



Sustainability Complementary Data Report 2021

Life Healthcare

Sustainability complementary data report

Introduction

We are delighted to present our first 2021 Sustainability complementary data report as part of our Sustainable Development report. The aim of this report is to supplement the 2021 Integrated Annual report. This document provides our stakeholders with detailed data tables that reflect the sustainability performance for Life Healthcare.

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Cover Images:
Life Healthcare's new corporate head office in Johannesburg delightfully attained a significant milestone with the awarding of the 5-Star Green Star Office Design certification from the Green Building Council of South Africa.

OUR APPROACH TO SUSTAINABILITY

At Life Healthcare we recognise Sustainable Development as a key strategic focus for the long-term sustainability of our business. Sustainable Development is a strategic tool that enables us to incorporate the creation of social, environmental and economic value into our strategy and day-to-day operations for long-term sustainability. We believe that Sustainable Development makes business sense while also being good for our people and our planet.

We understand that for our business to grow sustainably, we have a duty to develop our people, enhance stakeholder value and minimise the impact of our operations on the environment. We are aware that it is critical in today's world to identify, understand, and manage material environmental, social and governance (ESG) impacts.

While as a Group we are in the early phase of our sustainability journey, we are delighted to have attained a significant milestone with the awarding of the 5-Star Green Star Office Design certification from the Green Building Council of South Africa for our new head office. This internationally recognised award is an indication to our commitment to protecting our people and our planet.

We also received a 'AAA' rating from MSCI ESG Research (2020: 'A') placing Life Healthcare in a best-in-class category within the global healthcare sector.

Our approach to sustainability as an international corporate citizen is guided by the United Nations Global Compact (UNGC) requirements and the United Nations – Sustainable Development Goals (SDGs), which are integrated within our Global Code of Conduct.

Life Healthcare intends to set sustainability targets for the Group during 2022. The targets will be based on the material issues relevant to the nature of our business and our operating environment. The sustainability targets will become the driving tool for our business to attain strategic Group ESG goals.

SCOPE AND BOUNDARY

The information contained in this sustainability complementary data report includes our South African (SA) and the international operations. The SA operations exclude Botswana. The natural capital data only include data from our South African business.

Sustainability Governance Framework

Environment, Social and Governance (ESG) for part of the suitability framework detailed below:



Board of Directors (Board)	**Social Ethics and Transformation Committee** (SETCO)	**Group Executive Management Committee** (Group EXCO)	**Group Sustainable Development Committee** (Group SD Committee)
¬ Committed to a sustainable development strategy ¬ Responsible for the successful implementation of the Group's sustainable development strategy ¬ Delegate an oversight role to the social ethics and transformation committee	¬ Plays an overall oversight role ¬ Delegate the implementation responsibility to the executive management team ¬ Approve the strategy and monitor implementation ¬ Keep abreast of regulatory and other requirements ¬ Monitor performance through evaluation of established metrics and report to the Board	¬ Responsible for implementation of the sustainability strategy ¬ Serve as a high-level strategic support structure that oversees implementation at business level ¬ Ensure integration of sustainability into the daily business and decision making process ¬ Approve and provide resources required ¬ Evaluate implementation, establish corrective and improvement measures	¬ The primary role is to enable the business to incorporate creation of sustainability value into the core strategy and operations for long-term sustainability ¬ Provides strategic guidelines and support to the operating business within the Group to ensure that the goals are met for long-term growth and sustainability ¬ Identify initiatives for continual improvement and make recommendation for implementation to Group EXCO and SETCO

Sustainability complementary data report continued

Our contribution to United Nations – Sustainable Development Goals



GOAL	Life Healthcare Contribution
	¬ Food Relief Project for vulnerable communities ¬ Application of statutory minimum wage or Living Wage in all regions ¬ Regional employment growth in all regions

GOAL	Life Healthcare Contribution
	¬ Life Healthcare has performed over 200 cataract surgeries and eye care services to state indigent patients ¬ Life Healthcare has contributed to 17 268 cataract surgeries, issued 15 000 spectacles and screened over 65 000 patients in partnership with the South African National Council for the Blind (SANCB) since the inception of the project ¬ Employee wellness programme in place through Life Employee Health Solutions ¬ Employee Assistance Programme in operation ¬ Regional employee wellbeing initiatives at Alliance Medical Group (AMG) ¬ Distribution of sanitary pads to high school girls

