



COMMITTED TO
SUSTAINABLE GROWTH
SUSTAINABILITY REPORT 2018



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ABOUT THIS REPORT

GRI 102-1 | 102-46 | 102-50 | 102-52 | 102-53 | 102-54



TalkMed Group Limited (“**TalkMed**” or the “**Company**”) is pleased to present our second annual Sustainability Report. This report reaffirms our commitment to sustainability and discloses our environmental, social and governance performance for the financial year ended 31 December 2018 (“**FY18**”). The scope of the report covers our operations in Singapore.

The FY18 Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. The GRI standards were chosen as they are the first global standards for sustainability reporting. The GRI Content Index on pages 14 to 16 contains the list of GRI references used in this report. This report is also formed with reference to the primary components set out in Singapore Exchange Limited listing Rule 711B on a ‘Comply or Explain’ basis.

We value the feedback of our stakeholders and welcome questions you may have on any aspect of our sustainability performance. Please write to:

enquiries@talkmed.com.sg

SUSTAINABILITY BOARD STATEMENT

GRI 102-14

TalkMed Group is pleased to present our second Sustainability Report for the financial year ended 31 December 2018. Our report documents our sustainability performance, progress and the initiatives we have adopted to meet our stakeholders' expectations.

ENVIRONMENT

We are aware of our responsibility to conduct our business in an environmentally responsible manner. We strive to minimise harmful environmental impacts of our day-to-day practices and integrate sustainable practices across all business operations. Through sustainability reporting, we would be able to track the progress of our initiatives and create greater environmental consciousness among our community.

At TalkMed, we understand the dangerous effects of improper handling and disposal of medical waste on the environment as well as the society. We are therefore committed to adopt the best practices and ensure compliance to all relevant regulations. This helps to minimise the risk of disease transmission, air and water contamination, as well as soil pollution. We hire licensed and experienced firms to collect, transport and dispose of any biohazardous and cytotoxic waste.

SOCIAL

As a medical service provider, we understand the importance of attracting and retaining talented employees to provide exceptional service to our customers. We are committed to enforcing fair labour practices, providing equal opportunities and providing a safe working environment for all our employees.

At TalkMed, we have created a culture that fosters innovation and encourage our medical staff to stay up to date with the latest development in their field. We provide them with diverse training opportunities and support their professional as well as personal development. This helps them to be aware of the latest medical advancement, treatment methods and equipment available in the market and allows them to make well-informed decisions for our customers.

Our ultimate goal is to provide quality and safe patient care that exceeds industry standards and responds to the needs of our customers. We believe that maintaining a safe environment is a crucial aspect of competent healthcare. To protect the safety of both patients and our healthcare professionals, we ensure strict adherence to all applicable rules and regulations.

TalkMed values its employees, customers and the community it serves. Our doctors play their part by providing health education to the people. They share their knowledge and contribute to raising disease awareness in Singapore and neighbouring countries via newspapers, magazines, medical journals and medical educational sessions.

COMMUNITY

We strive to have a positive impact on our community and have collaborated with Singapore Cancer Society ("**SCS**") to create a difference. As part of our local initiatives, we sponsored and participated in the "Relay for Life" event in Singapore. We also partnered with Breast Cancer Network Vietnam to organise the annual event – the Pink Hat Day – to raise breast cancer awareness.

GOVERNANCE

We understand our role as a member of medical fraternity and uphold the highest standards of corporate governance across all our business functions. We strictly adhere to the compliance requirements of a public listed company and are committed to providing transparent and relevant information to all our stakeholders on a timely basis.

