



A JCORP Company



# REIMAGINING HEALTHCARE

Sustainability Report 2023

**Care for Life**

## Vision

### The Preferred Healthcare Provider We 'Care for Life'.

We strive to be the preferred provider of healthcare throughout the continuum of care, by leveraging on the innovative use of technology and capitalising on our experienced consultants, our well-trained and caring employees and our extensive network of specialist hospitals. Together we will offer the best diagnosis, treatment and care, for all our patients and customers.

## Mission

### Deliver Quality Healthcare Services

Our mission is to improve the health of the people and the communities we serve. Led by skilled and caring medical staff, we are consistently focused on clinical excellence and innovative technology for superior patient outcomes and customer experience.

## Our Core Values

We are guided by our five Core Values which underpin our dedication to 'Care for Life'. It is through these five Core Values, we deliver and grow KPJ's patient-centric healthcare services focused on compassionate care.



Ensuring **Safety**



Delivering Service with **Courtesy**



Performing Duties with **Integrity**



Exercising **Professionalism** at All Times



Striving for **Continuous Improvement**

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Scan this QR Code to download our Sustainability Report 2023

Or log on to <https://kpj.listedcompany.com/ar.html>

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This icon tells you to visit our website for more information.

# Basis of This Report

**KPJ Healthcare Berhad’s (KPJ or the Group) sixth annual Sustainability Report (Report) highlights our continuous commitment towards generating long-term value for our stakeholders through our Economic, Environmental, Social and Governance (EESG) practices.**

The Report elaborates our sustainability practices that we have integrated into our business strategies and operations for the best interest of our stakeholders and the environment. Additionally, our stakeholders can further understand the significant risks and opportunities that have impacted our business operations as well as achievements that continue to motivate us on our journey towards achieving KPJ’s sustainability goals and targets.

### Progressing Sustainably

Sustainability continues to hold increasing significance within KPJ as we strive to enhance our initiatives across the organisation, focusing on EESG principles. Our commitment to sustainability is anchored by the organisation’s Six Capitals, which form the cornerstone of our overarching mission in creating value for our stakeholders through sustainable development.

### Reporting Scope And Boundary

This Report encompasses the entire Group’s sustainability development and progress in Malaysia, to which the Malaysian operations accounted for 95% of KPJ’s revenue from the period of 1 January to 31 December 2023, unless otherwise specified. We have also included comparative historical data where applicable and established, tracked and disclosed relevant targets and key performance indicators within the Report. The quantitative environmental data presented in this Report is sourced from the compiled data of the Group’s 44 sites, 29 hospitals and 15 companies.

It is worth noting that our advancements reflected in the Report are based on the commitments outlined in our policies, along with the targets established in our KPJ Sustainability Framework and Sustainability Roadmap 2023–2025. These frameworks are founded on 18 refined EESG issues and five thematic areas, each with corresponding goals.

### Reporting Guidelines, Standards And Frameworks

This Report is in compliance with Bursa Malaysia Securities Berhad’s Main Market Listing Requirements (MMLR) and Bursa Malaysia Sustainability Reporting Guide (3rd Edition). It has been prepared with close reference to applicable international reporting guidelines, standards, and frameworks.

### Global Reporting Initiative’s (GRI) Universal Standards

This Report is has been prepared with reference to the GRI Universal Standards 2021, adhering to the GRI reporting principles of accuracy, balance, clarity, comparability, completeness, timeliness, verifiability, and sustainability context.

### Sustainability Accounting Standards Board (SASB)

This marks our second year of reporting on healthcare quality, adhering to the SASB reporting standards developed for the healthcare sector. These standards focus on detailing our healthcare quality and customer satisfaction which are factors that directly influence our financial performance.

### United Nations Sustainable Development Goals (UN SDGs\*)

We contribute to the 12 out of 17 UN SDGs



Please refer to page XX for more information.

### Our Reporting Suite

This Report complements KPJ’s Integrated Annual Report for the financial year ended 31 December 2023 and our reporting suite can be accessed online at <https://www.kpjhealth.com.my>.

### Accuracy And Assurance

The Group has established robust governance and internal controls to support the reporting process and maintain the accuracy of reported data and information. Our KPJ Group Management Committee (KGMC) has oversight of these internal measures and reports to the Risk, Sustainability, and Governance Committee (RSGC) quarterly. This report has undergone external review by SIRIM QAS.

### Feedback

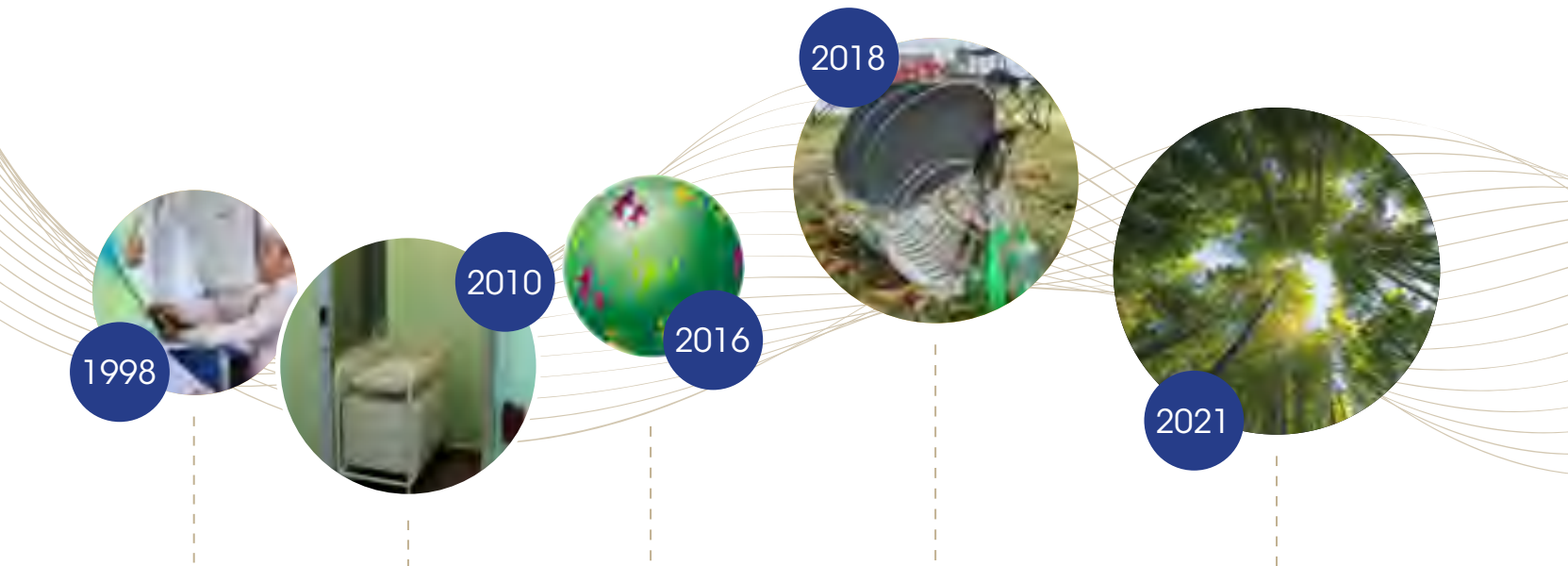
We encourage stakeholders to provide feedback on our sustainability performance. Please send your comments and thoughts to [sustainability@kpjhealth.com.my](mailto:sustainability@kpjhealth.com.my).

We are part of the Bursa Malaysia FTSE4GOOD index, which monitors the Environmental, Social and Governance (ESG) performance of companies. KPJ has been a constituent of FTSE4Good since 2016.

Reporting Suite	Integrated Annual Report 2023	Sustainability Report 2023
<b>Disclosure</b>	<ul style="list-style-type: none"> <li>President and Managing Director’s Review</li> <li>Corporate Governance Overview Statement</li> <li>Audit Committee Report</li> <li>Statement on Risk Management and Internal Control</li> <li>Directors’ Report</li> <li>Independent Auditor’s Report</li> <li>Financial Statements</li> </ul>	<ul style="list-style-type: none"> <li>Material Matters</li> <li>Stakeholder Management</li> <li>Adapting to Economic Shift</li> <li>Protecting Our Environment</li> <li>Uplifting Our Patients and Communities</li> <li>Fostering Our People</li> <li>Upholding Good Governance</li> <li>Carbon Emissions Reporting Methodology</li> </ul>
<b>Reporting Frameworks</b>	<ul style="list-style-type: none"> <li>MMLR</li> <li>Value Reporting Foundation’s &lt;IR&gt; Framework</li> <li>Malaysian Code on Corporate Governance 2021</li> <li>Companies Act 2016 (CA 2016)</li> <li>Malaysian Financial Reporting Standards (MFRS)</li> </ul>	<ul style="list-style-type: none"> <li>MMLR</li> <li>GRI Universal Standards</li> <li>Bursa Malaysia Sustainability Reporting Guide and Toolkits (3rd Edition)</li> <li>SASB Standards</li> <li>TCFD Recommendations</li> </ul>

## KPJ Sustainability Journey

# Upholding KPJ's Sustainability Commitments



1998	2010	2016	2018	2021
<p><b>KWAN</b></p> <p>Launched Klinik Waqaf An-Nur (KWAN) to offer quality and affordable healthcare services to the underprivileged and B40 groups.</p>	<p><b>BABY HATCH</b></p> <p>KPJ opened the first baby hatch at KPJ Ipoh Specialist Hospital, an initiative to ensure the survival and well-being of abandoned babies in our community. This impactful endeavor not only provides a safe haven for vulnerable infants but also to the community as a whole.</p>	<p><b>SUSTAINABILITY STATEMENT</b></p> <p>KPJ published the first Sustainability Statement to illustrate their efforts in creating values for the organisation, society and environment. In June, KPJ became a constituent of Bursa Malaysia's FTSE4Good index.</p>	<p><b>UN SDG AND ZERO SINGLE PLASTIC</b></p> <p>KPJ began the zero single plastic use in clinical operations to minimise business impacts on the environment. KPJ also published its first Sustainability Report with United Nation Sustainable Development Goals ("UN SDG") - World Health Organisation ("WHO") approach with the target for inclusive and sustainable health in alignment with the Agenda 2030.</p>	<p><b>SUSTAINABILITY WORKING COMMITTEE</b></p> <p>Set up a multi-disciplinary Sustainability Working Committee to strengthen and drive the four components of KPJ's sustainability agenda i.e. Economic, Environmental, Social and Governance (EESG) areas. The committee's purpose is also to strengthen the commitment at all levels by incorporating sustainability performance metrics and targets into our corporate scorecard.</p>

# Throughout The Years



2022



2023



2024

## DEDICATED TO SUSTAINABILITY

KPJ published its Sustainability Sukuk Framework to improve medical care capacity for the people who are in need of medical support through 11 KWAN clinics, 9 Dialysis Centre and 9 mobile clinics. The framework was assigned a Gold MARC Rating for its services to the community.

## STRENGTHENING OF SUSTAINABILITY MANAGEMENT

In 2023, KPJ underwent a transformative year marked by significant progress in sustainability initiatives and strategic partnerships, showcasing a steadfast commitment to environmental and social change.

The establishment of Group Sustainability Services and the approval of the KPJ Sustainability Framework provided a clear direction for sustainability efforts.

Moreover, during the year under review, KPJ executed eleven ESG initiatives, including waste management projects with Cenviro and active participation in the GET initiative. Notable collaborations included partnering with Gentari for EV Charging Stations, in line with KPJ's renewable energy adoption goals under the SARE agreement.

The inaugural Sustainability Day in October 2023 celebrated KPJ's sustainability achievements, highlighting its dedication to driving positive environmental impacts and fostering a culture of sustainability.

## PRESENT AND FUTURE

KPJ is at the forefront of promoting sustainability within Malaysia's healthcare sector, as demonstrated by the successful completion of 10 sustainability projects in the past year.

Among these achievements, we established a Greenhouse Gas (GHG) Baseline, achieved an impressive 8% reduction in GHG emissions and installed its first Electric Vehicle (EV) Charger at Menara KPJ.

Looking ahead, KPJ is set to maintain its sustainability momentum with 13 initiatives currently in the pipeline for the upcoming year.

With significant commitments and initiatives underway, promising results have been achieved, demonstrating KPJ's steadfast dedication to contributing to the creation of a more sustainable future for Malaysians.

# Joint Leadership Statement

**Dear Valued Stakeholders,**

**In an era marked by rapid change and evolving challenges, KPJ remains steadfast in its commitment to delivering impeccable healthcare services and upholding our responsibilities towards Economic, Environmental, Social, and Governance (EESG) impacts. By adhering to the highest standards of governance, transparency, and ethical conduct, we have not only fortified our position as Malaysia's premier private healthcare provider but also contributed to forging a healthier, more sustainable future for all.**



**DATUK MD ARIF BIN MAHMOOD**  
Chairman, KPJ Healthcare Berhad

## Joint Leadership Statement

### Combating Climate Change

KPJ acknowledges the significant role of the healthcare sector in influencing climate change. Hospitals, which heavily rely on resources such as energy, water, and materials, contribute to greenhouse gas (GHG) emissions. In response, KPJ has initiated climate action aligned with Malaysia's targets to reduce GHG emissions intensity per GDP by 45% by 2030. Our climate and environmental goals, targets, and initiatives are guided by our KPJ Sustainability Framework and a 3-year Roadmap.

By 2025, we aim to reduce our GHG emissions (Scope 1, 2, and 3) footprint from all our 44 operational sites by 25% from the 2022 baseline. Given the nature of our operations, purchased electricity (Scope 2) is the highest contributor to the Group's carbon footprint. In FY2023, our electricity consumption increased by 4.3% compared to the previous year, attributed to higher patient numbers in some hospitals. Consequently, we are currently striving to source 10% of our energy from renewable sources and enhance our energy efficiency through various energy-saving measures.

We have implemented a decarbonisation strategy, which includes sourcing renewable energy through participation in the Green Energy Tariff (GET) Programme, installation of rooftop solar systems at our selected hospitals, implementation of energy efficiency projects, initiation of clinical waste segregation programmes, and installation of electric vehicle (EV) chargers at our selected hospitals and facilities.



**CHIN KEAT CHYUAN**  
President & Managing Director

## Joint Leadership Statement

### **Building Climate Change Resilience**

As extreme weather events have intensified in recent years, it is imperative that we prepare our business to withstand the impacts of climate change, which are expected to exacerbate. In FY2023, we initiated a phased approach to adopting the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) by identifying climate-related risks that could potentially affect our operations. This approach integrates climate risks with other operational and financial risks, thereby enhancing overall risk management effectiveness and our commitment to safeguarding health and well-being.

KPJ has identified four Physical Risks and three Transition Risks, which have been integrated into the KPJ risk register as of October 2023. The four Physical Risks encompass extreme environmental and weather events, impacts on employees' health, increased demand for healthcare services, and economic repercussions such as heightened supplier costs due to climate change. Under Transition Risks, we have integrated ESG risks, including regulatory changes, technological innovation/digitalisation, and stakeholder expectations and reputation management.



### **Fostering Our People**

At KPJ, we value our employees and their potential. We continue to invest in their growth through extensive training programmes, fostering a culture of excellence and compassion by prioritising continuous learning and skill development for individual and organisational success. In 2023, we invested RM1.87 million in upskilling nurses and allocated RM1.09 million for post-basic training. Various programmes like Emerging Leaders Development, Performance Conversation Training, Manager Leadership Development, and Problem-Solving and Decision-Making were introduced. We are pleased to note that the average training hours per employee per year increased to 39 hours from 36 hours in 2022.

We also focus on employee welfare and building strong working relationships. Initiatives like town halls, performance reviews, engagement surveys, and wellness programmes are in place. Workplace wellness initiatives include fitness activities, stress management workshops, and promoting work-life balance. Mental Health Assessments and Advocators Programmes support psychological well-being, while Well-being Focus Groups encourage employees to share insights and suggestions. Fitness sessions like zumba, aerobics, sports games, KPJ Games sports carnival, and KPJ Biggest Loser programme promote a healthy lifestyle.

We engage employees through surveys and discussions to shape organisational strategies and enhance satisfaction. Our Pulse People Happiness Survey in 2023 received a 91% overall employee satisfaction score.



## Joint Leadership Statement



### Uplifting Our Patients and Communities

KPJ has taken proactive steps to enhance community health standards through health development training programmes and initiatives. Our dedication to societal well-being is demonstrated through various community outreach endeavors, including health education and disaster relief efforts.

One of KPJ's notable community responsibility initiatives is the Klinik Wakaf An-Nur (KWAN) clinics. The initiative aims to provide accessible healthcare to underprivileged individuals. In 2023, we collaborate with various agencies including the state Islamic religious agencies. As of 2023, there were 11 KWAN clinics, with nine (9) providing dialysis services, alongside nine (9) mobile clinics across the country.



In 2023, KPJ organised 17 community outreach engagement programmes, specifically targeting zakat recipients and B40 communities. These programmes included health screenings, eye screenings, body mass composition assessments, and hearing screenings. Through Briged Waqaf, KPJ extends its community engagement and support to underserved populations, offering humanitarian aid during natural disasters. This commitment is further exemplified by KPJ's active participation in relief missions for four flood incidents in Malaysia.

## Joint Leadership Statement

### Upholding Good Governance

In 2023, KPJ reaffirmed its dedication to maintaining strong governance on sustainability. KPJ's Board exercises oversight of sustainability matters through the Risk, Sustainability, and Governance Committee (RSGC), whilst the management of our sustainability agenda is conducted through our Sustainability Working Group.

### Ethics and Integrity

We remain guided by our three-year KPJ Integrity/Anti-Bribery Plan, which is aligned with the National Anti-Corruption Plan. In 2023, 98% of our employees have completed the Anti-Bribery Management System awareness training. We also assessed all our services on corruption-related risks to establish robust anti-corruption mitigation efforts across our operations.

### Data Privacy and Security

In our commitment to uphold the data privacy and security of our business and stakeholders, we achieved compliance with ISO 27002:2022 Information Security Management Systems (ISMS) in 2023. Furthermore, SIRIM QAS International verified us as the first organisation in Malaysia's healthcare sector to obtain the ISO/IEC 27001:2022 (ISMS) certification. This underscores our dedication to enhancing KPJ's cybersecurity resilience.

### Supply Chain Management

Acknowledging the importance of a comprehensive strategy in maintaining robust governance practices, we ensure that our suppliers and vendors adhere to our Supplier's Code of Conduct and comply with national laws aligned with the UN Sustainable Development Goals, the UN Universal Declaration of Human Rights, and the 1998 ILO Declaration on Basic Principles and Rights at Work. In 2023, all newly

onboarded suppliers underwent screening against Environmental, Social, and Governance (ESG) criteria. Additionally, we successfully completed the segmentation of Tier 1 and Tier 2 suppliers/vendors and communicated our Sustainability Agenda to over 300 active suppliers.

### Technology, Innovation and Collaboration

We are dedicated to leading in healthcare and customer service by using technology and innovation. This helps us improve healthcare access and communication, make operations more efficient, and strengthen our reputation and customer loyalty.

At Damansara Specialist Hospital 2 (DSH2), our SMART hospital initiative, launched in September 2022, showcases our commitment to advanced healthcare technologies. This includes an AI-driven medical record system and IoT network, which cut costs and boosted operational efficiency.

In 2023, we expanded patient care at DSH2 with technologies like 5G Holomedicine, wireless vital sign

monitoring, and AI fall monitoring. We also upgraded our mobile app with KPJ Mobile App Phase 2, offering appointment scheduling while our KPJ Cares app provides customer experience in e-commerce, loyalty card rewards and promotions on new health packages.

Our pioneering collaboration with Mayo Clinic, USA, marks a significant stride in Malaysia's healthcare landscape. This partnership with Mayo Clinic brings advanced medical expertise and innovative tools to KPJ's Damansara Specialist Hospital and Damansara Specialist Hospital 2. It shows our dedication to providing top-quality healthcare to the community. Through this collaboration, we're improving patient care, supporting ongoing learning for doctors, and building a stronger healthcare workforce for the future.

KPJ is committed to achieving 100% integrated digital patient records available across all our specialist hospitals by 2026. This goal underscores KPJ's broader strategy to leverage digital to improve the quality of our healthcare delivery.



## Joint Leadership Statement

### Going Forward

As we look ahead, we remain committed to addressing dynamic challenges and opportunities within our operations and the broader healthcare landscape, aligning with the United Nations Sustainable Development Goals (UN SDGs) to generate lasting and sustainable value. Our sustainability framework is designed to navigate economic changes while fostering potential growth and maintaining robust governance, contributing directly to several UN SDGs such as Good Health and Well-being (SDG 3).

We will also intensify our efforts to build climate resilience by expanding initiatives under the TCFD framework. This includes developing comprehensive climate risk adaptation and mitigation plans in 2024, aligning with our long-term goal of achieving net-zero emissions by 2050, thus contributing to SDG 13: Climate Action. Additionally, integrating ESG criteria into our vendor selection and supplier evaluation processes will promote sustainable procurement practices throughout our supply chain, aligning with SDG 12: Responsible Consumption and Production.

Moving forward, KPJ Healthcare Berhad remains dedicated to sustainability, innovation, and community engagement, actively contributing to the achievement of the UN SDGs and ensuring a better and more sustainable future for all.

### ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I extend our deepest gratitude to our esteemed stakeholders. Your unwavering trust, particularly that of our shareholders, patients and customers, has been the cornerstone of our motivation to relentlessly enhance and innovate our healthcare services for the greater good of the community. We are immensely thankful for the consistent guidance and support from the regulatory authorities and accreditation organisations, notably the Ministry of Health (MOH), whose contributions have significantly smoothed our path towards delivering exemplary healthcare.

Moreover, our heartfelt appreciation goes out to the dedicated members of our #TeamKPJ; including our employees, consultants, medical officers, nurses, and all medical and non-medical professionals. Their dedication to patient care and commitment to maintaining the KPJ brand as a beacon of excellence in national healthcare cannot be overstated. Through collective efforts, we continue to forge ahead, setting new benchmarks in healthcare excellence.



**DATUK MD ARIF BIN MAHMOOD**

Chairman  
KPJ Healthcare Berhad



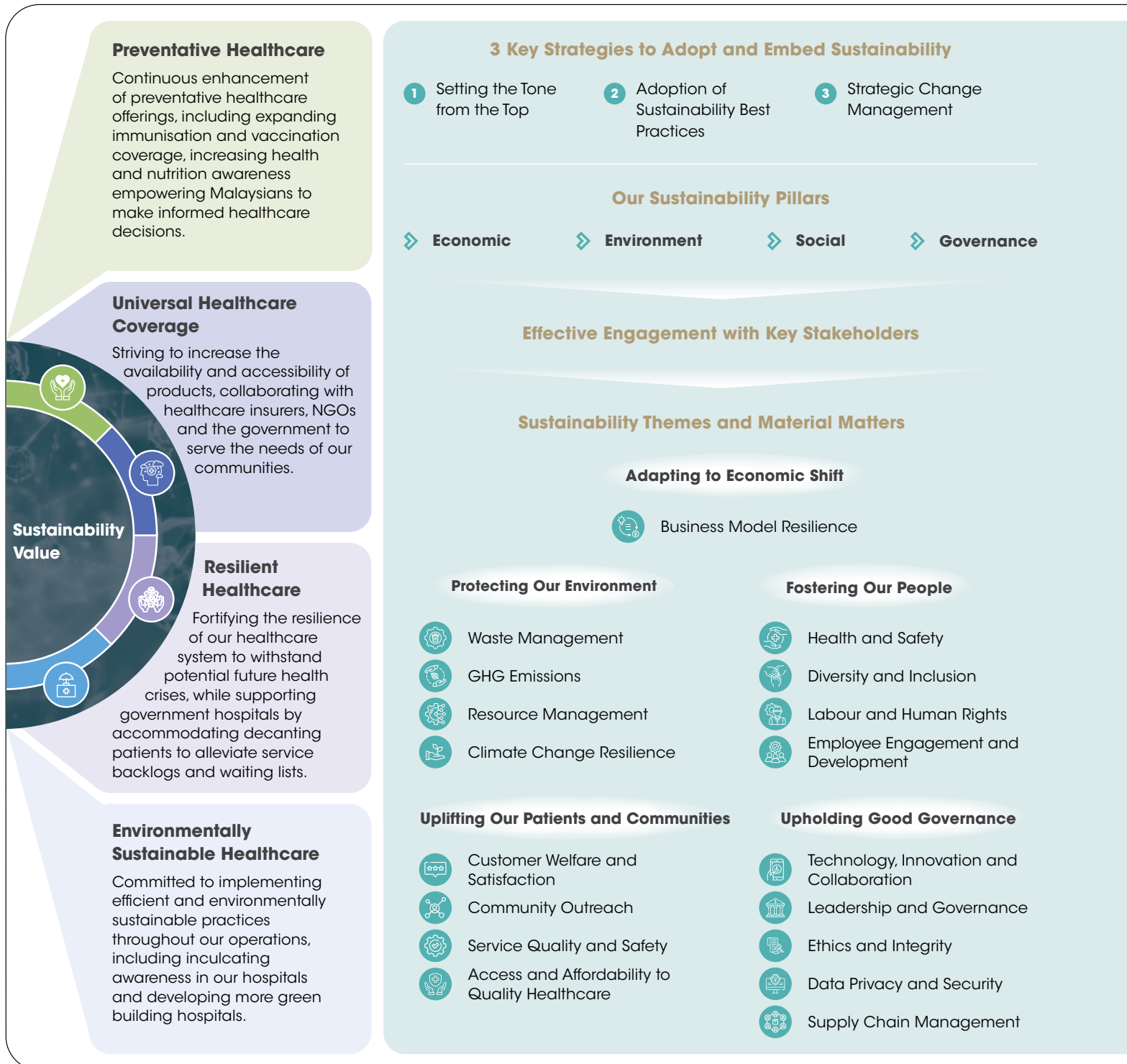
**CHIN KEAT CHYUAN**

President & Managing Director  
KPJ Healthcare Berhad

# Our Approach To Sustainability

Our Sustainability Framework which encompasses five themes and 27 initiatives, continues to guide us in executing our sustainability efforts. Additionally, our three-year roadmap ensures that we undertake effective actions in addressing our material matters, while aligning with the Group's identified risks and capitalising on opportunities.

As a healthcare provider, contributing to a sustainable future is important because we play a vital role in safeguarding community health and well-being. At the same time, we endeavour to create a lasting positive impact for our stakeholders. We acknowledge the crucial need for us to reduce our environmental impact, improve social and community benefits while ensuring robust governance practices.



# Our Approach To Sustainability

Our business has been integrated with sustainability practices, assisting us in achieving our long-term goals of managing climate change and fulfilling our social responsibilities. To this end, our Sustainability Framework continues to serve as a bedrock in our journey of championing sustainable business practices.

## KPJ 3 Year Roadmap and Initiatives

2023	2024	2025
<b>ECONOMIC</b>		
Continuous growth in the healthcare industry via Sustainability Sukuk Wakalah issuance to support eligible social and green projects.		
<b>ENVIRONMENT</b>		
1. KPJ Carbon Accounting 2. Decarbonisation 3. Waste Management Plan 4. Climate Risk	12. Scope 1, 2 and 3 13. Clean Energy Mix 14. Water Management 15. Green Hospital	25. Sustainable Transportation
<b>SOCIAL</b>		
5. Training and Awareness 6. DEI Policy	16. Training Aged Care Workforce 17. Inclusive Workplace 18. Non-Discriminatory Policy 19. Labour and Human Rights	
7. Health Awareness 8. Affordable Packages 9. KWAN 10. Outreach Programmes	20. Mental Health for Community 21. Healthy Lifestyle	
<b>GOVERNANCE</b>		
11. Supply Chain Engagement	22. Sustainability Embed in Supply Chain 23. TCFD 24. Shariah Governance	26. Collaboration for ESG Initiatives 27. Enhance Transparency in Reporting

## Managing Risk and Opportunities



Refer to KPJ Integrated Report 2023 for more information.

## Our Targets And Prioritised UN SDGs

**Build a resilient and adaptable organisation for any economic volatility**

**Reduce environmental impact by managing KPJ's waste, resources and climate risks by 2025**

**Develop a healthy and competent workforce by 2030**

**Improve the lives of community members across Malaysia by 2030**

**Be a sustainability-accountable and future-ready organisation by 2030**



## Our Approach To Sustainability

### Our Sustainable Healthcare

We are committed to operating in the best interest of our stakeholders by offering top-notch but affordable care, while working towards reducing our carbon footprint. Additionally, we practise and adhere to the highest standards of clinical governance to ensure the provision of safe and exceptional clinical services to everyone.

### Enhancing Sustainability Strategy to Minimise EESG Impact

We understand our patients' needs and personalities and we foster open and honest conversations that build trust, driving us to become the nation's healthcare leader. Introducing new solutions, we are committed to raising healthcare standards. Our values include nurturing both people and the environment, reflected in our EESG impact themes which enhance stakeholder satisfaction and fortify the healthcare system.



