Empowering Healthier Lives

Healthway Medical Corporation Limited

(Incorporated in the Republic of Singapore)

(Company Registration Number: 200708625C)

Sustainability Report 2019

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ABOUT THIS REPORT

Healthway Medical Corporation Limited ("Healthway Medical" or the "Company" and together with its subsidiaries, the "Group" or "we" or "us" or "our"), continues to discuss and explore our Group's achievements and performance towards Environmental, Social and Governance ("ESG") issues through our third sustainability report (the "report" or "SR").

This report has been prepared in compliance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B and in accordance with the Global Reporting Initiative ("GRI") Standards (2018) – Core Option. We have chosen GRI Sustainability Reporting Standards for its comprehensive guidelines in reporting sustainability matters, and we have applied its principles of accuracy, balance, clarity, comparability, reliability, and timeliness to put together a comprehensive report.

We have not sought external assurance for this sustainability report.

Report Period and Scope

2019

- This report covers data and information from 1 January 2019 to 31 December 2019 ("FY2019") across 2 divisions in Singapore: Primary Healthcare Division and Specialist Healthcare Division.

Reporting Boundaries and Standards

- We have applied the following principles when preparing this report:
- Stakeholder Inclusiveness
- Sustainability Context
- Materiality
- Completeness

Accessibility and Feedback



- We welcome your feedback and for any queries or suggestions in relation to this SR, you may reach us at http://www.healthwaymedical.com

BOARD STATEMENT

The Board of Healthway Medical is pleased to present our third sustainability report describing our sustainability performance for FY2019. This report sets out our sustainability principles and initiatives that we have put in place to align our operations with our stakeholder's expectations in the areas of environment, social responsibilities and governance.

Moving into 2020, there is an increased focus on expanding healthcare capacity, improving the quality of healthcare, and ensuring the affordability of healthcare services. With the outbreak of COVID-19 in December 2019, authorities in Singapore has imposed strict measures to curtail the spread of the virus, including heightened safe distancing measures and the suspension of activities at most workplace premises, as well as reinforced the critical complementary relationship between public and private healthcare providers like us. Due to the escalation in COVID-19 cases in April and May 2020, there is a continued and even greater need for private healthcare providers like Healthway Medical to support the public healthcare system by continuing to tend to the various healthcare needs of the community. The capacity of the national healthcare infrastructure will continue to be under strain as government hospitals and medical facilities have had to scale up significantly in order to cope with the additional COVID-19 and related cases, on top of the typical patient load. With our island-wide network of clinics under the Public Health Preparedness Clinic scheme, Healthway Medical remains fully committed to serving the immediate needs of the community and playing our part to support the public healthcare system.

Throughout the COVID-19 "circuit breaker" period, our Group has also enhanced our services and introduced initiatives to better serve the needs of our patients. This includes the implementation of teleconsultations at our General Practitioner ("GP") and Specialists Clinics, as well as doorstop deliveries of medication for patients with chronic illnesses. These services are expected to continue even after the easing of the "circuit breaker" measures, as the nation collectively fights against COVID-19 and remains vigilant by adopting new habits and practices to mitigate infection risks. Our facilities also continue to serve our patients' healthcare needs by remaining available for essential medical services, including the management of chronic illnesses, immunisations, surgeries as well as for medication refills.

With the expanded Community Health Assist Scheme (CHAS) that was mentioned in Singapore Budget 2019 and the Merdeka Generation Package fully rolled out in November 2019, Singaporeans are increasingly able to access a vast number of clinics at affordable prices. As healthcare becomes more affordable to a wider range of Singaporeans, the volume of patients seeing GPs is set to increase. This rising demand is in line with the upgrading of our services to better serve our patients. We have completed the refurbishment works on our clinics, ensuring that we are better equipped to provide high quality healthcare services to a larger number of patients. Preventive healthcare will also continue to play a critical role in mitigating the early onset of chronic conditions. As such, we are committed to the continued enhancement and optimisation of our network of clinics and screening centres to prepare and cater to the evolving healthcare needs of the community.

BOARD STATEMENT (CONT'D)

As we continue to build on our reputation as one of Singapore's leading healthcare providers, we remain committed to proactively and continually reviewing our business operations, with the goal of building resilience for the long-term to deliver sustainable value to our shareholders

In addition, we acknowledge the importance of sustainable development and sustainability issues are part of our consideration in strategic formulation and our Board maintains its role as part of the thought process in determining the material Environmental, Social and Governance ("ESG") factors and continues to oversee the management on the monitoring of material ESG factors.

With this report, we hope our key stakeholders will better understand our priorities behind each approach and gain insights to how our business decisions contribute to sustainability in the long run. We would also like to thank our stakeholders for their continued support and trust as we continue our sustainability journey.

CORPORATE PROFILE



A Healthier Asia



To be Asia's leading healthcare provider that is trusted, service-oriented and technology empowered



From our beginnings in 1990 in primary healthcare, the Group has grown to become a respected medical group in Singapore. With 91 clinics and medical centres, the Group has a wide network of medical centres and clinics with comprehensive services including GP & family medicine clinics, health screening, adult specialists, baby & child specialists, dental services and allied healthcare services. These facilities are in most parts of Singapore, including many major private hospitals.

The types of services we provide are indicated below.