GOAL	Life Healthcare Contribution
	¬ Masters of Science research funding into product development for Rheumatic Heart Disease ¬ AMG Research Committee lead the development of new imaging agents and technologies to broaden the evidence-based application of PET-CT to other diseases ¬ AMG medical team work closely with multiple universities throughout Europe. The nature of their activities includes research support, provision of formal and elective clinical placement opportunities, provision of lecture support and graduate recruitment support

GOAL	Life Healthcare Contribution
	¬ *Women in Life* project ¬ Transformation agenda in southern Africa ¬ Diversity strategy initiative ¬ Diversity policies in operation ¬ Appointment of two additional women to the Board adding to Board diversity

GOAL	Life Healthcare Contribution
	¬ 5-Star Green Star Office Design certification for head office building ¬ Solar PV installed at 15 hospitals ¬ Introduction of electric vehicles into AMG's UK fleet ¬ ISO 14001:2015 certification

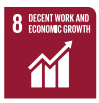
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GOAL	Life Healthcare Contribution
	¬ Environmental impact studies integrated into project management ¬ Environmental impact assessment studies are conducted to evaluate the environmental impact and mitigating controls are implemented

GOAL	Life Healthcare Contribution
	¬ Invest, maintain and upgrade hospital facilities on an ongoing basis ¬ Specialised product development division created, focusing on healthcare product innovation to take to market ¬ AMG Research Committee lead the development of new imaging agents and technologies to broaden the evidence-based application of PET-CT to other diseases. Trial topics include various aspects of dementia, lymphoma, endometrial, lung and liver cancers. ¬ Alongside National Health Service (NHS) England, AMG has also initiated what will possibly be the largest study on early diagnosis of Alzheimer's disease

GOAL	Life Healthcare Contribution
	¬ Three play pumps installed to provide access to water for three villages in EmaMpondweni (Pondoland) in the Eastern Cape. ¬ Six school sites have been identified for additional play pumps in KwaZulu-Natal, with three installations to commence in December 2021 and three in early 2022. ¬ Water consumption reduction initiative at business operations ¬ Compliance with regional environmental agency legislation

GOAL	Life Healthcare Contribution
	¬ Pondoland conservation trust ¬ Life Healthcare is supporting the development of a rural village in the Eastern Cape, including sponsorship for the building of a community centre. In addition, a three-year sponsorship of running costs which including a Wi-Fi hub, health centre on selected days and the salaries of employees at the adjoining school

GOAL	Life Healthcare Contribution
	¬ Employee reward and recognition programme ¬ Compliance with regional employment legislation ¬ Structured employee reward policies and procedures ¬ Regional employment growth in all regions

Sustainability complementary data report continued

INTELLECTUAL CAPITAL

We differentiate ourselves through excellent service offerings, responsible corporate governance and adherence to quality standards – the intangibles of our business that contribute to our competitive advantage

Life Healthcare conducts business across multiple international territories and acknowledges its obligation to understand and comply with applicable legal and regulatory requirements wherever it does business. We will endeavour to meet these requirements and will engage with regulatory authorities openly and honestly.

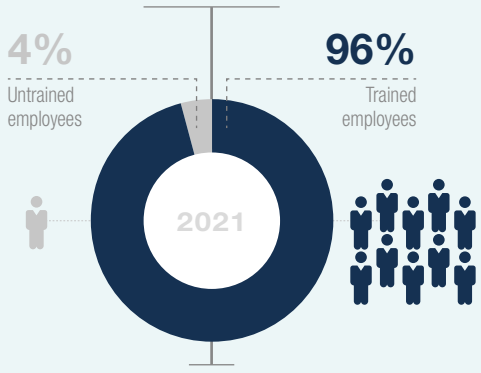
Our Global Code of Conduct covers the following sustainability governance issues among others:

Anti-bribery and corruption	**Life Healthcare public policy: donations to governments prohibited**	**Anti-competitive behaviour**
Compliance with regulatory requirements	**Grievance mechanisms for impacts on society**	**Non-discrimination**
Abolition of child labour	**Human rights grievance mechanisms**	**Forced or compulsory labour**

An Ethics Office has been set up and the Tip-Off line is widely advertised across the business to ensure that employees feel free to anonymously report matters.

