



PEOPLE PASSION PURPOSE

Sustainability Report 2020





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OUR VISION

The Preferred Healthcare Provider

Our fundamental purpose is the delivery of exceptional health treatment, care and diagnosis to all our patients. We are dedicated to being the preferred provider of care, with innovative use of technology, experienced consultants and well-trained staff who collaborate to offer the best diagnosis and treatment plans.

OUR 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.

OUR CORE VALUE

Values That Guide Us

Our values represent the philosophy of our organisation and guide all our decision-making and actions. We strive to maintain a patient-centered environment, focused on compassionate care, based on the intrinsic part of our commitment to Care for Life in every aspect of our operations. Our core values are therefore.



Ensuring Safety



Delivering Service with Courtesy



Performing Duties with Integrity



Exercising Professionalism at All Times



Striving for Continuous Improvement



Economic

KPJ is committed to creating value for its shareholders and other stakeholders to ensure sustainable business growth by taking into consideration key factors such as sound corporate governance, customer service, providing access and delivering quality healthcare services, innovation and data privacy. Our economic impacts include indirect economic contribution such as job opportunities and economic growth through the Group's business expansion.

Environment

Conserving natural resources will help to preserve the environment for our future generations. At KPJ, we strive to conserve our water and electricity consumption while reducing waste. We also promote eco-friendly practices across our operations and instill environmental awareness among our employees and other stakeholders.


Social


Caring for our employees and the local communities in which we operate is something that is close to our heart. We remain committed to the safety and wellbeing of our employees, who are the backbone of our organisation. At the same time, we give back to the communities in need and encourage our employees to volunteer through Briged Wakaf to serve the marginalised and underprivileged.



This Sustainability Report is intended to provide the basis for meaningful engagement with our stakeholders. We welcome your feedback which can be provided to KPJ Healthcare Berhad, Group investor and media executive at <https://kpj.listedcompany.com/contact.html>

Navigation Icons:

 This icon tells you where you can find related information in our report.

 This icon tells you where you can find more information at www.kpjhealth.com.my

About This Report



Welcome to our third annual sustainability report. This report highlights our economic, environmental and social (EES) achievements for our hospital operations in Malaysia and is a testament to our long-term commitment towards sustainability.



INTRODUCTION

In this report, we aim to provide a clear and transparent account to all our stakeholders of our sustainability activities over the year. With our Six Capitals in mind, we share how our EES initiatives create value and support our stakeholder expectations. Our previous report was published on 10 June 2020.

REPORTING SCOPE AND BOUNDARY

This report covers our sustainability activities for our hospital operations in Malaysia, which contribute 95% of the Group's revenue, for the Financial Year 2020 (1 January 2020 to 31 December 2020).

All quantitative environmental data reported is based on data from the 19 Malaysian Society for Quality in Health (MSQH) accredited hospitals.

REPORTING GUIDELINES

This report has been prepared in accordance with the GRI Standards Core option. Our report is closely guided by Bursa Malaysia's Sustainability Reporting Guide to fulfil Bursa's sustainability-related Listing Requirements and the FTSE4Good Bursa Malaysia Index. We also continue to be guided by our commitment towards the UN SDGs and report our contributions towards specific goals.

ACCURACY AND ASSURANCE

We have strong governance controls and internal checks and measures which ensure the data and information reported is accurate. To ensure compliance of our internal check and measures the information is closely monitored internally by our KPJ Group Management Committee (KGMC) and reported to the Board of Directors on quarterly basis. We are focused on developing robust reporting processes internally and as such we have not obtained external assurance for this report. However, we will continue to review the need for external assurance in the future.

FEEDBACK

Any feedback or questions on our sustainability performance and this report is welcome. Please contact our Sustainability team at ir@kpjhealth.com.my.



FTSE4Good

KPJ is a constituent of the Bursa Malaysia FTSE4GOOD index that is designed to track performance and demonstrate strong Environmental, Social and Governance (ESG) practices.

2020 Key Highlights



ECONOMIC

PATIENT SATISFACTION:

Achieved incremental improvement in Customer Satisfaction Index since 2018 and scored **90%** in 2020.



Scored 75 in the Net Promoter Score for patient loyalty compared to 61 in 2019.



Launched telemedicine across the Group with the participation of over 200 consultants and benefited over 7,500 patients via Medication Home Delivery Service and Medication Drive-Thru Service. Revenue generated: **RM5 million**

Rolled out ethics and integrity training comprising anti-bribery and corruption training for more than **1,000** employees.

Attained ISO 37001:2016 Anti-Bribery Management System (ABMS) in October from SIRIM QAS Sdn Bhd.

Opened the first Ambulatory Care Centre in Taiping, Perak in January 2021, to improve access to healthcare services in suburban areas and establish a new stream of patient flow for KPJ's network of hospitals.



ENVIRONMENTAL

CONTINUED WITH **ZERO**

SINGLE USE PLASTIC PROGRAMME when dispensing medicines across KPJ hospitals.

RECORDED **4%**

LOWER GREENHOUSE GAS EMISSIONS due to less operating hours amid the pandemic.



KPJ Healthshoppe sold about 3,000 washable fabric masks as at December 2020, equivalent to saving 90,000 pieces of disposable masks.



SOCIAL

MORE THAN **72,000**

PATIENTS benefited from 18 KWAN clinics and five mobile clinics.

Online training via digital tools and platforms saved the Group RM5.2 million or 48% of training cost.

INVESTED **RM5.7**

MILLION in training and career development programmes and benefited more than 14,000 employees.

Allocated RM10 million for KPJUC Scholarship in 2020.



25 consultants and members of the medical teams from Johor, Perak, Selangor and Sarawak volunteered their services in Sabah to support the healthcare system.

JOINT LEADERSHIP STATEMENT

Joint Statement by Chairman and President & Managing Director

Dear Valued Stakeholders,

It is our pleasure and privilege to present the 2020 Sustainability Report of KPJ, which underscores the Group's efforts to champion the agenda of sustainability across our organisation. This, KPJ's third Sustainability Report to date, serves to provide concise insights into the Group's endeavours to balance our economic ambitions with social and environmental considerations as part of our sustainability journey.

KPJ Healthcare Berhad's sustainability journey is a unique one.

As the largest private healthcare provider in the country, the Group's goals and initiatives have always been about ensuring sustainable business growth while simultaneously providing access to quality and inclusive healthcare. While this remains the aspiration, we can confidently say that our sustainability practices are grounded in deep-rooted principles that are targeted at improving the quality of life of communities and our patients. Our unrelenting focus on providing a strong and robust continuum of care remains paramount as this is the best way to create long-term sustainable value.

To realise our goals, we constantly review our sustainability contributions through strategic planning and scenario

analysis to measure the impacts of our business activities on economic, environmental and social areas. We have also aligned our sustainability agenda with UN SDG 3: Good Health and Well-Being, while our vision is to embed sustainability as a way of life across the Group.

CONTRIBUTING TO THE NATION'S FIGHT AGAINST THE COVID-19 PANDEMIC AND THE DEVELOPMENT OF ECONOMIC RECOVERY

The year 2020 was filled with unprecedented challenges that caused massive disruptions to the global economy and essential services such as healthcare and education. Naturally, the immense adverse effects on society highlighted the close correlation of the Social aspect of a company's sustainability agenda with its overall performance.

Navigating the COVID-19 pandemic coincided with a change of leadership in the Group with our respective appointments as Chairman in February 2020 and President & Managing Director in July 2020. As the new leaders of the Group, our task was to drive the Group and improve its resilience against a dynamic and uncertain environment while creating value for our shareholders and stakeholders.

As we worked hard to navigate the operational aspects of the business while ensuring our employees and patients were safe at all times, we stepped up to play an essential role in helping the country fight the pandemic fully. Our capabilities, resources and infrastructure were put to good use in easing the strain on public healthcare facilities.

Joint Statement by Chairman and President & Managing Director

RESPONDING TO COVID-19

Business Continuity

- Mobilised Hospital Infection Control Committee/ Team.
- Adopted protocols for handling COVID-19 outbreak based on the MOH's Guidelines 2019 Novel Coronavirus (COVID-19).
- Implemented strict SOPs, including limiting hospital entrances, implementing self-declaration and temperature checks, providing hand sanitisers and ensuring social distancing.
- Enforced mandatory COVID-19 testing policy for patients prior to admission to our hospitals.
- Increased public awareness by displaying materials and instruction posters on SOPs at all KPJ Hospitals.
- Procured Biological Isolation chambers for transportation of COVID-19 cases.
- Promoted competitive packages for MRIs, pneumococcal vaccines and IVFs.
- Organised GP webinar for new and existing consultants to generate referrals and increase in patient numbers.

Efficient Management

- Ensured efficient management of stock, PPE and essential services.
- Implemented business continuity assessment and planning.
- Practised diligent credit management and profiling risk of debtors.
- Restricted meetings and interstate travel among staff and consultants until 31 May 2020.
- Engaged with the MOH and APHM on managing COVID-19 and accepted decanted patients.

Safety at the Workplace

- Provided series of training and awareness programmes on COVID-19 to employees, especially on PPE and effective preventive measures, among others.
- Kept staff well-informed on the latest COVID-19 developments via online platforms.
- Participated in virtual online training by the MOH on the management of COVID-19 for specialists.
- Rolled out Work from Home (WFH) for KPJ Group from 18 March 2020.
- Held meetings and discussions on virtual platforms (Skype, Google Hangouts) to minimise the risk of social contact among staff.
- Implemented Return to Work (RTW) Guidelines post-MCO in May 2020 to allow rotation of staff at office.

COVID-19 Testing

- 57 Medical Officers attended a training session by the MOH on the taking and handling of COVID-19 samples.
- Implemented drive-through testing and corporate screening by LabLink, which reduced cost of testing from RM600 to RM388 when economies of scale were achieved.
- Established referral connectivity system with designated COVID-19 hospitals.

Patient Safety

- Introduced teleconsultation services and enhanced Home Medication Delivery Services.
- Rescheduled and rearranged the management of dialysis care.
- Designated a ward for admission of respiratory-like illnesses to minimise the risk of possible infection.

JOINT LEADERSHIP STATEMENT

Joint Statement by Chairman and President & Managing Director

“ Further demonstrating our commitment to the communities around us, our 18 KWAN clinics and mobile clinics served more than 70,000 patients during the pandemic. ”

Supporting the Ministry of Health

We leveraged our vast resources to support the Ministry of Health (MOH) in tackling the monumental tasks it faced across a number of fronts. To enable this, the Group rapidly transformed our Lablink subsidiary into one of the foremost testing facilities in the country, ramping up our capacity to about 2,500 tests per day to meet higher demand. In tandem, we offered help to MOH hospitals that were inundated with high COVID-19 caseloads, in what were the first tentative steps in exploring private-public partnerships to alleviate the burden on the public healthcare system.

This led to our consultants at the KPJ hospital in Klang performing six cancer-related surgeries for non-COVID-19 patients referred by the Tengku Ampuan Rahimah Hospital in March 2020, on a pro bono basis. Over time, we opened up many more services and procedures for MOH-decanted patients, and by mid-February 2021, we had treated 399 such patients at 19 of our hospitals.

In January 2021, we opened our doors to COVID-19 patients that MOH hospitals were unable to manage, across all five categories of severity. Due to our extensive network of hospitals, we had the capacity in terms of sufficient isolation units in our wards and intensive care units to extend excellent levels of care to affected patients.

In addition, the Group has planned for further contingencies in its pandemic preparedness initiatives, such as ascertaining our readiness in setting up full COVID-19-ready hospitals should the call for help from the MOH arise.

Another notable contribution that we are proud of was the selfless contribution of our teams from Johor, Perak, Selangor and Sarawak, who volunteered as frontliners to manage the high number of COVID-19 cases in Sabah. Comprising 25 doctors, nurses and medical assistants, these frontliners were deployed through our partnership programme with MERCY Malaysia.

With the National Immunisation Programme (NIP) in place, KPJ aspires to play a major role in helping to administer the vaccine to patients who are willing to pay. With 28 hospitals and 15,000 employees throughout the nation, KPJ has the resources and experience to assist the government in this programme. Currently, 10 of our hospitals have been appointed as vaccination centres by the MOH, and all our vaccinators are certified by the ministry.

Educating the Public

Beyond treating patients, KPJ hospitals have also been diligently educating the public about the pandemic through virtual public health talks that include dispelling misinformation about drugs, intervention policies and vaccinations. We also provide guidance on adapting to the new normal and mental health/stress management.

As a strong advocate of vaccinations, we have been taking a proactive approach in allaying misinformation surrounding vaccinations even in pre-pandemic days. Our hospitals regularly share clinical information on social media platforms to educate anti-vaccination



Joint Statement by Chairman and President & Managing Director

groups about the health risks that young children face. In these current uncertain times, we aim to equip more people with the proper information and knowledge about vaccinations as we continue to combat the COVID-19 pandemic.

Leveraging Digitalisation

One of the challenges we faced during the pandemic was ensuring smooth daily operations. To better manage our resources and protect our employees and patients, we leveraged technology and digital platforms to ensure smooth and safe daily operations. Employees who were not involved in direct operations were told to work from home while patients were encouraged to utilise telemedicine services, comprising virtual consultation and medication home delivery, and drive-through services to avoid face-to-face interactions.

As at December 2020, we have recorded an encouraging increase in the number of virtual consultations, which have risen from 200 in March 2020 to more than 7,500 cases. Our home delivery service recorded 3,430 deliveries, while the drive-through service saw 4,262 collections as at December 2020.

MANAGING OUR SUSTAINABILITY IMPACTS

As the new leaders of the Group, we endeavoured to ensure continuous value creation even during the pandemic. Despite the challenges and disruptions, we adapted to the new demands of the pandemic and continued to pursue our sustainability initiatives, especially within our Social pillar.

We are fully aware that our people are our greatest strength, and they have clearly demonstrated their resolve and commitment throughout the ongoing crisis. To this end, we

remained committed to supporting their development and rolled out retraining programmes in essential services based on immediate emergency needs. Moreover, we invested RM5.7 million on training and career development programmes that benefited over 14,000 employees in Malaysia. The Group also conducted training and webinar sessions for employees to enable them to remain productive during the MCO.

Furthermore, the Group lent support to our colleagues in the public sector by contributing more than 150,000 pieces of personal protective equipment and hand sanitisers to government hospitals. In addition, to ease the financial burden of those in need, we contributed RM840,000 in the form of food, cash and other necessities to stakeholders, including the students of our own KPJUC.

Further demonstrating our commitment to the communities around us, our 18 KWAN clinics and mobile clinics served more than 70,000 patients during the pandemic. Our target group is the underprivileged, to whom we provide medical consultations and prescriptions at a nominal fee of RM5. KWAN clinics also offer dialysis treatment at RM90 per session at eight clinics.

sustainable business growth. One of our key successes was our business expansion plan, whereby we launched our first Ambulatory Care Centre (ACC) in Taiping, Perak in January 2021. The ACC is a multidisciplinary setup that provides outpatient healthcare services in suburban areas to increase access to quality healthcare. The next ACC is expected to open in Kinrara, Puchong, Selangor soon.


Besides the ACC, the Group also opened two new hospitals in Kluang, Johor and Kuching, Sarawak. These hospitals were relocated from their old buildings to provide better services to their patients. The next hospital, KPJ Damansara II Specialist Hospital, is targeted to open in the first quarter of 2022.

One of the important aspects of providing healthcare is ensuring access to pharmacies. Our KPJ Healthshoppe has 10 outlets in Peninsular Malaysia, while our full-fledged retail pharmacy, JX Pharmacy, has four branches in Bangi, Shah Alam, Kota Damansara and Sri Manjung, which was recently opened in December 2020. During the pandemic, we engaged actively with our customers via social media platforms and increased awareness on the KPJ marketplace and our pharmacy outlets.

Preserving our Environment for Future Generations

We are aware that hospitals have a substantial environmental footprint due to their operations that require high-energy consumption. To manage our impact on the environment, we carried on with best practices in clinical waste management and conducted regular water- and energy-saving initiatives for cost-effectiveness. Our hospitals continued with the Zero Single-Use Plastic campaign that was launched in 2019, which discourages the use of plastic straws, disposable mineral water bottles and plastic bags.

KPJ spent
RM15.8 million
 on community outreach programmes and initiatives in FY2020



Ensuring Sustainable Business Growth

While we strove hard to mitigate the COVID-19 challenges, we did not let the pandemic stop us from ensuring

JOINT LEADERSHIP STATEMENT

Joint Statement by Chairman and President & Managing Director



We also promoted the use of reusable masks by selling 30-times washable fabric masks via KPJ Healthshoppe. About 3,000 pieces of the masks were sold, equivalent to saving 90,000 pieces of disposable masks.

► For more information on our sustainability initiatives, please refer to **pages 54 to 63** of this report.

Transitioning to the Post-Pandemic Environment

As the government rolls out the National Immunisation Programme (NIP) in phases, we at KPJ aim to contribute to rebuilding the nation. We have aligned our strategies toward accelerating national economic recovery. Our initiatives are expected to generate value in areas that are important to sustaining our growth and the advancement of the country and its people.

For instance, to help lower unemployment rates among youths and graduates, we anticipate that our expansion plans will create close to 1,400 jobs by 2023 and about 4,000 jobs by 2025, based on our manpower-to-bed ratio of 4:1. The total number of beds in

our network is expected to increase by 600 in 2023 and 1,000 in 2025.

In mitigating climate change effects, we aim to reduce our greenhouse gas (GHG) emissions to contribute to the government’s target of emissions reduction. Malaysia’s Nationally Determined Contributions (NDCs) is to achieve 45% improvement in greenhouse gas emission intensity per unit GDP by 2030, compared with 2005 levels*. We recorded 4% lower GHG emissions in FY2020 due to reduced operating hours as a result of the pandemic. We will continue to bolster our energy conservation initiatives to achieve a greater reduction in carbon emissions.

Going forward, we will continue to contribute to the nation’s healthcare services as we expand our business to cater to various segments of the community. Above all, we will remain guided by our sustainability goals and strive to maintain a balance between contributing to economic growth and generating positive social and environmental impacts through our expansion plans and quality healthcare for all.

Acknowledgements

We wish to record our deepest, heartfelt appreciation to our dedicated team of frontliners, who have been selfless in carrying out their duty to save lives during the pandemic year. They include our doctors, nurses and medical assistants and the staff who serve our patients and ensure smooth daily operations.

To our patients, we assure you that we are committed to sustainably delivering quality healthcare services. Thank you for your support.

As for our vendors and suppliers, we thank you for actively making sure that there were no disruptions in our supply chain as we sought to provide the best healthcare products and services.

We would also like to thank our Board for its wisdom and guidance in leading our sustainability journey. To our parent company JCORP, thank you for being our pillar of guidance and support as we continue to create value for our shareholders and stakeholders.

On behalf of the Group, we would like to record our appreciation to the government, the MOH and the relevant regulatory agencies for working together with and supporting the private healthcare industry.

We look forward to a better and brighter year in 2021 as we seek to further strengthen the healthcare sector to realise the aim of UN SDG 3 – to ensure healthy lives and promote well-being for all at all ages.

Dato' Yusli Bin Mohamed Yusoff
Chairman

Ahmad Shahizam Bin Mohd Shariff
President & Managing Director

► * “Climate and environmental Governance: Five years on from the Paris Accord, where are we?”, (2020 Dec 18), The Edge Markets. Retrieved from <https://www.theedgemarkets.com/article/climate-and-environmental-governance-five-years-paris-accord-where-are-we>

OUR SUSTAINABILITY VALUES

The 4 Values



As a leading private healthcare service provider, our sustainability agenda is at the core of our business as we seek to create long-term sustainable value for our stakeholders and the community we operate in. We are committed to conducting our business responsibly by upholding good corporate governance, ethics and integrity while we contribute to the nation’s socio-economic and healthcare sectors.

At KPJ, our sustainability agenda is guided by four sustainability values that form the foundation of our commitment. Our sustainability commitments, which have been firmly embedded into the fabric of our organisation, drive our sustainability initiatives in all our business operations, comprising hospitals, retirement and aged care centres and a university college. With our sustainability commitment and initiatives, we are focused on providing the highest standards of clinical governance and access to quality healthcare, for it is our duty and our honour to deliver safe and excellent clinical services.

The Values that are the Foundation of Our Sustainability Agenda

Preventive Healthcare

We have endeavoured to collaborate with the government and healthcare insurers to improve on preventive healthcare offerings available for the people of Malaysia. We focus on the following:

- Growing our immunisation and vaccination coverage
- Helping to improve the health, nutrition knowledge, behaviour and attitude of the community towards healthcare
- Infection prevention and control and preparedness for COVID-19 in healthcare setting
- Empowering patients to make informed decisions through technology
- Encouraging breast-feeding as the best choice for the nourishment of infants and young children

Universal Healthcare Coverage

We aim to provide healthcare for all, and to achieve this, we are collaborating with the government and healthcare insurers and nongovernment organisations (NGOs) to offer the best packages and to cover a wider scope. We are using the low price and high volume models to make healthcare affordable for low and middle income families. In this way, we can bring vaccines, diagnostic tests, pharmaceuticals, supplements and family planning to the people who need it, thus carrying out our responsibility as a corporate citizen.

Resilient Healthcare

The COVID-19 pandemic has shown how healthcare system flaws can have serious consequences for people’s health, economic progress, government confidence, and social cohesion. Containing and reducing the virus’s spread and infection rate in the country is still important. Hence, it is vital for us to assist the Government in strengthening the healthcare system, including administering COVID-19 vaccinations.

Environmentally Sustainable Healthcare

We aim to build environmentally sensitive hospitals, and streamline our processes to become more efficient, so that we can reduce, reuse and recycle water, raw materials, non-renewable minerals, energy, hazardous waste, and non-hazardous waste.

OUR SUSTAINABILITY VALUES

MPSG and Aligning With UN SDGs

MALAYSIAN PATIENT SAFETY GOALS (MPSG)

The Malaysian Patient Safety Goals (MPSG) was established by the Patient Safety Council of Malaysia to advocate and improve patient safety outcomes among public and private healthcare organisations within Malaysia.

In its commitment to deliver excellent and quality healthcare services, KPJ complies with all the 13 MPSGs and submits its data on compliance to the Council every year.











- 1 To implement Clinical Governance
- 2 To implement the WHO's 1st Global Patient Safety Challenge: "Clean Care is Safer Care"
- 3 To implement the WHO's 2nd Global Patient Safety Challenge: "Safe Surgery Saves Lives"
- 4 To implement the WHO's 3rd Global Patient Safety Challenge: "Tackling Antimicrobial Resistance"

ALIGNING OUR SUSTAINABILITY GOALS WITH THE UN SDGs

KPJ contributes to national and global sustainable development agenda by embedding sustainability in its business strategy and operations. The Group's sustainability initiatives and impacts have also been aligned with 15 prioritised UN Sustainable Development Goals (UN SDGs) since 2018.

Embedding the sustainability development agenda into our business' strategic thrusts by identifying the new strategic thrust of Sustainable Value for Stakeholders which aims to ensure sustainable business growth that contributes to the socioeconomic well-being of our communities and the nation.

Aligning our sustainability goals and initiatives against the UN SDGs to ensure we are on track with our ambition of embedding the UN SDGs into our business.

SUSTAINABILITY GOALS	KPJ SUSTAINABILITY INITIATIVES	UNITED NATIONS SDGs
Adherence to regulatory requirement	Compliance (Materiality Economic 2) Delivering Safe and Excellent Clinical Services (Materiality Economic 4)	 
Anti-corruption	Ethics and Integrity (Materiality Economic 1)	
Responsible products and services	Patient Satisfaction (Materiality Economic 1)	
	Delivering Safe and Excellence Clinical Care (Materiality Economic 2)	 
	Driving Efficiency with Innovation and Technology (Materiality Economic 4)	
	Access to Quality Healthcare (Materiality Economic 5)	
	Waste Management (Materiality Environmental 1)	
Anti-competitive behaviour	Ethics and Integrity (Materiality Economic 1)	

MPSG and Aligning With UN SDGs

- 5 To improve the accuracy of patient identification
- 6 To ensure the safety of transfusions of blood and blood products
- 7 To ensure medication safety
- 8 To improve clinical communication by implementing a critical value programme
- 9 To reduce patient falls
- 10 To reduce the incidence of healthcare associated pressure ulcers
- 11 To reduce Catheter-Related-Bloodstream Infection (CRBSI)
- 12 To reduce Ventilator Associated Pneumonia (VAP)
- 13 To implement an Incident Reporting and Learning System

KPJ's focus on the UN SDGs is in line with WHO's targets for inclusive and sustainable health, as addressed in UN SDG 3: Good Health and Well-being (Ensure healthy lives promote well-being for all at all ages).

The table below shows the alignment of KPJ's sustainability goals and initiatives against our prioritised UN SDGs:

SUSTAINABILITY GOALS	KPJ SUSTAINABILITY INITIATIVES	UNITED NATIONS SDGs
Energy and resources management	Waste Management (Materiality Environmental 1)	
	Water Management (Materiality Environmental 2)	
	Energy Management (Materiality Environmental 3)	  
Community investment	Community Outreach (Materiality People 1)	 
Safety and health	Occupational Health and Safety (Materiality People 4)	
Workforce inclusion and diversity	Employee Engagement, Diversity and Inclusion (Materiality People 3)	 
Talent management	Training and Career Development (Materiality People 2)	
	Employee Engagement, Diversity and Inclusion (Materiality People 3)	 

SUSTAINABILITY AT KPJ

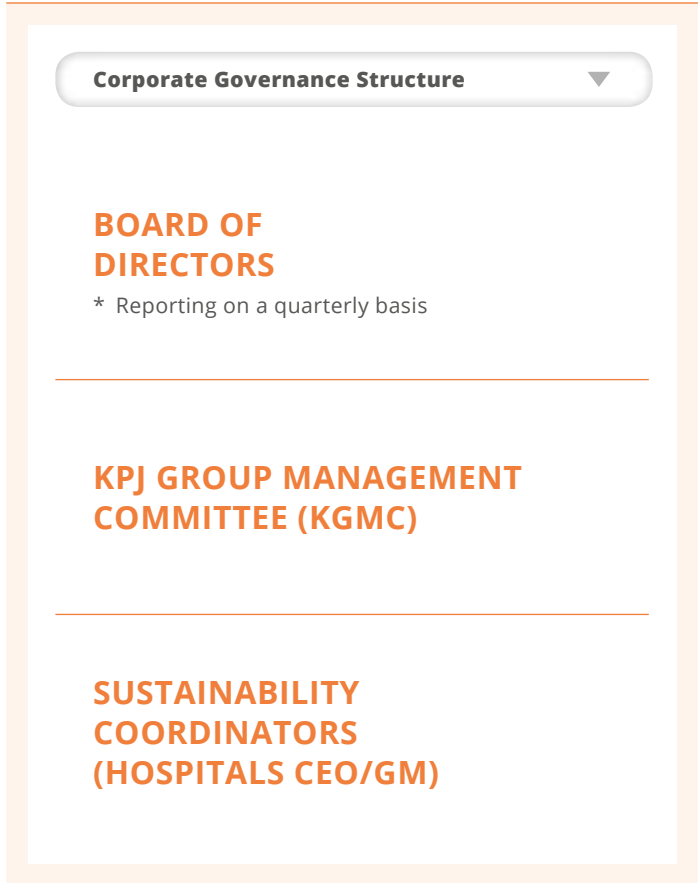
Sustainability Governance



During the reporting period, we reviewed and strengthened the Corporate Governance framework by enabling the Group Risk and Compliance (GRC) and Group Integrity Unit (GIU) to report to the Board of Directors. We believe the restructured governance framework will better drive our value creation journey and embed the sustainability development agenda in our business strategy and activities, spearheaded by our President and Managing Director, Ahmad Shahizam bin Mohd Shariff.



The chart below illustrates that sustainability practices are linked to our day-to-day business activities:



Sustainability Goals

SUSTAINABILITY GOALS

Our sustainability journey is guided by nine Sustainability Goals that were established based on the Group’s sustainability strategy. These goals are reviewed from time to time as we move towards realising our vision and mission. In 2019, they were refined to align with the Group’s commitment to prioritise patient safety and further embed sustainability in our business.