# Our Approach To Sustainability

## Our Targets And Prioritised UN SDGs

### ECONOMIC PILLAR – ADAPTING TO ECONOMIC SHIFT

Inculcate resilience and agility as part of KPJ’s culture to withstand economic challenges

Build a resilient and adaptable organisation for economic volatility



### ENVIRONMENTAL PILLAR – PROTECTING OUR ENVIRONMENT

Reduce our environmental impact by managing KPJ’s waste, resources, and climate risks by 2025

Establish a waste baseline to begin tracking all types of non-clinical waste, and the relevant disposal methods by 2023



Use the TCFD Guidance to identify climate risks related to KPJ and develop mitigation plans by 2023



Source 10% of energy from renewable sources and reduce water usage by 20% per patient by 2025 from 2021 baseline



Reduce 25% of GHG emissions per patient by 2025 from 2021 baseline



### SOCIAL PILLAR – UPLIFTING OUR PATIENTS AND COMMUNITIES

Improve the lives of community members across Malaysia by 2025

Maintain patient satisfaction index at 90% and above



Increase the number of customers with access to guidance and/or services on prevention and general wellness<sup>1</sup> by at least 20% by 2025 from 2021 baseline



Increase the number of customers with access to home or short-term aged care services (i.e., restorative care, transition care, respite care<sup>2</sup>) by at least 10% by 2025 from 2021 baseline



Establish mandatory sustainability awareness training courses for all KPJ staff and relevant stakeholders by 2023



Achieve 30% of female representation at the Senior Management and Board level by 2024



Adhere publicly to international human rights and labour standards (e.g., UDHR, UNGC, ILO) by 2024



### GOVERNANCE PILLAR – UPHOLDING GOOD GOVERNANCE

Be a sustainability-accountable and future-ready organisation by 2025

Engage with 100% of Tier 1 suppliers and 20% of critical non-Tier 1 suppliers on KPJ’s sustainability targets and Supplier Code of Conduct by 2024



Establish a clear sustainability governance structure and link leadership KPIs and remunerations with sustainability performance by 2024



Join at least three industry-wide initiatives or collaborations around environmental and labour related topics<sup>1</sup> by 2025



Achieve 100% digital patient records by 2026

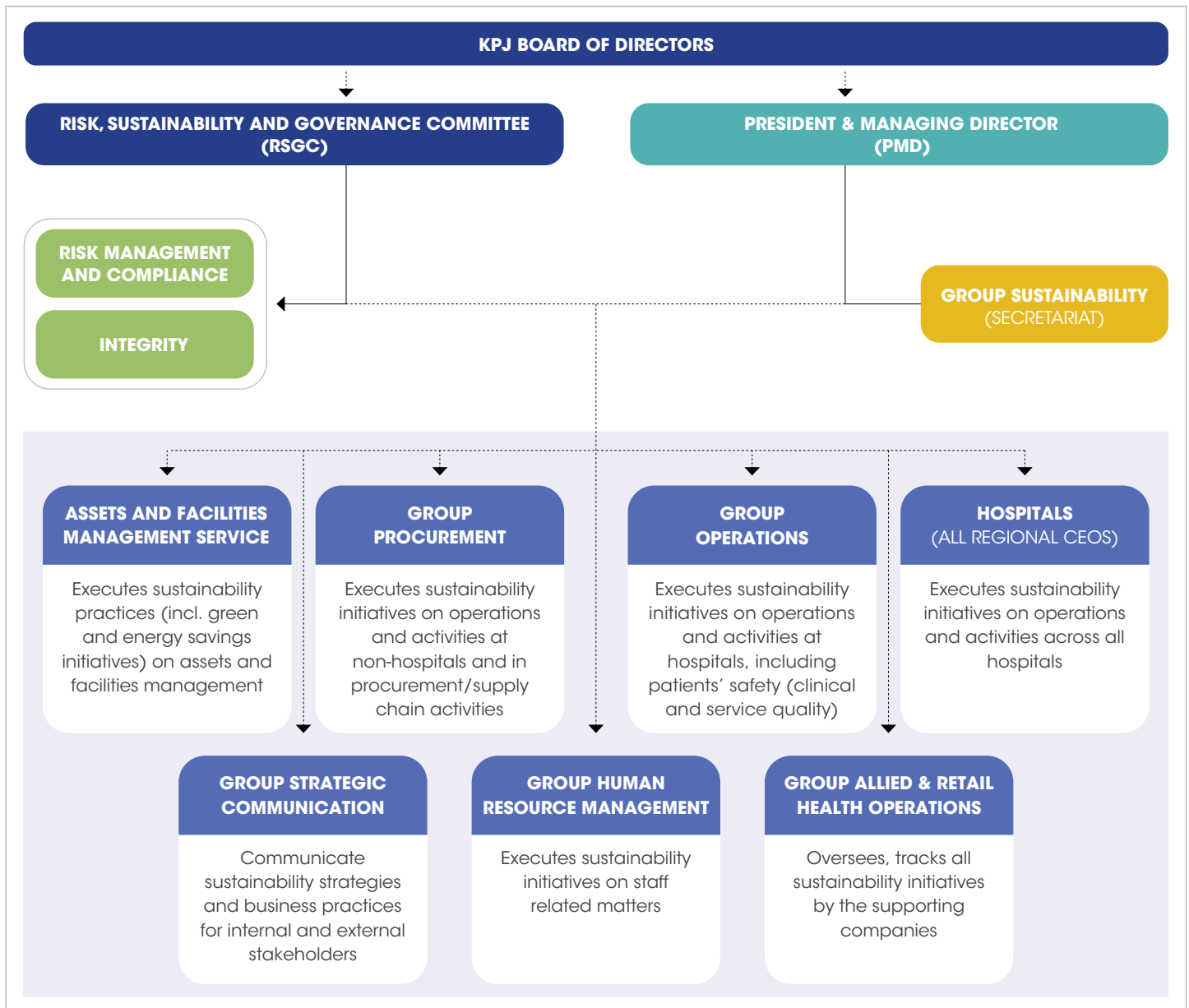


# Sustainability Governance

In healthcare, effective sustainability governance is crucial as it ensures that our operations are conducted ethically and responsibly, in line with environmental, social and economic principles. At KPJ, our sustainability governance seamlessly integrates sustainability across our governance framework, ensuring regulatory compliance, meeting stakeholder expectations and ultimately, enhancing our resilience and long-term viability.

The Risk, Sustainability and Governance Committee (RSGC) oversees sustainability-related matters diligently, reporting directly to the Board. The RSGC ensures effective procedures for identifying and mitigating sustainability-related risks and opportunities. Moreover, the committee develops strategies and procedures to address sustainability-related risks and opportunities that may impact KPJ's business model and strategy. The committee also oversees the metrics and targets used to evaluate, mitigate and monitor KPJ's non-financial performance, which are tied to our sustainability risks and opportunities.

Additionally, in line with the Malaysian Code on Corporate Governance (MCCG), KPJ has established a Group Sustainability function, ensuring a dedicated individual or department manages the company's sustainability efforts. This underscores KPJ's commitment to robust sustainability practices and demonstrates proactive measures to integrate sustainability into its corporate governance framework.





## Sustainability Governance

## THREE KEY STRATEGIES TO ADOPT AND EMBED SUSTAINABILITY

## STRATEGY 1

**Setting the tone from the top to fully embrace and drive the sustainability agenda in the organisation**

**Aligned to champion sustainability**

- 1 Establish sustainability framework
- 2 Adopt accounting of carbon emission
- 3 Establish database for sustainability via technology to optimise processes
- 4 Integrating environmental and social consideration into processes

**Governance oversight and accountability on sustainability, including Senior Management and BOD**

- 1 Formation of Sustainability Working Committee
- 2 Establish sustainability as standing agenda items at management and BOD level
- 3 Assign management oversight of sustainability agenda
- 4 Impact tracking and reporting

**Embed and align the aspiration into a sustainability roadmap and maximise value creations**

- 1 Disclosure of a roadmap on sustainability, including plans on reducing the GHG emission
- 2 Develop an operating model blueprint that puts differentiating capabilities to reduce GHG emission

## STRATEGY 2

**Adaptation of sustainable sustainability best practices whilst balancing between cost and profitability**

**Design operating model to deliver sustainability targets**

- 1 Establishment of KPIs to drive sustainability agenda
- 2 Process KPIs should feed into a sustainability framework
- 3 Establishment of change management programme for execution

**Transform sustainability supply chain through procurement**

- 1 Leverage existing supply chain transformation efforts to deliver emissions reductions
- 2 Commitment and support from suppliers
- 3 Develop evaluation framework/ guidelines for future onboarding of suppliers

**Prioritisation of sustainability initiatives**

- 1 Build an innovation ecosystem for sustainability through partnerships
- 2 Triple bottom line initiatives delivering positive impact to Profit, People and Planet
- 3 Provision of innovative solutions to deliver pre-identified outcome of 12MP

## STRATEGY 3

**Strategic change management to enhance understanding and awareness on sustainability across the organisation**

**Efficient Change Management across all stakeholders**

- 1 Sustainability aligned to corporate strategy
- 2 Embed sustainability considerations across all functions

**Promote Transparency through communication actions**

- 1 Awareness programme aims to enhance understanding/ appreciation among stakeholders
- 2 Establishment of one-stop centre on information regarding sustainability

**Optimising Engagement and Influence by enhancing pace and scale**

- 1 Sharing of success stories of KPJ's stakeholders
- 2 Remuneration structure that incentivises the right behaviour
- 3 Cultivating growth mindset

# Sustainability Materiality

Material assessments are integral to our value creation. They help us to develop sustainability strategies and manage our sustainability performance effectively. We conducted a materiality assessment in 2022 to identify key material issues that are important for us and our stakeholders. This involved focus group discussions with internal stakeholders to identify, prioritise, review and validate these matters. The aim of this process was to meet stakeholders' expectations, especially investors, and adapt to the changing economic, environmental, social and governance (EESG) landscape. Regular reviews of our materials are essential to ensure that they stay aligned with emerging trends that could impact our stakeholder groups.



Our material matters have played a significant role in shaping our KPJ Sustainability Framework and three-year Roadmap. They also ensure that our approach stays up to date with global trends, enabling us to meet evolving stakeholder demands and address a broader range of issues, such as climate change, water security, labour standards and environmental and social impact in the supply chain. The assessment's findings together with the KPJ Sustainability Framework and three-year Roadmap, underwent validation by the KPJ Group Management Committee and was endorsed by our Risk, Sustainability and Governance Committee before being presented to the Board of Directors.

## KPJ Sustainability Themes and Material Issues

SUSTAINABILITY THEMES	ECONOMIC Economic Adaptation	ENVIRONMENT Protecting our Environment	SOCIAL Uplifting our Patients and Communities	SOCIAL Fostering our People	GOVERNANCE Upholding Good Governance
MATERIAL SUSTAINABILITY ISSUES	Business Model Resilience	Waste Management GHG Emissions Resource Management Climate Change Resilience	Customer Welfare and Satisfaction Service Quality & Safety Community Outreach Access and Affordability to Quality Health	Employee Engagement and Development Diversity and Inclusion Labour and Human Rights Health and Safety	Technology, Innovation and Collaboration Ethics and Integrity Leadership and Governance Data Privacy and Security Supply Chain Management

A total of 18 material matters were derived from the assessment conducted in 2022. The assessment results showed a predominant focus on the social impact of our patients, communities and employees. This is covered under two main themes: "Uplifting Our Patients and Communities" and "Fostering Our People."

A significant material matter under the economic pillar is "Business Model Resilience," which highlights our focus on sustainability through efforts like the Sustainability Sukuk and green investments, while environmental concerns such as GHG emissions and climate change resilience, were rated lower compared to other material matters. However, we recognise their significance to our operations, and we remain committed to achieving net-zero emissions by 2050.

## Sustainability Materiality

## Our Material Matters



**Business Model Resilience:** Enhancing KPJ's business resilience by integrating social, environmental and political transitions into long-term strategies to meet diverse global expectations.



**Customer Welfare and Satisfaction:** Ensuring patient safety and satisfaction by delivering products and services fairly, safely, and continuously improving based on customer feedback.



**Service Quality and Safety:** Maintaining high-quality clinical services aligned with local and global healthcare standards and regulations, ensuring safety through rigorous product testing, chemical management, and market recalls.



**Community Outreach:** Enhancing community well-being through philanthropic activities focused on community development and social welfare, extending beyond healthcare services.



**Access and affordability to Quality Healthcare:** Supporting UN SDG 3: Good Health and Well-being by offering affordable, high-quality healthcare to underserved communities and advocating for healthy lifestyles across all demographics.



**Employee Engagement and Development:** Cultivating talent attraction and retention by empowering KPJ employees to grow, develop knowledge and skills, and build resilience in an evolving landscape.



**Diversity and Inclusions:** Building a workplace culture of equal opportunities by practising non-discrimination.



**Labour and Human Rights:** Enforcing zero tolerance for labour and human rights violations and ensuring employee well-being by maintaining a safe workplace and adhering to international and local health, safety, and labour standards.



**Health and Safety:** Protecting our people and communities by aligning our operational safety and facilities with relevant regulatory requirements and industry best practices.



**Waste Management:** Managing solid waste and airborne pollutants from KPJ's operations through 3R practices and compliant disposal methods.



**GHG Emissions:** Implementing measures to minimise Scope 1, 2, and 3 GHG emissions within the hospital network through efforts such as resource management and the adoption of green solutions.



**Resource Management:** Managing water and energy resources to reduce environmental impacts through water-saving and energy-efficient technologies, while transitioning to renewables, excluding solid waste.



**Climate Change Resilience:** Recognising and managing operational risks associated with physical and transitional climate change impacts, while integrating climate-related opportunities into KPJ's operations.



**Technology, Innovation and Collaboration:** Leveraging technology, innovation, and collaborations to improve medical equipment, streamline operations, and deliver top-quality healthcare to diverse customers.



**Ethics and Integrity:** Upholding ethical standards, integrity, and professionalism by managing risks in KPJ's business conduct, safeguarding employees through training, and adhering to KPJ's Policy on Work Ethics and Code of Conduct.



**Leadership and Governance:** Inculcating strong governance to protect stakeholder interests by appointing, remunerating, and granting voting rights to the Board and Committees responsibly and effectively.



**Data Privacy and Security:** Mitigating risks related to sensitive organisational and patient information through improved cybersecurity measures and compliance with the Personal Data Protection Act 2010.



**Supply Chain Management:** Addressing sustainability risks in KPJ's supply chain by engaging with suppliers for ethical sourcing practices to protect shareholders' interests.

# Stakeholder Management

KPJ's intricate stakeholder ecosystem serves as the foundation for our synergistic relationships with our stakeholder groups. Given their diversity in terms of capacities and functions, each stakeholder group is critical to the Group's operations. We are committed to exceeding the expectations of the various stakeholder groups to which we cater. In order to create long-term value, we are constantly evolving our processes and operations to ensure that we continue to provide excellent patient-centric medical services.

We seek to establish relationships built on trust, respect and mutual commitment and build trust with our internal and external stakeholders by communicating consistently, openly and transparently. Our aim is for stakeholders to have no surprises in their dealings with us. In all activities and projects, KPJ will actively identify stakeholders, seek to understand the issues that are important to them and keep them informed in a timely and accurate manner of our activities relating to these issues.

Whenever possible, the interests of stakeholders will be considered in our decision-making. A successful stakeholder engagement activity connects the appropriate engagement format to the right stakeholder group.



KPJ'S STAKEHOLDER	STAKEHOLDER ENGAGEMENT CONTINUUM
Patients	Message, Collaborate
Employees	Message, Advocate, Dialogue, Collaborate
Consultants	Message, Advocate, Consult, Dialogue, Collaborate
Investors and Shareholders	Message, Dialogue, Collaborate
Government and Regulators	Advocate, Consult, Dialogue, Collaborate
Business Partners	Message, Advocate, Consult, Dialogue, Collaborate
Accreditation Bodies and Industry Associations	Advocate, Consult, Dialogue, Collaborate
Suppliers and Vendors	Message, Dialogue, Collaborate
Local Communities	Message, Advocate, Dialogue, Collaborate

# Stakeholder Management

SUSTAINABILITY THEMES		FREQUENCY OF ENGAGEMENT		
<ul style="list-style-type: none"> <li>Adapting to Economic Shift</li> <li>Fostering Our People</li> <li>Protecting Our Environment</li> </ul>	<ul style="list-style-type: none"> <li>Upholding Good Governance</li> <li>Uplifting Our Patients and Communities</li> </ul>	<ul style="list-style-type: none"> <li>AS As Required</li> <li>A Annually</li> <li>B Biannually</li> </ul>	<ul style="list-style-type: none"> <li>Q Quarterly</li> <li>M Monthly</li> </ul>	<ul style="list-style-type: none"> <li>W Weekly</li> <li>D Daily</li> </ul>

## Patients

METHOD OF ENGAGEMENT	
Customer Satisfaction Survey	M
Corporate and hospital websites	D
Comprehensive integrated social media presence	AS
Health-related information magazines	Q
Health awareness days	AS
Service brochures with hospital information	D

KEY CONCERNS	
<ul style="list-style-type: none"> <li>Cost of healthcare services</li> <li>Quality of service standards</li> <li>World-class health facilities and technology</li> </ul>	

RESPONSE	
<ul style="list-style-type: none"> <li>Monitoring customer satisfaction, increasing access to quality and affordable healthcare, offering Group-wide packages and promoting niche markets</li> <li>Patient-centric, qualified and experienced healthcare professionals</li> <li>Investment in technology and data privacy for patients' information</li> </ul>	

**IMPACT ON STRATEGY**

Concerns raised can create new revenue streams by offering the right healthcare services to patients from diverse backgrounds and communities.

## Employees

METHOD OF ENGAGEMENT	
Town halls	A
Employee performance review programmes	B
Employee engagement survey	A
Staff wellness, engagement and recognition programmes	AS
Intranet portal	AS

KEY CONCERNS	
<ul style="list-style-type: none"> <li>Career progression</li> <li>Health, safety and human rights</li> <li>Competitive remuneration packages and benefits</li> </ul>	

RESPONSE	
<ul style="list-style-type: none"> <li>Listening to and understanding employees' needs and developing strategies to attract, develop and retain staff</li> <li>Revised salary and benefits as per EA2022</li> <li>Ensuring compliance with the Company's policies</li> </ul>	

**IMPACT ON STRATEGY**

Although our employees were affected by the pandemic, they continued to assist us in maintaining our position in the healthcare industry until the third year of the pandemic. We conducted more programmes, particularly in mental health and career advancement, as they directly contributed to our mission of achieving business success. Therefore, KPJ strives to provide them with a safe, motivating and rewarding work environment at all times as part of our investment efforts.

## Consultants

METHOD OF ENGAGEMENT	
Town halls	A
Clinical Governance Meetings	A B Q
Annual Medical Conference	A
Collaboration in educating the public	AS
Meetings of the clinical committees	Q

KEY CONCERNS	
<ul style="list-style-type: none"> <li>Service quality and safety</li> <li>Top-notch equipment and facilities</li> <li>A safe, motivating and rewarding workplace</li> </ul>	

RESPONSE	
<ul style="list-style-type: none"> <li>Ensuring compliance with the Company's policies</li> <li>Enabling well-trained clinical and support staff and offering attractive new packages and services for new consultants</li> <li>Providing state-of-the-art equipment, updated systems and convenient facilities</li> </ul>	

**IMPACT ON STRATEGY**

Being in the healthcare industry, consultants are essential partners and an integral component of our business. With this in mind, we are always committed to supporting the needs of our consultants by creating the right ecosystem for them to provide the highest level of care to patients.

# Stakeholder Management

## Investors and Shareholders

METHOD OF ENGAGEMENT	
Investor and analyst briefings	Q
Financial results and non-financial reports	Q
Corporate website	AS
General meetings (Annual General Meeting/ Extraordinary General Meeting)	AS
Investor meetings	A B

KEY CONCERNS	
<ul style="list-style-type: none"> <li>Shareholder returns</li> <li>Corporate governance</li> <li>Business sustainability</li> <li>Clear and transparent reporting</li> </ul>	

RESPONSE	
<ul style="list-style-type: none"> <li>Consistent financial and non-financial performance, transparent EESG disclosures of corporate responsibility, integrity and accountability as enshrined in the MCCG</li> </ul>	

IMPACT ON STRATEGY	
<p>Our investors and shareholders are linked to our shareholder wealth creation agenda.</p>	

## Government And Regulators

METHOD OF ENGAGEMENT	
Licence applications	A B AS
Facilities inspection	AS
Healthcare conference	A
Private-Partnership Programme	AS

KEY CONCERNS	
<ul style="list-style-type: none"> <li>Regulatory compliance</li> <li>Fair and ethical business practices</li> <li>Crisis management and business continuity programme</li> </ul>	

RESPONSE	
<ul style="list-style-type: none"> <li>Strengthening governance policies, standards and frameworks and adhering to regulatory requirements</li> <li>We developed the KPJ Business Continuity Management (BCM) Framework to help strengthen the existing management plan for disasters and emergency situations</li> <li>Supporting the Public-Private Partnership or PPP programme</li> </ul>	

IMPACT ON STRATEGY	
<p>We incorporate relevant government policies and requirements into all its internal policies and procedures, strategic plans and decision-making processes to maintain our operating licence.</p>	

## Business Partners

METHOD OF ENGAGEMENT	
Regular meetings	AS
Contract negotiations and renewals	AS
Media releases/media announcements	W M Q A
Quarterly briefing sessions	AS
Media relationship programmes	AS

KEY CONCERNS	
<ul style="list-style-type: none"> <li>Quality clinical and healthcare delivery improvements are offered at reasonable prices</li> <li>Competitive pricing offered via promotional packages</li> <li>Revising contracts and agreements and arranging panels for new KPJ hospitals with major corporate clients</li> <li>News updates on print/broadcast/digital platforms to increase brand prominence, promote services and educating public</li> </ul>	

RESPONSE	
<ul style="list-style-type: none"> <li>Participation in our business partner's activities and performance</li> <li>Collaborating with the mass media and the public in order to improve stakeholders' confidence and protect KPJ's reputation via crisis and reputation management</li> <li>Immediate reactivation of health tourism strategy with our partners and agents.</li> </ul>	

IMPACT ON STRATEGY	
<p>Forging a strong relationship with a partner in another industry enables us to offer a broader range of healthcare packages and services to influence customer demand and to reach to wider communities.</p>	

# Stakeholder Management

## Accreditation Bodies and Industry

METHOD OF ENGAGEMENT	
KPJ's Management serves in various roles, including as President and Treasurer of the MSQH and Vice President of the APHM	<b>A</b> - MSQH's AGM
KPJ's Medical Director and Senior Management serve as board members of the APHM	<b>A</b> - APHM Conference
KPJ's Chief Nursing Officer serves as the Chairman of the Nursing Committee of the APHM	<b>R</b>
Participation in conferences	<b>AS</b>
KEY CONCERNS	
<ul style="list-style-type: none"> <li>KPJ's policy emphasis on accreditation based on industry standards is communicated through the APHM and MSQH vis-à-vis the MOH, MOF, etc.</li> <li>Participation in the PPP via the APHM</li> </ul>	
RESPONSE	
<ul style="list-style-type: none"> <li>KPJ has complied with the MSQH's 6<sup>th</sup> Edition Accreditation Standard in relation to the hospital industry to reach out to our nation</li> <li>KPJ is involved via its hospitals in supporting initiatives conducted by the APHM</li> </ul>	
IMPACT ON STRATEGY	
<p>The management and operations of industry-certified and accredited hospitals affect our ability to generate sustainable and long-term growth of our network of hospitals within the healthcare industry to reach out to our nation.</p>	

## Suppliers and Vendors

METHOD OF ENGAGEMENT	
Regular meetings with medical and non-medical suppliers	<b>W</b> <b>M</b>
Tenders, bidding, quotations and contract negotiations	<b>Q</b> <b>A</b>
Product demonstrations and evaluations	
Training and collaboration sessions	
KEY CONCERNS	
<ul style="list-style-type: none"> <li>Compliance with regulatory requirements and quality standards to protect the environment and society and uphold good governance</li> <li>Availability of products and services and ability to provide continuous support</li> <li>Fair and transparent negotiations</li> <li>Active communication with suppliers</li> </ul>	
RESPONSE	
<ul style="list-style-type: none"> <li>Streamlining and centralising our procurement processes to improve efficiency and cost-effectiveness</li> <li>Contracted vendors and suppliers for medical and non-medical products are required to adhere to KPJ's Corporate Integrity Agreement (CIA), the KPJ Environment, Safety and Health Policy and Supplier Code of Conduct.</li> </ul>	
IMPACT ON STRATEGY	
<p>Our suppliers and vendors are key enablers in achieving our objective of offering quality healthcare services.</p>	

## Local Communities

METHOD OF ENGAGEMENT	
Community outreach programmes, e.g. KWAN	<b>D</b> <b>M</b> <b>AS</b>
Educating the public	
Other ad hoc CSR programmes	
KEY CONCERNS	
<ul style="list-style-type: none"> <li>Affordable and accessible healthcare</li> <li>Development of communities, prioritising solidarity, social welfare, education, health and safety</li> </ul>	
RESPONSE	
<ul style="list-style-type: none"> <li>Continuous investment in identified community engagement programmes, in line with the WHO's promotions and initiatives</li> <li>Expanding the reach of social healthcare services, targeting the urban poor and rural areas</li> <li>KPJUC education sponsorship for the B40 income group</li> </ul>	
IMPACT ON STRATEGY	
<p>Our engagements with local communities provide us with a platform to showcase our good corporate citizenship practices. KPJ's value is reflected in the community's quality of health and well-being.</p>	

# Adapting to Economic Shifts

## Business Model Resilience

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**At KPJ, we prioritise our economic sustainability within our business model, recognising the pivotal role of a robust financial and economic framework in supporting both the Group and Malaysia's broader healthcare ecosystem. Committed to responsible corporate practices, we strive to enhance shareholder value while safeguarding the well-being of our employees and preserving the environment. Our continuous efforts drive both long-term economic growth and strengthen our resilience and relevance in the markets we serve, guided by our motto 'Care for Life' to ensure inclusivity.**

The Allied Health and Support Services function, overseen by the Group Allied & Retail Health Operations ("GARHO"), plays a crucial role in supporting all KPJ Hospitals. These services encompass a wide range of essential tasks, including laboratory work, pharmaceutical and medical device distribution, as well as hospital support functions like laundry, catering, and equipment sterilisation. In our commitment to bolster resilience and sustainability within our business model, GARHO entities are actively seeking partnerships beyond the KPJ ecosystem. This strategic initiative aims to lessen dependence on the Group, ensuring operational continuity to better serve KPJ Hospitals and contribute to Malaysia's broader healthcare ecosystem. In addition, our Sukuk Wakalah programme, launched in early 2022, remains a cornerstone of our 2030 Sustainability Goals and aligns with UN SDGs. Since its inception, this programme has enabled us to secure funding for current and future projects that positively impact patients and communities, reinforcing our dedication to creating a lasting difference.





## Adapting to Economic Shifts

### Anticipating and Meeting Healthcare Demands

Our patients' needs and well-being remain our top priority. We continuously strive to refine our services, proactively anticipating future needs. These needs could include technological advancements, changes in customer preferences, regulatory requirements, market trends, or any other factors that may affect the delivery and quality of the services we offered. This dedication ensures KPJ remains adaptable and responsive to the evolving needs of our patients and the demands of health tourism, with excellence and precision.

### Fostering Digital Collaboration with Our Partners

We encourage collaboration from all partners within KPJ's value chain to participate in our journey towards digitalisation. Through transparent sharing of our sustainability goals and technological progress, our aim is to align our partners with our vision, empowering them to contribute to our sustainable growth.

This collaboration enables us to support them in delivering top-tier services while simplifying their access to credit and cutting-edge technology. We are committed to driving cost management effectiveness and efficiency for the mutual benefit of KPJ and our partners.

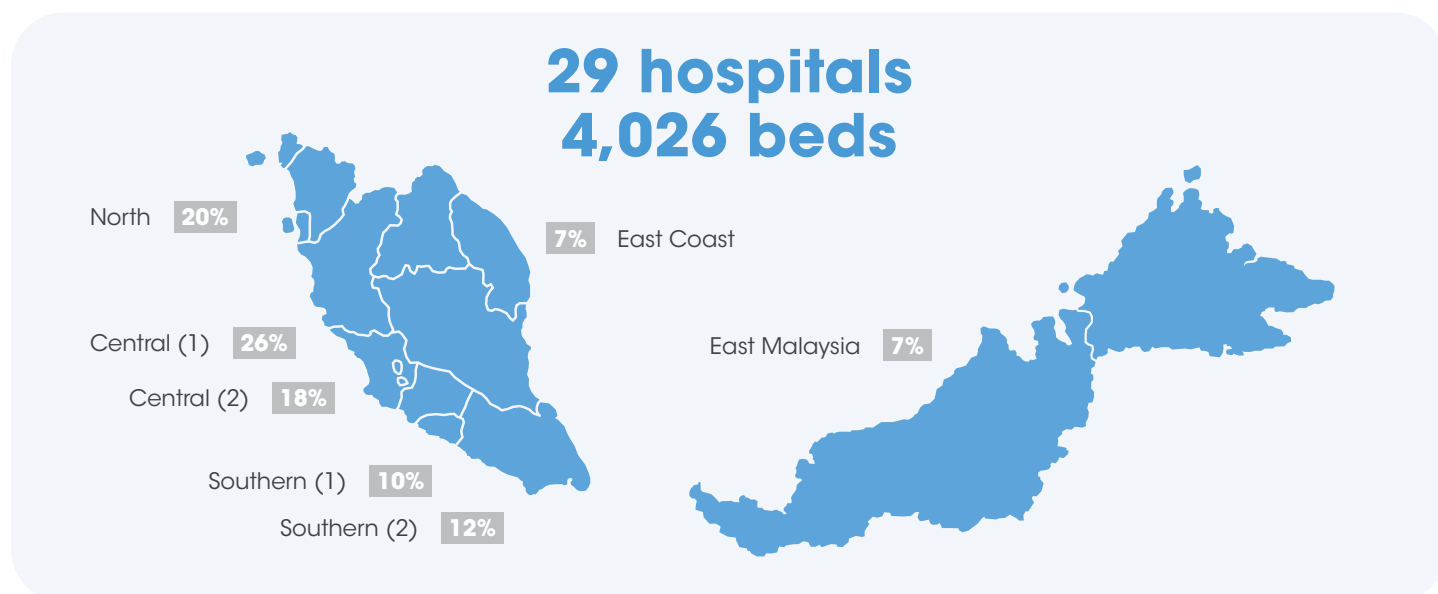
### Advancing Equity in Healthcare for Malaysians

In Malaysia, the healthcare sector is embracing digital tools to modernise and enhance experiences for patients, consultants,

suppliers, and vendors, making healthcare more accessible and personal for everyone. This presents a unique opportunity for us to serve and address the diverse healthcare needs of our communities, regardless of their income bracket. We are committed to closing the healthcare disparity for both middle- and low-income groups, ensuring that everyone has access to quality medical support enabled by technology. This aligns with the SDG 9 - industry, innovation and infrastructure.

In 2023, we adopted numerous state-of-the-art technologies to improve patient care and amplify our reach, encompassing initiatives such as:

- Utilising telemedicine to broaden access to care and facilitate virtual connections between patients and health specialists
- Empowering individuals with mobile apps for convenient self-monitoring and health tracking at KWAN clinics, ensuring accessibility for all
- Spearheading Malaysian healthcare with the implementation of 5G-enabled VSI holomedicine by collaborating with apoQlar. This initiative, which is supported by the Digital Nasional Berhad, Microsoft, TM One, and the National University Health System, positions KPJ at the forefront of medical mixed reality research, reshaping healthcare services with a patient-centric approach. With this advancement, we aim to transform healthcare delivery, providing patients with immersive and personalised experiences while advancing medical practices across Malaysia.



Throughout the year 2023, the following advancements were achieved:

**An additional 190 new ward beds were operationalised in 2023**

**Total investment on new medical and other equipment RM237.5 million**

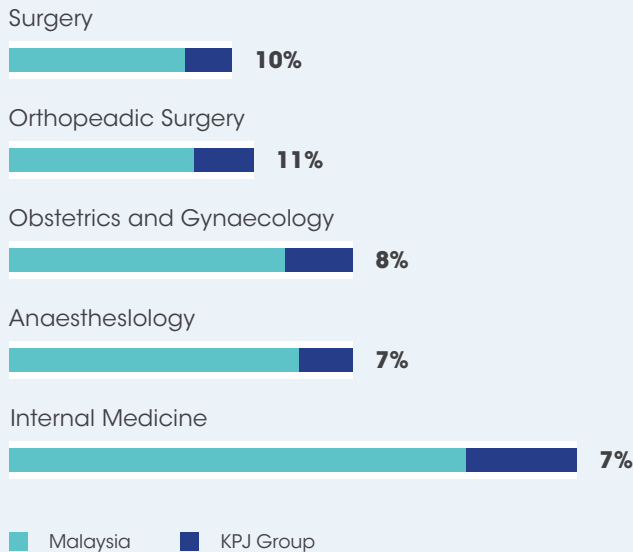
## Adapting to Economic Shifts

### 2023 Medical Equipment Investment

- CT Scan 640
- Single plane angiography
- MRI 1.5T
- SIT C X-Ray Tube Scan
- Mammography with Tomosynthesis and Contrast Enhancement
- SITC Mobile C-Arm (FPD)
- SITC Digital Mobile Radiography
- C-Arm with Flat Panel Detector
- SITC Physiologic Monitoring Systems
- Image Guided system
- Dermatology Laser

In 2023, KPJ welcomed 72 new consultants, with 30 specialising in medical disciplines and 42 in surgical fields. Additionally, 92 sessional and 64 visiting consultants were recruited, bringing the total to 228 new additions to the team.

