

2022


SUSTAINABILITY REPORT



REGINA MARIA
REȚEAUA PRIVATĂ DE SĂNĂTATE

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The medicine of the future is being built today

Quality of healthcare means quality of life.

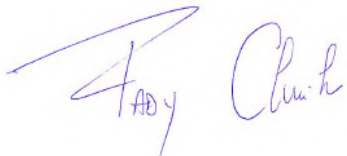
We started by setting an international standard of excellence in medicine, first in one hospital, then in three, and today, we are the leader in the quality of medical services in Romania and we take care of the health of more than 6 million patients, from all the counties of the country.

We wanted to be able to ensure continuity of medical care under any conditions and for as many Romanians as possible, that's why we invested in digitization, so that any patient with access to the Internet can access a doctor from their mobile phone.

We are grateful for everything we have built and aim to give as much as we can to the communities we are a part of. In 2022, we initiated the medical caravans, through which #ReginaMariaVolunteers offered free medical services to children from six vulnerable communities in the country. In addition, we were the first medical network to take over the medical cases of Ukrainian refugees when the war in the neighboring country broke out.

And because climate change has an impact on health and, implicitly, on life, we are increasing REGINA MARIA's involvement in this area as well, by optimizing the footprint that our activity has on the environment, and by expanding therapy and mental health services. Our vision is to continue to be a dynamic, socially involved organization, concerned with the health and education of the communities we are part of, with responsibility towards the environment.

We have built step by step, over the last 27 years, a sustainable health system that will be able to take care of tomorrow's generations as well.



Fady Chreih,
CEO



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REGINA MARIA is the leader in medical quality in Romania and one of the most appreciated medical providers in Europe, with 16 international accreditations for the quality and safety of services, a digitalized patient journey and the strongest adoption rate in the country in terms of digital tools and the use of artificial intelligence in medicine.

The medical group is owned by the investment fund MidEuropa since 2015, providing a unique skills set as an investor in health services, with a successful track record in supporting management teams in the implementation of a M&A and consolidation strategy in healthcare..



Our vision for the future of medicine in Romania

is built on the following strategic pillars:

Infrastructure and technology:

creation of modern medical infrastructure at the national level, including through investments in digitization and new technologies

Quality at international standards:

setting a national standard of reference in terms of quality and safety of services

Education:

continuous professional training of human resources, both of medical specialists and of other categories of employees

Access and prevention:

increasing population's access to medical services and supporting prevention

REGINA MARIA Network in 2022:

+ **8,100**
EMPLOYEES AND
COLLABORATORS

+ **48 MILLION
EUROS**
CONTRIBUTION TO THE
STATE BUDGET

+ **760,000**
MEDICAL
SUBSCRIPTIONS

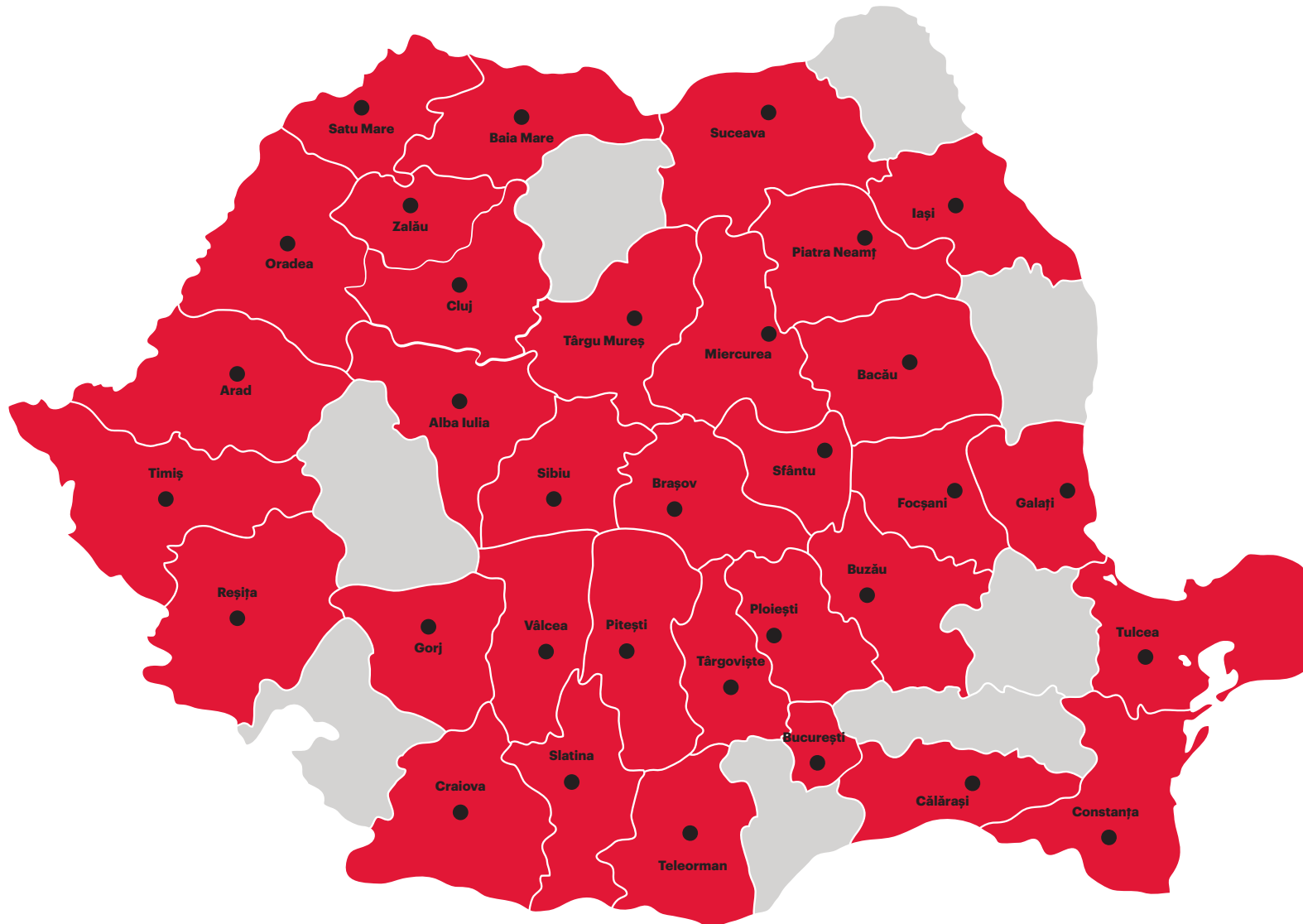
+ **5,8
MILLION**
PATIENTS

+ **4,4
MILLION**
VISITS

+ **325 MILLION
EUROS**
TURNOVER

+ **38 MILLION
EUROS**
INVESTMENT BUDGET

+ **10,000**
CLIENT COMPANIES



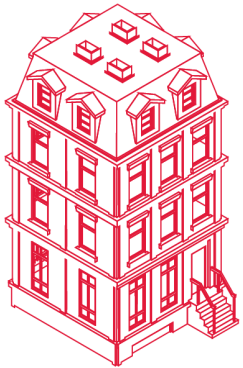
Impact of investments over the last three years

Modernizing and consolidating of the medical system in Romania is among our priorities, and in addition to organic growth, we have acquired and successfully integrated into the Network another 40 medical companies from the country.

Only from the beginning of the partnership with MidEuropa investment fund, in 2015, REGINA MARIA – The Healthcare Network has marked 35 full acquisition transactions, doubled its net job creation, and has become a leader in terms of the quality and digitization of medical services.

2020

Even though 2020 was challenging for the entire society, especially for healthcare systems, REGINA MARIA ensured the continuity of medical care through the most comprehensive telemedicine platform and, at the same time, supported new investments in infrastructure.



- Launching the Virtual Clinic, an online platform for medical consultations
- Opening the first Fertility and In Vitro Fertilization Center of the Network, in Cluj
- Opening the Primăverii Polyclinic in Bucharest
- Relocating and expanding the polyclinic in Bacău
- Expanding the hospital in Braşov
- The first MAKO robot in Central and Eastern Europe, used for knee and hip prosthetics, at Ponderas Academic Hospital
- Ponderas Academic Hospital becomes the only multidisciplinary hospital in Romania accredited by the Joint Commission International (JCI) for the safety and quality of medical care
- The REGINA MARIA Stem Cell Central Bank is relocated to a new space, equipped with high-performance equipment, and receives a new accreditation from the National Transplant Agency
- The first online store dedicated to subscribers, shop.reginamaria.ro



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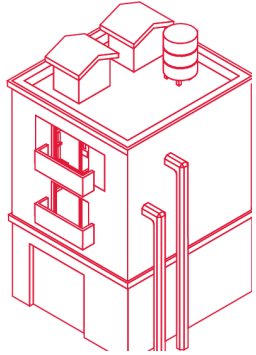
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2021

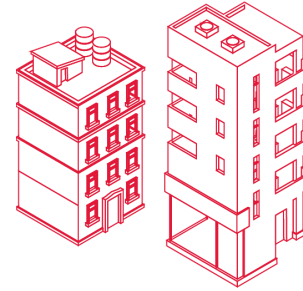
In a year of increasing challenges, our priorities have been focused on prevention, the safety of our partners and the communities we are part of, as well as expanding into niche medical segments.



- The first study in Romania that tracked the post-vaccine immune response against COVID-19
- Launching the Safe Classroom national program, for testing students and teaching staff from vulnerable environments
- Launching the first medical packages for students, adapted to their needs
- Opening a medical hub dedicated to online consultations, for doctors consulting in the Virtual Clinic
- Acquisition of Columna Medical Center, the largest clinic specializing in assisted human reproduction and in vitro fertilization
- The implementation, for the first time in Romania, of an artificial intelligence software that ensures diagnostic accuracy in imaging
- Euroclinic Hospital is equipped with a daVinci Xi surgery robot

2022

In a complex context, marked by international and national instability, the REGINA MARIA Network focused both on the expansion of existing medical facilities and new takeovers, as well as on increasing the level of adoption of digital tools and artificial intelligence in everyday activity.



- Expansion of the polyclinic in Iasi
- Takeover of the Bucovina Medical Center in Suceava, one of the main imaging providers in the north of the country
- The Central Laboratory becomes the first laboratory in Romania accredited by RENAR for the integration of artificial intelligence in the quality management system
- Expansion of the maternity unit at Première Hospital Timișoara, by inaugurating a new neonatology department
- Launching the first Virtual Assistant, which assesses patients' symptoms online, through conversational AI technology
- The implementation, for the first time in Romania, of the DoseWatch system in imaging, for radiation dose control
- Takeover of Ophtalens, the most modern center specializing in ophthalmology in Cluj
- Taking over the Oana Nicolau psychotherapy clinic, with 13 years of expertise in the field

**Main services
offered in 2022:**

13,2 MILLION
LABORATORY TESTS

2,5 MILLION
OUTPATIENT CONSULTATIONS

380,000
IMAGING INVESTIGATIONS

850,000
APPOINTMENTS IN
THE VIRTUAL CLINIC

21,500
SURGERIES

6,800
BIRTHS

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Our vision is to continue to be a dynamic, socially involved organization, concerned with the health and education of the communities we are part of, with responsibility towards the environment.

”

The year 2022 marked the moment when all sustainability initiatives already undertaken by the REGINA MARIA Network were unified and consolidated in a long-term strategy, aligned with the sustainable development goals identified by the United Nations.

The newly established Sustainability Committee within REGINA MARIA has analyzed the real impact the organization can have from a social, economic, environmental, and governance perspective. The committee has identified the following priorities for the company:



Increasing access to modern medical services

- Development of the national health infrastructure
- Quality at international standards
- Telemedicine and digital innovation
- Information and education for prevention
- Medical and educational support for vulnerable communities

Ethics and integrity in business operations

- Compliance with anti-corruption, anti-conflict of interest procedures
- Ensuring the confidentiality of personal data
- Responsible procurement practices

Human resource development

- Creating and enhancing skills
- Equity and equal opportunities
- Employee welfare

Environmental responsibility

- Digitization of services and operational flows
- Health in the context of climate change
- Waste management
- Wastewater management
- Carbon footprint measurement and optimization

About our sustainability report

REGINA MARIA – The Private Healthcare Network (hereinafter “The Group”, “REGINA MARIA Network” or “REGINA MARIA”) publishes its fourth sustainability report, honoring its commitment to stakeholders to present annually the Network’s performance in the field of sustainability. This report presents the results achieved in the area of social and environmental sustainability, as well as our goals and commitments for sustainable growth.

REGINA MARIA’s sustainability report describes in an open, consistent and self-critical manner our achievements from January 1, 2022 to December 31, 2022.

Prepared according to the international standards for sustainability reporting - Global Reporting Initiative (GRI) 2021 edition - Core option, the report complies with the requirements of the Order of the Ministry of Public Finance no. 1,802/2014 on annual financial statements and Directive 2014/95/EU on non-financial information and diversity.

At the same time, we considered the non-binding Guidelines of the European Commission on the reporting of non-financial and climate-related information.

The Principles of Materiality and Stakeholder Inclusiveness represent fundamental aspects in the development of sustainability reports and were respected in the preparation of this report. Stakeholder identification and mapping were essential steps in the reporting process, and stakeholders were involved in an extensive consultation process. The opinions they expressed had a significant impact on the content of the report in its current form.

The Sustainability Strategy of REGINA MARIA Network is the central point in the sustainable development of the organization, and the aspects presented therein have been subject to materiality assessment.

To identify other important themes, we went through a series of review procedures of the latest sustainability initiatives and regulations, both European and global, and analyzed the GRI Standards, version 2021. At the same time, we have collected relevant information from the online press and material aspects for other important companies in our sector of activity.