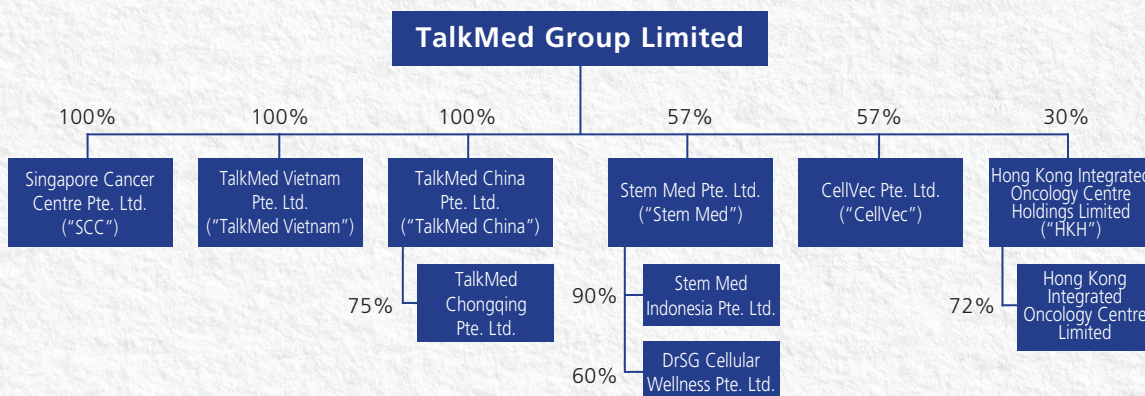
TalkMed believes our responsibility as a healthcare group goes beyond our business operations. We are committed to look for ways to enhance our services and use our resources responsibly. We strive for medical excellence and aim to provide the safest services to our valuable customers. We want to thank our stakeholders for their continuous trust and support in our sustainability journey.

ABOUT TALKMED

GRI 102-2 | 102-3 | 102-4 | 102-5 | 102-6 | 102-7 | 102-8

TalkMed through its subsidiaries (collectively, the “Group”) is a premier provider of medical oncology services, stem cell transplant services and palliative healthcare services. We are headquartered in Singapore and our operations extend to serve the markets in Vietnam as well.

TalkMed was incorporated on 10 September 2013 and listed on the Catalist Board of Singapore Exchange Securities Trading Limited on 30 January 2014. The Group structure is as follows:



SCC provides tertiary healthcare services to the oncology patients in the private sector in Singapore, through Parkway Cancer Centre (“PCC”). Our highly-trained doctors attend to patients, examine and administer medical treatments, perform minor outpatient surgical procedures, prescribe medicines and conduct laboratory tests or diagnostic procedures. In addition to the above clinical functions, we review the results of these investigations and provide follow-up patient care.

TalkMed is also recognised as one of the leading medical tourism facility in Singapore. This has been made possible by the excellent medical service provided by our team of sixteen doctors at nine clinics in facilities operated by Parkway Hospitals Singapore Pte. Ltd.. These include Gleneagles Hospital Singapore, Mount Elizabeth Hospital Singapore, Mount Elizabeth Medical Centre and Mount Elizabeth Novena Specialist Centre. For the past few years, SCC has established itself as one of the market leaders in medical tourism in Singapore with foreign patients accounting for the majority of its patient-load.

TalkMed Vietnam was established in March 2014 and we collaborated with Thu Cuc International General Hospital to set up a medical centre known as Singapore Cancer Centre Thu Cuc. The centre provides specialist medical oncology services in Hanoi, Vietnam.

In September 2017, the Group incorporated a wholly-owned subsidiary, TalkMed China, to explore healthcare-related collaborations in China. Subsequently, TalkMed China incorporated TalkMed Chongqing Pte. Ltd., a 75%-owned subsidiary, with the aim of providing healthcare management services in Chongqing, China.

Stem Med, set up in January 2015, is the first private stem cell banking facility in Singapore that specialises in the processing, cryopreservation and storage of adult stem cells. In March 2017, Stem Med incorporated Stem Med Indonesia Pte. Ltd., a 90%-owned subsidiary, to explore business opportunities in Indonesia in the areas of operation of cellular laboratories, storage facilities and cellular therapeutics clinics. In October 2017, Stem Med incorporated DrSG Cellular Wellness Pte. Ltd., a 60%-owned subsidiary, with A DrBrand Pte. Ltd. (“ADB”) holding the remaining 40%. Capitalising on the expertise of both Stem Med and ADB in the fields of stem cell technology and aesthetics respectively, this subsidiary plans to research and produce highly-effective products and technologically-advanced treatments for hair rejuvenation and customised skin care for the global beauty market.