### Percentage Of KPJ Group's Resident Consultants in Malaysia By Top 5 Major Specialties



### Centre of Excellence for Orthopaedics

KPJ Tawakkal Orthopaedic Centre, established in 2010, is the first healthcare centre in Malaysia to feature a digital operating theatre and a dedicated navigation system. The Orthopaedic Centre's expert team, consisting of 7 resident and 5 sessional/visiting consultants, delivers a diverse range of orthopedic treatments. These include joint replacement, spinal care, sports medicine, trauma management, pediatric orthopedics, and minimally invasive hip replacement surgery (AIMS). Furthermore, the Orthopaedic Centre bolsters its medical services with rehabilitation support at KPJ Tawakkal Health Centre, underscoring its commitment to holistic patient care.



### Improving Communities' Accessibility to Preventive Healthcare Services

We leverage our KWAN platform to advocate for universal healthcare access in Malaysia for underserved communities, together with various stakeholders such as the government and healthcare insurers. This aligns with the UN Sustainable Development Goal 3: Good Health and Well-Being.

Our Ambulatory Care Centres (ACCs) offer high-quality healthcare services, prioritising preventive care and specialised treatments for suburban communities. Affordable and conveniently situated, our ACCs alleviate strain on overcrowded hospitals, providing post-hospitalisation care and referrals for complex cases.

## Adapting to Economic Shifts

Our 2023 annual focus is centred on “Optimising the Core”, as part of our pursuit of sustainability and fortifying our business model. KPJ channels its efforts into a strategic framework comprising four key categories: Re-Imagining Experience, Re-Skilling Talents, Research & Innovations, and Re-Emphasising ESG. The aim is to establish a healthcare model that is both sustainable and resilient, ensuring enduring success in our ever-evolving industry. Moreover, in 2023, KPJ divested its underperforming ventures in Indonesia and Australia. This strategic decision allows us to reallocate our focus and resources towards enhancing value and performance within our core Malaysian market.

No	Strategic Focus 2023	Strategic Initiatives
1	<b>Re-imagining Experience</b>	<ul style="list-style-type: none"> <li>Digitising patient interactions via the KPJ App and smart hospital, alongside patient journey initiatives</li> <li>Intensifying staff engagement efforts to enhance morale and productivity</li> </ul>
2	<b>Re-Skilling Talents</b>	<ul style="list-style-type: none"> <li>Recruiting and hiring skilled professionals, such as Data Scientists and Data Analysts, to build a data-driven organisation</li> <li>Cultivating a high performance workforce through upskilling programmes aimed at promoting career progression</li> </ul>
3	<b>Research &amp; Innovation</b>	<ul style="list-style-type: none"> <li>Exploring potential collaborations between KPJ and Samsung, KPJ and Mayo Clinic, as well as initiatives involving the KPJ Research Centre</li> </ul>
4	<b>Re-Emphasising ESG</b>	<ul style="list-style-type: none"> <li>Implementing ‘Go Green’ initiatives in hospitals including solar PV installation and sustainable waste management</li> </ul>

### Forging Excellence in Our Health Tourism Hospitals

Our country is internationally recognised for its advanced healthcare system and state-of-the-art medical facilities. These facilities draw patients from around the world seeking affordable and high-quality medical treatments. Malaysia maintains strong relationships with key markets such as China, Bangladesh, and the MENA region. KPJ’s continuous efforts in this field involve strengthening connections with global insurers, third-party administrators (“TPAs”), medical evacuation firms, corporate partners, professional associations, media outlets, digital platforms, and various other stakeholders.

The Group operates 10 health tourism hospitals, each catering to specific target markets. While KPJ primarily focuses on the ASEAN region, it has established strong connections in the Middle East and China, indicating potential growth opportunities in this segment. Our goal is to further expand the Group’s market share in expatriate health tourism, with the vision of becoming Malaysia’s leading hospital provider for expatriates in the medium to long term. As of December 2023, we have served 161,000 international patients, representing a 17% growth compared to the previous year.

	2021	2022	2023
<b>Revenue Growth in Health Tourism (%)</b>	(37)	63.5	<b>41</b>

### A Seamless, Integrated Academic Healthcare System

In 2023, KPJ Healthcare University College achieved full-fledged university status, now officially recognised as KPJ Healthcare University (“KPJU”). This significant achievement underscores our commitment to nurturing the nation’s healthcare sector while also highlighting our dedication to excellence. The transformation to KPJU solidifies our position in the healthcare industry and, through a holistic approach, uplifts patients and communities while enhancing the resilience of the nationwide hospital network to meet the rapidly evolving healthcare industry demands.

#### KPJU Graduates Employed at KPJ Hospitals

Programme	Number of graduates	Percentage of graduate (%)
<b>Centre of Global Professional and Social Development</b>	<b>2</b>	<b>0.20</b>
<b>School of Business Management</b>	<b>40</b>	<b>4.01</b>
<b>School of Health Sciences</b>	<b>64</b>	<b>6.41</b>
<b>School of Nursing</b>	<b>0</b>	<b>0</b>
<b>School of Medicine</b>	<b>256</b>	<b>25.65</b>
<b>School of Pharmacy</b>	<b>48</b>	<b>4.81</b>

Note: Based on the number of KPJU graduates who filled in Anjung Tracer Survey by Kementerian Pengajian Tinggi.

## Adapting to Economic Shifts



We observed an increase in enrollment numbers of active students across campuses nationwide in the last three years. The enrollment numbers are recorded in December of each assessment year.

### Number of students enrolled at KPJ Campus Nationwide (2021-2023)

Campus	2021	2022	2023
KPJU NILAI	1,707	1,851	<b>2,187</b>
KPJ IC JB	602	581	<b>616</b>
KPJ IC PENANG	182	242	<b>113</b>
<b>Total</b>	<b>2,491</b>	<b>2,674</b>	<b>2,916</b>

### Sukuk Wakalah Programme

The Sukuk Wakalah Programme, launched in early 2022 and rated AA-IS(CG) (stable) by Malaysian Rating Corporation Berhad ("MARC"), enables KPJ Group to issue Sustainability Sukuk Wakalah under the Sustainability Sukuk Framework. Rooted in the Shariah principle of Wakalah Bi Al-Istithmar, the proceeds from the programme are used to fund for general corporate needs of the Group's healthcare and healthcare-related businesses, including expansion, working capital, healthcare enterprises, existing borrowings and financing.

The Asset Triple A Awards for Sustainable Finance 2024

**Best Sustainability Sukuk**

Alpha SEA's 17th Annual Best Deal and Solution Awards 2023

**Best Sri Wakalah of the Year**

IFN Deals of the Year 2023

**Deal of the Year**

MARC's Sustainability Award 2022

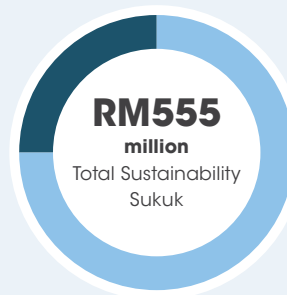
**Sustainability Award**

## SUSTAINABILITY SUKUK REPORT

### Allocation Reporting

**RM105 million**

The unutilised amount has been placed in a Shariah-compliant interest bearing deposit



**RM450 million**

**Access to Essential Services: Quality Healthcare Services**  
The funds were used to refinance new hospital developments at KPJ Bandar Dato Onn and KPJ Kuching

### Impact Reporting



Communities are able to gain improved access to medical services, marking a significant stride towards achieving UNSDG 3 - Good Health and Well-being.

The utilisation is in line with the

### Point Zone Sustainability Sukuk Framework

Aligned with KPJ's sustainability commitments, the Eligible Sustainability Project Category of Access to Essential Services: Quality Healthcare Services with focus on improving healthcare accessibility, affordability, and quality.

# Protecting Our Environment

## Climate Change

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**Climate change is a threat to public health especially the vulnerable population such as children, elderly and the underprivileged. With increased occurrences of illness due to extreme weather conditions, the healthcare sector can play a vital role in contributing to the nation's wellbeing.**

Despite our role in safeguarding public health, we acknowledge that our operations also contribute substantially to climate change through energy consumption and waste production, especially the hospitals which consume large amounts of energy.

Therefore, we are participating in climate action to mitigate these adverse effects, in support of the national target of decreasing emissions by 45% by 2030 year through the following targets:

Obtaining  
**10%**  
of energy from  
renewable sources

Reducing water  
usage by  
**20%**

Reducing  
**25%**  
of GHG emissions  
by 2025 from the  
2022 baseline

Apart from developing initiatives to reduce our environmental footprint, we also implemented our Environmental Safety Services (EES) Policy that is applicable across our hospitals, aligned with the Malaysian Society for Quality in Health (MSQH), JCI standards and the following IMS certifications:

- ISO 9001:2015 Quality Management System (QMS)
- ISO 14001:2015 Environmental Management System (EMS)
- ISO 45001:2018 Occupational Health and Safety Management System (OHSMS)
- Environmental Quality Act 1974

We perform yearly internal and external audits to uphold transparency and adherence to regulations. Each KPJ hospital is overseen by an ESS and OSH committee, ensuring compliance with policies.



# Protecting Our Environment

## Waste Management

At KPJ, we recognise the importance of managing waste efficiently to safeguard the well-being of both current and future generations, aligning with our Care for Life promise and sustainability practices in all aspects of our operations.

### Why It Is Important

Our hospital operations produce scheduled waste apart from general and recycled waste, therefore, effective waste management is integral to our commitment to sustainability. In our efforts to minimise our environmental footprint and contribute to a healthier planet, we implement robust waste management practices in accordance with the Department of Environment's (DOE) requirement. Proper waste management not only reduces pollution and conserves natural resources but also protects public health by preventing the spread of infections and contaminants. Additionally, responsible waste disposal practices help mitigate potential negative impacts on local ecosystems and communities.

### Our Approach

KPJ has established a target to curtail waste generation by 2030 and we are committed to ensuring a safe and hygienic environment for our employees and patients. We promote public health via proper waste management measures by preventing, reducing, reusing and recycling our waste where possible.

Apart from being aligned with the SDG 12.5 which is to substantially reduce waste by 2030, we handle our waste management accordingly with the Hazardous Waste Legislation which is set by the DOE and mandated under the Environmental Quality Act 1974.

Adhering to regulations and best practices not only enhances KPJ's reputation but also fosters trust among stakeholders. Furthermore, implementing policies, Standard Operating Procedures (SOPs), and regular audits improve operational efficiency in waste management and promote transparency.

### Initiatives/Progress

We continue following waste management initiatives across our hospitals:

#### Waste Recycling Programme

Throughout our hospital networks, various departments actively participate in waste recycling programs. These efforts include:

- Partnering with local authorities like Majlis Bandaraya Shah Alam (MBSA) and Jabatan Alam Sekitar for recycling initiatives.
- Involvement in beach cleanups.
- Establishing recycling stations and conducting educational and developmental programs.
- Selling unused items to recycling companies.
- Collaborating with waste management vendors such as Alam Flora to promote awareness about recycling practices, including the management of e-Waste.
- Implementing the sale of used cooking oil.

#### Proper Disposal Practices

KPJ group has adopted effective waste disposal practices to manage waste efficiently while minimizing environmental impact. Some of the initiatives include:

- Needle and syringe disposal programs
- Segregation of clinical waste into designated bins
- Installation of clear signage and bins for general waste to aid precise waste collection
- Phasing out the distribution of mineral water bottles to patients
- Providing dedicated disposal bins for medications

## Protecting Our Environment

### KPJ Earns Malaysia Book of Records Recognition As The First Hospital Chain To Launch Clinical Waste Segregation Programme

In partnership with Cenviro Sdn Bhd, we proudly launched Malaysia's First Clinical Waste Segregation Programme, an initiative initiated by Asset and Facilities Management Services that earned us a spot in the Malaysia Book of Records. This landmark programme, unveiled with support from the Department of Environment (DOE), signifies our commitment to a Circular Economy. By turning clinical waste into valuable resources, we're setting a precedent for the healthcare industry in Malaysia and reflecting our proactive approach.

This programme addresses the challenge of clinical waste under SW404 and SW409 categories in our hospitals. Through segregation and repurposing, we aim to manage significant volumes of waste, including drip solution bottles, medication cups, and plastic materials from hospital wards and dialysis centres.

Our pilot project, initiated in August 2023 at nine KPJ hospitals in the Central region, has shown promising results. We're honored to announce that our efforts have earned us a prestigious place in the Malaysia Book of Records as the nation's first healthcare provider to implement clinical waste segregation.

Looking ahead, KPJ is committed to extending the impact of our initiatives beyond immediate outcomes. We will continue to explore and implement innovative practices that contribute to a sustainable future, further solidifying our position as leaders in healthcare sustainability.

In 2023, we generated a total waste of 8,097.88 tonnes as compared to 13,409.99 tonnes in FY2022. The decline in waste generated is attributed to our stringent waste management practices.

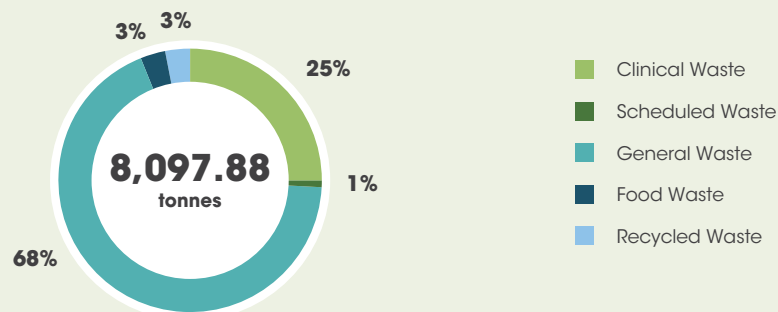
Non-hazardous Waste (Tonnes)	2021	2022	2023
<b>Total Waste Diverted from Disposal</b>	185.62	392.45	<b>482.44</b>
a) Recycling	146.84	224.43	<b>278.90</b>
b) Other Recovery Operations (Food)	38.77	168.01	<b>203.54</b>
<b>Total Waste Directed to Disposal</b>	3,650.13	10,986.13	<b>5,492.94</b>
a) Landfilling	3,650.13	10,986.13	<b>5,492.94</b>
b) Other Disposal Operations	-	-	-
<b>Total Waste Generated</b>	3,835.75	11,378.58	<b>5,975.38</b>

Hazardous Waste (Tonnes)	2021	2022	2023
<b>Total Waste Directed to Disposal - Incineration (without energy recovery)</b>	1,444.45	2,031.41	<b>2,122.50</b>
<b>Total Waste Generated</b>	1,444.45	2,031.41	<b>2,122.50</b>

This year, 29 selected KPJ hospitals and 15 subsidiaries generated 2,016.91 tonnes of clinical waste, showing an increase from the previous year's 1,950.41 tonnes. This is attributed to the increase in bed operation rate, new hospital buildings at KPJ Penang and KPJ Puteri as well as in licensed beds. However, our hospitals successfully recycled 278.90 tonnes of waste during this period.

	2021	2022	2023
<b>Clinical waste (%)</b>	26.4%	14.5%	<b>24.9%</b>
<b>Total area of 44 KPJ hospitals and companies in m<sup>2</sup> (29 hospitals and 15 subsidiaries)</b>	841,111.82	947,682.71	<b>947,682.71</b>
<b>Clinical waste per gross floor area (kg/m<sup>2</sup>)</b>	1.66	2.06	<b>2.13</b>
<b>Patients number</b>	2,480,022	3,096,989	<b>3,278,784</b>
<b>Clinical waste per patient</b>	0.49	0.63	<b>0.62</b>

### KPJ Waste Composition 2023



### Going Forward

We look forward to having our first KPJ Waste Management Guidelines approval for adoption in 2024.

# Protecting Our Environment

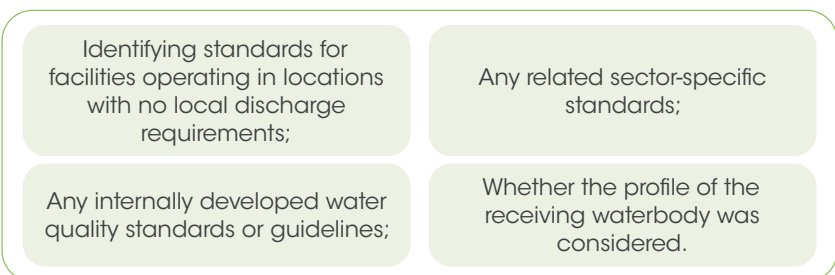
## Resource Management

### Why It Is Important

We prioritise effective resource management as our hospitals operate round-the-clock, generating higher resource consumption as compared to non-essential businesses. Efficient resource management is crucial for our stakeholders as it helps minimise operational costs and ensures sustainable practices, which ultimately safeguards the long-term viability of our organisation. Additionally, it enhances the reputation of KPJ hospitals, fostering trust among patients, employees, and the community, thereby attracting more business and talent.

### Our Approach

KPJ is continuously exploring ways to intensify our environmental management. To this end, we ensure that we implement initiatives such as water recycling, rainwater harvesting and energy-saving measures. It is also important that our employees are part of the process whereby we engage them through employee awareness programmes. We ensure that we adhere to all relevant regulations, international standards and best practices including the Environment Management Systems ISO 14001:2015.



### Water and Effluents

Access to clean and safe water is imperative in the healthcare industry and hospital operations to facilitate cooling, cleaning and washing purposes. Aligned with the SDG 6 target 6.2 which is to provide equal access to sanitation and hygiene, KPJ ensures that our water management initiatives include awareness drives and activities as we work towards reducing our water usage by 20% per patient by 2025.

### Management of Water Discharge Related Impacts

Our commitment extends to adhering to local wastewater regulations and efficiently managing the wastewater generated by our operations to ensure KPJ healthcare institution effluent complies with relevant regulatory standards.

Our hospital engineer has oversight of the license for effluent disposal, which is only granted if reports submitted have achieved the stipulated standards. Our hospitals must adhere to standards outlined in the Environmental Quality Act 1974, and the Water Services Industry Act 2006. We aim to meet minimum standards for effluent discharge, which are determined based on factors such as facility location, internal water quality standards, sector-specific guidelines, and the waterbody's profile accordingly with the following:

	2021	2022	2023
<b>Water Consumption (m<sup>3</sup>)</b>	1,465,122.45	1,832,307.31	<b>1,847,193.61</b>
<b>Gross Floor Area (m<sup>2</sup>)</b>	841,111.82	947,682.71	<b>947,682.71</b>
<b>Water Consumption per gross floor area (m<sup>3</sup>/m<sup>2</sup>)</b>	1.74	1.93	<b>1.95</b>
<b>Patients number</b>	2,840,022	3,096,989	<b>3,278,784</b>
<b>Employee</b>	15,247	16,127	<b>16,480</b>
<b>Water Consumption per Patient and Employee</b>	0.51	0.59	<b>0.56</b>

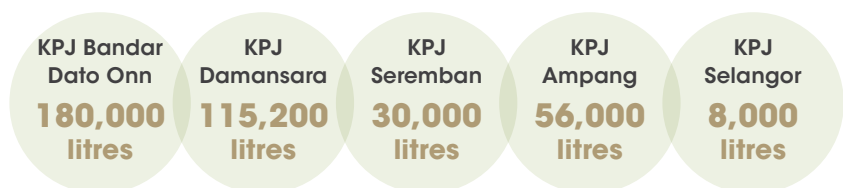
In 2023, we have recorded an increase of our water consumption due to expansion of bed capacity.

KPJ is committed to implementing water conservation measures and improving water management practices to reduce our overall water consumption and minimise our environmental impact.

### Initiatives/Progress

#### Rainwater Harvesting

At five of our hospitals, we have installed rainwater harvesting systems to capture and utilize rainwater efficiently, allowing us to reduce our dependency on potable water sources. The collected rainwater serves various non-potable purposes such as landscaping, irrigation, car park washing, general washing. This initiative aligns with our commitment to environmental stewardship and responsible resource management.





## Protecting Our Environment

### Energy

Our hospitals use considerable energy, driven by the size of our buildings and utilisation of high-energy equipment such as HVAC systems and medical devices. As we operate round-the-clock, our hospitals stand as the primary energy consumers within the Group. To meet these needs, we rely on both electricity and diesel for gensets to power our facilities.

We reported a total energy consumption of 729,614.48 GJ in FY2023, as compared to 700,351.68 GJ in the previous year.

Fuel Consumption	2021		2022		2023	
	Litres (L)	Gigajoules (GJ)	Litres (L)	Gigajoules (GJ)	Litres (L)	Gigajoules (GJ)
Diesel (Genset and Company Vehicle)	151,091.25	5,409.07	423,856.99	15,174.08	<b>402,600.20</b>	<b>14,413.09</b>
Petrol (Company Vehicle)	117,919.75	3,785.22	294,464.94	9,452.32	<b>257,085.31</b>	<b>8,252.44</b>
	Kilogrammes (kg)	Gigajoules (GJ)	Kilogrammes (kg)	Gigajoules (GJ)	Kilogrammes (kg)	Gigajoules (GJ)
Liquefied Petroleum Gas (LPG) (Cooking Gas)	56,798.00	2,450.73	77,108.53	3,327.09	<b>85,213.08</b>	<b>3,676.79</b>

Note: Data for diesel and electricity are from the 44 selected hospitals and companies, converted to gigajoules.

### Energy Consumption

We continue implement energy efficient best practices including:



Establishing an Energy Management System



Enabling power-saving mode for all office computers



Replacing conventional light bulbs with LED lights



Replacing desktop computers with laptops



Optimising air-conditioning temperature settings, chiller and air handling unit (AHU)



Implementing scheduled and planned preventive maintenance activities



Implementing Automatic Tube Cleaning System (Hydroball)



Organising training and awareness programmes on the impact of energy consumption on climate change

Our hospitals actively engage in the Energy Efficiency Projects Malaysia initiative, sponsored by the Sustainable Energy Development Authority (SEDA). The initiative aims to reduce energy consumption in the Commercial Building sector by providing a RM60,000 grant to hospitals for conducting energy audits, enhancing energy consumption management, and identifying cost-saving measures.

This year, 11 of our hospitals have been granted the SEDA RMK-12 Energy Audit Conditional Grant:

Kedah Medical Centre

KPJ Bandar Dato Onn

KPJ Pasir Gudang

KPJ Ampang Puteri Specialist

KPJ Pahang

KPJ Maharani

KPJ Tawakkal KL Specialist

KPJ Sabah

KPJ Rawang

KPJ Perlis

KPJ Kuching

## Protecting Our Environment

Apart from that, five of our hospitals including KPJ Ipoh Specialist Hospital, KPJ Penang Specialist Hospital, KPJ Kajang Specialist Hospital, KPJ Rawang Specialist Hospital and KPJ Bandar Maharani Specialist Hospital have obtained the SEDA 2022 Green Pass Operation Certification.

### Electricity Consumption

We continue to implement initiatives for efficient electricity consumption. The initiatives include installing LED streetlights, solar light at compound areas, motorised valves at Air Handling Units, motion sensors lighting, chiller system optimisation and scheduling of operational control for lighting and air conditioning.

Additionally, 10 of our hospitals are subscribers of the government's Green Electricity Tariff (GET) and have benefitted from the low carbon electricity supply. However, our electricity consumption increased by 4.6% from the year 2022 due to the surge in certain hospitals' operations capacity and number of patients.



KPJ Selangor Specialist Hospital

Kedah Medical Centre

KPJ Puteri Specialist Hospital

KPJ Perdana Specialist Hospital

Menara KPJ

KPJ Johor Specialist Hospital

KPJ Bandar Dato' Onn Specialist Hospital

KPJ Batu Pahat Specialist Hospital

Taiping Medical Centre

KPJ Pasir Gudang Specialist Hospital

Electricity Consumption 2021-2023						
Energy Consumption	2021		2022		2023	
	kWh	Gigajoules	kWh	Gigajoules	kWh	Gigajoules
Electricity Consumption	172,333,409.07	620,400.27	186,777,273.33	672,398.18	<b>195,353,382.19</b>	<b>703,272.17</b>
Gross Floor Area (m <sup>2</sup> )	841,111.82		947,682.71		<b>947,682.71</b>	
Electricity Intensity (per m <sup>2</sup> )	204	0.74	197	0.71	<b>206</b>	<b>0.74</b>

Note: 41 sites in 2021, 44 sites for 2022 and 2023

### Building Energy Intensity (BEI)



# Protecting Our Environment

## Greenhouse Gas (GHG) Emissions

### Why It Is Important

Climate change is an urgent concern to the general well-being of people and planet as globally, many are facing challenges in accessing clean air, water, food resources. Additionally, extreme weather, rising temperatures and sea levels has led to frequent natural disasters. Climate change also affects businesses as operations, supply chains, resources and the overall business sustainability are increasingly vulnerable and at risk. At KPJ, we recognise the severe consequences of climate change for human health and the environment and we are taking steps in reducing our GHG emissions.

### Our Approach

KPJ has embarked on our journey to reduce our GHG emissions by committing towards a low-carbon future and at the same time, empowering our stakeholders to follow suit. In tackling our GHG emissions, we have strategically incorporated measures such as sourcing for renewable energy, enhancing energy efficiency, managing our waste effectively and implementing green building practices.

Last year, we have conducted our Carbon Footprint Baseline, with the assistance of an independent party to verify our GHG emission baseline. The GHG emissions includes all 44 sites (i.e. 29 hospital and 15 companies). Total carbon emission calculation for KPJ group encompasses all three scopes of emissions and is based on the 21 types of data submitted by hospitals and companies. We have identified that energy consumption under Scope 2 is the highest contributor to the Group's Carbon Footprint. To reduce our carbon footprint, 10 of our hospitals subscribe to the government's GET programme, benefitting from the low carbon electricity supply.

#### KPJ Kajang - as the first KPJ hospital to upgrade its Fire-fighting system

KPJ Kajang Specialist Hospital has implemented an IG55 Clean Gas System at its mezzanine floor to safeguard its Health Information Management System (HIMS) services. This installation aims to protect documents from fire damage, ensuring compliance with safety regulations and MSQH Accreditation requirements. IG-55 is renowned for its effectiveness in fire protection, particularly for high-value assets, and its installation at HIMS Services fulfils MSQH's recommendation for a clean agent fire suppression system. This initiative marks a significant step towards enhancing fire safety measures at the hospital, whereby completion was achieved in August 2023.

### Initiatives/Progress

In 2023, under our decarbonisation strategy, we carried out five main initiatives:

#### Green Energy Tariff (GET) Programme

Through our participation in Tenaga Nasional Berhad's (TNB) Green Energy Tariff (GET) program, we successfully offset our Scope 2 GHG emissions by 8.78%.

#### Clinical Waste Segregation

Following our partnership with Cenviro for the waste segregation programme, we have secured another prestigious spot in the Malaysia Book of Records for our innovative clinical waste management initiative.

The initiative which started in 8th August 2023 was rolled out to all regions by 9th November of the same year. As the first healthcare provider in Malaysia to pioneer a waste segregation initiative, we have set a new standard in environmental stewardship.

*Note: For more info, please review page XX on Waste Management*

#### Electric Vehicle (EV) Charging Stations

We signed an MoU with Gentari on a Zero-CAPEX collaboration on 5th July 2023, to install EV charging stations in our hospital parking areas. With the installation of 10 charging stations in KPJ premises with 31 charging points, we aim to encourage the adoption of sustainable transportation across our operations.

# Protecting Our Environment

## Energy Efficiency Projects

Across our hospitals and subsidiaries, we have implemented various energy efficiency projects through the installations of:

-  LED streetlights, LED lights at medical warehouse, LED solar light at compound area
-  AHU motorised valves
-  Motion sensor at staircase lighting
-  Variable Frequency Drive installation
-  Chillers Schedule Optimisation
-  Chilled Water Supply Balancing
-  Corridor and car park lights scheduling

## Renewable Energy (RE) Projects

### Rooftop solar

KPJ is progressing with our RE projects as we have signed a SARE agreement, targeting for full installation at five pilot hospitals namely KPJ Kluang, KPJ Johor, KPJ BDO, KPJ Seremban and KPJ Rawang by April 2024. We are also exploring Solar PV options and have identified five hospitals for a zero-CAPEX model with a proposed tenure of 20 years. Additionally, 10 of our TNB accounts have subscribed to the Green Energy Tariff (GET) programme to reduce our carbon footprint generated by electricity and we have recorded an 8.02% reduction since mid-February 2023.

### Totals GHG Emission for Scope 1,2 and 3

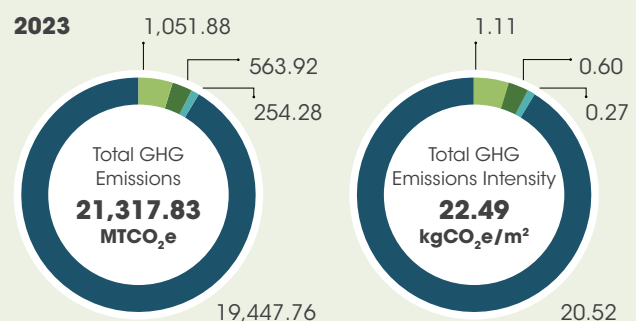
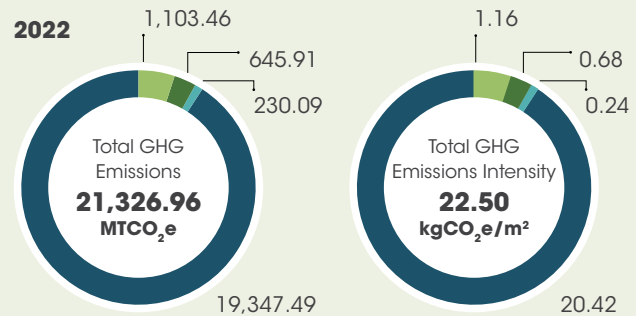
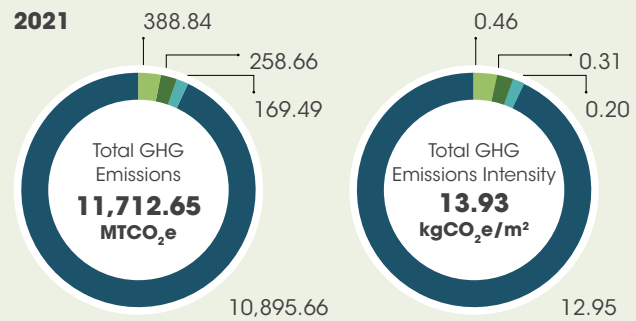
During the year under review, we recorded an increase of 1.84% in our total GHG Emissions. Total GHG Emission accounted for 44 entities across KPJ Group.