We place great importance to meeting the requirements and concerns of stakeholders. We have gone through a rigorous and comprehensive process

to identify stakeholders, ensuring that we consider a wide range of perspectives and interests in relation to our sustainable development. In a first phase, after identifying the stakeholders who have legitimate interests related to our activity and the sustainability of the organization in general, we performed an analysis of the 13 categories of stakeholders and actively involved them in the process of identifying the material sustainability topics. Through these, we want to adequately respond to the needs and concerns of our stakeholders.



In early 2023, we started an extensive stakeholder engagement process to assess the relevance of 22 previously identified significant topics. To facilitate effective communication with all stakeholders, we have implemented an online questionnaire, developed in an intuitive and user-friendly manner. In addition to the consultation on the important topics previously identified, stakeholders had the opportunity to propose other topics of interest. They assessed the importance of relevant topics and the results were collated to identify material topics for REGINA MARIA. Among the stakeholders' categories who actively contributed to this consultation process, both the management of our company and the employees of REGINA MARIA distinguished for their involvement. In total, we received more than 500 responses.

After completing the before mentioned procedures, we identified a total of 19 material topics. Our report further presents these material sustainability topics for REGINA MARIA, validated through materiality analysis, and includes relevant information on environmental, social and governance (ESG) issues addressed within the organization.

In preparing this report, we used data sources based on our internal sustainability performance monitoring systems. The company, its directors, employees and other parties involved in the preparation of the report cannot be held liable for any loss, cost or expense arising from the use of the information provided in this report.

To help us become better at everything we do, please contact us by submitting your request to our headquarters in Bucharest, 1st district, Globalworth Tower, 17th floor, 201 Barbu Văcărescu Blvd., 02027.



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Increasing access to
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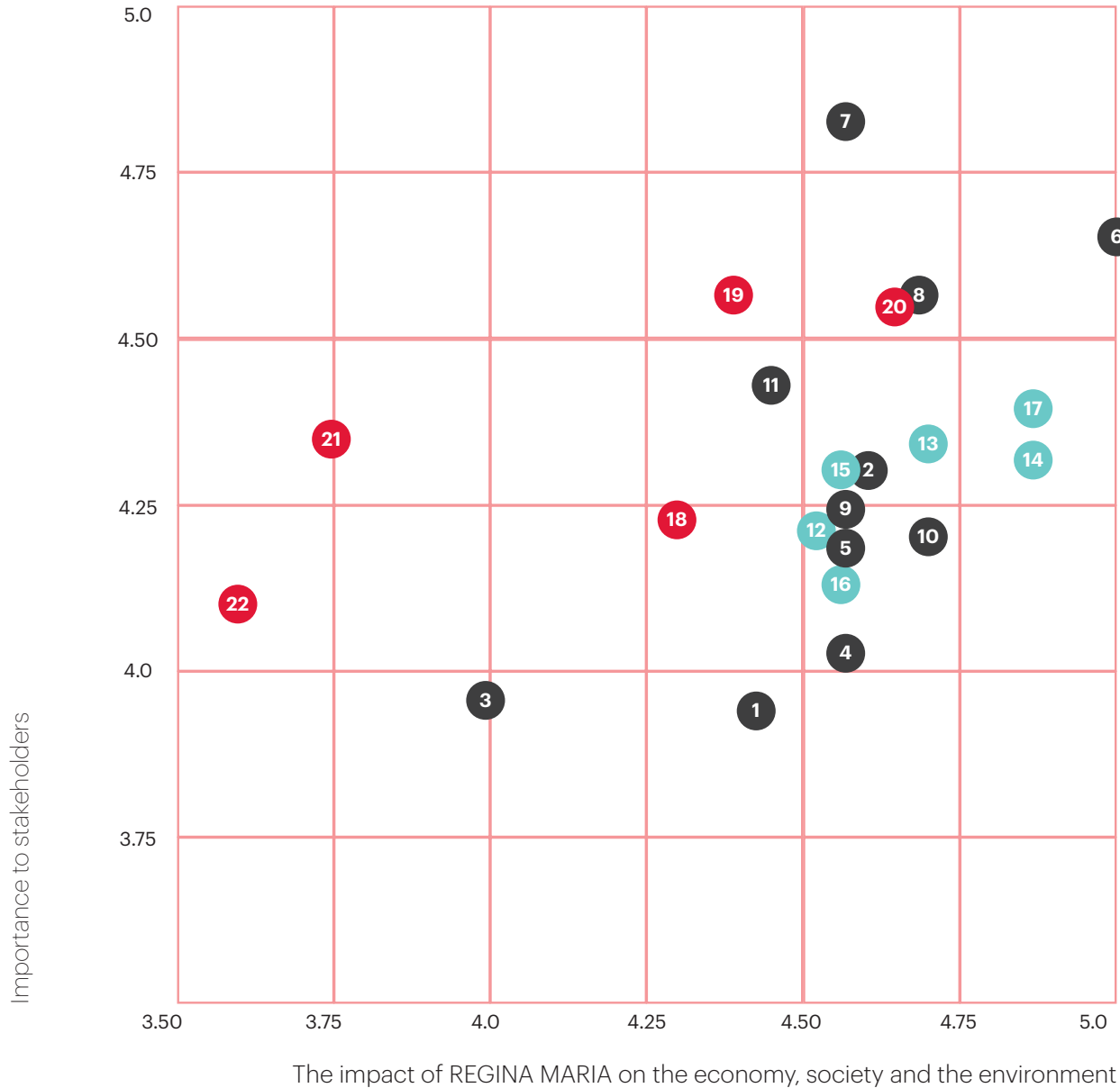
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MATERIALITY MATRIX



The topics presented in the report resulted from the stakeholder consultation process

● **Social responsibility**

- 1 - Respect for employee rights
- 2 - Health and safety of our employees
- 3 - Employee wellbeing
- 4 - Recruitment, development and retention of employees
- 5 - Professional education and training for the medical community
- 6 - Quality of medical care and patient satisfaction
- 7 - Privacy of patient data
- 8 - International recognition of quality and patient safety
- 9 - Contribution to community development
- 10 - Medical education and prevention
- 11 - Facilitation of access to medical services

● **Economic sustainability**

- 12 - Economic impact
- 13 - Development, modernization and strengthening of the medical infrastructure in Romania
- 14 - The impact of medical subscriptions in the Romanian economy
- 15 - The impact on society
- 16 - Responsible purchasing practices
- 17 - Business ethics

● **Environmental sustainability**

- 18 - Responsible use of resources (electricity, water, natural gas)
- 19 - Compliance with environmental regulations
- 20 - Responsible waste management
- 21 - Reducing the impact on climate change, including through the implementation of digital solutions
- 22 - Impact of climate change on human health and medical infrastructure

Increasing access to

MODERN MEDICAL SERVICES

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With over 27 years of experience, the REGINA MARIA Network has become a strong company, with solid foundations, consolidated over time, and at the same time agile, which quickly integrates medical advances into everyday activity. Medical excellence, patient experience and modern infrastructure – physical and digital, are at the heart of everything we do, all contributing to world-class medical outcomes.

We believe in a healthy medical system that can truly support patients maintain or regain their health.

Developing the national healthcare infrastructure

REGINA MARIA is the main investor in the medical system in Romania, with over 200 million euros allocated in recent years alone for the creation of modern medical infrastructure.

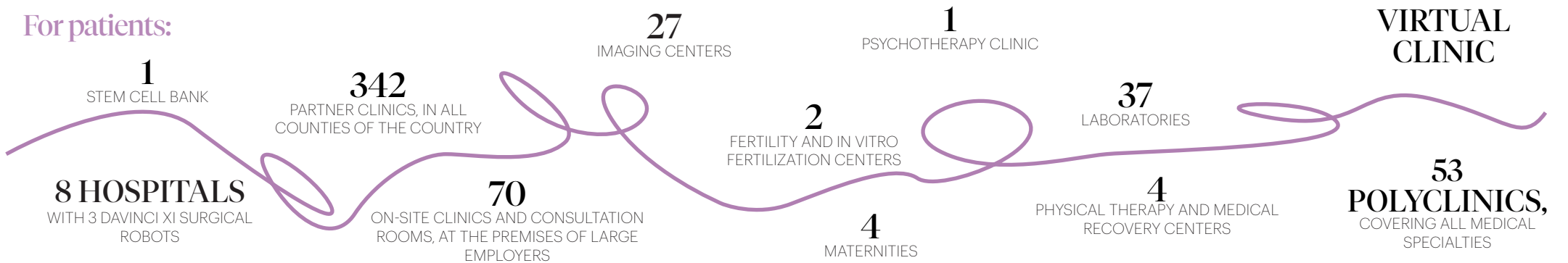
+ 113,300 M²
MEDICAL SERVICES AREAS

+ 70
ON-SITE CLINICS AND CONSULTATION ROOMS,
AT THE PREMISES OF LARGE EMPLOYERS

+ 594
CONSULTATION
ROOMS

REGINA MARIA Network

For patients:



For current and future generations of specialists:

Surgical Training Institute

The only private center dedicated to training in minimally invasive surgery, including robotic-assisted and endoscopic techniques

Nursing Academy

The only private center in Romania that offers practical training courses for medical assistants

The Royal Club of Physicians

A platform that brings together medical elites, to contribute to the development and professionalism of healthcare services in Romania

Medical subscriptions – an investment in infrastructure

Launched 26 years ago, for the first time in Romania, medical subscriptions are today among the most important extra-salary benefits, benefiting approximately 2 million employees.

The profit recorded by REGINA MARIA, including from subscriptions, is entirely reinvested in creating medical infrastructure, returning to the system for the benefit of Romanian patients. The over 70 on-site consultation rooms and clinics are an important part of this infrastructure, being located at the premises of the largest employers and on Romania's major industrial platforms, mostly in small and medium-sized communities outside major cities.

In this way, production employees, who represent over 40% of our portfolio, have access to medical assistance, sometimes even on a permanent, 24/7 basis.

+ 760,000
MEDICAL
SUBSCRIPTIONS

+ 10,000
SUBSCRIBED COMPANIES

+ 70
ON-SITE CLINICS AND
CONSULTATION ROOMS

9
OCCUPATIONAL
MEDICINE CLINICS



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Quality at international standards



The accreditations and certifications received from independent third parties – international institutions, which reevaluate the activity of our centers of excellence every 3 years, are tangible proof of the superior quality of our services and the long-term maintenance of the highest medical standards. These accreditations and certifications also confirm that

REGINA MARIA is a well-managed business with a strong and stable structure, prepared for continuous growth, and reflect our commitment to go above and beyond in honoring legal requirements and fulfilling our responsibilities towards all stakeholders.

The only medical service provider with 16 international accreditations

For over 8 years we have been focusing our efforts to constantly implement in Romania the international standards of patient care and medical safety. The result of this commitment is reflected in obtaining 16 international accreditations granted by prestigious institutions such as the Joint Commission International (JCI) and the Surgical Review Corporation (SRC).

JCI accreditation, the most prestigious and rigorous international accreditation for hospitals

+ 2 years
of preparation

240
quality standards
evaluated

+ 4,000
hours dedicated
to analysis

1,000
indicators analyzed

SRC accreditation, recognition of the safest and most effective care, by medical specialties

+ 6 months
of preparation

65%
reduction in
complications

71%
improvement in
patient safety

53%
improvement in
patient satisfaction



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Quality benchmarks for medical care

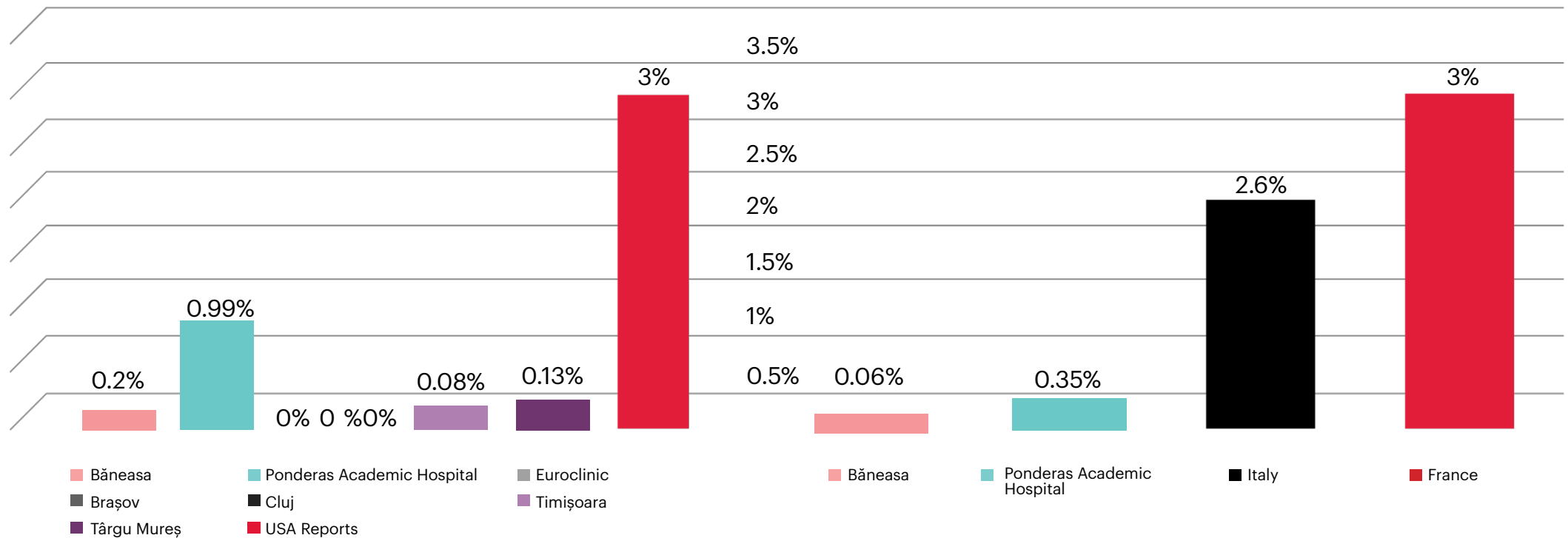
Patient safety, in all its complexity, is one of the most important aspects we focus on in REGINA MARIA hospitals.