Primary Healthcare Division:

62 General Practitioner (GP) and Dental Clinics providing the services below:

- Family Medicine
- Health Screening
- Dental
- Japanese Medical

Specialists Division:

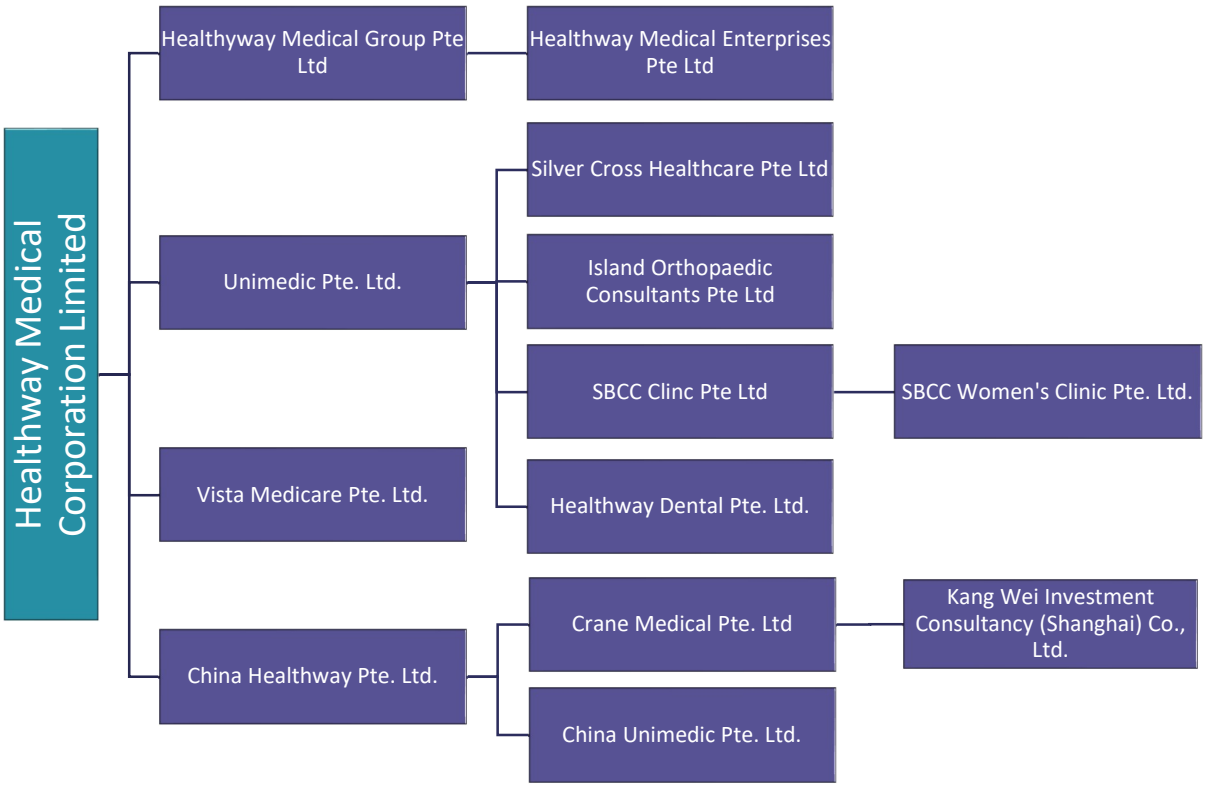
To provide specialist expertise in the following disciplines:

1. Baby and Child
2. Child Development
3. Women's Health
4. Orthopaedics
5. Heart (Cardiology)
6. Ear, Nose & Throat (Otorhinolaryngology)
7. Eye and Vision (Ophthalmology)
8. Colorectal and General Surgery
9. Digestive Health (Gastroenterology and Hepatology)
10. Psychiatry

Allied Healthcare:

Our allied healthcare providers offers assessments and therapeutic intervention through psychology and services for adults and children to complement our specialists.

GROUP STRUCTURE*



*Group Structure as at 31 December 2019

SUPPLY CHAIN MANAGEMENT

Engaging responsible partners remains as one of our targeted area of improvement when integrating a sustainable supply chain into our operations. Our suppliers provide us with key clinical materials such as medical supplies including drugs and medicines, medical equipment, as well as consumables such as medical gloves. Hence, we strive to hold our suppliers to the same ethical principles to which we hold ourselves and aim to work with suppliers that behave in an economically, environmentally, and socially responsible way. Our suppliers have undergone the Group's stringent selection and evaluation criteria on a periodic basis to ensure that their performance align with the internal criteria established, such as service excellence, consistency, and timeliness of delivery. We also ensure that all suppliers are registered with relevant local regulatory body for the sale of health products.

We maintained an estimated number of 130 core suppliers in FY2019. Furthermore, College of American Pathologists (CAP) accreditation was obtained by two of our suppliers providing laboratory services and we are pleased to share in FY2019, an additional supplier has been recognised with Good Distribution Practices Certifications issued by the Health Sciences Authority.

We target to conduct supplier performance evaluation on all suppliers with a total annual purchase value of S$100,000 and above, which accounts for 75% of all of the Group's drug purchases for the financial year ending 31 December 2020 ("**FY2020**"). The evaluation will allow us to decrease purchases from underperforming suppliers by assessing these major suppliers against our evaluation criteria.

