



**HC SURGICAL
SPECIALISTS LIMITED**

SUSTAINABILITY REPORT
2021

Incorporated in the Republic of Singapore

Registration No. 201533429G

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BOARD STATEMENT - MESSAGE FROM THE CHAIRMAN

Dear Stakeholders,

We are in our fourth year of the sustainability reporting journey, and on behalf of the Directors and Management of HC Surgical Specialists Limited (“**HCSS**”) and our subsidiaries (collectively, the “**Group**”), I am pleased to present the Sustainability Report (the “**Report**”) of the Group for the financial year ended 31 May 2021 (“**FY2021**”). This Report outlines our continuous commitment towards operating our businesses in an economically, socially and environmentally responsible manner.

The Group recognises that it is critically important to ensure that our business contains sustainable development and practices. While in recent years, there have been increased challenges in coping and adapting to economic and environmental changes, we strive to fulfil our sustainability responsibilities by implementing a variety of initiatives and strengthening our sustainability strategies. We seek to use our sustainability report to present and detail our efforts in this space.

One of the Board’s key objectives is and has been to ensure alignment between sustainability goals and our business activities. To achieve this, our key decision makers are instrumental in guiding and overseeing our Group’s sustainability efforts, while being responsible for the management and monitoring of material environmental, social and governance (ESG) factors.

We are confident that HCSS will continue to flourish and with your support, we will continue our efforts to work towards a more sustainable business for our stakeholders.

Mr. Chong Weng Hoe

Non-Executive Chairman and Independent Director

DISCLOSURES DURING COVID-19

The World Health Organisation declared the novel coronavirus, or COVID-19, outbreak as a global pandemic on 11 March 2020. The effects of the pandemic, as well as the measures implemented locally and globally, have resulted in both economic and operational disruptions to the Group. The COVID-19 pandemic is now in its 2nd year and we are well-prepared with safety management measures in place, in compliance with the Singapore Government's regulations.

Office Staff

In this time of uncertainty, the safety and well-being of our staff remain our priority. In accordance with the Singapore Government's requirements, we have implemented safe distancing measures and telecommuting arrangements where possible. All of our employees are provided with face masks and hand sanitisers provided by HCSS. We are also sending regular updates to our employees on the prevailing COVID-19 measures as well as reminders on maintaining good personal hygiene during this time.

Clinic's Measures

The Group is also cognizant of the need to keep our clinics safe for staff, patients and visitors. Safe distancing measures of 1-2 metres (depending on each clinic's space) have been clearly demarcated. Our clinical staff are also all fully vaccinated. To reduce overcrowding, there is also a current limit of one accompanying person with each patient. We also ensure that shields are set-up at counters as a segregation measure to further protect our staff. Patients visiting our clinics are encouraged to use hand sanitisers provided in the clinic, to uphold good personal hygiene practices and reduce the transmission of the virus.

Other business measures

The Group has also reviewed its supply chain to ensure that we have minimum disruption in the event of a global or local shortage of medical equipment and supplies. The global disruption on economy and business operations fortunately has had minimal effect on our supply chain, as we rely mostly on local suppliers. In fact, our businesses have flourished due to the pent-up demand when the circuit breaker measures were lifted on 2 June 2020, and our profitability has improved in the past financial year.

The President's Challenge and The Courage Fund for frontline workers and community volunteers

In FY2021, as part of our corporate social responsibility initiative, the Group held a charity event on 19 July 2020, to provide endoscopic services at our endoscopy centres. In accordance with the Ministry of Health of Singapore ("MOH") guidelines, we successfully implemented the event with safe management measures in place. Net proceeds raised from endoscopy procedures performed during the HCSS event amounted to S\$36,700. In addition, HCSS matched the amount raised during the event dollar for dollar. In total, S\$73,400 was donated to The Courage Fund and the President's Challenge.

President's Challenge was established in 2000 by the late Mr. S. R. Nathan, the sixth President of the Republic of Singapore, to raise funds for the social service sector and reach out to needy children, families, seniors, disabled and other social service endeavours. The Courage Fund, established in 2003 when Singapore was hit by SARS outbreak, has provided relief for dependents of individuals who have succumbed to the virus, frontline workers and community volunteers who have contracted COVID-19 in the line of duty and lower-income households affected by COVID-19.

ABOUT THIS REPORT

This Report has been prepared in accordance with the Global Reporting Initiative (“GRI”) Standards Sustainability Reporting Guidelines 2016 - Core Option and its reporting principles. This Report also takes reference from Rules 711A and 711B of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”) for sustainability reporting. This Report focuses on our performance for FY2021, from 1 June 2020 to 31 May 2021, and provides a holistic overview of HCSS’s strategies and initiatives for sustainable and responsible business development.

GRI standards continue to be the sustainability reporting framework of choice as it is a globally recognised standard, enabling us to provide a broad and comparable disclosure of the ESG performance. The GRI content index can be found on pages 22 to 23 of this Report. We have also made reference to our annual report for FY2021 (“Annual Report 2021”).

Our data is reported in good faith and to the best of our knowledge. We strive to continuously improve our data collection and reporting process. HCSS has not sought external independent assurance to verify the data and information provided within this report.

Reporting Boundaries

Materiality	Stakeholders Inclusiveness	Sustainability Context	Completeness
Focusing on issues that impact business growth and are of utmost importance to stakeholders	Responding to stakeholder expectations and interests	Presenting performance in the wider context of sustainability	Including all information that is of significant economic, environmental, social and governance impact to enable stakeholders to assess the Group's performance

Reporting Period and Scope

This report covers data and information from 1 June 2020 to 31 May 2021 for the Group.

