



Social, Ethics and Transformation Committee

FY2024 Review

20 February 2025

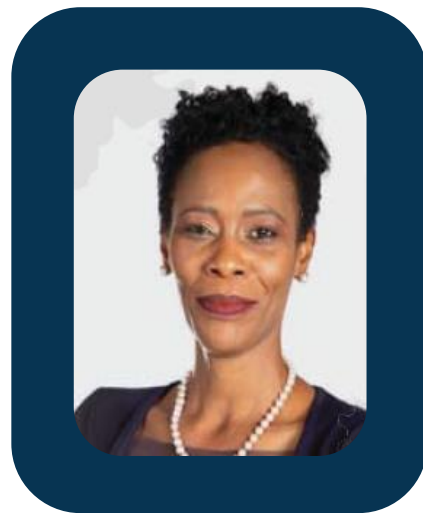


THE SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE



Chairman

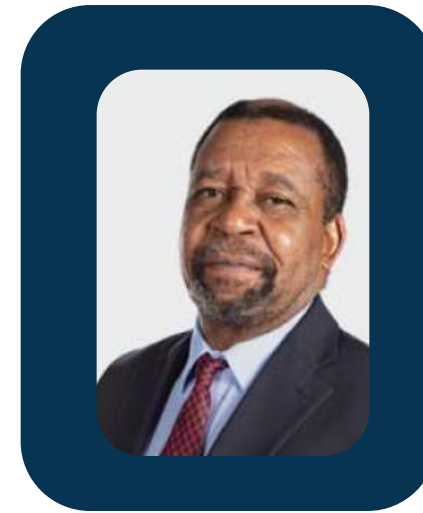
Adv Mahlape Sello



Audrey Mothupi



Caroline Henry



Joel Netshitenzhe



Prof Marian Jacobs

- The Chairman of the Board is a standing invitee
- Executive and functional heads attend meetings
- Three meetings were held in the year

COMMITTEE'S RESPONSIBILITY FOR FY2024



Focus Areas

Deep Dives were conducted on the following topics:

- Ethics Office (November 2023)
- CSI Journey (February 2024)
- Diversity and Inclusion (August 2024)

Standing Agenda Items

- Ethics office matters
- Whistle-Blowing
- Internal and External stakeholder engagement
- BBBEE Progress
- Legislation
 - Compliance and Privacy Report
 - Reputational Risk Report

COMMITTEE FOCUS AREAS

Environment,
Health,
Patient and
Public Safety



Social and
Economic
Development



Good
Corporate
Citizenship



Consumer
Relationships



Labour and
Employment
Practices



Ethics and Business Integrity

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG)



ESG focus areas are weighted differently depending on the industry.

At Life Healthcare, the majority of the aspects focused on is **social**, followed by **governance**, and finally the **environmental** aspects.

-  Social 45%
-  Governance 35%
-  Environment 20%

ENVIRONMENTAL HIGHLIGHTS



- ✓ Implement a waste recycling pilot at four hospitals in 2025
- ✓ Green initiatives (waste recycling)
- ✓ Focus on organic waste separation and valorisation (capex, employee training, feasibility models)
- ✓ Drive zero general waste to landfill by 2030



- ✓ Solar PV installations at 14 hospitals. These are installed and maintained by a third-party renewable energy provider
- ✓ Implement 9MWh PV solar across our facilities in 2025
- ✓ Investing in backup power systems and upgrading end-of-useful-life assets for uninterrupted electricity
- ✓ Finalising an energy efficiency strategy and exploring long-term renewable wheeling agreements



