

Policy on Environmental, Social and Governance Sustainability of Ceylon Hospitals PLC

Introduction

ESG reporting in the healthcare industry is a strategic imperative that encompasses environmental, social and governance considerations. By implementing ESG practices, healthcare organisations can enhance their sustainability reporting, improve healthcare governance and contribute to a more sustainable future. As the healthcare sector continues to evolve, ESG efforts will play a crucial role in shaping corporate sustainability and ensuring long-term success. The adoption of robust ESG strategies not only helps in meeting regulatory expectations but also drives innovation, improves patient care and builds a resilient healthcare system that can withstand future challenges.

Chairman, Board of Directors, Executive Committee of Ceylon Hospitals PLC are fully committed to ESG Reporting to derive above mentioned benefits.

1. Environmental Dimension

On the environmental front, healthcare facilities must focus on reducing energy consumption, minimising medical waste and lowering greenhouse gas emissions. Sustainable practices in these areas help reduce costs and support global climate initiatives. Considering environmental waste and limiting energy consumption internally the teams are trained projects.

2. Social Dimension

Socially, ESG reporting ensures equitable access to care, fair treatment of patients and good working conditions for medical staff. A responsible approach enhances satisfaction and trust in healthcare institutions.

Ceylon Hospitals PLC is a JCI accredited hospital where patient safety, fair treatment for employees and suitable work conditions are facilitated. The Chairman and Board of Directors closely monitor these requirements needed for community.

3. Governance Dimension

In terms of corporate governance, healthcare organizations must maintain clear management principles, transparency in decision-making, and effective oversight. Strong governance practices minimize operational risks and build long-term value for stakeholders, including patients, employees, and investors. The Board of Directors and Board of Audit Committee oversee compliance of Ceylon Hospitals PLC and measures are taken for best practices of corporate governance.

Key Aspects of ESG

1. Complies with applicable laws and regulations
2. Transparency and accountability in governance
3. Equal opportunity employer
4. Fair employment practices
5. Ethical business practices
6. A business model and operational practices that consider environmental impacts, social inclusively and community well being
7. Recognising the contribution of all of capitals, financial, manufactured, intellectual, human, social and environment
8. Stakeholder engagement

Phases of the policy

1. Develop conceptual schema on ESG Dimensions
2. Create list of ESG indicators for each ESG Dimensions
3. Derive metrics for each ESG indicator
4. Evaluate each metrics of ESG indicators
5. Raise ESG metrics, in order to progress towards desired target in foreseeable future

Our proposed ESG Conceptual Schema with ESG indicators

Social Dimension: Community		
Community Development & Philanthropy	Product/Service	Human Rights & Supply Chain
<ul style="list-style-type: none"> • Details on how customer/patient satisfaction is monitored • Disclosure of performance on key customer metrics (e.g., complaints, Net Promoter Score (NPS)) • Details on how patient safety is monitored • Details on managed Privacy & Data Security 		
Social Dimension: Employees		
Compensation & Benefits	Diversity & Labor Rights	Training, Health & Safety
<ul style="list-style-type: none"> • Disclosure on occupational health and safety metrics • Information about employee turnover, well-being and satisfaction • Diversity and inclusion statistics and targets • Details about employee training programs 		
Environment Dimension		
Energy & Climate Change	Environment Policy & Reporting	Resource Management
<ul style="list-style-type: none"> • Energy consumption: non-renewable versus renewable energy • Water consumption • Waste generated including hazardous waste, waste to landfill metrics and recycling • Disposable usage vs Plastic usage 		
Governance Dimension		
Board	Leadership Ethics	Transparency & Reporting
<ul style="list-style-type: none"> • Describe how you manage compliance with applicable regulations • Current board composition and criteria when constructing the board • Diversity of the board • Disclosure on all board committees (e.g., Audit, Remuneration, Investment) 		

ESG indicators are to be quantified in to metrics once the operationalisation model is fully developed.

Conclusion

Chairman, Board of Directors and Executive Committee will be taking initiatives by designing the ESG programs. Awareness programs and training of employees will be launched in order to comply with the Sri Lanka Sustainability Disclosure Standard.