Accessibility & Feedback

In line with our commitment to environmental sustainability, HCSS continues to produce only electronic copies of this sustainability report as part of our environmental conservation effort. The electronic edition of the report is available at: <http://www.hcsurgicalspecialists.com/>

We are committed to listening to our stakeholders and we look forward to your feedback via contact@hcsurgicalspecialists.com.

ABOUT THE GROUP

Corporate Profile

HCSS is a public company limited by shares and is listed on the Catalist Board of SGX-ST, incorporated on 1 September 2015. HCSS is a medical services group primarily engaged in the provision of endoscopic procedures, including gastroscopies and colonoscopies, and general surgery services with a focus on colorectal procedures across a network of clinics located throughout Singapore. Our registered office is located at 80 Robinson Road, #02-00, Singapore 068898.

HCSS also provides consultation services and general diagnostic services. Our clinics are equipped with all the necessary equipment to perform a variety of diagnostic tests. Moreover, HCSS's specialist surgeons are skilled in general surgery and are able to perform general surgical or medical procedures. Patients who prefer to have consultation services on the medical conditions treated by the Group in the comfort of their own homes can make use of HCSS's house call service.

Vision

To build an organisation dedicated to making private healthcare accessible to the broadest consumer base possible

Mission

To bring healthcare to your doorstep

With the support from a team of qualified specialists and general practitioners, each with broad experience, we have 16 clinics currently, which are located at various heartland districts and hospitals throughout Singapore.

Locations of our Clinics


(as at the date of this Report)

Central	<p>Heah Colorectal Endoscopy & Piles Centre 3 Mount Elizabeth, #12-06 Mount Elizabeth Medical Centre, Singapore 228510 Tel: +65 6737 5335</p>	<p>Endoscopy, Veins & Piles Centre 1 Farrer Park Station Road, #13-13 Connexion, Singapore 217562 Tel: +65 6443 6240</p>	<p>Lai Endoscopy & Colorectal Surgery 3 Mount Elizabeth, #05-06 Mount Elizabeth Medical Centre, Singapore 228510 Tel: +65 6737 0027</p>
	<p>HC Ming Endoscopy & Piles Centre 1 Orchard Boulevard #04-01/02 Camden Centre Singapore 248649 Tel: +65 8870 0863</p>	<p>HC Endoscopy & Piles Centre (AMK) Blk 710A Ang Mo Kio Ave 8 #01-2629 Singapore 561710 Tel: +65 6337 0449</p>	<p>Goh Minghui Endoscopy & Surgery 38 Irrawaddy Road, #05-49 Mount Elizabeth Novena Specialist Centre, Singapore 329563 Tel: +65 6261 9008</p>
	<p>Jason Lim Endoscopy & Surgery 38 Irrawaddy Road, #05-49 Mount Elizabeth Novena Specialist Centre, Singapore 329563 Tel: +65 6779 0115</p>	<p>Jason Lim Endoscopy & Piles Centre 10 Sinaran Drive, #09-12 Novena Medical Centre Singapore 307506 Tel: +65 6553 0115</p>	<p>ACMS Medical Clinic 1 Grange Road, #06-06 Orchard Building, Singapore 239693 Tel: +65 6262 5052</p>
	<p>The Ming Clinic 1 Orchard Boulevard #04-01/02 Camden Centre Singapore 248649 Tel: +65 6235 8166</p>		
West	<p>Heah Endoscopy & Piles Centre (Bukit Batok) Blk 644 Bukit Batok Central, #01-70, Singapore 650644 Tel: +65 6665 1355</p>	<p>HC Endoscopy & Piles Centre (GM) 21 Ghim Moh Road #01-141 Ghim Moh Gardens Singapore 270021 Tel: +65 6265 4058</p>	<p>HC Endoscopy & Piles Centre (Hillford) 182 Jalan Jurong Kechil #01-66 The Hillford Singapore 596152 Tel: +65 6463 4506</p>
	<p>HC Endoscopy & Piles Centre (TPY) Blk 190 Toa Payoh Lorong 6 #01-572 Singapore 310190 Tel: 6686 6542</p>	<p>Island Family Clinic and Endoscopy Centre 338 Anchorvale Crescent, #01-08, Singapore 540338 Tel: +65 6281 0174</p>	
North-East			
East	<p>Tampines Endoscopy & Surgery Centre Blk 801 Tampines Avenue 4, #01-273, Singapore 520801 Tel: +65 6786 0080</p>		

Note: The clinics, HC Thyroid Hernia & General Surgery Centre and The GP Endoscopy & Piles Centre (Dleedon) were closed in October 2021.

Corporate Structure

(as at the date of this Report)

 <p>HC Sugical Specialists Limited</p>	100% Heah Sieu Min (Mt E) Pte Ltd
	100% Heah Sieu Min (Bukit Batok) Pte Ltd
	100% Heah Sieu Min (Dleedon) Pte Ltd
	100% HC (GM) Pte Ltd
	100% HC (Hillford) Pte Ltd
	100% Medical Services @ Tampines
	100% CKH (Farrer Park) Pte Ltd
	100% CKH (Mt A) Pte Ltd
	100% HC (TPY) Pte Ltd ¹
	100% HC (AMK) Pte Ltd
	80% HC and Island Family Pte Ltd
	80% HC (Ming) Pte Ltd
	100% Jason Lim Endoscopy and Surgery Pte Ltd ²
	70% Julian Ong Endoscopy Surgery Pte Ltd
	51% Lai Bec Pte Ltd
	51% GMH Endoscopy & Surgery Pte Ltd
	100% Medical L & C Services Pte Ltd ²
	51% Malcolm Lim Pte Ltd
25% Medistar Services Pte Ltd	

¹ Change of name of wholly-owned subsidiary known as "Hougang Clinic Pte. Ltd." to "HC (TPY) Pte. Ltd." ("HCTPY"), with effect from 27 March 2021.

