



CONSOLIDATED NON-FINANCIAL STATEMENT FOR THE YEAR 2023

AS PER LEGISLATIVE DECREE NO. 254/2016



COMPANY INFORMATION

Registered office of Garofalo Health Care S.p.A.

Piazzale Delle Belle Arti, n.6 – 00196 Rome (RM)

Legal details of Garofalo Health Care S.p.A.

Share capital approved Euro 31,570,000

Share capital subscribed and paid-in Euro 31,570,000

Rome Company's Registration Office – Economic & Administrative Index No.: 947074

Tax Number: 06103021009

VAT Number: 03831150366

Website: <http://www.garofalohealthcare.com>

CORPORATE BODIES

BOARD OF DIRECTORS

ALESSANDRO MARIA RINALDI	Chairperson
MARIA LAURA GAROFALO	Chief Executive Officer
ALESSANDRA RINALDI GAROFALO	Director
CLAUDIA GAROFALO	Director
GIUSEPPE GIANNASIO	Director
GUIDO DALLA ROSA PRATI	Director
LUCA MATRIGIANI (*)	Independent Director
GIANCARLA BRANDA	Independent Director
FRANCA BRUSCO	Independent Director
NICOLETTA MINCATO	Independent Director
FEDERICO FERRO LUZZI	Independent Director

CONTROL, RISKS AND SUSTAINABILITY COMMITTEE

FRANCA BRUSCO	Chairperson
FEDERICO FERRO LUZZI	
NICOLETTA MINCATO	

APPOINTMENTS AND REMUNERATION COMMITTEE

FEDERICO FERRO LUZZI	Chairperson
FRANCA BRUSCO	
GIANCARLA BRANDA	

BOARD OF STATUTORY AUDITORS

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FRANCESCA DI DONATO	Statutory Auditor
ALESSANDRO MUSAIO	Statutory Auditor
ANDREA BONELLI	Alternate Auditor
MARCO SALVATORE	Alternate Auditor

INDEPENDENT AUDIT FIRM

EY S.p.A.

DESIGNATED AUDIT FIRM

Deloitte & Touche S.p.A.

(*) Co-opted by the Board of Directors on February 13, 2024

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1. Chief Executive Officer's letter to the stakeholders (GRI 2-22)

Dear Stakeholders,

the financial year that has just ended was once again of great satisfaction for our Group, now an increasingly recognized player at national level for the quality of the health and social care services offered and for its ability to invest significant resources in the territories in which it is present, positioning itself as a precious and essential ally of the National Health System.

As we have always repeated since the IPO, the exponentially growing demand for health and social care needs, exacerbated post Covid, requires (and will increasingly require) growing collaboration between public and private accredited operators, the only ones capable of supporting the system by contributing - with care and managerial skills - to address the unavoidable and structural secular trends to which our country is exposed, such as the aging of the population, the widespread diffusion of chronic diseases, the increasingly dramatic emergency of waiting lists.

In this context, the economic, financial and non-financial results for the 2023 financial year are the clearest testimony to the value attributed to our facilities by patients and caregivers, as demonstrated by the increase in activity towards private patients (approx. +12% y/y) and Out-of-Region (approx. +4% y/y), a significant proxy of the Group's ability to respond not only to a generic demand for "care", but above all for "quality care".

A quality that is undoubtedly the result of the many and constant investments that our Group continues to make, amounting to approx. 18.5 million Euros between maintenance and expansion and development Capex. Resources dedicated to improving the comfort and functionality of our structures, expanding their technological equipment, ensuring energy efficiency and in some cases - following the entrepreneurial intuition that distinguishes us - expanding their surface area, thus managing to significantly improve our performances (both in terms of volumes and margins) also on an organic basis, as well demonstrated by the inauguration of the new wing of the Raffaele Garofalo Institute, in Piedmont, or by the new clinics created in the Cadoneghe (Padua) headquarters for GVDR.

