



# STRENGTHENING PARTNERSHIPS **DELIVERING VALUE**

ECON HEALTHCARE (ASIA) LIMITED  
SUSTAINABILITY REPORT 2023





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## BOARD STATEMENT

(GRI 2-22)

The Board of Directors ("Board") is pleased to present our inaugural sustainability report of ECON Healthcare (Asia) Limited ("ECON Healthcare" or the "Group") for the year ended 31 March 2023 ("FY2023").<sup>1</sup> Our first sustainability report details how we identified, managed, and measured Environmental, Social, and Governance ("ESG") matters material to the company.

ECON continues our journey of caring for seniors, with further expansion in Singapore and the region. As we tip over the 2-year mark since being listed on the Catalist Board of Singapore Exchange Securities Trading Limited ("SGX-ST"), we recognise the importance of ensuring sustainable growth that is aligned with our mission to provide the best care possible for our clients. By integrating sustainable principles into our business and operations, we aim to deliver meaningful long-term value to all our stakeholders.

FY2023 has been a milestone year where we officially embarked on our sustainability strategy and implementation journey with our inaugural sustainability report. Our first materiality assessment exercise with key stakeholders concluded with four prioritised material topics as detailed in this report. These material ESG matters are core to our business and taken into account through our sustainability framework across its three pillars – effective climate action towards better energy efficiency and environmental circularity, enhance service excellence and care for our people and communities, and strengthen trust and integrity in our business relationships and operations. The material topics have been mapped to the relevant United Nations Sustainable Development Goals ("UN SDGs"). Overall, our detailed sustainability approach resonates with our philosophy symbolised by the caring of a Bonsai.

One of our key FY2023 milestones was establishing a sustainability governance structure, setting out clear roles and responsibilities to manage and monitor our performance and ensure the principles of sustainability are integrated throughout ECON. We also seek to drive trust and integrity within our business relationships and operations. This year, there were zero confirmed cases of corruption, and we are strengthening our practices in vendor selection processes. Parallel to this is our commitment to continue educating our internal stakeholders on procurement processes to manage our suppliers' performance.

Maintaining service excellence is core to our business, and we strive to uphold high quality of care and services for our people and communities. This year, we enhanced our Quality Framework to further guide the quality practices in our nursing homes. We will build upon the existing Quality KPIs and develop quality strategies for the four identified core fundamentals –

(i) People, (ii) Care Culture, (iii) Training and Development and (iv) Clinical Practices and Initiatives. On the front of our people development and training initiatives, we launched a new People Management Programme for our mid-senior employees, in which we innovated our training structure and optimised the session to active discussions and participations as opposed to purely course content.

We take our energy efficiency seriously. This year we have accounted for our Scope 1 and 2 greenhouse gas ("GHG") emissions and disclosed our consumption, to track our trends and inform our future energy management. We have also launched an initiative to replace all existing fluorescent light fixtures with LED in existing nursing homes when they become faulty, and at all new nursing homes. As well as this, we are exploring the feasibility of installing Air Conditioning Mechanical Ventilation ("ACMV") monitoring and control systems in three of our nursing homes by the end of FY2023 as part of our progressive energy efficiency management plan. ACMV systems installed in Singapore have at least 4 ticks for energy efficiency, while those installed in our Malaysia operations have 5 ticks according to the respective national Tick Rating Systems for energy efficiency.

The Board is committed to embedding sustainability into our operating practices and maintaining an oversight on the management and monitoring of ECON's material ESG matters. The Board has been involved in the approval of material topics and the finalised sustainability report.

Further, ECON is pleased to disclose on the recommendations set out by the Task Force on Climate-related Financial Disclosure ("TCFD") which can be found under the Environmental section in this Sustainability Report. We are committed to taking the first steps towards tackling climate-related risks and seizing opportunities to better position our business to be climate-risk resilient.

We have also engaged an external auditing firm to conduct an internal review of our sustainability report. The internal review ensures the accuracy and reliability of the sustainability information and its related processes, as disclosed in this report.

As ECON continues to grow from strength to strength, we exercise prudence and caution amid rising inflation and economic uncertainties. We embrace sustainability and as we move forward in our journey, we will continue to embed our environmental, social and governance considerations at the heart of our company. Our aim is to always deliver exceptional service and care and continue to be a trusted brand in the healthcare services industry.

<sup>1</sup> This sustainability report has been prepared by the Company and its contents have been reviewed by DBS Bank Ltd ("Sponsor") for compliance with the Catalist Rules. The Sponsor has not independently verified the contents of this sustainability report. This sustainability report has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this sustainability report, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this sustainability report.

The contact persons of the Sponsor are Mr Goh Chyan Pit, Managing Director and Mr Kelvin Wong, Senior Vice President, who can be contacted at 12 Marina Boulevard, Level 46, Marina Bay Financial Centre Tower 3, Singapore 018982, Telephone +65 6878 8888.



## ABOUT ECON HEALTHCARE

### Our Mission

Provide high quality and customer-focused healthcare services.

### Our Vision

To be a premium and leading brand in healthcare services in the Asia-Pacific region, recognised by our customers for our holistic approach, personal touch and technological advancements.

### OUR PHILOSOPHY

Our ECON Philosophy is symbolised by the caring of a Bonsai – an art requiring passion, dedication, patience and skill. With care, the Bonsai grows and blossoms beautifully. We believe that by caring from the heart, seniors will flourish as they age and live their fullest potential. We are here to journey together, uncover, celebrate and live out that potential with seniors and families.










### WHO WE ARE

We are the leading private nursing home operator in Singapore and Malaysia, with a growing presence in China. Caring for seniors since 1987, ECON is a pioneer in senior care, recognised by our customers by our quality senior care services in Singapore and the Asia-Pacific region. Leveraging our resilient business model, we are well positioned to capitalise on the growth opportunities brought about by increasing demand for senior care driven by Asia's aging populations. Committed to our social mission of caring for families and senior communities, we will continue to innovate and offer models of care that are relevant and future-ready, delivering care that truly matters.



# OUR YEAR IN REVIEW

## Key ESG Highlights

<p><b>EFFECTIVE</b></p> <p>Climate action towards better energy efficiency and environmental circularity</p>	<p><b>ENHANCE</b></p> <p>Service excellence and care for our people and communities</p>	<p><b>STRENGTHEN</b></p> <p>Trust and integrity in our business relationships and operations</p>
 <p>Establishment of Scope 1 and 2 GHG emissions, with the purpose of tracking our carbon footprint</p>	 <p>Developed an enhanced Quality Framework to guide our quality service and care</p>	 <p>Zero confirmed cases of corruption in FY2023</p>
 <p>Launched the LED fixture initiative to replace all existing fluorescent light fixtures to LED</p>	 <p>Using technology to enhance care and improve overall experience for our residents through initiatives such as Virtual Reality Therapy Platform, Cognitive Training and Rehabilitation, Circuit-based Pneumatic-Strength Training</p>	 <p>Established a roadmap to tighten vendor selection processes with the required whistle-blowing procedures in place to report any dishonest interactions</p>
 <p>Launched the initiative to implement centralised ACMV monitoring and control systems in 3 Nursing Homes by end-FY2024</p>	 <p>100% of our workforce received regular performance and career development reviews</p>	 <p>Established a target to educate internal stakeholders on procurement processes to manage suppliers' performance</p>



## ABOUT THIS REPORT

(GRI 2-1, 2-2, 2-3, 2-6)

### Scope and Boundary

This is ECON's inaugural sustainability report that covers our sustainability approach, performance, and practices for our identified ESG material topics for the period from 1 April 2022 to 31 March 2023 ("FY2023") reported annually.

This report covers sustainability performance and initiatives across the entire organisation in Singapore unless otherwise stated. The sustainability data disclosed within this Report has been collected from our Singapore nursing home operations only. As we mature in our reporting, we will assess our capacity to expand our reporting boundary to our Malaysia and China operations in the future.

The Sustainability Report should be read together with the financial information detailed in our 2023 Annual Report.

ECON's Operations Locations	
Location	Operations
Singapore	Residential care, home care, day care, Traditional Chinese Medicine ("TCM")
Malaysia (Puchong, Johor Bahru)	Residential care, home care
China (Chongqing)	Residential care, home care, day care

### Reporting Framework

This report is prepared with reference to the Global Reporting Initiative ("GRI") Standards 2021. The GRI standards are selected as it is the most widely adopted global standard for reporting on environmental, social and governance topics. The UN SDGs have also been incorporated into the Report, having been mapped to our material ESG issues, to recognise and highlight our responsibilities and commitments to broader international, societal goals. We are also adopting the Financial Stability Board's TCFD recommendations for our inaugural sustainability report and are disclosing our first climate risk assessment according to SGX's phased approach to climate reporting. More details can be found under the Environmental pillar. This report also meets the requirements of the SGX-ST Listing Rules (711A and 711B), as well as the Sustainability Reporting Guide, set out in Practice Note 7.6.

External assurance has not been sought for this report, but we have completed an internal review on the sustainability reporting process involved in preparing this report as required by Rule 711B (3) of the Catalist Rules.

ECON welcomes any questions and feedback from all stakeholders as they are integral to ECON's sustainability journey. You can send your questions or comments to [enquiry@econhealthcare.com](mailto:enquiry@econhealthcare.com).