² The Company acquired the remaining 49% equity interest in each of Jason Lim Endoscopy and Surgery Pte Ltd and Medical L & C Services Pte Ltd after FY2021.

OUR APPROACH TO SUSTAINABILITY

Corporate Governance and Sustainability Approach

In accordance with the guidelines of the Code of Corporate Governance 2018 issued by the Monetary Authority of Singapore (the "MAS"), the Group adheres to its principles and practices in respect of corporate governance, and we strive to create long-term value for our stakeholders by taking a holistic approach.

To demonstrate accountability to our stakeholders and effectively implement our sustainability approach, HCSS employees strictly adhere to the Code of Conduct set out in the Employee's Handbook, Conflict of Interest Policy, Whistleblowing Policy and Data Protection Policy. The purposes and objectives of the policies are summarised as follows:

Code of Conduct



The Group's Code of Conduct serves as a central guide and reference to employees in ensuring that they have clear understanding of the expectations, and are assured of HCSS' guiding principles for workplace behaviour. The Code of Conduct promotes a healthy and safe working environment for every individual, and also provides our employees clarity regarding HCSS' leadership's expectations that an employee can easily and regularly refer to, so that he/she can act with confidence and consistency.

Conflicts of Interest Policy



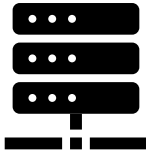
HCSS has established policies and procedures to ensure that our employees understand the circumstances under which his or her personal interest may conflict with that of the Group. All employees of the Group involved in the *i) purchase of goods and services, ii) selection of suppliers of goods or services, iii) selection of third party partners/relationships with the Company*, are required to declare and disclose any situation where their private businesses or personal interests conflict with those of the Group, or situations when they (or a close family member) have a direct or indirect personal relationship, affiliation or association with an existing or prospective supplier or patient of the Group.

Whistleblowing Policy



The Group has established and adopted a whistleblowing policy since 2016 to provide an avenue for employees and external parties to raise concerns. Our whistleblowing channels are designed to protect anonymity and our policy also contains a strict non-retaliation clause for reports made in good faith. The Whistleblowing Policy has been aligned to the guidance set out in the Code of Conduct which encourages employees to raise concerns, in confidence, about possible irregularities. The detailed whistleblowing policy is available on our website at: <https://www.hcsurgicalspecialists.com/en/investor-relation/policies>.

Data Protection Policy



As a service provider in the healthcare industry, HCSS collects and uses personal data in the provision of medical services. All personal data used in the course of our business activities is covered under the Group's Data Protection Policy, which is drafted in alignment with the Singapore Personal Data Protection Act ("PDPA"), its amendments and other relevant legislation such as the Private Hospitals and Medical Clinics Act. Our Data Protection Policy ensures that we are fully accountable to our patients and other stakeholders in the collection, use, disclosure and storage of their data. Our Data Protection Policy is available on our website at: <https://www.hcsurgicalspecialists.com/en/personal-data-protection-policy>.

Sustainability Organisational Structure

Senior management at HCSS is responsible for implementing rigorous sustainability policies and practices as well as monitoring our sustainability performance. Senior management reports directly to the Board of Directors on matters of sustainability and acts in accordance with the Board's strategic priorities and directives. Thus, we remain mindful of staying relevant in our sustainability initiatives and practice while pursuing our business objectives.

Our Board of Directors comprises the following members, who provide a strong insight into the organisation's management and are well versed in their core competencies.

Board of Directors				
Name of Director	Designation	Audit Committee	Nominating Committee	Remuneration Committee
Mr. Chong Weng Hoe	Non-executive Chairman and Independent Director	Member	Chairman	Chairman
Dr. Heah Sieu Min	Executive Director and Chief Executive Officer	-	-	-
Dr. Chia Kok Hoong	Executive Director and Medical Director	-	-	-
Mr. Lim Chye Lai, Gjan	Non-Independent Non-executive Director	Member	Member	Member
Mr. Ooi Seng Soon	Independent Non-executive Director	Chairman	Member	Member

The senior management of HCSS are as follows:

Senior Management	
Name	Designation
Ms. Sophia Ong	Chief Financial Officer
Ms. Ouyang Yuxia, Connie	Chief Operating Officer
Ms. Cai Ting Ting	Chief Nursing Officer

Our goal at HCSS is to integrate our sustainability approach with our business operations to serve the interests of our wider stakeholders. We are committed in ensuring that our business processes conducted are accountable to our patients, employees, and the community while at the same time maintaining sustainable economic growth for HCSS.

Stakeholders and Material Topics

The Board of Directors and senior management are constantly reviewing our interactions with both internal and external stakeholders. Through the various communication channels, whether formal or informal, the Group has performed identification of the groups of stakeholders with whom we frequently engage with.

Stakeholders Engagement

We are dedicated to developing and maintaining strong relationships with our stakeholders. We align our sustainability approach with their needs and expectations through an open two-way communication.