EXTERNAL INITIATIVES

COMMUNITY INVOLVEMENT

Community care is becoming an increasingly important aspect of healthcare, and the centrepiece of healthcare is steadily moving away from acute hospitals and towards community hospitals, nursing homes, and other healthcare facilities such as GPs. The Healthcare 2020 Masterplan that was first launched by the Ministry of Health of Singapore in 2012 aimed to add more than 6,600 places in community care, home care, and palliative care to address the growing demand for primary care services within our communities.

Due to the COVID-19 pandemic and the resulting need for social distancing, we have postponed most plans for Community Involvement for FY2020, except for Community Care Day 2020 at Kwong Wai Shiu Hospital which is currently targeted to be held on 3 October 2020.

In line with targets set in the sustainability report for the financial year ended 31 December 2018 ("**SR2018**"), we have conducted the following public health talks and seminar, as well as free health screenings in FY2019:

EXTERNAL INITIATIVES (CONT'D)

COMMUNITY INVOLVEMENT (CONT'D)

Kwong Wai Shiu Community Care Day

On 30 March 2019, Kwong Wai Shiu organised their annual Community Care Day which aimed to reach out to the community at large and broaden their support to the community. The programme includes free health screenings and around 800 residents within the area participated in this meaningful occasion. Healthway Medical provided free blood pressure measurements, hypocounts and podiatry consultations to 120 participants in the clinic located in the Kwong Wai Shiu hospital.



PA Health Talks at Tampines Hub

Healthway Medical doctors Dr Ooi Lai Hock and Dr Teo Cheng Rong spoke to residents at Tampines Hub on 23 February, addressing common health issues that senior citizens face.

Dr Ooi Lai Hock, Consultant Orthopaedic Surgeon at Island Orthopaedic, spoke about knee pain and osteoarthritis, and how doctors can help with these problems.

Dr Teo Cheng Rong, General Practitioner at Healthway Medical (Limbang), talked about the Big Three – diabetes, high blood pressure, and high cholesterol.

The talk was attended by 60 residents, mostly senior citizens, who were eager to hear about these medical conditions and have their questions answered.



EXTERNAL INITIATIVES (CONT'D)

COMMUNITY INVOLVEMENT (CONT'D)

PA Health Talks at Kembangan Chai-Chee

Healthway Medical was part of Embracing Parenthood @ Kembangan-Chai Chee event on Sunday, 15 September. Dr Chua Chong Bing from Healthway Medical (Lengkong Tiga) talked to parents about influenza, and our team offered free flu vaccinations sign ups to the attendees. There were 50 attendees at the event.



Punggol North Family Carnival

Healthway Medical was also part of the Punggol North Family Carnival on 3 November 2019. Dr Jeremy Koh gave a short talk to educate seniors about immunisations, and our friendly staff were on site to answer questions about the new CHAS benefits that residents can enjoy at our clinics.



Start Right, Start Bright!

Start Right, Start Bright was SBCC's very first public seminar, held on 6 July 2019 at the NTUC Stephen Riady Auditorium. There were four speakers from SBCC Baby and Child Clinic, and SBCC Child Development, speaking on topics related to early childhood development and optimising potential. There were about 60 attendees at the event.

- Dr Nancy Tan spoke on the topic of Nutrition – **Nutrition in Childhood: Optimal Nutrition Practices and Common Problems**
- Dr Jenny Tang addressed parents on Sleep – **Sleep in Childhood: Optimising Growth, School and Play**
- Speech Therapist talked about Speech and Language Development – **Language in Childhood: Facilitating Communication**
- Dr Wendy Liew spoke about Child Development – **Early Childhood Development: Optimising Your Child's Potential**

EXTERNAL INITIATIVES (CONT'D)

COMMUNITY INVOLVEMENT (CONT'D)

Start Right, Start Bright! (Cont'd)





MEMBERSHIP OF ASSOCIATIONS AND CERTIFICATES

47 clinics with CHAS accreditation

47 clinics with Medisave accreditations

47 clinics that obtained Public Health Preparedness Clinic (PHPC)

7 clinics with Yellow Fever accreditations

47 clinics with MBS@GOV accreditation

Yellow Fever Vaccination accreditation allows our patients to be able to access compulsory vaccinations should they decide to travel to countries which require yellow fever vaccination while MBS@GOV is a portal for private clinics to submit the claims for the Government's share of the medical bills incurred by civil servants, pensioners and their dependants at the clinics. Civil servants, pensioners and their dependants only need to pay their share of the medical bills at our clinics with MBS@Gov accreditation.

EXTERNAL INITIATIVES (CONT'D)

MEMBERSHIP OF ASSOCIATIONS AND CERTIFICATES (CONT'D)

As part of the Public Health Preparedness Clinic (PHPC) scheme, our clinics are supporting and easing the patient load of government hospitals and medical facilities by serving the primary healthcare needs of Singaporeans and providing response to public health emergencies during this COVID-19 pandemic. We remain fully committed to support the public healthcare system as Singapore tries to overcome this pandemic.

As of November 2019, the Community Health Assist Scheme (CHAS) has been expanded to make healthcare affordable for all Singaporeans. The new CHAS green tier covers chronic conditions for all Singaporeans, regardless of income. Subsidies for chronic conditions has increased overall for all CHAS tiers as well. In addition, as Singapore's population continues to age, it is vital for healthcare services to be made accessible for the silver generation. The Merdeka Generation Package aims to achieve this by affording special subsidies for medical and dental care for Singaporeans aged 60 and above who are not currently covered under the Pioneer package.

