

SEEING THE  
**POTENTIAL**

**2021** SUSTAINABILITY  
REPORT

## Contents

1. ISEC Healthcare Performance Highlights .....	2
2. About ISEC Healthcare Ltd. ....	2
3. About the Report .....	3
4. Board Statement .....	3
5. Responding to COVID-19.....	4
5.1 Managing Impact of COVID-19 on the Business .....	4
5.2 Support to Stakeholders .....	5
6. Sustainability at ISEC Healthcare .....	5
6.1. Sustainability Governance .....	5
6.2. Stakeholder Engagement.....	7
6.3. Materiality Assessment.....	10
6.4. Contributing to the UN Sustainable Development Goals .....	11
7. Social: Providing World-class Service to Our Patients .....	16
7.1. Excellent Service Quality.....	16
7.2. Supply Chains of ISEC KL, SSEC and ISEC Penang .....	18
8. Social: Developing a High-Performing Workforce .....	19
8.1. Employee Demographics .....	19
8.2. Training and Development.....	20
8.3. Occupational Health and Safety .....	22
9. Governance: Corporate Governance .....	25
9.1. Enterprise Risk Management.....	26
9.2. Protection of Personal Data and Security of Information .....	27
10. Environment: Caring for the Environment.....	28
10.1. Energy and Carbon Footprint.....	28
10.2. Waste Management .....	28
11. GRI Content Index.....	31

# 1. ISEC Healthcare Performance Highlights

As of 31 December 2021,



## 2. About ISEC Healthcare Ltd.

Listed on the Catalist of the Singapore Exchange Securities Trading Limited (“SGX”), ISEC Healthcare Ltd. (“ISEC Healthcare” and together with its subsidiaries, the “Group”) is an established regional provider of a comprehensive suite of medical eye care services with ambulatory surgical centres. Led by a team of specialist doctors, who are also opinion leaders in their respective sub-specialty fields, the Group provides patients with attentive and advanced treatments at its well-equipped eye centres that are fitted with state-of-the-art ophthalmic equipment and facilities. Besides investing in the latest medical technologies, its doctors undergo continuous professional development and medical education to offer patients the highest standards of ophthalmic care.

Figure 1: Location of ISEC Healthcare Ltd. Clinics



In Malaysia, ISEC Kuala Lumpur (“ISEC KL”) was the first clinic in Southeast Asia and Far East region to receive the Joint Commission International (“JCI”) accreditation in 2009, which is recognised as the gold standard for healthcare quality and patient safety practices. ISEC KL has been maintaining its JCI accreditation since then, and successfully obtained JCI reaccreditation in March 2022.

In Singapore, ISEC Eye Pte. Ltd. (“ISEC Eye”) provides specialist medical ophthalmology to Asia Pacific Eye Centre located at Gleneagles Hospital. In 2016, the Group expanded its healthcare services to include general medical services and procedural services, with the acquisition of JLM Companies comprising four clinics located in the heartlands of Singapore. JLM Companies consist of JL Medical (Bukit Batok) Pte. Ltd., JL Medical (Sembawang) Pte. Ltd., JL Medical (Woodlands) Pte Ltd. and JL Medical (Yew Tee) Pte. Ltd..

In 2019, the Group opened its first clinic in Yangon, Myanmar, through a joint venture agreement entered in May 2018 with three independent third parties, namely Next Tier International Company Limited (“Next Tier”), Daw Pyae Pyae Thein and Dr. Khin Khin Win (“Dr Win”) (collectively, the “JV Partners”). The clinic in Yangon operates and administers ophthalmology centres and provide medical consultations and services in Myanmar. In 2020, the Group expanded its market in Malaysia upon the acquisition of Indah Specialist Eye Centre Sdn. Bhd. on 27 February 2020.

ISEC Healthcare’s mid-term goal is to further grow our ophthalmology business in China, Vietnam and Myanmar markets due to the high potential for growth in South-East Asia, while expanding our existing operations in Singapore and Malaysia.

### 3. About the Report

ISEC Healthcare is pleased to present its annual Sustainability Report which has been prepared in accordance with SGX’s Sustainability Reporting Guideline and the Global Reporting Initiative (“GRI”) Standards – “Core” option, the international sustainability reporting framework. GRI is widely adopted for sustainability reporting, enabling us to achieve comprehensive and comparable disclosure of environmental, social and governance (“ESG”) performance.

This report discloses the sustainability performance of ISEC Healthcare for 1 January to 31 December 2021 (“FY2021”), with FY2020 used for comparison for certain material matters where applicable. In FY2021, ISEC Healthcare continues to enhance and stabilise its data collection systems while exploring the possibility to expand its reporting scope in subsequent reports.

*Table 1: Group entities scoped in since ISEC Healthcare’s inaugural Sustainability Report*

FY2017	FY2018	FY2019	FY2020	FY2021
<ul style="list-style-type: none"> <li>ISEC KL</li> </ul>	<ul style="list-style-type: none"> <li>ISEC KL</li> </ul>	<ul style="list-style-type: none"> <li>ISEC KL</li> <li>SSEC Malacca (“SSEC”)</li> </ul>	<ul style="list-style-type: none"> <li>ISEC KL</li> <li>SSEC</li> <li>ISEC Penang</li> </ul>	<ul style="list-style-type: none"> <li>ISEC KL</li> <li>SSEC</li> <li>ISEC Penang</li> </ul>

### 4. Board Statement

ISEC Healthcare strives to operate and interact with stakeholders in a transparent and sustainable manner during this challenging period to manage the impact caused by the COVID-19 pandemic to the community. The Board of Directors (the “Board”) of ISEC Healthcare has delegated the responsibility of identifying, assessing and documenting material business risks including ESG risks to the Sustainability Steering Committee. Thereafter, material ESG factors would be validated by the Board. The Board maintains oversight on the management and monitoring of the material ESG factors at ISEC Healthcare.



ISEC Healthcare strives to conduct its business responsibly, so as to minimise its impacts on the environment and society at large. As we continue on the path towards sustainability, ISEC Healthcare maps its sustainability efforts towards the United Nations Sustainable Development Goals (“UN SDGs”) Goal 3 (good health and well-being), Goal 8 (decent work and economic growth) and Goal 12 (responsible consumption and production). Further details of the three goals and ISEC Healthcare’s efforts are explained within this report.

With close to two years of living with COVID-19, many countries begin easing their COVID-19 safe management measures and restrictions with the intention to treat COVID-19 as an endemic condition. Countries have begun reopening their borders as the world progresses towards new norms of travel, business and lifestyle activities. However, with the possible emergence of more COVID-19 variants in the future, there remains uncertainty among businesses and communities.

ISEC Healthcare continues to implement stringent measures and protocols to safeguard the health and wellbeing of employees, patients and visitors. As we are entering into the third year living with COVID-19 in 2022-, we remain committed to supporting our stakeholders wherever possible throughout this pandemic. The Group continues to monitor the situation closely and implement the necessary operational adjustments to ensure resilience of its businesses.

## 5. Responding to COVID-19

### 5.1 Managing Impact of COVID-19 on the Business

ISEC Healthcare recognises the importance of updating its stakeholders on a timely basis if any significant impact to its operations and financial performance during the COVID-19 pandemic period. In FY2021 and FY2022 to-date, we have been disclosing the COVID-19 impact on the Group as well as the measures taken in response to the impact in our 2020 and 2021 Annual Reports. Periodic updates were also shared in the quarterly results announcements.

In FY2021, ISEC Healthcare’s operations, particularly the specialist health services segment were adversely affected by the travel restrictions and safe distancing measures imposed. Malaysia saw a large spike in cases in December 2020 which resulted in the country implementing a movement control order (“MCO”) in the first quarter of 2021, which transitioned to Conditioned Movement Control Order (“CMCO”) in March 2021. Following which, MCO was reinstated and Full MCO (“FMCO”) with stricter restrictions was implemented in early May 2021 due to a surge in COVID-19 cases. As vaccination rate slowly rose in the country, Malaysia launched the National Recovery Plan aimed at gradually reopening the economy in the second half of 2021. A state of emergency was also declared by the King which lasted from January to August 2021, affecting all businesses in Malaysia. As in initiative to contribute to the Malaysia community in fighting COVID-19 pandemic, ISEC KL and SSEC participated in the National COVID-19 Immunisation Programme in June 2021 as Private COVID-19 Vaccination Centre. Malaysia had on 1 April 2022 reopened its borders as the country begins to transition to the COVID-19 endemic phase.

In Singapore, the emergence of new COVID-19 Delta and Omicron variants coupled with the rise in cases towards the end of FY2021 contributed to some uncertainties to the businesses. From 1 April 2022, the country reopened its borders to all fully vaccinated travellers, removing all existing vaccinated travel lanes (“VTL”) and unilateral opening arrangements. In tandem with the substantial easing of restrictions on cross-border travel, Singapore has also implemented further easing of COVID-19 measures within the community from 29 March 2022 as part of the country’s move towards living with COVID-19.

Myanmar resumed international passenger flights from 17 April 2022, lifting a two-year ban on the entry of foreign tourists. Myanmar's Ministry of Health has also issued an order lifting restrictions on public gatherings from 17 April 2022, the Myanmar New Year Day. The ministry's decision came when the country saw a notable decline in its COVID-19 infections and fatality rates in the past months.

While we are optimistic that our performance will improve with gradual resumption of travel, business and lifestyle activities globally, the Group will continue to monitor the evolving situation and make necessary operational adjustments across Singapore, Malaysia and Myanmar.

## 5.2 Support to Stakeholders

ISEC Healthcare continued to support various stakeholder groups such as employees, patients and community during the year. With the measures in our clinics maintained the substantially the same, such as mandatory check-in via QR codes, proper usage of Personal Protective Equipment (“PPE”) and safe distancing, some of the updates have been provided in the table below.