# OUR SUSTAINABILITY FOCUS



**Our Mission**  
Provide high quality and customer-focused healthcare services.

**Our Vision**  
To be a premium and leading brand in healthcare services in the Asia-Pacific region, recognised by our customers for our holistic approach, personal touch and technological advancements.

### Integrating sustainability practices across our nursing homes

We are dedicated to our vision of being a premium and leading brand in the healthcare service industry in the Asia-Pacific region. To achieve this, we focus our sustainability approach on three core pillars, aligning with our mission of providing high-quality and customer-focused healthcare services.

Within each of the three pillars are our ESG topics identified as material to us. Setting a governance structure in place provides the necessary oversight of our sustainability approach, practices and performance. The ESG material topics have been mapped to the relevant UN SDGs. The six enablers are our key drivers navigating our business to continued success, laying the foundation for our sustainability approach.



## SUSTAINABILITY GOVERNANCE

(GRI 2-12, 2-13, 2-14, 2-17)

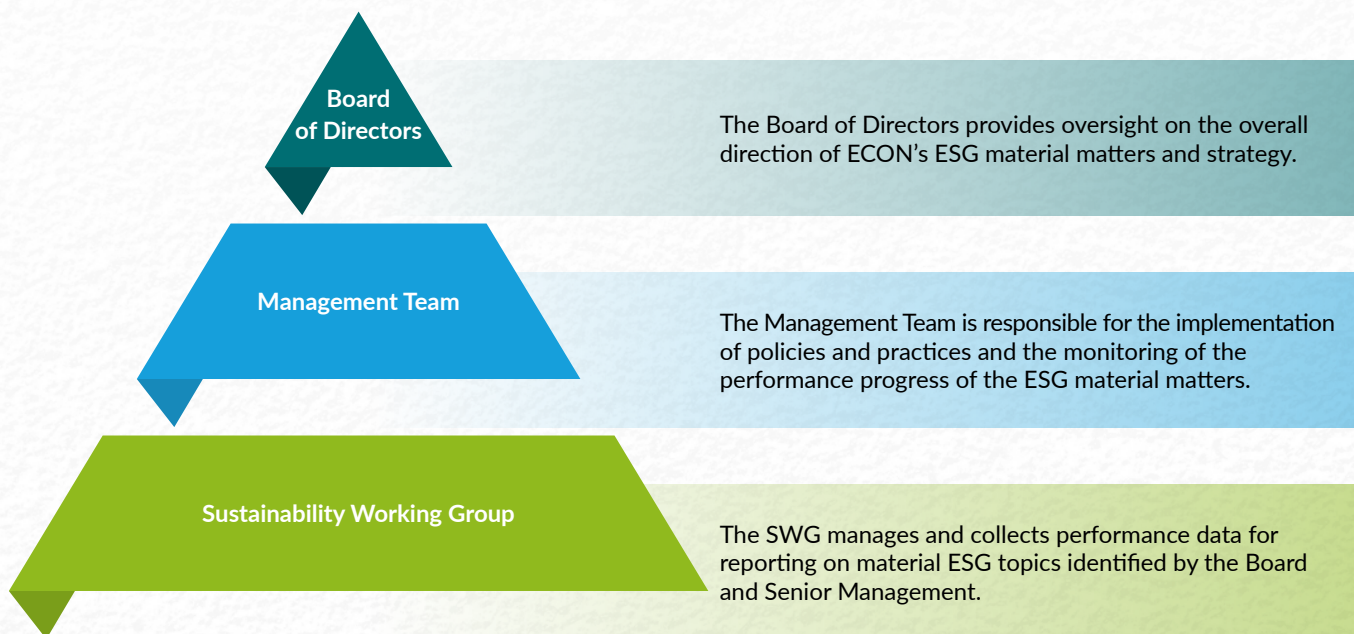
ECON has established a governance structure with a well-defined delegation of responsibilities for the overall management of the sustainability strategy across all our business operations. The Board, at the highest level, provides oversight of the management, monitoring and approval of ESG material topics including the reported information in the sustainability report and target-setting. The Board ensures that the ESG material topics are incorporated into our overall business strategy, guiding the direction of ECON's sustainability strategy.

The Heads of Department personnel (the "Management team") ensure the implementation of the sustainability policies and practices and monitors the performance progress of the identified ESG material topics. The Management team updates the Board bi-annually on the overall sustainability progress.

ECON's Sustainability Working Group ("SWG"), which is made up of Heads of Departments, supports the Management team and ensures the implementation of sustainability practices. The SWG is responsible for coordinating and collecting performance data for ESG material matters. The working group meets regularly to update, monitor and assess sustainability initiatives, processes, procedures, and performance.

In compliance with SGX's enhanced sustainability reporting requirements, all Board Directors are required to attend sustainability training from one of the eight prescribed training providers. All our Board Directors have attended training courses at various training providers, including the Institute of Singapore Chartered Accountants ("ISCA") with SAC Capital, and Singapore Institute of Directors ("SID") in 2022.

### ECON's Sustainability Governance Structure





# STAKEHOLDER ENGAGEMENT

(GRI 2-29)

Building strong relationships through regular engagements with our stakeholders helps us to understand their perspectives on key issues and address them in a timely manner. We actively engage with our key stakeholder groups through a broad spectrum of engagement channels. An overview of our stakeholder engagement process is presented below.

Stakeholders	Areas of Concern	Channels of engagement	Our Approach
<b>Investors</b>	<ul style="list-style-type: none"> <li>• Clear communication on financial performance</li> <li>• Management of nursing homes</li> </ul>	<ul style="list-style-type: none"> <li>• SGX announcements, press releases</li> <li>• Annual reports</li> <li>• Board meetings</li> <li>• Updates on the company website</li> </ul>	<ul style="list-style-type: none"> <li>• All investors are informed of any updates or developments impacting ECON</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Professional development</li> <li>• Fair employment practices</li> </ul>	<ul style="list-style-type: none"> <li>• Performance feedback</li> <li>• Staff meetings</li> <li>• Management Committee meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Training opportunities for employees' development</li> <li>• Career advancement, remuneration and welfare</li> </ul>
<b>Clients</b>	<ul style="list-style-type: none"> <li>• Access to quality care and services</li> <li>• Access to other healthcare providers</li> </ul>	<ul style="list-style-type: none"> <li>• Engagements within nursing homes and medicare centres</li> <li>• Newsletters</li> <li>• Client feedback survey</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring our clients received quality care and service</li> </ul>
<b>Suppliers &amp; Business Partners</b>	<ul style="list-style-type: none"> <li>• Fair procurement process</li> <li>• Compliance with contractual terms &amp; conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Tenders, request for quotations and proposals</li> <li>• Meetings, interviews</li> <li>• Email correspondences or phone calls</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure transparent business practices in the selection of suppliers</li> <li>• Whistle-blowing channel</li> <li>• Open communication channels</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>• Valuable contribution and engagement with local communities</li> <li>• Local employment</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate website</li> <li>• Annual and Sustainability Reports</li> <li>• Corporate Social Responsibility ("CSR") initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Committed to give back to local communities by supporting community programmes to contribute back to society</li> </ul>



## MATERIALITY ASSESSMENT

(GRI 3-1, 3-2)

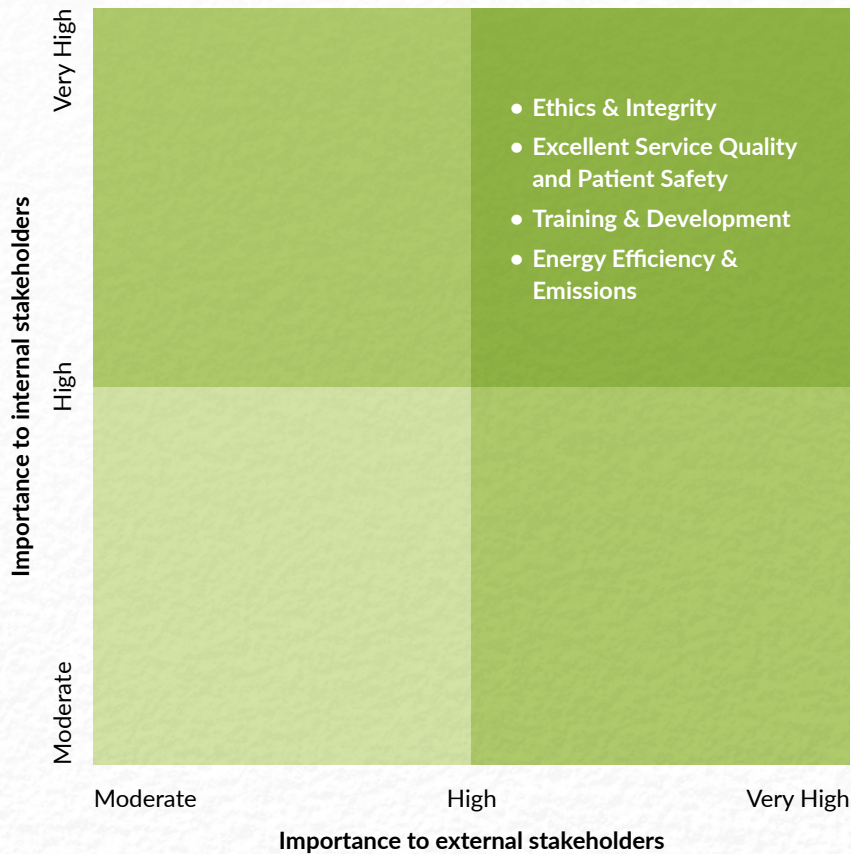
According to GRI, a material issue is defined as a topic with a significant impact on the business, our key stakeholders and our environment. As we begin our sustainability journey, it is important to understand our stakeholders' concerns and priorities that matter the most to them.