KPJ'S SUSTAINABILITY GOALS FOR 2020

<div style="background-color: #e8f5e9; padding: 10px; border-radius: 10px; margin-bottom: 10px;"> <p style="text-align: center; font-weight: bold; margin: 0;">ADHERENCE TO REGULATORY REQUIREMENTS</p> <p style="text-align: center; margin: 10px 0;">Enrolled postgraduate students in PhD and Master of Nursing, Master of Pharmacy, Master of Pharmaceutical Technology and Master of Physiotherapy</p> </div>	<div style="background-color: #e8f5e9; padding: 10px; border-radius: 10px; margin-bottom: 10px;"> <p style="text-align: center; font-weight: bold; margin: 0;">ANTI-CORRUPTION</p> <p style="text-align: center; margin: 10px 0;">Upholding the principles of transparency and accountability, and fighting corruption in all we do</p> </div>	<div style="background-color: #e8f5e9; padding: 10px; border-radius: 10px; margin-bottom: 10px;"> <p style="text-align: center; font-weight: bold; margin: 0;">RESPONSIBLE PRODUCTS AND SERVICES</p> <p style="text-align: center; margin: 10px 0;">Ensuring that our products and services positively impact lives, especially in the areas of privacy, health and safety</p> </div>
<div style="background-color: #e8f5e9; padding: 10px; border-radius: 10px; margin-bottom: 10px;"> <p style="text-align: center; font-weight: bold; margin: 0;">ANTI-COMPETITIVE BEHAVIOUR</p> <p style="text-align: center; margin: 10px 0;">Preserving ethical business practices across the Group</p> </div>	<div style="background-color: #e8f5e9; padding: 10px; border-radius: 10px; margin-bottom: 10px;"> <p style="text-align: center; font-weight: bold; margin: 0;">ENERGY AND RESOURCES MANAGEMENT</p> <p style="text-align: center; margin: 10px 0;">Reducing our carbon footprint while improving our management of resources</p> </div>	<div style="background-color: #e8f5e9; padding: 10px; border-radius: 10px; margin-bottom: 10px;"> <p style="text-align: center; font-weight: bold; margin: 0;">COMMUNITY INVESTMENT</p> <p style="text-align: center; margin: 10px 0;">Creating positive social impact on communities by contributing to their socioeconomic well-being</p> </div>
<div style="background-color: #e8f5e9; padding: 10px; border-radius: 10px; margin-bottom: 10px;"> <p style="text-align: center; font-weight: bold; margin: 0;">SAFETY AND HEALTH</p> <p style="text-align: center; margin: 10px 0;">Anticipating, recognising, evaluating and controlling hazards arising at the workplace that could impair the health and well-being of our people</p> </div>	<div style="background-color: #e8f5e9; padding: 10px; border-radius: 10px; margin-bottom: 10px;"> <p style="text-align: center; font-weight: bold; margin: 0;">WORKFORCE INCLUSION AND DIVERSITY</p> <p style="text-align: center; margin: 10px 0;">Building and nurturing a diverse and inclusive workforce, including at Board and Management level</p> </div>	<div style="background-color: #e8f5e9; padding: 10px; border-radius: 10px; margin-bottom: 10px;"> <p style="text-align: center; font-weight: bold; margin: 0;">TALENT MANAGEMENT</p> <p style="text-align: center; margin: 10px 0;">Implementing effective talent management strategies to strengthen our workforce and ensuring continuous succession planning, with a sharp focus on our consultants and key healthcare professionals</p> </div>

SUSTAINABILITY AT KPJ

Strategic Progress



Our strategic intent is premised on delivering exceptional healthcare to our patients, through the careful and excellent management of patient journeys, to produce quality patient outcomes as well as create a sustainable pool of returning clients, dedication to this strategy, bolstered by our aspiration to be the preferred healthcare provider, will ultimately create long-term value to our shareholders.

We are guided by seven strategic thrusts which are aligned to our six capitals. These thrusts are not only aimed at growing the business while improving resilience, growing, capacity and embedding innovation.



Our Group Tagline:

Care For Life

As a leading provider of healthcare services regionally, KPJ is committed to offering quality service par excellence across all our business. To achieve this, we leverage on our experienced medical professionals and state-of-the-art facilities in all markets that we operate in.

Our Vision:

The Preferred Healthcare Provider

KPJ's vision to be the preferred healthcare provider is achievable through the delivery of exceptional health treatment, care and diagnosis to all patients. Our steadfast commitment to achieving our vision can be seen through the various initiatives and actions such as innovative use of technology, having a team of experienced consultants, and well-trained medical and non-medical employees who work hand in hand wherever we operate.

Our Mission:


Deliver Quality Healthcare Services

We made it our mission to improve the health of the people and the communities across all markets in which we operate. Delivery of care is led by medical professionals who are committed to achieving quality patient outcomes.


Our Fundamentals:


Core Values

We are guided by our Core Values which underpin our dedication to "Care for Life". It is our hope that through these five core values, we can maintain and grow KPJ's patient-centered healthcare services.

 *Ensuring Safety*

 *Delivering Service with Courtesy*

 *Exercising Professionalism at All Times*

 *Striving for Continuous Improvement*

 *Performing Duties with Integrity*

Strategic Progress



OUR SEVEN STRATEGIC THRUSTS

Drive our commitment to provide a comprehensive, patient-centred care, and to maintain our position as the leader in the country's private healthcare industry:



CAPACITY BUILDING

Strategic investments and enhancements in project development.



TALENT MANAGEMENT

Focus on nurturing dependable and high integrity talents who are capable of driving positive performance, contributing to KPJ's sustainable growth.



ENRICHED CUSTOMER RELATIONSHIPS

Employ strategic measures aimed at strengthening the KPJ brand, built on a patient-centric culture.



BUSINESS PROCESS IMPROVEMENT

Continuously improving our processes and systems to improve performance.



INNOVATION @ THE CORE

Embedding a Culture of Innovation throughout the Group, ensuring KPJ keeps abreast with industry trends.



SUSTAINABLE VALUE FOR STAKEHOLDERS

Ensuring long-term growth, in order to provide stakeholders with high returns, contributing to sustainable positive relationship.



NEW NICHEs

Explore new and potential opportunities, to grow the business in the medium to long term.








SUSTAINABILITY AT KPJ

Strategic Progress

We established strategic focus and targets for each thrust in 2020 to drive better outcomes and ensure quality healthcare services. Our targets and achievements are shown in the table below:

Strategic Thrust	Strategic Focus 2020	Strategic Focus 2021-2025
<p>CAPACITY BUILDING</p> 	<p>Continuous Growth in Healthcare Industry</p> <p>Achieved Relocation of two hospitals in Kluang, Johor and Kuching, Sarawak</p> <p>Achieved Maximise the utilisation of capacity of the existing hospitals i.e. by offering more than 40 procedures and surgeries for decanting patients that referred by MOH</p>	<p>Strengthen Business and Operational Excellence</p>  <p>In Progress Maximising capacity with 1,000 beds at the existing hospitals until 2025</p> <p>Achieved and Continuous Improvement [JANUARY] Maximise the utilisation of capacity of the existing hospitals i.e. by offering more than 100 procedures and surgeries for decanting patients that referred by MOH</p> <p>Achieved and Continuous Improvement [FEBRUARY] Clustering KPJ hospitals by Region i.e. Flagship Hospitals, General Hospitals and Community Hospitals</p>
<p>ENRICHED CUSTOMER RELATIONSHIP</p> 	<p>Provide Patient Centric Benefits in Our services</p> <p>Achieved Customer Satisfaction Index more than 90%</p>	<p>Enhance Clinical and Service Quality</p>  <p>Achieved and Continuous Improvement [JANUARY] Continuous development on our strong service culture</p>
<p>INNOVATION @ THE CORE</p> 	<p>Leveraging on Technology and Innovation for Quality Care</p> <p>Achieved Implementation of Telemedicine and Medication Delivery (TMD)</p> <p>Achieved Intensive marketing on social media</p>	<p>Embrace Digitalisation & Technology in Enhanced Manner</p>  <p>Achieved and Continuous Improvement [JANUARY] Digitalisation of services in online consultation, TMD, etc</p> <p>Achieved and Continuous Improvement [JANUARY] Strengthen the digital marketing in promoting packages and educate public via awareness programme</p>
<p>NEW NICHES</p> 	<p>Continuous Growth in Healthcare Industry</p> <p>Achieved One retail pharmacy opened in December 2020 named JX Pharmacy Sri Manjung</p>	<p>Strengthen Business and Operational Excellence</p>  <p>Achieved [JANUARY] Ambulatory Care Centre (ACC) opened in Taiping, Perak Open ACC in Kinrara, Selangor soon</p>

Strategic Progress

Strategic Thrust	Strategic Focus 2020	Strategic Focus 2021-2025
<p>TALENT MANAGEMENT</p> 	<p>Build a Culture of High Performance</p> <p>Achieved Communication of anti-corruption policy/ ABMS to all employees covers (91% of employee acknowledged e-pledge)</p> <p>Achieved Invest RM5.7 million in training and development programmes for employees</p>	<p>Synergise Organisation, People and Culture</p>  <p>Achieved and Continuous Improvement [JANUARY] Maintain our culture of business ethics and integrity</p> <p>Achieved and Continuous Improvement [JANUARY] Invest in employees' training, career development, health and wellbeing</p>
<p>BUSINESS IMPROVEMENT</p> 	<p>Upgrading Hospital Information System</p> <p>Take The Environment Protection Seriously</p> <p>In Progress Completion of pilot project of nHIS (next generation Hospital Information System) Phase 1 at KPJ Damansara 2 by the first quarter of 2022</p> <p>Achieved Environmental indicators - energy and water reached the Group target</p> <p>Not Achieved Environmental indicator - waste increase due to the compliance to COVID-19 SOP in related consumable items</p>	<p>Embrace Digitalisation & Technology in Enhanced Manner</p>  <p>Take The Environment Protection Seriously</p>  <p>In Planning nHIS rollout to the hospitals nationwide after successful pilot project implementation at KPJ Damansara 2</p> <p>Achieved and Continuous Improvement [JANUARY] Continue the green and energy efficiency initiatives based on the requirement of the Malaysian Standard (MS1525:2007)</p>
<p>SUSTAINABLE VALUE FOR STAKEHOLDERS</p> 	<p>Protect the Socio-Economic Environment of Our Stakeholders</p> <p>Achieved 18 KWAN clinics and five mobile clinics served 72,447 patients underprivileged community nationwide</p> <p>Achieved Investment of Outreach Programme to the local community by RM15.8 million</p> <p>Achieved Maintain dividend pay-out not less than 40% of our profit after tax, RM51.4 million</p> <p>Achieved Collaboration with the Government to assist in flattening the COVID-19</p>	<p>Synergise Our Organisation, People and Culture</p>  <p>Achieved and Continuous Improvement [JANUARY] Strengthen KWAN mobile clinics by identify potential partners such as bank or other corporate entities in Klang Valley</p> <p>Achieved and Continuous Improvement [JANUARY] Designing Strategic CSR Programme with measureable impact to the local community</p> <p>Achieved and Continuous Improvement [JANUARY] Protect shareholders' interests</p> <p>Achieved and Continuous Improvement [MARCH] Collaboration with the Government to cater to the increase of demand in healthcare and a shortage in the provision of certain healthcare services</p>

SUSTAINABILITY AT KPJ

Strategic Progress

COVID-19 IMPACT

Impact on Patients

- Patients rescheduled their appointments, procedures and surgeries due to the pandemic and lockdown measures in the second quarter
- Patients' volumes gradually recover post-COVID-19 as elective procedures returned slowly while COVID-19 lingers

Mitigation plans:

- Aggressive marketing campaigns to attract patients and to increase patient volumes i.e. MRI pneumococcal vaccine
- Aggressive promotion on social media platforms by organising series of webinars for new and existing consultants to generate referrals and increase in patient numbers

Impact on Workforce

- Manpower shortages due to the infection of critical frontline healthcare professionals resulted in service disruption and compromised safety of hospital operations
- Employees work in a completely different setting, working from home in the new normal in comparison to what they were used to before. Employees returned to the workplace or adopted a hybrid working arrangement

Mitigation plans:

- All KPJ Group staff have been briefed on COVID-19 safety procedures and pre-cautions
- Effective communication to employees on the status of pandemic, updates on the latest MCO measures, SOP and best practices i.e. implemented Return to Work (RTW) Guidelines post MCO to allow rotation of staff at the office
- Conducted online training and webinar session as well as virtual motivational sessions for employees to remain productive during MCO

Impact on Operations

- Hospital remained opened at all times and carry out COVID-19 test for the public, contributing to population safety
- Shortages of supplies due to non-delivery of medicines and other essentials
- Business disruption due to the temporary closure of hospitals because of COVID-19 transmissions

Mitigation plans:

- Ensured efficient management of stock via Pharmaserv and the stockpiling of healthcare essentials at least to 3 months
- Increase and improve the SOP at the hospitals for patient, consultants and employees safety

Impact on Finance

- Reduction in revenue in Health Tourism due to the restriction of health tourists and cancellation of flights. The Visit Malaysia Year 2020 & MyHT Year 2020 were cancelled by the Government

Mitigation plans:

- Maximised benefit received from PRIHATIN economic stimulus packages and PENJANA economic recovery plan
- Designed a disruption initiatives plan for revenue growth and cost optimisation (i.e. staff rescheduling)
- Explored new opportunities and investments with the existing resources (i.e. existing hospitals) and new revenue streams (i.e. ACC)

Impact on Technology

- The pandemic pushed employees and consultants to rapidly embrace technology and resort to Telemedicine and Medication Delivery
- Employees working remotely by using technology to avoid disruption to their work schedule

Mitigation plans:

- Invest in the Telemedicine and Medication Delivery and rolled out to all of the hospitals
- Meetings and discussion on virtual platforms i.e. Skype, Google Meet to minimise the risk of social contacts among staff
- VPN access in order to access respective department and services file server in KPJ Corporate office remotely

Impact on Industry

- New mind-set of stakeholders i.e. anxious patients and families
- Public-Private Partnership Programme to combat COVID-19 and develop economic growth

Mitigation Plans:

- Restoring stakeholders confidence by improving the processes of engagement
- Engaged with MOH and APHM on managing COVID-19 and accepted decanted patients and National Immunisation Plan

Sustainability Materiality



ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

Materiality is integral to our sustainability journey as it helps us define the issues that are most important to us and our stakeholders. It enables us to identify the risks and opportunities of our Economic, Environmental and Social (EES) impacts as we endeavour to generate long-term value creation for our stakeholders, ensuring sustainable business growth. Our materiality assessment is conducted every year to enable us to continue to meet stakeholders’ demands, mitigate risks and leverage on opportunities.

In the year under review, we reviewed our material matters by conducting a desktop validation against local, regional and global industry peers. The material matters were identified in 2016 and validated in 2020. Based on the result of the validation exercise, we added five new material matters, renamed, and regrouped some of the existing matters to align with our peers as well as current global trends such as data privacy and demographic. We also ensured all material matters were aligned with the healthcare focus areas outlined by WHO and the UN SDGs. Going forward, we aspire to conduct a fresh survey to gather insights and opinions from stakeholders amidst the post pandemic period.



KPJ's Materiality Journey

Materiality for 2016

We conducted a thorough and detailed analysis of our key stakeholders, along with the areas of concern and our response to stakeholders’ expectations.

Materiality for 2017

We identified and ranked issues on importance to the organisation and stakeholders.

Materiality for 2018

We streamlined the stakeholders’ engagement with Our Seven Strategic Thrusts and UN SDGs.

Materiality for 2019

We ensured our material matters addressed the COVID-19 pandemic.

Materiality for 2020

We conducted a desktop validation against local, regional and global industry peers.

SUSTAINABILITY AT KPJ

Sustainability Materiality

In 2020, we identified 16 material matters, of which five were new, while four were renamed and two were regrouped from the previous material issues. Ethics and Integrity, and Compliance were in Our Workforce and this year became one of the material matters to reflect KPJ's commitment to upholding strong governance while Economic Perspective indicates the Group's commitment to its shareholders and ensuring business growth. Data Privacy and Security was disclosed previously under Certification, Accreditation and Standards now added as one of the materiality to signify its importance to our stakeholders amidst our high dependency on technology such as digitalisation, data cloud and Internet of Things. The fifth material matter, Climate Change, was included to reflect KPJ's commitment to adapting to the effects of climate change and minimising its carbon footprint.

The regrouped material matters are:

- Talent and Career Development, which includes Nurturing Future Medical Professionals from the previous matters.
- Delivering Safe and Excellent Clinical Services, which includes Certification, Accreditation and Standards from the previous matters.

RENAMED MATERIAL MATTERS

Current Name	Previous Name
Driving Efficiency with Innovation and Technology	Improving Efficiency with Technology
Energy Management	Electricity Consumption
Occupational Safety and Health	Safety At The Workplace
Employee Engagement, Diversity & Inclusion	Our Workforce, Employee Benefits and Welfare, Employee Engagement, Diversity (These four material matters have also been regrouped)

Economic	Environmental	Social
Materiality Economic 1: Ethics and Integrity	Materiality Environmental 1: Waste Management	Materiality People 1: Community Outreach
Materiality Economic 2: Compliance	Materiality Environmental 2: Water Management	Materiality People 2: Training and Career Development
Materiality Economic 3: Patient Satisfaction	Materiality Environmental 3: Energy Management	Materiality People 3: Employee Engagement, Diversity and Inclusion
Materiality Economic 4: Delivering Safe and Excellent Clinical Services	Materiality Environmental 4: Climate Change	Materiality People 4: Occupational Safety and Health
Materiality Economic 5: Driving Efficiency with Innovation and Technology		
Materiality Economic 6: Access to Quality Healthcare		
Materiality Economic 7: Economic Perspective		
Materiality Economic 8: Data Privacy and Security		

Stakeholder Engagement

Our stakeholder ecosystem is complex and diverse, with close relationships between stakeholder groups. Each stakeholder group has clear expectations of, and roles to play in, how we operate and we are highly focused on each group to ensure its needs are met. We constantly adapt, innovate and refine our operations to ensure we continue to provide patient-centric medical services.

In 2020, our stakeholder management continued to focus on managing the COVID-19 pandemic, which involved engaging with all our stakeholders at various levels. This is further detailed in the individual stakeholder sections.



SUSTAINABILITY AT KPJ

Stakeholder Management



**Stakeholder
Relevance**

PATIENTS

Patients are the cornerstone of KPJ's business and we emphasise enhancing the quality of life of our patients by providing comprehensive, high-quality healthcare services. KPJ strives to be the most trusted provider of healthcare services in Malaysia.

METHODS OF ENGAGEMENT

- Customer Satisfaction Survey
- Corporate and hospitals' websites
- Comprehensive integrated social media presence
- Health-related information magazines
- Health Awareness Days
- Service brochures with hospital information

FREQUENCY

- Quarterly
- Ongoing
- Quarterly
- Quarterly
- Based on WHO's calendar
- Ongoing

**Key Feedback/
Expectations**

- Delivery of quality healthcare and services
- Best possible clinical outcomes
- World-class facilities and technology
- Patient and family experience
- Respecting needs and satisfaction
- Health awareness and information
- Patient and family engagement during the recovery process
- Anxious patient and family

**KPJ's Response
to Stakeholder
Expectation**

- Standardised Customer Satisfaction Index (CSI) enables comparative measurements of patient system satisfaction among KPJ's hospitals and benchmarks them against previous years' achievements
- KPJ measures quality and safety statistics via:
 - i. Clinical indicators and performance/outcomes
 - ii. Infection control
 - iii. Mortality and morbidity
- We continually improve patient access and maximise the use of the best technology in patient care
- Facilitate an inclusive dialogue with patients related to the COVID-19 impact on the mental health
- We encourage hospitals to initiate activities that increase patient satisfaction, including voluntary programmes
- We actively provide health awareness and information for patients and the public through our social media platforms and hospital surroundings (e.g. on COVID-19).
- We provide efficient medicine supply systems (i.e. medication delivery services) and testing (i.e. drive-throughs) to ensure uninterrupted availability and accessibility of essential medicine and special tests (e.g. health service support during movement control order (MCO))

**Impact and
Link to
Strategic
Thrusts**

Impact on Strategy

Concerns raised can impact KPJ's ability to offer quality healthcare services and the best clinical outcomes. They also affect our ability to create sustainable long-term value for our stakeholders.

Link to Strategic Thrusts



Stakeholder Management



Stakeholder Relevance

EMPLOYEES AND CONSULTANTS

We invest in the welfare of our employees and consultants, who are vital to KPJ's success. We build trust and respect by listening and responding to their needs.

METHODS OF ENGAGEMENT

- Townhall meetings
- Employee performance review
- Staff wellness and recognition programmes
- Talent Management Day
- Employee Engagement Survey

FREQUENCY

- Annually/Twice a year
- Annually
- Ongoing
- Annually

Key Feedback/ Expectations

- Training and development of employees
- Recognition and competitive remuneration
- Ethical leadership
- Fair and equitable benefits
- Recruitment and retention of skilled staff
- Safety at the workplace
- Providing a positive workplace culture and a safe work environment
- Shortage of key medical staff
- Consultants' engagement with the public
- Long waiting time for patients

KPJ's Response to Stakeholder Expectation

- Fair and equitable employee benefits and welfare provision
- Compliance with the Group's Code of Ethics and Business Conduct
- Promoting safety in the workplace
- Providing well-trained staff with a clinical-related Disaster and Emergency Management Plan (DEMP)
- Providing latest equipment and updated systems
- All KPJ Group staff have been briefed on safety procedures and provided with uninterrupted supply and availability of enhanced PPE as precautionary measures against COVID-19
- Providing consultants with the opportunity to be involved in the hospitals' activities to educate the public
- KPJ communicates and invests in a marketing strategy for new packages and services, including sub-speciality and procedures, new medication and technology, offered by our consultants
- KPJ conducts an Innovative and Creative Circle (ICC) annually, which is a platform to discuss new and innovative ways to ease a patient's journey with KPJ (such as waiting time)

Impact and Link to Strategic Thrusts

Impact on Strategy

Our employees' and consultants' expectations are related to KPJ providing them a safe, motivating and rewarding work environment and workplace. It is important that Management continues promoting a positive working environment at all times.

Link to Strategic Thrusts



SUSTAINABILITY AT KPJ

Stakeholder Management



Stakeholder Relevance

INVESTORS AND SHAREHOLDERS

KPJ's primary objective is to create value for our shareholders as the owners and providers of equity capital to the business. The Group is accountable to its stakeholders and reports to shareholders and the public by effectively providing communications on our operational and financial performance.

METHODS OF ENGAGEMENT

- Financial results
- Investor relations presentations
- Corporate website
- Analyst meetings - small group meetings, one-on-one meetings, conference calls
- Participation in Investor Roadshows/Conferences
- General meetings (Annual General Meeting/ Extraordinary General Meeting)

FREQUENCY

- Quarterly/annually
- Ongoing
- On request
- Annually

Key Feedback/ Expectations

- Continued growth and financial sustainability, including post-COVID-19 pandemic
- Clear and transparent reporting
- Good corporate governance
- Protect business continuity that affects the economic activity i.e. supply chain

KPJ's Response to Stakeholder Expectation

- Consistent financial and non-financial performance
- Timely reporting of results, data and statistics pertaining to operational and financial performance through:
 - Maintaining effective IR activities by leveraging technology throughout the COVID-19 pandemic
 - Guiding investors in looking towards the future and maintaining trust in the Management team
 - Active communication in updating business performance and responding to impacts (e.g. disease patterns such as COVID-19, new regulations, mergers and acquisitions, etc.)
- Transparent disclosure of corporate responsibility, integrity and accountability as enshrined in the Malaysian Code on Corporate Governance 2017
- Transparent disclosure of environmental, social and governance (ESG) issues in corporate reporting as required by FTSE4Good Bursa Malaysia Index

Impact and Link to Strategic Thrusts

Impact on Strategy

Our investors and shareholders are linked to our shareholder wealth creation agenda.

Link to Strategic Thrusts



Stakeholder Management



Stakeholder Relevance

GOVERNMENT AND REGULATORS

Our business model relies on full compliance with all applicable laws and regulations. The Group engages with various government bodies on a continuous basis. Key government regulators include the MOH, Department of Occupational Safety and Health (DOSH), Department of Environment (DOE), Bomba, Ministry of Human Resources (MOHR), Ministry of Higher Education (MOHE) and Malaysia Medical Council (MMC).

METHODS OF ENGAGEMENT

- Licence applications
- Inspection of facilities
- Active engagement on healthcare legislation/ regulations
- Public/Private Partnership Programme with the government

FREQUENCY

- Annual meetings for licence renewal
- For every new application
- Quarterly meetings by the representatives

Key Feedback/ Expectations

- Cost of private healthcare
- Enforcement to improve patient safety via the Malaysian Patient Safety Goals (MPSG)
- Addressing training needs and skills shortage
- Regulatory reforms relating to hospital planning and COVID-19 crisis
- Allowing participation of private hospitals in the provision of public facilities

KPJ's Response to Stakeholder Expectation

- KPJ's adherence to regulatory requirements, strategic response to the healthcare market and commitment to managing the environmental impact is embedded in our Group's management and operations and cascaded down to all business units
- KPJ via APHM contributed to national efforts to curb COVID-19 infections (i.e. provision of equipment, beds and staff)
- KPJ managing the risk and supporting the recovery via regulatory quality and COVID-19

Impact and Link to Strategic Thrusts

Impact on Strategy

KPJ factors in the relevant government policies and requirements into all its strategic plans and decision-making processes.

Link to Strategic Thrusts



SUSTAINABILITY AT KPJ

Stakeholder Management



Stakeholder Relevance

INTERMEDIARIES

The Group’s largest client base includes all players in the healthcare funding industry, such as employers, third-party administrators, insurance companies and managed care organisations. We also engage with media, insurance companies and takaful brokers, commercial and investment bankers, health tourism agents and KPJ Info Centres.

METHODS OF ENGAGEMENT

- Regular meetings to discuss cost containment
- Contract negotiations and renewals
- Updates on promotions and value added services
- Panel agreements for insurance companies
- Media releases/media announcements
- Quarterly briefing sessions
- Media relationship programmes

FREQUENCY

- Weekly/monthly/quarterly/annually

Key Feedback/ Expectations

- Clinical quality and healthcare delivery improvements offered at reasonable prices
- Competitive pricing offered via promotional packages
- Revising contracts and agreements and arranging panels for new KPJ hospitals with major corporate clients
- News updates on print/broadcast/digital platforms to increase brand prominence and promote services

KPJ’s Response to Stakeholder Expectation

- Corporate Client Management (CCM) is a fundamental part of our customer service philosophy, particularly in relation to intermediaries and their activities and performance
- KPJ addresses healthcare intermediaries’ concerns to ensure quality healthcare services and patient safety
- We provide accurate and truthful information through our media platforms and constantly monitor all related news regarding KPJ

Impact and Link to Strategic Thrusts

Impact on Strategy

Our relationship with multiple intermediaries enables us to offer a wide range of healthcare packages and services and influence customer demand.

Link to Strategic Thrusts



Stakeholder Management



Stakeholder Relevance

ACCREDITATION BODIES AND INDUSTRY ASSOCIATION

KPJ has 19 hospitals with MSQH accreditation and four hospitals accredited by Joint Commission International (JCI). KPJ is also a member of the APHM, which plays an important role in achieving the objective of raising the standards of medical care in the country. Other key industry associations are the National Specialist Register (NSR), Malaysia Medical Association (MMA) and Malaysia Healthcare Travel Council (MHTC). It is important that we maintain the status of our accreditations and continue to have a voice within the industry through our associations. Malaysian Medical Council (Registers and governs doctors to practice in Medicine in Malaysia) Malaysian Medical Association.

METHODS OF ENGAGEMENT

- KPJ's Management serve as President and Treasurer in MSQH and Vice President in APHM
- KPJ Medical Director and Senior Management serve as Board members in APHM
- KPJ Chief Nursing Officer serves as Chairman of Nursing Committee in APHM
- Several consultants serve as members of the Specialty Sub-committee in NSR
- Participation in conferences

FREQUENCY

- Annually – MSQH's AGM
- Annually – APHM Conference
- Regular meetings with representatives and others

Key Feedback/ Expectations

- KPJ policy emphasis on accreditation based on industry standards is communicated through APHM and MSQH vis-à-vis MOH, MOF, etc.
- Participation in Public-Private Partnership Programme via APHM

KPJ's Response to Stakeholder Expectation

- KPJ complied with the MSQH 5th Edition Accreditation Standard in relation to hospital accreditation
- KPJ's involvement via its hospitals to support initiatives conducted by APHM

Impact and Link to Strategic Thrusts

Impact on Strategy

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.

Link to Strategic Thrusts



SUSTAINABILITY AT KPJ

Stakeholder Management



Stakeholder Relevance

SUPPLIERS

In order to deliver high-quality healthcare services, we are dependent on a large and diverse range of suppliers, comprising medical and non-medical suppliers. KPJ relies on our vendors and suppliers to deliver products and services of the highest quality in line with internal, regulatory and accreditation agency standards. Our list of suppliers includes medical equipment distributors, pharmacy companies, technology vendors, developers or contractors and waste management contractors, consultants and agencies.

METHODS OF ENGAGEMENT

- Regular meetings with medical and non-medical suppliers
- Tender, bidding, quotation and contract negotiations
- Product demonstrations and evaluations
- Training and collaboration at events
- Procurement process

FREQUENCY

- Weekly, monthly, quarterly and annually

Key Feedback/ Expectations

- Compliance with applicable regulatory requirements and quality standards
- Availability of products and services and ability to provide continuous support
- Fair and transparent negotiations
- Active communication with suppliers

KPJ's Response to Stakeholder Expectation

- The Group is focused on streamlining and centralising our procurement processes to improve efficiency and cost-effectiveness
- We select suppliers/contractors who have a positive brand reputation, promote sustainable development and are environmentally friendly
- We apply selection criteria for tenders, contracts and preferred supplier agreements
- Contracted vendors and suppliers for medical and non-medical products are required to adhere to KPJ's Corporate Integrity Agreement (CIA) and the KPJ Safety, Health and Environmental Policy
- Reporting performance and monitoring to improve efficiency throughout the supply chain

Impact and Link to Strategic Thrusts

Impact on Strategy

Our suppliers are key enablers in achieving our objective of offering quality healthcare services.

Link to Strategic Thrusts



Stakeholder Management



Stakeholder Relevance

LOCAL COMMUNITIES

KPJ is committed to sustainable long-term engagement with communities through its KWAN clinics. We practise an engagement policy of mutual understanding, trust and reliability with our patients, their families/caregivers, employees' families, the owners and tenants of our properties and our KPJUC students. We also embrace the nation's healthcare community as a whole (e.g. MOH frontliners).