2023 was then a year of great growth by external lines, with the acquisition in May of the Sanatorio Triestino - a historical reality of the city of Trieste and which has always been a point of reference for the territory - and with the announcement in July of the signing of the acquisition of the Aurelia Hospital Group (the closing of which was then finalized in November). An operation, the latter, with which not only GHC has recovered its origins, but above all has acquired a reality of enormous strategic and functional value, equipped with high levels of specialization and a point of reference not only for the Lazio Region but also for the entire national territory. A reality with enormous potential, unfortunately completely unexpressed until our entry due to the liquidation process that arose due to irreconcilable differences between the shareholders, which, consequently, led to large management inefficiencies that were only mitigated from the signing date. From that moment, however, we set to work without sparing ourselves, managing to achieve results in terms of EBITDA growth of 25% on a 12-month basis compared to our own estimates in July. For this reason I have no doubt that what was achieved in just a few months of "active management" in 2023 can only be the basis for even more significant results expected in 2024, an exercise that will give us even greater satisfaction.

Among the satisfactions of the past year, I would also like to point out how during the year GHC consistently continued its commitment to sustainability, reaching all the ESG objectives indicated for 2023, among which we particularly remember the signing of a medium-term Group contract for the supply of electricity from renewable sources and the improvement of the long-term ESG rating assigned by Standard Ethics, which during the year raised GHC's long-term ESG rating to Investment Grade "EE+" level ("Very Strong") from the previous "EE" ("Strong"). For a Group like ours - "naturally sustainable" - a further and concrete recognition of the quality of the work carried out daily by our managers and by all ca. 5,500 people who dedicate their energies to caring "for others", actively and tangibly contributing to the sustainability of our country.

Schopenhauer said: "Health is not everything, but without health everything is nothing". A phrase that we firmly agree with, because health is the fundamental premise for any possibility of economic and social development.

For all this, we will continue to work and commit ourselves, also in 2024, to ensure that the demand for health continues to find the best answers. By dealing "with our head and our heart" with that very fundamental premise, the only one necessary to ensure our country has the future and development it deserves.

**The Chief Executive Officer
Ms. Maria Laura Garofalo**

2. Letter of the Chairperson of the Control, Risks and Sustainability Committee (GRI 2-22)

Dear Shareholders,

as President of the Risk and Sustainability Committee, I am pleased to present the Non-Financial Statement which describes the main activities and results achieved by the Group during 2023, together with the sustainability commitments set for subsequent years.

GHC has continued to consider sustainability issues an essential strategic lever for achieving its social goals which have always been present in its "sustainable" history, demonstrating its ability to increase value over time and respecting the interests of all Stakeholders.

The GHC Group proceeds convinced in the consolidation of its mission, which as is known is to guarantee the care of the health and safety of patients by contributing to the strengthening of the role of the accredited private sector within the National Health System, to be achieved in compliance with sustainable growth in medium and long term, understood as "development aimed at satisfying the needs of the present generation without compromising the ability of future generations to meet their own needs".

GHC continues its growth path with determination, without ever losing sight of the social role played by all the structures and always in compliance with the guiding principle set as a reference for the behavior of human capital and the governance of the Group "Health is the most precious good that man can have."

The Group has continued initiatives aimed at integrating corporate strategies, taking into account the positive impact on people, communities and the environment. In 2023, in fact, in continuity with what was started in previous years, the path that aims to bring Corporate Social Responsibility to being a system capable of supporting the creation of value in the medium and long term continued, taking on further and new commitments for 2024 aimed, inter alia, at consolidating: i) its contribution in the social sphere through the launch of a home care project; ii) governance processes in the digital and data security fields; iii) growing alignment with best practices, with a view to a path of constant in-depth study of non-financial issues and ever greater integration of the same within its business to make it increasingly sustainable in the medium and long term.

2024 will therefore be another important year, like the previous one, which will see the Group engaged in new challenges aimed at strengthening the "core" and "non-core" Information Technology systems, which are increasingly digitalised and secure, allocating resources significant for new investments, demonstrating how much GHC believes in interventions that can make an environmental, social and governance contribution (through initiatives aimed at improving the conditions and operating methods and knowledge of its workers), but always in harmony with the Shareholders' expectation of "fair profit".