GOVERNANCE STRUCTURE AND SUSTAINABILITY

Our Board is committed to maintaining a high standard of corporate governance to ensure greater transparency and to protect the interests of our stakeholders. Our Board is responsible for the overall management of the business and corporate affairs of the Group. It sets goals, reviews and advises on overall strategies and directions, oversees the effectiveness of the management of the Company and assumes responsibilities for overall corporate governance of the Group to ensure the Group's strategies are in the best interests of the Company and its stakeholders. The Company has also put in place various policies and practices that will safeguard the interests of stakeholders and enhance stakeholders' value as part of our effort to maintain high standards of corporate governance.

Details of our Board members and respective committees as at 31 December 2019 and the date of this report[1] are as follows:

Board of Directors:

- Sin Boon Ann (Independent Chairman)
- Dr Stephen Riady (Non-Independent Non-Executive Director)
- Anand Kumar (Non-Independent Non-Executive Director)
- Abram Melkyzedeck Suhardiman (Executive Director and Deputy Chief Executive Officer)
- Chen Yeow Sin (Lead Independent Director)
- Lin Weiwen, Moses (Independent Director)

Audit and Risk Committee:

- Chen Yeow Sin (Chairman)
- Sin Boon Ann
- Lin Weiwen, Moses

Nominating Committee:

- Chen Yeow Sin (Chairman)
- Sin Boon Ann
- Lin Weiwen, Moses

Remuneration Committee:

- Lin Weiwen, Moses (Chairman)
- Sin Boon Ann
- Chen Yeow Sin

Advisory Board:

- Mr Tan Chuan Jin (Chairman)
- Dr Lily Neo
- Professor Bernard Yeung

[1] Abram Melkyzedeck Suhardiman had been re-designated from Chief Operating Officer to Deputy Chief Executive Officer on 10 February 2020

GOVERNANCE STRUCTURE AND SUSTAINABILITY (CONT'D)

Our Group has put in place various policies and practices that will safeguard the interests of stakeholders and enhance stakeholders' value as part of our effort to maintain high standards of corporate governance.

WHISTLE-BLOWING POLICY

In line with our commitment to the highest standards of corporate governance and professionalism, the Audit and Risk Committee ("ARC") has in place a whistle-blowing policy. The policy enables employees of the Group and external parties, which includes the Group's business associates, a channel to report any suspicions of non-compliance with regulations, policies, and fraud to the appropriate authority for resolution, without any prejudicial implications for these employees. Reports of suspected fraud, corruption, dishonest practices or other similar matters can be lodged via email to Mr Chen Yeow Sin, the ARC Chairman, at whistleblow@healthwaymedical.com. Once a report has been received, independent investigation of such matters will be conducted, and follow-up actions will be taken if necessary.

INTERESTED PERSON TRANSACTIONS

The Company has in place an internal policy which sets out the procedures for review and approval of any interested person transaction.

All interested person transactions are documented and submitted periodically to the ARC for their review to ensure that such transactions are carried out on an arm's length basis and on normal commercial terms and are not prejudicial to the Group.

All reportable transactions are announced on SGX website and through the annual report accordingly

SUSTAINABILITY APPROACH

We strive to keep the impact of our operations on our environment to a minimum and seek to continually improve the economic and social well-being of our stakeholders by incorporating key sustainability issues and principles within our business operations. We also aim to inject new perspectives in managing and overseeing our key ESG factors as we embark on our sustainability journey. We continued our efforts in reducing our carbon footprints through utilising the most energy efficient air-conditioners, which are awarded five ticks under the Mandatory Energy Labelling Scheme. We also use LED light bulbs instead of traditional light bulbs to increase energy efficiency. Other sustainability efforts include sourcing for environmental-friendly suppliers, reducing any greenhouse gas emissions, and utilising recycled materials wherever possible.

We aim to consistently enhance our approach in the communication and management of ESG factors arising from our business operations and build on integrating sustainability effort into our operations.

We also target to reduce electricity consumption of the Group by 3%, measured in kWh with FY2019 as base year, in FY2020.

STAKEHOLDER ENGAGEMENT

Our stakeholders play an important role in our business, hence we aim to continue engaging our stakeholders actively so we can be more responsive to any obstacles we may face. We also seek to continually improve the economic and social well-being of our stakeholders by incorporating key sustainability issues and principles within our business operations.

Stakeholder	Methods of Engagement	Stakeholder Expectations and Goal Alignment
Patients	➢ Direct feedback during consultations ➢ Telephone calls ➢ Website feedback form ➢ Email feedback	We would continue to put our emphasis on our patients, we aim to ensure that they are able to obtain better healthcare services with greater ease.
Suppliers	➢ Periodic supplier assessments ➢ Feedback through meetings, emails and phone calls	To maintain service excellence and transfer value from our suppliers to our patients, we would constantly communicate with our suppliers to ensure quality and efficiency.
Employees	➢ Induction and orientation programmes ➢ Training ➢ Internal memos and emails	To maintain a safe, fair and equal working environment while promoting personal development.
Investors	➢ Strategic meetings to discuss on long term growth and innovation strategy ➢ Annual general meetings ➢ Extraordinary general meetings	To continue to obtain efficiency thus creating long term value and provide a blueprint of sustainable profit growth while maintaining our balanced capital allocation.
Government and Regulators	➢ Discussions with government agencies and departments	To continue to engage governments and policy makers through our public policy teams, at agency and legislative levels to allow a better understanding of government initiatives and plans and achieve national health objectives.