ABOUT TALKMED

In August 2018, we entered into a shareholders' agreement with StemCord Pte Ltd and Dr Lim Zi-Yi to incorporate CellVec, where the Group holds a 57% stake. CellVec provides cellular and gene therapy services, with a focus on the development of novel platform viral vector technologies that strive to advance genetic modification of cellular therapy.

Subsequent to CellVec's incorporation, the cellular and gene therapy division of Stem Med has been transferred and consolidated into CellVec, while Stem Med continues to focus on the provision of services that are related to the processing, cryopreservation and storage of stem cells as well as regenerative medicine.

HKH is the controlling shareholder of Hong Kong Integrated Oncology Centre Limited, which provides a comprehensive range of services with the concept of "Total Cancer Care" and "Tumor Board Approach". The services include cancer prevention, screening, imaging and diagnosis, multidisciplinary cancer treatment (including radiotherapy through its strategic partnership with Hong Kong Adventist Hospital) and after-treatment care in Hong Kong.

Scale of organisation



Net Revenue: S\$61,278,000
Total Operations: 9 clinics



Total Employees¹: 87
Full-time (Male): 15
Full-time (Female): 72

¹ All our employees are full-time and permanent.

SUSTAINABILITY AT TALKMED

GRI 102-11 | 102-16 | 102-18



TalkMed is committed to integrating sustainability across all our functions. We have put in place relevant policies and procedures to ensure efficient management of sustainability within our Group.

The goal of the Company is to provide services of the highest quality to our customers, which is reflected in our vision and mission.

Vision: Our vision is to be a premier provider of medical oncology and palliative care healthcare services in the private sector in Singapore and in the region.

Mission: Our mission is to deliver quality care and service to our patients. Looking ahead, providing medical oncology and palliative care healthcare services in the region and expanding our services to include the provision of secondary and primary healthcare are also an integral part of our business model.

While managing our environmental, social and governance risks, TalkMed considers the Precautionary Principle and supports it by taking actions to reduce our environmental impacts.

GOVERNANCE STRUCTURE

Our senior management is responsible for leading our sustainability efforts and initiatives. They communicate and update the Board of Directors about our sustainability progress on an on-going basis to help them formulate relevant strategies.

We pride ourselves in conducting our business in a clean, ethical and transparent manner. We have clear policies on business standards, ethics and anti-corruption and are committed to ensure full compliance with local as well as international requirements. We do not condone any malpractice, impropriety, non-compliance of statutory law, rules and regulations or wrongdoing by employees in the course of performing their duties. More information on our corporate governance guidelines and practice is available on pages 12 to 29 of our FY18 Annual Report.

STAKEHOLDER ENGAGEMENT

GRI 102-40 | 102-42 | 102-43 | 102-44

At TalkMed, we understand the importance of engaging our stakeholders and identifying the material issues that are most important to them. We selected our key stakeholder group based on influence, representation, responsibility, dependency and proximity.

In the financial year ended 31 December 2017 ("FY17"), we conducted stakeholder engagement based on a process of identification, prioritisation and validation to identify the key material issues.

We firmly believe that stakeholder engagement is a key factor to ensure the success of our business. Therefore, we constantly seek to improve our communication channels with all our stakeholders to seek their inputs as well as address their concerns.

Stakeholder	Concerns Raised	Frequency of Engagement	Mode of Engagement
Shareholders	Economic Performance Customer Health and Safety Employment	Annually/Ad hoc	Quarterly financial results Annual general meeting Email
Patient	Customer Health and Safety Customer Privacy Product Service and Labelling	Ad hoc	Informal feedback from patients through our doctors and clinical staff Face to face interaction Public forum
Supplier	Procurement Practices Market Practices Customer Health and Safety	Ad hoc	Feedback via email/phone call
Regulator	Compliance (Product Responsibility) Customer Health and Safety Compliance (Society)	Ad Hoc/Quarterly	Regulatory guidelines Email Phone call
Employee	Employment Training and Education Occupational Health and Safety	Ad Hoc/Annually	Email Yearly appraisals Team building sessions
Top Management	Economic Performance Customer Health and Safety Indirect Economic Impacts	Ad hoc/Quarterly	Board meetings

MATERIALITY ASSESSMENT

GRI 102-46 | 102-47 | 103-1

The content and aspect boundaries in this report have been developed in alignment with the GRI Reporting Principles of Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness.