*Table 2: Measures, Support and Assistance in Response to COVID-19 Pandemic*

### Our Patients

- Ongoing safe management measures such as screening incoming patients and visitors entering the clinics, social distancing, and crowd control in which patients are encouraged to come alone, or limited to one accompanying caregiver for elderly, children or disabled patients.
- Continued passing on promotional price of lenses that were offered by our suppliers to our patients, where applicable.

### Our Employees

- Observed compliance with the ongoing updates to COVID-19-related rules and regulations across clinics and corporate headquarter.
- Remained guided by the COVID-19 Pandemic Mitigation Standard Operating Procedure (“COVID-19 Pandemic Mitigation SOP”) to safeguard the safety of our employees and workers.
- Provided adequate PPE such as surgical masks, isolation gowns, latex gloves and hand sanitizers to employees.
- Reimbursed medical expenses for employees seeking treatment at external clinics or hospitals for respiratory symptoms.



### Our Community

- Collaborated with the Ministry of Health, Malaysia under the National COVID-19 Immunisation Programme for two clinics, ISEC KL and SSEC, to administer COVID-19 vaccination services to the Malaysia public.
- Both clinics offered vaccination services; ISEC KL administered 2,513 doses from July to August 2021, and SSEC administered 2,467 doses from July to October 2021, in total administered close to 5,000 doses since the commencement of the programme.

## 6. Sustainability at ISEC Healthcare

### 6.1. Sustainability Governance

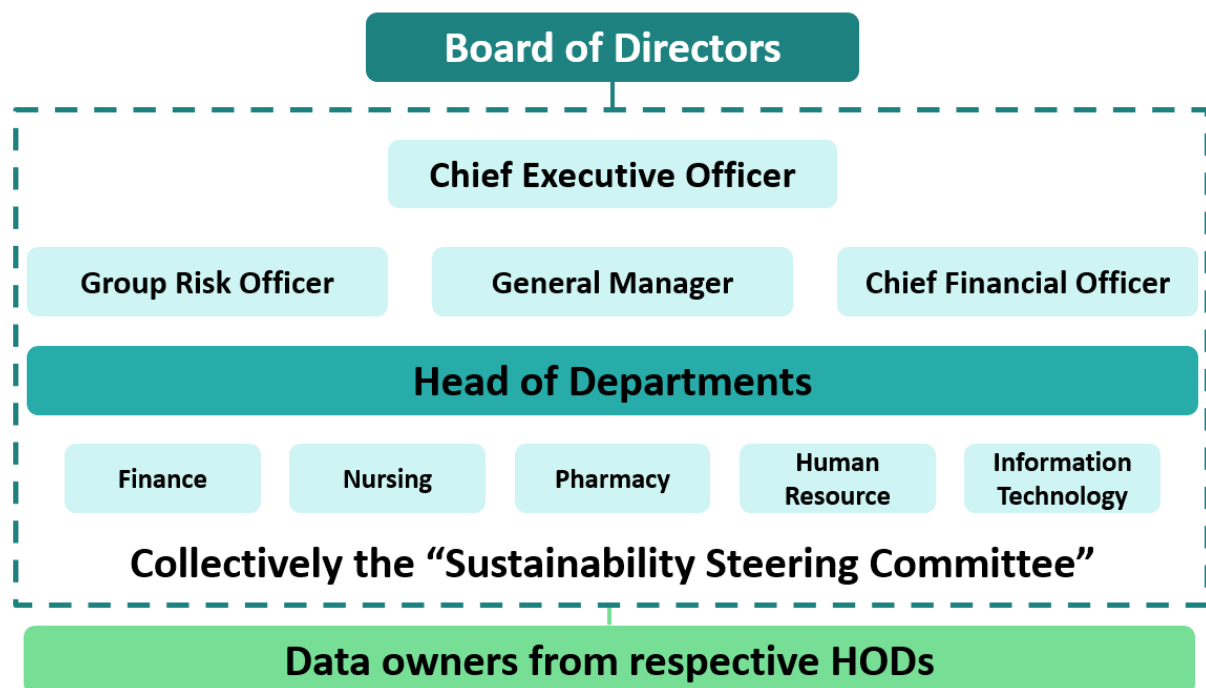
The Board provides oversight and strategic formulation to achieve ISEC Healthcare’s vision and mission. The Board comprises independent, executive, and non-executive and non-independent

directors with core competencies in fields of medical, accounting and finance, and professional legal services.

Since FY2017, the Sustainability Steering Committee (“SSC” or the “Committee”) has assisted the Board on overseeing the implementation of sustainability initiatives across ISEC Healthcare’s operations.

The SSC comprises the Chief Executive Officer, Group Risk Officer, General Manager, Chief Finance Officer, as well as the various Heads of Departments (“HODs”). The SSC drives the sustainability initiatives, ensuring that they are being carried out across the relevant departments shown in Figure 2. Data owners working alongside HODs will collate and report the sustainability performance to the SSC for review. This is then presented to the Board through the Sustainability Report.

Figure 2: Sustainability Governance Structure



## 6.2. Stakeholder Engagement

Effective stakeholder engagement is fundamental to understand each stakeholder's interests and concerns. This understanding allows ISEC Healthcare to focus on the appropriate matters and allocate requisite resources to meet the respective stakeholders' interests. At ISEC Healthcare, stakeholders' interests are considered at every business decision. The Management has identified six groups of stakeholders that are key to our business operations. We have taken into consideration the developments resulted from the COVID-19 situation and updated our responses and engagement methods. Our approach towards stakeholder engagement is presented below.

Table 3: Stakeholder Engagement

Key Stakeholders	Basis of identifying and selecting	Engagement Methods	Frequency of Engagement	Stakeholders' Concerns	COVID-19 related concerns	ISEC Healthcare's Response to Stakeholders' Concerns
<b>Customers (i.e. Patients and Visitors)</b>	Customers' satisfaction is the key to ISEC Healthcare's business sustainability.	<ul style="list-style-type: none"> <li>Customer feedback through feedback forms</li> <li>Customer reviews through Facebook pages</li> <li>Customer reviews and feedback are welcomed and addressed on Google Review</li> </ul>	<ul style="list-style-type: none"> <li>Periodic</li> <li>Ongoing</li> <li>When required</li> </ul>	<ul style="list-style-type: none"> <li>Service quality</li> <li>Duration of waiting time</li> <li>Pricing of products and services</li> <li>Treatment outcome</li> </ul>	<ul style="list-style-type: none"> <li>Delay in treatment and surgeries</li> <li>Risk of spread of COVID-19 within clinics and measures taken to limit such risk</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of appointment and queue system</li> <li>Competitive pricing</li> <li>Pre-treatment counselling</li> <li>Prompt communication with patients if re-arrangement on appointments needed any postponement in surgeries / treatment</li> </ul>
<b>Employees and Workers</b>	As a service provider, ISEC Healthcare's staff are the key contact to customers and business partners.	<ul style="list-style-type: none"> <li>Performance appraisal</li> <li>Town hall meetings</li> <li>Other ad-hoc meetings</li> </ul>	<ul style="list-style-type: none"> <li>Semi-annual</li> <li>Periodic</li> <li>When required</li> </ul>	<ul style="list-style-type: none"> <li>Career development</li> <li>Remuneration</li> <li>Work life balance</li> </ul>	<ul style="list-style-type: none"> <li>Job security</li> <li>Safety protocols within ISEC Healthcare clinics to prevent spread of COVID-19</li> </ul>	<ul style="list-style-type: none"> <li>Performance appraisals and reward system</li> <li>Coaching and training</li> <li>Regular communication between Heads of Departments and staff</li> <li>No retrenchment exercise due to COVID-19</li> <li>Prompt communication of safety protocols to employees</li> </ul>



Key Stakeholders	Basis of identifying and selecting	Engagement Methods	Frequency of Engagement	Stakeholders' Concerns	COVID-19 related concerns	ISEC Healthcare's Response to Stakeholders' Concerns
<b>Government</b>	Healthcare industry is highly regulated; therefore, understanding government's requirements and ensuring compliance is imperative to maintain the Group's clinics' licenses to operate.	<ul style="list-style-type: none"> <li>• Consultation with authorities</li> <li>• Feedback on government's policies and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic</li> <li>• Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance to rules and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance to COVID-19 specific rules and guidance (i.e safe management measures)</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor relevant regulatory developments</li> <li>• Ensure compliance to the regulatory requirements including new COVID-19 regulations</li> </ul>
<b>Local Communities</b>	ISEC Healthcare strives to raise awareness on eye health and contribute to local community's development	<ul style="list-style-type: none"> <li>• Raising awareness through eye tests</li> <li>• Charity clinic</li> <li>• Educational talks and podcasts</li> <li>• Pro-bono teaching and training to optometrist students</li> <li>• Educational eye care/health videos through Facebook</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic</li> <li>• Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>• Public education on eye health</li> <li>• Affordable treatment for eye ailments</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain support towards community initiatives such as eye tests and awareness talks</li> </ul>	<ul style="list-style-type: none"> <li>• Keep abreast of community interests in eye health</li> <li>• Facilitate interaction through online methods (i.e use of social media platforms)</li> <li>• Educational videos, covering topics relating to eye healthcare such as cataract, eye problems in children, glaucoma, diabetic and eye diseases and many more</li> </ul>

Key Stakeholders	Basis of identifying and selecting	Engagement Methods	Frequency of Engagement	Stakeholders' Concerns	COVID-19 related concerns	ISEC Healthcare's Response to Stakeholders' Concerns
<b>Shareholders</b>	Shareholders are essentially the owners of ISEC Healthcare and therefore an important stakeholder group in ISEC Healthcare's operations and decision-making.	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Financial results announcements</li> <li>Virtual meetings</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> <li>Quarterly</li> <li>When required</li> </ul>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Business growth</li> <li>Liquidity</li> </ul>	<ul style="list-style-type: none"> <li>Business resilience to the impact posed by COVID-19</li> </ul>	<ul style="list-style-type: none"> <li>Dedicated investor relations section on corporate website with access to annual reports and press releases</li> <li>Announcements on SGXNet and corporate website</li> <li>One-on-one or small group meetings with analysts and investors</li> </ul>
<b>Suppliers</b>	Good working relationship with suppliers helps to ensure punctual supply and support at competitive prices	<ul style="list-style-type: none"> <li>Regular meetings, phone calls and email correspondences with suppliers to provide feedback on quality of products and services</li> </ul>	<ul style="list-style-type: none"> <li>Periodic</li> <li>When required</li> </ul>	<ul style="list-style-type: none"> <li>Continuation of business</li> <li>Promotion of products</li> <li>Feedback on products</li> </ul>	<ul style="list-style-type: none"> <li>Management of contractual obligations</li> </ul>	<ul style="list-style-type: none"> <li>Internal review of suppliers' deliverables</li> </ul>

### 6.3. Materiality Assessment

The process of establishing material ESG matters is important as it allows ISEC Healthcare to understand stakeholders' interest, manage impacts as well as identify opportunities. It also forms the foundation for introduction of future sustainability efforts.