MATERIALITY

In this report, we will continue to track our progress and goals set in SR2018 based on the factors identified previously after engaging with our stakeholders. The following material topics identified in FY2018 continue to remain relevant in FY2019.



1. Anti- Corruption



2. Medical Waste and Effluents



3. Training and Education

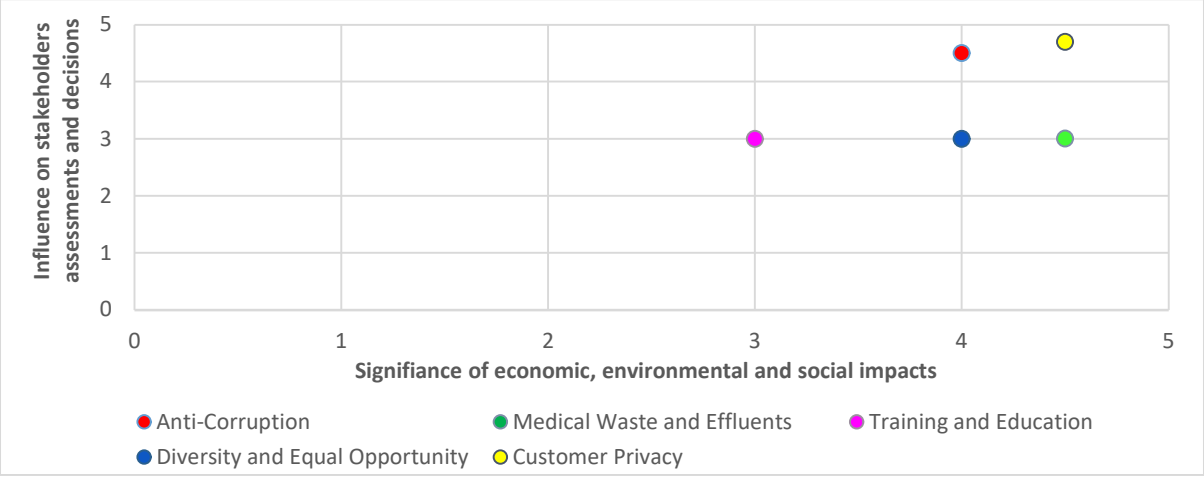


4. Diversity and Equal Opportunity



5. Customer Privacy

We have reviewed the material topics individually and ranked them based on an assessment of the economic, environmental and social impacts the topic has on our Group's business, as well as the degree of influence they have on our stakeholders' assessments and decisions for FY2019. The higher the ranking (from a scale of 0 – 5) on x-axis, the higher the impact the material topic has on the aforementioned aspects of our Group's business. Similarly, a high ranking on the y-axis represents management's view that the material topic has significant influence in management's business decisions and strategies. The following Materiality Matrix summarises our list of relevant sustainability topics and their respective ranking results.



ANTI-CORRUPTION

Anti-corruption remains a key component of our Group and we maintain a strict stance against corruption, dishonesty and fraud. In FY2019, we continue to manage our Group's exposure to corruption risks by applying and emphasising good corporate governance, business ethics and transparency while designing robust internal controls in business processes as our core approach. The ARC will commission investigations into matters of suspected fraud or irregularity, or failure of internal controls or infringement of any laws, rules or regulations, and to review the findings thereof. In line with our commitment towards the highest standards of corporate governance and code of conduct, our Group has in place the following policies:

Whistle-blowing	Interested Person Transactions	Corporate Gifts	Conflict of Interest
• As mentioned on page 10 of this SR, employees of the Group and external parties may in confidence, raise concerns about possible improper financial reporting or other matters to Mr Chen Yeow Sin, the ARC Chairman, at whistleblow@healthwaymedical.com	• All interested person transactions will be documented and submitted periodically to the ARC for their review to ensure that such transactions are carried out on an arm's length basis and on normal commercial terms and are not prejudicial to the Group.	• An employee should report to his or her immediate supervisor if he or she is offered any inducement or gratification. • In cases where it may be discourteous not to accept the Gift, the recipient must then declare by completing the "Declaration of Gift Received" form.	• All employees are to declare any instance of conflict of interest upon joining the Company. • Thereafter, all employees are to declare any instance of conflict of interest in the half-yearly declaration exercise.

These policies are made accessible and communicated to all our staff to educate them on the importance and necessity of good corporate governance and code of conduct. To complement the anti-corruption practices in place, we have implemented internal questionnaires in our whistleblowing policy as a form of training to ensure that our staff are aware of anti-corruption practices and policies.

We are pleased to report that we did not have any confirmed incidents of corruption and wrongdoings for FY2019 as targeted in SR2018.

Target for subsequent reporting:

We will continue to maintain zero confirmed incidents of corruption in FY2020.