The quality KPIs of medical care that we monitor allow our performance to be compared with international reference standards. These indicators help patients make informed decisions, easily understanding the level of performance achieved in our hospitals.

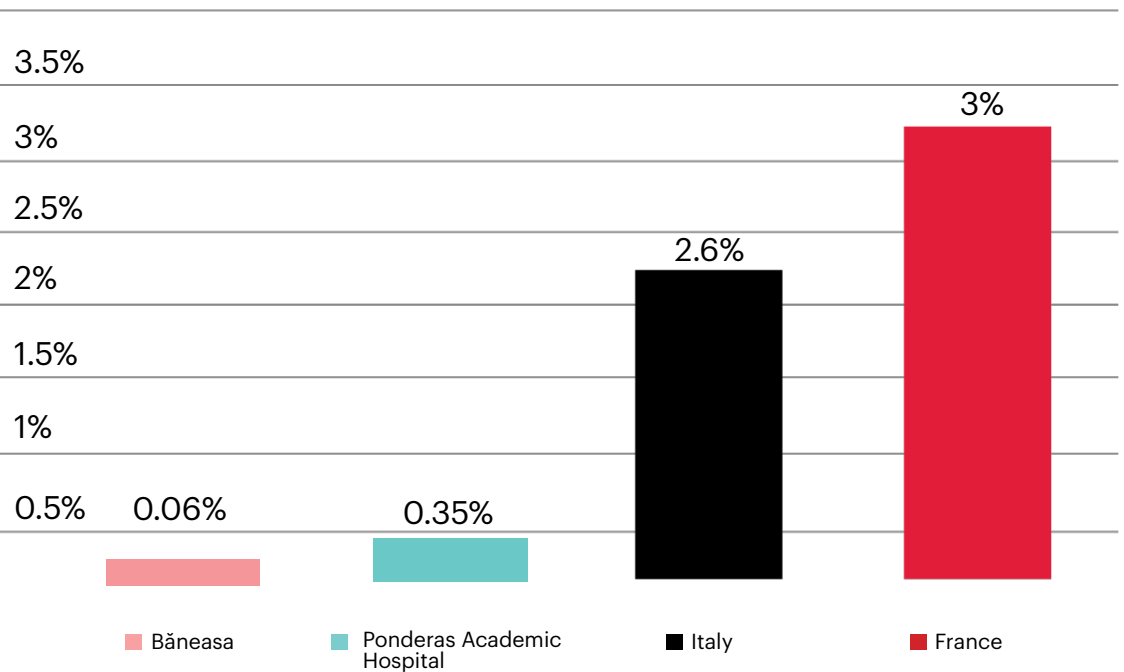
94% compliance level of monitored REGINA MARIA locations with international patient safety objectives.

Considering the impact of infections on patients' health, in REGINA MARIA hospitals, we focus on improving infection prevention and control practices while closely monitoring detailed indicators related to healthcare-associated infections.

Healthcare-associated infections (HAI) vs. Benchmark



Surgical site infection rate (SSI) compared to international reference standards



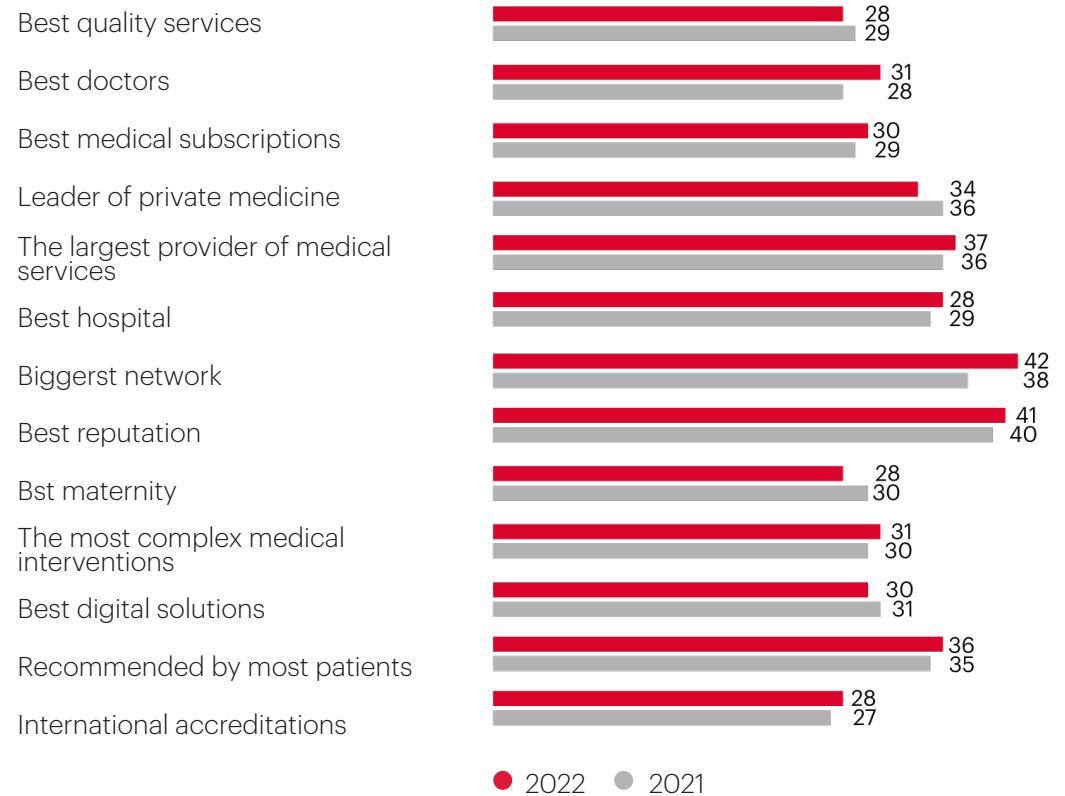
Patient feedback

To understand opportunities for improving the services, we continuously collect and monitor the opinions of our patients through various feedback channels.

Post-consultation and post-surgery questionnaires totaled over 34,000 respondents. As a result, it was revealed that our patients' satisfaction level (Net Promoter Score) is on average of 87%, at the end of 2022, increased by 3% compared to the previous year.

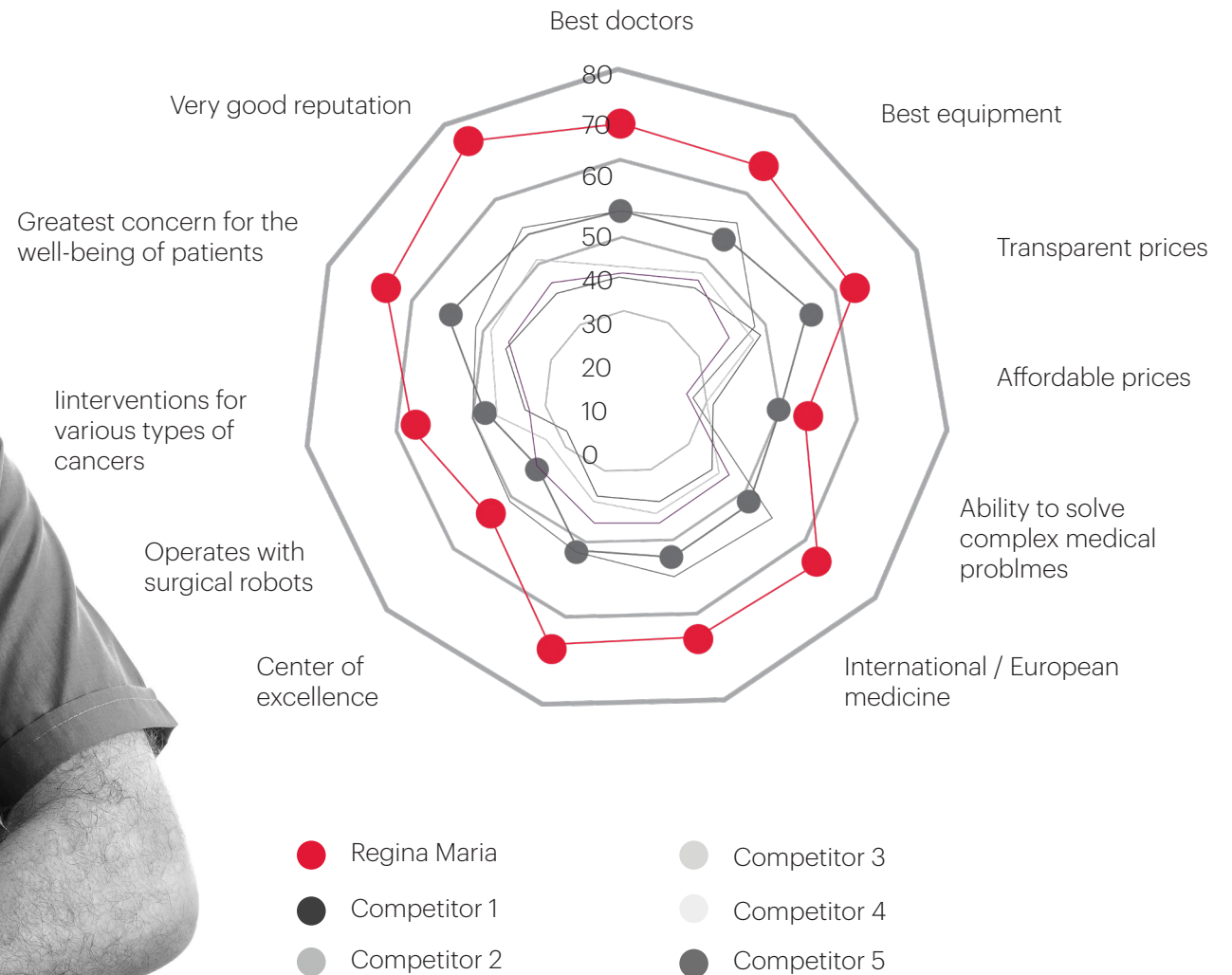
Category	2021	2022	Trend
Polyclinics	84%	86%	+2%
Virtual Clinic	82%	84%	+2%
Outpatient treatments	85%	88%	+3%
Imaging	80%	82%	+2%
Hospitals	92%	96%	+4%
Sample collection points	85%	88%	+3%
Occupational medicine	84%	89%	+5%
REGINA MARIA (general)	84%	87%	+3%

The quality of our services is also reflected in the perception of our patients. The study on REGINA MARIA brand performance, conducted by IPSOS, revealed that, for all analyzed categories, REGINA MARIA patient satisfaction is the highest in the medical services market.





Regarding hospitals, patients' opinions reflect the investments we made in technology, standards of excellence, and continuous training of medical teams.



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Telemedicine and digital innovation

One of REGINA MARIA's strategic development pillars is digitization, with the help of which we offer patients full control and autonomy in managing their health. The entire patient interaction with REGINA MARIA can be done online, this facilitates patients' access to medical opinions, even in areas with a shortage of doctors or inadequate physical medical infrastructure.

The Virtual Clinic, accessible anywhere with an internet connection, both from Romania and abroad, has recorded over 850,000 appointments since its launch at the beginning of the pandemic in 2020, and benefits from the involvement of over 500 doctors available online.

Our initiative was well received not only among patients in Romania, but also among Romanians who live and work or are on vacation abroad. They prefer to consult online with Romanian doctors and benefit from our services, which gives them a sense of security and confidence.

The most accessed specialties in the Virtual Clinic are:

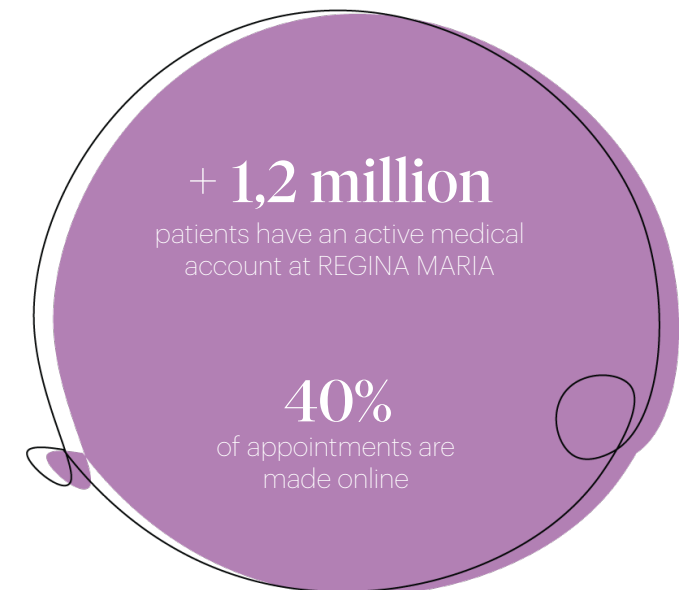
- General Medicine
- Occupational Medicine
- Pediatrics
- Obstetrics – Gynecology
- Internal Medicine
- Endocrinology
- Psychology

The REGINA MARIA mobile app provides patients with access to:

- *Electronic medical record, which integrates the entire medical history from the Network,*

evolution of laboratory test results, list of doctors

- *Direct appointments, without the need to contact the call center or reception*
- *Online payment of bills*
- *Doctor reviews, based on feedback received from other patients. Today, over 1,200,000 patients are digitally connected to our services*
- *Owned medical subscription, including free and discounted services, as well as the option to see the real-time amount saved through the subscription*
- *Investigation costs*
- *REGINA MARIA online shop*
- *Medical news and updates*



Information and education for prevention

Prevention is an essential pillar of our activity, and REGINA MARIA implements education and awareness initiatives for preventive visits to the doctor. Through a preventive approach, our goal is not only to reduce the risk of disease occurrence, identify health issues at early stages, but also to increase patient awareness and consciousness, encouraging a proactive approach towards their own health.