TalkMed conducted a materiality assessment for our inaugural sustainability report published in FY17. This was carried out in accordance to the GRI standards and it helped us identify material issues that are significant to our stakeholders, as well as the social, economic and environmental impact of our business operations.

Our key stakeholders were engaged through carefully formulated surveys to understand their areas of concerns. We then benchmarked ourselves against our peers to identify top materiality trends and issues. The materiality issues identified shaped our FY17 and FY18 sustainability reports. We are committed to updating our materiality assessment biennially.



MATERIAL ASPECTS AND INDICATORS IDENTIFIED

Categories	Material Aspects	List of Indicators	Aspect Boundary
Economic	Economic Performance	GRI 201-1: Direct economic value generated and distributed	Within organisation
Product Responsibility	Customer Health and Safety	GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	Within organisation and patients
Labor Practices and Decent Work	Employment	GRI 401-1: New employee hires and employee turnover	Within organisation
	Training and Education	GRI 404-1: Average hours of training per year per employee	Within organisation

PRODUCT RESPONSIBILITY CUSTOMER HEALTH AND SAFETY

GRI 103-1 | 103-2 | 103-3 | 416-2



WHY IS THIS A MATERIAL ISSUE?

The safety and well-being of our customers form the core of our organisation's value. We are committed to providing excellent service to our patients at all times and have taken several measures to ensure the same.

We have integrated standards and procedures across all our operations and installed continuous monitoring systems to safeguard the health and safety of our valued customers.

OUR APPROACH TO MANAGING

As customer safety is a crucial aspect of our business, we ensure strict adherence to government regulations such as Private Hospitals and Medical Clinics Act, Medicines Act, Health Products Act, Singapore Medical Council Ethical Code and Ethical Guidelines.

We have in place a set of clinical standard operating procedures ("**SOPs**") to maintain competency among staff and compliance with the applicable regulations and laws.

As a provider of medical services, we believe the professional capability of our nurses is a direct reflection of the quality of our services. We have therefore, placed a system of competency checklists to assess and evaluate their proficiency. In addition to this, we also have an apheresis competency checklist, as our operations require handling blood products. The above SOPs and checklists are reviewed every year for relevance and completeness.

FY18 PERFORMANCE

There were no incidents of non-compliance concerning the health and safety impacts of products and services.

FY19² TARGETS

TalkMed aims to continue its performance by maintaining a strong framework to ensure compliance with relevant guidelines and regulation.

² Financial year ending 31 December 2019 ("**FY19**")

PEOPLE EMPLOYMENT

GRI 103-1 | 103-2 | 103-3 | 401-1



WHY IS THIS A MATERIAL ISSUE?

Our employees are the foundation of our business and the secret to our long-lasting success. They are integral to our ability to provide exceptional medical services to our customers and consistently improve our performance. As they are our most valuable assets, we are committed to providing a challenging work environment for our workforce of talented doctors and specialists.

OUR APPROACH TO MANAGING

We are aware that our ability to attract, develop and retain highly motivated employees is critical for our business.

Our human resource team follows fair and supportive policies which are in line with our objectives. We have an equitable system of recognition and awards that allows doctors the opportunity to participate in revenue-sharing schemes. Our staff is awarded attractive year-end bonus that commensurate with their performances. In addition to the above, we promote annual subsidised holidays to promote staff bonding. We recognise and acknowledge the contribution of our long-serving staff by rewarding them with long service awards.

We aim to have the very best talent and also work towards ensuring that each role is filled by a candidate who is qualified and of the right fit. Therefore, we have delegated this crucial task of recruiting new doctors to our Chief Executive Officer and Chief Operating Officer, while the hiring of new clinical staff is entrusted to nurse management and human resource department. This helps us to identify candidates with high potential who can contribute meaningfully to the Group.