METHODS OF ENGAGEMENT

- KWAN either as static or mobile clinics
- Baby hatches at the hospitals
- Partnership CSR programme

FREQUENCY

- Daily

Key Feedback/ Expectations

- Health awareness
- Affordable and accessible healthcare
- Development of communities prioritising solidarity, social welfare, health and safety
- Students have a higher expectation of job security

KPJ's Response to Stakeholder Expectation

- Continuous investments in identified community engagement programmes, in line with WHO's promotions and initiatives
- Expanding reach of social healthcare services, targeting urban poor and rural areas
- Eight of our KWAN Clinics are MSQH-accredited, which ensures we provide quality healthcare and services to our communities
- KPJUC conducts in-campus interviews for employment placements as per our hospitals' requirements and assists future graduates with job opportunities
- Contributions of KPJ medical consultants on a pro bono basis to serve non-COVID-19 patients referred by the MOH

Impact and Link to Strategic Thrusts

Impact on Strategy

Our engagements with local communities provide a platform for us to showcase our good corporate citizenship practices

Link to Strategic Thrusts



OUR SUSTAINABILITY IMPACTS

Economic

MATERIALITY ECONOMIC 1 AND 2 SHOULD BE READ TOGETHER WITH THE GROUP'S CORPORATE GOVERNANCE OVERVIEW STATEMENT IN KPJ HEALTHCARE BERHAD INTEGRATED REPORT 2020, ON PAGES 114 TO 131 AND KPJ'S CORPORATE GOVERNANCE REPORT 2020 ON OUR CORPORATE WEBSITE AT WWW.KPJHEALTH.COM.MY





Economic Highlights ▼

INTEGRITY INITIATIVES IN 2020

1,051
employees
attended Integrity Talk

9,524
local vendors and suppliers
signed the Corporate Integrity Agreement

NIL
reported
incidents of terminated or unrenewed contracts due to violations related to fraud, bribery or corruption in 2020.

Materiality Economic	Link to Our Seven Strategic Thrusts	Key Stakeholders
Ethics and Integrity	Superior Customer Service Business Process Improvement Sustainable Value For Stakeholders   	<ul style="list-style-type: none"> Government and Regulators Employees and Consultants
Compliance	Business Process Improvement Sustainable Value For Stakeholders  	<ul style="list-style-type: none"> Shareholders Intermediaries Accreditation Bodies and Association
Patient Satisfaction	Superior Customer Service 	<ul style="list-style-type: none"> Patients Intermediaries
Delivering Safe and Excellent Clinical Services	Superior Customer Service Sustainable Value for Stakeholders  	<ul style="list-style-type: none"> Patients Shareholders and Investors Intermediaries
Driving Efficiency with Innovation and Technology	Innovation @ The Core Business Process Improvement  	<ul style="list-style-type: none"> Patients Suppliers
Access to Quality Healthcare	New Niches 	<ul style="list-style-type: none"> Patients Employees and Consultants Local Communities
Economic Performance	Capacity Building Business Process Improvement Sustainable Value for Stakeholders   	<ul style="list-style-type: none"> Shareholders and Investors Intermediaries Suppliers
Data Privacy and Security	Superior Customer Service Innovation @ The Core  	<ul style="list-style-type: none"> Patients Employees and Consultants

Economic

Initiatives		Performance Indicators
<ul style="list-style-type: none"> • Intermediaries • Shareholders • Suppliers 	<ul style="list-style-type: none"> • Anti-Bribery Management System • Corporate Integrity Pledge • Code of Ethics and Business Conduct - Work Ethics and Code of Conduct • e-Integrity Pledge (e-pledge) 	<ul style="list-style-type: none"> • Corporate Integrity Agreement • Awareness Training • Policy of Whistle-Blowing
<ul style="list-style-type: none"> • Incidents Related to Fraud, Bribery or Corruption • Reported Cases via Policy of Whistle-Blowing • ISO 37001:2016 Anti-Bribery Management System Certification 	<ul style="list-style-type: none"> • Government and Regulators • Suppliers • Employees and Consultants 	<ul style="list-style-type: none"> • Compliance Programmes and Training • Annual Compliance Certification
<ul style="list-style-type: none"> • Reviews by Audit Committee, Medical Advisory Committee and Risk and Governance Committee. 	<ul style="list-style-type: none"> • Employees and Consultants • Shareholders and Investors 	<p>Service Quality Management</p> <ul style="list-style-type: none"> • Customer Feedback • KPJ Service Quality Coach Programme • Customer Services Workshops
<ul style="list-style-type: none"> • Customer Satisfaction Index • Net Promoter Score 	<ul style="list-style-type: none"> • Accreditation Bodies and Association • Government and Regulators • Local Communities 	<ul style="list-style-type: none"> • SQM Portal • KPJ Customer Relation Manager (KPJ CRM)
<ul style="list-style-type: none"> • Inpatient Falls • Hand Hygiene Rate • Joint Commission International (JCI) • Malaysian Society for Quality in Health (MSQH) 	<ul style="list-style-type: none"> • Telemedicine and Top-Up Medication Home Delivery Services • Email and Collaboration • Health Information System (HIS) 	<ul style="list-style-type: none"> • Accreditation of Joint Commission International (JCI) and Malaysian Society for Quality in Health (MSQH)
<ul style="list-style-type: none"> • Technology Initiatives 	<ul style="list-style-type: none"> • Ambulatory Care Centre • Improving Access to Pharmacies • Health Tourism • Senior & Assisted Living Care (SALC) • Confinement Centre 	<ul style="list-style-type: none"> • Online and Mobile Appointment Booking System • Payment Kiosk • Online Retail Pharmacy
<ul style="list-style-type: none"> • Baby Friendly Hospitals (BFH) • Plantree Hospitals • 5S Hospitals 	<ul style="list-style-type: none"> • Ambulatory Care Centre • Procurement • Biomedical and Commissioning Services 	<ul style="list-style-type: none"> • Medical Air Services • Group Wide Packages • Baby Friendly Hospital (BFH) • Planetree • 5S
<ul style="list-style-type: none"> • Capacity Expansion • Employment opportunities to KPJUC graduates • Amount Invested In New Equipment • Cost reduction strategy via procurement 	<ul style="list-style-type: none"> • Intermediaries 	<ul style="list-style-type: none"> • Pharmaceutical and Medical Products Supply Chain • Corporate Client Management (CCM)
<ul style="list-style-type: none"> • ISO/IEC 27001 Certification • Number of Breaches of Customer Privacy 	<ul style="list-style-type: none"> • Shareholders and Investors 	<ul style="list-style-type: none"> • KPJ's Privacy and Data Protection Policy • Annual Independent Security Review • Security Operation Centre (SOC)

OUR SUSTAINABILITY IMPACTS

Economic



Materiality Economic 1: Ethics and Integrity



KPJ is committed to upholding the highest level of ethics, integrity, honesty and professionalism in its endeavour to build a culture of integrity. Upholding good corporate governance is vital to our sustainability journey of value creation to ensure daily smooth operations. We believe in building trust among our stakeholders to drive long-term business success.



We acknowledge that any improper of decisions will impact our business operations and patients’ access to quality healthcare. Embedding integrity in our day-to-day interactions at work will mitigate and reduce our exposures to legal and reputational risks.

Our employees are guided by our core value of Integrity and the Group’s Corporate Integrity Pledge, which is signed and acknowledged by all employees. They are also required to comply with our Code of Ethics and Business Conduct - Work Ethics and Code of Conduct, which outlines our expectations of the behaviours and conduct of each employee. To instill the culture of ethics and integrity, our employees are required to take the “Service Pledge” declaration at townhall, our annual staff gathering held at KPJ hospitals.

Further to that, we have included the e-integrity pledge (e-pledge) in our Employee Self Service (ESS) portal since 2014, encourage self declaration and to ensure no conflicts of interest, corruption and mismanagement.

As for our external stakeholders, all hospitals’ and subsidiaries’ vendors, contractors, suppliers and other related third parties are expected to sign and comply with the Corporate Integrity Agreement (CIA) declaration.

In 2020, there were no reported incidents of terminated or unrenewed contracts due to violations related to fraud, bribery or corruption.

ANTI-BRIBERY MANAGEMENT SYSTEM

During the year under review, KPJ implemented the ISO 37001 Anti-Bribery Management System (ABMS), to manage the corporate liability risks that the Group may face in its business and to meet the requirements of Section 17A Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) that had been enforced on 1st June 2020. The ABMS

will further strengthen our efforts in combatting bribery and corruption.

A Chief Integrity Officer was appointed in February 2020 and supported by four (4) Certified Integrity Officers (CeIO) that attained their certification in 2019 to implement the policies and strategies to bolster the governance, ethics and integrity systems within the Group.

In August 2020, a total of 10 ABMS Standard Operating Procedures (SOP) were established in line with the ISO 37001:2016 standards that also meet the Guidelines on Adequate Procedures (Pursuant to Subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission Act 2009).

Amongst the SOPs are on Bribery Risk Assessment, Anti-Bribery Control and Monitoring, Integrity Pact

Materiality Economic 2: Compliance

Implementation, Donation and Sponsorships, Conflict of Interest, Whistle Blowing Procedure and Gift, Entertainment and Corporate Hospitality Policy.

KPJ has attained the ISO 37001:2016 ABMS certification on 23rd October 2020 from SIRIM QAS Sdn Bhd, a qualified and independent party as to obtain assurance that KPJ is operating in compliance with its policies and procedures related to integrity and corruption.

In addition, the Group has also put in place a Gift, Entertainment and Corporate Hospitality Policy and Annual Asset Declaration Policy, which are applicable to all employees. The purpose of these policies is to uphold ethical and responsible behaviour by employees and avoid conflicts of interest in ongoing or potential business dealings between the Group, suppliers and service.

To instill our zero-tolerance for bribery and corruption, our employees are required to attend training on ethics and integrity, which includes anti-bribery and corruption. In 2020, a series of physical/face-to-face and online awareness training was held. For Phase 1, the awareness training was targeted at the Top Management, Head of Services/Department within the Group as well as KPJ Headquarter employees which comprised 1,051 employees. Meanwhile, Phase 2 involves awareness training to the whole workforce in the Group which is targeted to complete by June 2022.

In supporting the ABMS, bribery risk identification and assessment were performed on the operation and processes with the required risk treatment plan for those risks identified as major risks. An annual review of the risk assessment is performed to ensure the bribery risk register is reviewed and KPJ effectively manages the key bribery risks of the organisation.

POLICY OF WHISTLE-BLOWING

The Group has in place a Policy of Whistle-Blowing that serves as an avenue for employees or external stakeholders to report on any breach or suspected breach of any law or regulation without reprisals. The whistle-blowing channel is easily accessible via <http://kpj.listedcompany.com/whistleblowing.html>.



COMPLIANCE

KPJ strives to lead the healthcare industry in good corporate governance by driving a positive culture of compliance within the Group. Our resilient compliance structures are led by the Board of Directors who oversees compliance operational and activities including training, investigations and monitoring. Supported by its Audit Committee, Medical Advisory Committee and Risk and Governance Committee, the Board is also responsible for measuring and reporting on the effectiveness of our compliance programmes and key improvement initiatives.

Accountability is also crucial, and our top leaders certify to our PMD every year that all required policies in their businesses have been implemented. Managers and employees complete an annual compliance certification, and we support compliance through communication tools like articles via intranet, regular communications and during face-to-face training.

OUR SUSTAINABILITY IMPACTS

Economic



Materiality Economic 3: Patient Satisfaction

Customer satisfaction is key to ensuring the sustainability of our business. Across all our hospitals, we focus on improving and enhancing both our approach to and execution of this important aspect of healthcare, which is quality service delivery.

CUSTOMER FEEDBACK

In order to ensure that the Group provides excellent care and services up to the standards desired by customers, we regularly ask our customers for feedback about their hospital stay on a voluntary basis. Based on this feedback, steps can then be taken to enhance our services according to customer expectations.

In addition to receiving feedback, Service Quality Management (SQM) Audits are conducted regularly to enhance our compliance with best practices. The achievement of excellent outcomes from these audits has been set as a performance indicator for our hospitals, accentuating our commitment to providing quality service excellence.

For the year under review, the Customer Satisfaction Index (CSI) for our hospitals recorded commendable performance as a result of customer-centric initiatives and service quality.

KPJ SERVICE QUALITY COACH (SQC) PROGRAMME

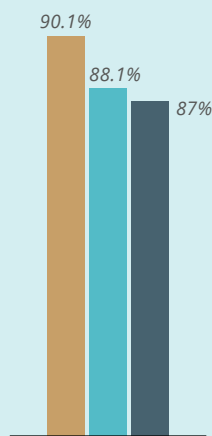
The SQC programme provides intensive training courses focusing on excellent customer service delivery. The programme aims to produce certified Service Quality Coaches who conduct Standard People Practice (SPP) training and customer service training to all KPJ staff. Since its inception in 2016, this programme has successfully produced a total of 64 committed Service Quality Coaches up to the end of 2020.

KPJ Service Quality Coaches have access to the SPP manual that outlines best practices in customer service with which they can train their peers. The SPP manual is also available in the form of easy-to-access videos in the SQM Portal.

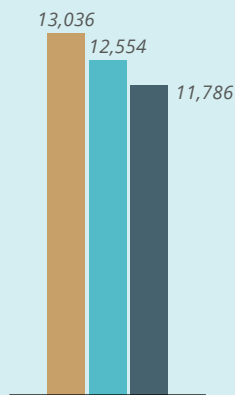
CUSTOMER SERVICE WORKSHOPS

KPJ ensures high-quality services are delivered within our network of hospitals through ongoing customer service workshops that focus on enhancing and innovating culture and diversity through the language of caring and joy at the workplace. Our SQM strives to nurture a service-oriented mindset, firmly built on a foundation of a culture of excellence and service innovation among our employees. In 2020, due to the COVID-19 pandemic, SQM was unable to coordinate the workshops because of government enforcement of physical distancing. However, SQM continued in-house customer service training sessions virtually through Google Hangouts and Zoom sessions.

CUSTOMER SATISFACTION INDEX (CSI)



TOTAL NUMBER OF STAFF TRAINED IN CUSTOMER SERVICE



2020 2019 2018





SQM PORTAL

KPJ's SQM Portal comprises three primary components and one support component, i.e. the Patient Communication Management System, SQM External Survey and Service Initiative System, together with the SQM knowledge base, Online Training Material (OTM). These are explained below:

1. Patient Communication Management System (PCMS) - The PCMS manages patient complaints and enquiries. It also monitors service level standards to ensure responses are timely and effective.
2. SQM External Survey - The SQM External Survey tracks the CSI and measures patient loyalty (or Net Promoter Score, NPS) through automated online surveys.

NET PROMOTER SCORE INDEX



3. Service Initiative System - The Service Initiative System enables our hospitals to share their service enhancements and service innovation initiatives and enables other hospitals to gain additional insights and be inspired to carry out their own efforts focusing on improving customer experience.
4. The Online Training Material (OTM) page contains SQM references and related media such as Online Portal user guides, SPP training videos, Quality Initiatives by KPJ's group of hospitals and recently, New Normal SPP videos. We will further develop this page to include additional service delivery reference materials that will be of use to SQM and hospital frontliners.

During the pandemic, the collection of customer surveys and feedback from our customers was conducted online, embracing the necessity for self-service and contactless channels. From the accumulated data and reports in the Portal components, information on our SQM indicators was channelled to KPJ's Integrated Dashboard system for Senior Management to monitor the Group's performance. This was in line with the Group's strategy of adopting digital technology to re-energise the service culture to desired standards.

KPJ CUSTOMER RELATION MANAGEMENT (KPJ CRM)

KPJ Care is a KPJ CRM loyalty programme, providing its members with offers and benefits from KPJ hospitals, and partners/merchants.

As of December 2020, we have a total of 106,288 KPJ Care members, an increase of 23% from 2019. Majority of our members are between 31 and 50 years old. KPJ CRM loyalty programme has 87 merchants and partners including third-party partners, KPJ Healthshoppe, JX Pharmacies and tenants in 28 KPJ hospitals.

As part of the KPJ CRM loyalty programme, the KPJ Wellness & Lifestyle Programme offers a prepaid product in the form of subscription-based health screening programme. KPJ CRM aims to reward patient loyalty, better engage with patients, and potentially increase the perception of service quality of our healthcare services. KPJ CRM looks forward to increasing its offers and benefits apart from conducting more segmentation and analysis that will enable future offers and promotions that are based on patient habits and preference, aligned with KPJ's vision of being the preferred healthcare provider.

MOVING FORWARD IN SQM

In early 2020, the Group began a collaboration with InSync Press Ganey Australia to continuously improve customer service by using evidence from the results of surveys and data analysis. The project was piloted in KPJ Tawakkal KL and KPJ Kajang in mid-2020. The project will enable KPJ to benchmark its services against international healthcare providers around the world.

Also in 2020, SIRIM's Certificate of Recognition for Customer Service Management (CSM) was introduced to equip KPJ hospitals with SIRIM's CSM requirements and to establish a framework according to SIRIM Standard 6:2016. As at December 2020, CSM assessments for KPJ Rawang, KPJ Klang and KPJ Sabah have been conducted virtually by SIRIM Assessors and these hospitals have successfully achieved the certification.

SQM headquarters plans to continue the certification for the entire Group, especially for KPJ hospitals that have yet to acquire any accreditation or standards, to ensure that all KPJ Hospitals are CSM-SIRIM certified in 2021.

OUR SUSTAINABILITY IMPACTS

Economic



Materiality Economic 4: Delivering Safe and Excellent Clinical Services

KPJ is committed to ensuring patient safety while maintaining excellent standards of healthcare. We have strengthened our measures in providing clinical excellence over the years and will continue to improve our healthcare.

At KPJ, we have in place comprehensive measures, processes and procedures to reduce or limit clinical incidents. We are pleased to report that our incident rates have been kept within MOH and International Benchmarks.

KPJ's clinical responsibility is governed by the Group's Medical Advisory Committee (MAC), which oversees the policies and guidelines in enhancing clinical governance, clinical compliance, performance and patient safety outcomes, and new services. The MAC's performance can be found in the MAC Report of our Integrated Report from page 142 to page 151.

MALAYSIAN PATIENT SAFETY GOALS (MPSG)

KPJ is committed to complying with the Malaysian Patient Safety Goals (MPSG) developed by the Patient Safety Council of Malaysia. The council was established to encourage both public and private healthcare organisations to improve patient safety outcomes in the country. KPJ complies with the council's requirement and submits its performance data on the 13 MPSG to the Malaysia Patient Safety Council annually. We are pleased to report that our performance data have shown improvements in our compliance over the years.

MPSG COMPLIANCE INITIATIVES AT KPJ HOSPITALS

The table below shows the alignment of our key areas for safety goals with the 13 MPSGs in 2020:

Key Areas for Safety Goals	Goal No	MPSG Goals	KPJ Initiatives
#1: Implementing a systematic framework for the healthcare sector by integrating quality, safety and risk management through Clinical Governance.	1	To implement Clinical Governance	KPJ has KPJ Clinical Governance in place. Please refer to Corporate Governance Overview and Medical Advisory Committee at page of 142 to 151 of KPJ's Integrated Report.
#2: Managing major and significant aspect of safety risk to patients receiving health care.	2	To implement WHO's 1st Global Patient Safety Challenge: "Clean Care is Safer Care"	<p>The COVID-19 pandemic has enforced compliance to hand hygiene in every individual.</p> <p>We strictly comply with MOH's hand hygiene rules. In 2020, KPJ's Hand Hygiene compliance rate among the Group is at an average of 93%, higher than 75% target of MOH.</p> <p>To ensure we maintain our compliance rate, we regularly conduct hand hygiene audits based on WHO's guidelines which outline the five moments when healthcare providers should perform hand hygiene:</p>

Economic

Key Areas for Safety Goals	Goal No	MPSG Goals	KPJ Initiatives
#2: Managing major and significant aspect of safety risk to patients receiving health care.	3	To implement the WHO's 2nd Global Patient Safety Challenge : "Safe Surgery Saves Life"	<p>Compliance on safe surgery measures are constantly monitored by compliance officers/appointed staff. Noted only 99% of the surgeries requiring site marking were marked. To achieve a 100% compliance, we reviewed the policy on site marking for spinal surgeries.</p> <p>KPJ patient safety goal policy on site marking for elective cases states holding bay as the last point for marking the site. Site marking compliance is at 100%. Time out has been initiated at points of care of invasive procedures at different clinical settings and random audits have been initiated to ensure compliance.</p>
	4	To implement the WHO's 3rd Global Patient Safety Challenge: "Tackling Antimicrobial Resistance"	<p>KPJ adopted 10 Antibiotic Stewardship Policies by MOH and additional two policies for KPJ's hospitals. Continuously monitoring the implementation and compliance to the policies.</p> <p>KPJ's Guidelines on Antibiotic Panel Testing and Standard Antibigram Reporting for the group have been developed and implemented in KPJ Group of hospitals. 18 KPJ Hospitals contributed to the annual reporting of Antibiotic Usage to MOH.</p>
#3: Implementing evidence based "best practice" and safety measures	5	To improve the accuracy of patient identification	<p>Constant verifications are conducted to ensure the use of two identifiers at every point of engagement with the patient has been established. This will ensure every patient receives the correct treatment and management.</p> <p>To use two identifiers at every point of engagement to avoid wrong procedure/ treatment to a wrong patient.</p> <p>Four hospitals have implemented Radio Frequency Identification (RFID) to ensure infant safety by tagging the correct infant to the correct the mother.</p>
	6	To ensure the safety of transfusions of blood and blood products	<p>Check points at various levels by the nurse with the Consultant or Medical Officers are some of the initiatives to ensure safe use of blood and blood product. However, zero number of transfusion errors has yet to be achieved. We recorded one event of blood transfusion error due to technical mishap during the process of group and cross match.</p> <p>Current preventive measures have been further enhanced. Verification and validation of blood and blood product processes have been initiated in the laboratory besides double checking of blood and blood product prior to administration.</p>
	7	To ensure medication safety	<p>Mentor-Mentee programme for junior staff, which will be evaluated at the end of probation period.</p> <p>Master formulary and standardised auto-calculated worksheet for Internal Extemporaneous Preparation has been developed and implemented group wide – to eliminate manual form and reduce calculation error.</p> <p>Independent random medication audit prior to dispensing in accordance with Managing High Alert Medication Policy.</p> <p>Annual competencies evaluation to reinforce on the compliance to medication safety practice.</p> <p>Reinforced policies and procedures of 7R guidelines.</p> <p>Developing standard extemporaneous formulation for the Group. Hospitals in the Group will be using the standard (i.e. auto-calculated template) to reduce calculation error.</p>

OUR SUSTAINABILITY IMPACTS

Economic

Key Areas for Safety Goals	Goal No	MPSG Goals	KPJ Initiatives
	8	To improve clinical communication by implementing a critical value programme	<p>Notifications of critical laboratory and radiology results are initiated via technology.</p> <p>96% of the critical results are notified to the Consultant within 30 minutes for effective and efficient management of the case.</p>
	9	To reduce patient falls	<p>Fall prevention campaigns were initiated using fall prevention tool kit. It comprises fall assessment scale, fall prevention nursing care plans and frequent structured ward rounds using the EPEEP concept:</p> <ul style="list-style-type: none"> • Explain purpose of visit, • Pain assessment, • Elimination needs, • Safe Environment • Plan of return. <p>The campaign also includes encouraging patients and care providers to voice their needs and concerns to prevent falls.</p> <p>To engage patients and family on safety initiatives to prevent falls.</p> <p>Continue monitoring and re-assessing the patient's fall risk level especially after invasive procedures or changes in general condition of the patient.</p> <p>Our Anti-fall Collar Sensor prevents high-risk adult patients from falling.</p>
	10	To reduce the incidence of healthcare associated pressure ulcers	<p>KPJ has initiated assessment of patients who are bedridden for 48 hours and more to assess the skin integrity and identify the level of risk to pressure sore. Various measures are taken up to prevent pressure sore.</p> <p>Preventive pressure ulcer measures are still adhered to. However, despite nursing care and innovative measures to prevent pressure ulcer, it remains challenging to maintain the skin integrity in Senior Living Care (SLC).</p>
	11	To reduce Catheter-Related-Bloodstream Infection (CRBSI)	<p>Compliance to CRBSI care bundles is implemented and monitored. CRBSI rate is 0.13 per 1000 catheter days.</p>
	12	To reduce Ventilator Associated Pneumonia (VAP)	<p>VAP rate is <10 per 1,000 days meeting the National target. Generally, the ventilated cases are rather low and ventilated days are rather short.</p>
#4: Assessing and understanding issues of unsafe care	13	To implement Patient Safety Incident Reporting and Learning System	<p>The incident reporting culture has been instilled in all healthcare professionals and providers through "JUST" culture initiatives.</p> <p>KPJ's reporting of Incident and Root Cause Analysis is via Q-Radar online risk reporting system. To date, all hospitals successfully reported their incidents via Q-Radar.</p>



QUALITY NURSING

Nurses make up about 50% of KPJ's staff and they are the backbone of KPJ's patient-centric and compassionate healthcare service. Hence, it is vital for us to provide our nurses with adequate training for their professional development and to ensure optimised healthcare experience for patients.

KPJ is committed to nurturing our nurses with various programmes to enable them to achieve professional and personal aspirations. This includes allowing them to work in specialised areas while awaiting post-basic certification programmes. We also offer education scholarship and tertiary education programmes for upskilling, ranging from Degree to Master's and PhD nursing programmes at KPJUC.*

To prepare our leadership pipeline, our nurse leaders will identify successors when a new KPJ hospital is launched. The nurses will be trained and nurtured to take on new leadership roles based on their career progress.

KPJ is committed to the efficiency and productivity of our nurses and have integrated KPJ Clinical Information System (KCIS2) and Hospital Information Technology System (HITS2) into our hospital systems as digital enabling tools. These tools allow nurses to retrieve patient information quicker than conventional manual methods, enabling timely test scheduling and treatment.

* Please turn to **pages 69 to 74** to read more about KPJ's training and career development.

NURSES INITIATIVES

Magnet Hospitals

The Magnet Hospitals initiative was introduced in 2019 as a pilot project at the Klang Valley hospitals. The Magnet Recognition Programme is operated by the American Nurses Credentialing Centre (ANCC) and allows nurses to recognise nursing excellence in other nurses. The programme is regarded as the highest recognition for nursing excellence. However, the programme was put on hold in 2020 due to the pandemic.

Nurses Bed Side Report (BSR)

BSR refers to the change-of-shift report between off-going nurse and on-coming nurse. To improve safety and help patients understand their condition and treatment plan, we have moved BSRs from nurse's stations to the bed side of patients. We believe BSRs will enable patients to feel that they are part of the care delivery process.

The objectives of BSR are to:

- Promote patient and family-centred care, because the patient plays a more active role in their care.
- Provide safer care for patients and increase patient safety
- Increase patient satisfaction
- Improve teamwork between care providers and promote responsibility for patient's care.

OUR SUSTAINABILITY IMPACTS

Economic

ICU Level Care

The ICU Level Care comprises Comprehensive Critical Care based on clinical judgment and three levels. The following criteria guide us to determine which level of care is suitable for a patient:



Patients that need:

- Ward based care, where organ support is not required (but they may need an IV, or oxygen by face mask)



Patients that need:

- More detailed observation or intervention including support for a single failing organ system or postoperative care
- Includes patients stepping down from higher level of care
- Staffed with one nurse to two patients



Patients that need:

- Two or more organ support (or needing mechanical ventilation alone)
- Staffed with one nurse per patient
- A doctor is usually available 24 hours per day

Benefits of having different levels of care in ICU:

- Personalised care
- Suitable staff with the right skill mix and qualification are assigned for the level of care required
- The ideal number of ICU beds needed can be determined based on Level 2 and Level 3 patients
- ICU utilisation can be ascertained

CERTIFICATION, ACCREDITATION AND STANDARDS

At KPJ, we are committed to delivering excellence by striving for the highest healthcare standards. We endeavour to comply with the criteria required by local and international certification, accreditation and standards to benchmark the quality of our healthcare facilities and services. To ensure we meet the criteria, we work closely with accreditation bodies to support international cross-sector initiatives and to reach global alignment on sustainable business behaviour, in line with Target 17.14 of SDG 17.

In 2020, KPJ sustained the number of hospitals and clinics that achieved the accredited status by MSQH and JCI.





Accreditation by Joint Commission International (JCI) and Malaysian Society for Quality in Health (MSQH)

KPJ's hospitals are certified by JCI and MSQH, where we have achieved compliance with the MSQH 5th Edition Accreditation Standard. In 2020, KPJ Perlis have started the initiative to comply with MSQH Accreditation Standard, but due to COVID-19, the accredited process was put on a hold by MSQH and will continue with the survey process in 2021.

MSQH comprises prestigious standards that are based on the core principles of safe dental practice, patient safety and the provision of high-quality services for dental ambulatory care centre and dental clinics registered under the Private Healthcare Facilities and Services Act 1998. We are proud to note that KPJ KL Dental Specialist Centres was the first dental ambulatory care centre in Malaysia to be awarded MSQH accreditation status.

In 2020, 12 hospitals have conducted the conversion of OHSAS 18001:2007 to ISO 45001:2018 and the rest of the hospitals is in progress to get certified with the ISO 45001 in 2021. KPJ Bandar Dato' Onn have started the initiative to comply with IMS Standard and will get certification in 2021.

	2019	2020
JCI	4	4
MSQH - Hospital	18	19
MSQH - KWAN	8	8
MSQH - Dental Clinic	1	1
ISO 9001:2015	1	1
BFHI	1	18
Planetree	2	2
PDPA	28	28
mQuit	8	8
IMS (KPJ's Integrated Management System)	20	21

OUR SUSTAINABILITY IMPACTS

Economic



Materiality Economic 5: Driving Efficiency with Innovation and Technology

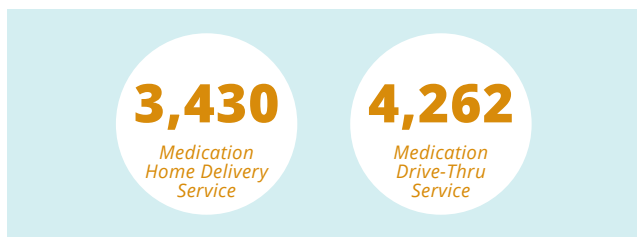
At KPJ, we leverage on innovation and technology to continuously provide world class healthcare and customer service. As of December 2020, we have invested RM2.3 million in technology, research and development to further advance our healthcare offerings. Innovation is also one of our Seven Strategic Thrusts and this is in line with SDG 9: Industry, Innovation and Infrastructure, where we promote national research and development and manufacturing of essential medical products.

Our efforts in innovation and technology have enabled us to enhance our healthcare services with an array of technologies such as cloud, social media, mobile app, Internet of Things (IoT), genomics and big data. In 2020, we leveraged on digitalisation such as online platforms and video conferencing to reach out to our patients and customers.