The information below illustrates key stakeholder groups and the engagement activities.



Employees

We engage our employees through training programmes, annual appraisals and staff meetings. We aim to maintain a safe and fair working environment for them together with opportunities of career progression and self-development.

Patients

We engage our patients through direct feedback during consultations. We aim to give them better healthcare services with greater ease and convenience.



Suppliers

We engage our suppliers through supplier assessment forms and feedback through emails. We constantly communicate with them to ensure quality and efficiency.

Shareholders/Investors

We engage our shareholders and investors through annual and extraordinary general meetings, our corporate announcements or emails. We aim to develop business growth and strategy within the Group and deliver strong business performance while achieving sustainable returns.



Government & Regulators

We engage the government and regulators through discussions, conferences and feedback sessions. Our goal is to have a better understanding of government initiatives and aim to align our business outcomes with national health objectives.

Community

We engage the community through our corporate website. We aim to support the community by providing free healthcare consultation to the public occasionally as well as engaging in corporate social responsibility efforts.

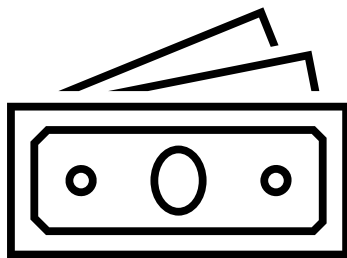


Materiality Assessment

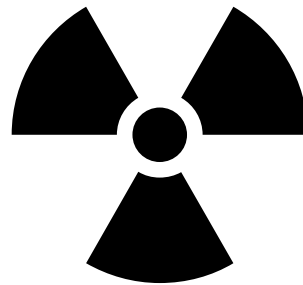
Our materiality assessment is reviewed at a minimum on an annual basis based on feedback from stakeholders and is aligned to our business goals.

In response to feedback received from our internal and external stakeholders, we have re-evaluated and identified relevant material topics that would have significant ESG impact and are relevant to our organisation and stakeholders.

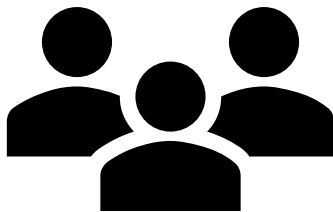
In our discussions on the relevant material issues for FY2021, the senior management has taken into account the prevailing economic environment, the performance of our sustainability efforts and also the opinions of our various stakeholder groups. Based on the assessment, the material topics for the Group for FY2021 remained the same as those disclosed in the prior financial year, and are listed below:



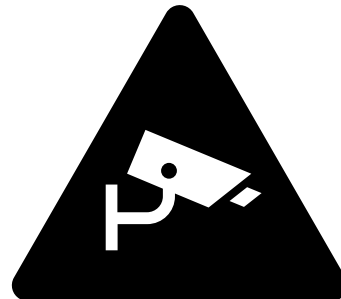
Economic Performance



Effluents and Waste



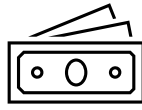
Employment



Patients' Privacy

Disclosure on these material topics, including management approach and topic boundary limitations, if any, are provided in the respective sections of the Report.

SUSTAINABILITY TOPICS



Economic Performance

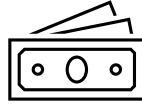
Why is it Material?

At HCSS, we believe that long-term economic success benefits all of our stakeholders, not just our investors. HCSS seeks to achieve this economic success hand-in-hand with sustainable processes and we aim to distribute economic benefits directly or indirectly to our stakeholders. Apart from dividends to shareholders, our economic benefits were distributed to the government through taxes, to employees through salaries and wages, and to society through job creation and the ability to provide free consultation as a socially responsible organisation.

Management Approach

Acquiring general practitioner (“GP”) clinics continues to be part of the Group’s expansion plans in FY2021 to secure a stable stream of patients. With the continual acquisition of GP clinics, we are able to offer a wider range of services, while also identifying and grooming young talented specialists. We are on a steady pace to further expand our presence in Singapore’s heartlands, to enhance our current offerings to deliver timely, safe, accurate and efficient services to our patients. For this financial year, HCSS has:

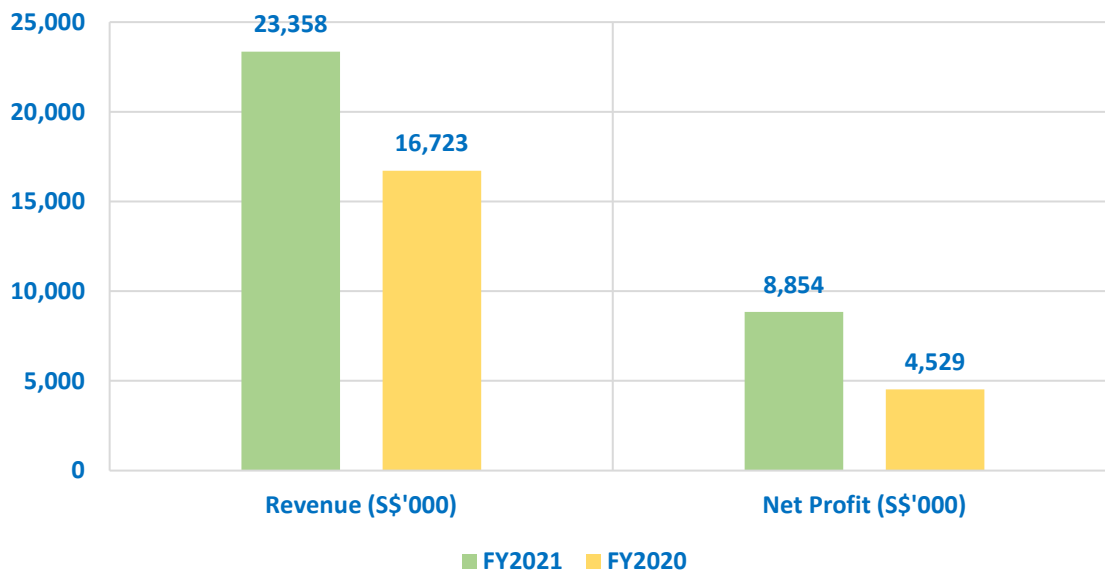
- Completed its acquisition of a 51% stake in GMH Endoscopy & Surgery Pte. Ltd.
We completed the acquisition of 51.0% of the total issued and paid-up share capital in GMH Endoscopy & Surgery Pte. Ltd. (“GMHES”) on 16 June 2020, where GMHES became a subsidiary of the Company. All things considered, this acquisition allows us to further build on our existing capabilities and offerings.
- Opened an endoscopy centre within the Toa Payoh area
We expanded and incorporated a sole proprietorship in Singapore, known as HC Endoscopy & Piles Centre (TPY) for the provision of medical services on 8 September 2020. The clinic, which is owned by our subsidiary HCTPY, is located in Toa Payoh Town Centre and is directly linked to Toa Payoh MRT station and bus interchange, with its neighbourhood comprising mainly HDB shops and commercial developments and HDB residential flats. HCSS believes that by establishing our presence in Toa Payoh, we will be providing a wider range of services across the heartland areas of Singapore, which then allows us to serve our local population and boost our presence in the heartlands as it is located at a prime location.
- Acquired equity interest in Healthcare Essentials Pte. Ltd.
As part of our diversification strategy, HCSS also acquired a 20% equity interest in Healthcare Essentials Pte. Ltd. on 23 December 2020.



Economic Performance (cont'd)

The Group works closely with established insurance companies and corporations to ensure our services performed for patients are competitive, and to bring our specialists closer to the patients who require our services. With effect from 8 October 2020, HCSS was appointed by Prudential Assurance Company Singapore (Pte) Limited to provide high quality and cost-efficient health services for their eligible customers. With this appointment, we foresee a consistent stream of revenue for our specialists and an additional source of patient referrals.

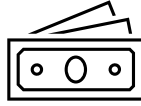
PERFORMANCE



In FY2021, the Group saw an increase in revenue of approximately 39.7% in comparison with the financial year ended 31 May 2020 (“FY2020”) due to heightened demand for the Group’s medical services after the circuit breaker measures were lifted on 2 June 2020.

For the specific breakdown of our economic performance in FY2021, please refer to relevant sections of our Annual Report 2021, published on our website at www.hcsurgicalspecialists.com.

The Singapore Government had introduced the Job Support Scheme (“JSS”) to alleviate financial constraints faced by companies due to the on-going pandemic situation. In FY2021, a total of S\$358,000 has been recognised in the Group’s financial statement, while the Group has received total actual grant payout of S\$362,000 in July 2020, October 2020 and March 2021. JSS grant is recognised in the Group’s financial statements on a systematic basis over the periods in which the salary expenses are recognised in the financial statements.



Economic Performance (cont'd)

Targets

The Group will continue to look out for business expansion opportunities and maintain its commitment to quality and cost-effective medical services. With this strategy, we hope to generate sustainable economic value to our stakeholders, while also striving to be a high quality medical services provider in Singapore. To create long-term value for our shareholders, we will continue to strive to engage in more strategic partnerships and collaborations.



Effluents and Waste

Why is it Material?

In the running of our business operations, we inevitably generate effluents and waste. We recognise that the generation and improper disposal of this waste inevitably produces effects which are damaging to the environment and are a contributor to climate change. Hence, HCSS is committed in ensuring that proper waste management and disposal procedures are adhered to, to prevent potential health threats to our patients, the community and the environment. We aim to adhere to the standards of safety and hygiene in the disposal of medical and bio-hazardous waste set out by the relevant authorities.

Management Approach

Our business operations mainly generate two main groups of effluents and waste: sharps containers and liquid bio-waste. Our waste handling process includes safeguards such as:

- disposing waste into their designated waste bins, which are sorted by categories;
- appointing certified third-party contractors to transport the waste to a dedicated hospital waste incinerator;
- conducting periodic assessments on our waste management vendors to ensure that our expectations are met; and
- training our medical staff extensively on proper management and disposal of medical waste. In compliance with the relevant regulations, all medical staff are trained in identifying different types of medical waste to facilitate appropriate waste disposal.