ISEC Healthcare conducted its first materiality assessment in FY2017 to identify and prioritise its material ESG matters. The ESG matters are reviewed every year to ensure their continuing relevance to the business and its stakeholders, as well as aligning with the sustainability context of the healthcare industry. The results and materiality assessment process from FY2017 to FY2021 are shown in Figure 3.

Figure 3: Materiality Assessment Process

FY2017	From FY2018 to FY2021 (annually)
<p>ISEC Healthcare conducted its inaugural formal materiality assessment.</p> <p>Seven ESG matters that were deemed material to the organisation and its stakeholders were identified and validated by the Board of Directors.</p>	<p>The existing ESG matters were reviewed and assessed for its continued relevance to the business and its stakeholders, and in line with the sustainability context of the healthcare industry.</p> <p>In FY2021, the COVID-19 pandemic continued to be factored in during the annual review of ESG matters. The existing ESG matters were deemed to be relevant to our business and stakeholders.</p> <p>The ESG matters were subsequently presented to the Board of Directors for validation.</p>

The seven ESG matters identified are presented below in Figure 4.

Figure 4: Results of Materiality Assessment

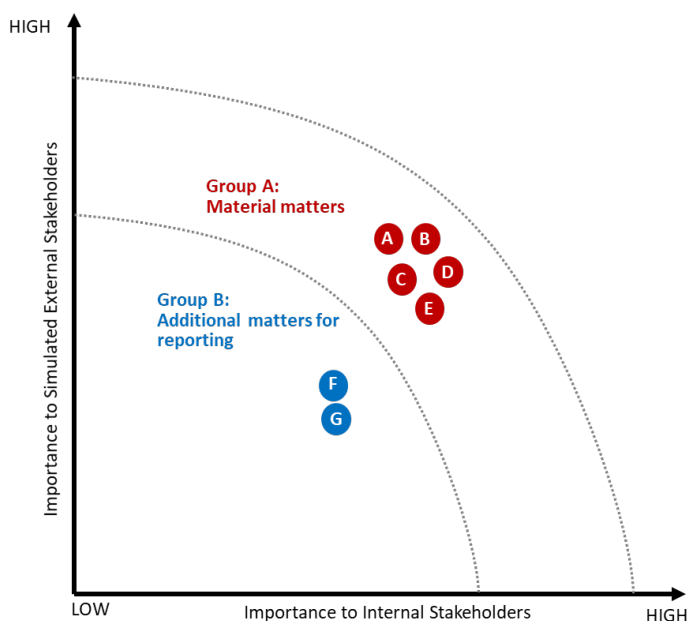


Table 4: Mapping of ISEC Healthcare’s Material and Additional Matters to GRI Topic-Specific Disclosures

Mapping ESG Matters for reporting to GRI topics			
No.	ESG Matters	Definition	GRI Topic-Specific Disclosures <sup>1</sup>
<b>A</b>	Excellent Service Quality	Offer best-in-class and safe treatment to ISEC Healthcare's patients, as evidenced by enhanced patient satisfaction and avoidance of patients' safety incidents.	GRI 416 Customer Health and Safety (416-2)
<b>B</b>	Occupational Health and Safety	Provide for and promote the health and safety of employees, as measured by avoidance of work-related injuries, etc.	GRI 403 Occupational Health and Safety 2018 (403-9)
<b>C</b>	Security of Information and Patient Privacy	Maintain the confidentiality of patients' information including their personal information, medical records, etc. through robust IT and data protection systems.	GRI 418 Customer Privacy (418-1)
<b>D</b>	Training and Development	Increase employees' competence through training and development programmes.	GRI 404 Training and Development (404-3)
<b>E</b>	Corporate Governance	Manage business strategy, risk assessments and sustainability processes in order to build financial integrity, investor confidence and superior performance.	GRI 205 Anti-corruption (205-3) GRI 307 Environmental Compliance (307-1) GRI 419 Socioeconomic Compliance (419-1)

Mapping of additional matters for reporting to GRI topics			
	Additional Matters	Definition	GRI Topic-Specific Disclosures
<b>F</b>	Waste Management	Minimise waste generation through reduce, reuse and recycle (“3Rs”) efforts and safe disposal of biological waste.	GRI 306 Waste (306-1, 306-2 and 306-3)
<b>G</b>	Energy and Carbon Footprint	Efficient use of energy to minimise carbon footprint arising from ISEC Healthcare’s operations.	GRI 302 Energy (302-1)

## 6.4. Contributing to the UN Sustainable Development Goals

The Sustainable Development Goals (“SDGs”), set in 2015 by the United Nations, calls for a collective global effort towards ending poverty, promoting prosperity and protecting the environment. These 17 global goals cover a broad range of social, environmental, governance and social justice




<sup>1</sup> Unless otherwise stated, ISEC Healthcare continues to report against GRI Standards 2016 topic-specific disclosures. We acknowledge that the GRI Standards 2021 will be effective for reports or other materials published on or after 1 January 2023, which will be applicable for ISEC Healthcare’s FY2022 SR.

considerations. Businesses have been called upon to take charge as they play a vital role in each country’s progress towards achieving these goals.

As a healthcare service provider, many of ISEC Healthcare’s sustainability measures are inherently aligned with sustainable development goals; especially for SDG 3: *Good Health and Well-Being*, SDG 8: *Decent Work and Economic Growth* and SDG 12: *Responsible Consumption and Production*.

Table 5: ISEC Healthcare’s Measures of Sustainability Development Goals

## SUSTAINABLE DEVELOPMENT GOALS

3 GOOD HEALTH AND WELL-BEING 	8 DECENT WORK AND ECONOMIC GROWTH 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 
<b>Good Health and Well-Being</b>	<b>Decent Work and Economic Growth</b>	<b>Responsible Consumption and Production</b>
Ensure healthy lives and promote well-being for all at all ages	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Ensure sustainable consumption and production patterns
<b>How is ISEC Healthcare working towards the goals</b>		
Raising public awareness on good eye health and early detection through preventive treatment methods and eye health checks	Decent work for employees and workers in a safe environment	Standard Operating Procedures (“SOP”) on waste management were developed in strict accordance with government regulations
Doctors’ participation in symposiums, clinical trials, development of eye care technology	In-house certified trainers and external training for all	Advocating 3R (“Reduce, Reuse and Recycle”) behaviour through bag-free Saturdays across various clinics
Online talks, podcasts and virtual awareness topics such as cataract, paediatric ophthalmology, glaucoma and COVID-19-related topics, available in English, Mandarin and Cantonese	Provision of complimentary influenza vaccination for all employees	Replacement of conventional light fittings to LED type
Provided consultation to patients in Myanmar via tele-consultation	Performance-based promotions for suitable employees	Refurbishment of existing medical equipment such as replacing lamps, parts of the microscope and tonometer <sup>2</sup> across clinics instead of purchasing new units

<sup>2</sup> A tonometer is an instrument used to determine the pressure inside the eye and the test conducted helps to check for glaucoma.



<b>Relevant Material Matters</b>		
Excellent Service Quality (Pg. 16-17)	<ul style="list-style-type: none"> <li>• Training and Development (Pg. 20-21)</li> <li>• Occupational Health and Safety (Pg. 22-25)</li> </ul>	<ul style="list-style-type: none"> <li>• Energy and Carbon Footprint (Pg. 28)</li> <li>• Waste Management (Pg. 28-30)</li> </ul>

In contribution to SDG 3: *Good Health and Well-Being*, our clinics have been actively collaborating with industry partners such as Novartis Corporation (M) Sdn Bhd, Santen Pharma Malaysia Sdn Bhd and Allergan Malaysia Sdn Bhd, in providing complimentary eye screening services in conjunction with World Sight Day since 2015 and World Glaucoma Day since 2010, except for 2020 when Malaysia was hit by the pandemic. We have since resumed the complimentary eye screenings on World Glaucoma Day this year. To overcome the safe distancing and travel restriction measures, our doctors had voluntarily developed educational videos to continue to share their expertise with the community, covering topics relating to eye healthcare such as cataract, eye problems with children, glaucoma, diabetic eye disease and many more. Our doctors also regularly attend virtual conferences and seminars, as speakers to share their expertise as part of our Group’s commitment to impart knowledge to fellow medical professionals, and to nurture medical students. More details are showcased in the Case Studies below.