**The Chairperson
Control, Risks and Sustainability Committee
Ms. Franca Brusco**



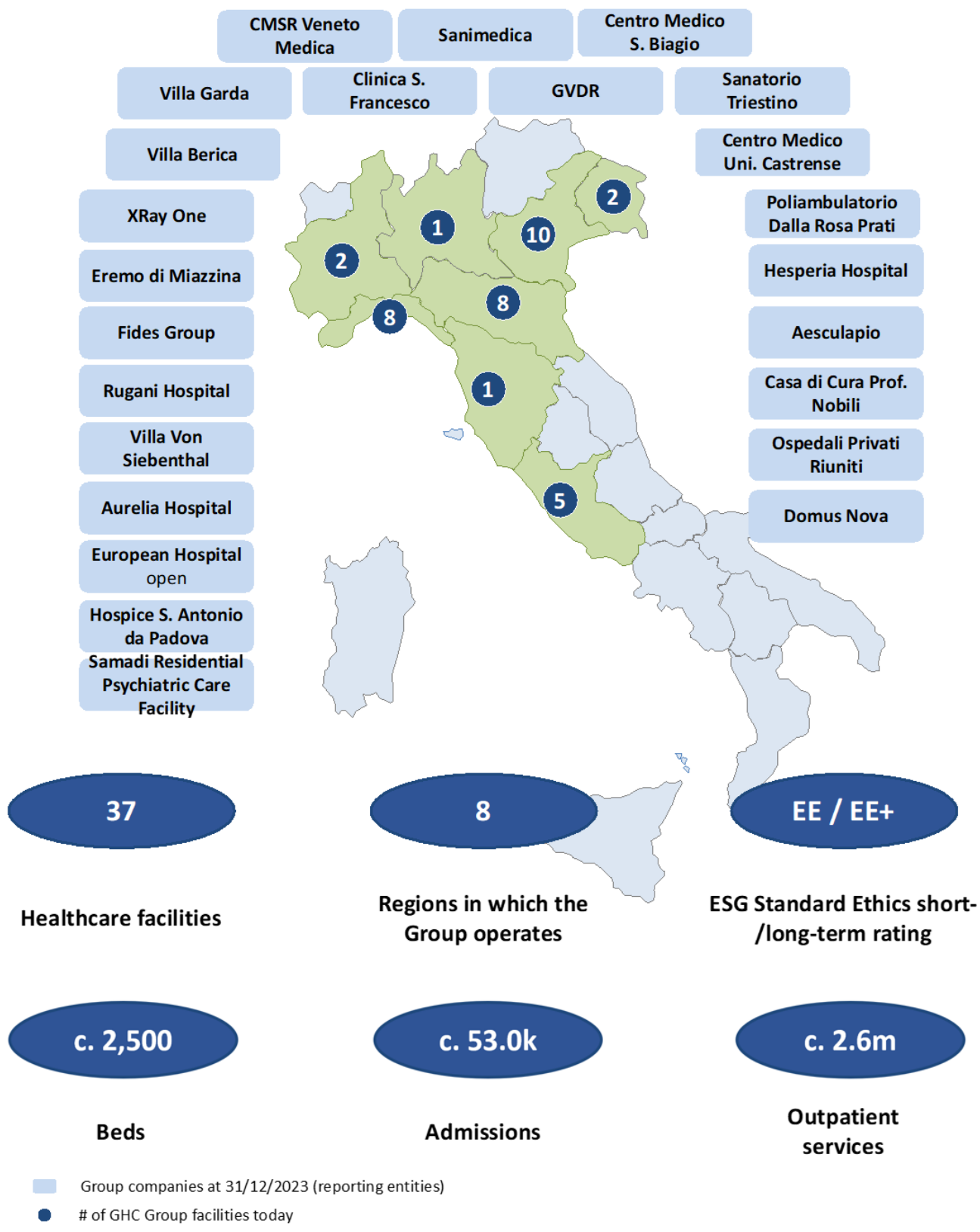
***“None of us is as strong
as all of us”***

Photo taken from *Barcolana55* in October 2023, where the GHC Group participated with a fleet of 26 Este24 boats