TELEMEDICINE AND TOP UP MEDICATION HOME DELIVERY SERVICE

Telemedicine was rolled out across the Group in 2020 with over 200 consultants participating in the service. To guide patients and consultants in virtual consultations, we have developed a set of telemedicine guidelines for all our hospitals.

As of December, there were more than 7,500 patients who received their medications from the Medication Home Delivery Service and Medication Drive-Thru Service. The total revenue was about RM5 million in 2020.



EMAIL AND COLLABORATION

The Google Suite was rolled out to the KPJ hospitals in 2020 as the email and collaboration platform. This is to ensure a standardisation for communications throughout the whole group.

The Google Suite enabled KPJ to quickly adopt working remotely when the pandemic hit with facilities such as online meeting, cloud secure file sharing system via Google drive and Google Docs.

HEALTH INFORMATION SYSTEM (HIS)

We leverage on information technology to deliver quality healthcare services and ensure smooth daily operations. To this end, our dedicated team of IT professionals delivers and manages KPJ's in-house developed integrated systems comprising Hospital Information Technology System (HITS) and KPJ Clinical Information System (KCIS). HITS is an integrated hospital management system covering the complete range of patient service processes from registration to billing. The robust system, which also covers financial and material management, and has been utilised by the Group since 1997, will be upgraded together with the KCIS to the new Hospital Information System (nHIS).

ONLINE AND MOBILE APPOINTMENT BOOKING SYSTEMS

Since its launch in 2017, we have been progressively implementing our online booking system within our network of hospitals. This has greatly reduced waiting times for patients, and has resulted in an tremendous increase in appointments with a total of online from 195,373 to 376,621 or 93% of appointments made through the system since throughout 2020 within the KPJ hospital group.





PAYMENT KIOSK

To reduce waiting time and ease the process of payment, we provide payment kiosks for customers to pay their bills. The aim was to test the viability of the system as a long-term solution. The payment kiosk and upcoming mobile payment shall be rolled out in phases to the rest of the hospitals.

ONLINE RETAIL PHARMACY

In 2020, about 15% of our retail pharmacy revenue was contributed by sales in online marketplaces. Our aggressive digital marketing activities made a significant impact to revenue with online sales increased from 2019 to 2020 by five fold increase.

In addition, KPJ has been offering online retail pharmacy via <http://www.kpjshoppe.com> since 2017 for customers to purchase numerous health related non-prescription items online. Based on our records, 65% of customers spent on supplements, 15% on foot care and 20% on other items.

In 2020, we introduced e-wallet payments such as Touch 'n Go, GrabPay, Maybank QRPay and Boost across all our outlets to make it easier for customers to purchase products in our pharmacies. Due to the pandemic, we undertook various online initiatives such as FB Live events conducted by pharmacists on relevant topics to meet the needs of our customers. Going forward, we are planning to develop a KPJShoppe mobile app, a new e-commerce market place and the e-Rx platform to further extend our pharmacy services to the communities.

WEBSITE REDESIGN WILL CREATES MORE TRAFFIC

KPJ revamped the website into an agile e-commerce platform with comprehensive content management system (CMS), business intelligence (BI) tools, along with the implementation of search engine optimisation (SEO) and digital marketing & campaigns. KPJ plans to offer online prescriptions in the near future. We continue to develop our online pharmaceutical model in line with our future plans to enable customers to request for e-prescriptions when required.

OUR SUSTAINABILITY IMPACTS

Economic

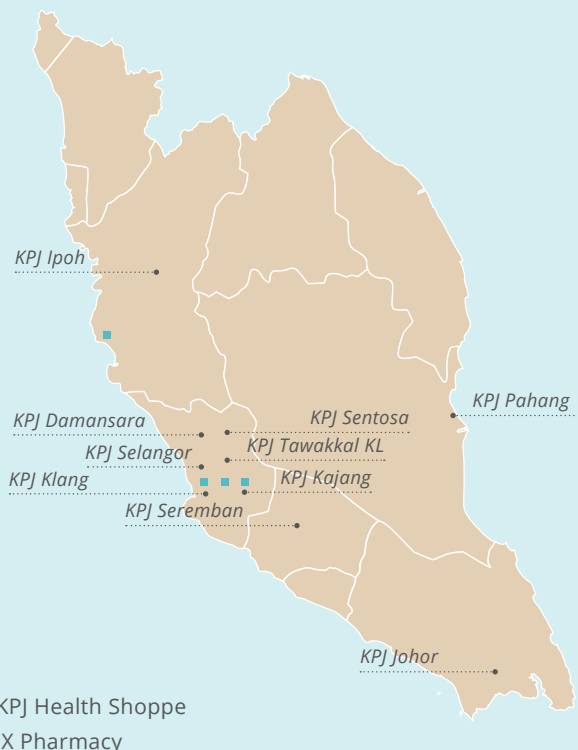


Materiality Economic 6: Access to Quality Healthcare

Providing access to quality healthcare is a standard that KPJ constantly strives to uphold and improve upon. Having access to healthcare is a right of every human being. Our initiatives, which advocate for universal access to healthcare, is targeted at underserved communities and expanding our capacity to increase accessibility for the public. Our commitment to ensuring access to quality healthcare is in line with UN SDG 3: Good Health and Well-being (To ensure healthy lives and promote well-being for all at all ages)

Improving Access to Pharmacies

A key feature of a good healthcare system is having a wide network of pharmacies to make it easy for patients to obtain the medicines they have been prescribed. To enable easy access to pharmacies, our KPJ Healthshoppe is focused on increasing its network of retail pharmacies. As at end 2020, there are 10 outlets located at:



The full-fledged retail pharmacy under the name of JX Pharmacy was launched in 2018, at Street Mall, Bandar Baru Bangi. As at 2020, we have four outlets located in Bangi, Shah Alam, Kota Damansara and Sri Manjung.

AMBULATORY CARE CENTRE (ACC)

KPJ has started the construction work on the first Ambulatory Care Centre (ACC) in Klang Valley under the name of KPJ Kinrara Health Centre in June 2020.

The centre aims to be the focal point for integrated healthcare facilities to complement KPJ’s network of hospitals in Malaysia as well as abroad. Through ambulatory services, medical care can be provided on an outpatient basis included diagnosis, observation, consultation, treatment, intervention and rehabilitation services.

The operational hours of the ACC will not exceed 23 hours including operating and convalescent times.

➤ For more information about ACC, please refer to Economic Perspective on **pages 48**.

HEALTH TOURISM (HT)

Malaysia has excellent standards of healthcare services. Prior to the COVID-19 pandemic, the health tourism or medical tourism sector was experiencing strong growth. The business has had to pivot to serve foreigners and expatriates currently living in Malaysia during the border closures which have prevented international visitors from coming to Malaysia.

KPJ info centre and tourist segment

In order to strengthen KPJ’s brand internationally, we have several Info Centres strategically located in Indonesia, Bangladesh, Uzbekistan and Somalia. In April 2020, we had to shut a number of the info centres due to border closures as a result of the COVID-19 pandemic.

Health tourism hospitals

Seven KPJ hospitals, namely KPJ Ampang Puteri, KPJ Tawakkal KL, KPJ Johor, KPJ Damansara, KPJ Puteri, KPJ Sabah and KPJ Kuching, are designated as HT hospitals.

KPJ HT hospitals feature International Patient Centres to assist and serve our international patients. Most of whom are from Indonesia, China, Indo-china and Middle Eastern.

➤ For more information about KPJ’s health tourism, please refer to KPJ’s Integrated Report 2021 on **pages 70**.



SENIOR AND ASSISTED LIVING CARE (SALC)

As Malaysia’s population ages, it is imperative for the appropriate healthcare infrastructure to be in place. In order to meet the demand for aged care, KPJ began its SALC initiative in 2011 and has steadily expanded its service offerings in this area. KPJ provides care for the senior citizen segment through our SALC homes which provide the aged with assisted nursing care services in a home like atmosphere.

We currently have four centres with a total of 137 beds as follows:

- Sibu Geriatric Health and Nursing Centre, Sibu, Sarawak (28 beds)
- KPJ Tawakkal KL Health Centre, Kuala Lumpur (42 beds)
- KPJ Kuantan Care and Wellness Centre, Pahang (20 beds)
- Damai Wellness Centre, Kota Kinabalu, Sabah (47 beds)

In 2020, we leveraged social media to promote our services and continued to send our staff to Post Basic Gerontology and Rehabilitation and Short Courses to ensure the quality of services remain consistent. We are also offering special rates during this pandemic season and planning to look into the Home Care services. Going forward, we plan to venture into Retirement Villages in Malaysia by using the knowledge we gained from our operations in Australia.

CONFINEMENT CENTRE

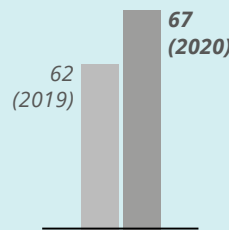
KPJ’s Confinement Centres offer a comprehensive range of After-Birth Care (ABC) services that eases the worries of new mothers and caters to the needs of a unique set of customers that require multi-disciplinary care. Our team members consist of senior registered nurses and Health Ministry-certified midwives.

KPJ now has two Confinement Care Centres providing mothers who have just given birth personalised care in a dedicated place that provides all the comfort of home. The Damai Wellness Centre in Kota Kinabalu, Sabah was established in 2018 while the Mom and Baby Centre in KPJ Kuantan Care and Wellness Centre was established in 2019.

Number of mothers and babies served in 2019 and 2020

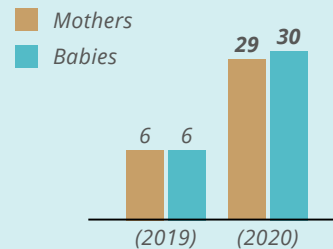
After Birth Care @ Damai Care and Wellness Centre

Numbers of customers served in 2020 was 67 compared to 62 in 2019, which is a 7% increase despite several cancellations due to the pandemic.



Mom and Baby Care Centre @ KPJ Kuantan Care and Wellness Centre

Number of customers served in 2020 was 29 mothers and 30 babies. In 2019, there were only 6 mothers and 6 babies as the centre only opened in mid-May 2019.



Our ABC services also include special confinement meals that have been outsourced to suppliers, health education for mothers, and massage and spa services. The ABC confinement services started in November 2018, with 10 suites. We have since expanded to 12 suites with the opening of our Premier Suites in January 2020. In Pahang, the centre is planning to set up a nursery for infants up to six months old as we target mothers who need this service when they need to return to work.

MEDICAL AIR SERVICES

KPJ promotes healthcare inclusion by providing access to the communities in remote and rural areas who have limited access to essential services. We reach out to people living in these areas via our medical air services that was launched in 2017 by KPJ Sabah Specialist Hospital. The services is with a collaboration with a third-party vendor, help to transport patients from Tawau, Lahad Datu, Sandakan, Labuan and Sarawak to and from KPJ Sabah. The medical air services are inclusive of KPJ medical team to provide any necessary emergency and stabilising treatment during the journey.



OUR SUSTAINABILITY IMPACTS

Economic

Highlights

THE CAMPAIGN HELPED TO INCREASE

10%

Delivery via Group Wide Packages

CERTIFIED WITH THE GOLD-LEVEL EXCELLENCE IN PERSON-CENTRED CARE FROM PLANETREE INTERNATIONAL

2

hospitals

namely KPJ Ampang Puteri and KPJ Damansara

KPJ HEALTHCARE BERHAD AND SOME OF THE HOSPITALS WERE AWARDED 3 STAR

80%

and above

denoting achievement



Source: Care for Life Magazine, Vol 8 | Issue 21

GROUP WIDE PACKAGES

KPJ launched several group wide packages at affordable prices to patients. The top five campaigns were maternity, cataract, mammogram and ultrasound, endoscopy and health screening campaign. The campaign #MerdekaMaternity4u helped to increase our maternity deliveries by 10%.

BABY FRIENDLY HOSPITAL

The breastfeeding of babies has many proven benefits for the wellbeing of both mother and child. In this context, KPJ has aligned itself with the baby friendly hospital initiative (BFHI) that was launched by the World Health Organization (WHO) and United Nations Children's Fund (UNICEF) to recognise and encourage healthcare providers to offer the best level of care for infant feeding and mother/baby bonding. Expectant mothers are required to attend classes on breastfeeding and caring for infants before their their baby is due.

As at end 2020, 18 KPJ hospitals are BFHI certified.

EXCELLENCE IN PATIENT-CENTRED CARE VIA PLANETREE MODEL

KPJ's Planetree project was started in 2017 to enhance our service care levels to align with patient-centred care that prioritises the active participation of patients and their families throughout the healthcare process. It focuses on partnership, compassion, transparency, inclusion and quality.

The programme is held in collaboration with Planetree International, a non-profit organisation that assists healthcare providers around the world to transform healthcare

delivery services. Two of our hospitals, KPJ Ampang Puteri and KPJ Damansara, became the first hospitals in the Asia Pacific region to receive Planetree International's Gold-Level Excellence in Person-Centred Care certification in 2018. The Gold Certification represents the highest level of achievement in this category, based on evidence and standards.

INCREASE EFFICIENCY AND EFFECTIVENESS VIA 5S CONCEPT

KPJ utilises the 5S concept, one of several lean manufacturing (Lean) tools designed to improve the organisation of a work space for efficiency and effectiveness. This is achieved by identifying and storing the items used, maintaining the area and items, and sustaining the new order.

Each of the 5S guidelines helps managers and workers to become more organised, standardised and efficient while reducing costs and boosting productivity.

Some of the core principles include creating and maintaining visual order, organisation, cleanliness and standardisation. With these goals in place, the hope is that workplaces can become more efficient, and equipped to carry out daily tasks in a safe manner. In 2020, MPC have conducted the virtual audit for the certification processes. This was the first experience by the KPJ Healthcare Berhad and some of the hospitals in facing the new norm to sustain the certification.

With the new marking criteria, KPJ Healthcare Berhad and some of the hospitals were awarded 3 star (denoting achievement of 80% and above). Hence, we will continue with the Lean Management programme in improving the efficiency of the services.



Materiality Economic 7: Economic Perspective

Target 8.1

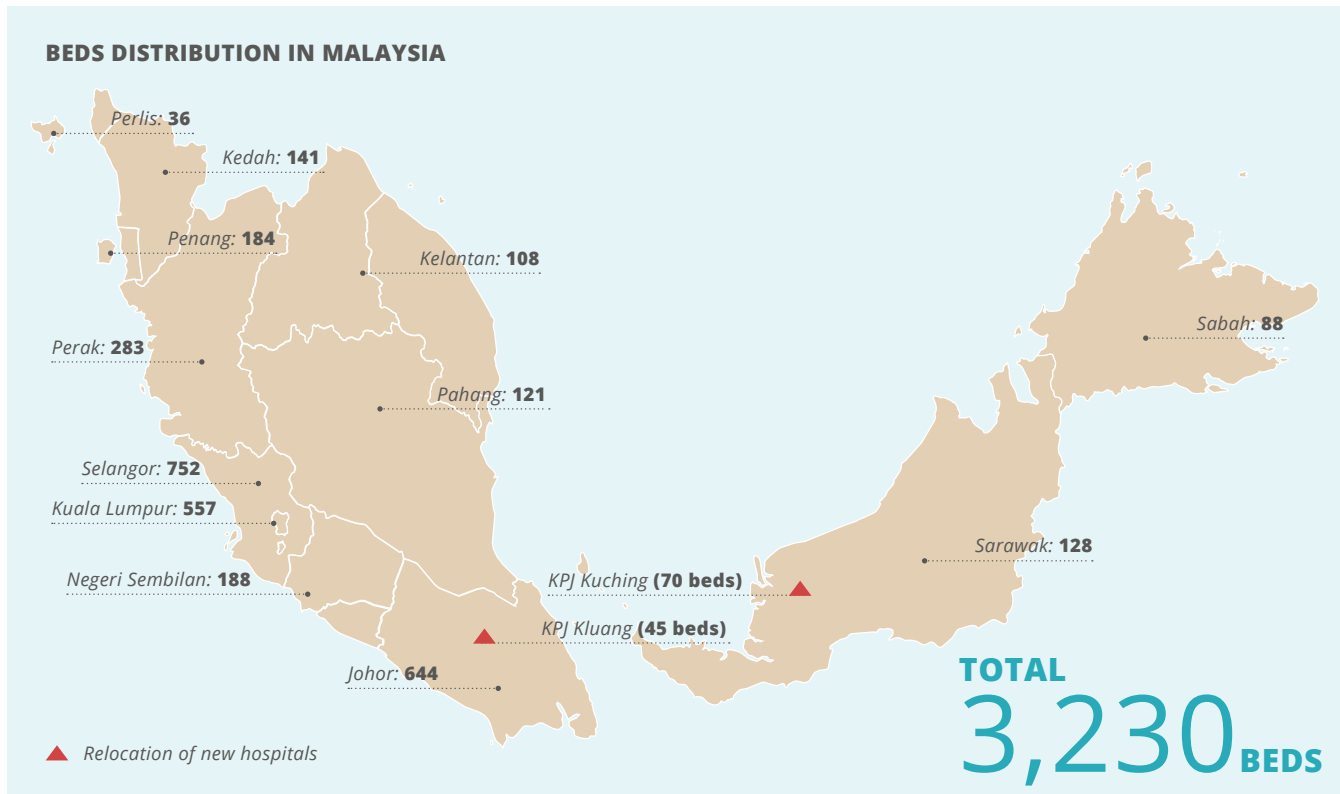
We are committed to continuous value creation for our stakeholders in line with UNSDG Target 8.1 sustainability economic quality by delivering world-class healthcare and contributing to national economic growth. While we aim to create tangible value for shareholders to ensure business sustainability, our initiatives also contribute indirectly to other stakeholders and the communities through various means. This includes capacity expansion, economic growth that generates value in terms of jobs and innovation, better and more equitable healthcare access, as well as public-private partnership programme. In 2020, we actively played our role as a private healthcare service provider and helped to strengthen the public healthcare system by supporting the Government in navigating COVID-19 challenges. Our initiatives were influenced by the health crisis as we focused our infrastructure on combatting the pandemic. We also took into consideration other factors such as the ageing population and co-morbidities that have been plaguing the country's healthcare system.

CAPACITY EXPANSION

In 2020, we recorded: ▼

182
Additional
Beds

2
New Hospitals
(Relocation)



OUR SUSTAINABILITY IMPACTS

Economic

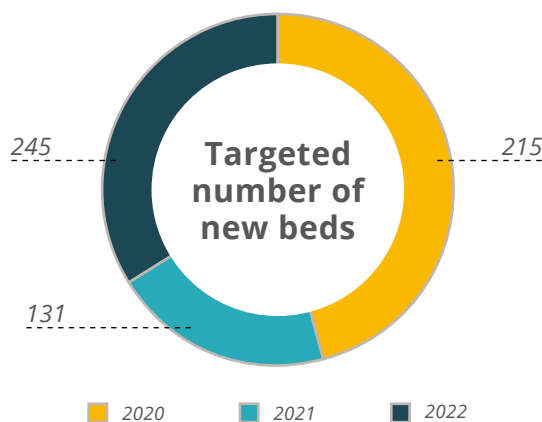
HOSPITAL NETWORK

Since year 2014, we have allocated RM800 million for our expansion plans. We believe with the 182 additional beds and two new hospitals, we will be able to cater to local demand as well as health tourism* needs post COVID-19.



Note: As at 26 April 2021

Resulting in:



Expansion of Healthcare Access - Ambulatory Care Centre (ACC)

KPJ remained resilient in contributing to national economic growth amidst disruption from the pandemic. As part of the Group's expansion plan, we established ACC – a multidisciplinary setup at a minimal capital to be located in strategic commercial areas to meet the needs of outpatient healthcare services. Consisting of specialist clinics, diagnostic, rehabilitation services and outpatient care type of services, ACCs will improve access to healthcare services for the local communities in sub-urban areas and increase brand awareness for KPJ, enabling us to provide outpatient clinical services to underserved communities. In January 2021, ACC Taiping was opened to the public with five clinics offering specialist consultants such as general surgery, paediatrics, orthopaedic, otorhinolaryngology and ophthalmology. Our second ACC located in Kinrara Puchong, Selangor is equipped with eye centre and dental facilities as well as operation theatre for minor surgery. ACC establishes a new stream of patients flow by referring them to the other hospitals within the Group.

CONTRIBUTING TO EMPLOYMENT-RICH ECONOMIC GROWTH

KPJ's nationwide network expansion of hospitals between 2020 and 2022 have created new jobs for surrounding communities thus contributing indirectly to the economy, in addition to the knock-on effect from funds invested for construction activities. The number of jobs we generate is based on our manpower to bed ratio, which is 4:1. This ensures continuation of quality clinical employees and job security for KPJUC* graduates.

In 2020, we provided job opportunities to 202 KPJUC graduates comprising 67% nurses, 28% pharmacists and 5% from health sciences despite disruption from the pandemic.

► For more information on:

1. KPJUC, please turn to **pages 70 to 74** in this report.
2. Health Tourism, please refer to the Health Tourism section on **pages 70** in KPJ's Integrated Report.

HEALTHCARE AVAILABILITY AND AFFORDABILITY

KPJ strove hard to ensure that there was adequate medical supplies to meet customers' needs during the pandemic. Pharmaserv Alliances Sdn Bhd (PASB), our centralised wholesaler and distributor of pharmaceuticals and medical supplies, had in place robust systems to make sure supplies were always available. Together with the Group's Biomedical and Commissioning Services, Pharmaserv also reduced their procurement cost to enable the Group to provide affordable healthcare services for all. Further to that, our KWAN* clinics serve the underprivileged to ensure there is equality in healthcare between high and low income groups.

► * For more information on KWAN clinics, please turn to Community Outreach on **pages 66** of this report.

“

“Our KWAN* clinics serve the underprivileged to ensure there is equality in healthcare between high and low income groups.”

COST REDUCTION STRATEGY VIA PROCUREMENT

As one of the largest leading medical groups in Malaysia, we rely on thousands of suppliers from diverse industries, ranging from medical to non-medical and daily essential needs for our hospitals. As such, we continuously seek to enhance our procurement process through a more robust management system to improve cost efficiency by 20% to 25%. This includes refining and segmentising regional clusters for better accountability and efficiency in our supply chain.

We spent about RM274.5 million on local procurement in 2020. Local refers to suppliers located within Malaysia and all of our suppliers are local. KPJ also sources from vendors close to its areas of operations to support the local communities.



OUR SUSTAINABILITY IMPACTS

Economic

Pharmaceutical and Medical Products Supply Chain

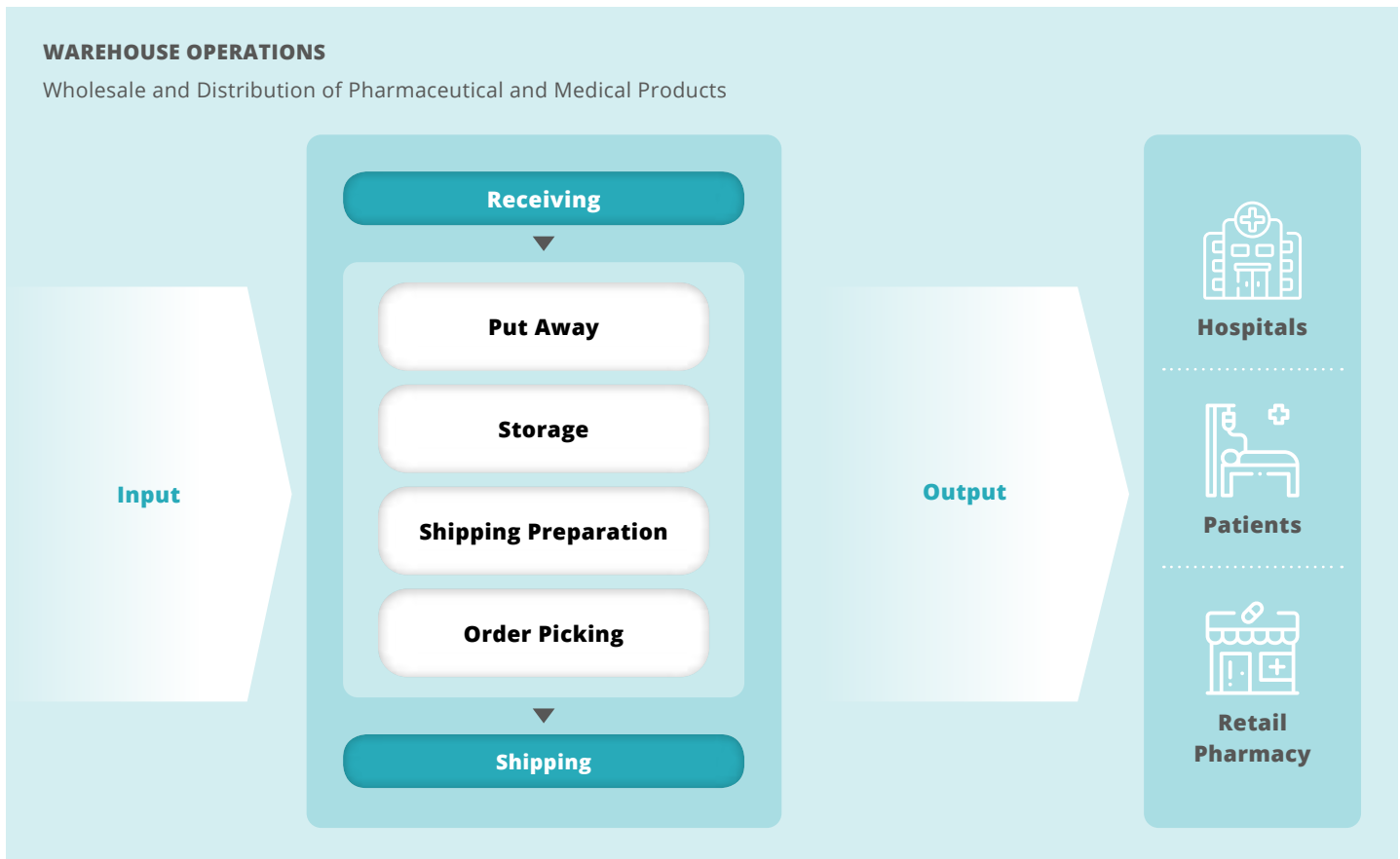
To ensure Good Distribution Practices are followed, all PASB’s activities related to pharmaceuticals and medical products such as storing, handling, distribution, labelling and packaging, traceability and recall are governed by the Pharmaceutical Services Division of the Ministry of Health (MOH).

PASB complies with all internal policies and procedures on bulk purchases, tendering processes and contract pricing to provide affordable medicines for patients. We acknowledge that an efficient supply chain is vital to prevent drug shortages, which could affect our healthcare quality and clinical outcomes.

PASB engages local suppliers to have greater control over supply chain management and operational activities, ultimately reducing supply chain administration costs. Engaging local suppliers also supports local industries, besides reducing KPJ’s carbon footprint.

▶ For more information on PASB, please refer to KPJ’s Integrated Report on **pages 64**.

KPJ’s supply chain is shown in the chart below:



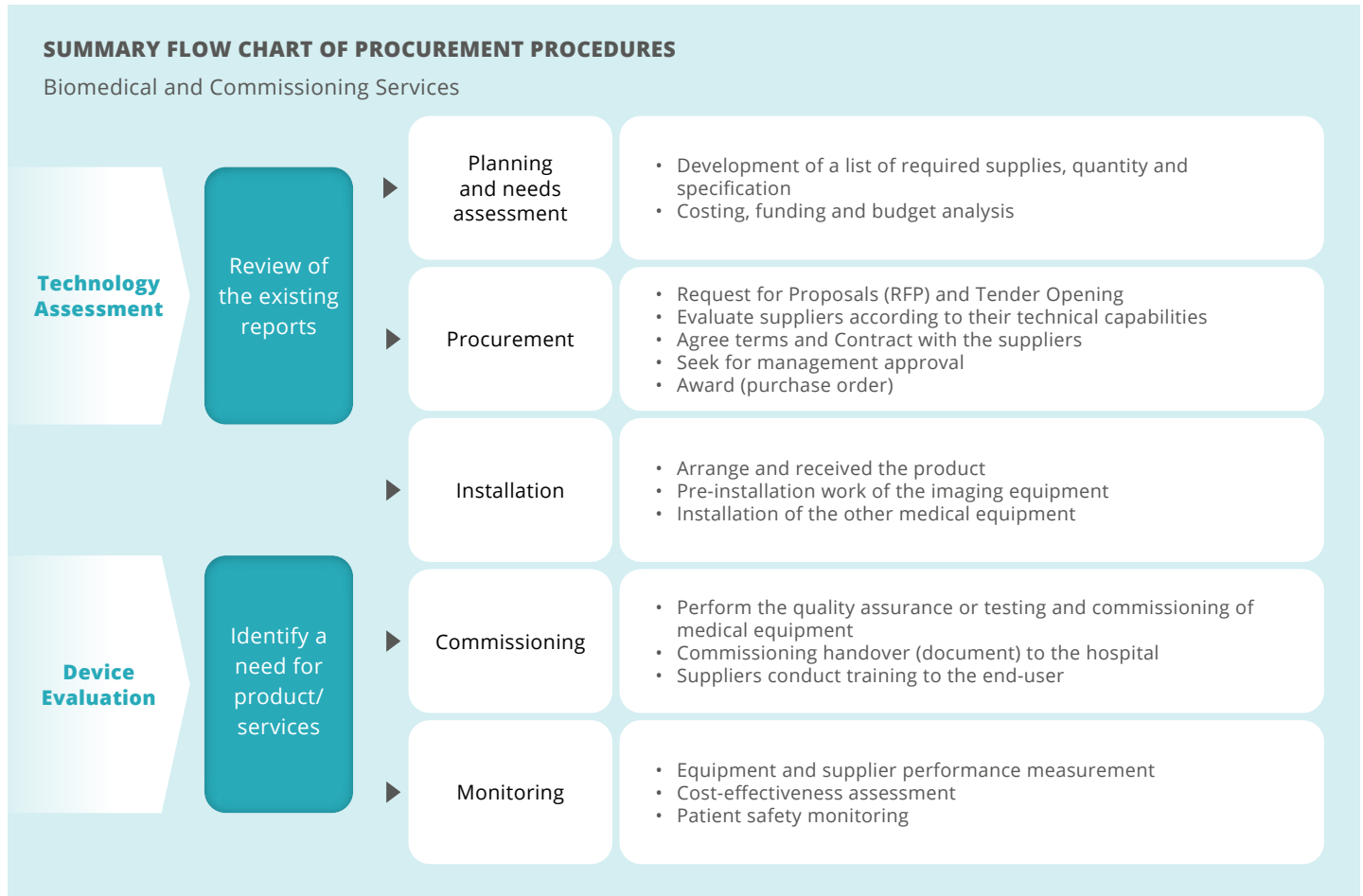
We rely on our suppliers and vendors to deliver products and services of the highest quality that meet internal, regulatory and accreditation agency standards. To ensure all our suppliers are given equal opportunity, we practise fair and transparent negotiations. Our formal procurement processes include selection by criteria applied regarding tenders, contract and preferred supplier agreement.