Medical subscriptions – an investment for health

It is our obligation to invest in prevention and medical education, increasing the level of knowledge in the field of health, among the most active segment of the Romanian population: workers, young professionals and employees learning to take better care of their health with the subscriptions offered by REGINA MARIA. Preventive and primary healthcare services are included in the subscription, making it an affordable option for a wide range of

Contribute to the development of healthy lifestyle habits and choices.

Reduced financial and emotional burden of treating illnesses for subscribers and their families.

Generate increased efficiency and productivity among employees and lower sick leave costs.

population - both in terms of finances and proximity of services. REGINA MARIA subscriptions mean: personalized medical solutions, medical screening and prevention programs, specialized consulting, effective monitoring, easy access for human resources specialists that monitor compliance with occupational medicine legal requirements and value-added services for organizations and their employees.

Help the early detection of several serious conditions.

Bring tangible savings, which can be visualized in real time as subscription services are accessed.



To encourage Romanians to go to the doctor and take care of their health, we launched a new section “My subscriptions”, which offers subscribers the opportunity to see the amounts saved based on their active medical subscription, with details about the value of the accessed services, as well as all the categories of services they can benefit of.

Thus, subscribers can find in the new section “My subscriptions” all the information about the services included in the subscription, free or with a discount, as well as those not covered by the subscription. Also, subscribers can view in real time the locations, medical specialties and doctors to which they have access based on the subscription, and have the opportunity to schedule a doctor’s appointment themselves, directly from the mobile app.

7 medical visits per subscriber per year, approximately 3 times more than a non-subscriber patient

70% average utilization rate of medical services among corporate

+ 30% increase in family member subscriptions, half of which are children

“ Screening saves lives! ”

Health education efforts lead, in the medium and long term, to lower hospitalization costs and fewer patients with serious medical problems that can be prevented or treated at an early stage. In the context where the need for health education becomes a priority, companies and private medical services providers end up taking on this responsibility for the benefit of employees and the active population. The “Screening Saves Lives!” program, initiated by REGINA MARIA together with one of the biggest banks and carried out in the last five years, aims to develop healthy behaviors among employees, through careful health monitoring and annual screenings, in addition to the services included in the medical subscription.

In 2022, we performed screenings in 35 cities in 32 counties, covering 76% of the entire country.

From March 2017 to March 2022, approximately 14,000 screenings were conducted for skin, cervical, breast, and colorectal cancers - among women (89.5%), and for skin, colorectal, and prostate cancers - among men (10.5%). The results showed that 27% of the tested individuals received medically altered results, and over 150 cases were malignant or in an advanced stage.

“Screening saves lives!” program, carried out by REGINA MARIA in partnership with a leading bank in Romania, received the Gold Recognition - the highest CSR distinction - from the Community

Index, the only ranking in Romania dedicated to community investment projects. The Community Index analyzes over 850 CSR projects and initiatives annually, structured across 19 categories.

In total, over 300 doctors have been involved in the program, both from REGINA MARIA clinics and partner centers. Employees diagnosed within the program are provided with the necessary treatment and monitoring.

In 2022, we conducted screenings in 35 cities across 32 counties, covering 76% of the entire country.



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Mental and emotional well-being #InTherapy

“Psychotherapy is not a fad, but a necessity for many of us. The context in which we find ourselves now has increased the level of anxiety and it is normal to seek help”

explains Oana Nicolau, co-founder of the psychotherapy clinic bearing the same name, recently integrated into REGINA MARIA – The Health Network.

“In 2022, we still feel ashamed to go to therapy, but it is essential to know that everything discussed remains confidential within the therapist’s office. Psychotherapy provides the necessary tools to better manage everyday problems, emotions surrounding suffering, family relationships, and to increase self-esteem.”

The study “Well-being of Romanians” was conducted in the summer of 2022 on a national sample consisting of working professionals aged between 22 and 60 years, residing in cities with over 100,000 inhabitants.

Through these efforts, our goal is to reduce the stigma associated with mental health and increase awareness so that our patients and the community can benefit from better understanding and support regarding mental health issues. We encourage openness and dialogue about mental health and promote the importance of seeking professional help when needed.

#WithMomToMammo

Breast cancer was the third most common form of cancer among women in 2020, with over 12,000 new cases recorded. In the same year 2020, over 4,000 women lost their battle with breast cancer, according to data published by the National Institute of Public Health. Only 9% of Romanian women aged between 50 and 69 reported in 2019 that they had a screening mammogram in the last 2 years.

Through the campaign #WithMomToMammo, in the absence of a national screening program and education about breast cancer screening, REGINA MARIA aims to draw attention to the importance of annual screenings.

As a result of our efforts, the number of mammograms increased by 49% in May 2022 compared to May 2021, and in June 2022, it increased by 30% compared to the same month in 2021.

Educational content on the REGINA MARIA website

In 2022, our editors wrote over 650 well-documented and physician-validated medical articles.

327,000

parents read the article about chickenpox

280,000

people learned how to monitor their blood pressure

260,000

expectant mothers found out about early signs of pregnancy



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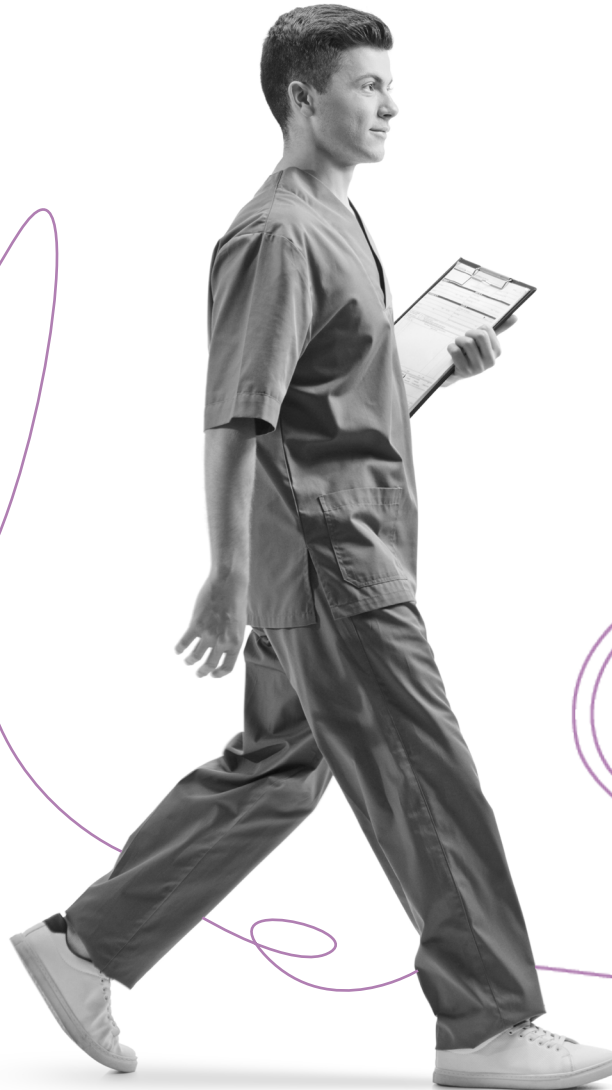
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Medical support for vulnerable communities

Mobile medical caravans

The continuous expansion of REGINA MARIA Network has a significant impact on increasing access to medical services, including among smaller communities and vulnerable groups who often do not have access to healthcare.

To reach as many people as possible from these communities, in 2022 we launched the REGINA MARIA medical caravans, which are mobile units equipped for medical examinations, ultrasounds, and laboratory tests. In just the first year, the REGINA MARIA caravans reached 3,800 people: children and elderly from vulnerable communities, war refugees, patients in need of screenings, or employees from industrial platforms. For many of them, this was their first encounter with a doctor or the first time they underwent medical tests.



#ReginaMariaVolunteers, another program launched in 2022, with the support of our partners Teach for Romania, Asociația Casa Bună, and United Way Romania, ensures the voluntary involvement of doctors, nurses, and other colleagues in providing free medical services: laboratory tests and consultations. This year, 420 individuals, including children and elderly from vulnerable backgrounds, benefited from these services, totaling 343,000 lei.

We aim to continue this social project in the healthcare field, aiming to reach double the number of beneficiaries in 2023, especially children from disadvantaged backgrounds.

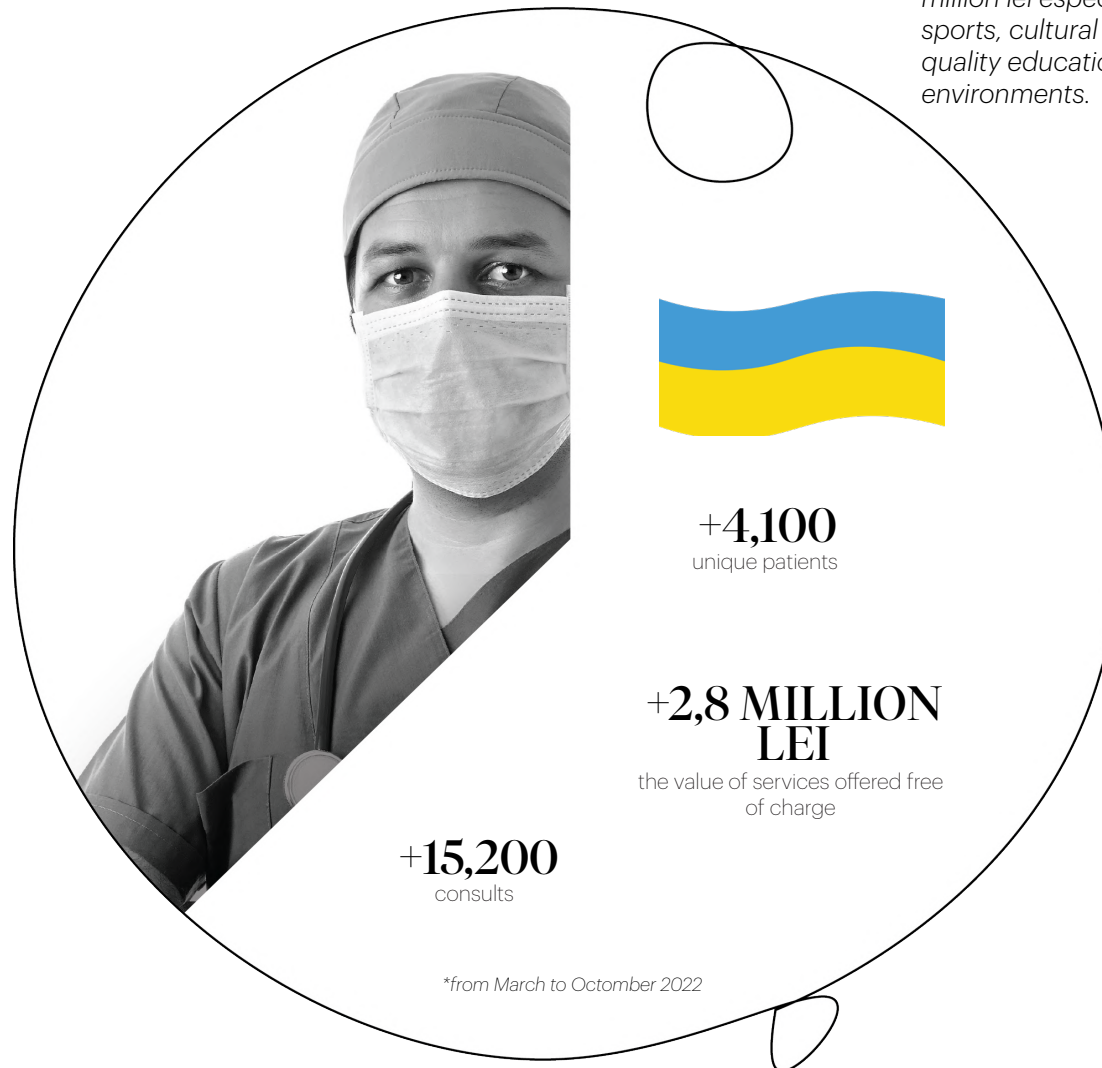
Support for Ukraine

The outbreak of war in Ukraine on February 25, 2022, reminded us how vulnerable people are, regardless of their health status. That's why, from the very beginning, we initiated a support program for refugees from Ukraine who needed medical services.

They were able to access our polyclinic, imaging, and laboratory services free of charge, with the opportunity to connect with a specialized therapist in crisis situations for psycho-emotional counseling. In collaboration with Uber Romania, we provided free transportation to our clinics for refugees in need of medical assistance.

- *Free full access to polyclinic services nationwide*
- *Free imaging services and over 100 laboratory tests*
- *Alongside Uber Romania, we provided transportation for refugees in need of medical care to one of our locations*
- *REGINA MARIA mobile medical units provided voluntary services in Suceava and at Otopeni Airport*
- *Donations of medicines and medical supplies sent to Ukraine through the Red Cross*
- *50,000 lei donated to the UNICEF campaign to aid refugees on Romanian territory*

The first Ukrainian baby born at Regina Maria was a healthy baby boy weighing 3,400 grams, born at full term. In the early months of the war, we provided compassionate care to children, cancer patients who needed to continue treatment in Romania after surgery, and elderly individuals, some of whom required hospitalization.



Other sponsorships

The year 2022 brought different challenges compared to previous years for all of us, but especially for those who were already vulnerable. As we do every year, we have once again established partnerships with several prestigious NGOs that bring about positive change in the community. In addition to the programs mentioned above, REGINA MARIA also provided sponsorships of approximately 1.2 million lei especially to various associations for sports, cultural and social purposes - supporting quality education for children in vulnerable environments.