**Case Study 1: World Sight Day 2021**

Each year, ISEC KL, SSEC and ISEC Penang organise events on World Sight Day to raise public awareness of eye health and inculcate good eye habits like regular eye examinations to allow early detection and early treatments to prevent deterioration of existing conditions.

This year, the event continued to be held as a virtual educational webinar where ISEC Healthcare’s ophthalmologists shared information on numerous common and important eye diseases. The theme for FY2021 was titled #LoveYourEyes which calling out to participants who were able to book an eyesight test, exam or screening to check on the wellbeing of their eyes. Across the two webinar sessions held, eye care topics on red eye, cataract and glaucoma were shared, which received a total of 400 attendees.



Above: Promotional poster for September’s World Sight Day 2021 webinar

**Case study 2: ISEC KL's participation in Ministry of Health ("MOH") outsourcing initiatives**

The disruption of medical services around Malaysia in 2020 had resulted in a growing backlog of patients at the Malaysia's Ministry of Health ("MOH") facilities. As such, MOH had since 2020 begun outsourcing medical services for non-COVID-19 patients to private hospitals and clinics to help overcome the backlog issue. ISEC KL participated in MOH's outsourcing initiatives to perform Vitreo-Retinal surgeries and procedures for public healthcare patients, a total of 62 procedures were carried out for 28 such patients referred by MOH between June and September 2021, valued at RM300,000.

**Case study 3: ISEC Healthcare Ophthalmology Symposium 2021**

Due to the COVID-19 restrictions and safe management measures in Malaysia, ISEC Healthcare conducted its annual Ophthalmology Symposium virtually on Facebook Live. The three-hour event was held to help raise awareness and share information around acute eye conditions, chronic eye conditions and how to address them. The event was held as a free-to-attend live online event on 13<sup>th</sup> November 2021 and received 139 live viewers.

**ISEC Ophthalmology Symposium 2021**  
 Date | 13<sup>th</sup> November 2021 (Saturday)  
 Time | 3.00pm – 6.00pm (1500-1800)

**1<sup>st</sup> Session – Acute Eye Conditions**

TIME	TOPIC	SPEAKER
1500 – 1510	Welcome and Introduction	Dr Wong Jun Shyan, Dr Ho Whye Qin
1510 – 1520	Bayer Symposium	Dr Lim Kian Seng
1520 – 1530	The Rogue Retina	Dr Wong Jun Shyan
1530 – 1540	The Window of the Eye – Acute Corneal Conditions	Dr Adrian Tay
1540 – 1550	999 in the Orbit	Dr Yew Chian Voon
1550 – 1600	My Eye Under Pressure! – Code Red	Dr Gan Eng Hui
1600 – 1610	Red Flags in Red Eyes: How to assess and when to refer	Dr Chua Chung Nen
1610 – 1625	Live Q&A Session and Summary	All Doctors
1625 – 1635	Break Time	Break Time

**2<sup>nd</sup> Session – Chronic Eye Conditions and Refractive Surgery**

TIME	TOPIC	SPEAKER
1635 – 1645	Chronic Red Eyes in Children	Dr Choong Yee Fong
1645 – 1655	Glaucoma : Fighting an Invisible Enemy	Dr David Woo Wen Wei
1655 – 1705	A Simple Guide to Cataract Surgery	Dr Chan Jian Bond
1705 – 1715	The Front and Back of the Eye	Dr Ho Whye Qin
1715 – 1725	Droopy Eyes, Sleepy Eyes	Dr Tan Siow Wei
1725 – 1735	Glasses Free: Clear Vision!	Dr Liu Han Seng
1735 – 1750	Live Q&A Session	All Doctors
1750 – 1800	Symposium Summary and End	Dr Wong Jun Shyan Dr Ho Whye Qin

Scan the QR code or click here to join

Above: Promotional poster and schedule of events for ISEC Healthcare Ophthalmology Webinar conducted on 13<sup>th</sup> November 2021

#### **Case study 4: Free Eye Screening on World Glaucoma Day 2021**

In conjunction with World Glaucoma Day on 13<sup>th</sup> March 2021, complimentary eye screening was provided to members of the public who were 40 years and above with a strong family history of glaucoma. They were welcomed to sign up for a free eye screening with ISEC Healthcare's ophthalmologists. A total of 73 patients were screened of which 36 cases of eye disorders were detected.



*Left: Poster for World Glaucoma Week 2021 at ISEC KL*

*Right: Eye screening at SSEC during World Glaucoma Week*

## 7. Social: Providing World-class Service to Our Patients

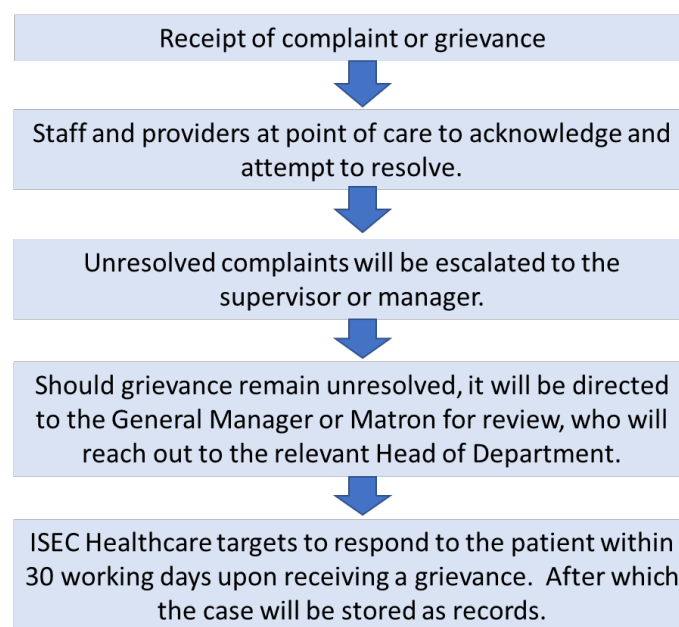


### 7.1. Excellent Service Quality

As a one-stop speciality medical eye care service provider, ISEC Healthcare remains committed to providing high-quality, world-class services, with integrity and compassion to the community. We have a team of high calibre and experienced ophthalmologists, possessing extensive knowledge through numerous clinical experiences in the trainings and past clinical appointments at renowned eye centres in Singapore, Australia, India, United Kingdom and the United States.

Dedicated personnel at each of the clinics are appointed to oversee the Patient Complaint, Grievance and Feedback Procedure. It guides employees on the necessary steps to be taken in resolving grievances or complaints received from patients or next-of-kin in a timely, reasonable and consistent manner. Figure 5 outlines the key steps taken from the receipt of a complaint to the conclusion of the case.

Figure 5: Patient Complaint, Grievance and Feedback Procedure



Patient satisfaction surveys are conducted to obtain feedback. The survey forms are handed out to all patients during registration and collected at the cashier's counter upon payment. The Patient Satisfaction Survey evaluates clinics' performance from appointment scheduling, registration, clinic environment, professionalism of the medical staff and waiting time. Feedback is also collected through the respective clinic's Facebook pages.

In FY2021, a total of 120 (FY2020: 100) survey responses<sup>3</sup> were recorded for SSEC. 95% (FY2020: 93%) of patients rated overall service to be "Good" and above.

<sup>3</sup> ISEC KL and ISEC Penang have switched their survey method to be conducted solely on Google Review in FY2021. SSEC still uses Patient Satisfaction Survey forms along with Google Review.

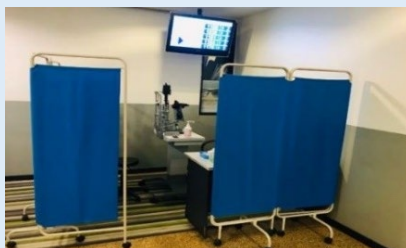
## Targets and Performance

Focus Areas	Perpetual Target	FY2021 Performance
Service Quality and Patient Satisfaction	Uphold the service quality and achieve at least 90% of the patient satisfaction survey overall results at "Good" and above	<p>● Achieved</p> <p>95% of patient satisfaction survey overall rated "Good" and above</p>
	To achieve a Google Review rating of: - 4.5 or higher for ISEC KL and ISEC Penang - 4.0 for SSEC, by end of FY2022	<p>● Not achieved</p> <p>ISEC KL and ISEC Penang is close to achieving their target with a 4.3 rating and 4.2 rating respectively as at the end of FY2021</p>
Customer Health and Safety	Zero reportable cases of non-compliance regarding health and safety impacts of products and services	<p>● Achieved</p>

### **COVID-19 Highlight 1: Upholding Service Quality and Ensuring Safety for our Patients**

Under the guidance of the COVID-19 Pandemic Mitigation SOP, precautionary measures continue to be in place to ensure safety of all patients and visitors within our premises as shown below:

- Mandatory tracking via 'MySejahtera' App and temperature checks prior to entering ISEC Healthcare clinics.
- Crowd control measures where patients are encouraged to come alone, or limited to one accompanying caregiver for elderly patients, children or the disabled.
- Hand sanitisers are made readily available at triage counters and inside the clinics.
- Designated screening corner for patients with conjunctivitis<sup>4</sup>. Interactions between patients and anyone in the clinics including registration, pharmacy and payment are restricted. The corners are disinfected thoroughly after each patient.
- Social distancing markers displayed across all clinics on the ground and in waiting areas.
- Plastic shields for protection while doctors performing lamp examination and eye treatments.



Besides safeguarding patients' health and wellbeing, the clinics also work with various suppliers to pass on promotional price of lenses to patients.

<sup>4</sup> Conjunctivitis or more commonly known as pink eye is an inflammation or infection of the transparent membrane. It can be spread through hand-to-eye contact by hands or objects that are contaminated with the infectious virus.



