CREATING VALUE THROUGH SUSTAINABILITY

KPJ’S SUSTAINABILITY AGENDA IS PREMISED ON OUR DESIRE TO CREATE SUSTAINABLE LONG-TERM VALUE FOR OUR ECOSYSTEM OF INTERCONNECTED STAKEHOLDERS. AS A PROVIDER OF PRIVATE HEALTHCARE IN THE COUNTRY, WE SEEK TO CONTRIBUTE TO THE NATIONAL SOCIOECONOMIC AND HEALTHCARE AGENDA, WHILE WE CONDUCT OUR BUSINESS IN A RESPONSIBLE MANNER, UPholding THE HIGHEST PRINCIPLES OF GOVERNANCE, ETHICS AND INTEGRITY.

In 2018, we advanced further with embedding the Economic, Environmental and Social (EES) sustainability approach into our business and operations by making it one of the seven strategic thrusts of our business, as outlined within our Integrated Report. This signifies our intent and commitment towards ensuring that we practice sustainability in every aspect of our business, every single day.

Our sustainability commitments are lived out through the activities and practices of our hospitals, retirement and aged care centres, and university college. It is evident in our provision of patient-centric clinical care aimed at delivering safe and excellent services to our patients by ensuring we have the highest standards of clinical governance and processes in place. To remain at the forefront of healthcare service provision in Malaysia, we utilise the most advanced medical technology available, and embed advances in information technology within our processes and systems to deliver timely and enhanced outcomes for our patients and customers.

Our pharmaceutical services take into account different modes of consumer purchasing preferences - from traditional bricks and mortar stores, to an online presence. Within our medical university college, our focus is on helping to expand the medical and allied sciences talent pool in the nation, as we strive to achieve the 13 Malaysian Patient Safety Goals (MPSG).

We are mindful of our environmental responsibility, and believe in conducting our business in a responsible manner to ensure that we remain on course with our environmental stewardship efforts. As a private healthcare provider, we remain committed to providing high quality care to lower income earners through our Klinik Waqaf An-Nur (KWAN) and mobile clinics network around the country.

The quality and standards of the care and commitment of our staff provide is reflected in the industry recognised accreditations and certifications standards our hospitals receive within the healthcare sector. Our employees are an important part of the KPJ family, bearing the public persona of our corporate values and mission. Most crucially, they form the cornerstone of our Group efforts to ensure patient safety, aligned with our mission to provide high quality healthcare services.

WE BELIEVE AND LIVE THE ETHOS OF SUSTAINABILITY, GOING BEYOND COMPLIANCE TO DIFFERENTIATE OURSELVES IN THE MARKETPLACE AND REMAINING AT THE FOREFRONT OF THE INDUSTRY AS THE LARGEST AND MOST PREFERRED HEALTHCARE PROVIDER IN MALAYSIA.
Resilient Healthcare
Collaborate with the Government to develop rigorous strategies to address growing anti-microbial resistance
• Help build resilient healthcare systems which are able to anticipate, respond to, cope with, recover from and adapt to ever changing climate-related shocks and stresses including increased morbidity arising from natural disasters such as heatwaves, floods, droughts and storms; conflicts; and forced migration.

Environmentally Sustainable Healthcare
Develop and implement improved processes to reduce, reuse and recycle water, raw materials, non-renewable minerals, energy, hazardous waste, and non-hazardous waste
• Build environmentally sensitive hospitals and one-stop centres.

Contributing to the Greater Good
Through our sustainability agendas, KPJ believes in contributing to the greater global and national development agenda. The global and national agendas we are currently contributing towards comprise the following.

United Nations Sustainable Development Goals (UN SDGs)
In 2018, we began our journey to adopt the UN SDGs into our business model. We have begun our journey by aligning the SDGs to our sustainability initiatives and impacts. Based on our current range of EES initiatives, KPJ is contributing to the following UN SDGs.

- **NO POVERTY**
  Prioritising the health needs of the poor

- **ZERO HUNGER**
  Addressing the causes and consequences of all forms of malnutrition

- **GOOD HEALTH AND WELL-BEING**
  Ensure healthy lives and promote well-being for all ages

- **QUALITY EDUCATION**
  Supporting High Education for All to Improve Health & Health Equity

- **GENDER EQUALITY**
  Fighting Gender Inequalities, Including Violence Against Women

- **CLEAN WATER AND SANITATION**
  Preventing Disease Through Safe Water Sanitation for all

- **AFFORDABLE AND CLEAN ENERGY**
  Promoting Sustainable Energy for Healthy

- **DECENT WORK AND ECONOMIC GROWTH**
  Promoting Health Employment as a Driver of Inclusive Economic Growth

- **INDUSTRY, INNOVATION AND INFRASTRUCTURE**
  Promoting National R&D and Manufacturing of Affordable Essential Medical Products

- **REDUCED INEQUALITIES**
  Ensuring Equitable Access to Health Services Through Universal Health Coverage Based on Stronger Primary Care

- **SUSTAINABLE CITIES AND COMMUNITIES**
  Fostering Healthier Cities Through Urban Planning for Clearer Air and Safer and More Active Living