Our suppliers are selected based on their consistency in promoting sustainable development and implementing environmentally friendly practices besides carrying a positive business reputation. Furthermore, we regularly communicate our sustainability policies and goals to our suppliers to advocate sustainable practices.

Biomedical and Commissioning Services

KPJ ensures that all our medical equipment suppliers comply with the Medical Device Authority Act 738. Our equipment and systems used in patient care are operational, safe and properly configured by engaging KPJ’s Biomedical and Commissioning Services, which provide a wide range of technical and administrative services. In 2020, KPJ invested RM81.6 million on new equipment to provide the best services to our patients.

KPJ’s procurement procedure is illustrated in the following chart:



To uphold the highest standards of integrity, our vendors are required to adhere to KPJ’s Corporate Integrity Agreement (CIA) and the Safety, Health and Environment Policy. We also rolled out our Anti-Bribery and Corruption System in October to further strengthen integrity in our supply chain.

TREATMENT FUNDING

KPJ is mindful of the various ways our patients are funded and these include private healthcare insurance, corporate clients and out-of-pocket expenses. Our corporate clients are corporate entities in Malaysia that provide healthcare benefits for their employees. As a customer group that is

growing in terms of importance and revenue, the management of these clients is centralised at the Group-level to make it easier to manage their end-to-end requirements. Major functions of Corporate Client Management (CCM) unit in KPJ include building strategic partnerships, client servicing and improving operational integration with insurance providers and Managed Care Organisations (MCOs). CCM focuses on delivering excellent customer service to drive account retention and growth of our customer base. To ensure this, we centred our efforts on aligning customer expectations with our performance to increase revenue growth from corporate clients.

OUR SUSTAINABILITY IMPACTS

Economic

PUBLIC-PRIVATE PARTNERSHIP PROGRAMME TO COMBAT COVID-19 AND DEVELOP ECONOMIC RECOVERY

KPJ is aware of its responsibility to help improve the healthcare system during the pandemic. Given our infrastructure and state-of-the-art facilities, we partnered with the Ministry of Health to combat the health crisis. We accepted COVID-19 patients, helped to decant patients and participated in the National Immunisation Programme, whereby 10 of our hospitals were appointed as vaccination centres and 20 hospitals have signed up to be part of phase two and three of the programme. KPJ will continue to support the national healthcare system to contribute to the rebuilding of the nation post-COVID-19.

The health of a population is important from an economic perspective as healthy individuals contribute to economic growth. We believe that the NIP has the potential to contribute substantially to improving population health and thereby economic growth.



KPJ Tawakkal KL Specialist Hospital



KPJ Ampang Puteri Specialist Hospital



KPJ Klang Specialist Hospital



KPJ Selangor Specialist Hospital



KPJ Seremban Specialist Hospital



KPJ Damansara Specialist Hospital



KPJ Rawang Specialist Hospital



KPJ Batu Pahat Specialist Hospital



Kedah Medical Center



KPJ Pahang Specialist Hospital

Each of these hospitals together with 13 KWAN clinics and four mobile clinics, have set up information and registration kiosks to assist with the registration of vaccines recipients via the official approved platforms.



Materiality Economic 8: Data Privacy and Security

The protection of customers and patients' data has never been more crucial than now as we depend more heavily on digitalisation to adapt to the new normal brought about by the COVID-19 pandemic. Effective data privacy and security is paramount for the Group to conduct its business in a safe and secure manner.



With operations spanning multiple areas, a national data network is required in support of such scale. An elaborate data privacy and security programme was established to optimally manage, monitor, detect and respond to any events which compromise our cyber security. Additionally, the Group continues to undertake actions to prepare for ISO/IEC 27001 certification, an international standard for information security management.

The Group affirms its commitment to protect the personal data of its stakeholders by subscribing to the personal data protection principles under the Personal Data Protection Act 2010. Our commitment is underpinned by the Group's Privacy and Data Protection Policy. The policy is reviewed and aligned regularly with the Personal Data Protection Act and various policies, systems and procedures that support the protection of the privacy of all stakeholders.

We are also guided by Private Healthcare Facilities Services Act (PFHSA) 1998 and The Guidelines of The Malaysian Medical Council [MMC GUIDELINE 002/2006] Medical Records and Medical Reports on Malaysian Medical Council Guidelines on Confidentiality to safeguard medical data and information.

In 2020, we recorded zero number of complaints on the breaches of customer privacy.

The Group's data privacy and security are based on the following principles:

- Adopting a risk-based approach towards cyber threats, which considers the likelihood of any risk materialising as well as its potential impact and measures for prevention and detection.
- Expanding responsibility for cyber security beyond ICT to the whole organisation.
- Ensuring end-to-end security across business processes, for mobile workers and teams as well as for data flows.
- Implementing cyber-security-by-design, i.e. provision for effective protection against cyber threats from the outset when ICT capabilities are acquired or developed.

Our key policies and interventions include:

- Set up a dedicated IT Governance unit within Group Technology Services. The Chief Technology Officer (CTO) is in charge of the governance and enforcement of IT policies and procedures including IT Security.
- Implemented security risk framework and management in accordance with ISO/IEC 27001.
- Conduct annual independent security review, which is part of the requirement for the ISO/IEC 27001 certification.
- Established a dedicated Security Operation Centre (SOC), which has been in operation since 2019.

OUR SUSTAINABILITY IMPACTS

Environmental

Environmental Highlights ▼

CARBON EMISSIONS

4%

Total Decreased in 2020 from 2019

WATER MANAGEMENT

99m³

Per Employee
Achieved target of not more than 111m³ per employee

ELECTRICITY CONSUMPTION

22kWh









Per Square Foot
Achieved target of not more than 27.69 kWh per sq ft



“

KPJ is committed to achieving a balance between reducing its environmental impacts and providing quality healthcare services. Hospital operations are generally energy and water intensive as the buildings tend to be large and outfitted with high-energy intensive equipment such as medical equipment and high-energy HVAC systems that help to maintain adequate ventilation and regulate proper temperature of the whole hospital building. HVAC is the main contributor to high energy consumption in our hospitals. Other factors as regular planned preventive maintenance (PPM) of equipment and facilities, as to provide inpatient and outpatient comfortable experience also contribute to marginal reduction in energy and water usage.

Environmental

Materiality Environmental	Link to Our Seven Strategic Thrusts	Key Stakeholders	Initiatives	Performance Indicators
Waste Management	Business Improvement Sustainable Value for Stakeholders  05  07	<ul style="list-style-type: none"> • Patients • Employees and Consultants • Local Communities • Accreditation Bodies and Associations • Government and Regulators 	<ul style="list-style-type: none"> • Our Waste Management Practices 	<ul style="list-style-type: none"> • Average of clinical waste generated per patient • GHG emission per patient
Water Management	Business Improvement Sustainable Value for Stakeholders  05  07	<ul style="list-style-type: none"> • Patients • Employees and Consultants • Local Communities • Accreditation Bodies and Associations • Government and Regulators 	<ul style="list-style-type: none"> • Proactive Water Initiatives 	<ul style="list-style-type: none"> • Average of water consumption per employee • GHG emission per employee
Energy Management	Business Improvement Sustainable Value for Stakeholders  05  07	<ul style="list-style-type: none"> • Patients • Employees and Consultants • Local Communities • Accreditation Bodies and Associations • Government and Regulators 	<ul style="list-style-type: none"> • Efficient Energy Management Initiatives 	<ul style="list-style-type: none"> • Average electricity consumption per square foot • Activities and initiatives to manage climate change
Climate Change	Business Improvement Sustainable Value for Stakeholders  05  07	<ul style="list-style-type: none"> • Patients • Employees and Consultants • Local Communities • Accreditation Bodies and Associations • Government and Regulators 	<ul style="list-style-type: none"> • Carbon Emissions Disclosures 	<ul style="list-style-type: none"> • Activities and initiatives to manage and adapt to climate change • GHG emissions per square foot

To minimise our environmental impact, we implement various robust initiatives and utilise performance indicators to keep track of our ecological footprint. All quantitative environmental data published in this section of the Sustainability Report is based on the 19 MSQH accredited hospitals in our Group. In addition, our hospitals are required to conduct awareness programmes and training for their employees to inculcate environmental awareness and practices. Staff are also encouraged to give their input in improving our strategies and approach in adapting to climate change. Our initiatives to manage our impacts on climate change is part of the risk management under the ISO 14001:2015 (EMS) environmental standard.

Safety, Health and Environment (SHE)

At KPJ, we take the safety and health of our employees, patients, visitors and contractors (or 3rd party) seriously by

enforcing high standards and requirements in health and safety, fire safety and environmental regulations in all our hospitals. All KPJ hospitals comply with the Group Safety, Health and Environment (SHE) policy, which is in accordance with the Integrated Management System (IMS) quality certification that covers:

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

The Group conducts yearly internal and external audits to retain the international standards and certifications. Our SHE policy also includes energy and water consumption, as well as conventional and hazardous waste disposal. An SHE committee is established in every KPJ hospital to oversee SHE matters and ensure compliance to the policy.

OUR SUSTAINABILITY IMPACTS

Environmental



Materiality Environmental 1: Waste Management

Target 12.5

KPJ aims to substantially reduce waste generation through prevention, reduction, recycling and reuse, in line with target 12.5 by 2030.

Medical care services generally produce large amount of general and hazardous waste and improper management of hospital waste will lead to a potential spread of disease besides increasing our environmental footprint.

KPJ is committed to the proper disposal of clinical and non-clinical waste that is generated from our hospital activities with stringent protocols in place to safeguard public health. We conduct comprehensive monitoring of our waste management activities and constantly look for ways to better manage the proper disposal of our waste, including hazardous waste. To ensure the Group is adhering to best practices and follows the relevant laws and regulations, we have formulated Waste Management Practices, as listed below:

Our Waste Management Practices

- Continuous training of our nurses and other hospital staff on proper clinical waste disposal methods
- Appointing an MOH and DOE regulation compliant clinical waste disposal contractor
- Recycling non-clinical waste such as paper and other recyclable items

- Implementing waste disposal according to environmental regulations
- Handling, labelling, storing, packaging and collection of waste in accordance to the Environmental Quality (Scheduled Waste) Regulations 2005 and Environmental Act 1974 (Act 127) and its subsequent amendments, in addition to subsidiary legislation referring to scheduled waste
- Managing Clinical Waste by complying with guidelines from DOE*
- Daily removal of waste by dedicated vehicles within designated collection areas that are kept clean and locked
- Tracking and reporting waste generated by types of hazardous waste (schedule waste) and non-hazardous waste

In 2020, we produced 1,355,760 kg of hazardous waste compared to 1,375,964 kg previously. The decrease by of 1.53% was due to the lower surgical activities, as well as in inpatient and outpatient visits. However, the amount of clinical waste generated per patient was 0.58 kg which was slightly above our target by 0.5kg per patient, due to compliance to COVID-19 Standard Operating Procedures in related to the consumable items. It was reported about 50% of our outpatient underwent COVID-19 test.

Clinical Waste Generated 2018-2020

	2020	2019	2018	Target 2021
Amount of clinical waste generated	1,355,760 kg	1,375,964 kg	1,342,908 kg	It is not possible to set an absolute target as the number of hospitals vary from year to year with MSQH exercises
GHG Emission	1,626,912 CO₂	1,651,157 CO ₂	1,611,490 CO ₂	
No of Patients Served	2,332,935	2,559,828	2,508,639	It is not possible to set an absolute target as the number of hospitals vary from year to year with MSQH exercises
Average of clinical waste generated per patient	0.58 kg	0.4 kg	0.54 kg	<0.5kg
GHG Emission per patient served	0.70 CO₂	0.55 CO ₂	0.64 CO ₂	

* Clinical waste is classified as scheduled waste under the Environmental Quality (Scheduled Wastes) Regulations, 2005. Clinical wastes contain human or animal tissue, blood or body fluids, excretions, drugs, pharmaceutical products, soiled swabs or dressings, syringes, needles, sharps, any waste that has come into contact or been mixed with any of the above types of wastes, and waste unless rendered safe may prove hazardous to any person coming into contact with it.
Source: http://www.doe.gov.my/portalv1/wp-content/uploads/2010/07/management_of_Clinical_Wastes_In_Malaysia_2_0.pdf



Materiality Environmental 2: Water Management

Target 6.2

The adequate supply of safe and clean water is a crucial component in providing high quality and efficient healthcare services. Hospitals use water for the purpose of cooling, cleaning and washing facilities for our patients and staff, in line with Target 6.2.

The demand for clean water thus places pressure on municipal water supplies. In response, KPJ is committed to mitigating our impact on the environment by encouraging proactive water savings initiatives.

In 2020, we consumed 1,106,506 m³ of water compared to 1,305,374 m³ previously, a decrease of 15% from the previous year. The decrease was due to lower hospital activity because of the pandemic. As at end 2020, the water consumption per employee was 99 m³ which is below our target of not more than 111 m³ per employee.

	2020	2019	2018	Target 2021
Water Consumption	1,106,506 m³	1,305,374 m ³	1,137,477 m ³	It is not possible to set an absolute target as the number of hospitals vary from year to year with MSQH exercises
GHG Emission	4,636,258.05 CO₂	5,469,517 CO ₂	4,766,029 CO ₂	
No of Employees	11,146	11,149	10,751	It is not possible to set an absolute target as the number of hospitals vary from year to year with MSQH exercises
Average of water per employee	99m³	117m ³	106m ³	<111m ³
GHG Emission per employee	415.96 CO₂	490.58 CO ₂	443.31 CO ₂	

OUR SUSTAINABILITY IMPACTS

Environmental



Materiality Environmental 3: Energy Management

Target 7.2

As an essential service, our hospitals are perpetually open to serve our patients. Given this requirement to be open around the clock, our hospitals utilise a substantial amount of electricity to power our Heating, Ventilation and Air Conditioning (HVAC) systems, computers, hospital and medical equipment, refrigeration and food preparation equipment.

These are all energy intensive equipment and required to meet the needs of our staff and visitors. To reduce our energy consumption, we have implemented a range of initiatives that promoting sustainable energy for healthy such as:

- Upgrading chiller systems
- Replacing conventional light bulbs with LED lights
- Installing timers
- Raising awareness amongst staff about these initiatives
- Implement Scheduled and Planned Preventive Maintenance
- Conduct training and awareness programmes on the impact of energy consumption on climate change

In 2020, our electricity consumption stood at 127,002,761 kWh from 131,121,882 kWh, a 3% decrease from the previous year. The built area of KPJ hospitals now stands at 5,771,621 sq ft. Our GHG emission per sq ft reduced by 6% from 16.09 CO₂ in 2019 to 15.09 CO₂ in 2020.

We have maintained our average consumption within the target of not more than 27.69 kWh per square foot for three consecutive years.

Electricity Consumption 2018-2020

	2020	2019	2018	Target 2021
Electricity Consumption	127,002,761 kWh	131,121,882 kWh	128,739,552 kWh	It is not possible to set an absolute target as the number of hospitals vary from year to year with MSQH exercises
GHG Emission	87,078,435 CO₂	89,872,152 CO ₂	88,249,362 CO ₂	
Total Area of KPJ Hospitals in Square Foot (sq ft)	5,771,621	5,584,399	5,310,919	It is not possible to set an absolute target as the number of hospitals vary from year to year with MSQH exercises
Average of electricity per square foot (sq ft) of consumption	22.00 kWh	23.48 kWh	24.24 kWh	<27.69 kWh
GHG Emission per square foot (sq ft)	15.09 CO₂	16.09 CO ₂	16.62 CO ₂	



Materiality Environmental 4: Climate Change

Target 13.3

Carbon Emissions

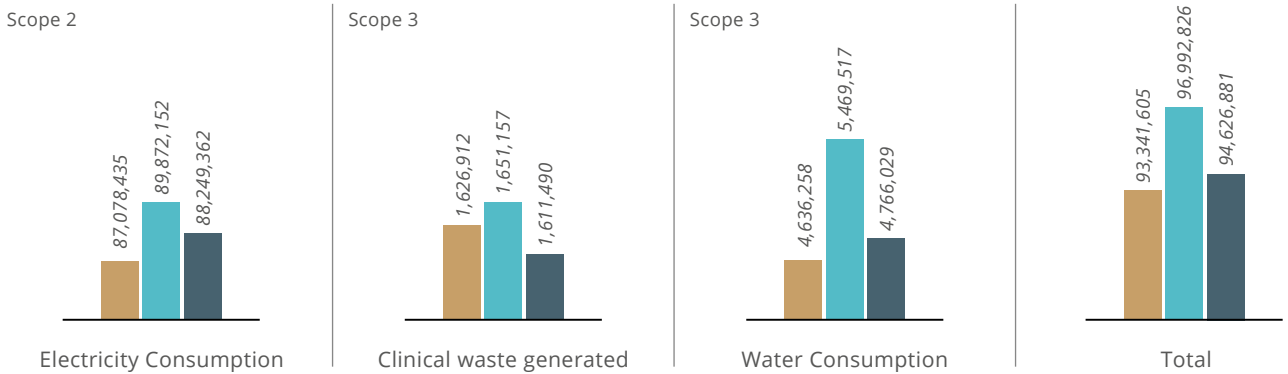
In our bid to contribute to climate change, we strive for incremental improvement in our carbon emissions disclosures. We are pleased to note that this is our second year in disclosing our carbon emissions for Scope 2 electricity consumption and Scope 3 (hazardous waste and water consumption).

In 2020, our greenhouse gas (GHG) emissions decreased by 4% due to less operation hours in departments that were not dealing directly with customers or patients.

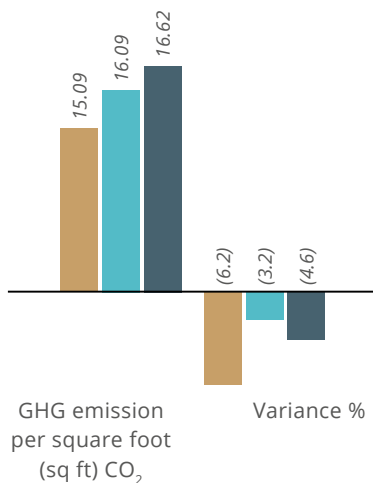
In line with Target 13.3, we continue improving education, raising awareness on climate change mitigation, adaptation, impact reduction and early warning to all of our employees.

TOTAL CARBON EMISSIONS

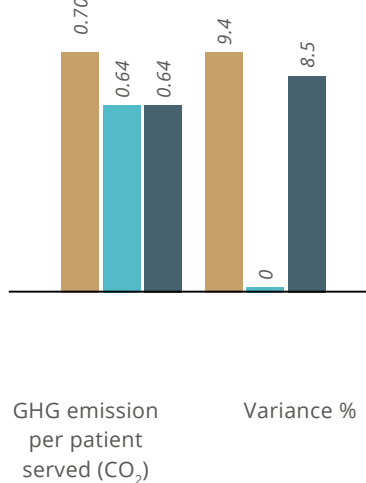
2020 2019 2018



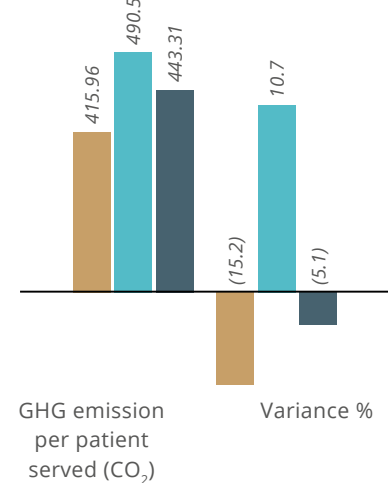
SCOPE 2 - Electricity Consumption: GHG emission per square foot area



SCOPE 3 - Clinical Waste Generated: GHG emission per patient served



SCOPE 3 - Water Consumption: GHG emission per employee



OUR SUSTAINABILITY IMPACTS

Environmental

Efficient Energy Management

To reduce our carbon footprint, we engaged Healthcare Technical Services (HTS), a certified provider of consultancy services in the healthcare sector to ensure efficient energy management in 10 KPJ hospitals.

NO	HOSPITALS	BASELINE YEAR	CURRENT YEAR	% BEI INCREASING/ DECREASING VALUE	ELECTRICITY SAVING PER YEAR (RM)
1	KPJ Penang Specialist Hospital	2016	2020	(17.93)	387,546.07
2	KPJ Klang Specialist Hospital	2018	2020	(12.30)	314,156.53
3	KPJ Tawakkal KL Specialist Hospital	2016	2020	(11.18)	339,143.75
4	KPJ Ipoh Specialist Hospital	2016	2020	(7.83)	237,264.97
5	Kedah Medical Centre	2017	2020	(6.96)	198,187.66
6	KPJ Damansara Specialist Hospital	2016	2020	(5.42)	207,728.52
7	KPJ Sentosa KL Specialist Hospital	2017	2020	(5.30)	82,731.89
8	KPJ Ampang Puteri Specialist Hospital	2017	2020	(4.55)	128,386.59
9	KPJ Sabah Specialist Hospital	2017	2020	(2.82)	69,796.98
10	KPJ Johor Specialist Hospital	2017	2020	(2.49)	124,550.04

As recorded, HTS is managing 10 hospitals, which 9 of them are defined as large energy consumers with more than 3 million kWh over the maximum period of 6 consecutive months. In order to improve their energy management practices these hospitals are required to adhere to the Suruhanjaya Tenaga's Efficient Management of Electrical Energy Regulations 2008 (EMEER 2008) (for 9 hospitals) and MSQH 5th Edition (KPJ Sentosa KL).

The top three (3) highest amount of savings in 2020 comprised KPJ Penang Specialist Hospital, KPJ Klang Specialist Hospital and KPJ Tawakkal KL Specialist Hospital, most of the savings achieved this year can be attributed to extra steps taken to optimise usage of energy during the pandemic period. Having fewer patients and staff meant that each hospital could even eliminate the use of lights, air-conditioning and water in certain unoccupied areas. Furthermore, the lower usage of equipment also meant that there were fewer cases of malfunctions, particularly for Heating, Ventilation, and Air Conditioning (HVAC) equipment.

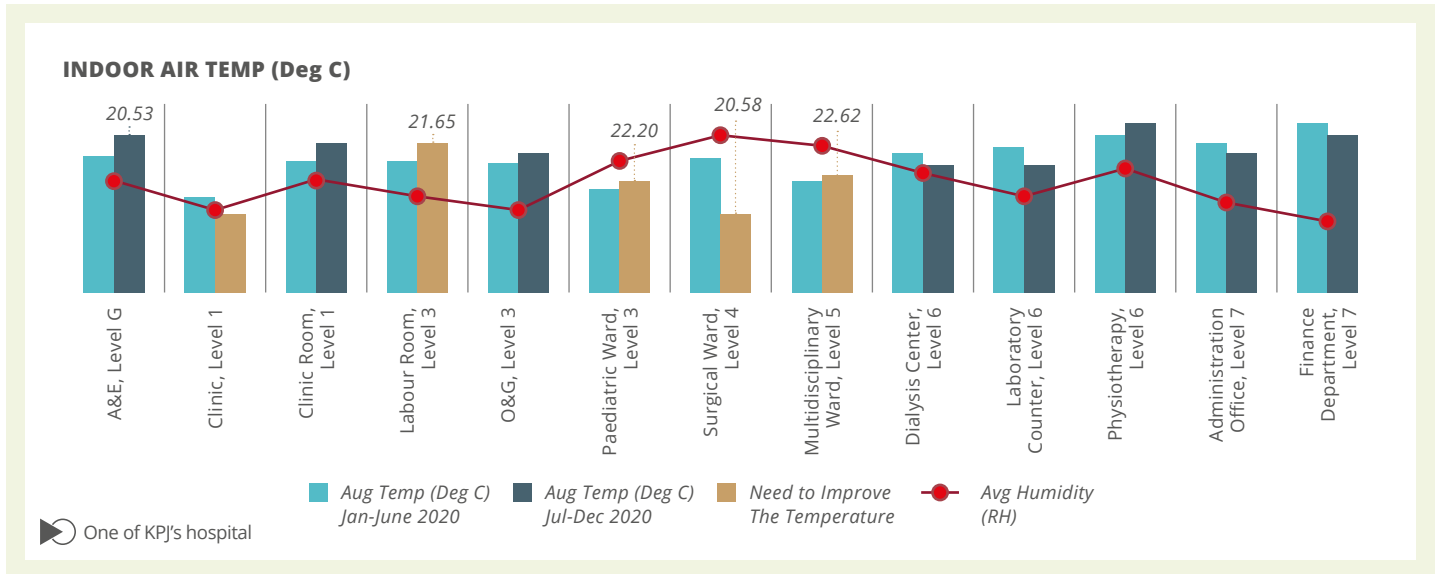
To ensure the sustainability of the business and as part of our five-year strategic plan, HTS is exploring the possibility of diversifying its services into Building Information Modelling, Technical Advisory, Energy Saving Retrofitting and Government and Private Projects. Going forward, a number of operational improvements will need to be carried out, while obtaining the relevant certifications and licenses, in order for us to meet our overall goals.

HTS also advocates awareness and educates hospital's staff regarding indoor comfort level, which is to set the optimum air conditioning temperature for common area as recommended range is 23 – 26 °C which is describe in Malaysia Standard MS 1525:2007.

The optimisation of air conditioning operations for all hospitals under the supervision of HTS has had a significant BEI reduction during the Movement Control Order (MCO) period in 2020. Furthermore, the hospital's factors that have improved the malfunction of mechanical and electrical (M&E) equipment, particularly on the Heating, Ventilation, and Air Conditioning (HVAC) part, contribute to the reduction of electricity consumption by allowing the optimisation procedure to be carried out.

To improve their energy management practices, the 10 hospitals are required to adhere to the Suruhanjaya Tenaga's Efficient Management of Electrical Energy Regulations 2008 (EMEER 2008) and Malaysian Society for Quality in Health (MSQH) Standards (5th) Edition.

Environmental



We conducted building energy audits to measure and analyse energy consumption patterns, usage and interrelationship between different power consumption systems in hospitals. The result shows that the air-conditioning mechanical & ventilation system (ACMV) is one of the main contributors, consuming 61.1% of the total building energy consumption, excluding parking. The second and third highest energy consumption are lighting and plug load.

To increase energy efficiency, our challenge is three-fold. We have to manage high energy cost and consumption against increasing levels of statutory obligations with regards to emissions and climate change policies. We must also improve our working culture towards energy consumption.

To increase our awareness and knowledge in efficient energy usage for our medical equipment, we have in place Energy Saving Management (ESM) practices across our hospitals. The ESM is implemented by the Efficient Electrical Energy Committee (EEEM) comprising our engineers.

Energy Saving Initiatives

In 2020, we carried on with our energy saving initiatives that included preventive and awareness efforts, and improvements to ventilation systems, lighting systems and pumping system.

Planned Preventive Maintenance (PPM) and Awareness Programme

- PPM is conducted by a third-party contractor who maintains the efficiency and overall performance of our equipment. This ensures the equipment is functioning at an optimum capacity without unnecessary additional energy consumption, minimise faults and leakages.

- PPM enables record keeping to identify potential energy saving approaches that can be used in the internal awareness programmes by Energy Committee. Led by engineers, the Committee ensures minimal energy consumption and advocates energy-saving behaviours such as turning off lights and unplugging electrical items when not needed.

Improvements to Air Conditioning Mechanical Ventilation (ACMV) systems

- The ACMV systems need to operate round the clock to maintain thermal comfort inside hospitals. It is designed to provide proper ventilation to a specific environment in terms of temperature, relative humidity, cleanliness and distribution of air.
- To ensure optimised performance from our ACMV systems to ensure cost saving and efficient consumption, we continuously repair and replace defective parts of the systems, ensure chilled water balancing of the Air Handling Unit (AHU), install timers on air conditioners, ensure hydraulic balancing and install a temperature control system.

Improvements to lighting systems

- KPJ embarked on the upgrading of light bulbs to LED lightings and this includes installation of motion sensors and dimmers in common areas in our buildings such as toilets and corridors.

Improvements to pumping system

- This system transfers liquid to a specified destination or transfers heat by circulating liquid around the system. We install variable speed motor drive (VSD) to enable the flow or pressure to meet the demand while reducing energy consumption.

OUR SUSTAINABILITY IMPACTS






Environmental

OUR GREEN JOURNEY

GBI-certified hospitals

As a premier healthcare provider, we endeavour to lead the healthcare industry in greenhouse gas emissions reduction by advocating sustainable and eco-friendly practices in our services. We are proud to note that three of our hospitals – KPJ Selangor Specialist Hospital, KPJ Ampang Puteri Specialist Hospital's new inpatient block and KPJ Bandar Dato' Onn Specialist Hospital. These GBI-certified buildings, which have been awarded the Provisional Design Assessment (DA) with respective individual GBI rating, have helped to reduce energy consumption within the Group.