### **COVID-19 Highlight 2: ISEC KL and SSEC clinics dual-functionality as designated vaccination centres**

One of the main efforts to combat the spread of COVID-19 was the introduction of COVID-19 vaccines. ISEC Healthcare stepped up to spread awareness on the importance of being vaccinated against COVID-19. In collaboration with ProtectHealth Malaysia, established under the Ministry of Health, two clinics, ISEC KL and SSEC, offered vaccination services from June 2021 to November 2021. Over the course of FY2021, a total of 4,980 vaccination doses were administered at the two clinics. ISEC KL offered vaccination services from July 2021 to August 2021 administering 2,513 doses, while SSEC administered 2467 doses from July 2021 to October 2021.



*Left: Employees preparing to hold and store vaccination doses at the clinic*

*Right: Customers registering for COVID-19 vaccination*

## 7.2. Supply Chains of ISEC KL, SSEC and ISEC Penang

In FY2021, the supply chain of the three clinics comprised over 300 suppliers including those providing medical supplies such as lenses, consumables, medical equipment, medications and laboratory services to the three clinics. We also engage third-party cleaners<sup>5</sup> in ISEC KL and ISEC Penang. Licensed waste management contractors were engaged across all three clinics for medical waste disposal. 99% of our suppliers are based locally.

Suppliers continue to be screened and assessed against stringent criteria. Product certifications and quality assurance encompass passing the performance tests and quality assurance tests with the authorised parties (such as Scientific and Industrial Research Institute of Malaysia and International Organisation for Standardisation). All medications are also required to be registered with Malaysia's Ministry of Health.

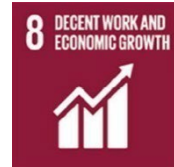
Regular suppliers and annual service providers undergo an annual evaluation based on quality, communication, timeliness of delivery and support provided. An Approved Vendor List ("AVL") is maintained and regularly updated based on the results of the screening and annual evaluation. Should there be any lapses in quality, suppliers may face immediate termination. Additionally, the three clinics organise joint activities with suppliers as part of our efforts to contribute to the community, like conducting free eye screening tests, eye-health awareness talks and campaigns.

---

<sup>5</sup> SSEC has a full time cleaner to carry out daily cleaning job.

In FY2021, there were no disruptions to the clinics’ supply chains arising from the COVID-19 situation. The clinics continued to ensure a steady flow of medical supplies such as surgical masks, isolation gowns, latex gloves and hand sanitisers. The Group continues to monitor existing supplies of personal protection equipment (“PPE”) for its employees and ensures continuance of supply with a pool of alternative suppliers.

## 8. Social: Developing a High-Performing Workforce

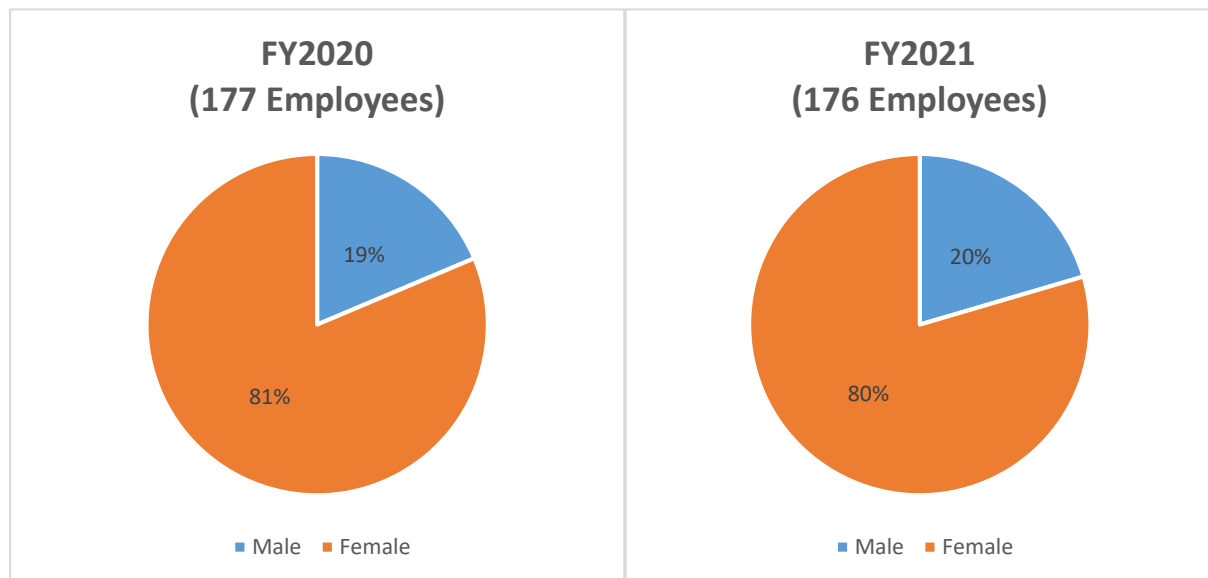


### 8.1. Employee Demographics

Employees are core to every business, essential to ensure the Group continues delivering excellent service quality and maintaining market leadership in private ophthalmology. As such, ISEC Healthcare strives to attract and retain highly qualified and experienced specialist doctors, management, clinical staff and infrastructure support staff.

In FY2020 and FY2021, employment numbers for the three clinics remained relatively constant with majority of employees holding permanent and full-time positions. In FY2021, there were a total of 18 workers<sup>6</sup> employed for general cleaning services, waste disposal and medical equipment maintenance at ISEC KL, SSEC and ISEC Penang. The breakdown of employees by gender, employment contract, type and category are shown in Figure 6.

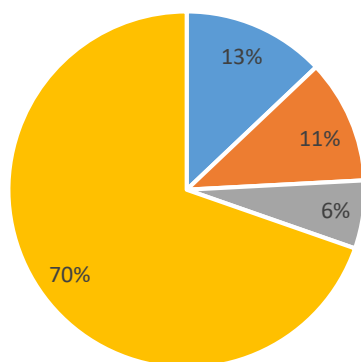
Figure 6: Breakdown of Employee by Gender and Employment Category



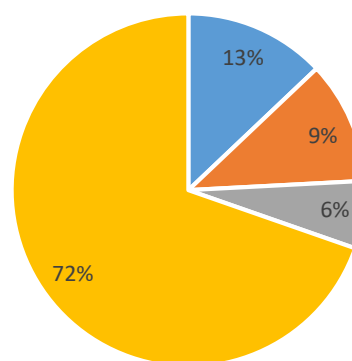
<sup>6</sup> Workers refer to non-employees excluded from total employee count as they work on ad-hoc basis. SSEC does not engage any such workers.

<b>Employment Contract</b>	<b>FY2020</b>		<b>FY2021</b>	
	Male	Female	Male	Female
Permanent	32	139	36	138
Temporary	1	5	0	2
<b>Employment Type</b>	<b>FY2020</b>		<b>FY2021</b>	
	Male	Female	Male	Female
Full-Time	33	140	36	138
Part-Time	0	4	0	2

**FY2020**  
(177 employees)



**FY2021**  
(176 employees)



■ Doctor ■ Manager/ General Manager ■ Executive (HOD) ■ Non-executive

ISEC Healthcare continues to ensure the job security of our employees during the COVID-19 situation. There has not been any restructuring or retrenchment exercises during the year.

## 8.2. Training and Development

ISEC Healthcare strives to equip our employees with adequate training, cultivating a culture of continuous learning and development. With a high-performing and motivated workforce, employees can better adapt to the changing market, which allows ISEC Healthcare to remain relevant in the competitive medical industry.

The Human Resource (“HR”) department at ISEC KL is responsible for overseeing the learning and development programmes for staff across all three clinics and assists its medical staff to fulfil Continuous Professional Development (“CPD”) requirements for renewal of their respective licenses under the respective Medical Regulations 2017 for doctors and Provisions in the Nursing Act 2015 for nurses. After a year of exemption granted by the respective medical associations in FY2020 due to disruptions from the pandemic, in FY2021, doctors and medical staff have resumed their training to fulfil the CPD requirements by the respective medical associations to maintain their licenses.

Throughout the year, the HR department organised various training programmes, on-the-job trainings and other career counselling activities. To encourage continuous and proactive learning, a ‘Training Needs Identification’ form is made available to employees for which requests can be made to enrol themselves into specific courses relevant to their job scopes.