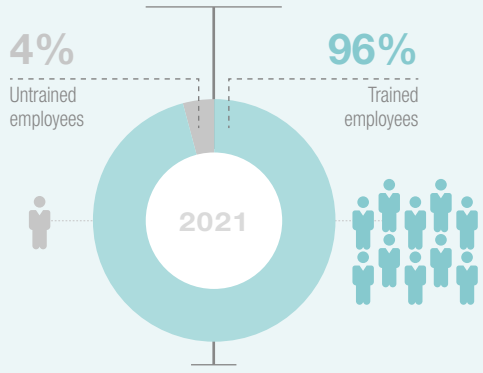
KPI – South African (%)

Percentage of employees who have been trained on the Global Code of Conduct



KPI – International (%)

Percentage of employees who have been trained on the Global Code of Conduct



CONDUCTING OUR BUSINESS IN A RESPONSIBLE MANNER

KPI	2021	2020
FTSE/JSE Responsible investment index score	**3.3**	
Sustainalytics ESG score *(Risk rating = Low 10 – 20, Med 20 – 30, High 30 – 40)*	**24.4**	
MSCI ESG Research rating *(CCC – AAA)*	**AAA**	A

PATIENT PRIVACY AND ELECTRONIC HEALTH RECORDS

KPI	UOM	2021
Number of data breaches recorded	No	**291**

PATIENT SAFETY ADVERSE EVENTS

		SA		
KPI	UOM	2021	2020	2019
Total patient safety adverse events per 1 000 PPDs (A)	No	**2.21**	2.07	2.44
Medication related events per 1 000 PPDs	No	**0.66**	0.69	0.92
Falling related events per 1 000 PPDs	No	**0.63**	0.68	0.71
Pressure ulcer rate per 1 000 PPDs	No	**0.17**	0.09	0.10
Procedure related adverse events per 1 000 PPDs	%	**0.48**	0.39	0.46
Healthcare associated infections (HAIs) per 1 000 PPDs (A)	%	**0.57**	0.40	0.41
Number of Serious Reportable Events (SREs) as defined by the National Quality Forum (NQF)	No	**128**	n/a	n/a
Patient Experience Measure (PXM)	Score	**8.41**	8.39	8.4

(A) *Assured figures.*



Students receiving training at Life College of Learning

Sustainability complementary data report continued

NATURAL CAPITAL – only SA included in the scope

We make use of both renewable and non-renewable natural resources in the delivery of services to our patients. While our business has an unavoidable impact on the environment, we endeavour to reduce negative impacts by measuring and managing our activities.

Some of the data presented here has not previously been collected, measured and/or published. Consequently, only 2021 data points are presented.

CLIMATE CHANGE

KPI

Scope 1 (tCO_2e)	Scope 2 (tCO_2e)	Scope 3 (tCO_2e)
2 869	**142 922**	**3 471**
2021	2021	2021

ENERGY MANAGEMENT

KPI	Description	UOM	2021	2020
Total non-renewable energy used	HFO	L	**415 472**	n/a
	Petrol	L	**100 758**	n/a
	Diesel	L	**364 066**	n/a
	LPG	Kg	**108 773**	n/a
Total renewable energy used	Solar PV	kWh	**7 821 437**	n/a
Electricity used	Purchased	kWh	**150 444 359**	155 600 509
Total electricity used		kWh	**158 265 796**	
Renewable energy consumption as a % of total energy consumption		%	**5.2**	n/a

WATER MANAGEMENT

KPI	UOM	2021	2020	2019
Total water withdrawn	Kl	**1 274 035**	997 867	913 090
Total water withdrawn – municipal	Kl	**1 059 690**	997 867	913 090
Total water withdrawn – borehole	Kl	**214 345**	n/a	n/a

NATURAL CAPITAL continued

Healthcare risk waste (HCRW) data provided below includes newly measured and disclosed data points in 2021. Consequently, prior data was not available.

The COVID-19 operating environment has led to an increase in HCRW generated, particularly due to the increased use of personal protective equipment. In addition, our facilities have seen reduced paid patient days (PPDs) as a result of COVID-19. This has resulted in an increase in the HCRW per PPD ratio for both 2020 and 2021.