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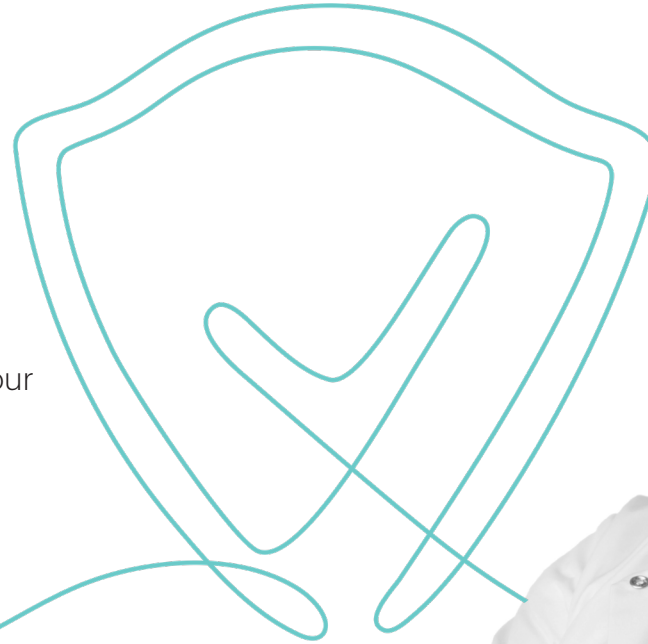
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Our staff is essential for the success of the company, that's why we place great importance on recruiting and retaining top medical personnel. We offer competitive compensation, clear opportunities for professional development and growth, as well as continuous learning and development programs. We aim for our team members to feel valued and supported within our organization, so they can provide the best care and services to our patients.



Investment made in the performance of our employees

At REGINA MARIA, sustainability also means responsibility towards people, people who work for people, and together with whom we create a healthier and more equitable society for all members of the community.

In a society where doctors have been leaving the country for many years, managing human resources in the healthcare field is a significant challenge that we are glad to address with responsibility and care for people. This approach ensures both us and society as a whole a harmonious and sustainable development.

Responsible recruitment and selection

At REGINA MARIA, the recruitment of personnel starts with identifying and attracting candidates who share the company's values and commitment to sustainability. By approaching the recruitment process responsibly and ethically, the company brings on board motivated and committed individuals who align with its sustainable objectives.

The integration of new employees is carried out based on a detailed induction process outlined in the "Post-Employment Training Program". This process lasts for two weeks and starts immediately after signing the employment offer.

Employee development and continuous learning

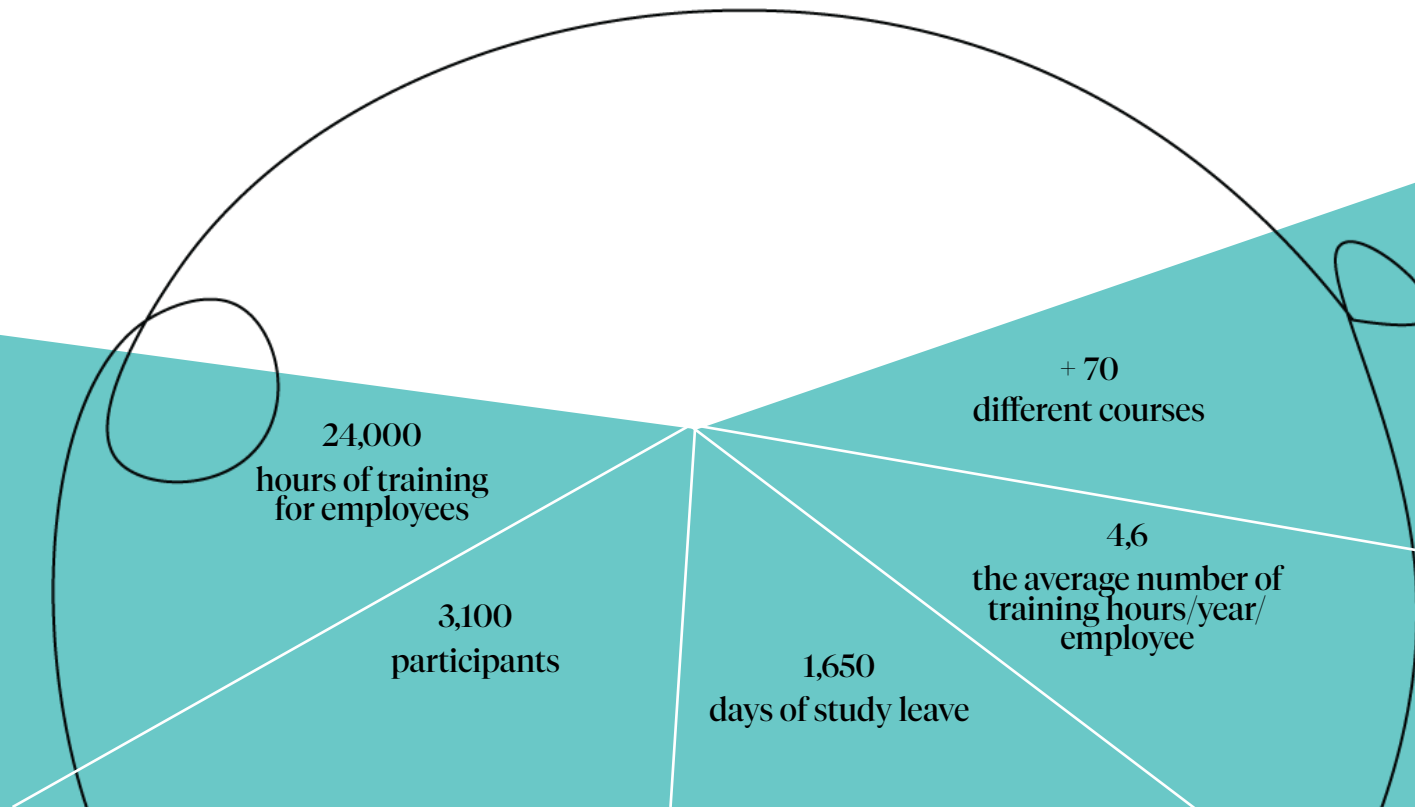
Sustainability means continuously adapting to an ever-changing environment. To be sustainable in the long term, REGINA MARIA has set itself the goal of being a “*learning organization*”. In support of this objective, we have emphasized the importance of *continuous learning*, starting from our values and extending to every project undertaken, every action taken, and every behavior exhibited – both at the organizational and individual levels. Following the annual performance evaluation process, each REGINA MARIA employee is provided with an Individual Professional Development Plan to help them enhance their skills and achieve high performance in their current role or prepare for potential advancement to other positions.

To facilitate the learning process, we have created the Online Continuous Learning Platform, where all REGINA MARIA employees can access online professional development programs (for example, integration courses/trainings and other training categories, as well as the Internal Regulation and all work procedures) and through which they can enroll in online courses and offline sessions.

The courses have been addressed to all categories of employees, from cleaning staff to company management, including administrative personnel. The courses have been organized using both internal resources and through specialized service providers.

Participation in these professional development courses was free for employees, with REGINA MARIA covering the costs, where applicable. In 2022, REGINA MARIA spent over 360,000 lei on professional development courses offered to its employees.

In addition to the professional training courses offered by the company, REGINA MARIA encourages its employees to participate in study or professional training programs, providing them with paid leave for attending these programs. In 2022, over 520 employees benefited from study leaves, accumulating a total of over 1,650 study leave days.



Health and Safety at Work

One of the main pillars of the REGINA MARIA approach is adapting work to people. The company understands that each employee has individual needs and capabilities and strives to provide working conditions that take these aspects into account. Through job design, we aim to avoid work monotony and fixed pace, which can have a negative impact on the employees' health. We promote diversity of tasks and responsibilities, as well as team rotation, to keep employees motivated and engaged.

Additionally, REGINA MARIA cares about choosing appropriate work equipment and providing safe and ergonomic work methods. The company invests in modern equipment and technologies to facilitate the work of employees and reduce the risk of accidents or injuries. Through training and development sessions, employees are educated on the proper use of equipment and encouraged to report any issues or deficiencies related to the work equipment.

Within REGINA MARIA, the Occupational Health and Safety Committee (CSSM) is organized and operates, comprising representatives appointed equally by the employer and workers.

Upon hiring and periodically, employees undergo occupational medical examinations, and, when necessary, the specialist communicates medical recommendations to the employees. Quarterly, during the CSSM meetings, the health status of REGINA MARIA employees is analyzed, and the prevention and protection measures implemented within the company integrate these results. The occupational health physician is directly involved in the analysis and communication of safety measures.

During 2022, 21 minor work-related accidents were recorded, resulting in a total of 247 days of temporary incapacity for work. No serious injuries or deaths and no cases of occupational disease were recorded among REGINA MARIA employees.

To minimize the likelihood of workplace accidents, REGINA MARIA organizes training

sessions for both employees and maintenance, security and cleaning services providers. Employee training is conducted according to the legal requirements and includes general introductory components, on-the-job training, periodic training and additional training. The frequency of training is determined by the training and testing programs.

Engagement and open communication

Employee engagement in the decision-making process is vital for the company's success. Through open dialogue and consultation, the company can benefit from diverse ideas and perspectives from its employees, while also providing them with an opportunity to feel valued and engaged in decision-making processes. Employee engagement is measured at the end of each year through Employee Opinion Surveys, also known as EOS.

Effective communication about the company's sustainability goals and progress encourages employees to align with these values and contribute to their achievement. This questionnaire provides us with information that helps improve the climate and performance within REGINA MARIA, enhance the quality of managerial activities, and streamline organizational aspects.

The survey is strictly confidential, and participation is voluntary. In 2022, 66% of REGINA MARIA employees completed this internal survey.



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Organizational culture based on equal opportunities, non-discrimination, and respect for rights

Equal opportunities and treatment, as well as non-discrimination, are principles that govern our relationship with employees from the very beginning of the recruitment process. Through the *Internal Regulation*, we have established strict and effective procedures that protect all our employees and collaborators against discrimination, either direct, indirect or by association, sexual, psychological or any form of harassment, both at the workplace and at any social event or other activities organized or supported by the company.

In 2022, there were no reports regarding incidents of discrimination or harassment.

Through its values and policies, REGINA MARIA is strongly committed to respect human rights both in relation to its own employees and not to use goods or services from companies that violate human rights, use child labor or modern slavery.

We, at REGINA MARIA, guarantee the right of collective bargaining for employees and the active participation of their representatives in decisions taken by the company and which may have an impact on employees. Periodically, employees are informed about their right to choose their representatives to participate in collective negotiations with the company's management.

Work-life balance

We believe that happy people are also efficient employees, that's why we offer our employees the right environment to have a work-life balance. The pandemic taught us all that we can be just as efficient while working from home. We have kept this option for workplaces where physical presence is not mandatory even after the end of the restrictive periods, to offer employees the opportunity to remain close to their children or family.

As a company with a significant number of young women among our employees, we pay special attention to protecting maternity at the workplace.

We are always there for expectant mothers, providing them with the necessary framework to carry out their work in conditions of maximum safety, both during the prenatal and postnatal periods.

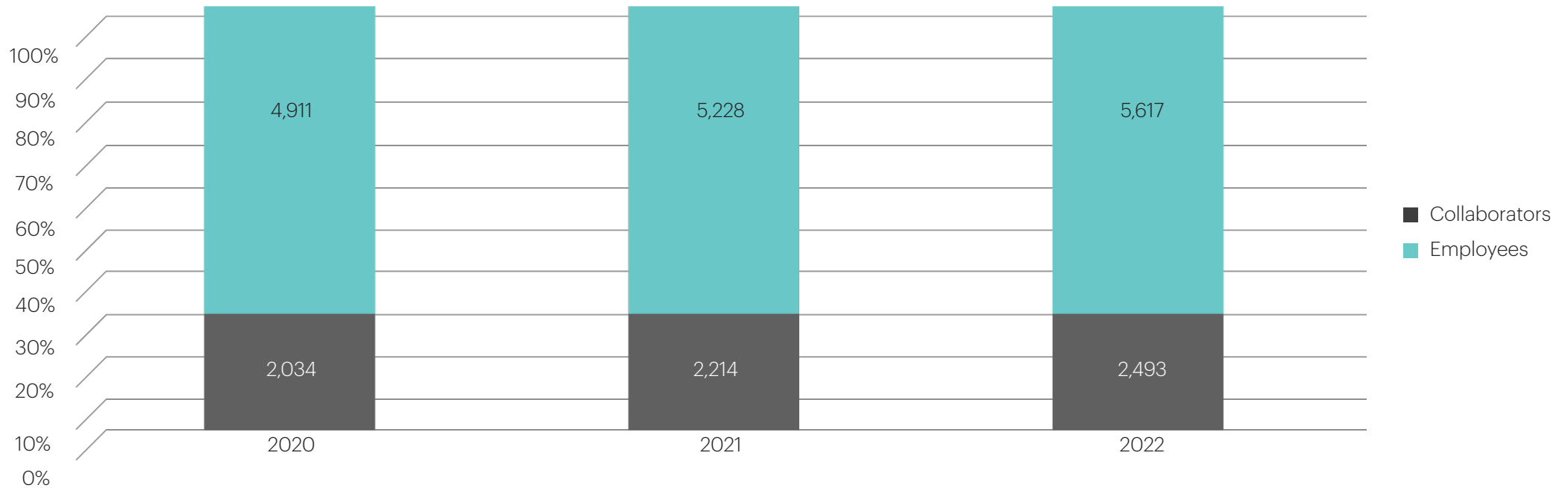
All REGINA MARIA employees, regardless of gender, have the right to benefit from parental leave in accordance with the legal provisions. After the end of this leave, employees are reintegrated into the same position or into a position similar to the one they held before the leave.