	Totals GHG Emissions (MTCO <sub>2</sub> e)
2023	172,498.35
2022	169,383.95
2021	140,824.68

# 6.88%

Offset was recorded in KPJ's GHG emissions, attributed to the participation of 10 entities in the Green Energy Tariff (GET) program and the installation of rooftop solar panels at KPJ Selangor

## Scope 1 - Direct Emissions

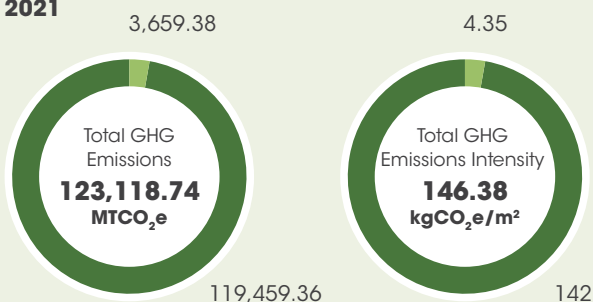


■ Diesel   
 ■ Petrol   
 ■ Liquefied Petroleum Gas   
 ■ Medical Gases

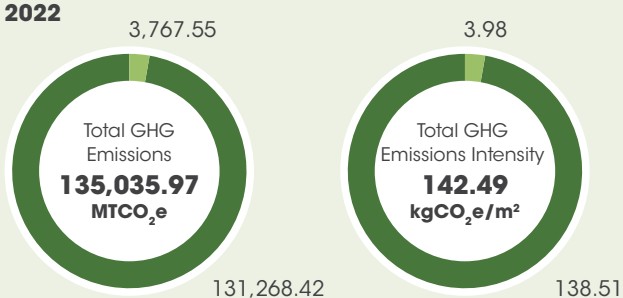
# Protecting Our Environment

## Scope 2 - Indirect Emissions

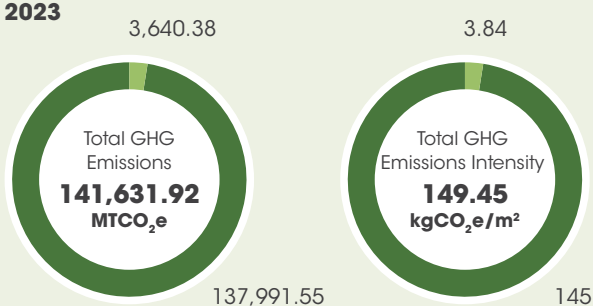
2021



2022



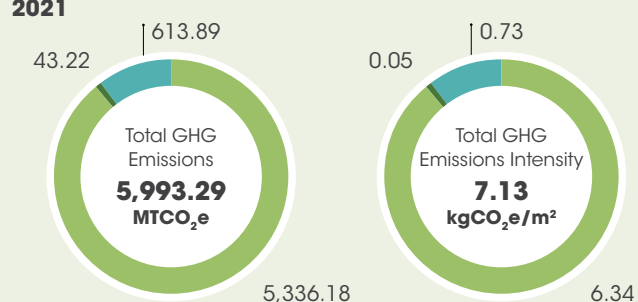
2023



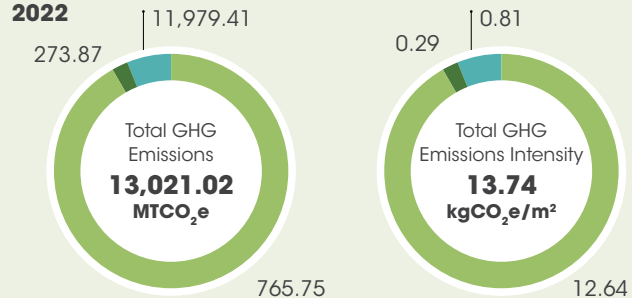
■ Head Office ■ Hospitals

## Scope 3 - Indirect Emissions

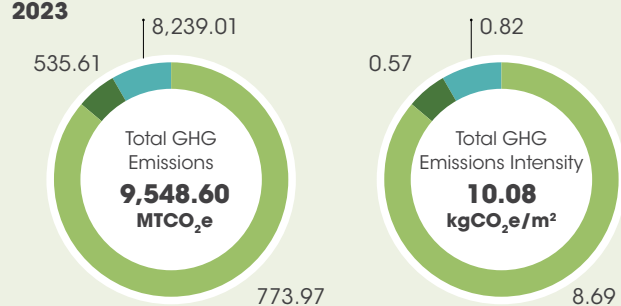
2021



2022



2023



■ Waste generation ■ Business Travel ■ Water Consumption

### Going Forward

As we move into 2024, we are focused on strategic initiatives to reduce our environmental impact, with a specific goal to cut GHG emissions by 25% from our 2022 baseline by 2025. These upcoming efforts highlight our dedication to environmental stewardship and our aim to set a new standard in the healthcare industry. Through innovative solutions, we are confident in our ability to exceed our sustainability targets.

# Protecting Our Environment

## Climate Change Resilience

### Why It Is Important

As climate change intensifies, we face increased risks from extreme weather conditions, rising sea levels and disruptions to business operations, environment ecosystem. These events can impact the public health as rising temperatures and volatile weather patterns can lead to increased occurrences of heat-related illnesses, vector-borne diseases, and respiratory ailments. Additionally, floods and storms can disrupt healthcare infrastructure and services, hindering access to medical care during critical times and impact the availability and distribution of essential medical resources, such as clean water and electricity, further straining the healthcare system. Therefore, it is important that we invest in climate change resilience so the nation can strengthen its ability to adapt and mitigate these impacts, safeguarding the public's health by ensuring the continuity of healthcare services.

### Our Approach

In building stronger climate change resilience, we have adopted the TCFD guidelines to help us identify the categories of climate risks.

KPJ ensures that climate risks are integrated with other operational and financial risks, enhancing the organisation's overall risk management effectiveness. Our holistic approach in addressing climate change through this integration underscores our commitment to safeguarding the health and well-being of stakeholders, including patients, employees, and the community.

### Initiatives/Progress

We have identified four Physical and three Transition Risks which are now integrated into the KPJ risk register as of October 2023:



#### Physical

- **Climate risk** - Extreme environment and weather
- **Social:** Employee's health
- **Social:** Increased demand for healthcare services
- **Economy:** Increase supplier's cost due to climate change



#### Transition

- **Environment:** Regulatory - increasing environment/ carbon legislation standards and policies
- **Governance:** Technology innovation/digitalisation
- **Social:** Stakeholders expectations and reputation

### Going Forward

In progressing towards mitigating climate risks, we have fully adopted TCFD framework and is currently developing our climate risk adaptation and mitigation plan in 2024.

# Uplifting Our Patients and Communities

## Service Quality & Safety

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**Customer welfare and satisfaction are crucial to influencing the sustainability of our business growth. We believe that high quality and safe services with a focus on customer welfare and satisfaction, will lead to improved health outcomes that benefit not only individual patients but also the overall health of communities.**

We are committed to delivering high-quality service and safe services, and ensuring that we maintain customer satisfaction index (CSI) scores of 90% or higher. This commitment is evident in CSI data from January to December 2023, where KPJ Group of Hospitals' patient satisfaction was remarkably high, with scores for services and facilities, staff care, and inpatient treatment of an average 94%, while the score for doctor's care was slightly above 95%. The feedback from our Patient Satisfaction Survey indicated patient satisfaction with the fair and safe delivery and provision of products and services. To continue providing high-quality patient quality care and safety while efficiently managing hospital staff, we have trained 20,860 members of our team under the customer care training programme namely *Standard People Practice and Premier Customer Service* modules.

### Our Approach

#### Patient-Centric Sustainability: Transparent Pricing Initiatives in Healthcare Marketing

In our pursuit of patient-centricity at KPJ Healthcare Berhad (KPJ), we prioritise transparency in our operations, specifically in communicating the costs associated with our services. This commitment aligns with regulatory guidelines, such as the Medicine Advertisements Board (MAB) Guidelines and Policy, which mandates the public disclosure of fees and charges across our communications platforms.



## Uplifting Our Patients and Communities



### Online Standardised Package Price

KPJ Specialist Hospital's official website provides transparent pricing for packages and services, enabling patients to make informed healthcare decisions.



### Public Announcements

KPJ Healthcare regularly hosts community outreach programmes to inform patients about healthcare costs and service availability, raising awareness within the community.



### Searchable Online Tools (Ongoing project: Bill Estimator)

KPJ's online tools enable patients to input details and receive accurate cost estimates for hospital bills, enhancing informed financial decision-making and promoting proactive spending adjustments.



### Government or Regulatory Requirements

KPJ Healthcare adheres to Medicine Advertisements Board regulations in all advertisements for packages and services in media channels, ensuring transparency in price and discounts.



### Community Engagement

KPJ maintains patient-centric communication with local communities and health tourists, ensuring they stay informed about services and package costs.



### In-Person Availability

We ensure pricing information is easily accessible within the hospital, promoting transparency and direct engagement for pricing-related queries.



### Mobile Applications (Ongoing project under Digitalised Transformation)

We are developing mobile applications for easy access to pricing information, focusing on online appointments and essential information, to enhance the patient journey with a seamless and holistic experience.



### Feedback Mechanisms

We have implemented multi-channel feedback mechanisms for patients to enhance communication and accessibility, allowing them to provide feedback anytime and anywhere, with timely and reliable responses.

### Going Forward

Moving forward, we are committed to ensuring our customer satisfaction and safety remain our utmost priority. We will adhere to the relevant laws, provide clear price lists, and offer cost estimates before treatments. With all these mechanisms in place, we strive to provide better services not only in healthcare but also in our patients' financials. By sharing pricing information on social media and various platforms, we aim to empower patients to make informed healthcare decisions. Our focus remains on prioritising the quality of healthcare services and patient safety building trust and creating a better healthcare future together.



## Uplifting Our Patients and Communities

### Customer Health & Safety

#### Why It Is Important

We constantly strive to go above and beyond to provide customers and communities with quality healthcare and safety. Ensuring health and safety is essential for protecting our patients from harm and preventing adverse events. We acknowledge that healthcare settings can pose risks to patient safety, such as medication errors, healthcare-associated infections and diagnostic inaccuracies. Therefore, we prioritise health and safety measures to minimise these risks and create a safe environment for our patients. We remain steadfast in implementing best practices and strengthening safety measures to provide an excellent clinical experience by putting in place comprehensive measures, processes, and procedures to reduce or limit clinical incidents. We are committed to upholding standards and guidelines for healthcare and ensuring compliance with safety requirements to improve community health and well-being.

#### Our Approach

Our clinical duties are governed by the Group Medical Advisory & Clinical Governance Committee which oversees policies, guidelines, and evidence-based practices to enhance clinical governance, compliance, performance, patient safety outcomes, and the introduction of new services. We use the Malaysian Patient Safety Goals (MPSG) 2.0 as it facilitates objective, systematic, and standardised implementation and monitoring of Key Performance Indicators (KPIs), which helps hospital facilities improve their performance. We report our hospitals' annual MPSG performance statistics to the Malaysian Patient Safety Council.

We abide by policies for managing medications that can potentially contribute to medication errors, such as Look Alike Sound Alike (LASA) and High Alert Medication (HAM). To assure compliance with the regulations and standard operating procedures for checking and counterchecking during the prescription process, we fully adhere to the Issuance of Medication in Inpatient and Outpatient Policies. When implementing KPJ Healthcare's incident reporting and learning system, we follow the guidelines provided by the Ministry of Health Malaysia's Incidents Reporting and Learning System 2.0.

To prevent dispensing errors, our pharmacists strictly ensure that the supply of controlled substances is in accordance with the Poisons Act 1952. Every prescription for controlled and non-controlled substances is subject to an appropriateness review and is monitored through our Prescription Drug Monitoring Programme (PDMP) to ensure the adequacy of prescribed drugs.



## Uplifting Our Patients and Communities

### Our Initiatives

#### MPSG 3: Medication Safety

We aim to create a safe healing environment, with 115 pharmacists filling prescriptions annually across the KPJ hospital network. Pharmacists play a critical role not only in daily procurement, quality control, counselling patients, and routine medication management but also in specialised compounding services such as dispensing for chemotherapy, prescription interventions, and medication therapy management reviews to reduce medication errors.

Six product recalls were instituted in 2023 for health and safety concerns. Out of the six products, five are related to pholcodine after receiving a notice from the MOH on March 23, and one product is related to Total Fibre after a notice from the product registration holder on November 21. Upon receiving notifications of the recalls, all KPJ hospitals removed the items from their inventory and returned them to suppliers. No financial loss occurred due to the recalls.

Medical compliance refers to patients' adherence to the consultants' advice regarding the appropriate time, dosage, and frequency of medication administration. If a medication is classified as High Alert Medication, it must be prepared, administered, and disposed of under the observation of an independent party.

Requirements for product and service information and labelling are among the initiatives to achieve zero medication errors.



#### i. The Sourcing of Components of the Product or Service

KPJ implements central procurement with technical assessments by subject-matter experts in the sector, such as hospital management, pharmacists, doctors, or consultants. Every hospital has a medical committee overseeing the clinical governance of pharmaceutical guidelines.



#### iii. Safe Use of the Product or Service

- Provide clear and comprehensive labeling on all products and services, including instructions for safe and proper use.
- Conduct regular training and education programmes for healthcare staff on the safe administration and usage of medications and medical devices.



#### ii. Content, Particularly Regarding Substances that Could have an Environmental or Social Impact

The hospital team implements clinical disposables and waste recycling initiatives, such as dialysis water and saline bottles. The hospital's clinical governance committee oversees all clinical processes and procedures to ensure compliance with MOH, certification bodies, and regulatory standards.



#### iv. Disposal of the Product and Environmental / Social Impacts

- Implemented guidelines for the proper disposal of products, especially those with potential environmental or social impacts, ensuring compliance with relevant regulations and standards.
- Implement environmentally friendly disposal practices and promote awareness among staff and patients about the importance of responsible disposal methods.

### Going forward

We will review and update our policies and guidelines for pharmacy services from time to time to keep up with the rapidly evolving regulatory requirements.

## Uplifting Our Patients and Communities

### Delivering Safe And Excellent Clinical Services Certification, Accreditation And Standards

#### Why It Is Important

Certification, accreditation, and standards serve as indicators of quality assurance in healthcare. We are committed to meeting all criteria required by local and international regulatory bodies to certify the standards of our healthcare facilities and related services and eventually improve the health and well-being of communities. As we strive to be a world-class organisation, KPJ has strong linkages with accrediting bodies to support international cross-sector initiatives. This is essential to the Group's initiatives to fulfil the SDGs and harmonise sustainable business practices globally.

#### Our Approach

KPJ's hospital accreditations are obtained from globally renowned organisations, namely the Malaysian Society for Quality in Health (MSQH) and the Joint Commission International (JCI). These accreditations put our hospitals on par with international hospital accreditation standards. KPJ is committed to maintaining our hospital accreditations to remain a leader in the marketplace, upholding our reputation as the healthcare provider of choice. All hospitals with MSQH and JCI accreditations must undergo stringent surveillance surveys conducted by the respective surveyors and audit teams to verify compliance with accreditation standards and requirements before the accreditation certification can be renewed.



#### Going forward

KPJ is committed to providing safe and excellent clinical services, meeting regulatory standards, and partnering with accreditation bodies. We will continue to foster a culture of continuous learning and improvement to adapt to the dynamic healthcare environment. Such initiatives could help them ensure that they can provide high-quality healthcare in line with the latest standards and regulations and contribute to the overall success of healthcare delivery.

# Uplifting Our Patients and Communities

## Community Outreach

### Why It Is Important

The community is an essential component of our business. We believe that engaging with the community through outreach programmes is important not only to fulfil our corporate social responsibility but also to help address health needs and challenges in the community we serve. Hence, we have taken action to participate in outreach programmes to offer initiatives and facilities that will promote community health development. As part of our quest to give back to the community, we have continuously collaborated with government and non-governmental organisations to carry out health development training programmes and initiatives to improve the expertise of aspiring healthcare professionals, and ultimately provide job opportunities in the community.

### Our Approach

Our community outreach initiatives are guided by our three-year sustainability roadmap that began in 2023 and is outlined in the KPJ sustainability framework.

### Social Highlights

#### Community Investment

**RM2.31  
Million**

invested via our education arm, KPJU

**57%**

of KPJU Graduates secured employment in 2023

**2,916**

Enrolments in 2023

**RM1.67  
Million**

Total investment allocated for new students

### KPJU Healthcare University

Our education arm, KPJU Healthcare University continue to invest in providing support to our health development initiatives. The investment covers initiatives like renovations, teaching methods, IT equipment, and student facilities. Although the investment is for commercial purposes, the benefits also extend to the general public, who are welcome to participate in community-related activities on campus to access free health care checkups as well as promote of KPJU. Among the activities are public health screening, a medic team for local organisations during events, blood donation, and gotong royong.

The university also offers public access to the campus's physiotherapy centre. In addition to providing the community with affordable services, it also gives students a place to practice helping professional physiotherapists treat actual patients and meet with the public, enhancing their communication, clinical, and leadership skills. KPJU also has global reach in terms of its academics and consultants, which draws prospective universities in the ASEAN region to engage and partner on a range of academic and non-academic programmes.



## Uplifting Our Patients and Communities

### Supporting Education and Expanding Employment Opportunities

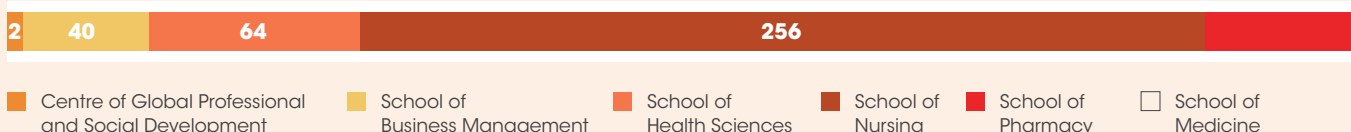
Our community outreach initiatives are deeply intertwined with our commitment to fostering economic growth and social progress. At KPJ, We actively empower students from low-income families by offering education sponsorships, aligning with SDG10 to reduce inequalities and cultivate talent for Malaysia’s healthcare sector. Through KPJ Healthcare University College (“KPJUC”), we provide comprehensive healthcare programmes ranging from foundational to postgraduate levels, including Master’s in Medicine, PhD in Nursing, and allied health courses. This holistic approach not only uplifts our patients and community but also contributes to the nationwide hospital network’s resilience and sustainability.

Programme	Percentage of graduates successfully secured employment		
	2021	2022	2023
Centre of Global Professional and Social Development	-	100%	<b>0.20%</b>
School of Business Management	18.75%	81.25%	<b>6.01%</b>
School of Health Sciences	82.54%	17.46%	<b>9.82%</b>
School of Nursing	76.05%	23.95%	<b>30.76%</b>
School of Pharmacy	86.36%	13.64%	<b>10.22%</b>

Note: Based on the number of KPJU graduates who filled in Anjung Tracer Survey by Kementerian Pengajian Tinggi.

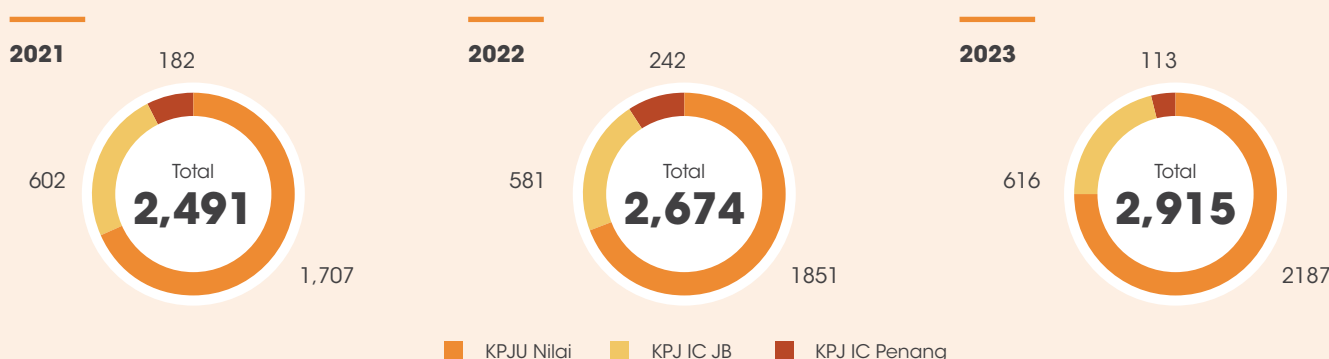
Programme	Number of beneficiaries in 2023 (pax)				Amount invested in 2023 (RM' mil)			
	Scholarships	Sponsorships	Receive allowance	Total number of beneficiaries	Scholarships	Sponsorships	Receive allowance	Total amount invested
Nilai	291	192	183	666	0.289	1.24	0.298	1.83
Johor Bahru	32	117	0	149	0.52	0.43	0	0.488
Total	323	309	183	815	0.32	0.18	0.298	2,319

### KPJU Graduates employed at KPJ Hospitals



Under our education arm, KPJU Healthcare University, we invested RM 2.31 million benefited 815 students in 2023.

### Enrolment of active students from 2021 to 2023 (recorded in December of each assessment year) across campuses:-



# Uplifting Our Patients and Communities

## Access and Affordability to Quality Healthcare

### Why It Is Important

We remain steadfast in our commitment to providing affordable and quality healthcare to the country's underserved communities. Customer welfare and satisfaction in healthcare services play a crucial role in achieving this commitment, as they may be able to help us establish relationships with patients in underserved communities. We are committed to advocating preventive healthcare and making healthcare services accessible to all. We believe that by prioritising customer welfare and satisfaction, we can allocate resources efficiently for preventive care and health education initiatives to meet the specific needs of underserved communities, address healthcare disparities, and improve their overall health.

### Our Approach

Under our three-year sustainability roadmap from 2023 to 2025, some of our corporate responsibility (CR) initiatives have been implemented and have made significant progress throughout 2023.

KPJ's philanthropic initiatives through KWAN clinics are aligned with the United Nations Sustainable Development Goals ("UNSDGs") of Good Health and Well-being (Goal 3), Reduced Inequalities (Goal 10), and Partnerships for the Goals (Goal 17).

### Our Initiatives

#### Community Outreach Initiatives

Between January and December 2023, we conducted 17 community outreach engagement programmes with a total of 1,397 participants from Asnaf and B40 communities, exceeding our 5% target. The programmes, which were held throughout the year in collaboration with several partners, including the Kuala Lumpur Zakat collection centre, Lembaga Zakat Selangor, Bank Muamalat, the Department of Orang Asli Development and several mosques. The screenings included health screenings, eye screenings, body mass composition, hearing screenings, and gotong royong for a healthy environment. A total of 62 participants from Klang and Selangor KPJ also took part in a mini health carnival co-organised with a mosque in Klang to foster community well-being.

#### Klinik Waqaf An-Nur (KWAN)

KWAN is KPJ's flagship initiative which provides quality healthcare services for less fortunate and low-income households at an extremely affordable rate. Healthcare consultations are available for only RM10 per consultation, while dialysis treatments are available at RM130 per treatment. People from the community who are able to utilise these services are usually unable to afford private healthcare treatments. By providing this service, we are helping to alleviate pressure on public healthcare services provided by the Government, thus doing our part to contribute to the socioeconomic wellbeing of communities in Malaysia.

Close to two million asnaf communities and underserved patients have been treated in KWAN clinics since its launch in 1998. As of 2023, there are 11 KWAN clinics, of which nine offer dialysis services, in addition to nine mobile clinics across the country. A total of 66 dialysis machines were allocated at nine KWAN Dialysis Centres with 213 active patients. One of the KWAN clinic are accredited by the Malaysian Society for Quality in Health (MSQH) which ensures quality healthcare and services for our communities.

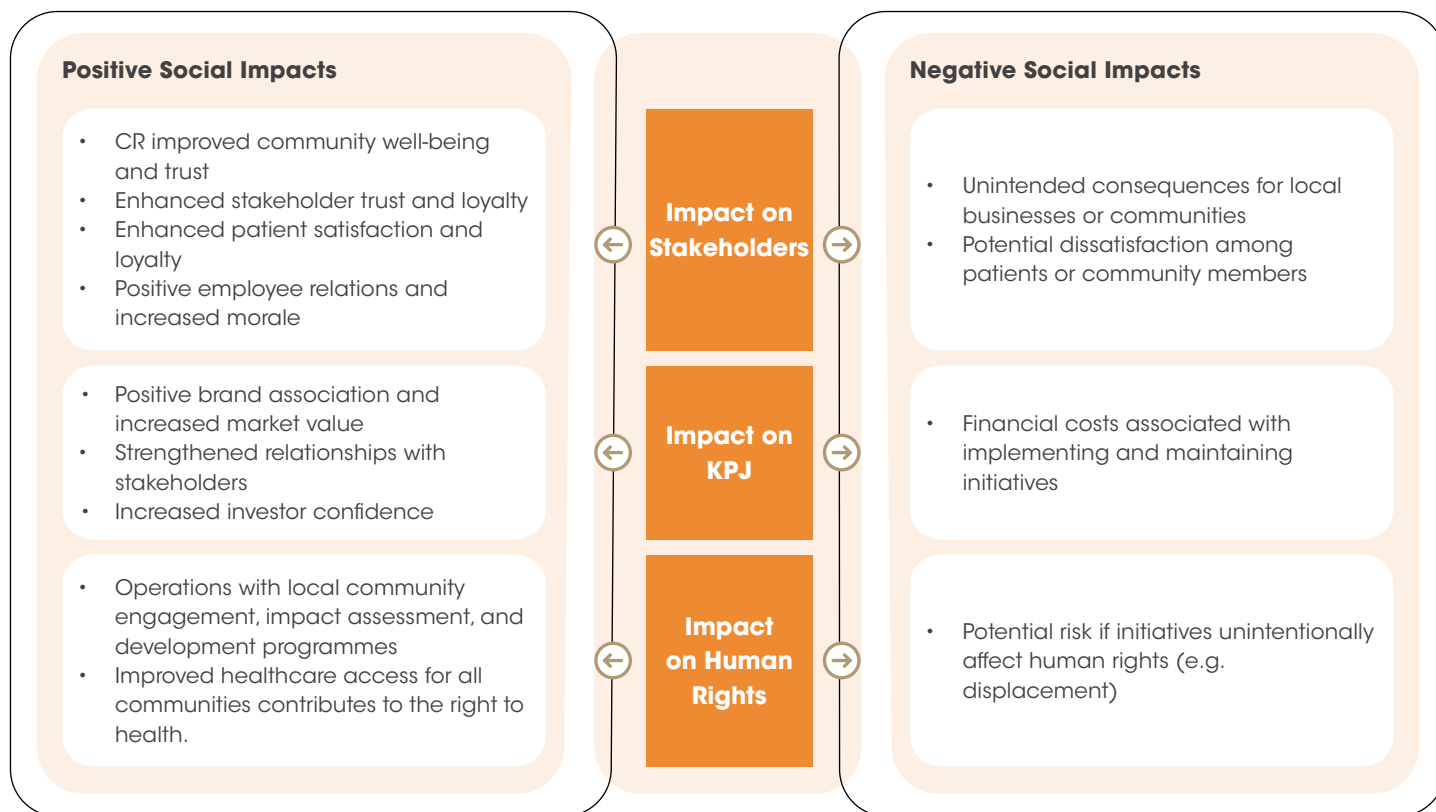
Our KWAN clinics are supported by our reputable smart-strategic partnerships with seven state Islamic Religious Authorities, namely Majlis Agama Islam Negeri-Negeri of Johor, Negeri Sembilan, Selangor, Perak, Penang, Kelantan and Sabah; four religious bodies of Lembaga Zakat Selangor, Zakat Pulau Pinang, Lembaga Zakat Negeri Kedah and Perbadanan Waqaf Selangor; and three nongovernmental organisations (NGOs) of Waqaf Selangor Muamalat (Bank Muamalat), Waqaf FELDA and Suruhanjaya Syarikat Malaysia.

In July 2023, the 9th KWAN Dialysis Centre was inaugurated in Rembau, Negeri Sembilan, as a collaborative effort between KPJ Seremban Specialist Hospital and Majlis Agama Islam Negeri Sembilan. This new facility has the capacity to accommodate an additional 20 asnaf or B40 patients. One of the initiatives in setting up new dialysis centres is to focus on rural areas, where the poor patients with kidney failure have access to dialysis. Furthermore, a new mobile clinic was launched in September 2023, with Suruhanjaya Syarikat Malaysia contributing RM398,000 to its total development cost. Managed by KPJ Sabah Specialist Hospital and Majlis Ugama Islam Sabah, this 9th mobile clinic is dedicated to efficiently extending medical outreach to communities in Sabah.

## Uplifting Our Patients and Communities

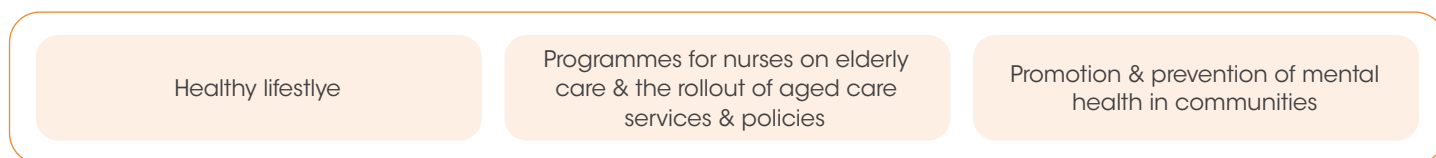
### Briged Waqaf

We have also enhanced Briged Waqaf to extend the reach of our community engagement and support to underserved communities. Briged Waqaf is a volunteer programme formed by our parent company, JCorp, through the Waqaf An-Nur Corporation Berhad (Waqaf An-Nur), to provide humanitarian aid during times of natural disaster. As of 2023, Briged Waqaf has assisted relief missions in four flood incidents that happened in Malaysia. We mobilised a total of 93 volunteers in Kota Bahru, Kelantan, Batu Pahat, Segamat, and Kluang, Johor during and after the floods in January and March.



### Going Forward

We will continue with our initiatives to raise community awareness about healthcare in underserved communities for a healthier, more resilient communities with improved access to quality healthcare services. Among the initiatives are those regarding:



Looking ahead, we aim to build on the positive social impacts of our initiatives, fostering stakeholder trust and loyalty, enhancing patient satisfaction, and reinforcing KPJ’s brand association. However, we remain vigilant of potential negative impacts, such as unintended consequences for local businesses or communities, and are committed to addressing them responsibly as we strive to uphold human rights and improve healthcare access for all.