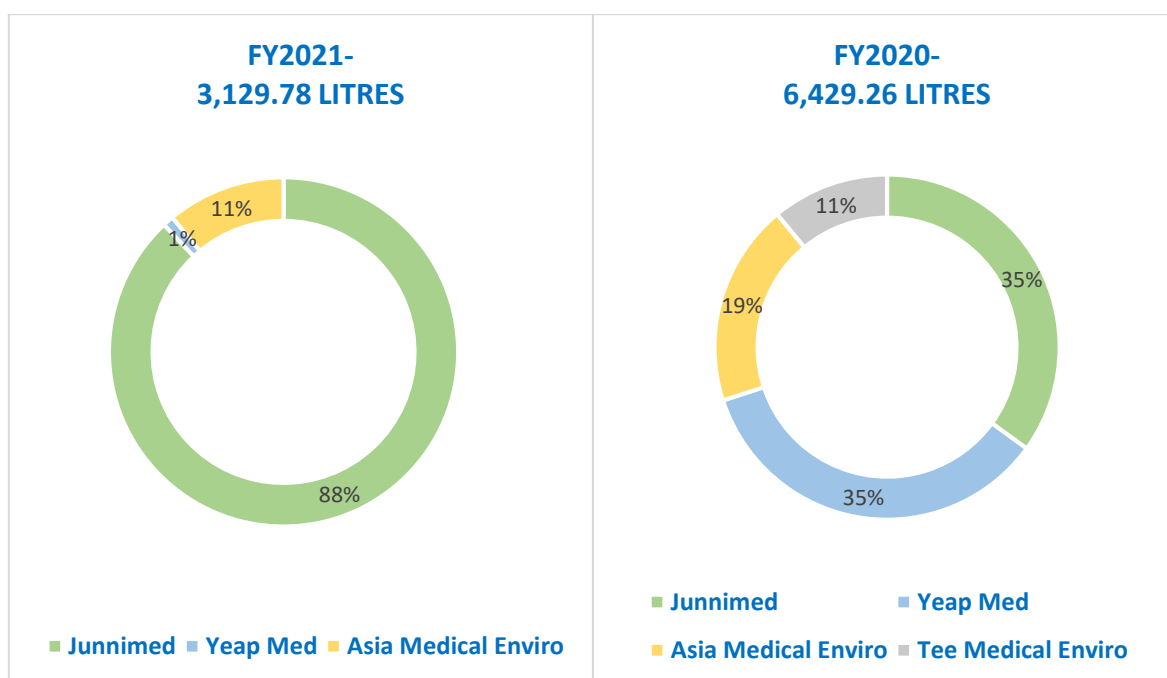
Mitigating the danger of improper disposal of medical waste is our priority. We fully understand the potential impacts of improper medical waste disposal on us, our community as well as the environment. Hence, it is important that our initiatives comply with the National Environment Agency's and MOH's rules and regulations.



Effluents and Waste (cont'd)

PERFORMANCE

LITRES OF CLINICAL WASTE INCINERATED BY CONTRACTORS



In FY2021, HCSS has successfully reduced the amount of clinical waste disposed from 6,429.26 litres to 3,129.78 litres, a decrease of approximately 51.3% in waste generated in comparison with FY2020. The diagram represents the comparison of clinical waste generated in FY2021 and FY2020, as well as the third party contractors involved in the clinical waste incineration process. The significant decrease in clinical waste in FY2021 is due to higher number of cases performed in our principal doctors' clinics in hospitals which have their own disposal waste centre, thereby reducing our need to engage external vendors to dispose of biohazards.

At HCSS, we continue to uphold the record of zero reported incidents of non-compliance with environmental regulations in FY2021.

Targets

In the coming financial year ending 31 May 2022 (“FY2022”), we are confident in our ability to continue our full compliance with environmental regulations regarding clinical waste. We will continue to monitor our medical waste disposal processes and seek out opportunities to integrate sustainable measures in our clinical waste disposal.



Employment

Why is it Material?

Employees are the key to our continued and sustainable success in the medical industry. HCSS' success has always been attributed to its talented, dedicated and professional employees. As our most valuable asset, we strongly believe in continually investing in our employees. The Board of Directors and senior management see that the quality of service HCSS provides is tied to having a diversified workforce with long-term service employees.

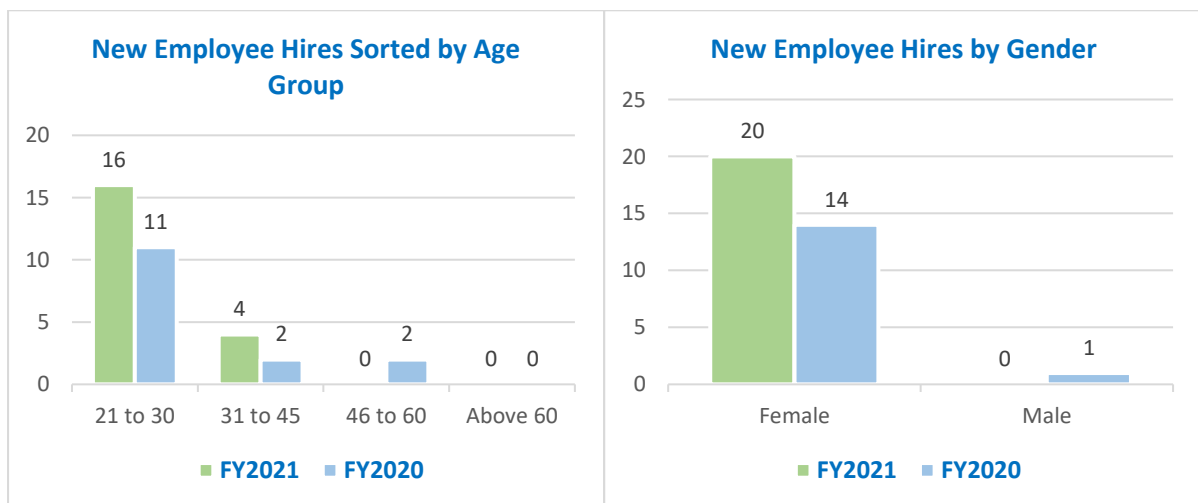
Management Approach

At HCSS, we are committed to attract, retain, and develop exceptional talent. In turn, this will greatly affect the Group's development. We have policies and practices in place to protect the rights of our employees, allowing equal and fair opportunities to all. Recruitment and selection policies, flexible working policies, maternity policies, and grievance procedures are established, formalised, and strictly enforced. Our employees' suggestions are valued, and we strive to have periodic reviews and communication sessions with them. As part of HCSS's commitment to create a workplace based on trust and mutual respect, we have also established systems / channels for employees to provide feedback on how to improve our workplace.