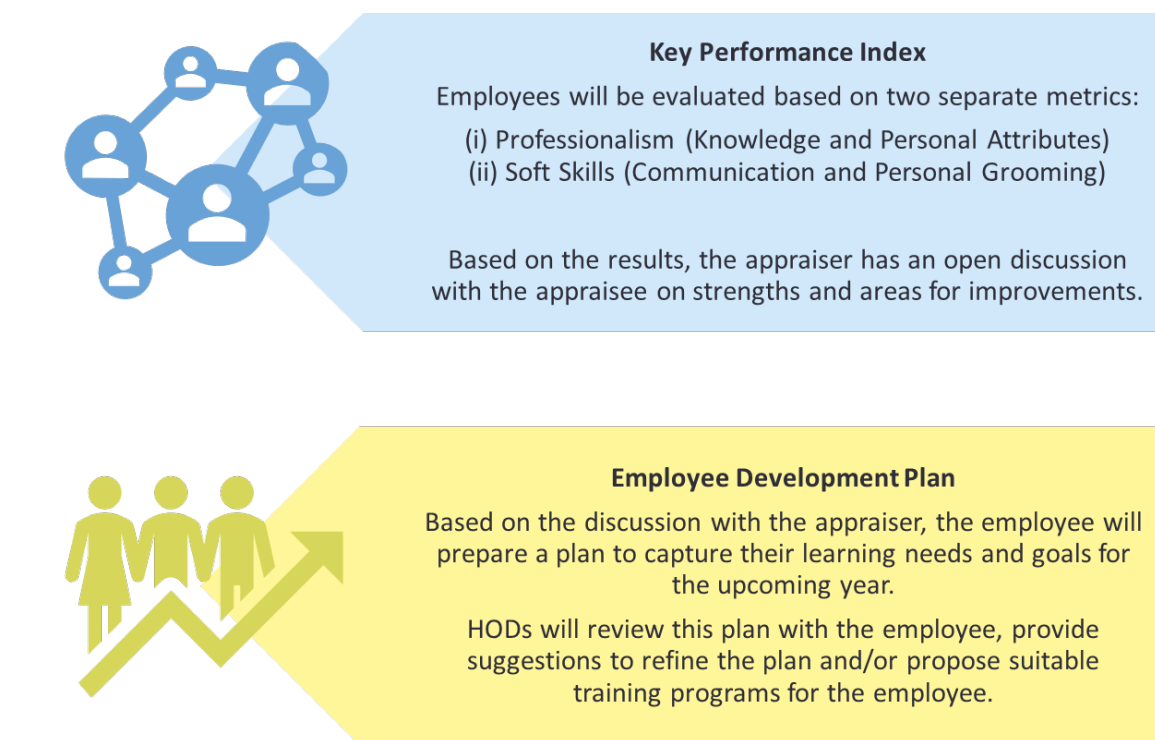
Table 6: Types of Training Programmes

Types of Training Programmes	Examples
Technical (medical-related)	<ul style="list-style-type: none"> <li>• Care and Handling Binocular Indirect Ophthalmoscopy and Optical Glass Binocular Magnifier</li> <li>• Constellation Machine Setting Workshop</li> <li>• Glaucoma Drainage Devices CME</li> <li>• Safety Awareness on Biological Safety Cabinet Workshop</li> <li>• Version and Verion Calibration Workshop</li> <li>• Training on Centurion/Infinity machine</li> <li>• Training on Microscope</li> </ul>
Technical (non-medical related)	<ul style="list-style-type: none"> <li>• Microsoft Excel (Macro/Visual Basics for Applications (“VBA”))               <ul style="list-style-type: none"> <li>○ Functions &amp; Formula</li> <li>○ Task Automation</li> <li>○ Interactive Visual Dashboard Reporting and Analysis</li> </ul> </li> <li>• Mastering Accounting</li> <li>• Transfer Pricing</li> <li>• Financial Due Diligence</li> <li>• Malaysian Financial Reporting Standards (Updates and refresher course)</li> <li>• 2022 Budget Seminar</li> <li>• Human Resources Development Fund (“HRDF”) onboarding session</li> </ul>
Soft skills	<ul style="list-style-type: none"> <li>• Business Writing Skills</li> </ul>
Onboarding	<ul style="list-style-type: none"> <li>• Two-day General Induction program and On-The-Job Training by respective department heads at ISEC KL</li> <li>• One-day Induction programme for new employees and subsequent job trainings by respective HODs at SSEC and Penang</li> </ul>
Anti-Corruption	<ul style="list-style-type: none"> <li>• An Anti-Bribery &amp; Corruption Awareness Training was conducted across all three clinics in line with the introduction of Malaysian Anti-corruption Commission (“MACC”) Act A1657</li> </ul>

In FY2021, our doctors have resumed Continuous Medical Education (“CME”) talks for employees, covering various topics on eye diseases and treatment methods. Two CME talks were held, covering topics on Glaucoma Drainage Devices, Red Eyes, Cataracts and Glaucoma. One of the talks was conducted physically with 22 staff attending on 13<sup>th</sup> March 2021 and the other was held virtually with 79 staff who attended on 8<sup>th</sup> October 2021. While we have resumed some critical medical trainings and conducted virtual seminars, other activities such as participation in clinical trials, teaching activities and clinical attachments were still put on pause. ISEC Healthcare continues to monitor the situation and consider reintroducing these programmes when the situation allows.

100% of employees across the three clinics went through the annual performance appraisal in FY2021. Results from the evaluation were used to facilitate discussions, highlighting strengths and areas for improvement. These will help in employees’ development plans for the forthcoming year as well as explore relevant future training programmes.

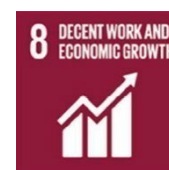
Figure 7: ISEC Healthcare’s Approach to Performance Management and Appraisal



### Targets and Performance

Focus area	Perpetual target	FY2021 Performance
Training and Development	Continue with full appraisal and performance review	<p><span style="color: green;">●</span> <b>Achieved</b></p> <p>100% of employees from both clinics received annual performance review from their supervisors.</p>

### 8.3. Occupational Health and Safety



Occupational health and safety is a top priority at ISEC Healthcare. All the three clinics have implemented the required Health and Safety polices which are in compliance with the Ministry of Health and Infection Control Precautions and Occupational Safety & Health Act 1994, as detailed in Table 7. Besides, amid the COVID-19 outbreak, additional safety protocols and the COVID-19 Pandemic Mitigation SOP have been implemented to ensure that ISEC Healthcare continues to provide and maintain a safe environment for all employees, patients and visitors. Please refer to COVID-19 Highlight 3 below in the report for more details.



Table 7: List of Occupational Health and Safety Policy

<b>Facility Management and Safety (“FMS”) Policy</b>	<b>Facility and Environment Inspection Policy</b>	<b>Emergency Plan</b>	<b>Fire Safety Policy</b>	<b>Personal Protection Equipment (“PPE”) policy</b>
<p>This policy comprises guidelines on proper facility management and safe practices which includes handling and disposal of clinical waste, measures to enhance physical security of buildings and conducting facility inspections.</p> <p>Employees are required to report any unsafe acts, conditions as well as occupational injuries.</p>	<p>This policy provides guidelines on ensuring safety of patients, their families, staff and visitors. It also covers facility inspection on entrances and exits; cleanings; Common Electrical Safety Measurement and Medical gases storage.</p>	<p>This policy outlines the actions to be taken in the event of emergencies such as unpredicted power supply, natural disasters and internal disasters such as building structural collapse, explosion, fire, floods, chemical spills and bomb threat.</p>	<p>This policy outlines the roles and responsibilities of Management and employees in line with best fire safety practices. This is to secure the safety and wellbeing of everyone within ISEC Healthcare.</p>	<p>This policy applies to all staff on the use of PPE as part of standard and transmission-based precautions, what PPE is available, where to access it, as well as to ensure staff understand how to safely put on and remove PPE.</p>
<p>All OHS related policies and procedures are documented and accessible by all employees via ISEC Healthcare’s intranet.</p>				

Across the three clinics, an incident reporting channel is made available to all employees and staff to report any safety incidents. Upon the report being received by the Operations and Clinical HODs, the relevant departments would attend on the resolution of the incident. Thereafter, corrective actions would be implemented to prevent recurrence. This year, we recorded zero needle prick incidents, achieving our target set.






All new employees will have to undergo a mandatory induction training which covers our OHS policies and SOPs relevant to their job scope. One of the topics covered at the induction training titled 8 Elements of Infection Control trains employees on the importance of ensuring personal hygiene, use of appropriate PPE, managing clinical, sharps waste as well as the medical attire worn. Specific training such as administering cytotoxic drugs such as mitomycin, safe handling and managing spills were also conducted for relevant employees. ISEC Healthcare’s set of SOPs follow the Guidelines on Chemical Management in Health Care Facilities by the Ministry of Health Malaysia.

Initiatives aimed at improving health and wellbeing of our employees were also organised. Through staff gatherings, fitness sessions and health talks, employees are reminded to adopt a healthy lifestyle. Such activities have been put on hold amid the COVID-19 outbreak during the year.

Since 2009, ISEC Healthcare has been accredited by the Joint Commission International (“JCI”) in Ambulatory Care. This accreditation means that patient care standards and safety systems at ISEC KL meet the stringent requirements set by the Commission. We continue to adhere to the rigorous

standards of JCI and deliver quality care to our customers and in March 2022, ISEC KL successfully obtained JCI reaccreditation.

Table 8: Occupational Health and Safety practices

Practices to Ensure Occupational Health and Safety		
	Emergency preparedness	<ul style="list-style-type: none"> <li>Participate in annual fire drills held by landlord at ISEC KL</li> </ul>
	Routine checks and inspections	<ul style="list-style-type: none"> <li>Yearly air particle checks in Operating Theatres across all three clinics</li> <li>Annual water sampling test for tap water and water dispenser at ISEC KL</li> </ul>
	Employee wellbeing	<ul style="list-style-type: none"> <li>Free influenza vaccination for employees at ISEC KL</li> <li>Regular employee engagement to promote staff health and wellbeing at ISEC KL, SSEC and ISEC Penang</li> </ul>
	Audits	<ul style="list-style-type: none"> <li>Audits are conducted once every two years by Ministry of Health for renewal of medical certification.</li> </ul>
	Employee Health Promotion	<ul style="list-style-type: none"> <li>Health insurance provided for employees across three clinics</li> <li>Reimbursement of medical fees for employees seeking treatment for respiratory infections during the COVID-19 period</li> </ul>

## Targets and Performance

Focus area	Perpetual target	FY2021 Performance
Occurrences of work-related safety incidents	Zero cases of work-related injuries, accidents and fatalities	● Achieved
	Zero needle prick incidents	● Achieved

In FY2021, there were zero cases of work-related fatalities and high-consequence<sup>7</sup> injuries of the 431,401 manhours (FY2020: 409,247 hours) worked by our employees across the three clinics. Likewise, the same was observed for our non-employees<sup>8</sup> of the 13,606 manhours (FY2020: 13,521 hours) worked.