We continue our green and energy efficiency initiatives based on the requirements of the Malaysian Standard (MS1525:2007) as follows:

No	Items	Sub-Items
1	 Energy Efficiency	1) Roof Insulation (follow MS1525 requirement) 2) Overall Thermal Transfer Value (OTTV) (follow MS1525 requirement) 3) Energy Management System (EMS) 4) Electrical Sub-metering 5) Advanced Energy Efficiency Performance; e.g. efficient chiller, heat recovery wheel, auto condenser tube, etc 6) Sustainable maintenance; e.g. maintenance office, equipment, etc.
2	 Indoor Environmental Quality	1) Low Volatile Organic Compounds (VOCs) products (paint, coating, interior flooring, adhesive, sealants) 2) Temperature, Humidity and Lighting Level (follow MS1525 requirement) 3) Mould prevention (<70% of Relative Humidity) 4) Daylighting 5) Daylight glare control 6) High frequency ballast of light fittings; e.g. LED, T5, etc. 7) External views 8) Internal noise levels 9) Building air flushing pre and post occupancy
3	 Sustainable Site Planning	1) Preservation of matured trees and landscaping 2) QLASSIC (minimum 70%) 3) Workers' site amenities 4) Green vehicle reserve parking 5) Reduced heat island effects; e.g. grass pavement, colour stamped with light colour, etc. 6) Therapeutic garden
4	 Water Efficiency	1) Water efficient fittings; e.g. dual flush system, self-closing tap, etc. 2) Water metering for leak detection 3) Rainwater harvesting
5	 Material Resources	1) Sustainable and green products 2) Locally manufactured products 3) Storage and collection of recyclables (during construction and during building occupancy) 4) Construction waste management plan 5) Refrigerants and Clean agents

AIR QUALITY MANAGEMENT, RADIATION MANAGEMENT AND NOISE MONITORING

Air Quality Management

Indoor Air Quality (IAQ) is one of the most crucial factors in ensuring the health and safety of patients, customers, employees and visitors. We, at KPJ, are committed to ensuring clean indoor air by constantly monitoring and managing IAQ diligently.

Environmental

Air pollution in hospitals could possibly be due to several sources such as contaminated air caused by diseases and ailments, as well as chemical and biological waste produced by the hospital itself in the course of treatment and surgery. These could lead to various health and safety issues if they are not managed properly, exposing the hospital to legal and reputational risks besides negatively impacting its stakeholders.

In 2020, we continued with our IAQ programmes to manage our air quality:

- Restricting air movement in and between departments
- Ensuring appropriate humidity and temperature levels at different hospital areas
- Complying with specific requirements for ventilation and filtration to dilute and remove contaminants from the air
- Upkeeping of the Air Handling Units (AHU) regularly, by replacing filters in a timely manner
- Decontaminating ventilation ducts and making sure that all related mechanical aspects are maintained in line with the hospital's requirement and standards.

Radiation Management

Radiation management is vital in ensuring the safety and health of employees at our hospitals. Exposure to harmful levels of radiation could lead to radiation burn, acute radiation syndrome and cancer. Hence, we implemented the following measures that comply with the following safety regulations:

- Compliance with the Atomic Energy Licensing Act 1984 (Act 304)
- Annual application for a Class C licence under the Radiation Protection (Licensing) Regulations 1986 from MOH to operate radiation emitting equipment
- Quality Assurance Programme (QAP), guided by the Atomic Energy Licensing (Basic Safety Radiation Protection) and Regulation 2010, to ensure our performance and safety standards meet specific requirements to provide a safe environment for our patients and staff

Noise Monitoring

Noise pollution or high noise levels within hospital environment may cause distress to patients and impact their recovery rate. At KPJ, we measure noise levels at our hospitals according to the Guidelines for Environmental Noise Limits and Control by Department of Environment (DEO) Malaysia, and the Occupational Safety and Health (Noise Exposure) Regulations 2019 (DOSH). They are:

- Equivalent Continuous Sound Level (LAeq)
- Statistical Indices (LA10, LA50 and LA90)
- Maximum Noise Level (LAMax)
- Minimum Noise Level (LAMin)

Ambient noise caused by other types of sounds present in our hospital environment also contributes to noise pollution. We

monitor ambient noise according to the requirements of the Environmental Quality Act 1974, Part IV, regarding the prohibition and control of pollution, and Regulation 23 on restriction on noise pollution.

We have set the following noise limits for all our hospitals:

Noise Level	Day	Not exceeding 65.0 dB (A)
	Night	Not exceeding 55.0 dB (A)

ZERO SINGLE USE PLASTIC PROGRAMME

In 2020, we carried on with our Zero Single Use Plastic Programme initiative and bulk purchase of paper bags for medication to contribute to environment conservation. We also made sure that only biodegradable plastic was used in our hospitals. Our clinical plastic waste recycling programme was, however, put on hold due to the pandemic. We will continue to protect the environment and advocate the importance of zero single use plastic among our stakeholders.



Source: Care for Life Magazine

Eco-Friendly Masks

As part of our waste reduction initiatives, KPJ Healthshoppe has been selling washable eco-friendly masks to promote safety awareness. As at December 2020, about 3,000 washable face masks were sold, equivalent to saving 90,000 pieces of disposable masks. The mask, which is washable up to 30 times, continues to be one of our most popular healthcare products.

OUR SUSTAINABILITY IMPACTS

Social

Social Highlights

Community Investment

RM15.8
million

invested in Community Outreach Programmes

Upheld safety at the workplace

7
Hospitals

Accredited with Systematic Occupational Health Enhancement Level Programme (SoHelp)

Secured Employment

65%
KPJUC GRADUATES

since 2017









“

At KPJ, we care not only for our employees but also the local communities in which we operate. In 2020, our initiatives were focused on navigating COVID-19 challenges to meet the needs of our employees and the local communities. We continued future-proofing our people through online training and development programmes. As for the communities, we reached out to the vulnerable ones, in particularly the low-income segment, through our flagship KWAN clinics, mobile clinics and Briged Wakaf volunteers. We also contributed to our national healthcare system by giving medical assistance and personal protective equipment.

Social



Materiality Social	Link to Our Seven Strategic Thrusts	Key Stakeholders	Initiatives	Performance Indicators
Community Outreach	Capacity Building Sustainable Value for Stakeholders  01  07	<ul style="list-style-type: none"> • Patients • Employees and Consultants • Local Communities • Accreditation Bodies and Associations • Government and Regulators 	<ul style="list-style-type: none"> • KWAN • Brigid Wakaf • Baby Hatches • Educating the Public 	<ul style="list-style-type: none"> • Amount spent on Community Outreach Programme
Training and Career Development	Talent Management Sustainable Value for Stakeholders  05  07	<ul style="list-style-type: none"> • Patients • Employees and Consultants • Local Communities • Accreditation Bodies and Associations • Government and Regulators 	<ul style="list-style-type: none"> • Group policy on minimum 30 hours training for all employees • Facilitate internal and external training programmes 	<ul style="list-style-type: none"> • Training hours per employee • Equal opportunity for employment with defined career path for employees
Employee Engagement, Diversity and Inclusion	Talent Management  05	<ul style="list-style-type: none"> • Employees and Consultants 	<ul style="list-style-type: none"> • Advocating Work Life Balance • Talent Management (TM) Open Day • KPJ Townhall • Healthy Meal • KPJ Buzz Intranet Portal • Psychosocial well-being life • Engagement Employee Survey • Equitable level of wages between men and women • Return to Work Programme • Diversity at the workplace 	<ul style="list-style-type: none"> • Employee Engagement Index • Diversity of governance bodies and employees
Occupational Safety and Health	Talent Management  05	<ul style="list-style-type: none"> • Employees and Consultants 	<ul style="list-style-type: none"> • Ongoing and Regular Training • Workplace Inspection Checklist Form • Hazard Identification Risk Assessment and Risk Control/ Determining (HIRARC/ HIRADC) • Feedback Form • Potential Fire Risk • SoHelp • Disaster and Emergency Management Plan (DEMP) 	<ul style="list-style-type: none"> • Occupational Health and Safety Management System

OUR SUSTAINABILITY IMPACTS

Social



Materiality People 1: Community Outreach

Target 1.2

KPJ's community outreach initiatives are in line with the government's aspirations to spur community development and social welfare, promoting public health and safety as we increase universal access to healthcare nationwide. Our initiatives cover basic healthcare screening, public health talks and campaigns to advocate healthy lifestyles and good hygiene.

KLINIK WAQAF AN-NUR (KWAN)

As part of KPJ's support for Target 2030 Agenda 1.2, our flagship programme, Klinik Waqaf An-Nur (KWAN), offers quality healthcare services for the underprivileged and B40 groups at affordable rates:

- RM5 for medical consultation including medical prescription
- RM90 for a dialysis treatment

KWAN clinics have benefitted close to two million patients since its inception in 1998. KWAN aims to alleviate pressure on public healthcare services while contributing to the social wellbeing of the marginalised and the underserved. To date, eight (8) of our KWANS are accredited by MSQH.

KWAN have impacted the rural poor, who are predominantly Malay-Muslim, through collaborations with state Islamic religious authorities including Majlis Agama Islam Negeri-

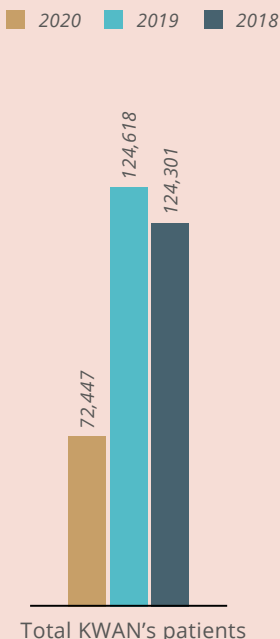
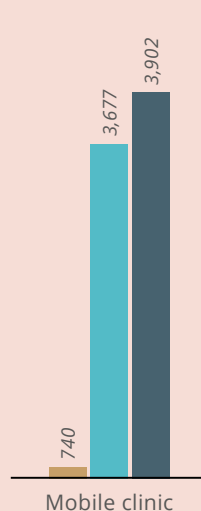
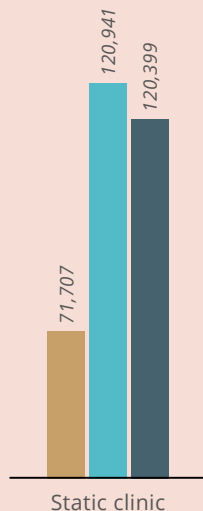
Negeri Johor, Negeri Sembilan, Selangor, Perak, Penang, Kelantan and Sarawak; three religious bodies comprising Lembaga Zakat Selangor, Baitulmal Sarawak and Perbadanan Waqaf Selangor; and one non-governmental organisations (NGOs)/Bank Muamalat. In 2020, we forged a new partnership with Majlis Agama Islam Johor (MAIJ), which contributed RM312,872 to purchase a mobile clinic that will cover six areas in Batu Pahat and Kluang, Johor by end of 2021. Going forward, we will strengthen our mobile clinic operations by identifying a potential partner such as a bank or other corporate entities to set up new mobile clinics especially in the Klang Valley.

As of 2020, there were 18 Klinik Waqaf An-Nur (KWAN) and five mobile clinics across Malaysia. We completed two new mobile clinic joint ventures with Lembaga Zakat Kedah (Kedah Medical Centre) and Waqaf Selangor Mualamat (KPJ Kajang Specialist Hospital).

AMOUNT INVESTED IN COMMUNITY OUTREACH (RM' MILLION):



NUMBER OF PATIENTS



BRIGED WAKAF

Briged Wakaf is a voluntary group by KPJ’s parent company, JCorp, through Waqaf An-Nur Corporation Berhad (WANCorp). Formed in 2007, the voluntary group was recognised by the National Security Council in 2009 and officially became a non-profit organisation that provides humanitarian aid to Malaysian victims of national disasters.

Briged Waqaf is a channel for all staff members from its Group of companies to contribute humanitarian aid and conduct social programmes based on their skillset and capacity under JCorp.

As the healthcare arm of JCorp, KPJ has 244 volunteers from seven hospitals serving the Southern Region. The volunteers, who are called Briged Waqaf Kompeni Salahuddin Al-Ayubi, are from KPJ Johor, KPJ Puteri, KPJ Pasir Gudang, KPJ Kluang Utama, KPJ Bandar Maharani, KPJ Bandar Dato’ Onn and Klinik Wakaf An-Nur Pasir Gudang. In 2019, 104 volunteers from all the KPJ hospitals in the Klang Valley including KPJ headquarters, set up the Central Region group called Briged Waqaf Kompeni Ibnu Sina. Total volunteers as at 2020 was 348. All volunteers are provided with a daily allowance when they are deployed to assist with disaster relief.

In 2020, Briged Waqaf Kompeni Salahuddin Al-Ayubi held several community activities despite the pandemic. To help mitigate negative impacts of COVID-19, the group:

- Contributed to Hospital Sultanah Aminah, Hospital Permai and Hospital Sultan Ismail in Johor Bahru. Each hospital received RM10,000 worth of personal protective equipment (PPE) and medical assistance.
- Contributed food to frontliners such as Angkatan Tentera Malaysia (ATM) and Polis DiRaja Malaysia (PDRM).
- Collaborated with the Fire and Rescue Department of Johor Bahru and Johor Bahru City Council on the disinfection and sanitation of public area such as KWAN clinics and mosques.
- Educate the public on COVID-19 by distributing flyers to curb the spread of the virus.

Apart from COVID-19 mitigation, the voluntary group also contributed to flood victims in Johor Bahru and helped to clean public areas after the flood.



Target 3.2



Baby Hatches

KPJ helps to save abandoned babies by collaborating with the Social Welfare Department (JKM) and OrphanCare, a child protection NGO. The NGO helps unfortunate mothers who are incapable of caring for their new-borns and ensures the babies are safe and cared for.

The baby hatch programme is in response to the rise of the number of abandoned babies, which often resulted in the baby’s death. Since its inception in 2014, we have received 39 babies, who were placed in the adoption programme by OrphanCare and JKM in Peninsula Malaysia, and JKM in East Malaysia.

2020		Male	Female	Total
1-Jan-20	KPJ Damansara	1		1
19-Jul-20	KPJ Damansara		1	1
8-Oct-20	KPJ Damansara	1		1
9-Oct-20	KPJ Kuching		1	1
Total for 2020		2	2	4

OUR SUSTAINABILITY IMPACTS

Social

Currently, baby hatches are available in the following KPJ hospitals nationwide:

KPJ's Baby Hatches

KPJ IPOH SPECIALIST HOSPITAL	KPJ JOHOR SPECIALIST HOSPITAL	KPJ DAMANSARA SPECIALIST HOSPITAL	KPJ TAWAKKAL KL SPECIALIST HOSPITAL	KPJ SEREMBAN SPECIALIST HOSPITAL	KPJ PENANG SPECIALIST HOSPITAL	KPJ PERDANA SPECIALIST HOSPITAL
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KPJ Kuching has ceased operation of their Baby Hatch since 8 November 2020 when they shifted to the new hospital. KPJ Kuching is in the midst of identifying a new area to place their Baby Hatch.

EDUCATING THE PUBLIC

Healthcare literacy is an integral part of sustainable development. In our commitment to help build a healthy society, we constantly educate the public through healthcare awareness programmes and public talks.

In 2020, more than 3,200 of the Group's educational and awareness pushed through webinars and social media. The programmes included World Health Organisation awareness day, Occupational Safety and Health day and Environment day.

As a strong advocator of vaccinations, we have been actively raising awareness about the importance and benefits of vaccinations to dispel misinformation about immunisation. During the pandemic, we continued to educate the public via social media such as Facebook. We hope to equip the community with the right information and knowledge about vaccinations to protect themselves and their loved ones.





Materiality People 2: Training and Career Development

Target 4.3

KPJ supports its employees to pursue their professional and personal aspirations in order to nurture a future-proof and resilient workforce. Developing our people will retain and attract the best talent, ultimately ensuring continuous value creation and sustainable business growth.

TRAINING AND CAREER DEVELOPMENT

Aside from training and development programmes, KPJ also offers education scholarships to staff who wish to pursue their tertiary education in nursing and healthcare at KPJ Healthcare University College.

During the year under review, we continued to provide our employees with training and career development opportunities through our tailored talent development programme, which will boost their clinical or management career. Due to the pandemic, we enhanced our training and development programmes by leveraging technology and online tools, which helped us save RM5.2 million or 48% of training cost from the previous year.



KPJ invested RM5.7 million in training and career development programmes in 2020, benefitting more than 14,000 employees.

KPJ'S TRAINING AND CAREER DEVELOPMENT PERFORMANCE DATA IN 2020

	2018	2019	2020
Amount Invested in Talent Management (RM' Million)	11.1	10.9	5.7
Average Training Hours per Employee	43	45	25.5
TRAINING HOURS BY GENDER			
Female	451,155	483,645	280,033
Male	112,789	136,412	77,021
TRAINING HOURS BY EMPLOYEE POSITION			
Manager	45,116	55,805	32,135
Executive	287,611	310,029	178,527
Executive Assistant	255,578	254,224	146,392

OUR SUSTAINABILITY IMPACTS

Social

LIST OF TRAINING FOR KPJ EMPLOYEES:



16%
Upskilling, Post-Base and Clinical Workshop



12%
Seminars and Conferences



43%
Technical Skills



19%
Soft Skills



10%
Others (Master's Degree, Leadership and Managerial Skills, etc)



KPJUC participated for the first time in the Malaysia Research Assessment Instrument (e-MyRA) and Rating System for Malaysian Higher Education Institutions (SETARA). These ratings are important to determine the status of academic achievement of KPJUC in the field of research and academic delivery of all its programmes.



KPJUC Nilai: (SETARA)



MCHM: (MyQuest)



KPJIC JB: (MyQuest)



KPJUC Nilai: (Myra)



KPJIC Penang: (MyQuest)

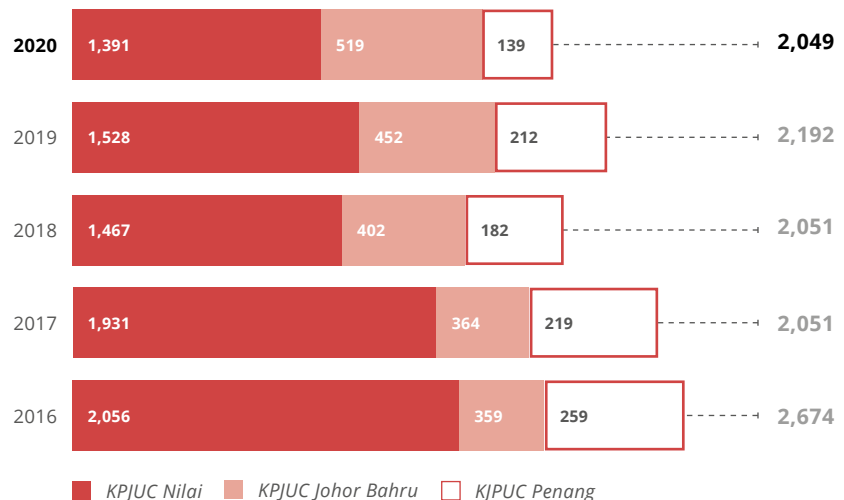
NURTURING FUTURE MEDICAL PROFESSIONALS

KPJ Healthcare University College (KPJUC) was established in 1991 as the education arm of KPJ. It currently has three campuses in Malaysia - Nilai, Johor and Penang.

Known as the number one private college offering the Diploma in Nursing, KPJUC prides itself as a premier medical and healthcare education provider. The university college is supported by KPJ's 28 hospitals in Malaysia, where more than 1,000 specialist consultants serve as mentors and supervisors to KPJUC's students. There is also an affiliate hospitality college in KPJUC education group known as Malaysian College of Hospitality and Management in Johor. Currently, KPJUC offers 38 academic programmes. A complete list of KPJUC's medical education programmes can be found at <https://www.kpjuc.edu.my>.

NUMBER OF STUDENTS IN KPJUC

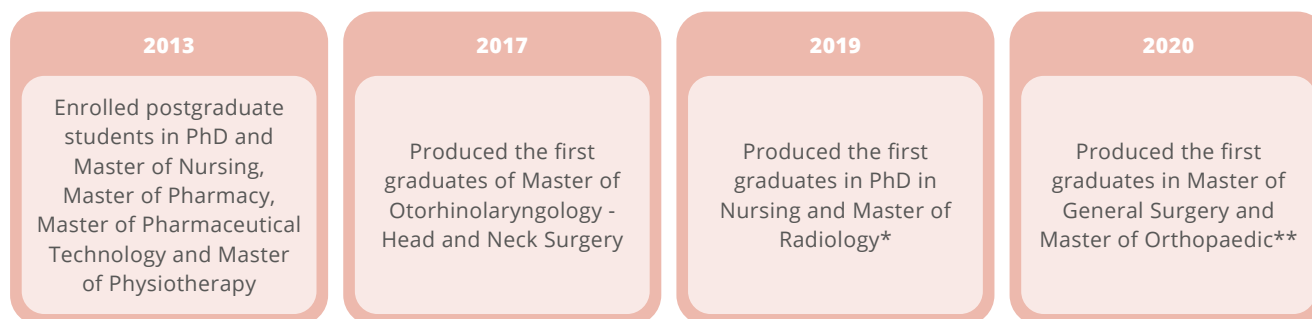
KPJUC responded swiftly to navigate the impacts of COVID-19 in 2020 by conducting lessons through the Learning Management System (LMS), an online teaching and learning portal. Students and lecturers engaged and communicated via various platforms including phone calls, video conferencing and social media channels.



As the education arm of KPJ, KPJUC will catalyse the Group's efforts in achieving Target 4.3 of the 2030 Agenda – ensuring equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university studies. We believe that equal access to higher education will help improve the livelihood of the underprivileged and the low-income segment, ultimately uplifting their socio-economy.

In 2020, KPJUC responded swiftly in navigating the impacts of COVID-19 by conducting lessons through Learning Management System (LMS), an online portal for teaching and learning. Students and lecturers engaged and communicated via various platforms including phone calls, video conferencing and social media channels.

KEY MILESTONES OF KPJUC



KPJUC is currently the only private medical university college that is approved by the Ministry of Education to conduct Medical Specialty Programmes within the country, and this includes:

- Master of Otorhinolaryngology Head and Neck Surgery (ORL)
- Master of Radiology
- Master of General Surgery
- Master of Orthopaedic
- Post Graduate Training in Internal Medicine

* To read more about 2019's graduates, please refer to Nurturing Future Medical Professionals on page 51 in KPJ's Sustainability Report 2019 at <https://kpjhealth.com.my/home/>

** The three Medical Officers graduated in December 2020 will be under the Pre-NSR training in 2021.

ACCREDITATION:

No.	Programme	Date Received Full Accreditation
1	Bachelor of Business Management	31 January 2020
2	Bachelor of Psychology	13 October 2020
3	PhD in Nursing	2 October 2020

ACADEMIC HEALTH CENTRE (AHC)

KPJ launched its first Academic Health Centre (AHC) at KPJ Seremban Specialist Hospital in August 2019, the first among the 28 KPJ hospitals to adopt an integrated patient-care, teaching and research concept. An AHC is an institution (hospital) that integrates patient-care activities and academic activities including teaching and research. It enables lecturers of KPJUC and healthcare professions of KPJ Seremban to work together in achieving excellent healthcare services education and research activities at the hospital.

AHC ACTIVITIES

DEPARTMENT/SCHOOL	ACTIVITIES
Physiotherapy	Physiotherapy lectures providing services at Physiotherapy department
Medical Imaging	Continuous Professional Development (CPD) training
Pharmacy	KPJUC lectures providing Outpatient services on counselling for medication
Nursing	<ul style="list-style-type: none"> • Home nursing – assisting the hospital in providing home nursing services • Staff attachment – update on National Nursing Audit and MPSTG
Business Management	<ul style="list-style-type: none"> • CPD training for medical record staff • Access to Health Information System
Centre for Global Professional and Social Development	CPD training focusing on soft skills to KPJ Seremban

OUR SUSTAINABILITY IMPACTS

Social

RESEARCH AND DEVELOPMENT (R&D)

KPJUC initiates new research and innovation activities in line with the needs and interest of the community. It allocates RM50,000 for new research every year which excludes grants from external sources. Under R&D, KPJUC also provides training on:

- Developing research questions
- Reviewing medical and healthcare literature and journals
- Conducting interviews and surveys
- Writing analysis and findings

On 9 January 2020, KPJ Healthcare Berhad entered into a Memorandum of Agreement (MOA) with Universiti Kebangsaan Malaysia (UKM) for an establishment of a RM1 million Endowment Fund for healthcare research and development. The MOA is for a period of five years (2019-2024) and will see research in six key areas, namely, Quality Service Management, Talent Management, Healthcare Economics, Medical Tourism, Operations, and Disruptive Technology.

RESEARCH ACTIVITIES CONDUCTED IN 2020

	Research	New Research	Research Completed	Submit	Obtain	Indexed Journal	Non-Indexed Journal/ Others	Indexed Conference	Non-Indexed Conference /Others
School of Medicine	10	0	3	0	0	6	0	0	1
School of Pharmacy	14	6	29	0	1	2	6	3	4
School of Health Sciences (Medical Imaging)	12	10	10	0	0	2	1	1	0
School of Health Sciences (Physiotherapy)	27	0	23	0	0	0	0	0	0
School of Nursing	12	5	8	0	0	0	6	0	5
School of Business and Management	4	2	0	0	0	0	0	0	0
Centre of Global Professional Social Development	6	0	1	0	0	0	0	0	0
KPJIC JB	1	0	0	0	0	0	0	0	0
KPJIC Penang	1	0	0	0	0	0	0	0	0
Total	87	23	74	0	1	10	13	4	10

TOTAL RESEARCH PROJECTS IN 2020

Total research projects conducted	2020	2019	2018
New	67	23	21
Ongoing	146	87	89
Completed	119	74	30

KPJUC also collaborates with KPJHQ to produce KPJ Medical Journal to showcase the outcome of the research. The journal is issued on an annual basis with the papers contributed by KPJ consultants and KPJUC lecturers.

	2020	2019	2018
Total papers published in journal	75	23	62

	2020	2019	2018
Total papers presented at conferences	20	14	32

EDUCATION SPONSORSHIP

KPJ offers education scholarships by sponsoring underprivileged potential students in nursing and health sciences. The scholarship offered is either in full or partial and covers tuition fees for programmes such as nursing and pharmacy. Scholars will be bonded with KPJ hospitals, ensuring job security for the graduates.

In 2020, KPJ sponsored a total of 256 staff and students, of which 54 were KPJ's staff who pursued the Post-Basic Nursing Programme.

Post Basic Nursing Programme	2020	2019	2018
Professional Certificate in Education Training for Nursing Professional	0	0	2
Professional Certificate in Critical Care Nursing	0	20	20
Certificate in Renal Nursing	6	10	13
Certificate in Paediatrics Nursing	12	20	17
Advanced Diploma in Midwifery Nursing	0	12	3
Post-Basic Certificate in Renal Nursing (Johor Bahru Campus)	8	10	3
Post-Basic Certificate in Orthopaedic Nursing	6	6	8
Post Basic Perioperative Nursing	19	18	0
Total	54	96	66

2020 SCHOLARSHIP

The financial aid is aimed at assisting high potential and/or financially challenged young individuals to be able to study at KPJUC in Nilai and our colleges in Johor and Penang. Each successful candidate may receive in-kind financial aid up to RM48,000 depending on their prior academic and personal performance as well as monthly stipends or allowance based on financial background. The total allocation for KPJUC scholarship for 2020 is RM 10 million. A candidate who is qualified for more than one type of scholarship, will be offered the one that benefits him/her best.

842

NUMBER OF STUDENTS RECEIVING SCHOLARSHIPS SINCE 2017

OUR SUSTAINABILITY IMPACTS

Social

KPJUC scholarship is divided into 3 categories, namely:

BIASISWA

(based on academic merit)

Minimum requirements to be eligible to apply

BACHELOR

STPM/A LEVEL/Foundation/Diploma

- ▶ **3.90**
40% Tuition Waiver
- ▶ **3.70**
30% Tuition Waiver
- ▶ **3.50**
20% Tuition Waiver

DIPLOMA/FOUNDATION

SPM

- ▶ **9As**
or more
- ▶ **7As**
or more
- ▶ **5As**
or more

DERMASISWA

(based on financial need), and

DERMASISWA

Waiver for differences between tuition fees and study loans received from Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN). Exclusive for eligible B40 students signing up for selected programmes: Diploma and/or Bachelor in Physiotherapy, Medical Imaging, Health Information Management, Healthcare Management, Psychology, Occupational Therapy, and Business Management. Recipients will receive RM300 pocket money monthly.

SETIASISWA

(a form of Alumni benefit)

SETIASISWA

10% Tuition Waiver for KPJUC and KPJ International College (KPJIC) Diploma Alumni to study Bachelor of Pharmacy and other Bachelor programmes.

EMPLOYMENT FOR KPJUC GRADUATES

KPJ is committed to hire quality medical professionals and have assisted its graduates to secure employment within its hospitals and its subsidiaries.