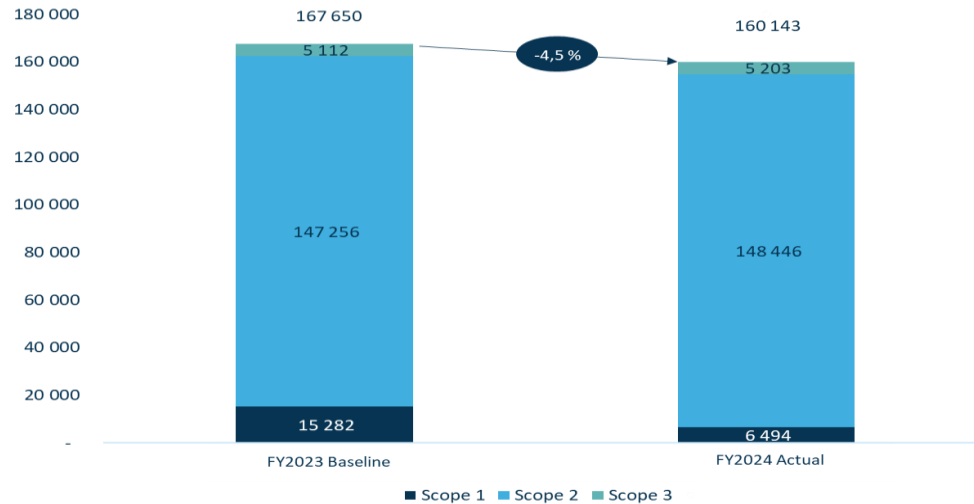
- ✓ Numerous hospitals have backup water storage tanks for 24-48 hours to sustain operations. Capacity is continually increasing for efficient optimisation
- ✓ Installed water-efficient fixtures and equipment, including medical equipment
- ✓ Utilising groundwater via boreholes in certain areas to improve the consistency of water supply



- ✓ Replacement with new technology air handling and air conditioning units that are not reliant on greenhouse gases (refrigerant gases)
- ✓ Reduce southern Africa carbon emissions by 20% by 2030 based on the 2023 assured baseline data • Reduce carbon emissions in 2024 by 3% (target)
- ✓ Life Healthcare's head office maintains a Green Building Council 5-Star Green Star rating

SUSTAINABILITY PERFORMANCE

Total carbon emissions (tCO₂e)



- ✓ We have achieved our FY24 stretch target of a 4% reduction in carbon emissions based on the 2023 baseline.
- ✓ Due to a reduction in Diesel usage which has a high carbon emissions factor of 2.66 per tCO₂e vs. a factor of 1.00-1.01 per tCO₂e for energy.