In FY2023, we conducted our first materiality assessment exercise. Following a benchmarking exercise of relevant peers in the elderly care industry, desktop research in sustainability trends and best practices, we identified a preliminary list of 15 material topics. To further refine this list, we surveyed 15 key

internal stakeholders who ranked the material topics from most to least important. The results of the survey were compiled and plotted on a materiality matrix which prioritised the key ESG topics of highest importance to us. A final list of four material topics were concluded following internal discussions.








The Board has validated the four ESG material matters identified and will continue to oversee the management and monitoring of these topics moving forward. We will continue to assess our material topics on an annual basis to ensure their continued relevance to our business.

### ECON Healthcare Materiality Matrix





# SUSTAINABILITY PILLARS

No.	Pillar	Material Matter	GRI Topic Disclosure	Contribution to the SDGs
1.	<b>EFFECTIVE</b> climate action towards better energy efficiency and environmental circularity	<b>Energy Efficiency &amp; Emissions</b>	GRI 302 – Energy 2016 GRI 305 – Emissions 2016	  
2.	<b>ENHANCE</b> service excellence and care for our people and communities	<b>Excellent Service Quality and Patient Safety</b> <b>Training &amp; Development</b>	GRI 403 – Occupational Health & Safety GRI 416 – Customer Health and Safety 2016 GRI 404 – Training & Development	  
3.	<b>STRENGTHEN</b> trust and integrity in our business relationships and operations	<b>Ethics &amp; Integrity</b>	GRI 205: Anti-Corruption	





# ENVIRONMENT

## EFFECTIVE climate action towards better energy efficiency and environmental circularity

*Unpredictable weather events, fluctuating temperatures, and sea-level rise are some of the challenging effects from climate change with long-lasting impacts on us and our future generations. The healthcare sector's impact on climate change worldwide is responsible for as much as 4.6 percent of total GHG emissions.*

*As ECON progresses in our sustainability journey, we are establishing effective climate action towards better energy efficiency and environmental circularity to support Singapore's national climate target to reduce GHG emissions and achieve net zero emissions by 2050.*

### Covered within this pillar:



**Material Topic: Energy Efficiency and Emissions**



**Climate Risk Assessment (TCFD)**

## Energy Efficiency and Emissions

### WHY IS THIS TOPIC IMPORTANT?

(GRI 3-3)

ECON recognises our responsibility to do our part in minimising the impact on the environment. As a service and care-oriented business with nursing homes providing round-the-clock care for our clients, we understand that energy is essential in the healthcare and elderly care industry. Yet, as a people-oriented business, we recognise the importance of climate change impacts on human health.

Climate change impacts human health in both direct and indirect ways – from extreme weather events directly causing injury or illness, to worsening air pollution indirectly impacting respiratory conditions. Although we recognise that vulnerability factors among people across the world differ, as a business revolving around senior care, we prioritise our clients' health and well-being and have therefore identified this material topic as primary to address in our sustainability journey.

TARGET (GRI 3-3)	FY2023 PROGRESS AND PERFORMANCE
<p><b>Replace all existing fluorescent light fixtures to LED within our Nursing Homes and Medicare Centres</b></p> <p><i>This target seeks to improve the energy efficiency within ECON's operations, subsequently reducing the usage of purchased electricity.</i></p>	<p>Roughly ~70% of all light fixtures across ECON's Singapore facilities have been replaced in FY2023.</p> <p>ECON aims to replace all light fixtures by end-FY2024.</p>
<p><b>Implement centralised ACMV monitoring and control systems for our Medicare Centres and Nursing Homes in Henderson, Upper East Coast, and Yio Chu Kang</b></p> <p><i>This target seeks to improve the energy efficiency system within our operations through centralised control.</i></p>	<p>A feasibility study is currently ongoing on the implementation of ACMV monitoring and control systems. ECON projects that this study will be completed by end-FY2024.</p>
<p><b>Implement an energy efficiency management plan for air conditioning usage across all the Medicare Centres and Nursing Homes</b></p> <p><i>This target focuses on the development of a strategic plan to manage energy consumption, in tandem with the overhaul of a centralised ACMV.</i></p>	<p>Progress towards this target is currently ongoing in FY2023 and is aligned with the feasibility study that is ongoing as mentioned above.</p>



## Policies, Practices and Performance

(GRI 2-23, 2-24, 302-1, 302-3, 305-1, 305-2, 305-4)

ECON recognises that energy is essential in our business operations due to the nature of our care-first business; as we prioritise the comfort of our clients and provide them with 24-hour care, we observe that most of our emissions stem from the consumption of purchased electricity within our operations including electricity usage to run ACMV systems, ceiling lights, and medical equipment and machinery that aide our clients. Further, with the changing climate resulting in higher average temperatures in Southeast Asia (where most of our operations reside), this correlates with the higher use of ACMV throughout our operations.

Nevertheless, ECON sees the opportunity to transform the business through robust energy management and smart investments to enhance energy efficiency in our operations and ultimately improve life for our clients.

ECON is committed to reduce our energy consumption and carbon footprint. As a start, we began tracking our energy consumption in 2022 to establish our baseline and understand our consumption trends. Quantifying our GHG emissions have allowed us to analyse the opportunities and risks that come with climate change. In line with this, we have taken a phased approach towards disclosing our climate-related risk and opportunities with reference to the TCFD recommendations, detailed within the next section. This allows ECON to become better positioned, in time, to deal with the impacts of climate change through more informed decision-making about policies and practices, investments, and operations.

Developments in our GHG accounting and monitoring are primarily driven by our environmental working committee – ECON's Centre Managers, operations, and facilities team. The working committee facilitate the tracking of energy usage monthly across all the different business units. Monthly utility

consumption data is then discussed by Centre Managers during the monthly nursing department meetings, whereby the key contributor or cause of consumption trends will be determined. By analysing consumption trends, Centre Managers can determine the best method to reduce energy consumption. While we have such practices in place, ECON currently does not have a formal environmental policy within the organisation.

This year, it has been observed that the usage of purchased electricity is highest across business units. As such, ECON has sought to rollout initiatives to directly resolve the high usage of purchased electricity. This includes the replacement of all fluorescent light fixtures to LED across our Nursing Homes and Medicare Centres, the replacement of all toilet and staircase light fixtures to motion sensor alternatives, the installation of ACMV monitoring and control systems across three of our assets, and the development and implementation of an ACMV system energy efficient management plan. These initiatives will be a work in progress towards the next financial year.

As of FY2023, the energy consumption and GHG emissions data below only covers our Singapore Nursing Home operations. We seek to improve our reporting practices in the future by expanding our scope of data to all our Singapore operations.

For FY2023, ECON's total energy consumption within the organisation was 7.24TJ, whereby purchased energy (electricity) accounts for ~97% of total energy consumption. The associated Scope 1 (direct) GHG emissions were 82.30 tCO<sub>2</sub>e, while our Scope 2 (indirect) GHG emissions were 792.55 tCO<sub>2</sub>e. Between FY2022 and FY2023, there was a 33% increase in emissions due to the addition of a new Nursing Home in Singapore in FY2023. However, as shown in the table below, our total emissions intensity decreased by 31%, indicative of improved energy efficiency within our operational environment.



The charts below illustrate our energy consumption and GHG emissions<sup>2</sup>. The base year for calculations is FY2022, according to data availability.

Singapore		
Energy Consumption	FY2022	FY2023
Fuel consumption (TJ)	0.22	0.24
Electricity consumption (kWh)	1,430,960.60	1,943,467.07
Electricity consumption (TJ)	5.15	7.00
Total energy consumption within ECON (TJ)	5.37	7.24
Energy intensity (TJ/m <sup>2</sup> )	0.00035	0.00024
GHG Emissions	FY2022	FY2023
Scope 1 emissions (tCO <sub>2</sub> e) <sup>3</sup>	72.75	82.30
Scope 2 emissions (tCO <sub>2</sub> e) <sup>4</sup>	583.55	792.55
Total emissions intensity (tCO <sub>2</sub> e/m <sup>2</sup> )	0.042	0.029

## Climate Risk Assessment (TCFD)

In December 2021, The Singapore Exchange Regulations (“SGX RegCo”) announced that all issuers are required to provide climate reporting on a “comply or explain” basis within their sustainability reports through a phased approach. ECON has set out to meet the requirements of adopting TCFD recommendations in our inaugural sustainability report.

The following details our approach to managing climate-related risks that may impact our business, referencing the four primary pillars of TCFD.