As part of our employee benefits package, we offer medical and dental coverage, as well as hospital insurance entitlements. In FY2021, due to the closure of borders, HCSS provided all our employees with the option to encash their unutilised annual leave as a gesture of appreciation in return for their hard work. Periodically, we also review the benefits given to all our employees, so that our compensation packages remain competitive.

Performance

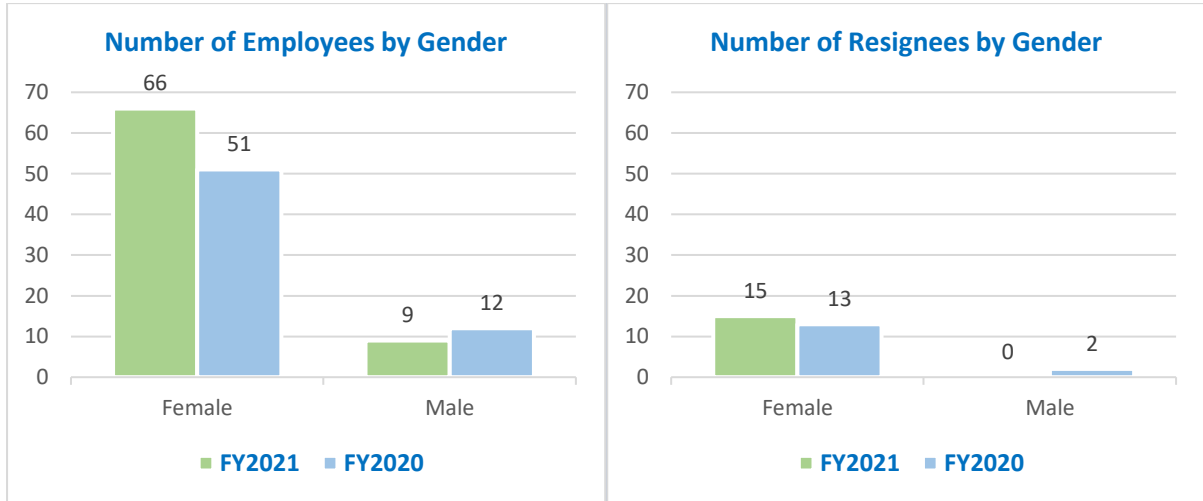
New Employee Hires



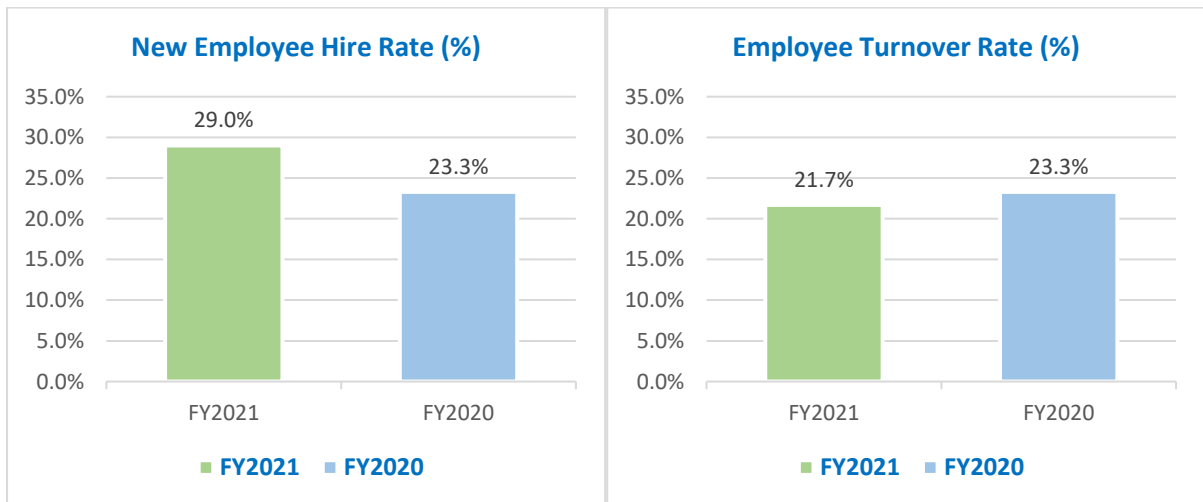


Employment (cont'd)

Number of Employees and Number of Resignees



Employee Hire Rate and Turnover Rate



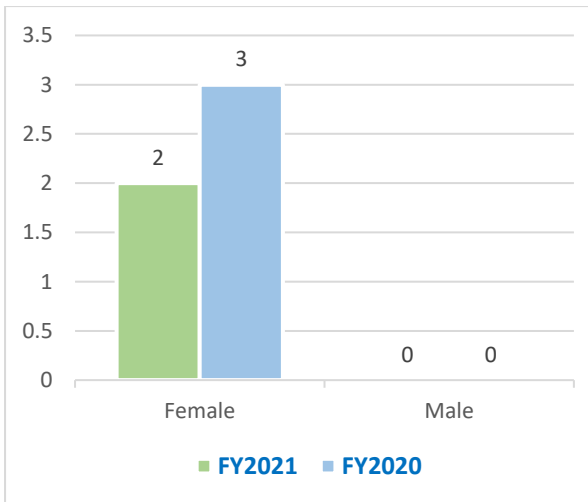
In FY2021, no workplace discrimination incident reports were received.