3. GHC Group history

<p>Garofalo Group established with the acquisition of the Casa di Cura S. Antonio da Padova in Rome</p> <p>1957</p>	<p>1967</p> <p>Casa di Cura Città di Roma opens</p>
<p>Aurelia Hospital and European Hospital open, Casa di Cura Samadi acquired</p> <p>1980's</p>	<p><i>First generation of the Garofalo family</i></p>
<p>Villa Berica and Hesperia Hospital acquired</p> <p>2000</p>	<p>1999</p> <p>Geographical and sector diversification process begins with the acquisition of Eremo di Miazzina</p>
<p>Hesperia Hospital expanded</p> <p>2005</p>	<p>2002</p> <p>3 new operating rooms at Villa Berica constructed and Villa Garda acquired</p>
<p>Villa Berica expanded</p> <p>2011</p>	<p>2008</p> <p>Rugani Hospital and Villa Von Siebenthal acquired</p>
<p>Istituto Raffaele Garofalo created</p> <p>2013</p>	<p>2012</p> <p>Hybrid operating room created at Hesperia Hospital</p>
<p>Hesperia Hospital, Villa Berica and Villa Von Siebenthal renovated</p> <p>2016</p>	<p>2014</p> <p>CMSR Veneto Medica acquired (including Sanimedica)</p>
	<p>2017</p> <p>Rugani Hospital expanded and Fides Medica (Fides Group) and controlling stake in Casa di Cura Prof. Nobili acquired</p>
	<p>Pre-IPO - GHC Group</p>
<p>IPO on Italian Stock Exchange with demand three times greater than supply</p> <p>2018</p>	<p>Further minority interests in Casa di Cura Prof. Nobili and the remaining minority interest in Villa Garda acquired</p>
<p>Acquisition of XRay One</p> <p>2020</p>	<p>2019</p> <p>Acquisition of Poliambulatorio Dalla Rosa Prati, Ospedali Privati Riuniti, Centro Medico San Biagio, Centro Medico Uni. Castrense and Aesculapio</p>
<p>Acquisition of GVDR</p> <p>2022</p> <p>Villa Fernanda and S. Marta (Fides Group) open</p>	<p>2021</p> <p>Accelerated Book Building and move to the STAR segment of the Italian Stock Exchange</p> <p>Clinica S. Francesco and Domus Nova acquired</p>
	<p>2023</p> <p>Sanatorio Triestino and Gruppo Aurelia 80 (Aurelia Hospital, European Hospital, Hospice S. Antonio da Padova, Samadi Psychiatric Residential Facility) acquired</p> <p>New wing of the Raffaele Garofalo Institute (Eremo di Miazzina) and the new site in Cadoneghe (GVDR) open</p>
	<p>Post-IPO - GHC Group</p>

4. GHC Group overview



5. Methodological note (GRI 1, GRI 2-3, 2-4, 2-5)

5.1 Reporting standards applied

The 2023 Consolidated Non-Financial Statement ("NFS") of the Garofalo Health Care S.p.A. Group (hereinafter also the "Group", "GHC Group" or also "GHC" or the "Company"), drawn up as per Legislative Decree No. 254/2016 (the "Decree"), now in its sixth edition, outlines the Group's non-financial performances for the year ended December 31, 2023. This document, as established by Article 5 of the Decree, is a separate report drawn up specifically to comply with the regulation.

This document outlines the major policies applied by the company, the management models and the Group results in 2023 relating to the topics expressly cited in Legislative Decree No. 254/2016 (economic and social, related to personnel and respect for human rights, the fight against bribery and corruption, and the environment), in addition to the main risks identified on these topics and management methods. It presents information relating to topics considered material and set out by Article 3 of the above Decree, to the extent necessary to ensure understanding of the Group's activities, performance, results and the impact produced. It should be noted that, given the sector in which the Group operates, its activities do not involve significant water consumption or the release of polluting emissions other than greenhouse gas emissions into the atmosphere. Therefore, while providing a comprehensive overview of the Group's business activities, these topics (referred to in Article 3(2) of the Decree) are not covered in this document.