### Governance

We recognise the importance of a strong governance to effectively strategise on mitigating the impacts arising from climate change. The Board is committed to integrate the governance of climate-related risks and opportunities within the wider sustainability governance structure and ensures appropriate management of climate-related risks and opportunities. The Board and Management will ensure evaluation of the actual and potential impacts of climate-related risks and opportunities on our business and operations.

The Board receives periodic updates from the Management team who oversees the implementation and monitoring of the sustainability strategy across our value chain and monitor the progress of our key performance metrics. We recognise the extent of management’s responsibility in implementing and monitoring internal controls and risk management systems to monitor climate-related risks and are in the process of allocating responsibilities to dedicated personnel.

### Strategy

In FY2023, we initiated a qualitative climate risk assessment process of identifying climate-related risks. This process required the identification and assessment of physical<sup>5</sup> and transition<sup>6</sup> risks which could potentially impact our operations across our locations in Singapore, Malaysia and China. Through desktop research on the specific industry and areas of operations, we have identified several high rated climate risks material to us in the table below.

Our phased approach in climate-risk reporting is aligned with the requirements of SGX. As this is our first year reporting on climate-related risks with reference to the TCFD recommendations, we comply with the SGX requirement for Year 1 including our assessment of the identified climate-related physical and transition risks across a short-term time horizon (up to 2025). As we continue to progress in our reporting, we will gradually include longer time horizons (medium and long-term time horizons) in subsequent reports. We will continue to build and align our strategy to ensure our business remains resilient amidst the changing climate.

<sup>2</sup> GHG emissions are reported in line with guidance from the GHG Protocol Corporate Accounting and Reporting Standards. Scope 1 emission factors are sourced from the 2006 IPCC Guidelines for Greenhouse Gas Inventories. Scope 2 emission factors are sourced from relevant official documents from the Singapore government.

<sup>3</sup> Scope 1 Fugitive Emissions are reported in line with GHG Protocol, GHG Inventory Guidance, utilising the Screening Method for quantifying fugitive emissions from refrigeration and air-conditioning equipment.

<sup>4</sup> The latest electricity grid emission factors (kg CO<sub>2</sub>/kWh) were used for the calculation, which are as follows: Singapore (2021).

<sup>5</sup> Physical risks arise from the impact of weather events and long-term or widespread environmental changes and can include increased severity of extreme weather events such as floods, and rising mean temperatures, sea levels, and weather patterns.

<sup>6</sup> Transition risks arise from the process of shifts towards a low-carbon economy. This can include regulatory changes, shifts in consumer and investor preferences, and disruptive technological developments.

**ECON's Climate-Related Risks**

Risk and Category	Description	Consequences	Mitigation Measures
<p><b>Policy &amp; Legal:</b> Enhanced emissions reporting obligations</p> <p><b>Risk Rating: Medium</b></p>	<p>Corporate carbon reporting and the disclosure of greenhouse gas emissions has become increasingly common. Additional disclosures would result in additional cost as companies create and maintain processes for carbon emission monitoring. Reports where performance does not meet stakeholder expectations could worsen investor confidence and cause reductions in company valuations.</p>	<p>This may potentially result in losing investor confidence, causing reductions in company valuations and penalties from the relevant authorities.</p>	<ul style="list-style-type: none"> <li>• Conduct periodic scans of exposure for regulatory developments.</li> <li>• Reduce energy usage by improving energy efficiency and reduction in energy wastage. Tracking and monitoring energy consumption for year-on-year ("YoY") trends.</li> </ul>
<p><b>Policy &amp; Legal:</b> Increased pricing of GHG emissions</p> <p><b>Risk Rating: Medium</b></p>	<p>High emitters are increasingly subjected to carbon pricing policies in many jurisdictions, which would increase operational costs for companies.</p>	<p>As ECON's GHG emissions do not cross the liability threshold for carbon tax (an annual total amount of reckonable GHG emissions with a carbon dioxide equivalent of 25,000 tCO<sub>2</sub>e in Singapore), ECON's business facilities are not directly affected by the increased pricing of GHG emissions. Thus far, only Singapore has introduced a carbon tax; China and Malaysia do not have national carbon tax policies in place.</p> <p>However, a higher carbon price will lead to increased energy, fuel and waste disposal costs, therefore impacting overall operating costs.</p>	<ul style="list-style-type: none"> <li>• Reduce energy usage by improving energy efficiency and reduction in energy wastage through tracking and monitoring energy consumption for year-on-year ("YoY") trends.</li> </ul>
<p><b>Policy &amp; Legal:</b> Exposure to litigation</p> <p><b>Risk Rating: Medium</b></p>	<p>Litigation cases on corporate greenwashing is attracting attention, prompting companies and businesses to take claims and reporting on sustainability performance seriously.</p>	<p>Litigation cases prompted by greenwashing claims can drain a company's time, resources and potentially incur financial losses and diminish investor confidence.</p>	<ul style="list-style-type: none"> <li>• Reduce energy usage by improving energy efficiency and reduction in energy wastage through tracking and monitoring YoY energy consumption.</li> </ul>
<p><b>Regulatory:</b> Mandates on and regulation of existing products and services</p> <p><b>Risk Rating: Medium</b></p>	<p>There is a global trend towards achieving higher building standards regarding environmental management and energy efficiency.</p>	<p>Companies that are not prepared for policy changes over the next decade could face a loss of competitiveness and increased cost.</p> <p>Stricter standards regarding environmental sustainability and call for green building and green vehicles will incur higher retrofitting costs due to the usage of higher energy efficiency technology or use of cleaner energy (for electric vehicles) and sustainable materials.</p>	<ul style="list-style-type: none"> <li>• As most of ECON's facilities are leased and not owned by ECON (except for one in Malaysia), ECON will ensure that respective landlords comply with building requirements.</li> <li>• ECON will consider adopting green building requirements (i.e., green leases).</li> </ul>



Risk and Category	Description	Consequences	Mitigation Measures
<p><b>Market:</b> Increased cost of raw materials</p> <p><b>Risk Rating:</b> Medium</p>	<p>The rising costs of raw materials and availability of supplies due to extreme weather patterns are a particular concern for most companies.</p>	<p>The healthcare sector may not procure raw materials directly however, in general, overall prices of raw materials will increase resulting in higher financial costs of procuring products and services related to the healthcare industry.</p> <p>This may include the procurement of medical supplies, devices, and equipment at Nursing Homes and Medicare Centres that require raw materials for their production. If the cost of these raw materials increases, it can lead to higher manufacturing costs for medical supplies and equipment. This, in turn, can result in increased prices for healthcare providers and potentially impact patient access to essential medical products.</p>	<ul style="list-style-type: none"> <li>• Close monitoring of trends in supply and demand for raw materials or switch to alternative supply chains.</li> </ul>
<p><b>Technology:</b> Costs to transition to lower emissions technology</p> <p><b>Risk Rating:</b> Medium</p>	<p>More governments are promoting and investing in renewable energy and energy-efficient technologies applicable to the healthcare sector.</p>	<p>The usage of innovative green technologies could increase the operating and maintenance costs of our Nursing Homes and Medicare Centres.</p> <p>Installation and maintenance of smart technologies may be costly requiring significant upfront capital expenditure. For example, implementing energy-efficient ACMV systems, renewable energy installations, or upgrading medical equipment to more environmentally friendly alternatives can involve significant upfront costs.</p> <p>Further, transitioning to newer or emerging technologies may involve some level of uncertainty. The elderly healthcare industry relies on critical medical equipment and systems that need to be reliable, safe, and effective.</p> <p>Yet, implementing new technologies that have the potential to address energy, water and waste demands in the buildings' operations can lead to long-term cost savings through reduced energy consumption and resource use.</p>	<ul style="list-style-type: none"> <li>• Thorough evaluation, pilot projects, and working with trusted suppliers for any new or innovative technologies used within the nursing homes.</li> <li>• Training of staff and transition plans to new equipment and systems.</li> </ul>