WASTE MANAGEMENT

KPI	UOM	2021	2020	2019
Total Healthcare Risk (HCRW) (A)	Kg	**5 496 781**	4 371 882	4 453 875
HCRW – incinerated	Kg	**120 372**	n/a	n/a
HCRW – treated	Kg	**5 376 409**	n/a	n/a
Total HCRW generated per PPD (A)	Kg/PPD	**2.87**	2.01	1.93
HCRW – Anatomical Waste	Kg	**74 016**	n/a	
HCRW – Chemical Waste (Cytotoxic)	Kg	**25 507**	n/a	n/a
HCRW – Chemical Waste (Pharmaceuticals)	Kg	**19 834**	n/a	n/a
HCRW – Infections Non-Anatomical waste (non-sharp waste)	Kg	**5 005 527**	n/a	n/a
HCRW – Sharps	Kg	**371 895**	n/a	n/a
Total healthcare general waste generated	Tonnes	**942 378**	n/a	n/a
Total waste recycled	Tonnes	**1 763 248**	n/a	n/a
Paper	Tonnes	**296 992**	n/a	n/a
Plastic	Tonnes	**79 279**	n/a	n/a
Cardboards	Tonnes	**1 386 977**	n/a	n/a

(A) *Assured figures.*

OZONE DEPLETING SUBSTANCES

KPI

R22 (Kg)

775.70

2021

R134A (Kg)

70.91

2021

R404A (Kg)

85.71

2021

R407A (Kg)

57.97

2021

R410A (Kg)

4 046.40

2021

Sustainability complementary data report continued

NATURAL CAPITAL continued

ENVIRONMENTAL GRIEVANCE

KPI	UOM	SA	Int	Total
The total number of grievances about environmental impacts filed through formal grievance mechanisms during the reporting period	No	0	3	3
Of the identified grievances, how many were: Addressed during the reporting period	No	0	1	1
Of the identified grievances, how many were: Resolved during the reporting period	No	0	1	1
The total number of grievances about environmental impacts filed prior to the reporting period that was resolved during the reporting period	No	0	0	0



Employee training at a Life Healthcare hospital

HUMAN CAPITAL

We depend on the skills, knowledge and experience of our employees to implement our strategy. By delivering our products and services, our employees attend to our patients' and customers' need, thereby creating sustainable value for our stakeholders.

EMPLOYEE TURNOVER IN 2021

KPI	UOM	SA	Int
Opening number of permanent employees	No	**15 076**	**2 110**
Total number of new employee hires	No	**1 983**	**550**
Females	No	**1 586**	**271**
Males	No	**397**	**279**
Under 30	No	**845**	**196**
31 – 40	No	**374**	**207**
41 – 50	No	**152**	**85**
Above 50	No	**612**	**62**
Employment resulting from acquisitions	No	**0**	**0**
Total rate of new employee hires	%	**13.3**	**26**
Termination of employment contracts	No	**103**	**0**
Resignations	No	**1 463**	**0**
Termination through disposal of business	No	**135**	**0**
Retirements	No	**249**	**0**
Retrenchments	No	**67**	**0**
Death	No	**70**	**0**
Total movement in employees	No	**(104)**	**192**
Closing number of employees	No	**14 972**	**2 302**
Average employee turnover	%	**11.9**	**14.8**

Sustainability complementary data report continued

HUMAN CAPITAL continued

EMPLOYEE HEALTH AND SAFETY

KPI	UOM	SA 2021	SA 2020	SA 2019
Total employee adverse events per 200 000 labour hours	No	**3.59**	4.06	4.11
Total employee adverse events per 200 000 labour hours – COVID-19 included	No	**9.15**	n/a	n/a

LABOUR PRACTICES

KPI	UOM	SA	Int	Total
Total number of grievances about labour practices filed through formal grievance mechanisms	No	**18**	**14**	**32**
How many were addressed	No	**10**	**14**	**24**
How many were resolved	No	**9**	**10**	**19**
Total number of grievances about labour practices filed prior to the reporting period that were resolved during the reporting period	No	**6**	**0**	**6**

ECONOMIC VALUE DISTRIBUTED*

KPI	UOM	SA	Int
Employee training and development spend	Rand (million)	**158.5**	**86.6**
Average employee training and development spend per employee	Rand	**110 498**	**n/a**
Average employee training and development spend – females	Rand	**109 453**	**n/a**
Average employee training and development spend – males	Rand	**111 478**	**n/a**
Average employee training and development spend – senior management	Rand	**533 356**	**n/a**
Average employee training and development spend – middle management	Rand	**345 242**	**n/a**
Average employee training and development spend – junior management	Rand	**134 407**	**n/a**
Employees wages and benefits as a % of total revenue	%	**39.6**	**26.5**

* *The training numbers relate only to permanent staff within South Africa.*

DIVERSITY AND EQUAL OPPORTUNITY

KPI

Percentage of employees per employee category in each of the following diversity categories:

Under 30 years old

SA	%	INT
15		14

31 – 40 years old

SA	%	INT
37		34

41 – 50 years old

SA	%	INT
27		27

Above 50 years old

SA	%	INT
21		25

Female employees

SA	%	INT
81		69

Male employees

SA	%	INT
19		31

Females in senior management roles

SA	%	INT
31		14

Black employees in senior management roles (SA)

44 %

Racial diversity at senior management level (SA)

44 %

Female Board members (SA)

39 %

Male Board members (SA)

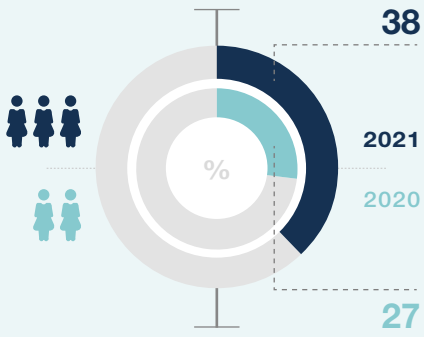
61 %

The Group has **improved to** a

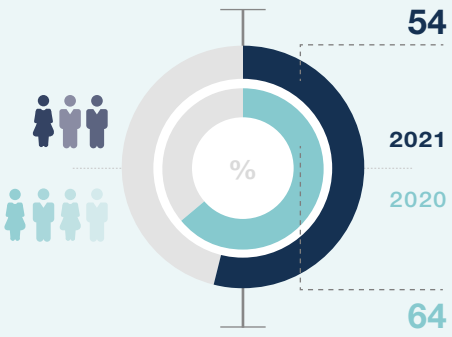
Level 3
B-BBEE
contributor in 2021

(2020: level 4)

Percentage of females at Board level (%)



Racial diversity at Board level (%)



Sustainability complementary data report continued

SOCIAL AND RELATIONSHIP CAPITAL – only SA included in the scope

Creating and nurturing long-term relationships with our key stakeholders – including doctors, patients, suppliers, business partners, governments and labour unions in southern Africa – is how we build our reputation and brand, which is essential to our success.

B-BBEE SCORECARD (SA)

KPI	Available points*	SA 2021*	SA 2020	SA 2019
Ownership and management control	25.0	**21.81**	18.2	10.7
Management control	19.0	**9.89**	9.5	11.2
Enterprise and supplier development (ESD)	42.0	**37.71**	34.0	33.6
Skills development	20.0	**15.65**	15.3	20.8
Socio-economic development	5.0	**5.0**	5.0	5.0
Total score	111.0	**90.06**	82.0	81.3
B-BBEE level		**3**	4	4

* *Using 2021 B-BBEE scorecard.*

ECONOMIC VALUE DISTRIBUTED

KPI	UOM	SA	Int
Local procurement spend as a % of total procurement spend	%	**99.99**	**86.6**
Amount of corporate social investment (CSI)	Rand (million)	**92.1**	**711.0**
CSI as a % of total assets	%	**0.59**	**3.9**
CSI as a % of revenue	%	**0.50**	**9.8**

MARKETING

KPI	UOM	SA	Int	Total
Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by: Incidents of non-compliance with regulations resulting in a fine or penalty	No	**0**	**0**	**0**
Incidents of non-compliance with regulations resulting in a warning	No	**0**	**0**	**0**
Incidents of non-compliance with voluntary codes	No	**0**	**0**	**0**

Glossary

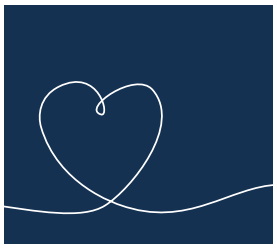
AMG	Alliance Medical Group
B-BBEE	Broad-based Black Economic Empowerment
CSI	Community social investment
ESG	Environment, social and governance
EXCO	Executive Committee
FTSE	Financial Times Stock Exchange
HAI	Healthcare associated infections
HCRW	Healthcare risk waste
HFO	Heavy fuel oil
Int	International
JSE	Johannesburg Stock Exchange
KPI	Key performance indicator
LPG	Liquefied petroleum gas
NHS	National Health Service
NQF	National Quality Forum
PET-CT	Positron emission tomography – computed tomography
PPD	Paid patient day
PV	Photo voltaic
PXM	Patient experience measure
SA	South Africa
SANCB	South African National Council for the Blind
SD Committee	Sustainable Development Committee
SDG	Sustainability Development Goals
SETCO	Social, Ethics and Transformation Committee
SRE	Serious reportable event
UK	United Kingdom
UNGC	United Nations Global Compact
UOM	Unit of measurement

Life Healthcare

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