Employee data

8,110 At the end of 2022, REGINA MARIA had over 8,100 employees and collaborators.

9% The number of employees and collaborators of REGINA MARIA recorded an annual growth of 9% in the last year, compared to the end of the previous year.

REGINA MARIA's personnel structure as of December 31st



Number of employees as of December 31st (HC)	<30 years old			30-50 years old			>50 years old			Total		
	M	F	Total	M	F	Total	M	F	Total	M	F	Total
2020	178	1,114	1,292	437	2,293	2,730	176	713	889	791	4,120	4,911
2021	245	1,439	1,684	481	2,500	2,981	116	447	563	842	4,386	5,228
2022	267	1,467	1,734	495	2,506	3,001	166	716	882	928	4,689	5,617

Considering the specific nature of the sector of activity, it is natural that women make up a significant proportion of the total number of REGINA MARIA employees. Thus, in 2022, 84% of REGINA MARIA employees were women, and this level has remained relatively constant in recent years.

The labor market mobility in the medical services sector in Romania is very high, considering the evolution of the medical industry and the increasing demand for healthcare services. This high mobility is specific to the activity sector and is not directly influenced by REGINA MARIA's behavior on the medical labor market.

	<30 years old			30-50 years old			>50 years old			Total			
	M	F	Total	M	F	Total	M	F	Total	M	F	Total	
Number of new employees (HC)	2020	130	863	993	135	707	842	37	127	164	302	1,697	1,999
	2021	154	771	925	159	902	1,061	46	253	299	359	1,926	2,285
	2022	196	946	1,142	160	781	941	46	154	200	402	1,881	2,283
<p>The gender structure of new employees is approximately the same as the overall gender structure of all REGINA MARIA employees; however, the age structure of new employees is significantly different from that of existing employees in the company, correlated with the employee turnover rate by age category. Thus, of the 2,283 new employees in 2022, 50% were under the age of 30, corroborated with a turnover rate of 36% in this age category.</p>													
Number of employees leaving voluntarily (HC)	2020	48	339	387	84	517	601	19	105	124	151	961	1,112
	2021	86	502	588	84	544	628	19	135	154	189	1,181	1,370
	2022	126	623	749	84	551	635	21	108	129	231	1,282	1,513
Employee turnover rate	2020	28%	27%	27%	16%	20%	19%	13%	17%	16%	19%	22%	21%
	2021	34%	31%	31%	15%	19%	19%	19%	24%	23%	21%	23%	23%
	2022	43%	35%	36%	15%	19%	18%	11%	13%	13%	22%	22%	22%

Employees under the age of 30 have the highest mobility in most sectors of the economy, including within our company. With the recovery of the labor market after the Coronavirus pandemic, the turnover rate among employees under 30 years old in our company increased from 27% in 2020 to 36% in 2022; however, we are pleased that we have managed to reduce the turnover rate among employees over 30 years old, which is only 13% for employees over 50 years old.

Regarding the distribution of employees by age category, in 2022, there was an increase in the share of employees aged over 50 years, from 10% to 15%, while the share of employees between 30 and 50 years of age decreased from 57% to 54% and of employees under 30 years of age from 33% to 31%.

Share of employees as of December 31st (FTE) by age		<30 years old	30-50 years old	>50 years old
	2020	26%	56%	17%
	2021	33%	57%	10%
	2022	31%	54%	15%

Number of employees as of December 31st (FTE)	M	F	Total	M	F	Total	M	F	Total	M	F	Total	
	2020	168	1,050	1,218	406	2,181	2,587	153	641	794	728	3,871	4,599
	2021	234	1,364	1,599	443	2,370	2,813	101	400	502	778	4,135	4,913
	<30 years old			30-50 years old			>50 years old			Total			

We aim to retain our employees by offering various benefits proportional to their length of service and by providing permanent employment contracts and full-time positions where applicable. By the end of 2022, over 98% of the employment contracts within REGINA MARIA were permanent, and 88% of the contracts were for full-time positions.

Share of employees with permanent contracts as of December 31st (FTE) by gender

	M	F	Total
2020	96.7%	97.4%	97.3%
2021	98.5%	97.3%	97.5%
2022	99.0%	98.3%	98.4%

Share of full-time employees as of December 31st (FTE) by gender

2020	85.1%	86.9%	86.6%
2021	85.7%	87.9%	87.5%
2022	85.6%	88.0%	87.6%



The high share of women within REGINA MARIA is also maintained at the company's management level, holding 75% of management positions within REGINA MARIA at the end of 2022.

Distribution of management positions as of December 31st (FTE)	30-50 years old			>50 years old			Total		
	M	F	Total	M	F	Total	M	F	Total
2020	3	4	7	1	7	8	4	11	15
2021	3	6	9	1	5	6	4	11	15
2022	3	5	8	1	7	8	4	12	16

We respect our employees' freedom to express their personality and be authentic, but at the same time, we value confidentiality. Often, diversity-related aspects fall under the sphere of employee confidentiality. Thus, we do not collect data on these aspects, which is why we can only present in this report information regarding diversity from the perspective of being classified in a category of vulnerable individuals according to the legal definition of this term.

On the other hand, we are pleased to have foreign doctors among us, even in the management structure of the company.

	2020	2021	2022
Employees from the category of vulnerable people (%)	0.4%	0.4%	0.5%

In 2022, the average gross salary at REGINA MARIA was 8,276 lei, which is approximately 36% higher than the average gross salary in Romania¹.

	Average monthly gross salary ²				Average monthly base salary			
	M	F/M %	F	Total	M	F/M %	F	Total
2020	9,046	74%	6,720	7,036	7,151	79%	5,638	5,831
2021	9,657	73%	7,074	7,424	7,254	80%	5,821	5,997
2022	10,528	75%	7,924	8,276	8,023	81%	6,537	6,718

Across the organization, employees experienced an average increase of 12% in their base salary, with larger increases observed among female employees.

Additionally to the salary, we offer our employees a competitive package of supplementary benefits which includes:

- *benefit-type days off granted according to seniority and job category;*
- *one paid day off in the employee's birth month;*
- *paid leave for studies / professional development;*
- *medical prevention packages and discounts on childbirth, bariatric or STEM packages within REGINA MARIA, as well as discounts on medical investigations for both the employees and their family members;*
- *discounts for medical insurance for employees and their family members;*
- *access to the Bookster platform;*
- *discounts, discount cards, special prices, payment facilities offered for partners' services / products;*
- *"Time for yourself" gift – holiday voucher of up to 2 basic salaries granted on the date of retirement;*
- *flexible work schedule, depending on the type of activity;*
- *flexible individualized work schedule, where applicable.*

¹Relative to the average gross salary used to base the state social insurance budget for 2022, respectively 6,095 lei, according to Law 318/2021

² Includes the value of meal vouchers

Each year, we evaluate the performance of our employees, based on which individual salary increases and promotions are determined. Additionally, our employees and collaborators receive feedback from the patients and colleagues they interact with. In 2022, 71% of REGINA MARIA employees were professionally evaluated.

Only through this transparent and objective approach, we have the opportunity to recognize and promote the performance of the most dedicated individuals in the company.

<i>Number of employees professionally evaluated annually</i>	M	F	Total
2020	548	2,711	3,259
2021	577	2,965	3,542
2022	634	3,348	3,982





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ENVIRONMENTAL

responsibility



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We take care of people's health, but at the same time, we take care of the health of the planet.

We are well aware of how challenging it is to treat and how easy and simple it is to prevent.

As responsibility for the environment is a significant concern for us, we have established an appropriate governance framework to address our environmental responsibilities. This is essential to enable us to have a sustainable and responsible approach to environmental matters. Regarding environmental management, the corporate governance framework of REGINA MARIA Network includes the following elements:

1. Clear and robust policies and commitments regarding environmental responsibility. These include specific objectives and directives related to reducing environmental impact, protecting natural resources, and promoting sustainability in all aspects of our activities.

2. Management's responsibility for setting strategic objectives in the field of environmental protection, as well as ensuring the implementation of REGINA MARIA's sustainability policies and commitments. Additionally, the management of the Network ensures that all employees understand the importance of environmental protection and are held accountable in this regard.

3. Integrating environmental responsibility into all business processes by considering aspects such as energy efficiency, reducing waste and paper consumption, responsible use of resources.

4. Transparent and constant environmental performance monitoring and reporting to improve actions and reduce environmental impact.

5. Raising awareness and educating employees and the community we are part of regarding environmental responsibility through actions aimed at promoting sustainable practices and developing a culture of environmental protection among them.

6. Collaboration with stakeholders and involving them in the process of identifying environmental impact and promoting the exchange of best practices and collaboration in common environmental initiatives.



By implementing this robust governance framework, REGINA MARIA takes responsibility for the environment and contributes to its protection and conservation, promoting a healthy and sustainable environment for the community and future generations.

Within REGINA MARIA, the most important concerns regarding environmental protection are focused on three main directions, which are also the ones that can generate the most significant impacts on the environment:

Energy usage

for the operation of buildings and medical equipment

Water usage

and especially wastewater treatment

Waste management,

especially medical waste.

Moreover, we pay attention to all aspects that could affect the environment and manage them responsibly to minimize any potential negative impact while maintaining a high standard of service quality and professionalism for our patients.

Analyzing the possibilities to reduce resources usage is achieved both in the phase of designing workflows, as well as later through different monitoring analysis and evaluation of implemented solutions.

Our strategic objective is to reduce our impact on the environment, reaffirming our strong commitment to achieving the ambitious goals set by the European Commission regarding CO2 emissions reduction and carbon neutrality. We consistently contribute to improving the quality of the environment, which is crucial for all of us.

For us, protecting the environment is not only a desired goal, but an objective that we undertake voluntarily, supported and influenced by the Joint Commission International (JCI) accreditations for quality and patient safety that our hospitals have obtained. JCI Quality Standards cover a range of significant environmental aspects and the policies and procedures deriving from them are implemented in all our Network facilities.

To consistently comply with environmental protection legal requirements, we receive support from a specialized consulting company that guides us in achieving our objectives of accurate and comprehensive reporting to the relevant authorities. They also assist us in identifying and implementing the best practices specific to our field of activity. REGINA MARIA – The Health Network periodically reports to Joint Commission International, the National Authority for Quality Management in Health (ANMCS), Public Health Directorates, and environmental protection agencies. Our efforts to consistently manage and reduce the impact on the environment are confirmed through inspections conducted by authorities.

In 2022, REGINA MARIA received only one fine related to environmental issues for exceeding the noise level created by an air conditioning system. This deficiency was promptly corrected by the company.



Carbon footprint

Almost all economic activities have an impact on the environment. When it is not possible to eliminate it, we have the duty to take all necessary measures to reduce it. But to be able to reduce, we must first measure.

For this purpose, in 2022 we started the first carbon footprint calculation project for all REGINA MARIA activities. This project involves calculating the carbon footprint starting in 2021, identifying the measures needed to reduce the carbon footprint and subsequently analyzing the effectiveness of these measures.

The project represented a highly complex first step, involving the collection of data from over 250 REGINA MARIA locations, corresponding to the year 2021.

The calculation of REGINA MARIA's carbon footprint was conducted based on the Greenhouse Gas Protocol standard for greenhouse gas emissions inventory. REGINA MARIA has chosen an operational control-based approach to consolidate its greenhouse gas emissions.

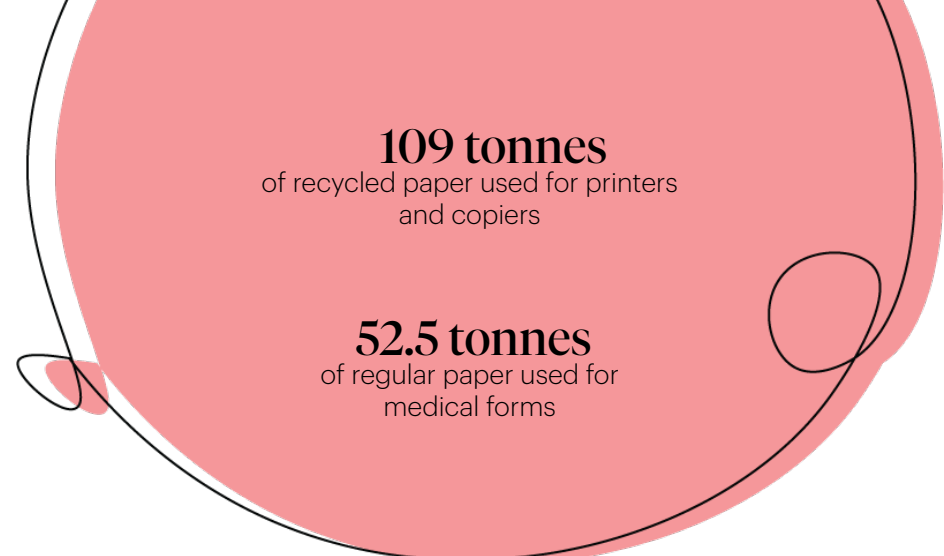
To determine the greenhouse gas emissions associated with these elements, assumptions and estimates were used, either through the EEIO methodology based on expenses or by applying emission factors from the Ecoinvent database. The emissions included in the inventory are presented in the following table:

REGINA MARIA's greenhouse gas emissions in 2021		CO2	% of total
Scope 1	Emissions from stationary sources	2,647	13.4%
	Emissions from mobile sources	909	4.6%
Scope 2	Electricity	7,210	36.6%
Scope 3	Purchased goods and services	3,632	18.4%
	Capital goods	1,261	6.4%
	Fuel- and Energy-Related Activities Not Included in Scope 2	4,023	20.4%
	Waste	7	0.0%
	Employee commuting	4	0.0%
Total			100%

REGINA MARIA's Scope 1 and Scope 2 emissions include emissions from gaseous, liquid and solid fuels as well as emissions from electricity consumption at the company's locations. These represent 55% of the total emissions. REGINA MARIA's Scope 3 emissions include purchased goods and services (18% of total emissions), fuel- and energy-related activities not included in Scope 2 (20% of total emissions), capital goods (6% of emissions), waste from the company's activity (~0% of total emissions) and employee commuting (~0% of total emissions). About 2% of REGINA MARIA's carbon footprint in 2021 was associated with paper and paper products.