Risk and Category	Description	Consequences	Mitigation Measures
<p><b>Chronic:</b> Sea Level Rise</p> <p><b>Risk Rating: High</b></p>	<p>Climate change is projected to increase sea level rise faster under all scenarios, including those compatible with achieving the long-term temperature goal set out in the Paris Agreement.</p>	<p>Sea level rise can increase the risk of key infrastructure and property getting submerged and prone to water damage.</p> <p>This could impact the movement of patients when faced with the possibility of flooding. One of our Nursing Homes in Malaysia are relatively close to a river, which may be prone to higher relative risk.</p>	<ul style="list-style-type: none"> <li>• Include environmental risk considerations when deciding on the location of the operations (e.g., nursing homes).</li> <li>• Conduct periodic scans of exposure for physical risks.</li> </ul>
<p><b>Chronic:</b> Change in Precipitation – Change in average precipitation level</p> <p><b>Risk Rating: Medium</b></p>	<p>Climate change can affect the intensity and frequency of precipitation. Warmer oceans increase the amount of water that evaporates into the air. When more moisture-laden air moves over land or converges into a storm system, it can produce more intense precipitation, for example, heavier rain.</p>	<p>Increase in average precipitation levels would increase the risk of flooding or landslides, which can lead to possible wear and tear, and damage to infrastructure (including nursing homes, offices, property) contributing to financial cost to repair and ultimately, impact the operations of ECON.</p> <p>Costs to retrofit may also be required to be borne by ECON. This includes one of the Nursing Homes in Malaysia that is close to a river source.</p>	
<p><b>Chronic:</b> Change in temperature – Change in average temperature</p> <p><b>Risk Rating: Medium</b></p>	<p>The latest Sixth Assessment Report (AR6) by the Intergovernmental Panel on Climate Change (IPCC) highlighted that the global surface temperature around the year 2050 will be higher than today under all the climate change scenarios considered. Increases in global temperatures will bring about decreases in heating loads, as evident by reductions in heating degree days, and increases in cooling loads, in particular in urban agglomerations where heat island effects may prevail over the summer months.</p>	<p>Higher temperatures could lead to bodily stress and result in increase in heat exhaustion or heat stroke, susceptibility for both patients and employees.</p> <p>Higher temperatures may also result in potentially harming medical devices or machinery, and medical products.</p>	<ul style="list-style-type: none"> <li>• Conduct periodic scans of exposure for physical risks</li> <li>• Visibility study on the potential usage of renewable energy.</li> <li>• Explore solutions and biophilic design in buildings, where practical, to enhance climate resilience by incorporating natural features and processes that can help regulate temperature and humidity.</li> </ul>
<p><b>Acute:</b> Change in Temperature – Extreme temperature spells</p> <p><b>Risk Rating: Medium</b></p>	<p>Lack of attention to extreme heat events may bring about overheating in buildings that, in turn, increases health risks to the vulnerable portion of the population such as the elderly, the sick and physically challenged, and the very young.</p>	<p>Higher temperatures can be ameliorated by air conditioning which may lead to increase in energy consumption and cost to cool buildings especially in highly urbanised areas resulting in greater GHG emissions produced.</p>	



## Risk Management

ECON acknowledges the impacts climate change can have on our business operations and will continue to navigate our business in adapting to the effects of the evolving changes in the climate. We align our process for identifying, assessing, and managing the climate-related risks with our Enterprise Risk Management ("ERM") framework.

As we progress in our reporting, we will continue to refine our climate risk assessment strategy in line with our phased approach methodology and gradually incorporate climate-related risks into our overall ERM.

## Metrics and Targets

In our inaugural climate-risk assessment, ECON began the process of collecting data to track energy usage which is used to calculate Scope 1 and 2 GHG emissions, in line with the GHG Protocol. We recognise that the disclosure of GHG emissions is crucial for us to understand ECON's exposure to climate-related risks and opportunities. This performance data is detailed in page 12.

As we move forward in our climate reporting journey, we will examine setting targets in line with the requirements of TCFD and SGX guidelines.

# SOCIAL

## ENHANCE service excellence and care for our people and communities

*Our clients are the heart of our organisation. We take pride in our brand for our holistic and personal approach to care, dedicated to providing the best quality healthcare services. Core to our service excellence is our emphasis on the health and safety of our clients.*

*This cannot be realised without our employees and the communities we work with. As the engines of our organisation, we seek to allow our employees to thrive by providing opportunities for personal and professional development.*

### Covered within this pillar:



**Material Topic: Excellent Service Quality and Patient Safety**



**Our workforce**



**Material Topic: Training and development**

## Excellent Service Quality and Patient Safety

### WHY IS THIS TOPIC IMPORTANT? (GRI 3-3)

As a nursing home and senior care provider, delivering quality services with attentive and responsive care is ECON's key advantage. We are committed to provide the best care and attention to all clients. Partnering families for the care of their elderly loved ones, we continue to build strong rapport with family members, and work collaboratively to achieve their desired care outcomes for their loved ones. Besides quality clinical care, family support and participation are essential to enhance the overall quality of care and well-being of their loved ones.

TARGET (GRI 3-3)	FY2023 PROGRESS AND PERFORMANCE
<p><b>Achieve zero medication errors</b></p> <p><i>This target seeks to reduce the incidence of medication errors and improve the quality of care for our clients in nursing homes and medicare centres. Performance against the target is reviewed on a monthly basis at our monthly nursing and management meetings, and a quality indicator monthly report is submitted to the senior management team.</i></p>	<p>During this period, ECON had 4 incidents of medication errors. There were no adverse effects that occurred.</p> <p>We have investigated the medication errors and conducted root cause analysis to determine the contributing factors to the medication errors. Corrective actions were immediately implemented, and preventive measures put in place. Continuous improvement on medication administration and the five rights of medication administration were reiterated to all staff. Competency trainings on medication management were enhanced to prevent similar incidents from occurring.</p>
<p><b>Not more than 1% per 1000 resident days</b></p> <p><i>This target seeks to reduce the rate of falls in the nursing homes and medicare centres. All clients are assessed for fall risk, and for clients identified as at-risk, measures are in place to prevent fall occurrences. Post-fall analysis is conducted for every fall incident, with root cause analysis, corrective and preventive measures implemented. Performance against the target is reviewed on a monthly basis at our monthly nursing and management meetings, and a quality indicator monthly report submitted to the senior management team.</i></p>	<p>During this period, we have recorded a monthly average of 0.38% per 1000 resident days.</p> <p>While the falls indicator has remained below 1%, we continue to enhance our falls prevention and management to reduce incidence of falls across all nursing homes. In addition, post-fall analysis and appropriate preventive measures are carried out to reduce the incidence of falls among the elderly who were assessed to be of high fall risk. Falls prevention technologies are also being explored to augment the safety aspects of care and minimise falls occurrences. Further information is detailed on pages 19-21.</p>



### Management of Quality Care and Service for Clients

(2-23, 2-24, 2-25, 2-26, 416-1)

Our emphasis on high-quality care puts clients' needs first and allows us to deliver responsive and safe care across our Nursing Homes and Medicare Centres. The quality indicator reports are presented and discussed at the monthly nursing meetings and management meetings, with a quality indicator report circulated to the senior management team. All incidents are immediately addressed with a root cause analysis, resulting in the implementation of corrective and preventive measures to prevent future re-occurrences. Case studies are also shared across all nursing homes as part of our learning and continuous improvement practice. The solutions will be audited within the next three to six months and assessed for its efficacy. The Quality Assurance Committee, consisting of our Centre Managers, meet on a quarterly basis to review the quality indicators, discuss and calibrate our quality improvement strategies and programmes to ensure improvements in our quality standards. Quality inspections are also conducted by the Quality management team across our Nursing Homes and Medicare Centres to ensure compliance and high standards of practice are maintained.

### Quality Framework

Underpinning our quality practices and initiatives is our Quality Framework, further enhanced by our nursing and rehab team as part of our continuous improvement efforts and to set higher standards of care and practices. This year, our enhanced Quality Framework further guides the quality practices in our nursing homes. We will build upon the existing Quality KPIs and develop quality strategies for the four identified core fundamentals – (i) People, (ii) Care Culture, (iii) Training and Development and (iv) Clinical Practices and Initiatives.

Our Quality Framework adopts an integrated approach towards managing risks and safety, providing the best clinical and service outcomes for our clients, while ensuring less waste and good staff morale. This framework guides the way in which we execute our service for clients. The diagram below shows the four core fundamentals of our Quality Framework.



The main objectives of the Quality Framework include:

1.	To ensure that a coordinated and integrated approach is defined for managing clients' safety, quality assurance and improvement activities to reduce risks to clients and improve clinical processes and outcomes.
2.	To achieve the highest level of quality care, quality of life and person-centeredness of care for our clients.
3.	To measure the quality indicators as critical elements for assessing the success of quality care, quality of life and person-centeredness of care.
4.	To establish various committees and taskforces that support the commitment to deliver these aims in an environment that strives to reduce or eliminate risks and to establish this as organisation-wide priority.
5.	To develop quality measures for new and modified processes and systems through clinical audits and evidence-base practice.
6.	To provide education and training on risk management, patient safety, effective communication skills, quality improvement tools and methodology.

### Collaborating with AIC to provide Better Care

Under the Quality Collaboration Initiative, ECON works alongside the Agency for Integrated Care ("AIC"), the governmental agency overseeing Community Care services in Singapore, to develop quality improvement initiatives for our clients in Singapore. Thus far, we have worked together to form a suite of improvements, including a pneumonia care bundle, falls prevention etc.

AIC also holds talks and lectures and conduct site visits alongside ECON as a partner to build our shared expertise on best practices in elderly care services.

### Policies, Practices and Performance

We have established several key policies that our business and operations adhere to, in order to establish clear and detailed standards of practices that our employees can follow.