MEDICAL WASTE AND EFFLUENTS

The details of the disposal procedures can be observed in our first sustainability report and a summary of the types of medical waste handled by the Group is summarised in the table below:

Type of pharmaceutical waste	
General Pharmaceutical Waste	**Special Pharmaceutical Waste**
- Pharmaceutical products such as vitamins, over the counter medications, and most prescription-only medications such as anti-hypertensive, anti-diabetics etc.	- Anti-infective, vaccines and other immunological products
	- Antineoplastic drugs
	- Controlled drugs
	- Pharmaceutical products and medical devices containing heavy metals

As we continue to commit our efforts in ensuring that we handle the medical waste in a safe and sustainable manner, we continuously assess our suppliers for external medical waste handling services on an ad-hoc basis to ensure that the suppliers' performance is in line with our expectations. Part of our assessment of external suppliers is to ensure suppliers are on NEA's approved list of medical waste contractors. We are pleased to share that there was no change in our suppliers for external medical waste handling services in FY2019, as our vendors have continued to perform and deliver service that is in line with our expectations and criteria.

We ensure that our staff are trained and qualified to identify the different types of pharmaceutical waste to facilitate the appropriate disposal to comply with the relevant medical regulations. Our staff are also reminded on the proper disposal methods via emails and clinic supervisors' meeting by our pharmacist.

In FY2019, there has been an increase in the quantitative costs as well as amount of waste disposed due to the increase in patient volume, as seen in the table below. However, cost per litre of waste disposed has decreased from FY2018 to FY2019.

Year	FY2019	FY2018
Quantitative costs of medical waste disposed	S$26,740	S$22,505
Amount of waste disposed	7,058 litres	5,800 litres
Cost per litre of waste disposed	S$3.79	S$3.88

Target for subsequent reporting:

Moving forward, we will continue to monitor the efficiency of medical waste disposal and look for more sustainable alternatives. We also aim to achieve more efficient disposal of medical waste by reducing costs per litre of waste disposed while ensuring that our suppliers continue to perform and deliver services that are in line with our expectations and criteria.

TRAINING AND EDUCATION

In FY2019, we continue to deploy our efforts in ensuring that our employees are up to date with their technical knowledge and staying abreast of the latest medical trends and issues. Our staff took part in a total of 19 trainings and sharing conventions in FY2019 which amounted to S$64,700 in training costs, with more than 2620 hours of training recorded for 88 eligible staff (training costs in FY2018 were S$38,342 with more than 804 hours of training recorded). These trainings include analytic skills in relevant fields as well as technical trainings and knowledge sharing conventions and exhibitions. Examples of such trainings include Food Allergy & Allergic Gastrointestinal Disease, Family Therapy Masterclass, Imaging and Electrophysiology 2019, and Personal Data Protection Act training. The increase in training costs and hours was in line with our FY2018 target to set aside resources for training and development of our staff. The increase is also reflected in the table below showing the average staff training hours by employee category and gender.

In addition to skills development fund, we also utilise Skills Future funds to complement our human resource policy benefits and provide additional subsidy to staff who requires it. For statistics on FY2019 and FY2018 staff training and education, please see the tables below.

Average staff training hours in the year for all eligible staff

By gender	FY2019	FY2018
	(In hours) per employee	
Male	9	9
Female	13	15
By employee category		
Management and above	8	8
Executives	6	10
General staff	18	14

Percentage of total employees receiving periodic performance review

By employee category	FY2019	FY2018
	Percentage of total employees	
Management and above	1%	6%
Executives	15%	29%
General staff	84%	65%

Target for subsequent reporting:

We target to introduce training courses, such as interviewing techniques and grievance handling, to staff with a supervisory role and there will be a shift in the mode of staff training from the traditional classroom training to online/bite-size training. We also plan to implement internal online training courses for customer service to our frontline staff.

DIVERSITY AND EQUAL OPPORTUNITY

The Company has put in place a Board Diversity Policy which provides that, in reviewing the Board composition, the Nominating Committee will consider the benefit of all aspects of diversity, including diversity of skills, experiences, gender, age, ethnicity and other relevant factors. The Company has embraced all aspects of diversity in the current Board composition save for gender diversity. The Board recognises the importance and value of diversity and strongly believes in the inherent strength of a vibrant, diverse and inclusive workforce where the perspectives, backgrounds and life experiences of our people help us to forge strong connections with all our customers, inspirationally lead and creatively innovate, thereby making better decisions for our business.

The Group's recruitment of employees is based solely on merit, without discrimination of race, age, gender, religion or ethnicity. Promotion is based strictly on merits and performance and we are also committed to ensuring an equitable remuneration structure and benefits to our employees that has no gender bias.

We embrace diversity and, at the same time, expect employees to be aligned with the Group's vision and strategic initiatives. Whilst we expect our employees to constantly challenge and improve themselves, we also require them to treat others equally, honestly, and with respect.

During FY2019, there were no incidents of discrimination reported within our Group. Statistics for FY2019 and FY2018 regarding diversity and equal opportunity are indicated below.

Age group of employees and gender population in our Group

Year	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018
Age	<30 years old		30 – 50 years old		>50 years old	
By employee category	147 staff	170 staff	263 staff	265 staff	123 staff	115 staff
Management and above	-	-	0.94%	0.5%	0.94%	0.2%
Executives	7.88%	6.5%	15.94%	21.6%	6.38%	6.2%
General staff	19.7%	24.5%	32.46%	26.0%	15.76%	14.5%
By gender						
Percentage of Male	4.13%	4.2%	15.57%	16.2%	3.19%	3.1%
Percentage of Female	23.45%	26.7%	33.77%	32.0%	19.89%	17.8%

Proportion of different races in our Group

Year	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018
Race	Chinese		Malay		Indian		Others	
By employee category								
Management and above	1.31%	0.5%	-	-	0.56%	0.4%	-	-
Executives	20.64%	28.7%	3.56%	0.7%	2.63%	2.6%	3.38%	2.2%
General staff	45.78%	34.7%	6.94%	10.4%	7.32%	7.8%	7.88%	12.0%
By gender								
Male	18.57%	18.5%	0.94%	0.5%	2.44%	2.7%	0.94%	1.7%
Female	49.16%	45.5%	9.56%	10.5%	8.07%	8.4%	10.32%	12.2%

DIVERSITY AND EQUAL OPPORTUNITY (CONT'D)

Target for subsequent reporting:

We target to maintain our track record of zero incidents of reported discrimination and continue to maintain our culture of promoting diversity and equal opportunity.