Since its first edition, this annual Statement has been prepared in accordance with the Global Reporting Initiative Standards (the "GRI Standards"), sustainability reporting parameters that enable organisations to measure their sustainability impact and make it public in a consistent and comparable manner. In this regard, we note that, as of January 1, 2023 (i.e. with reference to FY2022 reporting), these GRI Standards have been updated in light of the revision work carried out by the Global Sustainability Standards Board, an independent operating entity under the auspices of the Global Reporting Initiative. In view of the changes that have taken place, the NFS 2023 - like its 2022 counterpart - has been prepared consistent with the GRI Standards. These require simultaneous compliance with Standards of a general nature (regardless of the business sector), Sector Standards (planned but not yet published for the healthcare sector), and Specific Standards related to reporting on economic, environmental, and social sustainability. Against this backdrop, GHC has committed to the reporting principles explicitly stated for the preparation of sustainability reports (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability), in addition to the further recommendations suggested (alignment of sustainability reporting with mandatory financial and corporate reporting, strengthening of internal controls, and provision of external assurance against the sustainability report). Lastly, we note that once again in 2023 GHC has chosen to prepare the NFS using the "IN ACCORDANCE WITH (GRI Standards)" option, in order to improve the amount of information shared externally on sustainability problems and to better align its non-financial disclosure with best practices.

This NFS also includes Taxonomy disclosure as required by European Regulation 852/2020. This disclosure is reported within the section "Disclosure required by the European Regulation on the taxonomy of environmentally sustainable activities" and includes the GHC Group's analyses of how and to what extent its activities are associated with environmentally sustainable economic activities as covered by the EU Taxonomy.

The figures in this Statement refer to the financial year 2023 (January 1 to December 31), in line with the other statutory financial and corporate reporting. We also note that there are no restatements of the information provided with reference to FY2022. Furthermore, the use of estimates has been limited as much as possible to give a correct representation of performance; where use has been made of estimates these are based on the best available methodologies and are reported appropriately.

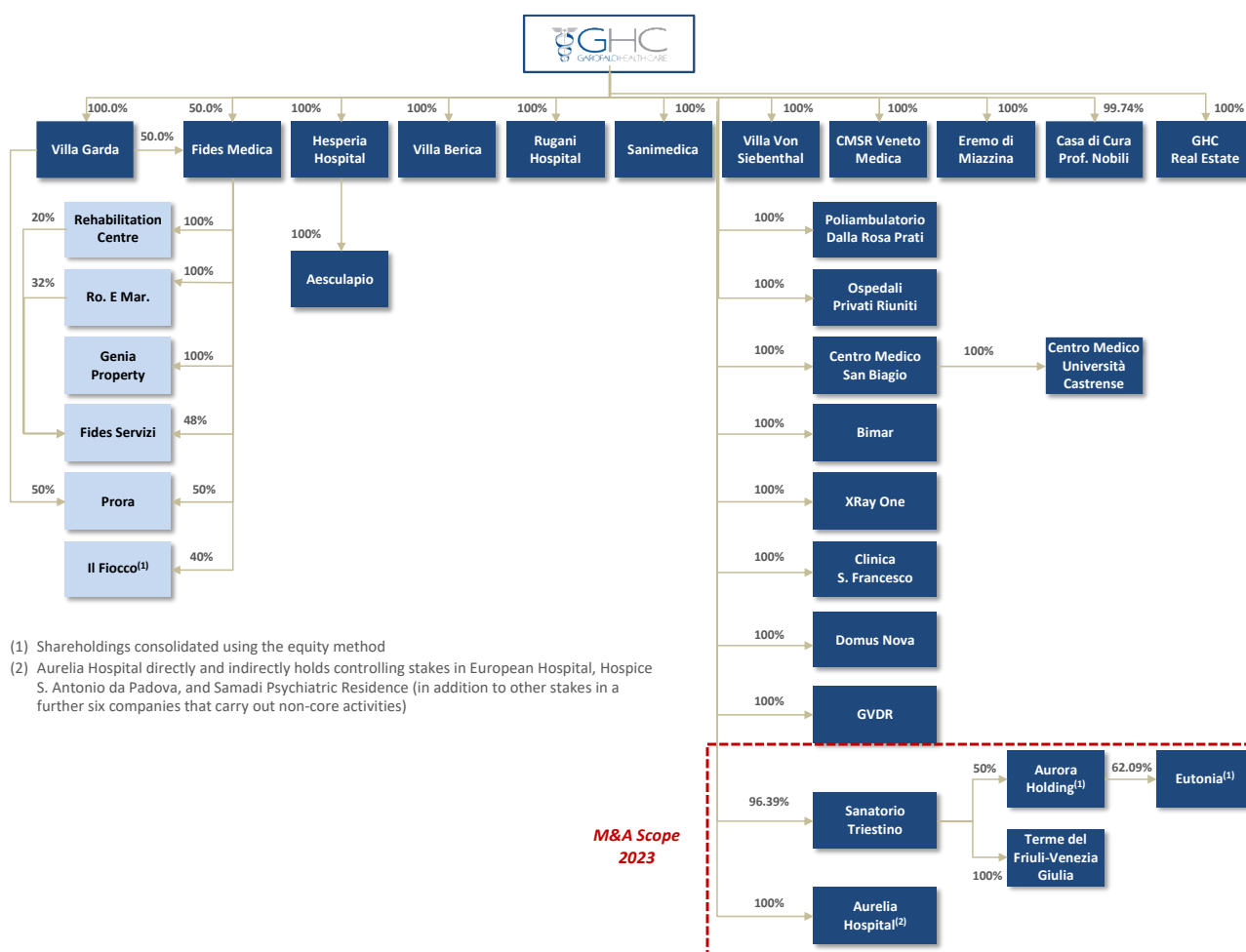
As in previous years, the NFS was also subject to limited examination ("limited assurance engagement" according to the criteria indicated by the ISAE 3000 Revised standard) by Deloitte & Touche S.p.A. (carrying out a mandate ratified by the Group Board of Directors and promptly communicated to the entire GHC Chief Executive Officer). At the end of the work performed, this company issued a specific report on the compliance of information provided in the Consolidated Non-Financial Statement drawn up by GHC pursuant to Legislative Decree No. 254/16. The accompanying and freely accessible Independent Auditors' Report provides the scope and subject matter of the activities subject to assurance, in addition to a description of the principal actions completed and conclusions made.