01	02	03
<p><b>Continuous Improvement and Clinical Governance</b></p> <p>This policy details Quality Assurance Committee meetings to be held every quarter to review any incidences or sentinel events that have occurred in nursing homes to ensure the execution of necessary processes and system support for the delivery of safe care as next steps are in place.</p>	<p><b>Falls Prevention and Mobility</b></p> <p>This policy details the standard operating procedures and responsibilities for assessment and identification of fall risks, falls prevention and management, post fall analysis and management as well as the incident reporting protocols for fall incidences. All nurses are trained on the policy and SOPs and must ensure adherence to the standards and practices for provision of responsive and safe care.</p>	<p><b>Medication Management</b></p> <p>This policy details the standard operating procedures for medication management. All nurses must adhere to the Medication Management Guidelines and the five rights of medication management to prevent medication errors in the Nursing Homes. Failure to comply with the medication management protocols may result in unfavorable outcomes to our clients.</p>



Categories	Practices
<b>Continuous Improvement and Clinical Governance</b>	Our processes provide a systematic and integrated approach in managing clients' safety, quality assurance and improvement activities to reduce risks to clients and improve clinical processes and outcomes. We establish and maintain a system to identify any gaps and risk areas as well as implement timely corrective actions, which also allows continuous reviews of our processes and care outcomes.
<b>Fall prevention</b>	Our standards of practice ensure that our employees understand the procedures to follow in the unlikely event of a fall or medication mismanagement occurring. Prevention practices that ECON have adopted so far include installing side-railing in our homes and centers and placing call bells within reach of clients to enable them to call for assistance as and when required. Our governance function that enables transparent sharing and improvement post-event further seeks to ensure lower rates of such events occurring in the future.
<b>Medication Management</b>	Our management system ensures that the incidence of medication errors is reduced and quality of care for clients in the nursing homes continues to improve. It outlines the nursing home's processes for procuring, storing, prescribing, packing, administering and monitoring the usage of medications in the nursing homes.
<b>Operational excellence</b>	Our operational excellence is guided by our ISO quality objectives, policy and manual. The quality manual provides the standard operating procedures for areas covering documentation, quality control, quality audit, care management, human resources management, facilities management, and operations management.
<b>Customer service excellence</b>	<p>We place great importance on the service excellence and the voice of the customer. Our customer feedback management system allows us to identify areas of importance and improvement and derive priorities and efforts to improve our service levels.</p> <p>Customer satisfaction surveys are sent to our customer database on a monthly basis, providing an opportunity to provide their feedback, assessment of our service level and customer satisfaction. Through this exercise, we identify key priorities and areas of improvement. Service gaps are also addressed, acknowledged and addressed. Customer feedback channels are also available in all our nursing homes and medicare centres, and customers are encouraged to provide their feedback.</p> <p>On a bi-annual basis, we also participate in the industry customer satisfaction survey lead by the Agency for Integrated Care ("AIC"). The survey is conducted by a third party appointed by AIC, and our performance benchmarked against sector standards.</p>

**Providing Enhanced Care through Technology Innovation**

At ECON, we constantly develop initiatives to transform care and improve the overall experience for our clients. Below are several key highlights of our latest strategies.

<b>Virtual Reality Therapy Platforms</b>	Our latest innovations include offering virtual rehabilitation which combines the use of evidence-based treatments, virtual games, and motion-tracking sensors. Group therapy can be done with simulators using virtual images, sensory technologies, and props to engage clients. This benefits them with various levels of functional capabilities including those with moderate to severe dementia.
<b>Cognitive Training and Rehabilitation</b>	Clients can perform regular cognitive exercises to sharpen their mental skills and maintain a healthy mind through a tablet, the SilverPad. The SilverPad provides progressive digital games and activities and has a senior-friendly interface facilitating usage by clients with little supervision required.
<b>Circuit-based Pneumatic Strength Training</b>	We have introduced an integrated circuit-based rehabilitation programme, involving strengthening, endurance, standing and walking. With the use of cloud data collection and storage systems, our therapists can track and monitor the programme according to the clients' performance and needs.
<b>Gait and Standing Training</b>	Ceiling hoists have been installed in rehab areas and living areas in our Nursing Homes for gait and standing balance training. This has led to reduced falls for clients classified as moderate-high fall risk during therapy sessions, whereby 1 staff is now required instead of 2, reducing the manpower needed.
<b>Robotic Animal Therapy</b>	We have also forayed into robotic animal therapy with PARO, an advanced automatic robot that engages with our clients with Behavioural and Psychological symptoms of dementia in various manners, from solicit interaction, offering sensory stimulation and companionship.

**Payment Digitalisation**

Through efforts to digitalise our processes, ECON has introduced electronic invoicing (i.e., paperless invoicing) for billing to our customers every month. The introduction of payment digitalisation not only improves efficiency by reducing administrative work and billing processes, but also ultimately provides better quality services to our customers who are able to enjoy a smoother payment process.

**Being Compliant is the Foundation of our Quality and Safety Standards**

(GRI 416-2)

We seek to uphold a high standard of compliance towards our patient health and safety, and service quality. We believe that is the foundation of our efforts within this material matter and we are committed to to serve our clients and their family members to the best of our abilities.

We strictly comply to the Private Hospitals and Medical Clinics Regulations ("PHMC") as stipulated by the Ministry of Health ("MOH"). The requirements address patient safety issues and ensure minimum standards of care are met. This is renewed every two years at our nursing homes, and thus far, we have not received any major external audit findings, reflecting our dedication to quality health and safety standards within our operations.

We have also achieved the licensing requirements as per the Enhanced Nursing Home Standards, developed by Nursing Home Standards Workgroup, for each renewal. These mandatory standards detail the requirements on standards of care for Nursing Homes in Singapore, detailed by MOH, whereby MOH will go onsite to ECON's Nursing Homes and Medicare Centres to ensure compliance to standards.

In FY2023, there were two incidents that resulted in minor monetary fines, due to incidents concerning the health and safety impacts of our services. We are determined to improve our performance in FY2024 by reinforcing staff training and awareness concerning standards of practice in accordance with our key policies. Processes were also revisited and reviewed following the incidents, and clinical processes were investigated by the Nursing department. We will continue to look at improvement measures to boost our performance in the future.



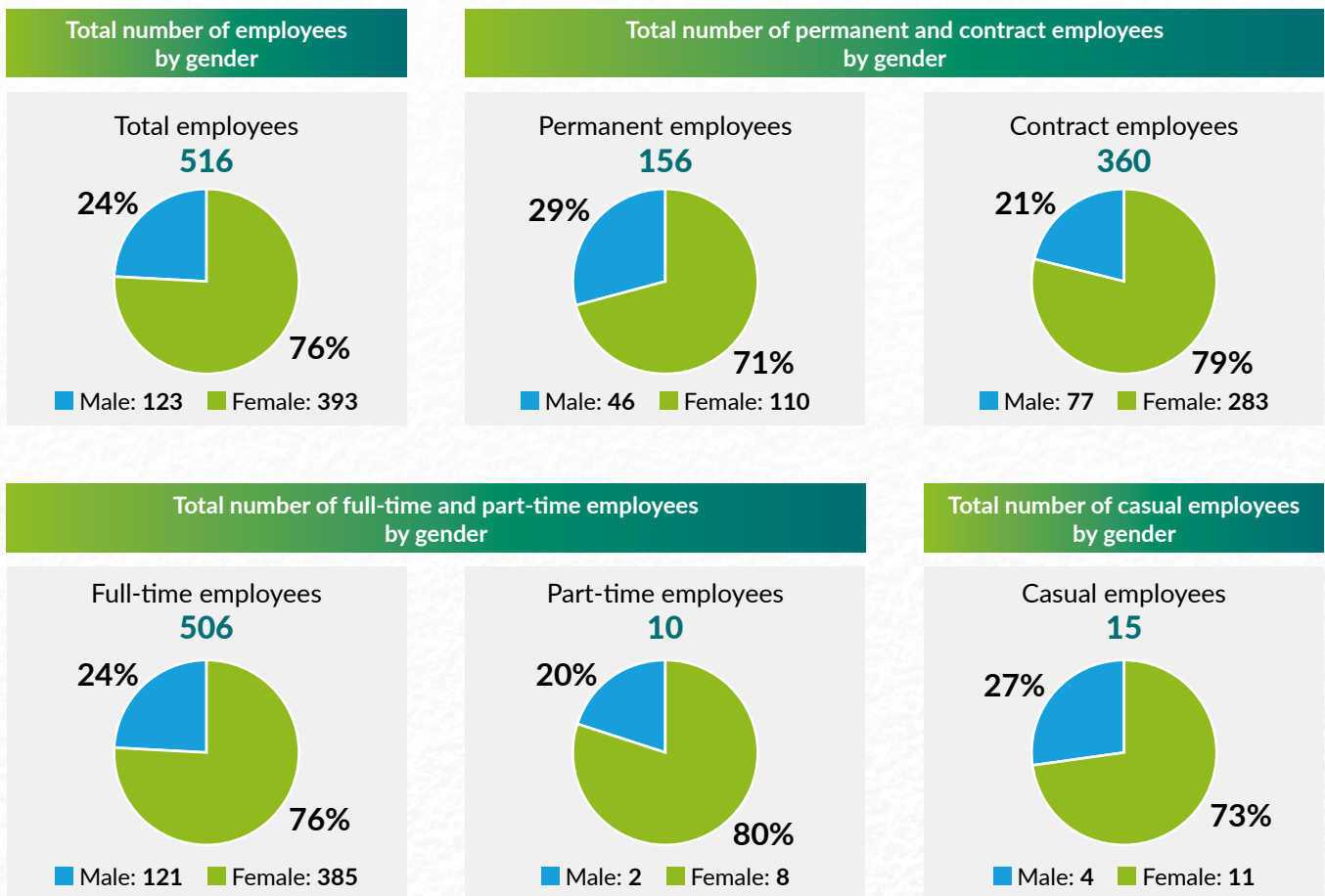
## Our Workforce

(GRI 2-7, 2-8)

At ECON, we recognise that our employees are our most valuable asset. An engaged workforce is important for the continuous growth of our business. We pride ourselves in attracting and retaining a qualified and productive workforce and are committed to provide an inclusive, nurturing, and caring working environment with opportunities for continual development.