Number of secured employment

Secured employment for KPJUC graduates (2017-2020)	Total Graduates	KPJ Hospitals	Private Hospitals	Other employer	Further study
School of Medicine	9	7	0	2	0
School of Nursing	1625	912	110	53	35
School of Pharmacy	905	252	267	29	97
School of Health Sciences	602	169	234	8	58
School of Business and Management	91	43	12	16	4



SECURED EMPLOYMENT SINCE 2017



Materiality People 3: Employee Engagement, Diversity and Inclusion

Target 5.1

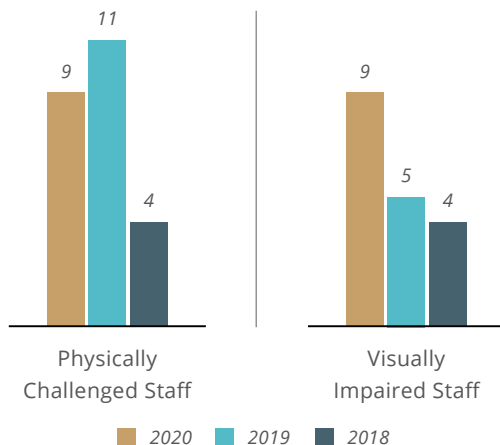
KPJ values our employees and is proud of the role they play in keeping our communities healthy and safe. We are committed to cultivating a positive workplace culture that is diverse and inclusive whilst providing opportunities for professional growth.

As a healthcare provider, our employees are the first and last touchpoint with our patients. This highlights the importance of our employees and how crucial it is to ensure that their wellbeing is taken care of. We aim to be the employer of choice in Malaysia's healthcare sector by ensuring we provide good work-life balance, opportunities for professional growth and development and fair compensation and benefits.

DIVERSITY AND INCLUSION

At KPJ, we recognise the importance of having a diverse workforce that is able to understand different viewpoints. As we serve our communities who come from diverse backgrounds and abilities, it is essential that our workforce reflects such diversity to be able to better serve our patients.

We take a proactive step in creating a diverse and inclusive culture through our collaboration with PERKESO's 'Return to Work Programme', which provide differently-abled individuals and pensioners the opportunity to return to work. We also have a Diversity Policy to ensure no discrimination is practised across the Group. In 2020, we had nine physically challenged and nine visually-impaired individuals in our workforce, contributing as telephonists in our hospitals.



GENDER EQUALITY

We are cognisant of the gender biases that occur in workplaces and strive to close the gaps between men and women. We are highly aligned with UN SDG 5 on Gender Equality, and more specifically, Target 5.1 to end discrimination against women and girls, and undertake initiatives to support this target. We have a non-discriminatory hiring policy which ensures that anyone we hire is based purely on their qualifications and merits. Internally, all employees are treated on an equal basis and have equal opportunities for training and development and equal wages. On this matter, we have made consistent progress over the years to close this gap and in 2020 the ratio of basic salary and remuneration of women to men was 1:01.

	2020	2019	2018
Ratio of Basic Salary and Remuneration of Women to Men	1:1.01	1:1.1	1:1.4

HIRING PROCESS

We aim to fill vacancies through internal transfers first, followed by external recruitment. Our recruitment process is guided by our hiring policy which ensures that all potential candidates are considered in a fair and non-discriminatory manner. Our selection criteria is based on merit, qualifications and experience and does not discriminate against race, religion, gender, age, sexual orientation, physical/mental/sensory disabilities, political beliefs and nationality. We do not engage in any child or forced labour.

We recruit and advertise vacancies in a number of ways:

- Career and campus job fairs organised at selected public and private universities and colleges
- Job advertisements:
 - For external candidates via major newspapers, job portals such as Jobstreet. com, LinkedIn, WOBB etc.;
 - For internal candidate via internal job advertisements at all KPJ hospitals and its related companies
 - Posting job advertisements at selected public and private universities and colleges
- Recruitment agencies
- Employee Referrals

OUR SUSTAINABILITY IMPACTS

Social

RESUMES SENT BY POTENTIAL CANDIDATES



* The number of resumes received by KPJ increased by 84% in 2020 due to candidates getting less pay at their existing job or that they were terminated as a result of the pandemic.

BOARD DIVERSITY

Board		
Gender		%
Male	11	92
Female	1	8
Total	12	100

Age group		
		%
Below 30	0	0
30-50	3	25
Over 50	9	75
Total	12	100

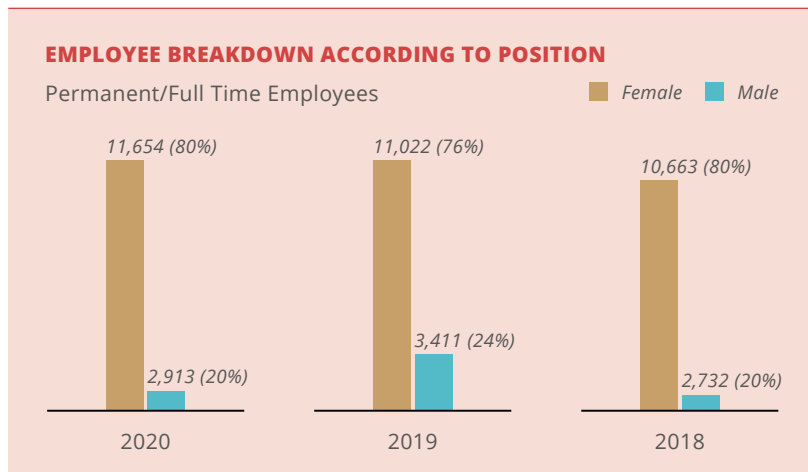
Ethnicity		
		%
Bumiputera	9	75
Chinese	2	17
Indian	1	8
Others	0	0
Total	12	100

EMPLOYEE DIVERSITY

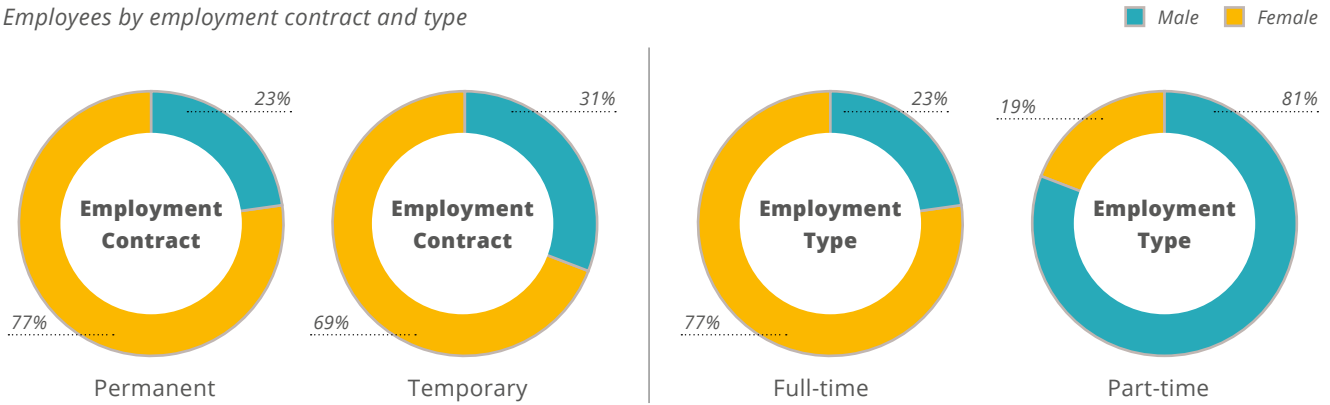
Diversity Categories	Top Management		Senior Management		Middle Management		Executives and Junior Management		Non-Executive	
Gender		%		%		%		%		%
Male	10	71	13	77	377	27	1,172	16	4,386	76
Female	4	29	4	23	1,020	73	6,186	84	1,395	24
Total	14	100	17	100	1,397	100	7,358	100	5,781	100

Age group		
		%
Below 30	0	0
30-50	1	7
Over 50	13	93
Total	14	100

Ethnicity		
		%
Bumiputera	12	86
Chinese	1	7
Indian	1	7
Others	0	0
Total	14	100



Employees by employment contract and type



NEW HIRES AND ATTRITION

Age group	New hires		Attrition	
	Number	Rate (%)	Number	Rate (%)
< 30	1,034	70	810	60
30-50	399	27	413	30
> 50	40	3	133	10
Gender				
Male	348	24	349	26
Female	1,125	76	1,007	74

RETENTION RATE OF WOMEN (WITH MORE THAN 5 YEARS OF SERVICE)



COVID-19 PANDEMIC

It has been a year since we first reported about our initial responses to the COVID-19 pandemic. Since then, our employees have experienced and overcome a number of challenges and continue to do their best in these difficult times. KPJ has allowed its staff to work from home since the beginning of the pandemic in Malaysia to ensure the safety and health of its employees. Departments that were not directly supporting hospital operations were ordered to work from home while others segregated their staff into teams to take turns working in the office.

We started allowing all departments to return to work in May while enforcing strict Standard Operating Procedures (SOPs). Employees were required to comply with the Return-to-Work guidelines, which outlined SOPs at work

such as pre-entry at work, commuting, daily reporting, use of common space, elevators and stairs, employees' responsibilities, visitors and deliveries, meetings and training, and sanitisation. Employees were also reminded to avoid handshakes, practise etiquette when sneezing or coughing, and to be truthful when completing surveys. Employees who had symptoms of viral infection were advised to seek immediate medical treatment and to work from home while waiting for their test results.

We will continue to follow MOH guidelines and ensure the safety of our employees by providing sufficient PPE, enforcing strict SOPs, reviewing our Return-to-Work guidelines from time to time to comply with MOH guidelines, and conducting regular Covid-testing for all our employees.

OUR SUSTAINABILITY IMPACTS

Social

EMPLOYEE ENGAGEMENT

Employee engagement is key to motivating our employees to perform at their highest potential. Given their important role as ambassadors of the KPJ brand, it is incumbent upon us to ensure our employees remain loyal, committed and driven.

Our employee engagement initiatives are centred around the appreciation and wellbeing of our employees, as well as activities that enable them to better understand our business direction. In 2020, we continued engaging with our employees by conducting physical events with employees on a rotational basis and through online activities:

- **Talent Management (TM) Open Day**

Employees are given the opportunity to engage with the TM team directly during the annual event. Held in all KPJ hospitals and companies, the event serves as a platform for employees to engage with the participating external stakeholders such as government agencies, banks and insurance companies.

- **KPJ Townhall**

KPJ Townhall is an annual event that serves as an interactive sharing and communication platform for employees and consultants to share their feedback and engage in a dialogue session with KPJ's President and Managing Director. In 2021, the event was held online on 1 February 2021.*

* To present the Group performance and strategic planning of the Group for 2021.

- **Healthy Meal**

The healthy meal programme for employees was initiated by KPJ Headquarters, and it was subsequently adopted by hospitals and subsidiaries. TM conducted periodic survey to gather feedback on the food served and suggestions for future improvements. In 2020, the programme benefitted our employees, especially for the frontliners who felt that the food has a way of bringing them together.

- **KPJ Buzz Intranet Portal**

Our KPJ Buzz Intranet Portal serves as a centralised digital platform to communicate with employees on work-related activities, events and company policies. In 2020, the portal had 260 postings and attracted 88 clicks per day or 376 clicks per month.

- **Psychosocial Health**

The psychosocial health of our staff is vital for smooth daily operations in our hospitals. As such, we provide counselling on work-related and personal issues, and support employees with traumatic incidents, stress management and motivational sessions. We also strive to advocate a safe and healthy environment in and around our facilities and sites besides encouraging active mobility and sports by offering relaxing work environment and smoke-free healthcare facilities. In light of the pandemic and adapting to the new normal, we held various online programmes for employees such as talks on stress management and awareness programmes on COVID-19.

- **Employee Engagement Survey**

We conduct an Employee Engagement Survey (EES) every four years to improve our employee engagement and two-way communication. Our first Employee Engagement Survey was in 2014, followed by KPJ Pulse Survey in 2015, which resulted in the increase percentage of engagement level from 65% in 2014 to 74% in 2015. The enablement percentage in 2015 was 79%, an increase of 7% from the result in 2014, 72%.

The last EES was held in 2018, which resulted an average of 75%. The survey also revealed that our employee engagement increased by 11% while enablement levels went up by 8%. We aim to hold the next Employee Engagement Survey in 2022. This year, we held a Work-From-Home survey, which showed that (to be updated).

Award: KPJ received

HR Asia Award

Best Companies to Work in Asia 2020



EMPLOYEE BENEFITS AND WELFARE

KPJ has a comprehensive benefits and welfare programme in place for our employees as we seek to maintain our position as an employer of choice. Recruiting and retaining our talent is a crucial component of ensuring our business sustainability and especially competitive in the healthcare industry. We practice a no discrimination policy in regards to our remuneration and benefits.

Aside from competitive salaries and benefits, our full-time employees are offered the following:

- Free annual medical screening for employees aged 45 and above;
- Free medical coverage for inpatient and outpatient services that also cover their immediate families;
- Employees Provident Fund (EPF) contribution of up to 15%, applicable for employees who have been in service for a minimum of four years;
- Employee Share Option Scheme (ESOS) for employees with at least three years of service as executives and above.
- Educational support in the form of scholarships for employees' children pursuing medical-related study at KPJUC, and placement in KPJ Hospitals based on their final results;
- Parental Leave;
- Living Well Programme designed for employees diagnosed with critical lifestyle-related illnesses such as diabetes and hypertension; they can access their latest health status to enable them to make better informed lifestyle choices;
- KPJ Top-Up Fund to ease the financial burden of employees faced with high medical expenses incurred for medical treatment for their dependents. Up to RM 1.5 million has been allocated Groupwide for this purpose.

ADVOCATING WORK-LIFE BALANCE

KPJ offers a host of other benefits that empowers our employees, giving them the opportunity to balance their family, personal and work commitments. These initiatives have helped to contribute to higher employee satisfaction and retention rates. Some of our initiatives include:

- Flexible working hours;
- Onsite childcare centre with 24/7 breastfeeding room
- Promotion of healthy living amongst our employees through wellness programmes and health initiatives;
- Time off to attend to personal matters;
- Special parking for pregnant employees;
- Work from home for employees in Information Technology Services (IT) for up to two days per week; and
- Provision of daily healthy breakfast
- Respect the rights of employees to practice their religion during their working hours.

WORK-LIFE BALANCE BENEFITS

	Male			Female		
	2020	2019	2018	2020	2019	2018
Total number of employees that were entitled to parental leave	2,990	3,408	2,729	11,577	10,995	10,637
Total number of employees that took parental leave	105	74	172	925	891	1,018
Total number of employees that returned to work in the reporting period after parental leave ended	105	74	172	919	886	1,011
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	103	73	169	886	855	972
Return to work and retention rates of employees that took parental leave (%)	98%	99%	99%	96%	96%	96%

Parental leave	2020	2019	2018
No. of male employees who were entitled to and utilised their 2 days parental leave	105	74	172
No. of female employees who were entitled to and utilised their 60 days parental leave	925	891	1,018

OUR SUSTAINABILITY IMPACTS

Social

GRIEVANCE MECHANISM

KPJ is a responsible employer and has in place workplace harassment policies and codes, which cover non-discrimination and zero tolerance to sexual harassment as outlined in our employee handbook. The handbook is available on our Employee Self Service Portal.

KPJ has a structured process to address the grievances of our employees:

STEP 1:

- Employee discusses the grievance with his/her immediate superior. If the complaint is about the immediate superior, then the grievance is discussed with the superior's superior.
- The matter is to be resolved within two working days.
- If the employee is unsatisfied with the outcome, the employee is to proceed to Step 2.

STEP 2:

- Employee to complete a grievance form with all relevant details and submit it to the Head of Talent Management.
- Head of Talent Management is to solve the problem within two working days.
- If the employee is unsatisfied with the outcome, the employee is to proceed to Step 3.

STEP 3:

- The matter will be referred to the President/Managing Director (for KPJHB) or the CEO/GM (for hospitals).
- A grievance hearing will be convened and a final decision will be reached within 10 working days.

NUMBER OF GRIEVANCES ISSUES SOLVED

44

2020

75

2019

148

2018





Materiality People 4: Occupational Health and Safety

As a healthcare provider, we practise the highest standards of health and safety across our facilities to ensure that our patients and employees are in a safe environment.

Our hospitals are accredited by Joint Commission International (JCI) and MSQH and adhere to the ISO45001:2018 Occupational Health and Safety Management System (OSHMS) Standard. Our Integrated Management System (IMS) is an integrated platform that enables us to manage our health and safety policies, processes and systems.*

* For more information about our JCI, MSQH and IMS, please refer to Delivering Safe and Excellent Clinical Services on **page 41** of this report.

Our Safety, Health and Environment (SHE) Policy ensures that our employees, vendors and suppliers are aware of our health and safety standards and adhere to our policies. We are also guided by the Hazard Identification, Risk Assessment and Risk Control (HIRARC) and Environmental Aspect and Impact (EIA) systems, which help us identify, mitigate and manage potential hazards and environmental issues especially on waste management.

Beyond that, we have a Safety and Health Officer (SHO) and an Environmental Officer who are both registered with the Department of Occupational Safety and Health (DOSH) and Department of Environmental (DOE) Malaysia and have undergone the relevant training courses conducted by the National Institute of Occupational Health and Safety (NIOSH) and Environment Institute of Malaysia (EiMAS).

KPJ adheres to the following policies and regulations to enforce strict safety SOPs at all our hospitals and companies:



To minimise risks, all our hospitals are guided by our robust Risk Management Guidelines which help to identify, assess, monitor and to address and communicate the risks. These guidelines were developed with close reference to ISO 31000:2018.

The Guidelines aim to achieve a customised Risk Register to provide a systematic and uniformed approach in registering the risks in a common template across the Group. This will enable efficient benchmarking, exchanging of information and ideas to address risks while allowing for audits to be performed coherently across our hospitals.

INCIDENT REPORTING

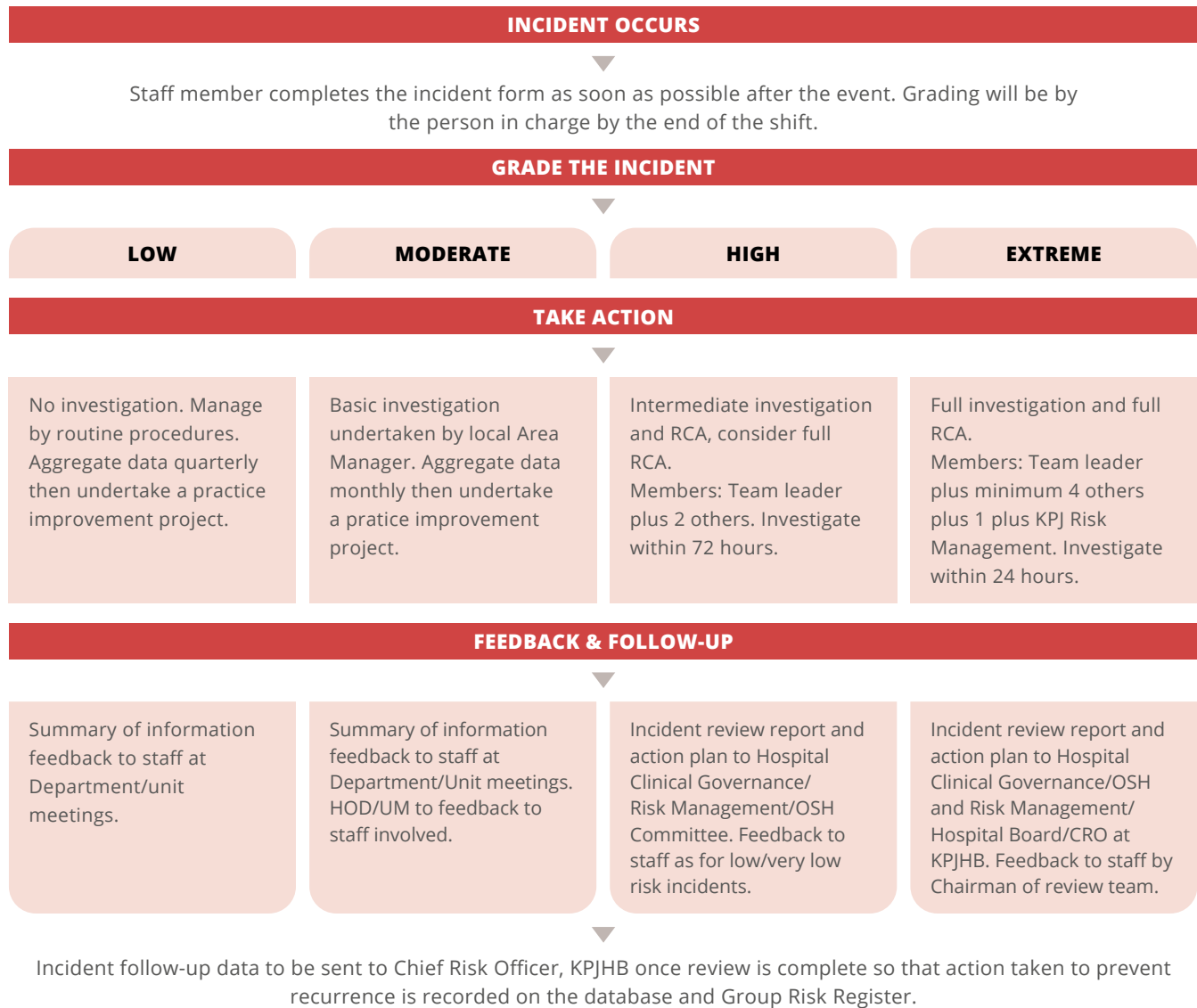
Should an incident occur, employees are encouraged to upload the incident including details of the incident, incident investigation and the root cause analysis (RCA). Incidents are recorded in an online web base system, KPJ Online Incident Reporting System (Q-Radar). All incidents, clinical and non-clinical, are documented in the system by all hospitals and companies of KPJHB.

We take every incident seriously and have in place a comprehensive incident reporting and learning system. We ensure that all clinical and non-clinical staff are aware of our incident reporting process, which instructions are easily available via local network.

OUR SUSTAINABILITY IMPACTS

Social

In the event of a serious incident, it should be immediately reported to risk management or duty manager. The chart below illustrates KPJ's incident reporting process:



SHE GOVERNANCE

Every KPJ hospital and subsidiary has an OSH Committee, as required by OSHA 94. The committee, which reports to Top Management (CEO/GM), consists of a chairperson, a secretary and representatives from employees and the management. The committee meets quarterly (4 times in a year) and reports to the GM at KPJHQ every quarter. All Committee meeting minutes are shared across the Group through email to ensure all employees are aware of the safety measures in place. Incidents are shared through Risk Officer Meeting to focus on lessons learned, update on requirements and new standards to comply with.

All SHOs report to the CEO and GM at KPJHQ. The risk and compliance unit presents clinical and non-clinical incidents to Risk & Governance Committee while all clinical incidents are reported to KPJ's Medical Advisory Committee. KPJHQ also has an OSHE Committee to oversees any OSH and Environmental issues to identify hazards and the risk control.

As a Group under JCORP, representatives from KPJ will present OSH related incidents at JCORP’s OSHE Committee Meeting 4 times a year.

OSH TRAINING

All our employees undergo regular training in a number of OSH areas such as Hazard Identification, Risk Assessment and Risk Control (HIRARC), Workplace Inspection (WPI) and Accident Investigation. This ensures that they are up to-date on the latest OSH practices and procedures.

Other OSH-related training includes Disaster and Emergency Management Plan, Emergency Code such as Code Red (fire), Code Yellow (disaster and emergency) and Code Black (bomb threat). Staff are also required to participate in a clinical related emergency such as Code Blue (cardiac arrest and stop breathing) and Code Pink (baby abduction).

OSH PERFORMANCE

We remain committed to achieving zero incidents in the long-term and will continue to strive to reduce the number and rate of incidents in our hospitals. In 2020, we recorded 96 OSH related incidents, an increase of about 11% from the previous year. This indicates a lack of staff awareness and that further improvement in work processes is needed. Going forward, we plan to improve our staff knowledge on incidents of STF and the Handling Manual, which covers a wide range of activities including lifting, lowering, pushing, pulling and carrying. We will ensure more training and awareness for staff to identify and manage hazards to reduce the number of work-related injuries in future.

OSH performance data

Employees

	2020	2019	2018
High Consequence work-related injuries			
Number	0	0	0
Rate	0	0	0
Recordable Work-related injuries*			
Number	96	85	72
Rate			
Lost-time Incident Rate			
Number	2.94	2.65	2.3
Fatalities			
Number	0	0	0
Rate	0	0	0
Lost-time incident rate			

Based on 32,103,224 man-hours worked in year 2020

Non-employees (contractors and other workers)

	2020	2019	2018
High Consequence work-related injuries*			
Number	0	0	0
Rate	0	0	0
Recordable Work-related injuries			
Number	11	17	12
Rate	1.34	0.87	0.95
Lost-time Incident Rate			
Number	0.53	0.34	0.37
Fatalities			
Number	0	0	0
Rate	0	0	0

Based on 32,103,224 man-hours worked in year 2020

* Types of incidents recorded include slips and falls, fall from heights, sharp injury, chemical spoils, burns, electrical incidents and other office-related incidents as required to be reported under OSH (Notification at Accidents, Dangerous, Occurrence, Occupational Poisoning and Occupational Disease) Regulations 2004.

NOTE:
GRI definitions as below:
High-consequence work-related injury: work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months. Recordable work-related injury or ill health: work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

OUR SUSTAINABILITY IMPACTS

Social

INITIATIVES TO REDUCE HEALTH AND SAFETY INCIDENTS AT KPJ HOSPITALS

<p>Workplace Inspection Checklist Form</p> <p>This form has been reviewed and revised by the OSH Committee and workplace inspection is to be conducted every 3 months as required by OSHA 1994.</p>	<p>Hazard Identification Risk Assessment and Risk Control/Determining Risk (HIRARC/HIRADC)</p> <p>Annual review and revised HIRARC/HIRADC as part of compliance to IMS for ISO Certification, MSQH and JCI.</p>	<p>Feedback Form</p> <p>To act upon any feedback related to safety and health within the hospitals.</p>	<p>Potential Fire Risk</p> <p>Revised checklist on physical checks on annual basis of all potential fire risk especially isolated areas or not commonly accessed by staff and contractors/vendors.</p>
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KPJ SHO GROUP'S ACTIVITIES IN 2020

-  SHO Parameters - identified six parameters (KPI) for year 2021 that include workplace inspection and Safety & Health trainings
-  Continue in Fire Safety Mitigation & Prevention at all hospitals
-  Continue in KPJ Group Fire Safety Training

WORKERS' HEALTH PROGRAMME

Our employees are first responders and in the frontline of any medical and healthcare emergency and as such, are most at risk of infection of any illness or disease. Therefore, they require special attention and care. In line with WHO's Global Plan of Action on Workers' Health, we provide access to health and occupational health services for our workers and promote a safe and healthy work environment. In this respect, we have a vaccination policy that ensures all clinical and support staff are vaccinated against Typhoid and Hepatitis B.

Our line of work also contributes directly to the following SDGs:

	<ul style="list-style-type: none"> • Improving detection and reporting of occupational diseases and injuries to guarantee workers' access to employment injury schemes and meet the target of universal social protection.
	<ul style="list-style-type: none"> • Prevention and control of occupational cancer and respiratory diseases; • Expanding health coverage of workers in the informal economy by integrating occupational health and safety interventions into people-centred health care; • Protecting occupational health and safety of responders to public health emergencies; • Reducing workplace air pollution exposures and occupational poisonings.
	<ul style="list-style-type: none"> • Improving working conditions of workers in the informal economy; • Improving the global measurement and monitoring of workers' health.

SYSTEMATIC OCCUPATIONAL HEALTH ENHANCEMENT LEVEL PROGRAMME (SOHELP)

SoHelp is one of the occupational health management programmes at the workplace that can help improve occupational health management in the workplace and reduce the risk of injuries or illness from chemical and noise exposure and ergonomic issues.

Since the SoHelp programme was launched in 2016, KPJ has worked to implement the programme across all our healthcare facilities. The programme aims to promote the understanding of OSH at the workplace.

By improving our processes, reporting and compliance culture, we will be able to identify issues before they happen and take preventative measures to minimise the risk of any injury or illness. This includes injuries such as backache, slip disc, carpal tunnel syndrome and conjunctivitis, among others. As of 31 December 2020, seven of our hospitals have completed the SoHelp assessment.

No	Hospital	Remarks
1	Kedah Medical Centre	May 2018 – Completed with Level 5 implementation (Excellent)
2	KPJ Tawakkal KL	April 2019 – Completed with Level 5 (Noise and Chemical) and level 3 (Ergonomic)
3	KPJ Damansara	June 2019 – Completed with Level 5 implementation (Excellent)
4	KPJ Pahang	June 2019 – Completed with Level 5 implementation (Excellent)
5	KPJ Ipoh	July 2019 – Completed with Level 5 implementation (Excellent)
6	KPJ Perdana	July 2019 – Completed with Level 5 implementation (Excellent)
7	KPJ Selangor	1st Assessment (Phase 3)

DISASTER AND EMERGENCY MANAGEMENT PLAN (DEMP)

All our hospitals are equipped with a Disaster and Emergency Management Plan (DEMP) to ensure we are able to manage internal and external disasters. Regular management training and drills are conducted throughout the year to ensure our employees are prepared in the event of any disaster. We also conduct disaster drills hospital-wide once a year to evaluate the execution level of the DEMP and employee compliance.

A minor accident occurred on 6 March 2020 at about 10pm at KPJ Ampang Puteri Specialist Hospital, Selangor. The fire was due to an electrical fault of an LED signage at the exterior of the outpatient clinic block. Due to our swift reaction, no fatality or injury was recorded and the fire was put out in less than 10 minutes by the Ampang Fire and Rescue Department. None of our patients or staff was directly at risk and our hospital continued to operate as usual.