This NFS, which was approved by the GHC Group Board of Directors on March 14, 2024, is available on GHC's website (www.garofalohealthcare.com) in the Investor Relations/Accounts and Reports section. To request further information in relation to non-financial data submitted by the GHC Group or clarification of information within the NFS, you can contact the Investor Relations department at ir@garofalohealthcare.com.

Finally, we note that starting from 2024 (i.e. applicable to the NFS published in 2025), sustainability reporting must take into account the new European Directive on Corporate Sustainability Reporting (“CSRD”). The Directive is currently awaiting formal adoption in Italy. In this regard, the GHC Group initiated a process in 2024 to progressively align its non-financial statement with the new requirements set out by the regulations. To this end, the Group chose to collaborate with an internationally reputable consulting firm with specific expertise and prior knowledge of the Group. This partner will be responsible for assisting the GHC in understanding and correctly preparing the new mandatory sustainability reporting disclosure.

5.2 Reporting perimeter (GRI 2-1, 2-2)

The NFS 2023 presents the consolidated values of the GHC Group as at December 31, 2023. The GHC Group’s parent company is Garofalo Healthcare S.p.A., which is listed on the Euronext STAR Milan and has its registered office at Piazzale delle Belle Arti 6, Rome. Group companies subject to consolidation are set out in the table below and are the same as those considered in financial reporting. We note that all Group companies conduct their business in Italy. In the comparison with 2022, the consolidation scope has changed due to the acquisitions of Sanatorio Triestino S.p.A. (“Sanatorio Triestino”) on May 4, 2023, and Aurelia Hospital S.r.l. on November 16, 2023. The acquisitions encompass healthcare clinics such as Aurelia Hospital, European Hospital, Hospice S. Antonio da Padova, and Samadi Psychiatric Residential Facility (referred to as the “2023 M&A Scope”). In line with previous years, the figures for the companies acquired in 2023 and reported in the document are stated as if acquired on January 1 of the previous year.



(1) Shareholdings consolidated using the equity method
 (2) Aurelia Hospital directly and indirectly holds controlling stakes in European Hospital, Hospice S. Antonio da Padova, and Samadi Psychiatric Residence (in addition to other stakes in a further six companies that carry out non-core activities)

6. The GHC Group (GRI 2-6)

6.1 GHC Group mission and values


The GHC Group is among the leading Italian accredited private healthcare sector groups and is the first healthcare company to be listed on the Euronext STAR Milan stock exchange. The Group, which traces its roots to the professional and entrepreneurial exploits of Prof. Raffaele Garofalo in the 1950s, is based on a business model that focuses on geographical and sector diversification. It operates across all areas of the hospital and dependency care sectors following a "patient-centered" model, i.e. based on the centrality of the patient considered in terms of all their physical, psychological and social needs.