Our employees are required to maintain and uphold professional and appropriate workplace standards, and behaviors consistent with our policy and practices.

Our employee profile for FY2023 is provided below.



## Training and Development

### WHY IS THIS TOPIC IMPORTANT?

(GRI 3-3)

Building a competent and relevant workforce is vital for our business as we keep up to date with the ongoing developments and changes in the healthcare sector. There is a growing demand for services within the elderly care industry and we strive to attract and retain talent to deliver the best care possible. We constantly offer our employees the opportunity to pursue personal and professional growth through training and development initiatives, so that they remain competitive and relevant. This year, the Human Resource Management System (“HRMS”) is being rolled out with the intent to automate current paper-based training applications and facilitate joint learning needs identification to provide a better learning experience of our staff.

TARGET (GRI 3-3)	FY2023 PROGRESS AND PERFORMANCE
<p><b>Implement the HRMS</b></p> <p><i>This target seeks to automate human resource administration processes through the HRMS. This would remove the need for paper-based administration of training applications forms and training brochures, and in turn, meet our goals in reducing paper waste and saving space. The implementation of the HRMS would also further enhance our employees’ learning experience.</i></p>	<p>Progress to implement the system is currently ongoing.</p>

### Ensuring Development Opportunities for our Employees

We are committed to investing in the personal and professional development of our employees to equip our workforce with the necessary skills to meet the ever-changing demands of the industry. At ECON, all our employees are entitled to training and development opportunities. Employees are offered a variety of courses from care skills, professional skills, and soft skills training. These are arranged in-house, and staff can attend external training by reputable providers.

Key staff identified for leadership roles are also encouraged to attend leadership programmes. Identified care staff will also attend the in-house run ITE accredited ITE Skills Certificate Healthcare (Homecare). In 2022, we have sent 10 Nursing Aides from our various centres to attend the certificate course.

### Improving Learning Experiences for our Employees

The soon-to-be launched HRMS enables employee and manager “self-service” by automating key HR functions, for example, learning and development and performance management. With the introduction of this, staff can select a training programme and jointly discuss the learning objectives with their supervisor, thereby taking charge of their own learning needs.

We incorporate education technology into our programmes as far as practicable to appeal to different learning styles. In addition, we leverage on relevant e-learning content available from the AIC Learning Network.



## Policies, Practices and Performance

(GRI 2-23, 2-24, 404-2, 404-3)

Our emphasis on the continual development of our employees provides the foundation of our training practices at ECON. This is reflected in our policy on learning and development:

### Learning and Development

This policy details the framework and administrative procedures for staff training and development and ensures that our employees' trainings are aligned with ECON's business objectives.

These policies are incorporated in our suite of employee training programmes available at ECON.

01	02	03
<p><b>Inducting our new hires at ECON</b></p> <ul style="list-style-type: none"> <li>• New hires kickstart their career at ECON by attending the monthly-held orientation conducted by our CEO and key members of the management team. In addition, nursing staff will attend the Nursing Induction programme. A specially designed programme for newly hired foreign staff is also conducted by the in-house team to help induct them to Singapore and the local way of working.</li> <li>• ECON is constantly reviewing the courses offered to serve ECON's organisation's needs better.</li> </ul>	<p><b>People development opportunities at ECON</b></p> <ul style="list-style-type: none"> <li>• We continually offer our care staff upgrading opportunities e.g., the ITE (Institute of Technical Education) Skills Certificate in Healthcare (Home care). Achieving this certification allows them to uplift their skills in caring for our residents. Plans are underway to advance our care skills in dementia care, and safe manual handling.</li> <li>• We work closely with AIC to build leadership capability in sending identified staff for Community Care Nursing Leadership Programme (CCNLP) and Community Care Manpower Development Award (CCMDA).</li> </ul>	<p><b>Learning in the new economy</b></p> <ul style="list-style-type: none"> <li>• We introduced the use of education technology in our in-house programmes, e.g., Kahoot and Mentimeter at learning checkpoints, which improves their overall learning experience.</li> <li>• As part of the move to help support our care staff in upgrading their professional skills. We encourage our staff to use the AIC Learning Management system to access online materials specific to nursing home settings e.g., dysphagia issues among our clients.</li> </ul>

Within our transition assistance programme, our Human Resources ("HR") department engages with potential retirees within our workforce, between ages 63 and 68, as well as their respective supervisors. Our HR department typically supports intended retirees by engaging in pre-retirement planning with the potential retiree and their supervisor 6-months before their retirement- this includes a discussion on job and work responsibilities.

In FY2023, 100% of our workforce received regular performance and career development reviews.

### Inaugural People Management Programme

This year, ECON rolled out the in-house People Management Programme to all mid-level supervisors. Recognising that our employees have varying experiences with managing staff, pre-reading materials were sent to participants before class so that those who required more information can read and conduct their own research prior to the class. With this change, in-class training time was optimised and delivered within four hours. The focus in class was instead channeled towards in-depth discussions on case scenarios modelled after actual incidents and much needed discussion of on the ground practices to align people with the necessary practices across ECON.

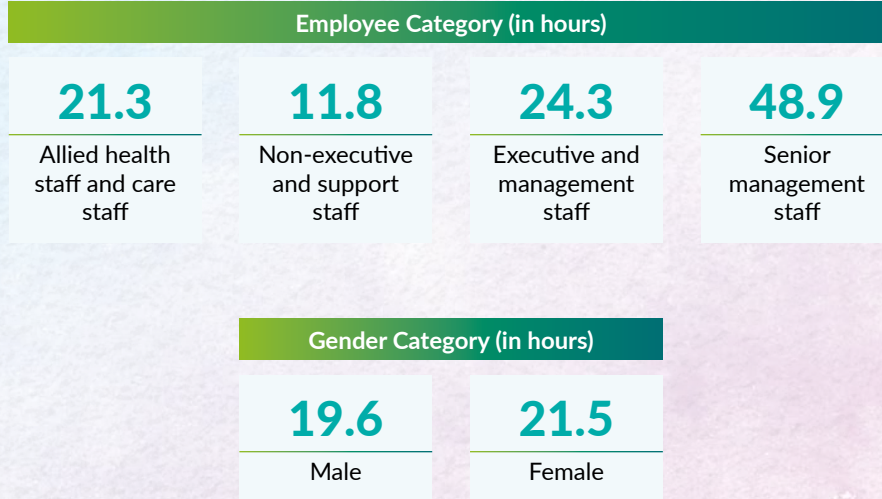
### Employee Training Hours

(GRI 404-1)

ECON has embarked on disclosing the average training hours of its employees to practice transparency in its development and training coverage and outreach.

Training hours<sup>7</sup> for FY2023 are disclosed below.

#### Average Training Hours



<sup>7</sup> Training hours at ECON refers to time spent for external and in-house courses, workshops, and seminars, learning activities, small group work sessions, demonstration and hands-on experiential internal sharing (in-service training) as well as interdisciplinary group meetings.



## GOVERNANCE

### STRENGTHEN

trust and integrity in our business relationships and operations

*Fostering a culture of robust ethics and integrity are key values in building trusted relationships with our key stakeholders, contributing to the long-term success of our business. These values are integrated within our corporate governance, defining the foundations of our business strategy.*

#### Covered within this pillar:



**Material Topic:**  
Ethics & Integrity

## Ethics & Integrity

(GRI 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3)

### WHY IS THIS TOPIC IMPORTANT?

(GRI 3-3)

ECON believes that good governance and high standards of ethical conduct and integrity are integral to boost the confidence and trust of our key stakeholders. We are committed to ensure our business is conducted in an honest, fair, and transparent manner with zero tolerance to corruption, extortion, and bribery. We recognise that corruption can result in significant financial loss, legal issues and brand reputational damage.

In FY2023, ECON reported zero confirmed incidents of corruption.

TARGET (GRI 3-3)	FY2023 PROGRESS AND PERFORMANCE
<p><b>To enhance the onboarding and induction by including a segment on professional ethics and standards as well as provide a refresher for existing employees.</b></p> <p><i>This target seeks to equip our employees with the required understanding of professional ethical standards.</i></p>	<p>Currently, all employees are required to endorse a Declaration of Conflict of Interests on employment, as well as on an annual basis.</p> <p>A professional ethics and standards workshop will be introduced as part of our on-boarding and induction later this year.</p> <p>A refresher training will be introduced for existing employees.</p> <p>ECON will upload all policies onto the employee portal and include our policies as part of our onboarding orientation programme.</p>
<p><b>Tighten our vendor selection process, declaration of Interested Party Transactions (“IPT”), whistle blowing procedures.</b></p> <p><i>This target seeks to ensure appropriate procedures are in place when selecting our vendors with the required whistle blowing procedures in place to report of any dishonest or unfair interactions.</i></p>	<p>Other than consumables required at nursing homes, all services above S\$1,000 are required to be supported by three quotations with justifications on a comply or explain basis.</p> <p>All new onboarding vendors are required to submit a vendor form, which includes IPT declaration, PDPA, bank account verification and their Accounting and Corporate Regulatory Authority (“ACRA”) BizFile, if not audited financial statements.</p>
<p><b>Educating internal stakeholders on procurement processes and mandatory supplier declaration form to manage suppliers’ performance.</b></p> <p><i>This target seeks to provide an understanding on the process in managing our supplier’s performance.</i></p>	<p>Finance and Sourcing Departments will be conducting training to new employees initiated by HODs, as part of the onboarding corporate training.</p> <p>Refresher training for existing staff runs on an on-going basis. ECON plans to conduct two such trainings in FY2024.</p>

**Policies, Practices and Performance**

(GRI 2-23, 2-24, 205-1)

As a principle, we ensure full compliance to applicable local laws and regulations. Within ECON, we have also developed several key corporate governance policies including our Code of Business Conduct, Anti-Corruption and Whistle-blowing policies to guide us in our business conduct.