Because we aim to continuously reduce our impact on the environment and, at the same time, meet the needs and demands of our patients in an ever-changing world, we are constantly developing new functionalities for the REGINA MARIA app. These functionalities allow our patients instant access to their medical records in electronic format, thereby reducing unnecessary paper consumption. However, there are still operations that require printing information on paper.

In order to minimize the unavoidable negative impact on the environment, starting from January 2021, we use only recycled paper in all our operations. We consider that recycled paper is a more environmentally friendly option as it uses less energy and water and generates lower carbon emissions than non-recycled paper production and at the same time reduces the amount of waste going to landfill, as paper can be recycled 4-5 times. The additional cost is accepted by the management, in favor of environmental protection.



Energy

Because the greenhouse gas emissions generated by REGINA MARIA's activities mostly come from the use of electricity, at the end of 2022 we made an inventory of the energy-intensive equipment that is still in operation with the aim of launching a sustained investment program in the following period; the goal of this program is to replace all these energy-inefficient equipment with more energy-efficient alternatives. These equipments are generally part of the building's air conditioning system.

In addition, for the year 2023, we plan to conduct an energy audit of the buildings we own, in order to establish a plan to increase their energy efficiency.

Also, for the year 2023, we aim to carry out a pilot project to install solar panels on the roof of one of our hospitals, and based on the results of this pilot project, we will assess the possibility and opportunity of expanding it to other buildings we own.

For better energy consumption management, we have defined several strategic directions on which we intend to act in the coming period, which include:

- *Initiatives to raise awareness and empower employees regarding specific actions that can reduce energy waste;*
- *Energy consumption reduction plans tailored to each REGINA MARIA hospital;*
- *Implementation of measures to reduce energy waste through building management systems, as well as the installation of smart meters to measure energy consumption;*
- *Installation of LED lighting fixtures and dusk-to-dawn and motion sensors where appropriate*
- *Installation of smart switches and outlets;*
- *Optimization of air conditioning system temperature settings according to working hours;*
- *Installation of sensors to stop the air conditioning system when the window is open;*
- *Installation of thermostatic radiator valves;*

- *Installation of sensor-equipped faucets at sinks.*

Energy consumption in 2022 in MWh

	2021 ³	2022
Electricity	20,369	19,431
Heating	14,449	10,999
Fuel	716*	3,548
Total		33,978

** The data regarding fuel used in the year 2021 includes only the main medical units of the REGINA MARIA Network.*

³ For the year 2021, data could not be collected from all REGINA MARIA premises, especially laboratories and collection points.

Wastewater management

All premises within the REGINA MARIA Network use water from public sources for sanitary and medical purposes; wastewater is disposed of through public sewerage networks. The quality of drinking water used in REGINA MARIA hospitals is subject to periodic monitoring. Twice a year, self-monitoring samples are collected and analyzed in laboratories accredited by the Public Health Directorates. To ensure safe services for our patients and to reduce the impact on the environment, internal quality assurance checks are conducted on sterile water used in operating rooms, filtered water for digestive endoscopy units, and the microbiological composition of well water used as drinking water.

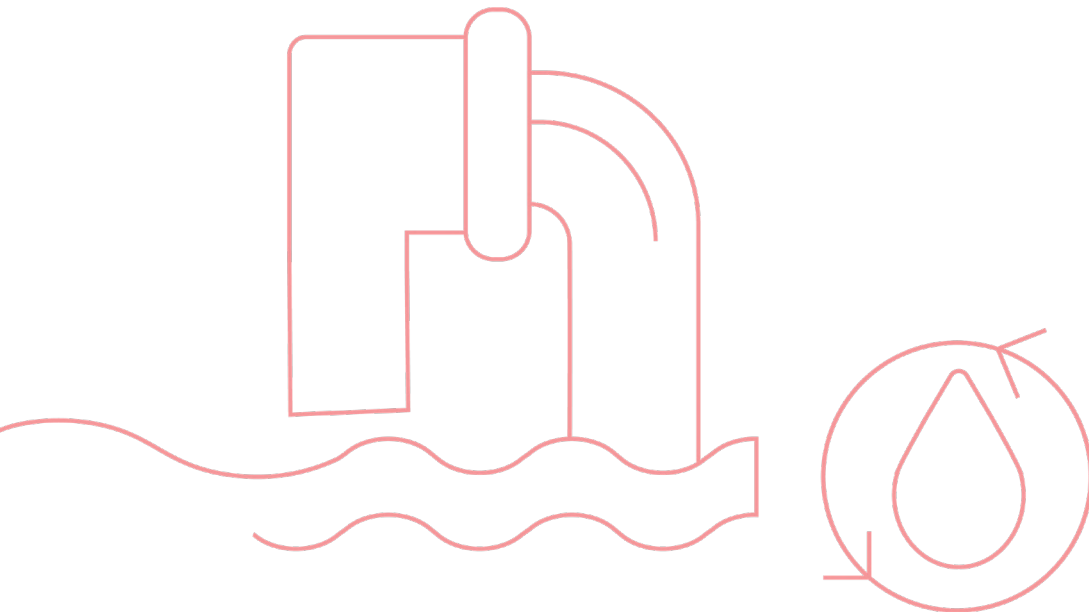
Liquid waste from hospitals and laboratories is treated in accordance with specific procedures, following JCI standards and legal requirements, before being discharged into public sewage networks. The process of treating wastewater is subject to internal audits, and its efficiency is periodically evaluated through testing of physico-chemical and bacteriological parameters, in accordance with the standards set by the National Environmental Protection Agency. Additionally, twice a year, analyses of wastewater are conducted by independent laboratories accredited by the Ministry of Environment. Furthermore, the local drinking water provider monitors water quality and conducts additional independent tests on wastewater.

For all the hospitals across the country, we have one or more chlorination stations for treating wastewater, which are checked daily and recharged weekly. Furthermore, we aim to equip all new large-scale REGINA MARIA locations with such chlorination stations by the end of 2023.

We have set out to conduct a comprehensive inventory of the water supply and wastewater disposal situation for all major REGINA MARIA locations, regardless of whether they are rented or owned by us. At the end of this process, we will ensure that there is a contract for the collection of wastewater for each location, and whether it mentions the need for a takeover agreement as well as the frequency with which water quality tests must be carried out.

We are always ready to provide the best medical services, even in emergency situations. All REGINA MARIA hospitals are equipped with emergency water tanks, which provide the necessary water for at least 48 hours in case of need or for firefighting purposes. The water in the drinking water tanks is constantly circulated and subjected to the same strict regime of verification and testing.

Our efforts to reduce water consumption in our operations have yielded positive results, with REGINA MARIA reducing water consumption by approximately 37% in 2021 and approximately 19% in 2022 compared to the previous year.



	2021*	2022
Consumed water (m3)	1,063	56,652
Discharged water after chlorination (m3)	41,517	55,900

* The data regarding the water consumption in 2021 include only the main medical units of REGINA MARIA Network.

Waste management

REGINA MARIA – The Healthcare Network pays special attention to the management of hazardous waste, having written procedures for efficient management at all stages: collection, storage, transportation, and selective disposal.

Unfortunately, we do not manage to carry out selective waste collection in all our premises, either because patients or staff do not follow the principles of selective collection, or because the buildings where we have rented spaces, a system of selective waste collection is not implemented. For the year 2023, we have set the objective to inventory the selective waste collection situation in each of our locations and to implement a selective waste collection system in collaboration with building owners (where we operate in rented spaces). At the same time, we have set out to carry out information and awareness campaigns regarding selective waste collection, both among our staff and among patients, in order to successfully implement an efficient system of selective collection of waste, with the aim of recycling as much waste as possible.

Within REGINA MARIA – The Private Healthcare Network, we have implemented a Procedure for separate collection, temporary storage, and transportation of biological and household waste. This procedure establishes the method of sorting and storing biological risk products until they are handed over for incineration to a company specialized in this operation. These regulations

apply to all areas in the REGINA MARIA Network facilities where biological waste is generated. This procedure provides for the appointment in each location of a person responsible for monitoring the waste management activities, who follows a specific training course for waste management. Afterwards, the designated person will periodically organize waste management trainings with the staff at the premises.

In addition to this general procedure, we draw up specific plans for our hospitals detailing the subject of waste management as follows:

Annual plan

for the management and disposal of hazardous waste at the hospital level

The plan for

medical waste management

- **Program for the prevention and reduction**

of waste generated from our own activities

Always paying attention to compliance with the legislation, the annual plans for the management and disposal of hazardous waste are approved and registered by the Public Health Directorate to which each unit belongs, and each REGINA MARIA unit reports the quantity of waste disposed of to the national authorities on a monthly basis.

Additionally, for hospitals, an annual plan is developed to reduce the generation of non-hazardous waste, which aims at recycling batteries, plastic and paper/ cardboard, replacing traditional medical devices with electronic ones (e.g., mercury thermometers), using computerized imaging investigations instead of traditional ones that require development solutions, and controlling materials at the time of acquisition, among others. This program includes the selection of a hazardous waste disposal services provider, using methods of neutralization at the time of disposal, with minimal impact on the environment. At least once every six months, the Quality Department conducts audits in each unit, thus monitoring compliance with the safe disposal processes of hazardous waste, the traceability of these processes being ensured through waste disposal forms, prepared in accordance with the legal requirements in force. During internal audits, the traceability documentation and proper waste collection are verified.

Waste management within REGINA MARIA (tonnes)

	Hazardous waste		Non-hazardous waste	
	2021	2022	2021	2022
Incinerated (with energy recovery)	267,04	71,87	0,00	0,00
Directed for disposal	0,00	0,00	347,86	361,23
Other disposal operations	371,43	518,87	0,00	0,00
Recovered recyclable waste	0,00	0,00	716,09	415,29
Total	638,47	590,74	1,063.95	776,52

REGINA MARIA – The Health Network extends its level of responsibility to strategic services providers, who are selected according to the Supplier Evaluation Procedure, which includes a series of quality and environmental criteria. Additionally, in the case of laundry and cleaning services providers, a specific requirement refers to the reduced use of processes and substances that may have a negative impact on the environment. REGINA MARIA ensures that its waste management services providers comply with the current legislation through specific audits.

6

ETHICS AND INTEGRITY

REGINA MARIA –
The Healthcare Network

REGINA MARIA
sustainability strategy

Increasing access to
modern medical services

Human resources
development

Environmental
responsibility

**Ethics
and Integrity**

GRI
Content Index

We are proud to be among the most visible and valued medical service providers in the country and in Europe. Our management team and MidEuropa are in full alignment on the importance of being an example in terms of Network's sustainable development and taking on responsibilities beyond strict compliance with legal requirements. We engaged the entire team in an extensive process of determining priorities, along with other stakeholders, from employees, patients and suppliers to corporate customers.

After the completion of the process, together with our partners MidEuropa, we developed the clear and well-structured approach to sustainability within REGINA MARIA. We are committed to being a socially involved company, concerned with the health and education of the community we are part of and to take responsibility for the environment.

Integrating good corporate governance practices into the management of the day-to-day activity of the REGINA MARIA Network is a constant and essential priority for us. We recognize the importance of this aspect in the sustainable development of our business and in ensuring ethical and responsible conduct in all aspects of our business.

By implementing high standards of corporate governance, we ensure that we make informed decisions transparently, manage risks effectively, protect the interests of all stakeholders and maintain our commitment to our core values.



At the same time, we ensure that we are a reliable partner for our patients, employees, investors and all stakeholders, contributing to the sustainable development of the health sector in Romania.

REGINA MARIA builds its activity on a solid foundation, with an emphasis on local compliance with the Code of Ethics, the local legislation, the Code of Medical Ethics, the Anti-Bribery and Anti-Corruption Policy and other internal regulations. These are the essential pillars that guide our decision-making process and ensure that we conduct our business in an ethical, responsible and transparent manner.

By complying with these standards and internal rules, we demonstrate commitment to all stakeholders and ensure that we promote positive future development based on trust, integrity and accountability.

We believe that our mission to build a health network that shows the community in which we live that we really care about people can only be fulfilled in conjunction with ethical behavior of each of us.

To this end, we have implemented effective organizational structures and assigned roles and responsibilities throughout our organizational structure, which contributes to meeting the high standards of corporate governance to which we adhere.

The Board of Directors

led by MidEuropa, one of Europe's leading private equity investment funds, plays a crucial role in developing the vision and strategic direction for the REGINA MARIA – The Healthcare Network. Through this partnership, we are able to constantly invest in the expansion of our business, to fulfill our mission of providing quality medical services and meeting the needs of our patients. We allocate the resources necessary to develop our medical infrastructure, hire and retain highly qualified medical staff and implement advanced technologies to ensure superior care and provide innovative healthcare solutions. In this way, we are consolidating our position as leaders in the provision of quality medical services in Romania.

The Board of Directors is composed of shareholder representatives, the CEO and three elite doctors, who are responsible for decisions-making on managing and developing the business and creating long-term value.

The management of the group is directly involved in the implementation of the decisions taken by the members of the Board of Directors, through the general manager, who coordinates the Board of Directors. The Board of Directors consists of five men and one woman.

The role of the Medical Advisory Committee

is to support, from a medical perspective, the medium and long-term strategy of REGINA MARIA – The Healthcare Network.

It consists of the medical directors of our hospitals, as well as medical directors or doctors with impressive professional achievements. The Medical

Advisory Committee is the body that analyzes, discusses, and approves all aspects related to the good coordination and functioning of our units so that patients can benefit from the same high-quality services, regardless of the medical facility they go to.