CUSTOMER PRIVACY

Safety and security, in an increasingly digital and connected world, have become a key concern for our corporate clients as well as the broader patient community. Data privacy of our patients is of paramount importance to us. We strive to keep their information secure across our operations and supply chain. Our policy is to be open and transparent about how we collect, use, and disclose our customers' personal data as we continue to invest in building the capacity of our internal operations to protect patient data and privacy.

In Singapore, we conduct our business in compliance with the Personal Data Protection Act ("PDPA"), which covers various rules governing the collection, use, disclosure, and care of personal data. Non-compliance with the PDPA will subject the Company to penalties and fines.

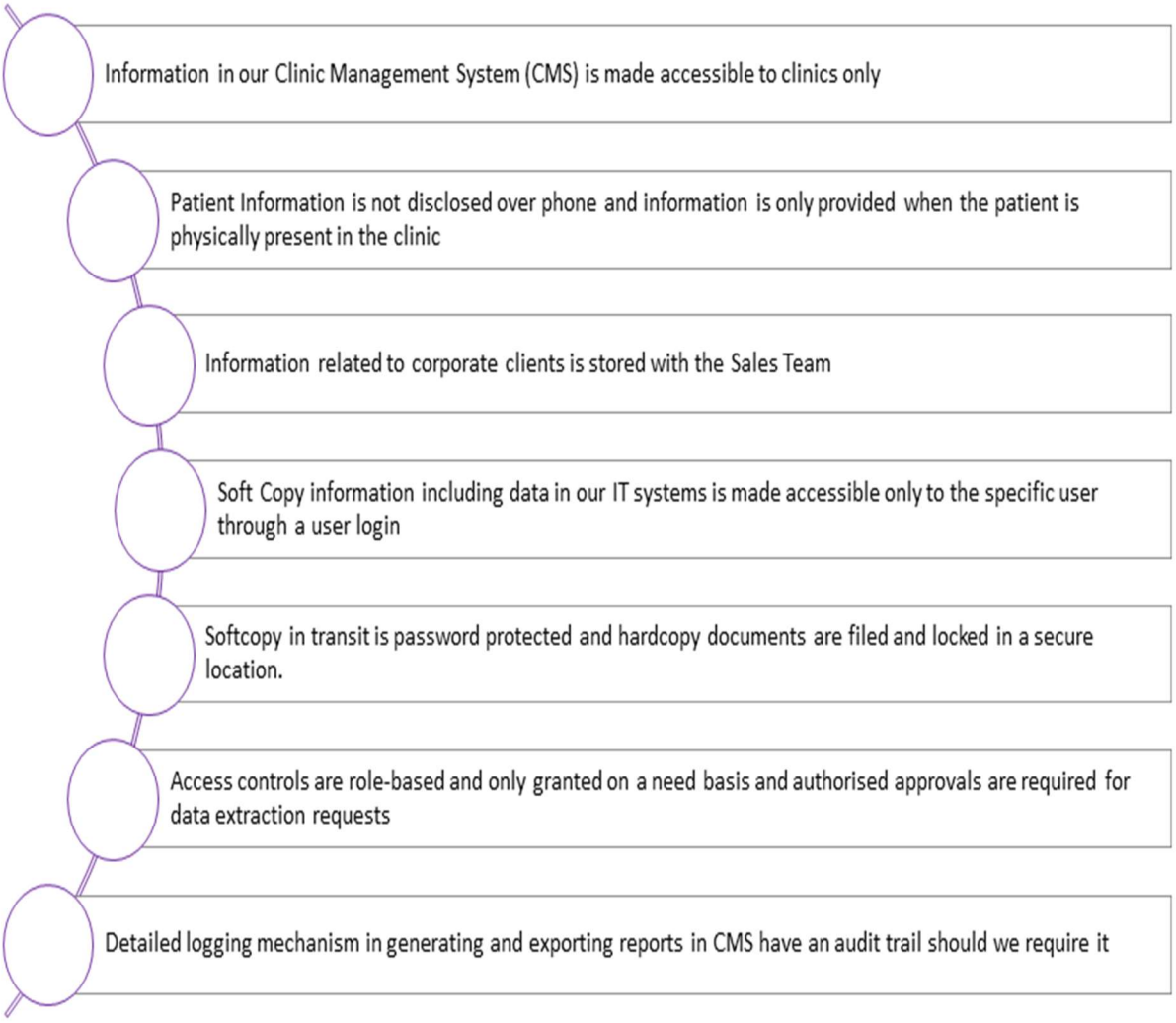
Our policy sets out the definitions, general guidelines, and monitoring procedures to comply with PDPA. It outlines the Group's practices in relation to the collection, storage, usage, processing, and disclosure of personal data. It also addresses how an individual may withdraw his consent to the use or disclosure of his personal data or request for access or correction to his personal data which is in our possession or control. We have also appointed a Data Protection Officer to handle all matters relating to PDPA and can be contacted at dpo@healthwaymedical.com.