Our anti-corruption policy is available on our employee and investor relation portals. Concerns raised through our whistle blowing channels will be strictly directed to our independent directors.

<b>Whistle Blowing Policy</b>	This policy outlines the procedure to report any suspicion of wrongdoing or malpractice through a dedicated channel in anonymity and good faith without fear of retaliation.
<b>Anti-Corruption Policy</b>	This policy sets out the appropriate accountability, practices, and regulations of actions to be taken to prevent corruption in all business activities. All business decisions and operations which are exposed to corruption risks are treated and implemented with prudence.
<b>Investment Policy</b>	This policy serves to provide the objectives, rationale and the underlying philosophy and processes governing the investment of ECON’s idle cash. It includes the selection, monitoring and evaluation of investment options and strategies.
<b>Interest Person Policy</b>	This policy serves to emphasise ECON’s commitment to: <ul style="list-style-type: none"> <li>• ethics and compliance with the law,</li> <li>• foster a culture of honesty and accountability,</li> <li>• focus the Board and each of its directors and employees on areas of ethical risk,</li> <li>• provide guidance to the Directors and employees to help them recognise and deal with ethical issues.</li> </ul>

**Ensuring Ethical Procurement Processes**

We are also guided by our ethical business policies in guiding us in the procurement process to ensure a fair selection of our suppliers and vendors. We exercise transparent, open, and honest communication with our suppliers and vendors during our selection process, ensuring no bias or preferential treatment given to any supplier. Our procurement policy further details our procurement process.

Our open dialogue with our suppliers and vendors has allowed us to develop and maintain lasting relationships. This is important to us for ensuring business continuity and no disruption in our supplies. Local vendors are preferred in the procurement of the required supplies and services due to proximity with shorter turnaround time and reliable supplies and services delivered. Our support for local businesses has also indirectly contributed to local job creations.

Our vendor selection process requires potential vendors to self-declare on any personal relationships with our employees using our newly implemented vendor form. We also require vendors to provide their business file and audited financial statements before they can be added in our approved list of vendors. Vendors will be terminated in the case of any violations or complaints received.

All purchase requisitions are required to be assessed with three different quotations, and in the case of three quotations not being available, a supporting explanation must be provided. This is included in our Delegation of Authority (DOA mandate).



## GRI CONTENT INDEX

<b>Statement of use</b>	ECON Healthcare has reported the information cited in this GRI content index for the period 1 April 2022 to 31 March 2023 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI 2021 Standards	Description	Section of Report / Reasons for Omission	Page Reference
<b>GRI 2: General Disclosures (2021)</b>			
<b>1. The organization and its reporting practices</b>			
2-1	Organisational details	About this report	4
2-2	Entities included in the organization's sustainability reporting	About this report	4
2-3	Reporting period, frequency and contact point	About this report Feedback	4
2-4	Restatements of information	As this is ECON's inaugural sustainability report, ECON does not have any restatements of information to disclose.	N.A.
2-5	External assurance	External assurance was not sought for this year's Sustainability Report.	N.A.
<b>2. Activities and workers</b>			
2-6	Activities, value chain and other business relationships	About this report	4
2-7	Employees	Our Workforce	22
2-8	Workers who are not employees	Our Workforce	22
<b>3. Governance</b>			
2-9	Governance structure and composition	Annual Report – Corporate Governance Report	23-25
2-10	Nomination and selection of the highest governance body	Annual Report – Corporate Governance Report	26-28
2-11	Chair of the highest governance body	Annual Report – Corporate Governance Report	25-26
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance	6
2-13	Delegation of responsibility for managing impacts	Sustainability Governance	6
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance	6
2-15	Conflicts of interest	Annual report	21, 27, 34
2-16	Communication of critical concerns	Annual Report – Corporate Governance Report	36-38
2-17	Collective knowledge of the highest governance body	Annual Report – Corporate Governance Report Sustainability Governance	22 6
2-18	Evaluation of the performance of the highest governance body	Annual Report – Corporate Governance Report	25
2-19	Remuneration policies	Annual Report – Corporate Governance Report	29-31
2-20	Process to determine remuneration	Annual Report – Corporate Governance Report	29-31
2-21	Annual total compensation ratio	This disclosure is omitted due to confidentiality constraints.	N.A.

GRI 2021 Standards	Description	Section of Report / Reasons for Omission	Page Reference
<b>GRI 2: General Disclosures (2021) (cont'd)</b>			
<b>4. Strategy, policies and practices</b>			
2-22	Statement on sustainable development strategy	Board Statement	1
2-23	Policy commitments	[across all material topics]	11, 18, 24, 27
2-24	Embedding policy commitments	[across all material topics]	11, 18, 24, 26-27
2-25	Processes to remediate negative impacts	Excellent Service Quality and Patient Safety Ethics & Integrity	18 26
2-26	Mechanisms for seeking advice and raising concerns	Annual Report – Corporate Governance Report	36
2-27	Compliance with laws and regulations	Ethics & Integrity	26-27
2-28	Membership associations	ECON Healthcare is a normal member of the Singapore Business Federation and the Singapore Chinese Chamber of Commerce & Industry.  ECON Healthcare does not hold a significant role in any industry association or any other membership organisation.	N.A.
<b>5. Stakeholder engagement</b>			
2-29	Approach to stakeholder engagement	Stakeholder Engagement	7
2-30	Collective bargaining agreements	This disclosure is not applicable as there are no collective bargaining agreements in place at ECON.	N.A.
<b>GRI 3 (2021): Material Topics</b>			
3-1	Process to determine material topics	Materiality Assessment	8
3-2	List of material topics	Materiality Assessment	8
<b>Material Topic: Energy Efficiency and Emissions</b>			
3-3	Management of material topics	Energy Efficiency and Emissions	10-12
302-1	Energy consumption within the organisation	Energy Efficiency and Emissions	11-12
302-3	Energy intensity	Energy Efficiency and Emissions	11-12
305-1	Direct (Scope 1) GHG emissions	Energy Efficiency and Emissions	11-12
305-2	Energy indirect (Scope 2) GHG emissions	Energy Efficiency and Emissions	11-12
305-4	GHG emissions intensity	Energy Efficiency and Emissions	11-12
<b>Material Topic: Excellent Service Quality and Patient Safety</b>			
3-3	Management of material topics	Excellent Service Quality and Patient Safety	17-21
416-1	Assessment of the health and safety impacts of product and service categories	Excellent Service Quality and Patient Safety	18
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Excellent Service Quality and Patient Safety	21



GRI 2021 Standards	Description	Section of Report / Reasons for Omission	Page Reference
<b>GRI 3 (2021): Material Topics (2021) (cont'd)</b>			
<b>Material Topic: Training and Development</b>			
<b>3-3</b>	Management of material topics	Training and Development	23-25
<b>404-1</b>	Average hours of training per year per employee	Training and Development	25
<b>404-2</b>	Programmes for upgrading employee skills and transition assistance programme	Training and Development	24
<b>404-3</b>	Percentage of employees receiving regular performance and career development reviews	Training and Development	24
<b>Material Topic: Ethics and Integrity</b>			
<b>3-3</b>	Management of material topics	Ethics and Integrity	26-27
<b>205-1</b>	Operations assessed for risks related to corruption	Ethics and Integrity	26-27
<b>205-2</b>	Communication and training about anti-corruption policies and procedures	ECON is looking to progressively collect the required information and will be reporting on this disclosure in subsequent reports.	26-27
<b>205-3</b>	Confirmed incidents of corruption and actions taken	Ethics and Integrity	26-27

## TCFD INDEX

TCFD Pillar	TCFD Recommendations	ECON's Response
<b>Governance</b>	Board oversight Management's role	Please refer to the Climate Risk Assessment (TCFD) from pages 12-16
<b>Strategy</b>	Climate-related risks and opportunities Impact on the organisation's business, strategy and financial planning Resilience of the organisation's strategy	Please refer to the Climate Risk Assessment (TCFD) from pages 12-16
<b>Risk Management</b>	Risk identification and assessment processes Risk management process Integration in overall risk management	Please refer to the Climate Risk Assessment (TCFD) from pages 12-16
<b>Metrics and Targets</b>	Climate-related metrics in line with strategy and risk management process Scope 1,2,3 GHG metrics and the related risks Climate-related targets and performance against targets	Please refer to the Climate Risk Assessment (TCFD) from pages 12-16





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