengthen our sustainability disclosures and reporting framework.


Our Efforts towards the SDGs

- 
 - Deliver quality healthcare services throughout different regions such as Malaysia, Singapore, Greater China, India, Turkey and Central and Eastern Europe
 - Provide sponsored health screenings and medical treatment for vulnerable socio-economic groups as part of corporate social responsibility programmes
 - Deliver health talks to raise awareness on pressing health issues and to promote healthier lifestyle choices
 - Ensure proper management of medical waste to safeguard public health.
 - Protect the safety and promote the well-being of our employees
- 
 - Provide quality education focused on medical and health sciences through our educational institutions, International Medical University (IMU) and International Medical College in Malaysia
 - Conduct training for employees to keep abreast of the latest healthcare industry best practices and knowledge
- 
 - Where possible, our hospital buildings have been built in accordance with the standards of internationally recognised green building accreditation schemes that increase energy efficiency
- 
 - Provide safe work environment for employees
 - Provide training for employees to keep abreast of latest industry knowledge and best practices
 - Create opportunities in the regional markets by hiring locally
- 
 - Keep up with the latest medical advancements in the healthcare industry to enhance the provision of healthcare services
 - Utilise the latest technology to ensure the safety of our patients and employees during the COVID-19 pandemic, such as strict procedures for COVID-19 screening at hospital entrances and telemedicine & e-Health video consultations
- 
 - Comply with all environmental regulations with regard to waste management practices.
 - Ensure that all medical waste and other toxins are treated before discharge or incinerated to protect public health
- 
 - Establish internal policies and procedures for strong corporate governance
 - Implement a Code of Conduct, Whistleblowing Policy and Anti-Bribery and Corruption Policy
 - Ensure all employees undergo training on internal policies




Our Patients

Patients are a crucial component of our operations as a global healthcare provider. We keep our patients satisfied through the provision of safe, effective and quality healthcare services.



Our Organisation

We uphold organisational integrity and operate ethically in accordance with applicable legislation and industry best practices.



Our People

Our human capital is an essential resource that drives value creation across our operations. We continuously provide a conducive work environment to safeguard employee satisfaction and loyalty.



Our Community

We strive to promote the health and well-being of the communities we operate in. By providing basic healthcare and health education programmes, we encourage good public health practices within each community.



Our Environment

IHH works to reduce our environmental footprint. We implement stringent measures to ensure our environmental footprint is minimised through efficient consumption of natural resources and appropriate management of generated waste.