MISSION	
<p><i>"The Group's Mission is to place the patient at the centre of the treatment and care system through a patient-centred approach, bring together health facilities of excellence, strengthening them and making them more efficient, and become Italy's leading healthcare group."</i></p>	
VALUES	
HONESTY & LAWFULNESS	<ul style="list-style-type: none"> GHC considers honesty and compliance with all applicable regulations in Italy — and in the regions in which the Group operates — to be core principles
RESPECT AND CARE FOR PATIENTS	<ul style="list-style-type: none"> GHC provides humane care and places its patients at the heart of its health system, taking into account all of their physical, psychological, social and relational needs
RESPECT & ENHANCEMENT OF HUMAN RESOURCES	<ul style="list-style-type: none"> GHC recognises that its employees are an irreplaceable asset and key to its success. The Group centres the management of employment and collaboration on fully respecting workers' rights, promoting equal opportunities, the most extensive professional development according to personal skills and aptitudes and on avoiding discriminatory behaviour
EXCELLENCE & IMPROVEMENTS IN SERVICES & FACILITIES	<ul style="list-style-type: none"> GHC guarantees excellence in the provision of its services, and in the professional skills and commitment of its doctors and employees. GHC guarantees patients the continuous improvement of the facilities in terms of physical accessibility, liveability, cleanliness and comfort of the environments, and ensures its employees and collaborators, in any capacity, quality, safe and healthy working environments
RESEARCH, INNOVATION & TRAINING	<ul style="list-style-type: none"> GHC promotes innovation, scientific research, training and teaching
CULTURE OF RESPONSIBILITY	<ul style="list-style-type: none"> GHC is committed to promoting responsible conduct and developing knowledge on all direct and indirect risks of its activities.
ABSENCE OF CONFLICTS OF INTEREST	<ul style="list-style-type: none"> GHC pays the utmost attention to avoiding situations in which conflicts of interest - even potential ones - may arise
CONFIDENTIALITY	<ul style="list-style-type: none"> GHC guarantees the confidentiality of the information in its possession and refrains from seeking and processing confidential data unless explicit and conscious authorisation is provided, and/or compliance with legal regulations is required
RESPECT FOR THE ENVIRONMENT	<ul style="list-style-type: none"> GHC recognises the importance of respect for the environment and plans its activities and its investments around the best possible balance between environmental and financial concerns

6.2 The health services sector in Italy

Shown below are the main factors characterising the marketplace in which we operate.