- **RESPONSIBLE CONSUMPTION AND PRODUCTION**
  Promoting Responsible Consumption of Medicine to Combat Antibiotic Resistance

- **CLIMATE CHANGE**
  Protecting Health From Climate Risk & Promoting Health Through Low Carbon Development

- **EACE, JUSTICE AND STRONG INSTITUTIONS**
  Empowering Strong Local Institutions to Develop, Implement, Monitor and Account for Ambitious National SDG Responses

- **PARTNERSHIP FOR THE GOALS**
  Mobilizing Partners to Monitor and Attain in Healthcare Related SDG
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Relevance of UN SDGs to KPJ Healthcare Berhad

KPJ’s focus on the UN SDGs are primarily based on the World Health Organisation’s (WHO) targets for inclusive and sustainable health in alignment with the 2030 Agenda for Sustainable Development.

Essentially, the UN SDGs employ an overarching objective of alleviating poverty through an integrated and interactive agenda. This requires a hands-on approach, by addressing the root causes of poverty.

The emphasis is on providing assistance which build fundamental capacities, thus leading to enhanced national capacities.

Within the context of healthcare, WHO has taken into account new threats to health which have gained prominence in the past few years. To ensure sustainable development within the context of healthcare, these need to be addressed, not just by the health sector acting alone, but in more partnerships to drive sustainable development within these new areas.

KPJ’s efforts in addressing and aligning our business with the UN SDGs are thus founded on WHO’s approach as outlined in the diagram below.
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Malaysian Patient Safety Goals (MPSG)
KPJ is committed to adhering to the MPSG as developed by the Patient Safety Council of Malaysia to encourage both public and private healthcare organisations to improve patient safety outcomes in the country. Each year, KPJ submits data on our compliance with the 13 MPSG to the Patient Safety Council in our bid to contribute to the highest levels of quality medical care in the nation.

### MPSG GOALS

<table>
<thead>
<tr>
<th>Goal No.</th>
<th>Description</th>
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<tbody>
<tr>
<td>1</td>
<td>To implement Clinical Governance</td>
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<tr>
<td>2</td>
<td>To implement the World Health Organisation’s (WHO) 1st Global Patient Safety Challenge: “Clean Care is Safer Care”</td>
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<tr>
<td>3</td>
<td>To implement the WHO's 2nd Global Patient Safety Challenge: “Safe Surgery Saves Lives”</td>
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<td>4</td>
<td>To implement the WHO's 3rd Global Patient Safety Challenge: “Tackling Antimicrobial Resistance”</td>
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<td>5</td>
<td>To ensure medication safety</td>
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<td>6</td>
<td>To ensure the safety of transfusions of blood and blood products</td>
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<td>7</td>
<td>To improve clinical communication by implementing a critical value programme</td>
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<td>8</td>
<td>To reduce patient falls</td>
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<td>9</td>
<td>To reduce the incidence of healthcare associated pressure ulcers</td>
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<td>10</td>
<td>To reduce Catheter-Related-Bloodstream Infection (CRBSI)</td>
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<td>11</td>
<td>To reduce Ventilator Associated Pneumonia (VAP)</td>
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<tr>
<td>12</td>
<td>To implement an Incident Reporting and Learning System</td>
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<tr>
<td>13</td>
<td>To improve the accuracy of patient identification</td>
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New Plastics Economy

The New Plastics Economy will require us to eliminate all unnecessary plastic items, leverage on innovations to ensure that plastics used are reusable, recyclable or compostable, and circulate all plastic items used within the economy and away from the environment.

In 2018, the Malaysian Government announced that it aims to abolish single-use plastics by the year 2030, and many corporates and consumers have begun taking heed of this message and embarked on attempts to reduce their plastic use. As a responsible corporate citizen, KPJ also underlines our commitment to this agenda, and we have begun our journey with biodegradable approach within our supply chain and reducing plastic straw at our premises.

As we move forward, we will be looking at different ways and means in which we can live out the vision of the New Plastics Economy within our business model guided by Malaysia’s Roadmap Towards Zero Single-Use Plastic 2018-2030. With a vision “Towards zero single-use plastics for a cleaner and healthier environment in Malaysia by 2030” this roadmap aims to provide a policy direction in taking unified and collective approach in managing and reducing plastic use within our hospital operations.

KPJ President and Managing Director, Dato’ Amiruddin bin Abdul Satar announced KPJ’s Zero-Single Plastics journey at the annual Perhimpunan Dialogue dan Anugerah Tahunan Anggota Pekerja (PEDOMAN) in the first quarter of 2019. A total of RM1 million has been set aside to drive the delivery of our commitments. Our journey ahead in this area will see us exploring avenues to reduce single plastics use within our clinical operations, along with the conversion of plastic based products into recyclable paper based products. As well as that, we will maintain our efforts to minimise our business impacts on the environment, and explore further initiatives for recycling and maintaining hygiene in our healthcare operations.

Source: This infographic provides an overview of The New Plastics Economy, and was obtained from the Ellen MacArthur Foundation which was launched in 2010 to accelerate the transition to a circular economy.