FY18 PERFORMANCE

Total new hire rate: 11.5%

Total turnover rate: 6.9%

FY19 TARGETS

To ensure greater retention of talent pool.

PEOPLE EMPLOYMENT

GRI 103-1 | 103-2 | 103-3 | 401-1

EMPLOYEE INFORMATION:

Employee information by age group and nationality	Singapore	Other nationality	Total		
Less than 30 years of age	5	5	10		
Between 30 and 50	48	13	61		
Above 50	14	2	16		
Total Employees	67	20	87		

New hires by age group	Male	Female	Rate of hire (Male)	Rate of hire (Female)	Total rate of hire
Less than 30 years of age	0	2	0.0%	25.0%	20.0%
Between 30 and 50	2	5	100.0%	62.5%	70.0%
Above 50	0	1	0.0%	12.5%	10.0%
Total Employees	2	8			

New hires by nationality	Male	Female	Rate of hire (Male)	Rate of hire (Female)	Total rate of hire
Singapore	1	4	50.0%	50.0%	50.0%
Other	1	4	50.0%	50.0%	50.0%
Total Employees	2	8			

New hires by gender	Number	Percentage
Male	2	20.0%
Female	8	80.0%
Total Employees	10	

Employee turnover by age group	Male	Female	Rate of turnover (Male)	Rate of turnover (Female)	Total rate of turnover
Less than 30 years of age	0	1	0.0%	20.0%	16.7%
Between 30 and 50	1	2	100.0%	40.0%	50.0%
Above 50	0	2	0.0%	40.0%	33.3%
Total Employees	1	5			

Employee turnover by nationality	Male	Female	Rate of turnover (Male)	Rate of turnover (Female)	Total rate of turnover
Singapore	1	2	100.0%	40.0%	50.0%
Other	0	3	0.0%	60.0%	50.0%
Total Employees	1	5			

Employee turnover by gender	Number	Percentage
Male	1	16.7%
Female	5	83.3%
Total Employees	6	

PEOPLE TRAINING AND EDUCATION

GRI 103-1 | 103-2 | 103-3 | 404-1



WHY IS THIS ISSUE MATERIAL?

TalkMed places strong emphasis on developing talent through training and education programmes. It is necessary for our doctors and specialists to be updated with the latest development in their field to perform to the best of their abilities. Therefore, we provide opportunities for holistic improvement in their competency level and help them reach their full potential.

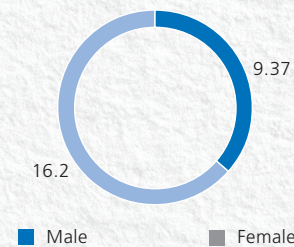
OUR APPROACH TO MANAGING

To enable employees to refine their skills, we organise regular training and development programmes to cater to their area of specialisation. We offer our nurses fully-sponsored diploma courses to help them upgrade their qualifications. We have fostered a culture of learning in our organisation and we encourage regular feedback to identify new areas of improvement.

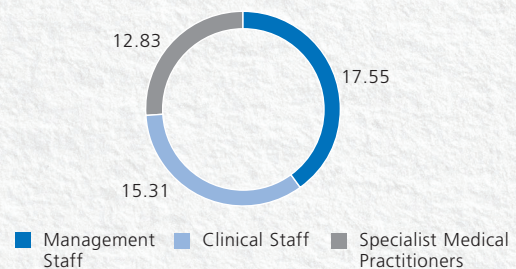
FY18 PERFORMANCE

Average hour of training per employee: 15.01

Average training hours by gender



Average training hours by employee category



FY19 TARGETS

To maintain average hour of training per employee at 15 hours.

COMMUNITY



RELAY FOR LIFE

An event organised by SCS for the fight against cancer, where TalkMed was the main sponsor. Over 6,500 participants and volunteers from various backgrounds came together for the 15-hour overnight event. The event was held on 10 March 2018 and helped raise over S\$830,000 that will go towards life-saving cancer treatments and welfare aid.