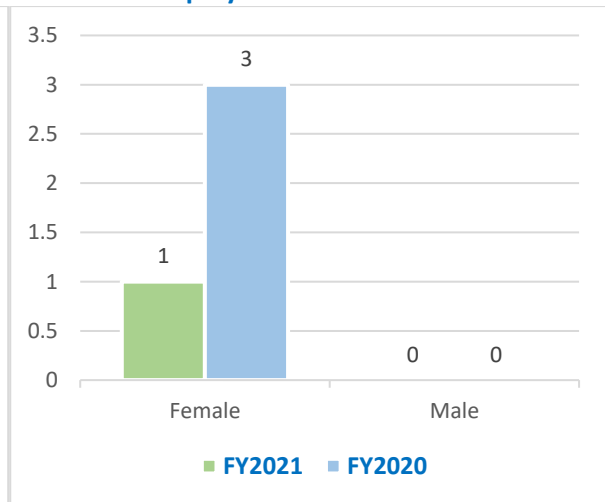
Employment (cont'd)

Parental Leave ("PL")

Number of Employees who were entitled to and took PL in FY2021

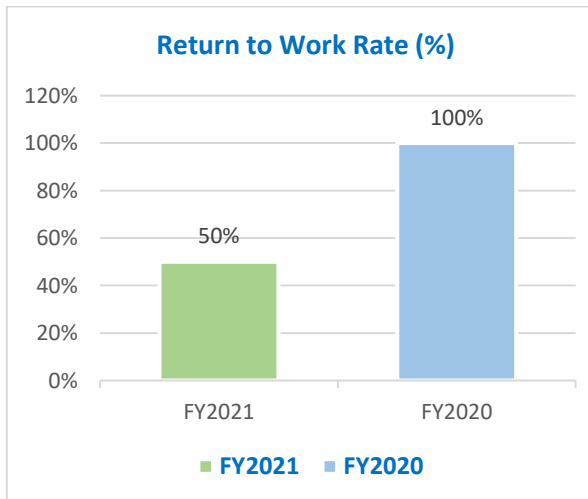


Number of employees that returned to work in the reporting period after PL ended and were still employed 12 months after in FY2021

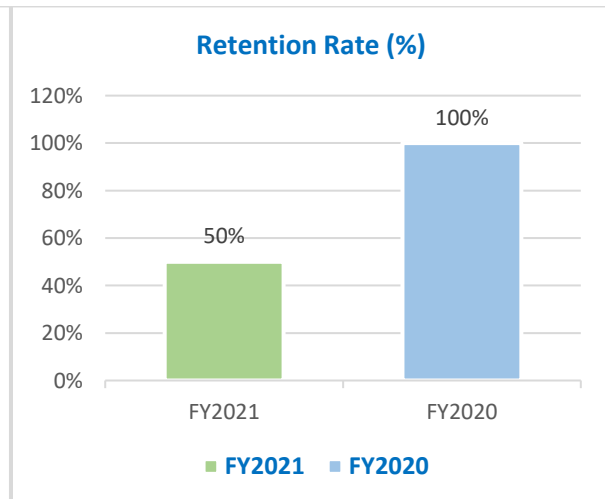


Return to Work Rate and Retention Rate

Return to Work Rate (%)



Retention Rate (%)



The reduction in 'return to work' rate in FY2021 was due to an employee who had resigned to remain at home to look after her child instead of returning to full-time work after her parental leave was fully utilised.

Targets

For FY2022, HCSS will continue to promote fair employment practices and keep a record zero of reported incidents relating to discrimination.



Patients' Privacy

Why is it Material?

With the rapid advances in technology, our patients are also increasingly concerned as to how their personal data is collected and used. Regulations are also being tightened in response to data breaches. It is vital that HCSS, as a healthcare provider holding client data, strengthens its security procedures to prevent the loss of patients' data, and ensure that measures are implemented to handle data breach incidents, if any.

Management Approach

HCSS ensures that personal data is only collected, used, disclosed and processed for prescribed purposes with the patients' prior consent. Our Data Protection Policy includes procedures on responsible data handling, the use of data, and compliance monitoring. We have appointed a Data Protection Officer ("DPO"), and stakeholders who wish to contact our DPO can reach us at: contact@hcsurgicalspecialists.com.

Each clinic adheres to strict data protection requirements, such as:

- locking cabinets for restricted access to patient information;
- assigning unique user IDs for IT applications to individual staff members; and
- installing firewalls and antivirus softwares on all computers to ensure confidentiality and maintain patients' privacy.

With the above measures, patients' data is therefore less vulnerable to unauthorised access, collection, use, disclosure, copying, modification, or disposal.

Performance

For FY2021, we are pleased to report that there have been no reported incidents of loss of patients' data, theft, or leakage. Additionally, there have been no complaints received regarding patients' privacy.

Targets

As we move into FY2022, we aim to uphold our commitment to safeguarding our patients' privacy at all times and to continue achieving zero complaints and no breaches of the Personal Data Protection Act.

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