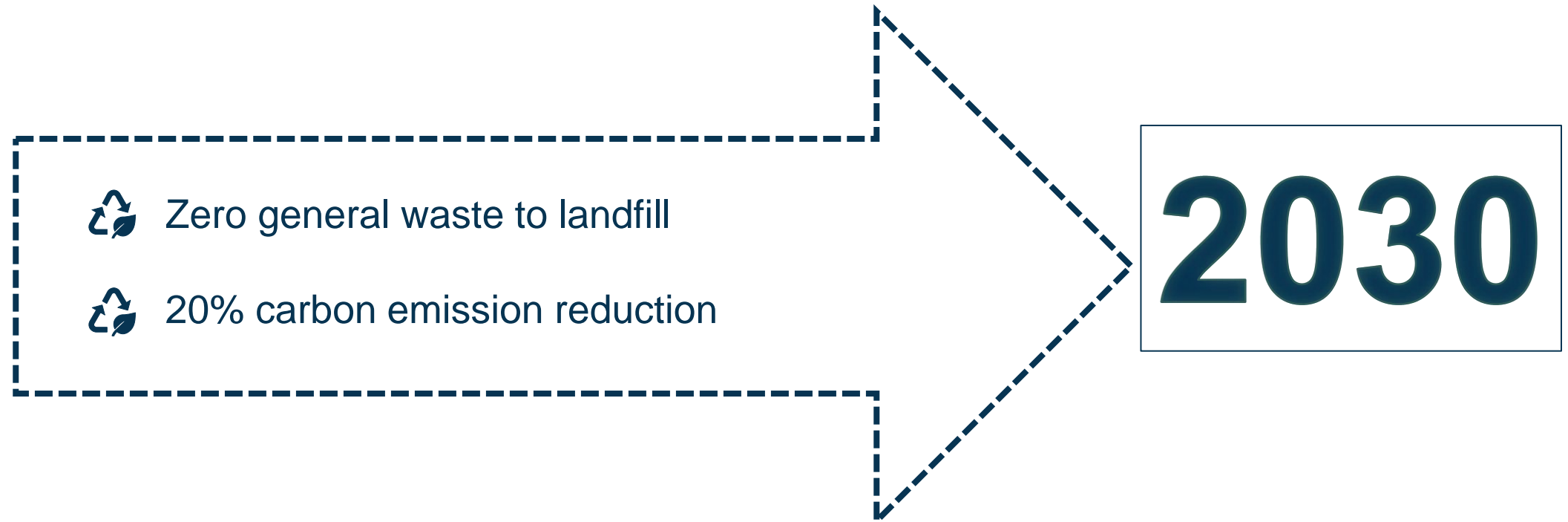
Water security strategy

- ✓ 10 boreholes installed and operational – average 19,700kl/pm@
- ✓ 17 borehole projects currently in planning
- ✓ Increasing water storage, nationwide

Healthcare risk waste (HCRW)

- ✓ Decreased from 2,43 kg/PPD in FY2023 to 2,24kg/PPD
- ✓ ISO 14001 re-certification was achieved in FY24

ENVIRONMENTAL TARGETS



FY2025 ESG TARGETS – LINKED TO REMUNERATION

Pillar	Weighting	Measure	Target
1 Environment	50%	Solar roll-out	9 MWh per annum installed in FY25
2 Social			
People	10%	Investment in nurse training and development	R65 million
	10%	Diversity in employment	3% improvement in senior management ACI representation
Doctors	10%	Diversity in recruitment	70% ACI doctors recruited
Community	10%	BEE procurement spend	80% of total measurable procurement spend on Empowered Enterprises
	10%	CSI spend on Health and Community	R115 million

✓ Our proposed ESG targets for FY25 include both Environmental and Social targets and have been set based on the performance trends of 2023–2024

✓ Remuneration targets aligned with **strategic objectives** across both **environmental and social** pillars

✓ E and S targets incorporated in FY2025 **management’s single incentives plan**

SOCIAL HIGHLIGHTS



Training

- ✓ Over 100 nursing education programmes and bursaries have been awarded at various higher education institutions
- ✓ Life Healthcare sponsors 120 SETA-accredited learnerships and trains more than 250 to 350 visually impaired persons on various short courses per annum at the South African National Council for the Blind, Optima College
- ✓ Life Healthcare sponsors Somerset College to establish a Saturday School. This school delivers additional maths, science and English lessons to four underprivileged state schools in Somerset West, Western Cape Province for scholars in Grades 11 and 12



SOCIAL HIGHLIGHTS (CONTINUED)



Corporate Social Investment

- ✓ Pink Drive – cancer screening, education and testing – for both men and women
- ✓ South African Council for the Blind – cataract surgeries – in rural areas
- ✓ Rural community development – Pondoland
- ✓ Selected early childhood development centres in Gauteng, KZN, and Eastern Cape receive a daily meal in Life Healthcare’s food relief programme through our distribution partner, Soul Food Provider Trust, an NGO
- ✓ Life Healthcare sponsored 350 stem cell donor tests with the SA Bone Marrow Registry, to increase the pool of available bone marrow donors



Pink Drive



Pondoland Community Centre construction



GBV care bags donated to various shelters



Food gardening project at schools

SOCIAL HIGHLIGHTS (CONTINUED)



Clinical Excellence

- ✓ Value-based care products
- ✓ Patient satisfaction scores are at 90%

Our patient satisfaction surveys are based on the internationally recognised Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) methodology, which we have tailored to our specific needs.



South Africa patient experience (HCAHPS score out of 10)



Source: Integrated Annual Report 2024 p140



GOVERNANCE HIGHLIGHTS



ESG Oversight

- Board committee activities aligned to sustainable development goals
- SETCo has overall responsibility
- ESG Board reporting process



Ethics

- Ethics Office
- Ethics Review Committee
- Tip-offs line
- Policies reviewed:
 - Code of Conduct
 - Conflicts of Interest
 - Anti-Bribery and Corruption



Board Composition

- Succession planning
- Diversity and Inclusion
- Female representation

CONCLUSION



“The Committee is satisfied that it has discharged its responsibilities in accordance with its mandate for the year ending 30 September 2024”

Thank you