<sup>7</sup> High-consequence work-related injury refers to work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.

<sup>8</sup> Non-employee workers include all workers who are not employees but whose work and/or workplace is controlled by the organisation. This also includes workers who are not employees and whose work and workplace are not controlled by the organization, but the organization's operations, products or services are directly linked to significant occupational health and safety impacts on those workers by its business relationships. Examples include third-party cleaners, security guards and contractors.

### COVID-19 Highlight 3: Safeguarding health and safety of our employees

ISEC Healthcare has a dedicated Crisis Management team, comprising of our CEO and representatives from various functions such as Patient Clinic, Operation Theatre, Daycare/Aesthetic, Optometry, Registration, Pharmacy, Cashier and Human Resources.

Guided by the COVID-19 Pandemic Mitigation SOP, all employees and healthcare workers are provided with adequate PPE such as surgical masks, isolation gowns, latex gloves and hand sanitisers.

We continue to exercise utmost cautious where employees with flu-like symptoms were advised to self-isolate at home to full recovery before returning to work. A negative test COVID-19 test result prior to surgery will be required from patients who are undergoing surgery under general anaesthesia. Relevant COVID-19 health and safety precautions continue to be enforced to protect both our employees and staff during day-to-day clinic operations.

## 9. Governance: Corporate Governance

Stakeholders place their trust in an organisation to conduct its business responsibly to achieve long-term and stable growth. Effective corporate governance is vital in managing the risks and opportunities faced by the organisation. Under the stewardship of the Board, the corporate governance framework serves to guide the Group in conducting businesses responsibly and to steer away from any potential improprieties while enhancing our reputation and credibility to all stakeholders. ISEC Healthcare has a suite of policies which guide all employees on appropriate business conduct. These include Policy for Securities Trading, Policy for Interested Persons Transaction as well as the Whistleblowing Policy.

Figure 8: ISEC Healthcare's Vision, Mission and Values



The onset of the COVID-19 pandemic spotlighted the need for effective board governance to provide oversight on unprecedented events and circumstances. In Singapore, the pandemic has largely been under control but there remains uncertainty of community spread with the emergence of new COVID-19 variants towards end of FY2021.


In Malaysia, the situation remains fluid as the number of cases had increased drastically between July and October 2021, which resulted in the re-adoption of MCO until the end of FY2021. Additionally, the Malaysian government announced new COVID-19 restrictions from 16 December 2021 such as prohibiting mass gatherings and requiring booster doses for high-risk groups, as new cases of Omicron variant were reported.

In Myanmar, following a notable decline in its COVID-19 infections and fatality rates, the Ministry of Health has issued an order lifting restrictions on public gatherings from 17 April 2022, the Myanmar New Year Day. The country has also resumed international passenger flights from 17 April 2022, lifting a two-year ban on the entry of foreign tourists.

ISEC Healthcare anticipates that our clinics in both Singapore and Malaysia are not expected to return to pre-COVID-19 normality soon and the Board has taken proactive steps to manage the situation. We will closely monitor the COVID-19 situations in Singapore, Malaysia and Myanmar and make the necessary operational adjustments.

For more details on our Corporate Governance principles and practices, please refer to ISEC Healthcare’s 2021 Annual Report, “Report on Corporate Governance” section.

### Targets and Performance

Focus area	Perpetual target	FY2021 Performance
Corporate Governance and Regulatory Compliance	Zero reportable cases of non-compliance in relation to the Code of Corporate Governance practices (on a comply-or-explain basis), as well as other regulatory requirements.	 Achieved To the best of our knowledge, we are not aware of any non-compliance with the Code of Corporate Governance 2018 and any other regulatory requirements in FY2021.

## 9.1. Enterprise Risk Management

Effective risk management is fundamental for ISEC Healthcare to achieve continued success in our business operations. ISEC Healthcare’s Risk Governance and Internal Controls Framework Manual was designed to align risk governance and internal control framework with the strategic vision and objectives of the Group. The Management is required to adhere strictly to the various risk management policies set out in the manual. (Figure 10).

Figure 9: Risk Governance and Internal Control Framework Manual Content

- Code of Ethics
- Risk Appetite and Risk Tolerance Guidance
- Authority and Risk Control Matrix
- Key Control Activities
- Key Reporting and monitoring Activities

As part of the annual risk management review, “Managing Pandemics” is categorised as one of the top 10 risks following the COVID-19 outbreak and the need to raise alert on the evolving situation.

## 9.2. Protection of Personal Data and Security of Information

ISEC Healthcare realises the growing importance of the protection of personal data and security of information amid advancements in ICT. This remains crucial amid the shifts to remote working during the COVID-19 pandemic. The Group continues to maintain a robust IT framework which identifies relevant risks and implements the appropriate mitigation actions.

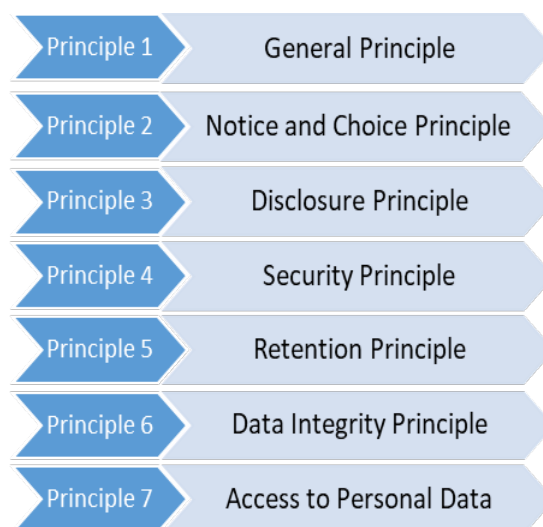
Guided by the principles of Malaysia’s Personal Data Protection Act (“PDPA”), the Group has in place a PDPA policy which is applicable to employees across the three clinics.

The designated Data Protection Officer (“DPO”) that is based in ISEC KL is responsible for ensuring compliance with the Group’s PDPA policy across all clinics in Malaysia. Any query or request from individuals in relation to ISEC Healthcare’s data protection policies, practices or grievances regarding potential breaches can be filed through email to the DPO.

Doctors are granted access to their patients’ medical records on a need-to-know basis. ISEC Healthcare continues to employ various IT controls and procedures to safeguard its systems against cyber security threats. The IT team ensures that systems and servers undergo regular update and maintenance, equipped with firewalls and antivirus software. Remote access to our IT systems is only granted to a small group of infrastructure staff who are working from home. Doctors and clinical staff do not have remote access to the IT system.

All employees are required to read and sign off on the PDPA policy upon induction. Throughout the year, good practices and physical security measures are shared among employees. Certificates and posters displayed at our clinics assure patients that we remain compliant with PDPA. Employees are updated on the latest regulatory requirements through courses conducted by the Department of Protection of Personal Data in Malaysia.

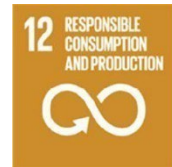
Figure 10: The seven principles of Malaysia's PDPA Act 2010



### Targets and Performance

Focus area	Perpetual target	FY2021 Performance
Customer Privacy	Zero substantiated breaches of customer privacy and no leaks, thefts or losses of customer data	<p>● Achieved</p> <p>In FY2021, there were no known complaints concerning breaches of customer privacy and no known cases of identified leaks, thefts or losses of customer data.</p>

## 10. Environment: Caring for the Environment



### 10.1. Energy and Carbon Footprint

Energy security is extremely critical in ensuring service quality and patient safety. It is required by law that such as operating theatres and drug storage have to be air conditioned 24/7. Across all clinics, we have an Uninterruptible Power Supply (UPS) which provides a continuous power supply for equipment even during a power failure and to protect it against power surges. In the event of a power outage, the UPS acts as a temporary energy source until the generator set kicks in. An annual preventive maintenance inspection is conducted to ensure the system is operational.

ISEC KL continues with the replacement of conventional light bulbs with Light Emitting Diode (“LED”) to reduce our carbon footprint. In FY2021, 60% of the downlights at ISEC KL have been replaced with LED lights. Although progress has been disrupted by the pandemic, ISEC KL continues to monitor the situation closely, conducting the replacement at appropriate junctures. ISEC Penang and SSEC have also embarked on this initiative, replacing 55% and 50% of its total downlights respectively. Replacement to LED lights are conducted as soon as existing downlights are no longer functional.

#### Performance

In FY2021, the total electricity consumption across all three clinics was 1,694,068 kWh equivalent to energy consumption of about 374 Malaysians in a year<sup>9</sup>. This is a 63% increase from FY2020’s level of 1,039,929 kWh. Many surgical operations which were postponed or cancelled in FY2020 were subsequently scheduled for in the first half of FY2021, which has resulted in a significant increase in electricity consumption in FY2021. Additionally, as part of ISEC Healthcare’s initiative to contribute to the Malaysia community in fighting COVID-19 pandemic, ISEC KL and SSEC participated in the National COVID-19 Immunisation Programme in June 2021 which has contributed an increase in electricity consumed due to prolonged usage of clinics. As we expect to see an upward trend in electricity usage, we will continue to monitor the trends and seek to introduce other energy-saving measures where appropriate.

### 10.2. Waste Management



As a healthcare provider, it is our responsibility to ensure proper and effective waste management. Medical waste is biohazardous and can pose major health and environmental risks if mishandled. Our three clinics continue to follow a stringent set of Standard Operating Procedures (“SOPs”) on Waste Handling, Storage and Disposal listed in Table 9.

In FY2021, there were no disruptions to the frequency of waste collection by third-party waste contractors. All medical and general waste were collected and disposed of regularly across the three clinics.

---

<sup>9</sup> This information is based on Malaysia Energy Statistics Handbook 2018 which reports an average of consumption of 4,533 kWh per Malaysian in 2016.