To increase PDPA awareness and develop SOP's, we have engaged an external PDPA Consultant. As of date, they have conducted training and review sessions across the different business units to increase awareness on PDPA.

In line with our privacy policy, promotional and marketing messages via phone calls, text messages, and faxes will not be sent to patients who have registered their phone numbers with the National Do Not Call ("DNC") Registry except for those who had given clear and unambiguous consent to receive marketing messages.

Furthermore, to ensure confidentiality and maintain our customer privacy, we have in place the following protection mechanism and security controls:

CUSTOMER PRIVACY (CONT'D)



For hardware and in-built infrastructure, the Group has included safeguards within our Information Technology infrastructure with key controls as listed below:

PC/Laptop Security
(1) No administrator access for desktop
(2) Encryption for laptops
(3) Endpoint Security
Network/Infrastructure/Servers
(1) Firewalls
(2) Geolocation blocking
(3) Threat Detection
(4) Controlled Ports
(5) Enforced 2FA
(6) Data encryption

CUSTOMER PRIVACY (CONT'D)

We recorded 2 incidents of customer complaints in relation to PDPA in FY2019. The first complaint was to the Personal Data Protection Commission ("PDPC"), an external committee enforcing the PDPA. PDPC has followed up on the complaint and a mediation session is due in July 2020 to resolve this case. The second complaint was to the Ministry of Health ("MOH"). There were no issues found and no further action was taken, after investigations had been completed by MOH. We will continue to work with our staff to reduce the recurrence of such complaints.

Target for subsequent reporting:

Privacy of our corporate clients and patients continues to be of utmost importance to our Group and we strive to uphold the highest standards of customer data privacy protection and ensure compliance throughout our supply chain.

We aim to have zero complaints and incidents by strengthening our internal controls and keeping ourselves updated with the latest regulatory changes to ensure the Group's procedures are up to date.

GRI CONTENT INDEX

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable
GENERAL DISCLOSURE		
GRI 102: General Disclosures 2016	**Organisational Profile**	
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	102-2 Activities, brands, products, and services	Pg 6-7
	102-3 Location of headquarters	Pg 6-7
	102-4 Location of operations	Pg 6-7
	102-5 Ownership and legal form	Pg 1
	102-6 Markets served	Pg 6-7
	102-7 Scale of the organisation	Pg 6-7
	102-8 Information on employees and other workers	Pg 19-21
	102-9 Supply chain	Pg 8
	102-10 Significant changes to the organisation and its supply chain	Pg 8
	102-11 Precautionary principle or approach	Pg 14
	102-12 External initiatives	Pg 8-12
	102-13 Membership of associations	Pg 11-12
	Strategy	
	102-14 Statement from senior decision maker	Pg 4-5
	Ethics and Integrity	
	102-16 Values, principles, standards, and norms of behaviour	Pg 6
	Governance	
	102-18 Governance structure	Pg 13
	Stakeholder Engagement	
	102-40 List of stakeholder groups	Pg 15
	102-41 Collective bargaining agreements	Nil
	102-42 Identifying and selecting stakeholders	Pg 15
	102-43 Approach to stakeholder engagement	Pg 15
	102-44 Key topics and concerns raised	Pg 16
	Reporting Practice	
	102-45 Entities included in the consolidated financial statements	Annual Report
	102-46 Defining report content and topic boundaries	Pg 3
	102-47 List of material topics	Pg 15
	102-48 Restatements of information	FY2018 relevant employee information included
	102-49 Changes in reporting	Nil
	102-50 Reporting period	Pg 3
	102-51 Date of most recent report	31 December 2018
	102-52 Reporting cycle	Pg 3
	102-53 Contact point for questions regarding the report	Pg 3
	102-54 Claims of reporting in accordance with the GRI Standards	Pg 3
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GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable
MATERIAL TOPICS		
Anti-corruption		
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	103-3 Evaluation of the management approach	Pg 17
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	205-2 Communication and training about anti-corruption policies and procedures	Pg 17
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Effluents and waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pg 18
	103-2 The management approach and its components	Pg 18
	103-3 Evaluation of the management approach	Pg 18
GRI 306: Effluents and waste	306-1 Water discharge by quality and destination	Not applicable
	306-2 Waste by type and disposal method	Pg 18
	306-3 Significant spills	Not applicable
	306-4 Transport of hazardous waste	Pg 18
	306-5 Water bodies affected by water discharges and/or runoff	Not applicable
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pg 19
	103-2 The management approach and its components	Pg 19
	103-3 Evaluation of the management approach	Pg 19
GRI 404: Training and Education	404-1 Average hour of training per year per employee	Pg 19
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Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pg 20-21
	103-2 The management approach and its components	Pg 20-21
	103-3 Evaluation of the management approach	Pg 20-21
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Pg 20-21
	405-2 Ration of basic salary and remuneration of woman to man	Pg 20-21
Customer Privacy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pg 22-24
	103-2 The management approach and its components	Pg 22-24
	103-3 Evaluation of the management approach	Pg 22-24
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pg 22-24