BREAST CANCER AWARENESS MONTH CAMPAIGN

In collaboration with Breast Cancer Network Vietnam (“BCNV”) and with support of other partners, the annual Pink Hat Day, was organised. It is a community program aimed at breast cancer patients. It held activities such as yoga led by qualified instructors to help breast cancer patients in the healing process and to prevent the disease. BCNV also works with SCC to provide free consultation to the community.



GRI CONTENT INDEX

GRI Standard	Disclosure	Chapter, Page Reference, Performance and/or Explanation for Omissions
	ORGANISATIONAL PROFILE	
	102-1	Name of the organisation 2
	102-2	Activities, brands, products, and services 4 to 5
	102-3	Location of headquarters 4
	102-4	Location of operations 4 to 5
	102-5	Ownership and legal form 4 to 5
	102-6	Markets served 4 to 5
	102-7	Scale of the organisation 5
	102-8	Information on employees and other workers 5
	102-9	Supply chain Our supply chain involves drugs and consumables that are ordered either through direct pharmaceutical companies or through third party logistic partners.
	102-10	Significant changes to organisation and its supply chain TalkMed has opened one more clinic at Gleneagles Medical Centre (#03-01) in the last quarter of 2018.
	102-11	Precautionary Principle or approach 6
GRI 102: General Disclosures 2016	102-12	External initiatives <ul style="list-style-type: none"> • Singapore Code of Corporate Governance (2012) • Singapore Financial Reporting Standards (International)
	102-13	Membership of associations None
	STRATEGY	
	102-14	Statement from senior decision-maker 3
ETHICS AND INTEGRITY		
	102-16	Values, principles, standards, and norms of behaviour 6
GOVERNANCE		
	102-18	Governance structure 6
STAKEHOLDER ENGAGEMENT		
	102-40	List of stakeholder groups 7
	102-41	Collective bargaining agreements None of our employees are covered under collective bargaining agreements.
	102-42	Identifying and selecting stakeholders 7
	102-43	Approach to stakeholder engagement 7
	102-44	Key topics and concerns raised 7

GRI CONTENT INDEX

GRI Standard	Disclosure		Chapter, Page Reference, Performance and/or Explanation for Omissions
REPORTING PRACTICE			
	102-45	Entities included in the consolidated financial statements	1. Singapore Cancer Centre Pte. Ltd. 2. TalkMed Vietnam Pte. Ltd. 3. TalkMed China Pte. Ltd. 4. TalkMed Chongqing Pte. Ltd. 5. Stem Med Pte. Ltd. 6. CellVec Pte. Ltd. 7. Stem Med Indonesia Pte. Ltd. 8. DrSG Cellular Wellness Pte. Ltd. Only Singapore Cancer Centre Pte. Ltd. is covered under the scope of the report.
	102-46	Defining report content and topic Boundaries	2 and 8
	102-47	List of material topics	8
	102-48	Restatements of information	We do not have any restatements of information.
	102-49	Changes in reporting	There are no changes in reporting.
	102-50	Reporting period	2
	102-51	Date of the most recent report	June 2018
	102-52	Reporting cycle	2
	102-53	Contact point of questions regarding the report	2
	102-54	Claims of reporting in accordance with GRI Standards	2
	102-55	GRI Content Index	14 to 16
	102-56	External assurance	We have not sought external assurance for this reporting period.
Material Topics			
ECONOMIC			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Please refer to pages 4 to 5 of our FY18 Annual Report
	103-2	The management approach and its components	
	103-3	Evaluation of the management approach	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Please refer to pages 38 to 97 of our FY18 Annual Report

GRI CONTENT INDEX

GRI Standard	Disclosure		Chapter, Page Reference, Performance and/or Explanation for Omissions
SOCIAL			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	8 and 10
	103-2	The management approach and its components	10
	103-3	Evaluation of the management approach	10
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	10 to 11
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	8 and 12
	103-2	The management approach and its components	12
	103-3	Evaluation of the management approach	12
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	12
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	8 to 9
	103-2	The management approach and its components	9
	103-3	Evaluation of the management approach	9
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	9



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