Table 9: SOPs on Waste Handling, Storage and Disposal

Waste Handling	Waste Storage	Waste Disposal
<ul style="list-style-type: none"> <li>Manual handling of waste bags should be minimised wherever possible.</li> <li>All clinical waste bags to be handled by the neck of the bag only.</li> <li>They should be transported via internal routes which minimise contact with patient care areas.</li> <li>Only dedicated vehicles should be used for transportation of clinical waste.</li> </ul>	<ul style="list-style-type: none"> <li>Biohazard waste should be stored in a designated area separated from general waste.</li> <li>Colour-coded waste disposal bags and containers are used to ensure proper segregation of waste, safe handling and transportation.</li> <li>Waste containers to remain closed at all times, preventing release of toxic chemicals into the atmosphere in the form of vapours, aerosols or gases.</li> <li>Waste storage will be subjected to monitoring and reviews</li> </ul>	<ul style="list-style-type: none"> <li>Only MOH certified third-party waste contractors are engaged to collect and dispose clinical waste.</li> <li>Contractors should be contacted to arrange for collection when the waste bins are about two-third full, if this occurs before the routine collection roster.</li> <li>More trips to be arranged when more waste is generated</li> </ul>

Paper is separated from general waste and collected for recycling in all 3 clinics. ISEC Healthcare continues to advocate reduce, reuse and recycle (“3Rs”) behaviour among its patients. All clinics have stopped providing plastic bags for patients and these are only provided when a large quantity of medication is purchased. All the three clinics also work with its suppliers to sponsor reusable cloth bags for our patients to use in addition to recyclable paper bags being provided for smaller items.



Left: Reusable cloth bags provided to patients

Right: Recyclable paper bags at ISEC SSEC & KL

## Performance

In FY2021, ISEC KL generated 3.20 tonnes (FY2020: 3.13 tonnes) of clinical waste, all of which was incinerated by certified third-party contractors. The slight 2% increase in clinical waste can be attributed to the easing of MCO which allowed clinical activities and surgeries to resume in FY2021. Nevertheless, we continued with our recycling initiatives where specific bins are provided in patient

waiting areas to promote recycling efforts. In FY2021, ISEC KL has recycled more than 10kg of paper and boxes per week.

### ***Case Study 5: Optimisation of medical equipment usage, disposal, re-purpose***

As we strive to be a leading regional provider of medical eye care services, it is important for our clinics to be equipped with the latest medical equipment to deliver a wide range of services to our patients. To reduce equipment wastage, we transferred older medical equipment, which are still functional to our smaller clinics where simpler procedures are done. Another initiative taken to extend the life span of our equipment is through refurbishment of old medical equipment such as recoating of the exterior. Existing equipment are also upgraded by replacing older parts with new ones.

Results of the new waste initiative:

#### **ISEC KL**

##### **Item 1:**

Equipment: 3 units of slit lamp

Refurbished: RM500 per unit (to coat the rust)

*Compared to purchasing a new unit at RM37,000*

##### **Item 2:**

Equipment: 1 microscope

Refurbished: RM800 (clean lens and coat the rust)

*Compared to purchasing a new unit at RM85,000*

##### **Item 3:**

Trade-in of an old tonometer for RM2,000 discount while procuring a new one



#### **SSEC**

Equipment: LIO Fibre Optic

Refurbished: RM1,730

*Compared to purchasing a new unit: RM8,232*



## 11. GRI Content Index

GRI Standard Disclosure	Disclosure	Page Reference or Reason for Omission	
<b>GRI 102: General Disclosures 2016</b>			
<b>Organisational profile</b>			
102-1	Name of the organisation	About ISEC Healthcare Ltd.	Page 2
102-2	Activities, brands, products, and services	About ISEC Healthcare Ltd.	Page 2
102-3	Location of headquarters	About ISEC Healthcare Ltd.	Page 2
102-4	Location of operations	About ISEC Healthcare Ltd.	Page 2
102-5	Ownership and legal form	About ISEC Healthcare Ltd.	Page 2
102-6	Markets served	About ISEC Healthcare Ltd.	Page 2
102-7	Scale of the organisation	About ISEC Healthcare Ltd.	Page 2
102-8	Information on employees and other workers	Employee Demographics	Page 19
102-9	Supply chain	Supply Chains of ISEC KL, SSEC and ISEC Penang	Page 18
102-10	Significant changes to the organisation and its supply chain	There were no significant changes to the organisation or its supply chain.	
102-11	Precautionary principle or approach	Enterprise Risk Management	Page 26
102-12	External initiatives	Not applicable	
102-13	Membership of associations	About ISEC Healthcare Ltd.	Page 2
<b>Strategy</b>			
102-14	Statement from senior decision-maker	Board Statement	Page 3
<b>Ethics and integrity</b>			
102-16	Values, principles, standards, and norms of behaviour	Corporate Governance	Page 25
<b>Governance</b>			
102-18	Governance structure	Sustainability Governance Corporate Governance	Page 5 Page 25
102-22	Composition of the highest governance body and its committees	2021 Annual Report	Page 21
102-23	Chair of the highest governance body	2021 Annual Report	Page 23
102-24	Nominating and selecting the highest governance body	2021 Annual Report	Page 23
102-25	Conflicts of interest	2021 Annual Report	Page 19
102-32	Highest governance body's role in sustainability reporting	Board Statement; Sustainability Governance	Page 3 Page 5
<b>Stakeholder engagement</b>			
102-40	List of stakeholder groups	Stakeholder Engagement	Page 7

GRI Standard Disclosure	Disclosure	Page Reference or Reason for Omission	
<b>GRI 102: General Disclosures 2016</b>			
102-41	Collective bargaining agreements	None of ISEC Healthcare's employees are covered by collective bargaining agreements.	
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	Page 7
102-43	Approach to stakeholder engagement	Stakeholder Engagement	Page 7
102-44	Key topics and concerns raised	Stakeholder Engagement	Page 7
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements	2021 Annual Report	Page 86
102-46	Defining report content and topic boundaries	About the Report	Page 3
102-47	List of material topics	Materiality Assessment	Page 10
102-48	Restatements of information	No information was restated in the year.	
102-49	Changes in reporting	About the Report	Page 3
102-50	Reporting period	About the Report	Page 3
102-51	Date of most recent report	Published and announced on 28 May 2021	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	2021 Annual Report	Corporate Information
102-54	Claims of reporting in accordance with the GRI Standards	About the Report	Page 3
102-55	GRI content index	GRI Content Index	Page 31
102-56	External assurance	ISEC Healthcare has not sought external assurance for this report, but will consider it for future reports.	

GRI Standard Disclosure	Disclosure	Page Reference or Reason for Omission	
<b>Material matters</b>			
<b>Excellent Service Quality</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	About the Report; Materiality Assessment Page 3 Page 10
	103-2	The management approach and its components	Excellent Service Quality Page 16
	103-3	Evaluation of the management approach	Excellent Service Quality Page 16

GRI Standard Disclosure		Disclosure	Page Reference or Reason for Omission	
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Excellent Service Quality	Page 16
<b>Occupational Health and Safety</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	About the Report; Materiality Assessment	Page 3 Page 10
	103-2	The management approach and its components	Occupational Health and Safety	Page 22
	103-3	Evaluation of the management approach	Occupational Health and Safety	Page 22
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Occupational Health and Safety	Page 22
	403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety	Page 22
	403-3	Occupational health services	Occupational Health and Safety	Page 22
	403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	Page 22
	403-5	Worker training on occupational health and safety	Occupational Health and Safety	Page 22
	403-6	Promotion of worker health	Occupational Health and Safety	Page 22
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	Page 22
	403-9	Work-related injuries	Occupational Health and Safety	Page 22
<b>Training and Development</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	About the Report; Materiality Assessment	Page 3 Page 10
	103-2	The management approach and its components	Training and Development	Page 20
	103-3	Evaluation of the management approach	Training and Development	Page 20
GRI 404: Training and Development 2016	404-3	Percentage of employees receiving regular performance and career development reviews	Training and Development	Page 20
<b>Corporate Governance</b>				
	103-1	Explanation of the material topic and its Boundary	About the Report; Materiality Assessment	Page 3 Page 10

GRI Standard Disclosure		Disclosure	Page Reference or Reason for Omission	
GRI 103: Management Approach 2016	103-2	The management approach and its components	Corporate Governance	Page 25
	103-3	Evaluation of the management approach	Corporate Governance	Page 25
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	Corporate Governance	Page 25
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Corporate Governance	Page 25
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	Corporate Governance	Page 25
<b>Security of Information and Patient Privacy</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	About the Report; Materiality Assessment	Page 3 Page 10
	103-2	The management approach and its components	Protection of Personal Data and Security of Information	Page 27
	103-3	Evaluation of the management approach	Protection of Personal Data and Security of Information	Page 27
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Protection of Personal Data and Security of Information	Page 27
<b>Additional Matters</b>				
<b>Energy and Carbon Footprint</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	About the Report; Materiality Assessment	Page 3 Page 10
	103-2	The management approach and its components	Energy and Carbon Footprint	Page 28
	103-3	Evaluation of the management approach	Energy and Carbon Footprint	Page 28
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy and Carbon Footprint	Page 28
<b>Waste Management</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	About the Report; Materiality Assessment	Page 3 Page 10
	103-2	The management approach and its components	Waste Management	Page 28
	103-3	Evaluation of the management approach	Waste Management	Page 28



GRI Standard Disclosure		Disclosure	Page Reference or Reason for Omission	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste Management	Page 28
	306-2	Management of significant waste-related impacts	Waste Management	Page 28
	306-3	Waste generated	Waste Management	Page 28