# Fostering Our People

## Employee Engagement and Development

At KPJ, we prioritise employee recruitment, training and retention to ensure that our patients receive the best care. In all that we do, we strive to cultivate a positive work environment by investing in the professional and personal development of employees, aiming to enhance job satisfaction, elevate morale and drive performance.

### Why It Is Important

KPJ Healthcare is dedicated to ensuring an inclusive atmosphere for all employees, aimed at cultivating a culture of employee engagement.

Employee engagement is paramount to the success of any organisation. It encapsulates the emotional investment, dedication, and motivation of employees towards their roles and the organisation.

Employees who are engaged tend to display greater productivity, innovation, and a commitment to the organisation's objectives. They often experience heightened job satisfaction, show a greater likelihood of long-term commitment to the organisation, and actively advocate for its brand and values.

KPJ has won the **Best Employer Brand Graduates Choice Award** for three consecutive years, since 2021

**228**

(2022: 223)  
Medical Consultants Recruited

**9,773**

(2022: 8,974)  
Nurses & Allied Health Professionals

**6,451**

(2022: 5,811)  
Support Services





## Fostering Our People



**Pulse People Happiness Survey: 91% (from 65%) from 10 to 24 July 2023**



**Medical Director Council Meeting and Appreciation Dinner on 27 January 2023**



**KPJ 1<sup>st</sup> Sustainability Day 2023 in conjunction with World Sustainability Day 2023 on 25 October 2023**



**KPJ Town hall 2023 held on 22 February 2023 at Putra World Trade Centre**

### List of Engagements in 2023

- HR Pit Stop - Widest HR On Ground Activation
- Revamped the Largest KPJ Group Town hall
- Robust Mental Health & Well-being activation among Team KPJ
- KPJ Core Values Campaign (Visual & Talks)
- Largest Weight Loss Competition (Companies, Individual & Fitness Junkies Category)
- Migration of KPJ Buzz (Better Features & More Engaging)
- Revamping Festive Events and Celebrations (Maximise Reach & Involvement)
- Promoting Coffee with Leaders
- KSR – Sports & Recreational Activities for Employee Engagement
  - Zumba
  - Badminton
  - Distribution of bubur lambuk
  - Volleyball
  - Futsal
  - Football
  - Kelab Sukan Rekrisasi

### Our Approach

KPJ's strategy for employee engagement is centred on fostering a culture of open communication, ensuring that every staff member has a voice and feels heard. Additionally, KPJ is committed to creating a supportive and inclusive work environment. This includes initiatives aimed at promoting work-life balance, recognising employee achievements, and offering support for health and well-being, all of which contribute to a more engaged and productive workforce.

Our actions continue to be guided by the most recent laws and amendments in the Employment Act (Revised) 2022. These are aligned with the standards set by the International Labour Organisation (ILO) Convention, along with other relevant laws, policies, and regulations including the PHFSA Act 1998, the Code of Medical Ethics, MMA, and the Code of Professional Conduct, MMC.

### Our People Policy

#### Diversity, Equity, Inclusion (DEI) Policy

- Enhancement from the existing Anti Discriminatory policy. The Diversity, Equity, and Inclusion (DEI) Policy at KPJ Healthcare Berhad underscores the significance of fostering a diverse workforce, ensuring equitable treatment, and promoting inclusion across all levels of the organisation. The policy aims to cultivate an environment where every individual feels valued and has equal opportunities for success. With a commitment to regular assessment and continuous improvement, KPJ Healthcare reaffirms its dedication to DEI principles, reinforcing a culture of respect, equality, and inclusivity throughout the organisation

#### Learning and Development Training Policy

- The Employee Development Policy at KPJ Healthcare Berhad emphasises the crucial role of continuous learning and skill enhancement to foster individual growth and organisational success. It aims to empower employees to maximise their potential through internal and external training opportunities, covering a wide range of subjects from professional development to corporate culture and compliance. The policy also emphasises the importance of identifying and addressing individual training needs through annual assessments. With a minimum requirement of 30 training hours per year for all employees, the Talent Management department plays a central role in coordinating training initiatives and ensuring compliance. Additionally, the policy outlines approval procedures for training nominations and sponsorship agreements for further studies, underscoring the company's commitment to supporting employee development at all levels.

## Fostering Our People

### Our Initiatives

#### Engagement with Nurses

- **Nursing Town Hall**  
Throughout 2023, a group-wide engagement took place involving all 29 hospitals, where the Group Nursing Officer conducted discussions and provided updates.
- **International Nurses Day**  
A celebration was held at KPJU on 12 May 2023, recognising the contributions of nurses worldwide.
- **Allied Health Professions Day**  
An event was held on 14 October 2023, at KPJU, honoring allied health professionals for their expertise and dedication.
- **World Pharmacists Day 2023**  
A commemorative event was held on 25 September 2023, acknowledging the role of pharmacists in healthcare globally.
- **Malaysian Dietician Day**  
A celebration was organised on 19 September 2023, at KPJU, recognising the vital role of dieticians in healthcare in Malaysia.



#### Engaging Our Entire Workforce

Developing robust communication pathways is crucial to ensure that all employees are kept abreast of organisational developments, objectives, and accomplishments. This was achieved through:

- Organising group-wide gatherings such as the KPJ Group Town Hall. The town hall was conducted on 22 February 2023 at the World Trade Center Kuala Lumpur. It served as a platform for disseminating important information and fostering a sense of community within the organisation.
- Implementing informal interaction sessions like 'Coffee with Leaders', alongside the use of 'KPJ Buzz', an internal Intranet system. These tools are instrumental in facilitating open dialogues and sharing insights between different levels of the workforce.
- Utilising 'KPJ Telegram', an internal community social media channel, to maintain a continuous flow of communication and engagement among employees. This platform allows for real-time updates and interactions.
- Regularly distributing memos and announcements via email to ensure all staff members are promptly and effectively informed about relevant organisational matters. This method ensures that critical information reaches all employees in a timely and efficient manner.

#### Internal Sustainability Engagement

- **Online Sustainability Roadshow:** Comprising of 8 sessions from 19 May to 28 July 2023 attended by 1,777 employees across the group. The roadshow aims to introduce KPJ's Sustainability framework and initiatives to internal stakeholders
- **Inaugural Sustainability Day:** Held on 25 October 2023, this event celebrated sustainability efforts across #teamKPJ, with top management and over 360 employees demonstrating strong commitment.
- **Sustainability Video Contest:** Recognized top sustainability efforts within KPJ hospitals and companies, inspiring others to enhance their own practices.
- **The Sphere Series Weekly:** Ran from 9 October to 22 December 2023, educating employees on sustainability topics and empowering them to contribute to a greener future. These initiatives showcase KPJ's ongoing commitment to driving positive change

## Fostering Our People

### Employee Feedback and Assessment

We consistently collect employee insights through various means like surveys or discussion groups. We utilise this feedback to shape organisational strategies, enhance employee satisfaction, and identify areas for development. These include:

- The People Happiness Survey, aimed at gauging overall employee contentment.
- Pulse People Happiness Survey, for more frequent, quick checks on employee morale.
- Mental Health Assessments to monitor and support employees' psychological well-being.
- Mental Health Advocators Programmes were conducted from July to December 2023 at KPJ HQ. This collaboration equips volunteers with basic counselling skills and functions as psychological first aid to reduce stress and alarming symptoms among peers as well as to promote awareness on well-being and mental health among Team KPJ.
- Well-being Focus Groups, offer a platform for employees to share personal insights and suggestions related to workplace wellness.

### Workplace Wellness Programmes

These programmes aim to advance employee well-being with a range of wellness programmes. These can encompass fitness activities, workshops for managing stress, and efforts to nurture a balanced work-life dynamic. In a healthcare environment, it is particularly vital to address both physical and mental health. Some of our initiatives include:

- Conducting fitness sessions such as Zumba Aerobics.
- Organising sports activities like Badminton, Football, and Table Tennis.
- Hosting the KPJ Games, a sports carnival event.
- Implementing the KPJ Biggest Loser programme to encourage healthy weight loss.

### Employee CSR Endeavours

Our employees were deeply involved in CSR activities, including community outreach projects and collaborations with local charitable organisations. These initiatives not only benefit the community but also cultivate a sense of fulfilment and commitment among employees. These include the following programmes:

- The Klinik Waqaf An-Nur outreach programme, involved extending healthcare services to those in need.
- Visits to orphanages and elderly homes, were aimed at fostering community connections and support.
- The Bubur Lambuk Mega event during Ramadan, to reflect the spirit of giving and communal harmony.

### Engagement with Medical Consultants

We are committed to engaging with our medical consultants to uphold superior medical standards. We gather and present clinical indicators from all our hospitals to the Group Medical Advisory & Clinical Governance Committee every quarter. This provides a comprehensive overview of our performance. Consultants are particularly concerned about lengthy patient waiting times, as this can adversely affect MSQH indicators for patient satisfaction.

In our Service Quality and Safety report, we outline our dedication to providing high-standard care. To uphold our commitment to clinical excellence and professionalism, we hosted the KPJ Healthcare Conference 2023 from 2 to 3 November 2023 at Putrajaya International Convention Centre (PICC). This 24th conference focused on recent advancements in medical practices and research. It also offered a networking platform for our medical consultants to engage with peers from other hospitals and the Management, fostering team spirit and dedication to the Group.

## Fostering Our People

### KPJ's Recruitment, Development & Retention

In the face of a healthcare talent shortage within the industry, we are committed to cultivating and maintaining our talent pool to remain competitive. Our approach encompasses offering remuneration that exceeds industry standards and ensuring our employees remain driven in achieving our strategic objectives and goals. Furthermore, we embody principles of inclusion and equality by providing equal opportunities in all aspects of our human resource management. This includes the processes of recruitment, training, upskilling, and career advancement for our employees

#### Why It Is Important

At KPJ, the integration of Recruitment, Development and Retention strategies is fundamental to our operational success and growth. These elements are vital for building and maintaining a high-performing, committed workforce, essential for delivering exceptional healthcare services.

#### Our Approach

Aligned with our dedication to fostering employee career development, we give precedence to recruiting from within through inter-departmental transfers, prior to considering external hires. Our recruitment approach guarantees impartiality and non-discrimination against candidates based on race, religion, gender, age, sexual orientation, disabilities, political beliefs, or nationality. Furthermore, the Group firmly opposes any form of child or forced labour.

#### Internally

Referring to the Employee Referral Programme for selected positions

Posting of job advertisements in our intranet portals i.e., KPJ Buzz and Employee Self-Service (ESS), which reaches all KPJ hospitals and companies

#### Externally

Posting of job advertisements at selected public and private universities and colleges

Participating in in-campus career fairs in both public and private universities and colleges to recruit fresh nursing graduates by providing PTPTN sponsorship

Engaging headhunters for niche positions

Posting in newspaper advertisements or job portals such as JobStreet Malaysia, LinkedIn and KPJ's corporate website

### Our Human Capital is managed in accordance with the revised Employment Act 2022 to protect the welfare of workers, in line with the ILO Convention.

Our recruitment team employs behavioural interview techniques to assess how well candidates align with KPJ's core values and technical requirements. This involves posing situational and behavioural questions to draw out examples of how candidates have embodied these values in their past or present roles, along with evaluating their technical competencies.

During the recruitment process, we also integrate our branding strategies to enhance our Employee Value Proposition (EVP). This includes communicating the advantages offered in return for their skills and contributions, such as career advancement opportunities, improved learning and development programmes and competitive remuneration.

Additionally, our recruitment strategy includes participation in large-scale career fairs and university recruitment events. These events serve as effective platforms for building our brand and attracting top talent. They also provide opportunities to reinforce KPJ's brand and engage directly with prospective candidates.

## Fostering Our People

### KPJ Night Career Fair

This innovative career fair has earned its place in the Malaysia Book of Records for 'Most Career Fairs Running Simultaneously'. Held from 24-25 November across 29 KPJ Specialist Hospitals nationwide, the initiative was attended by an estimated 20,000 attendees, this event has set a new standard in healthcare recruitment, underscoring KPJ Healthcare's commitment to revolutionising the healthcare sector in Malaysia. The partnership with KPJ Healthcare, along with Malaysia's Ministry of Human Resources, Talent Corporation Malaysia Berhad (TalentCorp), Pertubuhan Keselamatan Sosial (PERKESO), and Talentbank, is a testament of our collective dedication in creating employment opportunities, enhancing skills, and promoting diversity in the healthcare workforce.

### Our Remuneration Approach

Our Remuneration approach acknowledges the efforts and commitment of employees to the Group, while aiding our capability to attract and maintain our diverse talent pool. Remuneration decisions are influenced by both individual and collective performance, in addition to behaviours and values that foster customer-focused health and care delivery. We have established specific compensation policies for members of the highest governing body and senior executives, which include:

Fixed pay and variable pay

Retirement benefits

In addition, we celebrate and compensate our employees for their dedication and accomplishments. This may involve initiatives like employee of the month distinctions, performance-related bonuses, or other forms of commendation that resonate with the organisation's values. Some examples include:

Annual Performance Bonus

Discretionary Bonus

Long Service Awards

Ex-Gratia Payment

### Here are some of the benefits offered to our full-time employees:

- Annual medical check-ups are provided for employees, their spouses, and parents.
- Comprehensive medical coverage is offered for both inpatient and outpatient services for employees and their immediate family, with additional discounted rates for their parents:
  - RM800 to RM1,500 annual outpatient medication, unlimited consultation and treatment
  - RM1,000 annual health screening
  - RM15,000 to RM30,000 annually for inpatient services
  - Total & Permanent Disability (directly or indirectly caused by work) coverage at RM50,000 with options to increase up to RM 200,000
- Life insurance of RM50,000 for death with options to increase up to RM200,000.
- Group Personal Accident scheme up to 60 months basic salary.
- Educational support through scholarships is offered for employees' children pursuing medical-related courses at KPJUC, with potential placement in KPJ Hospitals depending on their academic performance.
- The Living Well Programme targets employees suffering from critical lifestyle-related conditions, such as diabetes and hypertension.
- Parental Leave policy includes 98 days of paid maternity leave and seven (7) days of paid parental leave.
- The KPJ Top-Up Fund has been established to assist employees with high medical costs for treatments needed by their dependents, with an allocation of up to RM1.5 million across the Group.

# Fostering Our People

## Our Initiatives

### Recruitment and Retention Strategies for KPJ Nurses

36 recruitment roadshows involving 845 interviewees

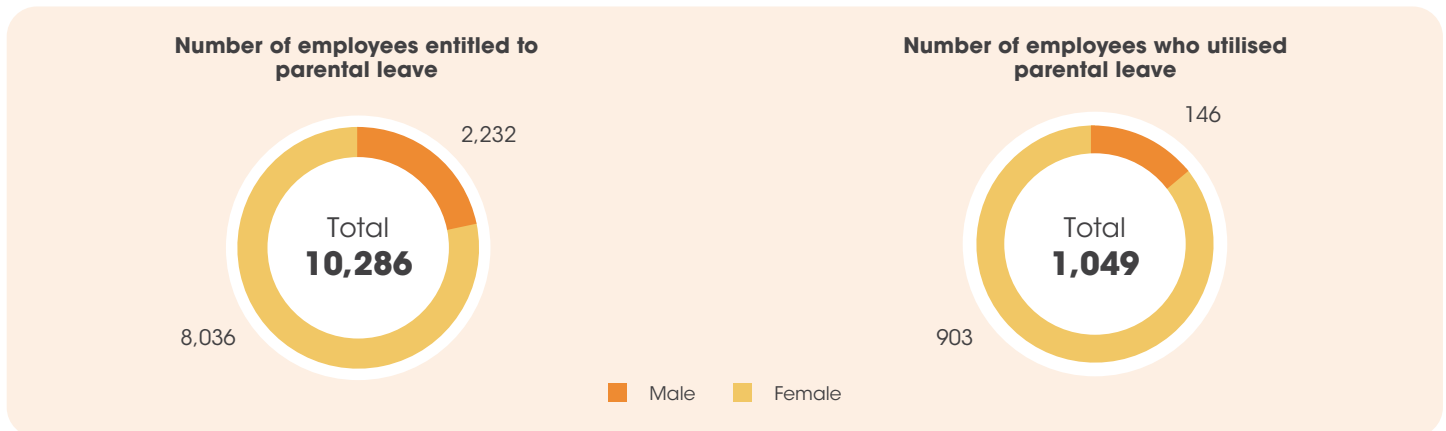
KPJ Healthcare @ Karnival MyPesara 2023 on 25 to 26 November 2023, in collaboration with KWAP Malaysia and HRD Corp - Human Resource Development Corporation for the 'Seniors Back in Action Programme' at the recent Karnival MyPesara. The event, officiated by YBhg Datuk Johan Mahmood Merican, Secretary General of Treasury, Ministry of Finance Malaysia, celebrated Malaysian pensioners, offering career opportunities, especially for retired nurses to rejoin the healthcare community with KPJ Healthcare.

### Career Roadshows Conducted in 2023

	Roadshow Dates	No. of Students
KPJ University, Nilai	January & 16 October 2023	107
KPJIC	February 2023	12
KPTM, Kota Bharu	8 to 9 January 2023	105
KPTM, Kota Bharu	8 to 9 February 2023	117
KPTM, Kota Bharu	8 to 9 March 2023	90
USM, Kubang Kerian	2 to 3 June 2023	75
UiTM, Bertam	2 to 3 August 2023	48
KPJ International College, Johor Bahru	14 August 2023	46
29 KPJ Hospitals	24 to 25 November 2023	245
<b>TOTAL</b>		<b>845</b>

### Parental Leave

Our ongoing adoption of the Employment Act (Amendment) 2022 regarding parental leave is particularly beneficial for employees who are young parents, especially mothers. Paid parental leave was initially established to give new mothers time to adapt and recuperate after giving birth. We also provide new fathers paternity leave to enable them to play a supportive role in their family.



## Fostering Our People



## New employee hires



## Employee turnover



■ Central 
 ■ Southern 
 ■ Northern 
 ■ East Coast 
 ■ East Malaysia 
 ■ Companies & HQ

Ratio of basic salary and remuneration of women to men			Ratio
<b>Basic salary</b>	RM 33,698 average per headcount	RM 29,155 average per headcount	1.0 : 0.9
<b>Remuneration</b>	RM 4,537 average per headcount	RM 4,629 average per headcount	1.0 : 1.0
<b>Senior Management</b>			
<b>Basic salary</b>	RM 9,735 average per headcount	RM 8,506 average per headcount	1.0 : 0.9
<b>Remuneration</b>	RM 2,595 average per headcount	RM 2,012 average per headcount	1.0 : 0.8
<b>Management</b>			
<b>Basic salary</b>	RM 3,489 average per headcount	RM 3,513 average per headcount	1.0 : 1.0
<b>Remuneration</b>	RM 1,247 average per headcount	RM 1,342 average per headcount	1.0 : 1.1
<b>Non-management</b>			
<b>Basic salary</b>	RM 2,108 average per headcount	RM 2,150 average per headcount	1.0 : 1.0
<b>Remuneration</b>	RM 1,104 average per headcount	RM 1,079 average per headcount	1.0 : 1.0

## Fostering Our People

### Employee Training and Development

#### Why It Is Important

We are dedicated to training and developing the skills of our employees to boost their productivity and efficiency, in addition to elevating the quality of their work performance and problem-solving abilities. This upskilling effort will further empower our employees to be more resilient and adaptable when faced with new duties and challenges.

#### Our Approach

KPJ has an established Learning and Development policy which outlines our approach to employee training, skill enhancement and professional growth. It includes guidelines and procedures for identifying training needs, selecting appropriate learning programmes, allocating resources for training activities and evaluating the effectiveness of training initiatives. The policy aims to support employees in acquiring new skills, knowledge and competencies that are aligned with our goals and objectives.

#### Our Initiatives

##### Our Human Capital Development Strategy

To fulfil KPJU’s global standards, we are consistently enhancing our structured training and development initiatives, to bolster the skills of our nursing staff and allied health professionals. In 2023, we implemented several key programmes for our employees:

- We conducted academic development programmes to address skill shortages in areas like business communication.

Post Basic

Master in Nursing

Bachelor of Nursing

Diploma in Nursing

##### Fostering the Next Generation of Healthcare Experts at KPJ University

- Our 40 distinct programmes are designed to enhance the qualifications of our personnel in fields such as nursing, pharmacy, and emergency services. The objective is to cultivate a varied talent pool with both rare and strategically important skills. Additionally, we aim to provide vocational opportunities for unemployed youth, with the intention of retaining them upon completion of their programmes.
- KPJU is a centre of excellence in medical and healthcare education. It plays a crucial role in training emerging specialist consultants through advanced medical specialty courses, elevating the skills of registered nurses, paramedics, and pharmacy practitioners. This contributes significantly to addressing the scarcity of healthcare professionals in Malaysia.

##### Dedicated Investment in Our Nurses and Allied Health Professionals

- RM 1.87 million was allocated to the upskilling of nurses.
- Allocation for post basic training: RM 1.09 million with 434 nurses sponsored in 2023



## Fostering Our People

## Number of Nurses Attending Training in KKM and KPJU

390

Peri-Operative

205

Trauma

226

Renal

1,593

Critical  
Care Nursing

335

Midwifery



Alongside our upskilling efforts, we have implemented talent and professional development programmes aimed at future-proofing our workforce and elevating the quality of our healthcare services. These programmes fall into these categories:

Mandatory Training

Health and Well-being

Orientation Training

Skill-Based Training

Leadership Development

Personal Development

Organisational Development

Teambuilding

In 2023, we introduced the following initiatives:

#### Employee Training and Development Programmes

- Emerging Leaders Development Programme
- Performance Conversation Training Programme for People Managers
- Manager Leadership Development Programme
- Problem-Solving Decision-Making Programme
- Job Description Workshop

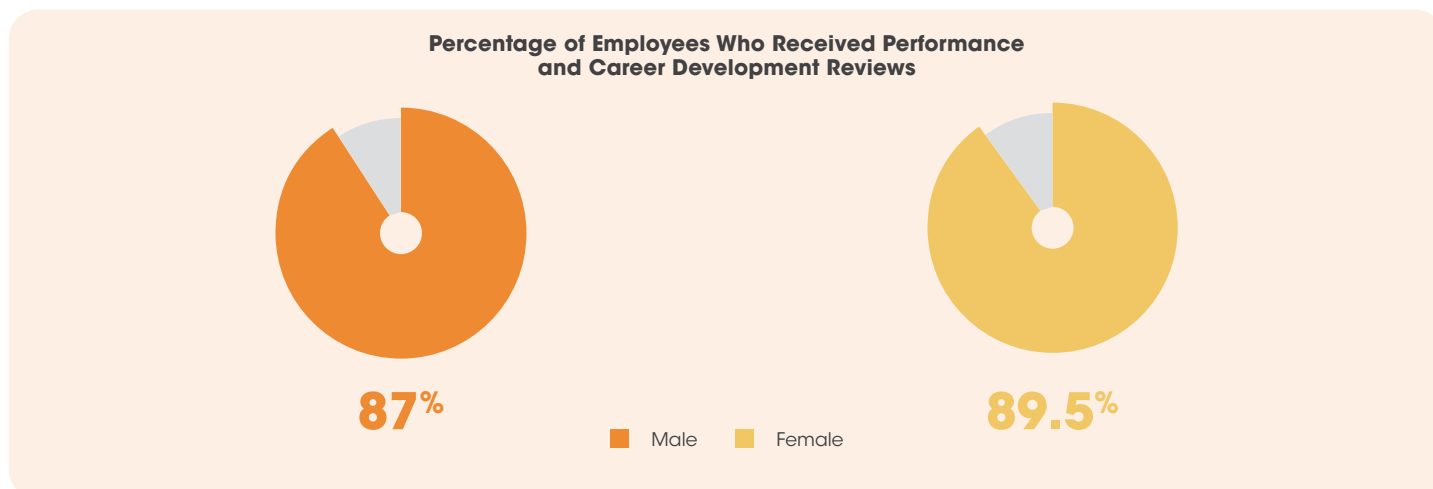
## Fostering Our People

Training Hours by Gender	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Total No. of Employees	3,385	11,862	3,516	12,611	<b>3,480</b>	<b>13,000</b>
Total No. of Training Hours	103,834	368,140	125,391	444,566	<b>135,585</b>	<b>510,059</b>
Average Training Hours Per Employee	31	31	36	35	<b>39</b>	<b>39</b>

	Total No. of Training Hours	Average Training Hours Per Employee
<b>2021</b>		
Top & Senior management	23	3
Management	44,150	31
Executive	234,207	31
Non-Executive	193,594	31
<b>2022</b>		
Top & Senior management	526	31
Management	53,774	35
Executive	281,866	35
Non-Executive	233,791	35
<b>2023</b>		
Top & Senior management	221	25
Management	57,887	37
Executive	322,822	38
Non-Executive	264,714	39

### Performance and Career Development Reviews

We conduct employees' performance and career development reviews twice a year. This process enables 80% of our staff to gain insights into their principal strengths and areas for improvement, as stipulated in the Policy on Performance Management. These review sessions provide us an opportunity to engage with our employees, solicit their feedback, and establish individual objectives and development strategies.



## Fostering Our People

## Snippets of KPJ's Performance Management

## Why

To engage everyone in a collaborative process towards achieving the organisation's goals

## When

Assessment period: Jan - Dec

## How

- 1:1 goal setting, mid-year and year-end review and assessment recorded in HRMS
- With year-round ongoing and meaningful performance conversations

## Who

It is a shared responsibility between the line manager and the staff

## What

A composition of Key Result Areas (What) and Competencies (How)



## Our Performance Matters

## Timeline Overview for 2023 Performance Management

## Goal Setting

## June

- Employee sets goals that are aligned with departmental needs
- 1:1 performance expectation discussion and mutual agreement

## Mid-Year Performance Review

## July

- Employee conducts self-assessment
- 1:1 performance discussion and review of progress towards agreed goals and action plans

## Year End Performance Review

## December

- Employee conducts self-assessment
- 1:1 performance discussion and assessment in finalising the outcomes of the overall performance

Continuous performance discussions, formal and informal coaching and feedback occurs throughout the year.

## Evaluating the Quality of Our Nursing Services

The Group Nursing Services team undertakes annual clinical assessments to verify that both clinical and non-clinical procedures are executed in compliance with regulatory standards and accreditation criteria. The assessment panel consists of a diverse team of experts and selected hospital leaders. The outcomes and insights from these surveys are then communicated to the hospital management teams to facilitate ongoing enhancements. Additionally, the Group Clinical team provides guidance and coaching on MSQH and JCI standards.

## Going Forward

Looking ahead, we are firmly committed to fulfilling our pledge of excellence and addressing areas requiring enhancement by enhancing employee engagement and development strategies. By pinpointing and tackling the specific challenges within our operations and services, we aim to not only meet but exceed the expectations of those we serve.

## Fostering Our People

### Diversity and Inclusion

#### Why It Is Important

Our commitment to achieving the long-term sustainability goals of the KPJ Group is centred on creating a progressive and supportive work culture, which is vital for nurturing a successful workforce. The importance of diversity, equity, and inclusion (DEI) for the KPJ Group is multifaceted, encompassing both strategic and ethical dimensions:



#### Talent Attraction and Retention

Attracts a diverse talent pool and allows us to recruit and retain skilled professionals who want to work in inclusive environments.



#### Compliance and Risk Mitigation

With a DEI policy, we can reduce discrimination claims and build a positive culture that values fairness and equality.



#### Enhanced Reputation and Stakeholder Trust

Embracing DEI strengthens KPJ Group's reputation with employees, patients, partners and the wider community.



#### Improved Employee Engagement and Productivity

Inclusive workplaces create a sense of belonging, leading to happier employees who are more engaged and productive.



#### Market Competitiveness

In the competitive healthcare industry, embracing DEI gives us an added advantage, allowing us to adapt to changing demographics and market demands.



#### Reflecting the Community Served

KPJ Healthcare serves diverse communities. Having a diverse workforce helps us to understand and connect with patients.



#### Legal and Ethical Imperatives

Aligning with DEI principles is not only a legal requirement but our ethical duty, especially in healthcare.

#### Our Approach

KPJ Healthcare Berhad is resolute in championing DEI across all levels of our organisation. Our KPJ DEI Policy is a testament of our unwavering commitment to creating a workplace that celebrates diversity, fosters equity, and ensures an inclusive environment for all our employees.

This policy underpins our strategic approach to DEI, guiding our actions and decisions to ensure that they reflect our dedication to these principles. We believe that by embracing the unique backgrounds, perspectives, and talents of our workforce, we can enhance innovation, drive better decision-making, and ultimately provide superior care to our patients.

We are committed to implementing this policy throughout our operations, cultivating a culture where every individual is valued, respected, and given the opportunity to thrive. By doing so, KPJ Healthcare Berhad not only elevates its standard of care but also sets a benchmark for the healthcare industry in fostering an inclusive environment that is reflective of the communities we serve.

#### Our Initiatives

KPJ is dedicated to ensuring that every employee is fully engaged with our DEI initiatives. To facilitate this, we utilise our internal communication network, KPJ Buzz, which is accessible via the intranet. This platform serves as a vital channel for disseminating information, updates, and educational materials related to DEI, ensuring that all employees are informed and aligned with our DEI goals and activities.

To further reinforce our transparency and commitment, KPJ has made the full DEI policy readily available on our official website. This allows not only our employees but also our stakeholders and the public to understand the depth of our commitment to DEI. By openly sharing our policy, we underscore the importance of these principles and invite our entire community to hold us accountable and join us in this essential aspect of our corporate journey.

#### Going Forward

Moving forward, KPJ Group plans to organise roadshows to increase employee awareness on DEI, as well as DEI-focused training programmes. In addition, we plan to enhance collaboration between Sustainability Services and GHRM, fostering stronger ties among internal stakeholders for effective projects in the areas of DEI and Sustainability.