KPJ's DEMP involves the following:

<p>Disaster and Emergency Management Plan</p> <ul style="list-style-type: none"> • Disaster and Emergency Management Plan – this is based on a colour-coded system. In hospitals, there is Code Yellow, Code Blue, Code Red, Code Pink and Code Black • Code Red: Fire Rescue and Prevention/Fire Safety Plan • Code Black: Bomb Threat 	<p>Clinical related Emergency Management Plans</p> <ul style="list-style-type: none"> • Code Blue: Cardiac or Respiratory Arrest • Code Pink: Baby or Child who has been abducted or missing
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APPENDIX

Employees Performance Data

Total Workforce
14,567

Employee Diversity According to Gender, Age Group and Ethnicity:

Diversity Categories	Top Management		Senior Management		Middle Management		Executives and Junior Management		Non-Executive	
	No.	%	No.	%	No.	%	No.	%	No.	%
Gender										
Male	10	71	13	77	377	27	1,172	16	4,386	76
Female	4	29	4	23	1,020	73	6,186	84	1,395	24
Total	14	100	17	100	1,397	100	7,358	100	5,781	100
Age Group										
1.5 mm	0	0	0	0	90	6	3,551	48	2,194	38
30-50	1	7	2	12	1,041	75	3,606	49	3,030	52
Over 50	13	93	15	88	266	19	201	3	557	10
Total	14	100	17	100	1,397	100	7,358	100	5,781	100
Ethnicity										
Bumiputera	12	86	13	76	1,048	74	6,511	89	5,132	88
Chinese	1	7	2	12	164	12	261	4	145	3
Indian	1	7	2	12	160	12	496	6	450	8
Others	0	0	0	0	25	2	90	1	54	1
Total	14	100	17	100	1,397	100	7,358	100	5,781	100

Employees by Employment Contract and Type (2020 only):

Employment Contract	Gender	
	Male (%)	Female (%)
Permanent	23	77
Temporary	31	69
Employment Type		
Full-time	23	77
Part-time	81	19

Employees Performance Data

Permanent and Full-Time Employees:

2020				2019				2018			
Gender		Gender		Gender		Gender		Gender		Gender	
Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
11,654	80	2,913	20	11,022	76	3,411	24	10,663	80	2,732	20

New Hires and Attrition According to Age and Gender (2020 only):

Age Group	New hires		Attrition	
	Number	Rate (%)	Number	Rate (%)
< 30	1,034	70	810	60
30-50	399	27	413	30
> 50	40	3	133	10
Gender				
Male	348	24	349	26
Female	1,125	76	1,007	74

Retention Rate of Women (with more than five years of service):

Year		
2020	2019	2018
Rate (%)		
59	50	41

Return to Work Program:

	2020	2019	2018
Physically Challenged Staff	9	11	4
Visually Impaired Staff	9	5	4

APPENDIX

Employees Performance Data

Ratio of Basic Salary and Remuneration of Women to Men:

	2020	2019	2018
	1:1.01	1:1.1	1:1.4

Work-life balance benefits:

	Male			Female		
	2020	2019	2018	2020	2019	2018
Total number of employees that were entitled to parental leave	2,990	3,408	2,729	11,577	10,995	10,637
Total number of employees that took parental leave	105	74	172	925	891	1,018
Total number of employees that returned to work in the reporting period after parental leave ended	105	74	172	919	886	1,011
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	103	73	169	886	855	972
Return to work and retention rates of employees that took parental leave (%)	98%	99%	99%	96%	96%	96%

Parental leave	2020	2019	2018
No. of male employees who were entitled to and utilised their 2 days parental leave	105	74	172
No. of female employees who were entitled to and utilised their 60 days parental leave	925	891	1,018

Employees Performance Data

OSH Performance Data:

Employees

	2020	2019	2018
High Consequence work-related injuries			
Number	0	0	0
Rate	0	0	0
Recordable Work-related injuries*			
Number	96	85	72
Rate			
Lost-time Incident Rate			
Number	2.94	2.65	2.3
Fatalities			
Number	0	0	0
Rate	0	0	0
Lost-time incident rate	0	0	0

Based on 32,103,224 man-hours worked in year 2020

Non-employees (contractors and other workers)




	2020	2019	2018
High Consequence work-related injuries*			
Number	0	0	0
Rate	0	0	0
Recordable Work-related injuries			
Number	11	17	12
Rate	1.34	0.87	0.95
Lost-time Incident Rate			
Number	0.53	0.34	0.37
Fatalities			
Number	0	0	0
Rate	0	0	0

Based on 32,103,224 man-hours worked in year 2020

APPENDIX

FTSE4Good

As a constituent of the FTSE4Good Index Series, we strive to ensure transparent disclosure of ESG issues as required by FTSE4Good Bursa Malaysia Index. Thus, our material matters are aligned with FTSE4Good's ESG themes as shown in the table below:

Pillars	Material Matters	FTSE4Good's ESG Themes
 <p>ENVIRONMENTAL</p>	<ul style="list-style-type: none"> • Waste Management • Water Management • Energy Management • Climate Change 	<ul style="list-style-type: none"> • Pollution and Resources • Water Security • Climate Change • Climate Change
 <p>SOCIAL</p>	<ul style="list-style-type: none"> • Community Outreach • Training and Career Development • Employee Engagement, Diversity and Inclusion • Occupational Safety and Health 	<ul style="list-style-type: none"> • Human Rights & Community • Labour Standards • Labour Standards • Health & Safety
 <p>ECONOMIC</p>	<ul style="list-style-type: none"> • Ethics and Integrity • Compliance • Patient Satisfaction • Delivering Safe and Excellent Clinical Services • Driving Efficiency with Innovation and Technology • Access to Quality Healthcare • Economic Perspective (Procurement) • Data Privacy and Security 	<ul style="list-style-type: none"> • Anti-Corruption • Corporate Governance • Human Rights & Community • Human Rights & Community • Human Rights & Community • Human Rights & Community • Human Rights & Community • Human Rights & Community

GRI Content Index

This report has been prepared in accordance with GRI Standards: Core option.

GRI STANDARD		PAGE NUMBER (S)		COMMENT/REASONS FOR OMISSION(S)
General Disclosures				
Organisational Profile				
GRI 102: General Disclosures 2016	102-1	Name of the organisation	Cover page	
		Activities, brands, products, and services	-	Refer to pages 4-7 of the Integrated Report 2020
	102-3	Location of headquarters	Back cover	
	102-4	Location of operations	-	Refer to page 98-99 of the this Report
	102-5	Ownership and legal form	-	Refer to pages 112-113 of the Integrated Report 2020
	102-6	Markets served	-	Refer to pages 52-67 of the Integrated Report 2020
	102-7	Scale of the organisation		Refer to pages 6-7 (What We Do), 8-9 (Value Creations) and 46-47 (5-Years Financial Performance) of Integrated Report 2020
	102-8	Information on employees and other workers	Pages 76 & 78	
	102-9	Supply chain	Pages 49-51	
	102-10	Significant changes to the organisation and its supply chain	Page 2	
	102-11	Precautionary Principle or approach	-	Refer to pages 78-84 (Key Risks and Opportunities) of the Integrated Report 2020
	102-12	External initiatives	Pages 36-38	MPSG Compliance Initiatives at KPJ hospital
	102-13	Membership of associations		We hold memberships including in those with a focus on healthcare industry. Our membership include, Malaysian Society for Quality in Health (MSQH), Joint Commission International (JCI), Malaysia Healthcare Travel Council (MHTC), Association of Private Hospitals in Malaysia (APHM)
Strategy				
	102-14	Statement from senior - decision maker	Pages 4-8	
Ethics and Integrity				
	102-16	Values, principles, standards, and norms of behaviour	Inner cover	

APPENDIX

GRI Content Index

GRI STANDARD		PAGE NUMBER (S) COMMENT/REASONS FOR OMISSION(S)		
General Disclosures				
Governance				
	102-18	Governance structure	Page 12	Refer to page 115 (CG Model) of the Integrated Report 2020
Stakeholder Engagement				
GRI 102: General Disclosures 2016	102-40	List of stakeholder groups	Page 21	
	102-41	Collective bargaining agreements	N/A	Freedom of Association - In 2020, we have 469 of 14,567 or 3.2% of our employees were union members. We did not receive any reports on the violation of this right.
	102-42	Identifying and selecting stakeholders	Page 21	
	102-43	Approach to stakeholder engagement	Pages 22-29	
	102-44	Key topics and concerns raised	Pages 22-29	
Reporting Practice				
GRI 102: General Disclosures 2016	102-45	Entities included in the consolidated financial statements	-	Refer to pages 112-113 (Corporate Structure) of the Integrated Report 2020
	102-46	Defining report content and topic Boundaries	Page 2	
	102-47	List of material topics	Page 20	
	102-48	Restatements of information		No restatements made
	102-49	Changes in reporting	Page 20	
	102-50	Reporting period	Page 2	
	102-51	Date of most recent report	Page 2	
	102-52	Reporting Cycle	Page 2	
	102-53	Contact point for questions regarding the report	Page 2	
	102-54	Claims of reporting in accordance with the GRI Standards	Page 2	
	102-55	GRI content index	Pages 91-94	
	102-56	External assurance		We will review the need for an external assurance in the future.

GRI Content Index

GRI 200: Economic Standard Series

Economic Impact
Materiality Economic 1: Ethics and Integrity – a
Materiality Economic 2: Compliance – b
Materiality Economic 3: Patient Satisfaction – c
Materiality Economic 4: Delivering Safe and Excellent Clinical Services – d
Materiality Economic 5: Driving Efficiency with Innovation and Technology – e
Materiality Economic 6: Access to Quality Healthcare – f
Materiality Economic 7: Economic Performance – g
Materiality Economic 8: Data Privacy and Security – h

GRI STANDARD		PAGE NUMBER (S)		COMMENT/REASONS FOR OMISSION(S)
General Disclosures				
GRI 102: General Disclosures 2016	103-1	Explanation of the material topic and its Boundary	Pages 30-53	
	103-2	The management approach and its components	Pages 30-53	
	103-3	Evaluation of the management approach	Pages 30-53	
Materiality Economic 1: Ethics and Integrity				
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	Pages 32 & 33	
	205-2	Communication and training about anti-corruption policies and procedures	Pages 32 & 33	
Materiality Economic 2: Compliance				
Non-GRI Disclosure		Our resilient compliance structures are led by the Board of Directors who oversees compliance operational and activities including training, investigations and monitoring.	Page 33	
Materiality Economic 3: Patient Satisfaction				
Non-GRI Disclosure		Customer Satisfaction Index increased from 87% in 2018 to 90% in 2020. Improved in Net Promoter Score from 61.14 in 2019 to 74.90 in 2020.	Pages 34 & 35	
Materiality Economic 4: Delivering Safe and Excellent Clinical Services				
Non-GRI Disclosure		Number of patient safety incidents reduced by 9% from 2019. Number of Inpatient falls reduced by 4% from 2019.	Pages 36-38	

APPENDIX

GRI Content Index

GRI 200: Economic Standard Series

GRI STANDARD		PAGE NUMBER (S) COMMENT/REASONS FOR OMISSION(S)		
General Disclosures				
Materiality Economic 5: Driving Efficiency with Innovation and Technology				
Non-GRI Disclosure		More than 7,500 received their medications from the Medication Home Delivery Service and Medication Drive-Thru Service. The total revenue for telemedicine was about RM5 million in 2020.		
Materiality Economic 6: Access to Quality Healthcare				
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Pages 44 & 45, 46	Partial disclosure
Materiality Economic 7: Economic Perspective				
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Pages 47-51	Refer to page 48 (Statement of Value Added) of the Integrated Report 2020
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported.	Page 52	Our hospitals accepted decanted COVID-19 and non-COVID-19 patients to help from public hospitals to help reduce the burden on the local healthcare system.
	203-2	Customer Satisfaction Index increased from 87% in 2018 to 90% in 2020. Improved in Net Promoter Score from 61.14 in 2019 to 74.90 in 2020.	Pages 34 & 35	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Page 49	
Materiality Economic 8: Data Privacy and Security				
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 53	In 2020, we recorded zero number of complaints on the breaches of customer privacy.

GRI Content Index

GRI 300: Environmental Standard Series

Economic Impact				
Materiality Environmental 1: Waste Management – i				
Materiality Environmental 2: Water Management – j				
Materiality Environmental 3: Energy Management – k				
Materiality Environmental 4: Climate Change – l				
GRI STANDARD			PAGE NUMBER (S)	COMMENT/REASONS FOR OMISSION(S)
General Disclosures				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Pages 54 & 55 i: 56 j: 57 k: 58, 60 & 61 l: 59 & 62	
	103-2	The management approach and its components	Pages 54 & 55 i: 56 j: 57 k: 58, 60 & 61 l: 59 & 62	
	103-3	Evaluation of the management approach	Pages 54 & 55 i: 56 j: 57 k: 58, 60 & 61 l: 59 & 62	
Materiality Environmental 1: Waste Management				
GRI 306: Effluents and Waste 2016	306-2	Waste by type and disposal method	Page 56	Partial disclosure
Materiality Environmental 2: Water Management				
GRI 303: Water 2018	303-5	Water Consumption	Page 57	Partial disclosure
Materiality Environmental 3: Energy Management				
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Page 58	
	302-3	Energy Intensity	Page 58	
	303-4	Reduction of energy consumption	Page 58	
Materiality Environmental 4: Climate Change				
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	Page 59	
	305-3	Other indirect (Scope 3) GHG emissions	Page 59	
	305-4	GHG emissions intensity	Page 59	
	305-5	Reduction of GHG emissions	Page 59	

APPENDIX

GRI Content Index

GRI 400: Social Standard Series

Economic Impact Materiality Social 1: Community Outreach – m Materiality Social 2: Training and Career Development – n Materiality Social 3: Employee Engagement, Diversity and Inclusion – o Materiality Social 4: Occupational Safety and Health – p				
GRI STANDARD		PAGE NUMBER (S)		COMMENT/REASONS FOR OMISSION(S)
General Disclosures				
Management Approach				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Pages m: 66 n: 69 o: 75 & 78 p: 81	
	103-2	The management approach and its components	Pages m: 66 n: 69 o: 75 & 78 p: 81	
	103-3	Evaluation of the management approach	Pages m: 66 n: 69 o: 75 & 78 p: 81	
Materiality Social 1: Community Outreach				
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impact	Pages 66-68	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments and development programmes	Pages 66-68	
Materiality Social 2: Training and Career Development				
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Page 69	Partial disclosure
	404-2	Programmes for upgrading employee skills and transition assistance programmes	Pages 69 & 70, 73	Partial disclosure
Materiality Social 3: Employee Engagement, Diversity and Inclusion				
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Pages 76, 86-87	
	405-2	Ratio of basic salary and remuneration of women to men	Page 75	

GRI Content Index

GRI 400: Social Standard Series

GRI STANDARD		PAGE NUMBER (S) COMMENT/REASONS FOR OMISSION(S)		
General Disclosures				
Materiality Social 4: Occupational Safety and Health				
GRI 103: Management Approach 2016	403-1	Occupational health and safety management system	Pages 81-85	
	403-2	Hazard identification, risk assessment, and incident investigation	Pages 81-82, 84-85	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Page 82	
	403-5	Worker training on occupational health and safety	Page 83	
	403-6	Promotion of worker health	Page 84	Partial disclosure
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pages 84-85	
	403-9	Work-related injuries	Pages 83, 89	
	403-10	Work-related ill health	Pages 83, 89	

APPENDIX

Group Directory & Network

(Source: KPJ Care For Life Magazine)

MSQH & JCI ACCREDITED HOSPITALS

KPJ AMPANG PUTERI SPECIALIST HOSPITAL
 1, Jalan Marnanda 9
 Taman Dato' Ahmad Razali
 68000 Ampang, Selangor
 Tel: 603-4289 5000
 Fax: 603-4270 2443
 Emergency: 603-4270 7000
 Website: www.kpjampang.com
 Email: aosh@kpjampang.com

KPJ SEREMBAN SPECIALIST HOSPITAL
 Lot 6219 & 6220, Jalan Taman 1
 Kemayan Square
 70200 Seremban, Negeri Sembilan
 Tel: 606-767 7800
 Fax: 606-767 5800
 Emergency: 606-767 6900
 Website: www.kpjseremban.com
 Email: ssh-pr@sh.kpjhealth.com.my

KPJ PENANG SPECIALIST HOSPITAL
 570, Jalan Perda Utama
 Bandar Baru Perda
 14000 Bukit Mertajam
 Seberang Perai, Pulau Pinang
 Tel: 604-548 6666
 Fax: 604-548 6700
 Emergency: 604-548 6790
 Website: www.kjppenang.com
 Email: inquiry@kjppenang.kpjhealth.com.my

KPJ JOHOR SPECIALIST HOSPITAL
 30-B, Jalan Abul Samad, Kolum Ayer
 80100 Johor Bahru, Johor
 Tel: 607-225 3000
 Fax: 607-224 8213
 Emergency: 607-225 3166
 Website: www.kpjohor.com
 Email: jsh@sh.kpjhealth.com.my

MSQH ACCREDITED HOSPITALS

KPJ IPOH SPECIALIST HOSPITAL
 26, Jalan Raja Dahir
 30350 Ipoh, Perak
 Tel: 605-240 8777
 Fax: 605-254 1388
 Emergency: 605-241 8888
 Website: www.kjpiipoh.com
 Email: ish@sh.kpjhealth.com.my

KPJ DAMANSARA SPECIALIST HOSPITAL
 119, Jalan SS20/10
 Damansara Utama
 47400 Petaling Jaya, Selangor
 Tel: 603-7718 1000
 Fax: 603-7722 2617
 Emergency: 603-7722 2500
 Website: www.kpjdamansara.com
 Email: info@kjpdamansara.com

KPJ SELANGOR SPECIALIST HOSPITAL
 Lot 1, Jalan Singa 20/1, Section 20
 40300 Shah Alam, Selangor
 Tel: 603-5543 1111
 Fax: 603-5543 1722
 Emergency: 603-5540 3381
 Website: www.kpjselangor.com
 Email: kpjselangor@kpjselangor.kpjhealth.com.my

KPJ PERDANA SPECIALIST HOSPITAL
 Lot PT 37-8-500, Seksyen 14,
 Jalan Bisyam, Bandar Kota Bharu
 15200 Kota Bharu, Kelantan
 Tel: 609-745 8000
 Fax: 609-747 2677
 Emergency: 609-747 5140
 Website: www.kjpperdana.com
 Email: perdana@perdana.kpjhealth.com.my

KPJ KAJANG SPECIALIST HOSPITAL
 Jalan Charas
 Kampung Sungai Kantan
 43000 Kajang, Selangor
 Tel: 603-8769 2999
 Fax: 603-8799 2608
 Emergency: 603-8769 2811
 Website: www.kpkajang.com
 Email: kpkajang@kpkajang.kpjhealth.com.my

KEDAH MEDICAL CENTRE
 Kampung Pumpang
 05250 Alor Star, Kedah
 Tel: 604-730 8878
 Fax: 604-733 2869
 Emergency: 604-730 8878
 Website: www.kedahmedical.com
 Email: kmoustcare@kedahmedical.com.my
 custcarekmc@gmail.com

KPJ TAWAKKAL KL SPECIALIST HOSPITAL
 1, Jalan Pahang Barat
 53000 Kuala Lumpur
 Tel: 603-4026 7777
 Fax: 603-4023 8063
 Emergency: 603-4026 7777
 Website: www.kpjtaawakkal.com
 Email: tawakkal@kjpitaawakkal.com

KPJ PUTERI SPECIALIST HOSPITAL
 33, Jalan Tun Abdul Razak (Susur 2)
 Larkin Jaya
 80350 Johor Bahru, Johor
 Tel: 607-225 3222
 Fax: 607-223 8633
 Emergency: 607-225 3200
 Website: www.kjpputeri.com
 Email: psh@sh.kpjhealth.com.my

KPJ SENTOSA KL SPECIALIST HOSPITAL
 Kompleks Damai, 36, Jalan Cemur
 50400 Kuala Lumpur
 Tel: 603-4043 7166
 Fax: 603-4043 7361
 Emergency: 603-4043 7166
 Website: www.kjpsentosa.com
 Email: kpsentosa@kpsentosa.com

KPJ KLANG SPECIALIST HOSPITAL
 102, Persiaran Rajawali/KU1
 Bandar Baru Klang
 41150 Klang, Selangor
 Tel: 603-3377 7885
 Fax: 603-3377 7500
 Emergency: 603-3377 7500
 Website: www.kpjklang.com
 Email: customer@kpjklang.com

KPJ PASIR GUDANG SPECIALIST HOSPITAL
 Lot PTD 204871, Jalan Persiaran Dahlia 2
 Taman Bukit Dahlia
 81700 Pasir Gudang, Johor
 Tel: 607-257 3999
 Fax: 607-257 3974
 Emergency: 607-257 3900
 Website: www.kjppasir.com
 Email: psh@sh.kpjhealth.com

KPJ BANDAR MAHARANI SPECIALIST HOSPITAL
 73-1 Jalan Stadium
 Kampung Baharu
 84000 Muar, Johor
 Tel: 606-856 4500
 Fax: 606-856 4555
 Emergency: 606-856 4500
 Website: www.kjpmaharani.com
 Email: maharani@kjpmaharani.com

KPJ RAWANG SPECIALIST HOSPITAL
 Jalan Rawang, Bandar Baru Rawang
 49000 Rawang, Selangor
 Tel: 603-6098 6999
 Fax: 603-6098 6927
 Emergency: 603-6098 6999
 Website: www.kjprawang.com
 Email: customerservice@kjprawang.com



KPJ SABAH SPECIALIST HOSPITAL
 Lot No. 2, Off Jalan Darna, Luyang
 88300 Kota Kinabalu, Sabah
 Tel: 6088-211 333
 Fax: 6088-272 622
 Emergency: 6088-522 189
 Website: www.kjpsabah.com
 Email: onsenckk@smckk.kpjhealth.com.my

KPJ PAHANG SPECIALIST HOSPITAL
 Lot 105703 (P180065)
 Jalan Tanjung Lumpur
 26060 Kuantan, Pahang
 Tel: 609-511 2682
 Fax: 609-511 2600
 Emergency: 609-511 3009
 Website: www.kjppahang.com
 Email: kjpghg@kjppahang.com

MOVING TOWARDS ACCREDITATION

TAIPING MEDICAL CENTRE
 45-49, Jalan Medan Taiping 2
 Medan Taiping, 34000 Taiping, Perak
 Tel: 605-807 1069
 Fax: 605-808 3713
 Emergency: 605-807 1049
 Website: www.kjptaping.com
 Email: tmc@tmc.kpjhealth.com.my

KPJ KUCHING SPECIALIST HOSPITAL
 Lot 18807, Block 11
 Muara Tebas Land District
 Jalan Stetson, 93350 Kuching Sarawak
 Tel: 6082-365 777
 Fax: 6082-364 666
 Emergency: 6082-365 031
 Website: www.kjpkuching.com
 Email: ksh@ksh.kpjhealth.com.my

KPJ SIBU SPECIALIST MEDICAL CENTRE
 52A-G, Persiaran Brooke
 96000 Sibu, Sarawak
 Tel: 6084-329 500
 Fax: 6084-327 700
 Emergency: 6084-329 600
 Website: www.kjpsibu.com
 Email: enquiry@kjpsibu.com

KPJ KLUANG SPECIALIST HOSPITAL
 PTD 91574, Jalan Saujana Utama
 Taman Saujana, 86000 Kluang, Johor
 Tel: 607-771 8099
 Fax: 607-772 8999
 Emergency: 607-771 8999
 Website: www.kjpkluang.com
 Email: ksh@ksh.kpjhealth.com.my

KPJ SRI MANJUNG SPECIALIST HOSPITAL
 Lot 14777, Jalan Lumut
 32000 Sitiawan, Perak
 Tel: 605-691 8153
 Fax: 605-691 5368
 Emergency: 605-691 8153
 Email: kjpmscpmd@gmail.com

KPJ BANDAR DATO' ONN SPECIALIST HOSPITAL
 Dato' Onn Utama
 81100 Johor Bahru, Johor
 Tel: 607-301 1000
 Fax: 607-301 1103
 Email: bdo@kjbdos.com

KPJ PERLIS SPECIALIST HOSPITAL
 No. 77, Jalan Dato Wan Ahmad
 01000 Kangar, Perlis
 Tel: 604-970 7777
 Fax: 604-970 7788
 Website: www.kjpperlis.com

KPJ BATU PAHAT SPECIALIST HOSPITAL
 No. 1, Jalan Mutiara Gading Utama 1
 Taman Mutiara Gading
 83000 Sri Gading Johor
 Tel: 607-459 1000
 Fax: 607-459 1010
 Website: www.kjpbatupahat.com
 Email: bsh@kjpbatupahat.com

KPJ MIRI SPECIALIST HOSPITAL
 Lot 8836, Block 11, KBLD,
 Bandar Baru Pempangaya 96000 Miri Sarawak
 Tel : 6085-649 999
 Fax : 6085-649 888
 Email : inquiry.miri@kjmiri.com

CARE AND WELLNESS CENTRES

KPJ DAMAI CARE & WELLNESS CENTRE
 Luning Pokok Tapus 1
 Off Jalan Darna
 88300 Kota Kinabalu, Sabah
 Tel: 6088-222 922
 Fax: 6088-243 540
 Emergency: 6088-222 060
 Website: www.kjpdamai.com
 Email: dac@dac.kpjhealth.com.my

Group Directory & Network



BANGLADESH

THAILAND

INDONESIA

KPJ INTERNATIONAL NETWORK

RUMAH SAKIT PERMATA HIJAU
 Jl. Raya Kebayoran Lama No. 64
 RT.6/RW.8, Sukabumi Sel.
 Kebon Jeruk, Kota Jakarta Barat
 Daerah Khusus Iukota
 Jakarta 11560, Indonesia
 Tel: 62021-534 7411
 Fax: 62021-530 5291
 Emergency: 62021-530 9259
 Website: www.rsmph.co.id
 Email: rsmph-mkt@rad.net.id

RUMAH SAKIT MEDKA BUMI SERPONG DAMAI
 Jl Letnan Soetopo, No. 7, BSD Serpong
 Kayling Komplek DA, Lengkong Wetan
 Tangerang, Kec. Serpong
 Kota Tangerang Selatan
 Banten 15310, Indonesia
 Tel: 62021-637 2296
 Fax: 62021-538 2296
 Emergency: 62021-630 8000
 Website: rs-medkabtd.co.id
 Email: marketing@rs-medkabtd.co.id

VEJITANI HOSPITAL
 1 Soi Lat Phrao 111
 Khlong Chan, Bang Kapi District
 Bangkok 10240, Thailand
 Tel: 662-734 0000
 Fax: 662-734 0044
 Emergency: 662-2734 0001
 Website: www.vejitani.com
 Email: service@vejitani.com

SHEIKH FAZLATUNNESSA MUJIB MEMORIAL KPJ SPECIALIZED HOSPITAL & NURSING COLLEGE
 C/12, Nabinagar - Chandra Road
 Near Depot Tetukbari, Kasimpur Bangladesh
 Tel: 888-017 0378 8561
 Fax: 888-017 0378 8562
 Website: www.sfmekpjst.com
 Email: info@sfmekpjst.com

KPJ KUANTAN CARE & WELLNESS CENTRE
 Jalan Tanjung Lumpur
 26060 Kuantan, Pahang
 Tel: 609-567 8588
 Fax: 609-511 2600

JETA GARDENS
 Retirement and Aged Care Resort
 27 Clarendon Ave Bethania
 4205, Queensland, Australia
 Free call: 1300 227 518
 Tel: 61-7-3200 7188
 Fax: 61-7-3200 7100
 Website: www.jetagardens.com
 Email: enquiry@jetagardens.com

TAWAKKAL HEALTH CENTRE
 202A, Jalan Pahang
 53000 Kuala Lumpur
 Tel: 603-4023 3599
 Fax: 603-4023-8063
 Emergency: 03-4023 3298
 Website: www.kpjhealthcentre.com
 Email: info@kpjhealthcentre.com

LOVE CARE CENTRE
 No 52 G-14 Brooke Drive
 99000 Sibu, Sarawak
 Tel: 608-433 7845

LAB SERVICES

LABLINK (M) SDN BHD
 141129, Jalan Pahang Barat
 53000 Kuala Lumpur
 Tel: 603-4023 4588
 Fax: 603-4023 4296
 Website: www.kpjlablink.com
 Email: enquiry@kpjlablink.com

KPJ HEALTHCARE EDUCATION

KPJ HEALTHCARE UNIVERSITY COLLEGE (KPJUC)
 Website: www.kpjuc.edu.my
 Email: info@kpjuc.edu.my

Main Campus (Nilai, Negeri Sembilan)
 Lot PT 17010, Persebaran Seremban,
 Kota Seremban, 71000 Nilai
 Negeri Sembilan
 Tel: 1300 69 5756
 Fax: 608-794 2699

Branch Campus (Johor Bahru, Johor)
 Level 24, Metropolis Tower
 Jalan Dato' Abdulah Tahir
 80250 Johor Bahru, Johor
 Tel: 607-335 2692
 Fax: 607-330 6392

Branch Campus (Penang)
 565, Jalan Sg. Rambai
 Seberang Perai
 14000 Bukit Mertajam
 Pulau Pinang
 Tel: 604-538 2692
 Fax: 604-530 8895

MALAYSIAN COLLEGE OF HOSPITALITY AND MANAGEMENT
 No 1, Jalan Dato' Onn 1
 Bandar Dato' Onn
 81100 Johor Bahru, Johor
 Tel: 607-360 1800
 Website: mchm.edu.my
 Email: info@mchm.edu.my

EYE SPECIALIST CENTRE

KPJ PUSAT PAKAR MATA CENTRE FOR SIGHT
 1-1, Jalan SS23/15, Taman SEA
 47400 Petaling Jaya, Selangor
 Tel: 603-7804 4051
 Fax: 603-7804 6052
 Email: info@kpjpcfs.com

Rawang Branch
 88, Jalan Bandar Rawang 1
 Pusat Bandar Rawang
 48000 Rawang, Selangor
 Tel: 603-6093 1051
 Fax: 603-6093 1052
 Website: www.kpjpcfs.com
 Email: info@kpjpcfs.com

Kuala Lumpur Branch
 Lot 100-102, Level 4
 KPJ Tawakkal Health Centre
 202-A, Jalan Pahang
 53000 Kuala Lumpur
 Tel: 603-4022 8222
 Fax: 603-4021 1409
 Email: info@kpjpcfs.com

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