The Sustainability Committee

manages the aspects relevant to the sustainable development of the REGINA MARIA Network, being chaired by the CEO. In 2022, a new dedicated position with direct reporting to the CEO was created within REGINA MARIA; The Sustainability Manager works in close collaboration with the previously established Sustainability and ESG Committee. Sustainability aspects are documented within the company and reported to the Board of Directors and shareholders, as well as externally; for example, updates on relevant sustainability issues are included in board materials, management reports, annual sustainability reports to shareholders, etc. Reports on the sustainability activity and progress are presented in the Sustainability and ESG Committee meetings – including potential and actual issues, and updates are communicated periodically. The Sustainability Manager, directly supervised by the CEO, ensures the preparation of the annual Sustainability Report and is involved in updating and implementing the Sustainability Strategy of the REGINA MARIA Network.

The Ethics Board

operates within REGINA MARIA – The Private Healthcare Network as an integral part of the Medical Advisory Committee, and its activities are regulated by the Administration and Functioning Regulation of the Ethics Board. At the level of each hospital, ethics committees are organized, operating based on specific regulations, and

are composed of representatives from all staff categories, regardless of the type of contract. Through its activity, the Ethics Council has the following duties:

- to promote of the organization in all aspects related to the provision of medical services,
- to monitor the adherence to ethical principles in medical activities,
- to discuss issues related to non-compliance with principles governing medical activities and the relationships between medical staff and patients, and to provide solutions to the ethical issues analyzed.

Our organizational structure is designed to support and promote the exceptional level of quality of the medical act, patient safety and to provide positive experiences to all REGINA MARIA patients. The governing bodies involve a number of specialized departments and teams that collaborate to provide high-quality medical services and optimal care for our patients.





We are aware that our activities may be exposed to the risk of bribery and corruption, and preventing these issues is a priority for us. We have strict policies and regulations in place, such as the **Anti-Bribery and Anti-Corruption Policy**, which set clear standards, and we are committed to complying with the applicable laws and ethical standards in all our interactions.

To prevent and detect possible cases of bribery and corruption, we have implemented internal control measures and confidential reporting mechanisms, through which employees and other stakeholders can report any deviations or violations of our policies and regulations. These reports are treated confidentially and thoroughly investigated, and appropriate disciplinary measures are taken in case of any substantiated misconduct.

Continuous education and training are also important aspects in the fight against bribery and corruption. We organize training and awareness programs for employees, providing them with information and tools to identify and manage risky situations and promote integrity in our day-to-

day activities.

REGINA MARIA annually offers training courses to people in management positions and team leaders on topics such as fair competition and anti-fraud behavior, as well as training on REGINA MARIA's policies regarding anti-corruption, anti-fraud, anti-bribery and conflict of interest. In 2022, approximately 65% of the company's executives participated in specific training sessions. In addition, to ensure that the **Anti-Bribery and Anti-Corruption Policy** is known throughout the organization, we conduct an annual program to test all employees in management positions on their knowledge of fraud prevention rules. All these efforts have ensured **REGINA MARIA - The Health Network has not been involved in any acts of corruption and has not been subject to any investigation regarding unfair competition practices.**

exemplary behavior.

Our employees receive annual training with a focus on social and governance aspects. In addition, they participate in training sessions and seminars on healthcare quality, patient safety, and workplace safety; moreover, our employees have access to the online Training Library, where internal policies of the REGINA MARIA Network are also presented.

The REGINA MARIA Network has a ZERO tolerance policy against all forms of bribery and corruption and prohibits acts of bribery and corruption, whether direct or indirect, through third parties, in any form, in all its operations.

The company actively encourages its employees to report any suspicion of corruption without fear of reprisal through the email address

integritate@reginamaria.ro.

Complementary to the Anti-Bribery and Anti-Corruption Policy, within REGINA MARIA - The Health Network, the **Conflict-of-Interest Policy** is also applied. At REGINA MARIA, we are building a culture of responsibility and integrity. In this context, when we act and make decisions, we adhere to the company's values and are objective. We are aware that being in a conflict-of-interest situation of any kind can influence our objectivity and may lead to a

distortion of judgment, even in situations where we do not intend for it to happen.

To avoid being in a conflict-of-interest situation, we exclude from our professional relationship any activity, relationship or personal financial interest that could influence our independence or objectivity in personal judgment.

To ensure transparency and accountability, all employees in management positions and all employees in the Procurement & Technical, Marketing and Strategic Business Development Divisions are required to complete an **annual conflict of interest survey**, available on the REGINA MARIA intranet platform.

By completing this questionnaire, employees inform us about any potential conflict of interest situations they may encounter in their professional activities. This enables us to effectively identify and manage potential conflicts of interest, safeguarding integrity and objectivity in all our decisions and actions. It is the responsibility of each employee to accurately complete the questionnaire and to report any conflict-of-interest situations.

We ensure that this information is treated with confidentiality and is used for the purpose of preventing and properly managing conflicts of interest. By implementing this process and involving employees in identifying and reporting conflicts of

interest, we demonstrate our strong commitment to ethics and transparency in our activities.

Our continuous efforts in promoting an ethical and transparent culture at REGINA MARIA have contributed to creating a work environment where our activities are carried out in accordance with the highest standards of integrity.

Following the assessment and management of potential conflicts of interest situations, the REGINA MARIA Network has not been involved in any incidents or situations of conflicts of interest during the reporting period. This confirms our commitment to ethics, transparency, and fairness in all aspects of our activities.



GRI Content Index

Statement of use
GRI 1 used

REGINA MARIA – The Healthcare Network has reported in accordance with the GRI Standards for the period from January 1st to December 31st, 2022.
GRI 1: Foundation 2021

GRI Standard - General Disclosures 2021

Location in the Report

Omission



			Requirement(s) omitted	Reason for omission	Explanation
ORGANIZATION PROFILE AND REPORTING PRACTICES	2-1 Organizational details	About REGINA MARIA – The HealthcareNetwork https://www.reginamaria.ro/sites/default/files/nota_informare_pacienti.pdf			
	2-2 Entities included in the organization's sustainability reporting				
	2-3 Reporting period, frequency and contact point	About our sustainability report			
	2-4 Restatements of information	Not the case.			
	2-5 External assurance	The sustainability report has not been audited/externally validated			
ACTIVITIES AND WORKERS	2-6 Activities, value chain and other business relationships	Environmental responsibility			
	2-7 Employees	Human resources development			
	2-8 Workers who are not employees	Human resources development			
GOVERNANCE	2-9 Governance structure and composition	Ethics and Integrity			
	2-10 Nomination and selection of the highest governance body	Ethics and Integrity			
	2-11 Chair of the highest governance body	Ethics and Integrity			
	2-12 Role of the highest governance body in overseeing the management of impacts	Ethics and Integrity			
	2-13 Delegation of responsibility for managing impacts	Ethics and Integrity			
	2-14 Role of the highest governance body in sustainability reporting	Ethics and Integrity			
	2-15 Conflicts of interest	Ethics and Integrity			

STRATEGY, POLICIES AND PRACTICES

STAKEHOLDER ENGAGEMENT

- 2-16 Communication of critical concerns
- 2-17 Collective knowledge of the highest governance body
- 2-18 Evaluation of the performance of the highest governance body
- 2-19 Remuneration policies
- 2-20 Process to determine remuneration
- 2-21 Annual total compensation ratio

- 2-22 Statement on sustainable development strategy
- 2-23 Policy commitments
- 2-24 Embedding policy commitments
- 2-25 Processes to remediate negative impacts
- 2-26 Mechanisms for seeking advice and raising concerns
- 2-27 Compliance with laws and regulations
- 2-28 Membership associations

- 2-29 Approach to stakeholder engagement
- 2-30 Collective bargaining agreements

Ethics and Integrity
Ethics and Integrity

MidEuropa evaluates the organization's leadership performance annually.

REGINA MARIA sustainability strategy

REGINA MARIA sustainability strategy
About REGINA MARIA - The Healthcare Network

REGINA MARIA sustainability strategy

Increasing access to modern medical services
Human resources development
Environmental responsibility

Ethics and Integrity

Ethics and Integrity

About our sustainability report

Human resources development

Requirement(s) omitted

Reason for omission

Explanation

Confidential information.
Confidential information.
Confidential information.

GRI Standard - General Disclosures 2021

Location in the Report

Omission

Requirement(s)
omitted

Reason for
omission

Explanation

MATERIAL TOPICS

GRI 3-1 Process to determine material topics
GRI 3-2 List of material topics

About our sustainability report
About our sustainability report

MARKET PRESENCE

GRI 3-3 Management of material topics
GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage

Human resources development
Human resources development

INDIRECT ECONOMIC IMPACTS

GRI 3-3 Management of material topics
GRI 203-1 Infrastructure investments and services supported

Increasing access to medical care
Increasing access to medical care

ANTICORRUPTION

GRI 3-3 Management of material topics
GRI 205-2 Communication and training about anti-corruption policies and procedures
GRI 205-3 Confirmed incidents of corruption and actions taken

Ethics and Integrity
Ethics and Integrity
Ethics and Integrity

ANTI-COMPETITIVE BEHAVIOR

GRI 3-3 Management of material topics
GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

Ethics and Integrity
Ethics and Integrity

GRI Standard - General Disclosures 2021	Location in the Report	Requirement(s) omitted	Reason for omission	Explanation
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MATERIALS

GRI 3-3	Management of material topics
GRI 301-1	Materials used by weight or volume
GRI 301-2	Recycled input materials used

Environmental responsibility
 Environmental responsibility
 Environmental responsibility

ENERGY

GRI 3-3	Management of material topics
GRI 302-1	Energy consumption within the organization
GRI 302-4	Reduction of energy consumption

Environmental responsibility
 Environmental responsibility
 Environmental responsibility

WATER AND EFFLUENTS

GRI 3-3	Management of material topics
GRI 303-1	Interactions with water as a shared resource
GRI 303-4	Water discharge
GRI 303-5	Water consumption

Wastewater management
 Wastewater management
 Wastewater management
 Wastewater management

EMISSIONS

GRI 3-3	Management of material topics
GRI 305-1	Direct (Scope 1) GHG emissions
GRI 305-2	Energy indirect (Scope 2) GHG emissions
GRI 305-3	Other indirect (Scope 3) GHG emissions

Carbon footprint
 Carbon footprint
 Carbon footprint
 Carbon footprint

Requirement(s) omitted	Reason for omission	Explanation

GRI Standard - General Disclosures 2021

Location in the Report

Omission

WASTE

- GRI 3-3 Management of material topics
- GRI 306-1 Waste generation and significant waste-related impacts
- GRI 306-2 Management of significant waste-related impacts
- GRI 306-3 Waste generated

- Waste management
- Waste management
- Waste management
- Waste management

Requirement(s) omitted

Reason for omission

Explanation

ENVIRONMENTAL COMPLIANCE

- GRI 3-3 Management of material topics
- GRI 307-1 Noncompliance with environmental laws and regulations

- Environmental responsibility
- Environmental responsibility

EMPLOYMENT

- GRI 3-3 Management of material topics
- GRI 401-1 New employee hires and employee turnover
- GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
- GRI 401-3 Parental leave

- Human resources development
- Human resources development
- Human resources development
- Human resources development

LABOR/MANAGEMENT RELATIONS

- GRI 3-3 Management of material topics
- GRI 402-1 Minimum notice periods regarding operational changes

- Human resources development
- In accordance with legal requirements

OCCUPATIONAL HEALTH AND SAFETY

GRI	3-3	Management of material topics
GRI	403-1	Occupational health and safety management system
GRI	403-2	Hazard identification, risk assessment, and incident investigation
GRI	403-3	Occupational health services
GRI	403-4	Worker participation, consultation, and communication on occupational health and safety
GRI	403-5	
GRI	403-6	Promotion of worker health
GRI	403-9	Work-related injuries
GRI	403-10	Work-related ill health

Human resources development
 Human resources development
 Human resources development
 Human resources development
 Human resources development
 Human resources development
 Human resources development
 Human resources development
 Human resources development

Requirement(s)
omitted

Reason for
omission

Explanation

TRAINING AND EDUCATION

GRI	3-3	Management of material topics
GRI	404-1	Average hours of training per year per employee
GRI	404-2	Programs for upgrading employee skills and transition assistance programs
GRI	404-3	Percentage of employees receiving regular performance and career development reviews

Human resources development
 Investment in the performance of employees
 Investment in the performance of employees
 Investment in the performance of employees

DIVERSITY AND EQUAL OPPORTUNITY

GRI	3-3	Management of material topics
GRI	405-1	Diversity of governance bodies and employees
GRI	405-2	Ratio of basic salary and remuneration of women to men

Equal opportunities
 Equal opportunities
 Equal opportunities

NON-DISCRIMINATION

GRI 3-3 Management of material topics
 GRI 406-1 Incidents of discrimination and corrective actions taken

Equal opportunities
 Equal opportunities

Requirement(s) omitted

Reason for omission

Explanation

LOCAL COMMUNITIES

GRI 3-3 Management of material
 GRI 413-1 Operations with local community engagement, impact assessments, and development programs

Increasing access to modern medical services
 Increasing access to modern medical services

MARKETING AND LABELING

GRI 3-3 Management of material
 GRI 417-1 Requirements for product and service information and labeling

Increasing access to modern medical services
 Increasing access to modern medical services

CUSTOMER PRIVACY

GRI 3-3 Management of material
 GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

https://www.reginamaria.ro/sites/default/files/nota_informare_pacienti.pdf
 In 2022, no substantiated complaints regarding customer confidentiality breaches and data losses were recorded.



REGINA MARIA
REȚEAUA PRIVATĂ DE SĂNĂTATE