## Fostering Our People

## Employee Performance Data

## Diversity of Governance Bodies and Employees

## EMPLOYEES (By Gender)



## DIVERSITY IN BOARD OF DIRECTORS

## Gender



## Age Group



## Ethnicity



## EMPLOYEES (By Category and Specialisation)

Employee Category	Gender		Age Group			Ethnicity				Tenure			
	Male	Female	<30 years old	30-50 years old	>50 years old	Chinese	Malay	Indian	Others	Less than 1 year	1-3 years	4-7 years	More than 7 years
<b>Employee Category</b>													
Non-Executive	1,668	4,959	2,611	3,472	544	114	5,566	493	454	1,052	1,342	1,284	2,949
Executive	1,383	7,038	3,136	5,070	215	261	7,038	540	582	1,198	1,627	1,989	3,607
Senior Mid-Management	418	995	24	1,107	282	156	1,040	147	70	93	169	198	953
Senior Management	11	8	0	8	11	2	14	1	2	7	3	0	9
<b>Specialisation</b>													
Medical Officers	145	111	8	207	41	34	160	50	12	29	84	1,65	78
Medical Employees	1,343	8,430	3,678	5,619	476	324	7,946	772	731	1,447	1,795	1,980	4,551
All other Employees/Support Staff	1,992	4,459	2,085	3,831	535	192	5,552	359	365	874	1,262	1,426	2,889

## Fostering Our People

### TOTAL EMPLOYEES

	2023		
	Male	Female	Total
Number of employees (headcount/FTE)	3,480	13,000	16,480
Number of permanent employees (headcount/FTE)	3,336	12,775	16,111
Number of temporary employees (headcount/FTE)	144	225	369

### EMPLOYEES (By region)

	Central	Southern	Northern	East Coast	East Malaysia	Total
Number of employees (headcount/FTE)	8,083	3,311	2,799	1,024	1,263	16,480
Number of permanent employees (headcount/FTE)	7,790	3,290	2,751	1,022	1,258	16,111
Number of temporary employees (headcount/FTE)	293	21	48	2	5	369

Workers who are not employees

**289**

Interns

*Note: Including at HQ, hospitals and subsidiaries*

**2.24%**

Percentage of employees who are contractors or temporary staff

## Fostering Our People

## Labour and Human Rights

### Why It Is Important

At KPJ, we strive to protect the rights of all stakeholders within our value chain, especially those of our employees. Our efforts aim to provide a workplace that is fair, ethical and supportive. We believe in treating our employees with respect and dignity, ensuring non-discriminatory practices within our operations. We stand firm against all forms of child labour, forced labour, discrimination, harassment and unfair labour practices.

### Our Approach

We are guided by our Code of Conduct which supports internationally recognised standards and principles outlined in the Employment Act (Revised) 2002. Our approach aligns with the International Labour Organisation (ILO) Convention on Fundamental Principles and Rights at Work.

### Respecting and Protecting Human Rights

Respect for human rights is embedded into our core operations. Our Code of Conduct extends these principles to external stakeholders, including customers, vendors and suppliers. In new commercial agreements, vendors and suppliers must acknowledge our Code of Conduct, affirming their commitment to human rights principles throughout our entire value chain.

We maintain a zero-tolerance policy for child labour, forced labour and excessive working hours, implementing measures to ensure workplace health and safety, non-discrimination and equal opportunities. All new suppliers and vendors are expected to comply with our Supplier Code of Conduct.

### Prioritising Labour Rights

We protect labour rights through comprehensive policies that champion human rights, including aspects on health and safety, patients' and employees' rights, demonstrating our commitment to fairness and respect. We strive to cultivate an environment that is free from prejudice, discrimination, bias, harassment and violations.

Our employees are free to participate in trade unions and associations of their choice. In 2023, approximately 3% of our workforce were union members. We remain committed to prioritising labour rights to address the needs of our employees and promote a culture of engagement.

In 2023, we incorporated all recent changes to the Employment Act 1955 (Amendment) 2022, which involve modifications such as the following:

Maximum working hours of 45 hours per week

Provision of 98 days maternity leave and 7 days paternity leave

Separation of sick leave and hospitalisation leave

Notice to raise awareness on Sexual Harassment

We also implemented an Anti-Sexual Harassment Policy to protect our female employees, as they constitute 78.8% of our human capital. Developed in September 2022, the policy aims to reinforce our stand against sexual harassment across our workplace. The policy mandates a comprehensive investigation of all sexual harassment complaints, following established processes and procedures while ensuring the utmost confidentiality. This initiative aims to promote a safe and supportive work environment.

There were no reports regarding the violation of human rights, in the year under review.

We also uphold the list of policies below:

KPJ Policy on Work Ethics and Code of Conduct

KPJ Policy on Anti Sexual Harassment

KPJ Policy on Management of Misconduct

KPJ Policy on Handling Employee Grievances

KPJ Policy on Diversity Equity and Inclusion

## Fostering Our People

### Establishing an Effective Mechanism to Navigate Grievances

To emphasise our commitment against sexual harassment within the workplace, we communicated our commitment and policy by placing awareness posters throughout our hospitals and establishing accessible platforms for grievance mechanisms.

In our commitment to protecting our employees, we have established strict policies against workplace harassment, discrimination and sexual harassment, which can be accessed in our employee handbook and KPJ's Employee Self-Service Portal.

We have in place the following process for reporting and addressing employee grievances:

#### Step 1

- Employees report their grievances to their immediate superior. If the complaint involves the immediate superior, the matter should be taken up with the superior's superior
- Resolution to be executed within two days
- If the employee is unsatisfied with the outcome, the employee is to proceed to Step 2

#### Step 2

- Employees to fill out a grievance form with all pertinent relevant details and submit it to the Head of Talent Management
- The Head of Group Human Resources is required to resolve the issue within two working days
- If the employee is unsatisfied with the outcome, the employee is to proceed to Step 3

#### Step 3

- The issue will be escalated to the President/ Managing Director/OIC (for KPJHB) or the CEO/ GM (for hospitals)
- A grievance hearing will be conducted, and a final decision will be made within 10 working days

### Our Whistleblowing Channels

We urge all stakeholders to report any violations or suspected violations of our Code of Conduct, including potential human rights abuses or infringements, following our whistleblowers' SOP. Whistleblowing reports can be made via email to [integrity@kpjhealth.com.my](mailto:integrity@kpjhealth.com.my) or submitted in writing to our Whistleblowing Committee. Further details on our Whistleblowing Policy can be found on our website.

### Progress/Achievements

In 2023, we implemented the following initiatives to heighten awareness among employees on labour and employment rights:

- **Employment Act (Amendment) 2022** - We conducted an educational session on Labour and Employment Rights through a memo, to highlight the changes made in the Employment Act (Amendment) 2022, which is now extended to all employees regardless of salary.
- **Mental Health Awareness** - A session was held on various aspects including forms of sexual harassment, the available reporting channels and case studies.
- **Domestic Inquiry** - Two sessions were conducted to address Domestic Inquiry procedures, covering topics such as the principles of natural justice, the right to be heard, rules against bias and due processes in disciplinary proceedings.
- **Labour and Employment Rights** - Internship students were educated on labour and employment rights at a session held through a visit to the Industrial Court where they witnessed settlement case proceedings.
- **4th Collective Agreement** - Kedah Medical Centre Sdn Bhd, a member of KPJ Healthcare Berhad, affirmed its commitment to upholding fundamental human rights, specifically Freedom of Association, by finalising the 4th Collective Agreement with the Kesatuan Pekerja-Pekerja Dalam Perkhidmatan Perubatan & Kesihatan Swasta (National Union) on 24 July 2023.

### Going Forward

We plan to conduct more sessions to enhance awareness on Human Rights, specifically on Freedom of Association and Collective Bargaining. Collective Bargaining sessions will be held with the Kesatuan Pekerja-Pekerja Dalam Perkhidmatan Perubatan & Kesihatan Swasta (National Union) as per below:

5th Collective Agreement for Kedah Medical Centre Sdn Bhd

15th Collective Agreement for Sentosa Medical Centre

Furthermore, we will organise additional educational initiatives to foster a culture of compliance and uphold our zero-tolerance approach towards issues concerning integrity, illegal substance abuse and sexual harassment. These initiatives aim to raise employee awareness regarding labour and employment rights.



## Fostering Our People

## Health and Safety

### Why It Is Important

We are committed to ensuring a safe and healthy environment for our employees, customers and the communities in areas where we operate. This commitment means complying with the stringent regulations and requirements of the healthcare industry to uphold our operational licenses. By providing a safe environment to ensure legal compliance and operational continuity, we strengthen the public's confidence in the delivery of our healthcare services.

Our commitment to health and safety aligns with laws, standards and guidelines such as the Occupational Safety and Health Act (OSHA) Amendment 2022, ISO 45001:2018 and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. These measures are aimed at protecting human rights in the workplace and ensuring the provision of a safe and healthy environment. We believe that effective Occupational Safety and Health (OSH) management is essential for preventing work-related injuries, illnesses and fatalities, embedding a culture of safety across the organisation to enhance OSH performance and boosting employee morale and productivity.

### Our Approach

Our OSH management is guided by the following policies and regulations:

Acts and regulations from DOSH

KPJ Safety & Health Guidelines 2021

Joint Commission International 7th Edition – Facility Management and Safety (FMS) Chapters

ISO 9001:2015 Quality Management System (QMS)

ISO 45001:2018 Occupational Health and Safety Management System (OHSMS)

ISO 14001:2015 Environmental Management System (EMS)

Malaysian Society for Quality in Health (MSQH) – Standards 2 Environmental Safety Services (ESS) 6th Edition

We recognise the increased risks in healthcare and remain dedicated to the well-being of our valued employees. The Group's Environmental Health and Safety (EHS) Policies ensures our compliance to health and safety standards to protect all our stakeholders. In addition to health and safety policies implemented through the Integrated Management System (IMS), we employ robust systems like Hazard Identification, Risk Assessment and Risk Control (HIRARC), and Environmental Impact and Aspect (EIA) to systematically manage potential hazards and environmental concerns.

This approach reflects our commitment to creating a safe and healthy environment for everyone.



## Fostering Our People

### Health and Safety Management System

Our OSH management system, which adopts the Plan, Do, Check and Act (PDCA) method, aligns with the following legislation, ISO standards and regulations to protect our workers:

- Occupational Safety and Health Act
- Occupational Safety and Health (Safety and Health Officer) Regulations 1997
- Occupational Safety and Health (Noise Exposure) Regulations 2019
- Occupational Safety and Health (Use and Standards of Exposure of Chemicals Hazardous to Health) Regulations 2000
- Occupational Safety and Health (Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease) Regulations 2004
- Occupational Safety and Health (Safety and Health Committee) Regulations 1996
- Occupational Safety and Health (Control of Industrial Major Accident Hazards) Regulations 1996
- Occupational Safety and Health (Employers' Safety and Health General Policy Statements) (Exception) Regulations 1995
- Occupational Safety and Health (Classification, Labelling and Safety Data Sheet of Hazardous Chemicals) Regulations 2013
- Occupational Safety and Health (Safety and Health Officer) Order 1997
- Industry Code of Practice on Indoor Air Quality, 2010
- Industry Code of Practice for Management of Occupational Noise Exposure and Hearing Conservation 2019
- Industry Code of Practice for Safe Working in a Confined Space, 2010
- Code of Practice on Prevention and Management of HIV/AIDS at the Workplace, 2001
- Code of Practice on Prevention and Eradication of Drug, Alcohol and Substance Abuse in the Workplace, 2005

KPJ has also established policies to support our Non-Clinical Support Services (NCSS), to include aspects such as KPJ's Safety and Health Guidelines, Bomb Threat (Code Black), Safety of Ambulance, CCTV and Theft, Laser Safety and Safety of Fire Detection and Fire Suppression System.

KPJ benefits from external benchmarking procedures, including the voluntary Hospital Accreditation Programme (HAP), facilitated by the non-governmental and non-profit organisation MSQH, affiliated with the International Society for Quality in Health Care (ISQUA). The HAP functions as an assessment tool devised by healthcare professionals to appraise the performance of hospitals and other healthcare facilities. It enables healthcare facilities to benchmark their performance levels against relevant national standards.

### Building Resilience Through Environmental Safety and Health (ESH) Governance

Under the Occupational Safety and Health Act, every KPJ hospital and subsidiary is mandated to establish an Occupational Safety and Health (OSH) Committee. This committee comprises a chairperson, secretary and representatives of both employers and employees, who report to the hospital's top management (CEO or GM). Following each quarterly meeting, the committee is required to submit reports to the GM at KPJHQ. The meeting minutes includes details on safety measures and new developments in ESH, which are disseminated across the Group via email to keep employees well-informed. Incidents are thoroughly examined during Risk Officer Meetings, where the committee identifies ways to improve safety measures and revise operational standards.

We have in place an Environmental Safety Service (ESS) Committee for KPJ hospitals within KPJ's ESS Governance framework. Our ESS Governance structure is led by the CEO and GM, supported by Safety and Health Officers (SHO). Our ESS committee oversees OSH and environmental issues, ensuring the identification of hazards and assessment of risk controls. Additionally, JCORP Security and Safety Committee includes representatives from KPJHQ. Security and OSH-related incidents are presented during quarterly committee meetings at the JCORP level.

To support the execution of our ESH strategy, we have designated 29 SHO and Safety Officers (SO) at each KPJ hospital. Moreover, in 2023, we have recruited 11 (OHD), nurse practitioners and psychologists to oversee the implementation of the medical surveillance programme across all service platforms.

## Fostering Our People

### Hazard Identification, Risk Assessment and Incident Investigation/Determining Risks (HIRARC/HIRADC)

KPJ staff are encouraged to submit detailed reports on incidents, including incident investigations and root cause analyses (RCA), using a system that is easily accessible through our local network. This system ensures the comprehensive reporting and thorough investigation of all incidents, enabling the identification of areas for improvement and the implementation of appropriate measures to prevent recurrences. As part of our standard procedures, the KPJ Group rigorously reviews each matter and acts accordingly. All significant incidents are reported to the duty manager or the risk management team.

To embed a culture of accountability and responsibility, KPJ has established a comprehensive incident reporting and learning system. Since 2014, KPJ has implemented Q-radar, the web-based KPJ Online Incident Reporting System, which documents clinical and non-clinical incident reports. This system is universally employed at our hospitals and companies, serving as the principal resource for the Group's reporting requirements. In tandem with the Q-Radar system, the Incident Reporting Instruction and Introduction manual, provides guidance for the Group's incident-related Standard Operating Procedures (SOPs). The manual plays a crucial role in ensuring a standardised and effective approach to incident reporting within KPJ's framework.

Additionally, KPJ has a matrix reporting system to strengthen the support system for ESH matters between the Group and its subsidiaries. Within this framework, both KPJHQ and KPJ hospital management bear equal responsibility for reporting and evaluating all activities related to Safety, Health and Environment. This strategic approach aligns with the Group's overarching objective of fostering a work culture that underscores ownership, accountability and compliance.

### Mitigating and Reducing Accidents and Fatalities

Our identification of work-related hazards and approach to minimising and eliminating risks in our hospitals are guided by our HIRARC, HIRADC and ICOP on risks and opportunities, while our risk management is aligned with regulations by OSHA, MSQH, JCI and ISO standards and requirements. The HIRARC/ HIRADC is a key component of our legal compliance the Integrated Management System (IMS) for ISO certification and accreditation by the MSQH and Joint Commission International (JCI) and is conducted annually to examine and improve the management of our safety risks.

Additionally, KPJ has a matrix reporting system to strengthen the support system for ESS matters between the Group and its subsidiaries. Within this framework, both KPJHQ and KPJ hospital management bear equal responsibility for reporting and evaluating all activities related to Safety, Health and Environment. This strategic approach aligns with the Group's overarching objective of fostering a work culture that underscores ownership, accountability and compliance.

In the event of an incident, staff members are required to complete an incident form as soon as possible and submit it to the Risk, Sustainability and Governance Committee. The committee will then grade the incident according to low, moderate, high or extreme. After the grading process, actions will be implemented based on the grade, followed by obtaining feedback and conducting follow-up accordingly. Details from the follow-up will then be submitted to the Chief Risk Officer at KPJHB for a comprehensive review. This process ensures that actions taken to prevent the recurrence of incidents are documented in the database and Group Risk Register.

KPJ also adopts the Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease (NADOPOD) from DOSH for our incident reporting process followed by the robust implementation of HIRARC, adopting ISO standards on risks, opportunities and guidelines from the Incident Reporting Manual KPJHB, conducting Accident Investigation and Reporting, RCA and Fish Bone Method to identify the root cause of accidents and mitigation planning. Additionally, our Safety Health Officers (SHO), Safety Officers (SO) and all staff are trained on competency and awareness involving aspects such as HIRARC, workplace inspections, environmental audits and walkabouts and incident reporting via NADOPOD.

To ensure improvements to these processes, KPJ conducts the following:

Discussing safety-related issues at quarterly KPJ Group SHO meetings and Safety and Health Committee meetings

Sharing lessons learned from incidents and measures for improvement

Conducting internal and external audits for ISO certification

Conducting external surveys by internal MSQH internal surveyor

## Fostering Our People

In the event of an incident, workers can remove themselves from dangerous situations as guided by our policies on Safety, Health and Welfare at Work, Hazards Risk Assessment, QSHE Manual and KPJ Safety and Health Guidelines.

### Working in Partnership with Workers to Bolster Our OSH

At KPJ, we believe that everyone shares a collective responsibility and role in enhancing safety within our hospitals. To this end, we provide avenues for employees to raise matters on OSH through employee representatives of the Safety and Health Committee. Safety measures are communicated through our Safety and Health Information Board and employees have access to important information, SOPs and forms on safety-related aspects which can be accessed on desktop PCs and laptops. Furthermore, we collaborate with the Quality, Risk, Compliance and Sustainability committees to organise an OSH Day aimed at promoting safety awareness throughout the Group.

Additionally, we established a joint management and worker committee known as the OSH Committee, comprising both employer and employee representatives. This committee convenes every three months to review safety and health procedures, address complaints or issues related to safety and engage in discussions with the management on OSH matters.

### Our Strategies for Minimising Health and Safety Incidents

We remain committed to enhancing safety measures across our hospitals to protect our staff and patients. To fulfil this commitment, we implement these initiatives:



#### Workplace Inspection Checklist Form

Ensures that workplace inspections are conducted every three months, in line with the requirements of the Occupational Safety and Health Act (OSHA) 1994



#### Fire Hazards

A regularly updated annual checklist is used to evaluate potential fire hazards, focusing on remote regions or areas that are infrequently visited by workers, contractors or vendors



#### Environmental Safety Audit and Walkabout

Implementing a DEI policy is not just about meeting legal and regulatory standards; it also reduces the risk of discrimination claims and fosters a positive culture that champions fairness and equality



#### Feedback Form

Used to address and respond to any feedback related to hospital safety and health

### Disaster and Emergency Management Plan (DEMP)

KPJ Group's DEMP is a comprehensive framework for addressing potential hazards during emergencies. This establishes a structured approach for communication following an emergency and is systematically implemented across all of our hospitals, ensuring effective management for both internal and external disaster scenarios.

To enhance employees' preparedness in executing the DEMP, KPJ Group conducts regular management training and drills throughout the year complemented by annual disaster drills at each hospital. These drills not only evaluate employees' compliance and the efficacy of the DEMP, but also offer refresher courses on emergency preparedness. In the year under review, there were no DEMP-related incidents recorded.

The DEMP employs a colour-coded system to categorise the type of emergency highlighted in the graphic below to facilitate a swift and organised response. Our hospitals also have specific policies and procedures to manage external disasters, encompassing various emergency situations such as mass casualty incidents, classified as Code Yellow. The inclusion of Code Yellow aligns with the requirements of the MSQH and the Private healthcare Facilities and Services Act 1998, ensuring that KPJ hospitals are well-equipped to effectively handle internal and external disasters.

## Fostering Our People

### Disaster and Emergency, Guided by MSQH 6<sup>th</sup> Edition

Clinical and Non-Clinical Related

<div style="display: flex; align-items: center; margin-bottom: 10px;"> <div style="background-color: #e53935; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-right: 10px;"> <span style="color: white; font-weight: bold;">Code Red</span> </div> <div> <p>Fire/Explosion</p> </div> </div>	<div style="display: flex; align-items: center; margin-bottom: 10px;"> <div style="background-color: #6c757d; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-right: 10px;"> <span style="color: white; font-weight: bold;">Code Grey</span> </div> <div> <p>Management of suicidal/ parasuicidal or aggressive people</p> </div> </div>
<div style="display: flex; align-items: center; margin-bottom: 10px;"> <div style="background-color: #212529; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-right: 10px;"> <span style="color: white; font-weight: bold;">Code Black</span> </div> <div> <p>Bomb Threat</p> </div> </div>	<div style="display: flex; align-items: center; margin-bottom: 10px;"> <div style="background-color: #e91e63; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-right: 10px;"> <span style="color: white; font-weight: bold;">Code Pink</span> </div> <div> <p>Baby Abduction/ Missing</p> </div> </div>
<div style="display: flex; align-items: center; margin-bottom: 10px;"> <div style="background-color: #ffc107; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-right: 10px;"> <span style="color: white; font-weight: bold;">Code Yellow</span> </div> <div> <p>Internal/External Disaster - Flood, Building collapse Major/ Minor Hazardous Chemical Spillage, Mass Casualties</p> </div> </div>	<div style="display: flex; align-items: center; margin-bottom: 10px;"> <div style="background-color: #17a2b8; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-right: 10px;"> <span style="color: white; font-weight: bold;">Code Blue</span> </div> <div> <p>Cardiac or Respiratory Arrest/Medical Emergencies</p> </div> </div>

Furthermore, the DEMP seamlessly integrates into the KPJ Group’s Business Continuity Management (BCM) plan. The aim of the BCM is to empower KPJ to sustain uninterrupted business operations amid crises or unexpected disruptions, such as the COVID-19 pandemic. To this end, we continue to engage regularly with stakeholders to strengthen our business resilience against potential disruptors. This ensures that our operations remains relevant in a competitive operating environment.

In 2023, various KPJ hospitals conducted the following drills to enhance emergency preparedness:

Code Black

**13 KPJ Hospitals conducted**

Code Red

**28 KPJ Hospitals conducted**

Code Yellow

**21 KPJ Hospitals conducted**

### Building a Safety Culture Through OSH Training

As healthcare industry professionals, all KPJ employees are required to stay abreast of the latest Occupational Safety and Health (OSH) practices and procedures. Our employees undergo compulsory training in various OSH aspects including Hazard Identification, Risk Assessment and Risk Control (HIRARC), Workplace Inspection (WPI), Root Cause Analysis and Fish Bone Accident Investigation.

Moreover, all KPJ hospitals accredited by the MSQH undergo hospital accreditation survey visits organised by the same regulatory body. These visits are scheduled upon the healthcare facility’s request and provide opportunities for external peer reviews, knowledge-sharing, education, validation for current performance assessments and the sharing of best practices within the healthcare industry.

In the year under review, 11, 284 employees received training in the following aspects:

HIRARC

Emergency Codes – Code Red, Code Yellow, Code Black

Ergonomics

Hazardous Materials and Chemicals

Emergency Response and Disaster

Basic Life Support (BLS)

High Risk Areas (i.e. operation theatre, CSSD, kitchen, workshops and plant room)

## Fostering Our People

### Progress/Achievements

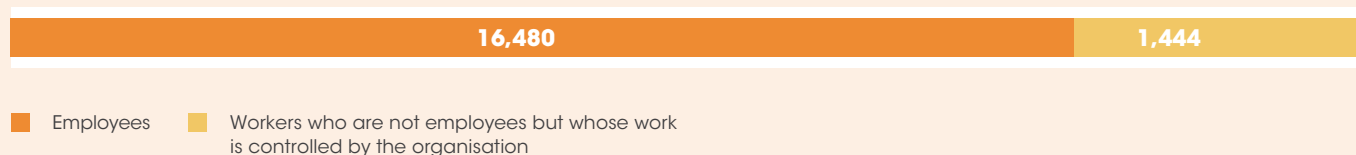
During the year, we executed initiatives to improve our OSH, such as organising KPJ Group SHO meetings, conducting internal surveys for MSQH and JCI, ad hoc site visits and introducing the Transformation of Security Services Assessment 2023

In our aim to embed a culture of safety throughout our hospitals, we have implemented diverse initiatives to reduce the frequency and rate of incidents within our hospitals. Our ultimate goal is to achieve and sustain a long-term record of zero incidents. To this end, we strive to equip our employees with comprehensive knowledge and experience in safely operating equipment, as well as controls and processes within the workplace. This enables them to recognise potential health and safety risks and promptly report any gaps in our safety and health programme.

In 2023, there were zero fatalities among all employees. However, we recorded a total of 138 work-related incidents among employees, reflecting a decrease by 26.8% from the 101 incidents reported in 2022. A majority of these incidents were due to slips, trips and falls, needle stick injuries and back pain attributed to ergonomic issues. To address this, we implemented HIRARC, implementing control measures including elimination, substitution, isolation, engineering and administrative controls and enforcing the use of PPE. Additionally, we installed notices and signages at slippery areas, provided training on physical hazards, conducted workplace inspections to identify hazards and ensured that our staff wore non-slip footwear at all times.

### OSH Performance

#### Employees covered by our OSH management system



### Work-Related Injuries

	All Employees		
	2021	2022	2023
The Number and Rate of Fatalities as results of work-related injury	0/ 0.00	0/ 0.00	<b>0/ 0.00</b>
The number and Rate of High Consequences work-related injury (excluding fatalities)	0/ 0.00	0/ 0.00	<b>0/ 0.00</b>
Number of recordable work-related injuries	101	97	<b>138</b>
Rate of recordable work-related injuries	97	101	<b>3.30</b>
The main types of work-related injury	Slip, Trip and Fall (STF)	Slip, Trip and Fall (STF)	<b>Slip, Trip and Fall (STF)</b>

## Fostering Our People

	Not Employees but workplace controlled by the organisation		
	2021	2022	2023
The Number and Rate of Fatalities as results of work-related injury	0/ 0.00	0/ 0.00	<b>0/ 0.00</b>
The Number and Rate of High Consequences work-related injury (excluding fatalities)	0/ 0.00	0/ 0.00	<b>0/ 0.00</b>
The number and Rate of recordable work related injuries	7/ 0.2	2/ 0.06	<b>3/ 0.07</b>
The main types of work-related injury	Slip, Trip and Fall (STF)	*NSI/Sharp object injury	<b>*NSI/Sharp object injury</b>

\* Needle Stick Injury (NSI)

## Work-Related Ill Health

	2021	2022	2023
<b>Employees</b>			
The Number and Rate of Fatalities as results of work-related ill health	0/ 0.00	0/ 0.00	<b>0/ 0.00</b>
The number of cases of recordable work-related ill health	0	13	<b>11</b>
The main types of work-related ill health	-	Ergonomics	<b>Ergonomics</b>
<b>Non-Employees</b>			
The Number and Rate of Fatalities as results of work-related ill health	0/ 0.00	0/ 0.00	0/ 0.00
The number of cases of recordable work-related ill health	0	0	<b>0</b>
The main types of work-related ill health	0	0	<b>0</b>

	2021	2022	2023
No. of staff	13,179	13,563	<b>16,480</b>
No. of hours worked	33,421,944	34,395,768	<b>41,793,280</b>

## Going Forward

We are dedicated to ensuring governance and compliance of our Occupational Safety and Health (OSH) policies and frameworks among our employees. Moving forward, we plan to significantly expand our training programs to continually develop and enhance employee competencies in this critical area.

# Upholding Good Governance

## Leadership and Governance

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**We remain committed to ensuring a robust healthcare ecosystem that serves as a model to manage our six capitals covering biophysical and social aspects related to sustainability and health. Moreover, We are resolute in stepping up our efforts to maintain ethics and integrity across our operations under the direction of our ethically strong leadership team. We believe that employing data-driven approaches has the potential to enhance the long-term sustainability of the healthcare ecosystem by delivering cost-effective care improvements.**

### Our Approach

In our pursuit of becoming a sustainability-accountable and future-ready organisation by 2025, we remain dedicated to prioritising five key areas:

- 1 Business Model Resilience**  
The Board offers guidance to the Group to ensure the integration of sustainability into business processes, addressing risks and opportunities that may impact our business model.
- 2 Technology, Innovation and Collaboration**  
Our directors recognise the need to leverage technology, innovation and collaboration as major catalysts for change, accelerating the company's transition to sustainability, achieving its objectives, and meeting industry requirements.
- 3 Ethics and Integrity**  
Our leaders assume the role of advisors on ESG, ensuring the company operates ethically, responsibly, and sustainably, contributing to stakeholder well-being. They lead by example, demonstrating responsible resource management and implementing best practices to improve workplace conditions and ensure the Group's long-term prosperity.
- 4 Data Privacy and Security**  
The Board recognises that data stands as one of the organisation's most valuable assets and acknowledges the need for stronger data analytics, management, and protection.  
  
In response to heightened regulatory and financial scrutiny, compliance, data management, and privacy threats have emerged as top priorities in boardroom discussions.
- 5 Supply Chain Management**  
Our leaders are continuously striving to forge significant partnerships across the healthcare value chain.

### Our Initiatives

All activities conducted by our directors in leading our organisation can be found at page XX of our Corporate Governance Overview section in the Integrated Report





## Upholding Good Governance

### Technology, Innovation and Collaboration

#### Why It Is Important

Through the integration of technology, innovation, and collaboration, we enhance operational efficiency, expand healthcare access, and ensure resilient infrastructure. This integration leads to enhanced healthcare access and communication, increased transparency and information accessibility, improved efficiency and competitiveness, strengthened reputation and brand loyalty, improved healthcare access and privacy protection and empowered individuals in healthcare decisions. This commitment advances KPJ's goals and contributes to sustainable industrialisation, infrastructure development, and innovation.

#### Our Approach

Our efforts are guided by our Information Security Policy, ensuring that we operate securely and effectively in pursuit of these goals. We are committed to advancing healthcare and sustainability through a multifaceted approach. This includes investing in technological advancements, forging partnerships with sustainable innovators, conducting ongoing research and aligning our objectives with collaborators to bolster the nation's economy.

#### Key Focus Areas

**Streamlining the Group's IT Infrastructure**

**Integrating, securing and interoperating the Group's IT Ecosystem**

Since 2021, Group Technology Serviceses (GTA) has been developing and implementing its Digital Roadmap 2021-2024, comprising 28 projects planned for 2023-2024. On December 1, 2023, the IT Steering Committee ("ITSC") was formed as a platform for comprehensive discussions on all IT and Digital-related projects. The ITSC serves as an escalation body for addressing digital and IT queries, decisions, issues, and risks, ensuring effective oversight of projects. In addition, GTS has undertaken further initiatives to enhance the infrastructure and security of KPJ Group, aligning with the current business strategy and objectives. These ongoing initiatives aim to strengthen the Group's technological capabilities and safeguard its operations.

#### Our Initiatives

The following are the main initiatives we have undertaken in 2023:

#### Smart Hospital Initiatives, setting new standards in healthcare, including:

- 5G Holomedicine
- Wireless Vital Sign Monitoring and Nurse Dashboard
- Patient Room Automation
- AI Fall Monitoring
- Porter Management

#### Enhanced patients' mobile application experience by:

- Introducing self-service features like online bill payment for inpatients
- Implementing queue management functionalities
- Launching the KPJ Mobile app, offering services such as appointment scheduling, KPJ Cares e-commerce, KPJ loyalty card, and health package purchases
- Revamping our website with a unified UI/UX design, consolidating approximately 29 separate hospital sites into one cohesive platform

**First organisation to achieve**

**ISO/IEC 27001:2022**

**Information Security Management System (ISMS) implementation within our Group**

# Upholding Good Governance

## Going Forward

As we progress forward, sustainability remains at the core of our operations. The following are some of our key strategies to integrate sustainability into our operations:



### Completion of Smart Interactive Hospitals

Implementing smart features to reduce energy consumption and enhance operational efficiency, contributing to a greener environment.



### KPJ Mobile Application Phase 2

Facilitating paperless transactions to reduce paper usage and fostering digital accessibility via our mobile apps.



### Queue Management Phase 2

Improving queue management to enhance patient experience, minimises waiting times, leading to resource optimisation and reduced carbon footprint.



### Website Enhancement Phase 2

Enhancing our online presence to reduce the need for printed materials and physical resources.



### AI Chatbot

Introducing an AI-powered chatbot to streamline processes, reducing the need for physical interactions and paperwork, thus contributing to resource efficiency.

Our focus on these initiatives reflects our unwavering dedication to sustainable practices. Together, these efforts contribute significantly to shaping a more sustainable future for all.



# Upholding Good Governance

## Ethics and Integrity

### Why It Is Important

At KPJ Healthcare, our values and principles support our profession and guide us in all aspects of our work. Ethics and integrity are indispensable in healthcare, serving as the foundation for trust, patient safety and quality of care, professionalism, and legal compliance. Upholding ethical standards ensures patient well-being, fosters trust among stakeholders, maintains professionalism and enhances our reputation as the country's leading healthcare organisation. By prioritising ethical conduct, healthcare professionals contribute to a stronger and more trustworthy healthcare system, ultimately benefiting our key stakeholders.

### Our Approach

We are cognizant of and driven by the following policies and guidelines:

Whistleblowing Policy (WBP)

Paragraph 15.29 of the Main Market Listing Requirements of Bursa Malaysia

ISO 37001:2016 Anti-Bribery Management System (ABMS) certification

Practice 2.1 of the Malaysian Code on Corporate Governance

KPJ actively supports the National Anti-Corruption Plan (NACP) by prioritising transparency, accountability and integrity across our organisation. Our three-year KPJ Integrity/Anti-Bribery Plan aligns with NACP goals, focusing on governance, integrity, and anti-corruption controls. The Integrity Unit (IU), reporting to the Risk, Sustainability & Governance Committee (RSGC), oversees the implementation, monitoring and evaluation of our plan. Following the Prime Minister's directive, the IU submits biannual reports on integrity activities to the Agency Integrity Management Division (BPIA) and the Malaysian Anti-Corruption Commission (MACC) since June 2020.

Furthermore, KPJ ensured that its anti-corruption policies were effectively communicated to all employees. The Group's Standard Operating Procedures ("SOPs") were made accessible via shared folders. Following review and approval by the Board of Directors, all revised policies are emailed to employees at all levels of the organisation. In addition, we require our people to reaffirm their anti-corruption commitment through an E-Integrity Pledge in the ESS system. The Group's Suppliers and vendors were also informed and required to sign the Integrity Declarations, in line with the Group's commitment to the combat corruption.

### Whistleblowing Policy

Since its launch in 2013, KPJ's Whistleblowing Policy (WBP) has been operational, with updates in 2020 to align with ABMS Policy. Further enhancements, including the establishment of the Whistleblowing Committee's Terms of Reference, were approved by the KPJHB board on November 23, 2022. The Committee convenes semi-annually or as needed. Our WBP underscores KPJ's dedication to upholding top-tier governance, ethics and integrity in all business dealings.

The recent revision, proposed by the Chairman of the Risk, Sustainability, and Governance Committee (RSGC), aims for a simpler process and alignment with JCorp's policy while fostering continuous improvement in ABMS. 42 reports have been received since 2020 - 5 related to integrity and 37 concerning grievances. All reports were addressed following our Whistleblowing Policy and Procedure, with cases escalated to the Chief Human Resource Officer for further action.

	No. of Cases
2021	9
2022	1
<b>2023</b>	<b>31</b>

*Note: The increase of cases is due to the effectiveness and number of awareness conducted in 2023*

Any wrongdoing or improper conduct discovered must be immediately reported through the appropriate channels, any parties can make a whistleblowing report on any wrongdoings that they may observe and experience via **integrity@kpjhealth.com.my**. Additionally, parties can disclose issues to the Chairman of the Whistleblowing Committee if reporting to the designated channel is impractical or unsuitable for any reason. The address for such correspondence is as follows:

**Integrity Unit**  
**Level 15, Menara KPJ,**  
**No 238, Jalan Tun Razak,**  
**50400, Kuala Lumpur**

*(Mark Strictly Confidential and To be Opened by Addressee Only)*

## Upholding Good Governance

Throughout the year 2023, we maintained clean record with no confirmed incidents of corruption.

In our commitment to maintaining exemplary governance standards and combatting corruption within KPJ, we have implemented employee training programmes and conducted assessments of our operations to identify and mitigate corruption risks. We believe that these measures are essential for enhancing employee awareness on corruption and protecting our operations against any instances of corrupt practices.

The training is designed to assist employees to understand the importance of adhering to the rules of the MACC (Amendment) Act 2018 and ensure an adequate anti-bribery policy is in place based on the five core principles (T.R.U.S.T) outlined in the Guidelines on Adequate Procedures. The importance of complying with ISO 37001 ABMS standards and ABMS SOPs as a defense mechanism against Section 17A is also emphasised.

### Anti-Bribery Management System (ABMS) Awareness Training

As of 31 December 2023, 16,116 employees (98% of employees excluding International Business) has attended the ABMS Awareness Training. The series of awareness and refresher training conducted by Integrity Unit and Integrity Ambassadors was attended by employees from KPJHQ, 29 hospitals, and 11 Support companies.

—  
**16,116**

number of employees  
received training in ABMS

—  
**98%**

from the total workforce  
(excluding International  
Business)

### Operations assessed for risks related to corruption

—  
**100%**

of 18 services assessed for  
corruption-related risks

### Going Forward

As we move forward, we aim on leading the key initiatives for 2024 and beyond, built upon strategies from our Strategic Report 2023. The Group's IU will assess additional services outlined in the yearly Integrity Plan for 2024 to enhance governance and support our national agenda of promoting integrity and combating corruption.

It is emphasised that the initiative aims to thwart the misuse of power, safeguard the rights of individuals, and foster robust socio-economic development for the nation. Recognising that employees embodying integrity and good governance are pivotal assets, the report underscores their significance for the success of both the organisation and the nation.



## Upholding Good Governance

## Data Privacy and Security

### Why It Is Important

In the healthcare domain, data privacy and security are critical for protecting sensitive patient data, ensuring the integrity of medical systems and maintaining trust in the industry. When data breaches occur, they can cause harm, disrupt the care patients receive, and even lead to significant legal consequences due to the stringent regulations governing the handling of patient data. Therefore, it is crucial for us to invest in robust cybersecurity measures not only to protect patient data and ensure the integrity of medical systems but also to comply with regulatory requirements and mitigate the risk of legal consequences.

### Our Approach

In our commitment to safeguarding patient data confidentiality, We have implemented the User Access Matrix (UAM) within the KCIS2 and HITS2 frameworks to enhance patients' data security. Aligned with the Ministry of Health's (MOH) User Access Policy (UA Policy) and guidelines, our approach ensures compliance with legal requirements while while prioritising patients' privacy. Our strategy involves implementing standardised design and implementation guidelines for systems, thereby bolstering the security of our patients' information. Ultimately, our User Access Management (UAM) solution provides robust protection for patient data, maintaining confidentiality in accordance with regulatory standards.

- **The Medical Act 1971**
- **The Malaysian Medical Council (MMC) Ethical and Guidelines**
- **The Ministry of Health (MOH) Circulars and Guidelines such as Management of Patient Records in Hospitals and Medical Institutions (2010) and ICT Security Policy (2010)**
- **Personal Data Protection Act 2010**

### Our Initiatives

In June 2023, our Group Technology Services ("GTS") embarked on a journey towards ISO 27001 Ver 2022 Certification and successfully completed the implementation in December of the same year.

This milestone represents a significant achievement for GTS, as the implementation of ISO 27001 underscores the establishment of robust Information Security Management Systems (ISMS) by fortifying defences against cyber threats and vulnerabilities. It also empowers KPJ to systematically identify, assess, and manage information security risks.

Furthermore, the official confirmation from SIRIM QAS International certifying KPJ Healthcare Berhad as the first recipient of ISO/IEC 27001:2022 (ISMS) certification within Malaysia's healthcare sector solidifies this achievement as a landmark moment in GTS's commitment to excellence.



## Upholding Good Governance

### Strengthening Cybersecurity Measures at KPJ Healthcare Bhd

In today's interconnected digital landscape, cybersecurity remains a top priority for organisations worldwide, including those in the healthcare sector like KPJ Healthcare Bhd. Recognising the potential risks posed by cyber threats, KPJ is committed to fortifying its cybersecurity to safeguard patient well-being, ensuring the Group's financial stability, and regulatory compliance.

KPJ's GTS is dedicated to enhance the organisation's cybersecurity posture, aiming to elevate it from Level 3 (Define) to Level 4 (Managed). In 2023, GTS achieved significant milestones through the completion of four key security projects:

#### Security Remediation

This initiative focuses on promptly addressing cybersecurity vulnerabilities to bolster protection against cyber threats. By safeguarding sensitive information and assets, KPJ mitigates the risks associated with data breaches and unauthorised access.

#### ISO 27001:2022 Certification

KPJ's implementation of the ISO 27001 standard establishes robust Information Security Management Systems (ISMS), strengthening defenses against cyber threats and vulnerabilities. This certification enables systematic identification, assessment, and management of information security risks, reducing the likelihood and impact of security incidents. Notably, KPJ Healthcare Berhad is proud to be the first organisation in Malaysia's healthcare sector to attain ISO/IEC 27001:2022 (ISMS) certification, as confirmed by SIRIM QAS International.

#### Incident Response Retainer (IRR) with Google Mandiant

KPJ's partnership with Google Mandiant facilitates rapid access to skilled professionals and resources during security incidents. This collaboration ensures prompt detection, containment, and resolution of cyber threats, minimising downtime and disruption to business operations. Recently, KPJ conducted an Executive Table Top Exercise (ETTX) with Google Mandiant to assess its readiness to respond to cyberattacks and proficiency in crisis management.

#### Cyber Security Awareness Programme

KPJ places a high priority on educating its employees about cybersecurity threats and safe computing practices across the Group. By doing so, KPJ aims to reduce the occurrence of human errors that could potentially lead to security breaches. This Group-wide initiative equips our people with the knowledge and skills to recognise and mitigate cyber threats effectively.

### Number of substantiated complaints concerning breaches of customer privacy and losses of customer data

In 2023, we have had zero substantiated complaints regarding breaches of customer privacy or data loss. Our stringent security measures and proactive approach underscore our commitment to safeguarding customer information.

### Going Forward

KPJ is committed to maintain and continuously enhance our security posture and resilience to better protect against the ever-evolving landscape of cyber threats. Our dedication remains unwavering in safeguarding patient data, ensuring financial integrity, and upholding high regulatory compliance standards.

## Upholding Good Governance

### Supply Chain Management

#### Why It Is Important

Efficient supply chain management is crucial for KPJ to ensure the availability of high-quality medical products, reduce costs, minimise waste, and maintain patient safety. We are committed to maintaining ethical practices, accountability, transparency, and regulatory compliance across our supply chain to uphold good governance. We aim to work closely with medical device manufacturers and suppliers to have fair and transparent negotiations in handling supply chain management issues, including reducing procurement prices and providing high-quality medical supplies at affordable costs to a wider segment of low-income groups. We are committed to ensuring that sustainable practices are integrated into our value chains by overseeing and monitoring our suppliers' business activities and supply chains to determine their social impact on the environment and the community.

#### Our Approach

Our suppliers are guided by our own integrated supplier Code of Conduct. We have established a pre-qualification process that incorporates sustainability factors, ensuring social impact considerations during assessment and selection. Our suppliers are mandated to follow industry norms and adhere to national laws supporting UN SDGs, UN Universal Declaration of Human Rights and the 1998 ILO Declaration on Basic Principles and Rights at Work. We conduct vendors and suppliers' annual performance assessments and require their contract's mutual expectation to be met with problem-solving success, opportunity capitalisation, while meeting obligations and providing value for money.

Our suppliers must comply with all relevant laws concerning child labour, non-discrimination, excessive working hours, health and safety standards, as well as anti-corruption laws, including the Malaysian Anti-Corruption Commission Act 2009. We encourage them to support our environmental protection initiatives by developing policies on responsible resource use, waste reduction, pollution prevention, biodiversity and climate change impact.

#### Our Initiatives

KPJ's subsidiary, Pharmaserv, which is a pharmaceutical and medical products supply chain, is responsible for ensuring an adequate supply of drugs, while our Group Procurement handles the management of disposable medical necessities. We implement a more efficient, standardised and digitalised processes for sourcing, procuring, storing, and distributing medical supplies, equipment, and pharmaceuticals to prevent daily disruptions, lower operating expenses and protect KPJ from legal, financial, sustainable and reputational risks.

To enhance the efficiency of our supply chain management, we implemented the following initiatives throughout 2023:

- Empanelment of Project Consultant and Medical Equipment (High Modalities Only)
- Completion of critical Tier 1 and Tier 2 suppliers segmentation.
- Revision of Pre-Qualification Form and Annual Vendor Evaluation Form sustainable criteria
- Communication of KPJ's Sustainability Agenda and Supplier Code of Conduct to 100% Tier 1 and active Tier 2 Suppliers in January 2024



## Upholding Good Governance

100%

Spending on local suppliers

83

Total number of suppliers and vendors assessed for social criteria

100%

Percentage of suppliers assessed for social criteria

In 2023, a total of 83 suppliers were assessed for their social impacts. Out of these, 40 suppliers, or 48.2%, were identified as potentially having negative social impacts within our supply chain. While there were no engagements initiated with these suppliers to address the potential negative social impacts, our Group Procurement will actively communicate with the suppliers to improve social practices moving forward.

### Going Forward

During the period under review, we successfully maintained positive relationships with all suppliers, resulting in no terminations due to negative assessment outcomes. Moving forward, we are intensifying our focus on two pivotal areas critical to our mission and stakeholders. By channeling our efforts into these key areas, we are strategically aligning our Group's objectives to drive substantial progress and enact lasting positive change.

Incorporate ESG criteria as a factor in 'green' vendor selection, supplier evaluation

Perform physical inspection audits to monitor sustainability compliance





# Independent Assurance Statement



## SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

### To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by KPJ Healthcare Berhad (hereafter referred to as KPJ Healthcare) to perform an independent verification and provide assurance of KPJ Healthcare Sustainability Report 2023. The main objective of the verification process is to provide assurance to KPJ Healthcare and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International applied to sustainable performance information (subject matter) within the assurance scope which is included in KPJ Healthcare Sustainability Report 2023.

The management of KPJ Healthcare was responsible for the preparation of the Sustainability Report. The objective and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the KPJ Healthcare's Sustainability Report, and Integrated Annual Report 2023.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance activity evaluates the adequacy of KPJ Healthcare Sustainability Report and its overall presentation against respective frameworks such as UN-SDGs, GRI Standards requirement, and other relevant frameworks. The assurance process involves verification of applicable subject matter as presented in the Sustainability Report through the following chapters i.e., Business Model Resilience, Protecting Our Environment, Community Outreach, Access and Affordability to Quality Health, Uplifting Our Patients and Communities, Fostering Our Employees, Labour and Human Rights, Upholding Good Governance and Health and Safety. Details are provided in Appendix 1.

The verification was carried out by SIRIM QAS International in March 2024, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation which are made available during the conduct of assessment.
- Verification of data presented in the Sustainability Report includes a detailed check of the sampled data.
- Interviewing key personnel responsible for collating information and writing various parts of the report to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in KPJ Healthcare Integrated Annual Report 2023.
- The corporate office of KPJ Healthcare, at Menara KPJ, Jalan Tun Razak, was visited as part of this assurance engagement. The verification process did not include physical inspections of any of KPJ Healthcare's buildings, and hospitals. And,
- The verification team did not verify any contractor or third-party data.

# Independent Assurance Statement

## Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO/IEC 17021-1:2015 and ISO/IEC 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of KPJ Healthcare relating to the accuracy of some of the information contained in the report. In response to the raised findings, the Sustainability Report was subsequently reviewed and revised by KPJ Healthcare. It is confirmed that changes that have been incorporated into the final version of the report have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that KPJ Healthcare has not complied, in all material respects, with the referred assurance standard and guide. The following represents SIRIM QAS International's opinion:

- The level of data accuracy included in KPJ Healthcare Sustainability Report 2023 is fairly stated;
- The level of disclosure of the specific sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- The Sustainability Report provides a reasonable and balanced presentation of KPJ Healthcare's sustainability performance.

### List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Kamini Sooriamorthy	:	Team Member
3)	Ms. Nur Ruzaini Ab. Bakar	:	Team Member
4)	Ms. Khairuza Wawiyah Khairuddin	:	Team Member

Statement Prepared by:




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**AERNIDA BINTI ABDUL KADIR**

Team Leader  
Management System Certification Department  
SIRIM QAS International Sdn. Bhd.

Date: 14 March 2024

Statement Approved by:



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**Ts. MD ADHA BIN RAHMAT**

Senior General Manager  
Management System Certification Department  
SIRIM QAS International Sdn. Bhd.

Date: 19 March 2024

Note 1: This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantees the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (14 March 2024).

# Independent Assurance Statement

Appendix 1 The topics and subject matters covered in this assessment is tabulated below:	CLASSIFICATION OF DATA			
	HIGH	MEDIUM	LOW	UN SUBSTANTIATED
Business Model Resilience				
Protecting Our Environment				
: Rainwater Harvesting				
Community Outreach				
Access and Affordability to Quality Health				
Uplifting Our Patients and Communities				
Fostering Our Employees				
: Employee Training and Development				
Labour and Human Rights				
Upholding Good Governance				
Health and Safety				
: Disaster and Emergency Management Plan				
: OHS Performance Data – Non-Employees				

**Note 1:**

This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (14 March 2024).

**Note 2:**

The assurance involves activity aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party, about the subject matter information. It comprises of activities carried out to assess the quality and credibility of the qualitative and quantitative information reported by the organization. This assurance is different from activities used to assess or validate the organization’s performance, such as compliance assessments or the issuing of certifications against specific standards.

**Note 3:**

Definition of HIGH, MEDIUM, LOW and UNSUBSTANTIATED Classification of Data in this Appendix 1.

**HIGH:** The data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.

**MEDIUM:** Data and information have been confirmed with the direct owners. However, the source of the data origin has been based on secondary data which is not accessible by the verifiers during the conduct of the assessment.

**LOW:** Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.

**UNSUBSTANTIATED:** The sources of data and information disclosed were not made available during the assessment review period due to reasons like confidentiality, unattainable data source and unavailable data owner. It has been identified as one of the limitations during the conduct of the assessment.

# Performance Data

Bursa ESG Reporting Platform

Indicator	Measurement Unit	2023
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Number of employees attended Anti-Bribery Management System (ABMS) Awareness Training	Percentage	98.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,319,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	815
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	1.70
Management Between 30-50	Percentage	77.90
Management Above 50	Percentage	20.50
Executive Under 30	Percentage	37.24
Executive Between 30-50	Percentage	60.21
Executive Above 50	Percentage	2.55
Non-executive/Technical Staff Under 30	Percentage	39.00
Non-executive/Technical Staff Between 30-50	Percentage	52.00
Non-executive/Technical Staff Above 50	Percentage	8.00
General Workers Under 30	Percentage	32.32
General Workers Between 30-50	Percentage	59.39
General Workers Above 50	Percentage	8.29
Gender Group by Employee Category		
Management Male	Percentage	30.00
Management Female	Percentage	70.00
Executive Male	Percentage	16.42
Executive Female	Percentage	83.58
Non-executive/Technical Staff Male	Percentage	25.00
Non-executive/Technical Staff Female	Percentage	75.00
General Workers Male	Percentage	30.88
General Workers Female	Percentage	69.12
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	82.00
Female	Percentage	18.00
Under 30	Percentage	0.00
Between 30-50	Percentage	18.00
Above 50	Percentage	82.00
Number of Board Directors	Number	11
Number of independent Directors on the board	Number	5
Number of women on the board	Number	2

Internal assurance External assurance No assurance

(\*)Restated

# Performance Data

Bursa ESG Reporting Platform

Indicator	Measurement Unit	2023
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	22.29
Three years of total energy usage data on properties disclosed	Megawatt	63.25
Three years of total water usage data from property portfolio disclosed	Cubic meters	1,847,193.61
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	11,284
Number of work-related employee fatalities, over last 3 years	Number	0
Number of work-related contractor fatalities, over last 3 years	Number	0
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	58,108
Executive	Hours	322,822
Non-executive/Technical Staff	Hours	264,714
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.12
Bursa C6(c) Total number of employee turnover by employee category		
Number of employees turnover	Number	1,622
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Number of Medical Officers	Percentage	2.00
Number of Medical Employees	Percentage	59.00
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
<b>Bursa (Emissions management)</b>		
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	21,317.83
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	141,631.92
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes	9,548.59
Three years of total GHG emissions data on properties disclosed	Metric tonnes	172,498.35
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	1,847.190000
<b>Bursa (Waste management)</b>		
Bursa C10(a) Total waste generated	Metric tonnes	8,097.88
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	5,975.38
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	2,122.50

Internal assurance

External assurance

No assurance

(\*)Restated

## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Number of students enrolled at KPJ Campus Nationwide</b>				
KPJU NILAI	Number	<b>2,187</b>	1,851	1,707
KPJ IC JB	Number	<b>616</b>	581	602
KPJ IC PENANG	Number	<b>113</b>	242	182
<b>Total</b>	Number	<b>2,915</b>	2,674	2,491
<b>Employees (By Category and Specialisation)</b>				
<b>Non-Executive</b>				
Male	Number	<b>1,668</b>	N/A	N/A
Female	Number	<b>4,959</b>	N/A	N/A
<30 years old	Number	<b>2,611</b>	N/A	N/A
30-50 years old	Number	<b>3,472</b>	N/A	N/A
>50 years old	Number	<b>544</b>	N/A	N/A
Chinese	Number	<b>114</b>	N/A	N/A
Malay	Number	<b>5,566</b>	N/A	N/A
Indian	Number	<b>493</b>	N/A	N/A
Others	Number	<b>454</b>	N/A	N/A
Less than 1 year	Number	<b>1,052</b>	N/A	N/A
1-3 years	Number	<b>1,342</b>	N/A	N/A
4-7 years	Number	<b>1,284</b>	N/A	N/A
More than 7 years	Number	<b>2,949</b>	N/A	N/A
<b>Executive</b>				
Male	Number	<b>1,383</b>	N/A	N/A
Female	Number	<b>7,038</b>	N/A	N/A
<30 years old	Number	<b>3,136</b>	N/A	N/A
30-50 years old	Number	<b>5,070</b>	N/A	N/A
>50 years old	Number	<b>215</b>	N/A	N/A
Chinese	Number	<b>261</b>	N/A	N/A
Malay	Number	<b>7,038</b>	N/A	N/A
Indian	Number	<b>540</b>	N/A	N/A
Others	Number	<b>582</b>	N/A	N/A
Less than 1 year	Number	<b>1,198</b>	N/A	N/A
1-3 years	Number	<b>1,627</b>	N/A	N/A
4-7 years	Number	<b>1,989</b>	N/A	N/A
More than 7 years	Number	<b>3,607</b>	N/A	N/A

## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Senior Mid-Management</b>				
Male	Number	418	N/A	N/A
Female	Number	995	N/A	N/A
<30 years old	Number	24	N/A	N/A
30-50 years old	Number	1,107	N/A	N/A
>50 years old	Number	282	N/A	N/A
Chinese	Number	156	N/A	N/A
Malay	Number	1,040	N/A	N/A
Indian	Number	147	N/A	N/A
Others	Number	70	N/A	N/A
Less than 1 year	Number	93	N/A	N/A
1-3 years	Number	169	N/A	N/A
4-7 years	Number	198	N/A	N/A
More than 7 years	Number	953	N/A	N/A
<b>Senior Management</b>				
Male	Number	11	N/A	N/A
Female	Number	8	N/A	N/A
<30 years old	Number	0	N/A	N/A
30-50 years old	Number	8	N/A	N/A
>50 years old	Number	11	N/A	N/A
Chinese	Number	2	N/A	N/A
Malay	Number	14	N/A	N/A
Indian	Number	1	N/A	N/A
Others	Number	2	N/A	N/A
Less than 1 year	Number	7	N/A	N/A
1-3 years	Number	3	N/A	N/A
4-7 years	Number	0	N/A	N/A
More than 7 years	Number	9	N/A	N/A
<b>Specialisation</b>				
<b>Consultants &amp; Medical Officers</b>				
Male	Number	145	N/A	N/A
Female	Number	111	N/A	N/A
<30 years old	Number	8	N/A	N/A
30-50 years old	Number	207	N/A	N/A
>50 years old	Number	41	N/A	N/A
Chinese	Number	34	N/A	N/A
Malay	Number	160	N/A	N/A
Indian	Number	50	N/A	N/A
Others	Number	12	N/A	N/A
Less than 1 year	Number	29	N/A	N/A
1-3 years	Number	84	N/A	N/A
4-7 years	Number	165	N/A	N/A
More than 7 years	Number	78	N/A	N/A

## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Medical Employees</b>				
Male	Number	1,343	N/A	N/A
Female	Number	8,430	N/A	N/A
<30 years old	Number	3,678	N/A	N/A
30-50 years old	Number	5,619	N/A	N/A
>50 years old	Number	476	N/A	N/A
Chinese	Number	324	N/A	N/A
Malay	Number	7,946	N/A	N/A
Indian	Number	772	N/A	N/A
Others	Number	731	N/A	N/A
Less than 1 year	Number	1,447	N/A	N/A
1-3 years	Number	1,795	N/A	N/A
4-7 years	Number	1,980	N/A	N/A
More than 7 years	Number	4,551	N/A	N/A
<b>All other Employees/Support Staff</b>				
Male	Number	1,992	N/A	N/A
Female	Number	4,459	N/A	N/A
<30 years old	Number	2,085	N/A	N/A
30-50 years old	Number	3,831	N/A	N/A
>50 years old	Number	535	N/A	N/A
Chinese	Number	192	N/A	N/A
Malay	Number	5,552	N/A	N/A
Indian	Number	359	N/A	N/A
Others	Number	365	N/A	N/A
Less than 1 year	Number	874	N/A	N/A
1-3 years	Number	1,262	N/A	N/A
4-7 years	Number	1,426	N/A	N/A
More than 7 years	Number	2,889	N/A	N/A
<b>Number of employees</b>				
Central	Headcount/FTE	8,083	N/A	N/A
Southern	Headcount/FTE	3,311	N/A	N/A
Northern	Headcount/FTE	2,799	N/A	N/A
East Coast	Headcount/FTE	1,024	N/A	N/A
East Malaysia	Headcount/FTE	1,263	N/A	N/A
Total	Headcount/FTE	16,480	N/A	N/A
<b>Number of permanent employees</b>				
Central	Headcount/FTE	7,790	N/A	N/A
Southern	Headcount/FTE	3,290	N/A	N/A
Northern	Headcount/FTE	2,751	N/A	N/A
East Coast	Headcount/FTE	1,022	N/A	N/A
East Malaysia	Headcount/FTE	1,258	N/A	N/A
Total	Headcount/FTE	16,111	N/A	N/A



## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Number of temporary employees</b>				
Central	Headcount/FTE	293	N/A	N/A
Southern	Headcount/FTE	21	N/A	N/A
Northern	Headcount/FTE	48	N/A	N/A
East Coast	Headcount/FTE	2	N/A	N/A
East Malaysia	Headcount/FTE	5	N/A	N/A
Total	Headcount/FTE	369	N/A	N/A
Revenue Growth in Health Tourism	%	41	63.50%	-37%
Group Renovation	RM million	526,048	50.7	17.4
Tax Incentive	RM million	126.4	126.4	48.9
IT Investment	RM million	9.6	9.6	10.4
New Medical and Other Equipment	RM million	237.5	119.5	65.6
No. of KPJU Students Enrolled	Number	2,916	2,707	2,221
No. of KPJU Graduates Secured Employment	Number	998	178	520
	-	<b>Based on number of graduates registered in KPT Anjung Tracer 2023</b>	graduated in 2021	graduated in 2020
IT Investment	%	57%	30%	13%
New Medical and Other Equipment	Number	651,680	651,680	308,104
<b>Infrastructure investments and services supported</b>				
• Clinical Surveys	%	93.89%	93.20%	93.50%
• No. of Hospitals evaluated Qty including non MSQH hospitals	Number	29	28	27
• Salaries, allowances and bonuses	RM million	2,344	941.6	824.4
• Contribution to defined contribution plan	RM million	84	-	-
• Training and Upskilling	RM million	12.1	6.4	3.9
• Dividend	RM million	146,204	86.9	23.7
• New Medical and Other Equipment	RM million	223.8	119.5	65.6
• IT Investment	RM million	9.6	9.6	10.4
• Taxation	RM million	75.3	73.2	48.9
• Corporate Responsibility	RM million	9.48	9.8	9.2
• Community Investment on Scholarships, Sponsorship	RM million	2.31	7.2	5.6
• Medical Supplies	RM million	958,248	811.3	834.5
• Computers	RM million	776	776	488
• Related Party Transactions within KPJ Group including, housekeeping, security and building management service fees.	RM million	46,452	30.08	32.73

## Performance Data

GRI and SASB Standards

Activity Metrics of KPJ Malaysian Operations	1 outpatient specialist	1 outpatient specialist	11 KWAN clinics,
Outpatients	2,958,134	4,825	63,465
Inpatients	361,987	N/A	N/A
Beds	4,026	N/A	N/A

Service Available	Confinement Centre	Dental	Eye Centres	Haemodialysis (# of sessions)
Patients/Treatment	451	4,189	30,062	10,340
<b>Communication and training about anti-corruption policies and procedures</b>				
No. of employees received training on anti-corruption	Number	16,116 (98%)	N/A	N/A
Percentage of employees received training on anti-corruption (excluding international entities)	%	16,481	N/A	N/A

Descriptions	Unit	2023	2022	2021
<b>Energy Consumption</b>				
Diesel (Genset and company)	Litres (L)	<b>402,600.20</b>	423,856.99	151,091.25
	Ggajoules	<b>14,413.09</b>	15,174.08	5,409.07
Petrol (Company vehicle)	Litres (L)	<b>257,085.31</b>	294,464.94	117,919.75
	Ggajoules	<b>8,252.44</b>	9,452.32	3,785.22
Liquefied Petroleum Gas (LPG) (Cooking gas)	Kilogrammes (kg)	<b>85,213.08</b>	77,108.53	56,798.00
	Gigajoules	<b>3,676.79</b>	3,327.09	2,450.73
Electricity Consumption	kWh	<b>195,353,382.19</b>	186,777,273.33	161,054,133
	Gigajoules	<b>703,272.17</b>	672,398.18	620,400.27
Total Area of 41 sites in 2021, 2022 & 2023 - 44 sites	m <sup>2</sup>	<b>947,682.71</b>	947,682.71	841,111.82
Electricity Intensity Consumption (per m <sup>2</sup> )	kWh	<b>206</b>	197	205
	Gigajoules	<b>0.74</b>	0.71	0.74
Water Consumption	m <sup>3</sup>	<b>1,847,193.61</b>	1,832,307.31	1,465,122.45
<b>Scope 1 - Direct Emissions</b>				
Total Carbon Emissions	kgCO <sub>2</sub> e	<b>21,317,829.06</b>	21,326,956.22	11,712,650.24
<b>Scope 2 - Direct Emissions</b>				
Total Carbon Emissions	kgCO <sub>2</sub> e	<b>141,631,924.33</b>	135,035,972.54	123,118,743.86
<b>Scope 3 - Indirect Emissions</b>				
Total Carbon Emissions	kgCO <sub>2</sub> e	<b>9,548,595.55</b>	13,021,018.60	5,993,285.82
<b>Total Intensity</b>				
Scope 1	kgCO <sub>2</sub> e	<b>22.49</b>	22.5	13.93
Scope 2	kgCO <sub>2</sub> e	<b>149.45</b>	142.49	146.38
Scope 3	kgCO <sub>2</sub> e	<b>10.08</b>	13.74	7.13
Total GHG reduction	kgCO <sub>2</sub> e	<b>3,114,400.64</b>	28,559,267.45	N/A

## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Total Waste Generated</b>	<b>Tonnes</b>	<b>482.44</b>	<b>392.45</b>	<b>185.62</b>
a) Recycling	Tonnes	278.9	224.43	146.84
b) Other Recovery Operations (Food)	Tonnes	203.54	168.01	38.77
<b>Total Waste Directed to Disposal</b>	<b>Tonnes</b>	<b>5,492.94</b>	<b>10,986.13</b>	<b>3,650.13</b>
a) Landfilling	Tonnes	5,492.94	10,986.13	3,650.13
b) Other Disposal Operations	-	-	-	-
<b>New employee hires</b>				
Central	Number	1,044	N/A	N/A
Southern	Number	681	N/A	N/A
Northern	Number	488	N/A	N/A
East Coast	Number	207	N/A	N/A
East Malaysia	Number	195	N/A	N/A
Companies & HQ	Number	287	N/A	N/A
<b>Employee turnover</b>				
Central	Number	526	N/A	N/A
Southern	Number	457	N/A	N/A
Northern	Number	272	N/A	N/A
East Coast	Number	63	N/A	N/A
East Malaysia	Number	125	N/A	N/A
Companies & HQ	Number	179	N/A	N/A
<b>No. of Employees Entitled to Parental Leave</b>				
Female	Number	8,036	10,948	10,494
Male	Number	2,232	2,550	2,422
<b>No. of Employees Who Took Parental Leave</b>				
Female	Number	903	918	977
Male	Number	146	69	87
<b>No. Employees Who Returned to Work After Parental Leave Ended</b>				
Female	Number	N/A	918	977
Male	Number	N/A	69	87
<b>No. of Employees Who Returned to Work After Parental Leave Ended and Were Still Employed 12 Months After Their Return to Work</b>				
Female	Number	N/A	822	912
Male	Number	N/A	61	80
<b>Return to Work and Retention Rate (%) of Employees that Took Parental Leave</b>				
Female	Number	N/A	89	93
Male	Number	N/A	88	92
Number of employees who had received education and training for OSH	<b>Number</b>	<b>11,284</b>	13,563	N/A

## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Total Waste Generated</b>	<b>Tonnes</b>	<b>482.44</b>	<b>392.45</b>	<b>185.62</b>
a) Recycling	Tonnes	278.9	224.43	146.84
b) Other Recovery Operations (Food)	Tonnes	203.54	168.01	38.77
<b>Total Waste Directed to Disposal</b>	<b>Tonnes</b>	<b>5,492.94</b>	<b>10,986.13</b>	<b>3,650.13</b>
a) Landfilling	Tonnes	5,492.94	10,986.13	3,650.13
b) Other Disposal Operations	-	-	-	-
<b>New employee hires</b>				
Central	Number	1,044	N/A	N/A
Southern	Number	681	N/A	N/A
Northern	Number	488	N/A	N/A
East Coast	Number	207	N/A	N/A
East Malaysia	Number	195	N/A	N/A
Companies & HQ	Number	287	N/A	N/A
<b>Employee turnover</b>				
Central	Number	526	N/A	N/A
Southern	Number	457	N/A	N/A
Northern	Number	272	N/A	N/A
East Coast	Number	63	N/A	N/A
East Malaysia	Number	125	N/A	N/A
Companies & HQ	Number	179	N/A	N/A
<b>No. of Employees Entitled to Parental Leave</b>				
Female	Number	8,036	10,948	10,494
Male	Number	2,232	2,550	2,422
<b>No. of Employees Who Took Parental Leave</b>				
Female	Number	903	918	977
Male	Number	146	69	87
<b>No. Employees Who Returned to Work After Parental Leave Ended</b>				
Female	Number	N/A	918	977
Male	Number	N/A	69	87
<b>No. of Employees Who Returned to Work After Parental Leave Ended and Were Still Employed 12 Months After Their Return to Work</b>				
Female	Number	N/A	822	912
Male	Number	N/A	61	80
<b>Return to Work and Retention Rate (%) of Employees that Took Parental Leave</b>				
Female	Number	N/A	89	93
Male	Number	N/A	88	92
Number of employees who had received education and training for OSH	<b>Number</b>	<b>11,284</b>	13,563	N/A
<b>Employees covered by our OSH management system</b>				
Employees	Number	16,480	N/A	N/A
Workers who are not employees but whose work is controlled by the organisation	Number	1,444	N/A	N/A

## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Work-Related Injuries</b>				
<b>KPJ Malaysian hospitals employees</b>				
The number and rate of fatalities as a result of work-related injury	Number and rate	0/0	0/0	0/0
The number and rate of high-consequence work-related injuries (excluding fatalities)	Number and rate	0/0	0/0	0/0
The number of recordable work-related injuries	Number	138	97	101
The rate of recordable work-related injuries	-	3.3	101	97
The main types of work-related injury	-	Slip, Trip, Fall (STF)	Slip, Trip, Fall (STF)	Slip, Trip, Fall (STF)
The number of hours worked	Hours	41,793,280	34,395,768	33,421,944
<b>Work-Related Injuries</b>				
<b>Workers*</b>				
The number and rate of fatalities as a result of work-related injury	Number and rate	0/0	0/0	0/0
The number and rate of high-consequence work-related injuries (excluding fatalities)	Number and rate	0/0	0/0	0/0
The number of recordable work-related injuries	Number	101	97	138
The main types of work-related injury	-	Slip, Trip, Fall	Slip, Trip, Fall	Slip, Trip, Fall
The number of hours worked	Hours		34,395,768	33,421,944
<b>Employees</b>				
The number and rate of fatalities as a result of work-related ill health	Number and rate	0/0	0/0	0/0
The number of cases of recordable work-related ill health	Number	11	13	0
The main types of work-related ill health	-	Ergonomics	Ergonomics	-
<b>Non-employees</b>				
The number and rate of fatalities as a result of work-related ill health	Number and rate	0/0	0/0	0/0
The number of cases of recordable work-related ill health	Number	0	0	0
The main types of work-related ill health	-	0	0	0
<b>Average Training Hours Per Employee by Gender</b>				
Male	Hours	39	39.5	34
Female	Hours	39	39.5	34

## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Average Training Hours Per Employee by Management Level</b>				
Top & Senior management	Hours	<b>25</b>	31	3
Management	Hours	<b>37</b>	35	31
Executive	Hours	<b>38</b>	35	31
Non-Executive	Hours	<b>39</b>	35	31
<b>Percentage of Employees Who Received Performance and Career Development Reviews</b>				
Male	%	<b>87</b>	N/A	N/A
Female	%	<b>89.5</b>	N/A	N/A
<b>Employees (By Category and Specialisation)</b>				
<b>Gender</b>				
Male	Number	<b>9</b>	8	9
Female	Number	<b>2</b>	3	2
<b>Age Group</b>				
<30 years old	Number	<b>0</b>	0	0
30-50 years	Number	<b>2</b>	1	1
>51 years	Number	<b>9</b>	10	10
<b>Ethnicity</b>				
Malay	Number	<b>9</b>	9	10
Chinese	Number	<b>2</b>	1	0
Indian	Number	<b>0</b>	0	0
Others	Number	<b>0</b>	1	1
<b>Employees (By Category and Specialisation)</b>				
<b>Non-Executive</b>				
Male	Number	<b>1,668</b>	Disclosed differently	Disclosed differently
Female	Number	<b>4,959</b>		
<30 years old	Number	<b>2,611</b>		
30-50 years old	Number	<b>3,472</b>		
>50 years old	Number	<b>544</b>		
Chinese	Number	<b>114</b>		
Malay	Number	<b>5,566</b>		
Indian	Number	<b>493</b>		
Others	Number	<b>454</b>		
Less than 1 year	Number	<b>1,052</b>		
1-3 years	Number	<b>1,342</b>		
4-7 years	Number	<b>1,284</b>		
More than 7 years	Number	<b>2,949</b>		

## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Executive</b>				
Male	Number	1,383	Disclosed differently	Disclosed differently
Female	Number	7,038		
<30 years old	Number	3,136		
30-50 years old	Number	5,070		
>50 years old	Number	215		
Chinese	Number	261		
Malay	Number	7,038		
Indian	Number	540		
Others	Number	582		
Less than 1 year	Number	1,198		
1-3 years	Number	1,627		
4-7 years	Number	1,989		
More than 7 years	Number	3,607		
<b>Specialisation</b>				
<b>Senior Mid-Management</b>				
Male	Number	418	Disclosed differently	Disclosed differently
Female	Number	995		
<30 years old	Number	24		
30-50 years old	Number	1,107		
>50 years old	Number	282		
Chinese	Number	156		
Malay	Number	1,040		
Indian	Number	147		
Others	Number	70		
Less than 1 year	Number	93		
1-3 years	Number	169		
4-7 years	Number	198		
More than 7 years	Number	953		
<b>Consultants &amp; Medical Officers</b>				
Male	Number	145	Disclosed differently	Disclosed differently
Female	Number	111		
<30 years old	Number			
30-50 years old	Number	8		
>50 years old	Number	207		
Chinese	Number	41		
Malay	Number	34		
Indian	Number	160		
Others	Number	50		
Less than 1 year	Number	12		
1-3 years	Number	84		
4-7 years	Number	165		
More than 7 years	Number	78		

## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Medical Employees</b>				
Male	Number	<b>1,343</b>	Disclosed differently	Disclosed differently
Female	Number	<b>8,430</b>		
<30 years old	Number	<b>3,678</b>		
30-50 years old	Number	<b>5,619</b>		
>50 years old	Number	<b>476</b>		
Chinese	Number	<b>324</b>		
Malay	Number	<b>7,946</b>		
Indian	Number	<b>772</b>		
Others	Number	<b>731</b>		
Less than 1 year	Number	<b>1,447</b>		
1-3 years	Number	<b>1,795</b>		
4-7 years	Number	<b>1,980</b>		
More than 7 years	Number	<b>4,551</b>		
<b>Basic salary</b>				
Male	Number	<b>1,992</b>	Disclosed differently	Disclosed differently
Female	Number	<b>4,459</b>		
<30 years old	Number	<b>2,085</b>		
30-50 years old	Number	<b>3,831</b>		
>50 years old	Number	<b>535</b>		
Chinese	Number	<b>192</b>		
Malay	Number	<b>5,552</b>		
Indian	Number	<b>359</b>		
Others	Number	<b>365</b>		
Less than 1 year	Number	<b>874</b>		
1-3 years	Number	<b>1,262</b>		
4-7 years	Number	<b>1,426</b>		
More than 7 years	Number	<b>2,889</b>		
<b>Ratio of basic salary and remuneration of women to men</b>				
<b>Basic salary</b>				
Male	RM	<b>RM 33,698 average per headcount</b>	N/A	N/A
Female	RM	<b>RM 29,155 average per headcount</b>	N/A	N/A
Ratio (male to female)	Ratio	<b>1.0 : 0.9</b>	1.0 : 0.9	1.0 : 0.89
<b>Remuneration</b>				
Male	RM	<b>RM 4,537 average per headcount</b>	N/A	N/A
Female	RM	<b>RM 4,629 average per headcount</b>	N/A	N/A
Ratio (male to female)	Ratio	<b>1.0 : 1.0</b>	N/A	N/A



## Performance Data

GRI and SASB Standards

Descriptions	Unit	2023	2022	2021
<b>Senior Management</b>				
<b>Basic Salary</b>				
Male	RM	<b>RM 9,735 average per headcount</b>	N/A	N/A
Female	RM	<b>RM 8,506 average per headcount</b>	N/A	N/A
Ratio (male to female)	Ratio	<b>1.0 : 0.9</b>	N/A	N/A
<b>Remuneration</b>				
Male	RM	<b>RM 2,595 average per headcount</b>	N/A	N/A
Female	RM	<b>RM 2,012 average per headcount</b>	N/A	N/A
Ratio	Ratio	<b>1.0 : 0.8</b>	N/A	N/A
30-50 years old	Number	<b>5,619</b>		
<b>Management</b>				
<b>Basic Salary</b>				
Male	RM	<b>RM 3,489 average per headcount</b>	N/A	N/A
Female	RM	<b>RM 3,513 average per headcount</b>	N/A	N/A
Ratio	Ratio	<b>1.0 : 1.0</b>	N/A	N/A
<b>Remuneration</b>				
Male	RM	<b>RM 1,247 average per headcount</b>	N/A	N/A
Female	RM	<b>RM 1,342 average per headcount</b>	N/A	N/A
Ratio	Ratio	<b>1.0 : 1.1</b>	N/A	N/A
30-50 years old	Number	<b>5,619</b>		
<b>Non-Management</b>				
<b>Basic salary</b>				
Male	RM	<b>RM 2,108 average per headcount</b>	N/A	N/A
Female	RM	<b>RM 2,150 average per headcount</b>	N/A	N/A
Ratio (male to female)	Ratio	<b>1.0 : 1.0</b>	N/A	N/A
<b>Remuneration</b>				
Male	RM	<b>RM 1,104 average per headcount</b>	N/A	N/A
Female	RM	<b>RM 1,079 average per headcount</b>	N/A	N/A
Ratio (male to female)	Ratio	<b>1.0 : 1.0</b>	N/A	N/A
Total number of suppliers and vendors	Number	<b>83</b>	N/A	N/A
Total number of suppliers and vendors assessed for social criteria	Number	<b>83</b>	N/A	N/A
Percentage of suppliers assessed for social criteria	%	<b>100</b>	N/A	N/A

# GRI, SASB Standards Content Index

This comprehensive index is discloses the requirements of the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Statement of Use: KPJ Healthcare Berhad has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

GRI 1 Used: GRI 1: Foundation 2021

Applicable GRI Sector Standard: Not Applicable

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
<b>GRI 2</b>				
2-1	Organisational details	-	-	Back Cover -
2-2	Entities included in the organisation's sustainability reporting	-	-	Basis of This Report -
2-3	Reporting period, frequency and contact point	-	-	Basis of This Report Reporting Scope And Boundary
2-4	Restatements of information	-	-	-
2-5	External assurance	-	-	79 Independent Assurance System
2-6	Activities, value chain and other business relationships	HC-DY-000. A Number of (1) facilities and (2) beds, by type  HC-DR-000. A Number of pharmacy locations  HC-DY-000. B Number of (1) inpatient admissions and (2) outpatient visits	-	Refer to IAR 23 page 84 to 105  Clinical and Hospital Operations
2-7	Employees	-	-	59 Diversity of Governance Bodies and Employees
2-8	Workers who are not employees	-	-	60 -
2-9	Governance structure and composition	-	-	14 Sustainability Governance  Refer to IAR 23 Corporate Governance Overview Statement page 135  Board Diversity

## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
2-10 Nomination and selection of the highest governance body	-	-	Refer to IAR 23 Corporate Governance Overview Statement page 134	Corporate Governance Overview Statement - Board Charter
2-11 Chair of the highest governance body	-	-	Refer to IAR 23 page 130	The Board of Directors (Board)
2-12 Role of the highest governance body in overseeing the management of impacts	-	<b>Governance</b> - a) The board's oversight of climate-related risks and opportunities.	refer to IAR 23 page 130	Corporate Governance Overview Statement
2-13 Delegation of responsibility for managing impacts	-	-	Refer to IAR 23 page 162	Statement on Risk Management and Internal Control (SORMIC) - Control Activities - Segregation of Duties
2-14 Role of the highest governance body in sustainability reporting	-	<b>Governance</b> - a) The board's oversight of climate-related risks and opportunities.	Refer to IAR 23 Corporate Governance Overview Statement page 134	Board of Directors - Roles and Responsibilities
2-15 Conflicts of interest	-	-	refer to IAR 23 page 156	Asset Declaration Policy and Conflict of Interest Declaration
2-16 Communication of critical concerns	-	-	Refer to IAR 23 page 155	Whistleblowing Policy via an exclusive whistleblowing channel
2-17 Collective knowledge of the highest governance body	-	-	Refer to IAR 23 page 136	Corporate Governance Overview Statement - Board Leadership & Effectiveness
2-18 Evaluation of the performance of the highest governance body	-	<b>Governance</b> - a) The board's oversight of climate-related risks and opportunities.	Refer to IAR 23 page 136	Corporate Governance Overview Statement - Board Leadership & Effectiveness
2-19 Remuneration policies	-	-	Refer to IAR 23 page 137	Corporate Governance Overview Statement - Board Leadership & Effectiveness - Board Remuneration 2023

## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
2-20 Process to determine remuneration	-	-	Refer to IAR 23 page 139	Corporate Governance Overview Statement – Board Leadership & Effectiveness – Nomination and Remuneration Committee
2-21 Annual total compensation ratio	-	-	-	-
2-22 Statement on sustainable development strategy	-	<b>Governance</b> - a) The board’s oversight of climate-related risks and opportunities.	10	Our Sustainability Approach
2-23 Policy commitments	-	-	-	KPJ Website Corporate Governance
2-24 Embedding policy commitments	-	-	-	KPJ Website Corporate Governance
2-25 Processes to remediate negative impacts	-	-	61	KPJ Policy on Work Ethics and Code of Conduct,  KPJ Policy on Anti Sexual Harassment,  KPJ Policy on Management of Misconduct,  KPJ Policy on Handling Employee Grievances,  KPJ Policy on Diversity Equity and Inclusion, Whistleblowing Channel`
2-26 Mechanisms for seeking advice and raising concerns	-	-	61	Grievance Mechanism, Whistleblowing Channel

## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
<b>2-27</b> Compliance with laws and regulations	<b>Fraud &amp; Unnecessary</b> Procedures: HC-DY-510a.1 Total amount of monetary losses as a result of legal proceedings associated with Medicare and Medicaid fraud under the False Claims Act	-	Refer IAR'23 page 227	-
<b>2-28</b> Membership associations	-	-	21	Accreditation Bodies and Industry
<b>2-29</b> Approach to stakeholder engagement	-	-	18	-
<b>2-30</b> Collective bargaining agreements	-	-	62	Labour and Human Rights - Going Forward
<b>GRI 3</b>				
<b>3-1</b> Process to determine material topics	-	-	16	The Materiality Assessment Process
<b>3-2</b> List of material topics	-	-	16	Material Sustainability Issues
<b>3-3</b> Management of material topics	-	-	17	Our Material Matters
<b>GRI 201</b>				
<b>201-1</b> Direct economic value generated and distributed	<b>Climate Change Impacts on Human Health &amp; Infrastructure:</b> HC-DY-450a.1 Description of policies and practices to address: (1) the physical risks due to an increased frequency and intensity of extreme weather events and (2) changes in the morbidity and mortality rates of illnesses and diseases, associated with climate change	-	Refer IAR'23 page 45  Refer IAR'23 page 47	Statement of Comprehensive Income  Value Distribution

## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
201-2 Financial implications and other risks and opportunities due to climate change	<b>Climate Change Impacts on Human Health &amp; Infrastructure:</b> HC-DY-450a.1 Description of policies and practices to address: (1) the physical risks due to an increased frequency and intensity of extreme weather events and (2) changes in the morbidity and mortality rates of illnesses and diseases, associated with climate change	<b>Strategy -</b> a) Climate-related risks and opportunities the organisation has identified over the short, medium, and long term.-	26	Sustainability Sukuk Wakalah
	<b>Climate Change Impacts on Human Health &amp; Infrastructure:</b> HC-DY-450a.2 Percentage of health care facilities that comply with the Centers for Medicare and Medicaid Services (CMS) Emergency Preparedness Rule	-	41	Adherence to Certification, Accreditation And Standards
	<b>Climate Change Impacts on Human Health &amp; Infrastructure:</b> HC-DY-450a.1 Description of policies and practices to address: (1) the physical risks due to an increased frequency and intensity of extreme weather events and (2) changes in the morbidity and mortality rates of illnesses and diseases, associated with climate change	-	66 & 67	Disaster and Emergency, Guided by MSQH 6th Edition, BCM Framework
201-3 Defined benefit plan obligations and other retirement plans	-	-	Refer IAR'23 page 225	Defined benefit plans
201-4 Financial assistance received from government	-	-	-	-
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	-	-	-	-
203-1 Infrastructure investments and services supported	-	-	Refer IAR'23	-
203-2 Significant indirect economic impacts	-	-	-	Activity Metrics of KPJ Malaysian Operations
204-1 Proportion of spending on local suppliers	-	-	-	-

## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
205-1 Operations assessed for risks related to corruption	-	-	-	-
205-2 Communication and training about anti-corruption policies and procedures	-	-	73	Ethics and Integrity - Our Approach
205-3 Confirmed incidents of corruption and actions taken	-	-	-	Whistleblowing Policy
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	-	-	-
207-1 Approach to tax	-	-	-	-
207-2 Tax governance, control, and risk management	-	-	-	-
207-3 Stakeholder engagement and management of concerns related to tax	-	-	-	-
207-4 Country-by-country reporting	-	-	-	-
<b>GRI 301</b>				
301-1 Materials used by weight or volume	-	-	-	-
301-2 Recycled input materials used	-	-	29	Waste Management - Launching Malaysia's First Clinical Waste Segregation Programme
301-3 Reclaimed products and their packaging materials	-	-	-	-
302-1 Energy consumption within the organisation	<b>Energy Management:</b> HC-DY-130a.1. (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	-	32	Resource Management - Energy
302-2 Energy consumption outside of the organisation	<b>Energy Management:</b> HC-DY-130a.1. (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	-	-	-
302-3 Energy intensity	-	-	32	-
302-4 Reduction of energy consumption	-	-	32	Resource Management - Energy
302-5 Reductions in energy requirements of products and services	-	-	-	-
303-1 Interactions with water as a shared resource	-	-	30	Environmental Quality Act 1974, Water Services Industry Act 2006.

## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
303-2 Management of water discharge related impacts	-	-	30	Management of Water Discharge Related Impacts
303-3 Water withdrawal	-	-	30	-
303-4 Water discharge	-	-	-	-
303-5 Water consumption	-	-	30	Resource Management - Water and Effluents
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	-	-	-
304-2 Significant impacts of activities, products and services on biodiversity	-	-	-	-
304-3 Habitats protected or restored	-	-	-	-
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	-	-	-	-
305-1 Direct (Scope 1) GHG emissions	-	<b>Metrics and Target</b> - b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	34,35	Greenhouse Gas (GHG) Emissions
305-2 Energy indirect (Scope 2) GHG emissions	-	<b>Metrics and Target</b> - b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	34,35	Greenhouse Gas (GHG) Emissions
305-3 Other indirect (Scope 3) GHG emissions	-	<b>Metrics and Target</b> - b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	34,35	Greenhouse Gas (GHG) Emissions
305-4 GHG emissions intensity	-	<b>Metrics and Target</b> - b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	34,35	Greenhouse Gas (GHG) Emissions



## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
305-5 Reduction of GHG emissions	-	<b>Metrics and Target</b> - b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	34,35	Greenhouse Gas (GHG) Emissions
305-6 Emissions of ozone-depleting substances (ODS)	-	-	-	-
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-	-	-	-
306-1 Waste generation and significant waste-related impacts	<b>Waste Management:</b> HC-DY-150a.1 Total amount of medical waste, percentage (a) incinerated, (b) recycled or treated, and (c) landfilled	-	28	
306-2 Management of significant waste related impacts	-	-	28	Waste Management – Our Approach
306-3 Waste generated	<b>Waste Management:</b> HC-DY-150a.2 Total amount of: (1) hazardous and (2) nonhazardous pharmaceutical waste, percentage (a) incinerated, (b) recycled or treated, and (c) landfilled	-	29	Waste Management
306-4 Waste diverted from disposal	<b>Waste Management:</b> HC-DY-150a.1. Total amount of medical waste, percentage (a) incinerated, (b) recycled or treated, and (c) landfilled	-	29	Waste Management
306-5 Waste directed to disposal	<b>Waste Management:</b> HC-DY-150a.1. Total amount of medical waste, percentage (a) incinerated, (b) recycled or treated, and (c) landfilled	-	29	Waste Management
308-1 New suppliers that were screened using environmental criteria	-	-	77	Supply Chain Management – Our Approach
308-2 Negative environmental impacts in the supply chain and actions taken	-	-	78	Supply Chain Management – Our Initiatives

## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
<b>GRI 400</b>				
401-1 New employee hires and employee turnover	<b>Employee Recruitment, Development &amp; Retention:</b> HC-DY-330a.1 (1) Voluntary and (2) involuntary turnover rate for: (a) physicians, (b) non-physician health care practitioners, and (c) all other employees	-	53	KPJ's Recruitment, Development & Retention – Our Initiatives
401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	<b>Employee Recruitment, Development &amp; Retention:</b> HC-DY-330a.2 Description of talent recruitment and retention efforts for health care practitioners	-	51	KPJ's Recruitment, Development & Retention – Our Remuneration Approach
401-3 Parental Leave	-	-	52	KPJ's Recruitment, Development & Retention – Our Initiatives – Parental Leave
402-1 Minimum notice periods regarding operational changes	-	-	-	-
403-1 Occupational health and safety management system	-	-	64	Health and Safety Management System
403-2 Hazard identification, risk assessment, and incident investigation	<b>Climate Change Impacts on Human Health &amp; Infrastructure:</b> HC-DY-450a.1 – Description of policies and practices to address: (1) the physical risks due to an increased frequency and intensity of extreme weather events and (2) changes in the morbidity and mortality rates of illnesses and diseases, associated with climate change	=	=	Hazard Identification, Risk Assessment and Incident Investigation/ Determining Risks (HIRARC/HIRADC)
403-3 Occupational health services	-	64	-	Building Resilience Through Environmental Safety and Health (ESH) Governance
403-4 Worker participation, consultation, and communication on occupational health and safety	-	66	-	Disaster and Emergency Management Plan (DEMP)
403-5 Worker training on occupational health and safety	-	67	-	Building a Safety Culture Through OSH Training

## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
403-6 Promotion of worker health	-	45	-	Access and Affordability to Quality Healthcare – Going Forward
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	-	-	-	Access and Affordability to Quality Healthcare
403-8 Workers covered by an occupational health and safety management system	-	68	-	Health and Safety – OSH Performance
403-9 Work-related injuries	<b>Employee Health &amp; Safety:</b> HC-DY-320a.1 1) Total recordable incident rate (TRIR) and (2) days away, restricted, or transferred (DART) rate	68	-	Health and Safety
403-10 Work-related ill health	<b>Employee Health &amp; Safety:</b> HC-DY-320a.1 1) Total recordable incident rate (TRIR) and (2) days away, restricted, or transferred (DART) rate	-	69	Health and Safety
404-1 Average hours of training per year per employee	-	-	56	Employee Training and Development – Our Initiatives
404-2 Programmes for upgrading employee skills and transition assistance programmes	-	-	54&55	Employee Training and Development – Our Initiatives
404-3 Percentage of employees receiving regular performance and career development reviews	-	-	56	Performance and Career Development Reviews
405-1 Diversity of governance bodies and employees	-	-	59	Diversity of governance bodies and employees
405-2 Ratio of basic salary and remuneration of women to men	-	-	53	Ratio of basic salary and remuneration of women to men
410-1 Security personnel trained in human rights policies or procedures	-	-	-	-
411-1 Incidents of violations involving rights of indigenous peoples	-	-	61	Labour and Human Rights

## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
413-1 Operations with local community engagement, impact assessments, and development programmes	<b>Access for Low-Income Patients:</b> HC-DY-240a.1 Discussion of strategy to manage the mix of patient insurance status		23	Advancing Equity in Healthcare for Malaysians Improving
			24	Communities' Accessibility to Preventive Healthcare Services
			10	Our Approach to Sustainability – Resilient Healthcare
413-2 Operations with significant actual and potential negative impacts on local communities	<b>Access for Low-Income Patients:</b> HC-DY-240a.2 Amount of Medicare Disproportionate Share Hospital (DSH) adjustment payments received		44	Community Outreach Initiatives, Briged Waqaf, Klinik Waqaf An-Nur (KWAN)
			21	Stakeholder Management – Local Communities
414-1 New suppliers that were screened using social criteria	-	-	78	Supply Chain Management – Our Initiatives
414-2 Negative social impacts in the supply chain and actions taken	-	-	77	Supply Chain Management
415-1 Political contributions	-	-	-	-
416-1 Assessment of the health and safety impacts of product and service categories		-	37	Uplifting Our Patients and Communities – Service Quality & Safety
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	<b>Quality of Care &amp; Patient Satisfaction:</b> HC-DY-250a.1 Average Hospital Value-Based Purchasing Total Performance Score and domain score, across all facilities	-	77	Service Quality & Safety
	<b>Quality of Care &amp; Patient Satisfaction:</b> HC-DY-250a.2 Number of Serious Reportable Events (SREs) as defined by the National Quality Forum (NQF)	-	78-85	Quality Patient-Centric Care – Malaysian Patient Safety Goals (MPSG)

## GRI, SASB Standards Content Index

GRI Standards	SASB	TCFD	Page Number	Accompanying Notes
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	<b>Quality of Care &amp; Patient Satisfaction:</b> HC-DY-250a.3 Hospital-Acquired Condition (HAC) Score per hospital	-	28 & 49	Waste Management - Prevention of Spread of Infections and Contaminants • Waiting Time and Aligning to the MSQH 6th Edition
	<b>Quality of Care &amp; Patient Satisfaction:</b> HC-DY-250a.4 Excess readmission ratio per hospital	-	40	Customer Health & Safety – Our Initiatives – MSPG: Medication Safety
417-1 Requirements for product and service information and labeling	<b>Pricing &amp; Billing Transparency:</b> HC-DY-270a.1 Description of policies or initiatives to ensure that patients are adequately informed about price before undergoing a procedure	-	37	Patient-Centric Sustainability: Transparent Pricing Initiatives in Healthcare Marketing
	<b>Pricing &amp; Billing Transparency:</b> HC-DY-270a.2 Discussion of how pricing information for services is made publicly available	-	-	Patient-Centric Sustainability:
			Transparent Pricing Initiatives in Healthcare Marketing	-
417-2 Incidents of non-compliance concerning product and service information and labeling	-	-	-	-
417-3 Incidents of non-compliance concerning marketing communications	-	-	-	-
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-	76	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data





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