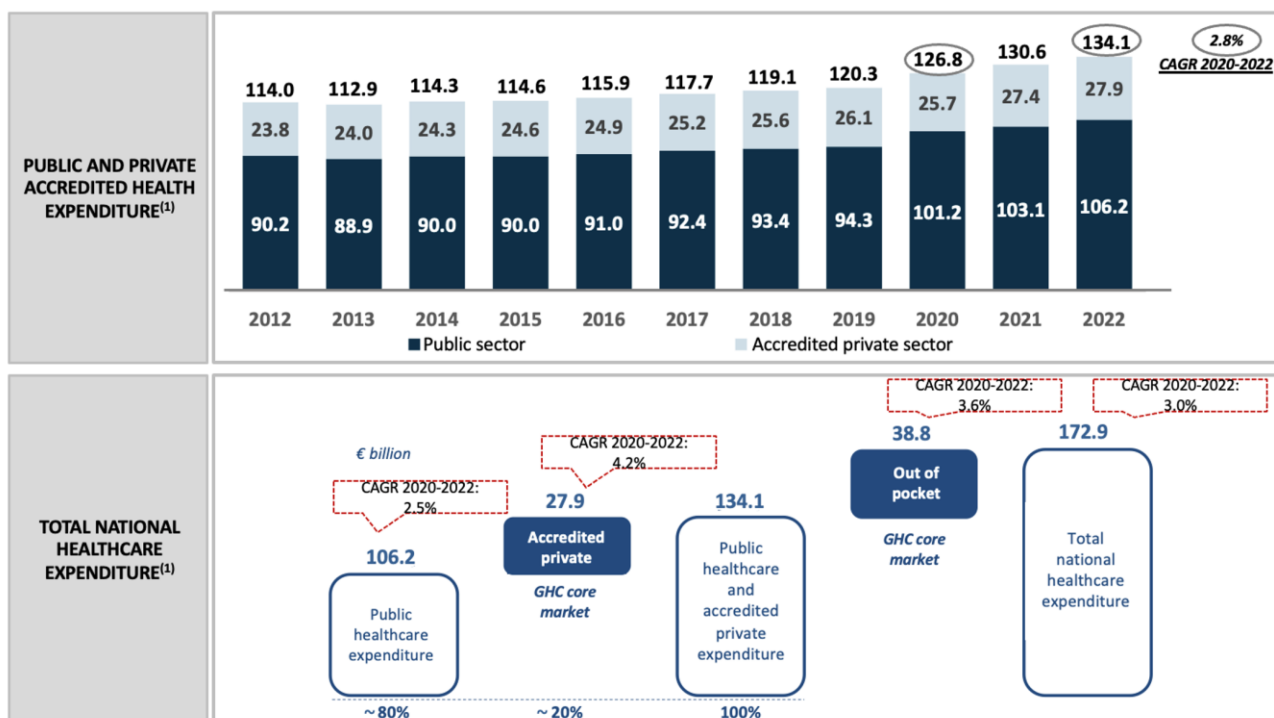
Highlights



Key Entities	<ul style="list-style-type: none"> □ The key entities of the National Health System ("NHS") are: <ul style="list-style-type: none"> - Government and Ministry of Health: healthcare system planning and budgeting through a national plan - Regional governments: main entities responsible for managing the healthcare system at the local level <ul style="list-style-type: none"> □ Key counterparts to private healthcare providers such as GHC - Local Health Authorities ("ASLs") and Hospital Authorities ("HAS"): oversee the delivery of healthcare services in their district
Essential Levels of Care	<ul style="list-style-type: none"> □ Essential Levels of Care ("LEAs") outline the health services that every Italian citizen is entitled to receive from the National Health System, either free of charge or on payment of a fee ("co-payment") <ul style="list-style-type: none"> - Defined by the Ministry of Health - LEAs are apportioned between regional governments on a per capita basis, weighted by several criteria including age, gender, level of citizen care, mortality rate, and epidemiological spatial indicators - Regions independently organise the delivery of these services to citizens
Authorisation, Accreditation and Contractual Agreement	<ul style="list-style-type: none"> □ The National Health System operates through public, private, and accredited private providers □ All private entities must interact with regional governments and obtain: <ul style="list-style-type: none"> - Authorisation: basic requirement for the development of healthcare facilities, granted by regional governments or municipalities <ul style="list-style-type: none"> □ Defines the minimum structural, technological and organisational requirements □ Granted to meet regionally defined healthcare needs - Accreditation: a pre-requisite granted by regional governments to licensed facilities in order to act on behalf of the National Health System <ul style="list-style-type: none"> □ Subject to additional organisational requirements and compatibility of services offered with health care needs not covered □ Periodic monitoring of the quality of the service provided □ Renewable periodically - Contractual agreement: between regional governments or local health authorities and service providers, specifying: <ul style="list-style-type: none"> □ Type of service to be provided, relative volumes, and fees charged

The following is a breakdown of Italian healthcare expenditure, highlighting the markets in which the GHC Group operates, namely: (i) healthcare expenditure by the National Health System by way of accredited private clinics; and (ii) "out-of-pocket" private-sector health-care expenditure.

Of particular note, healthcare expenditure in 2022 totalled Euro 172.9 billion, of which Euro 134.1 billion by Italy's National Health System. It is important to note that National Health System health spending includes both spending on services provided through public facilities (Euro 106.2bn) and through private clinics accredited with the National Health System (Euro 27.9bn).



(1) Based on OASI Report 2023 (data from 2022)

6.3 Activities of the GHC Group

The following table details the main specialties provided by the Group, broken down geographically, by sector and by segment.

Sector	ACUTE	POST-ACUTE		OUTPATIENT	DEPENDENCY CARE
		Long-term care	Rehabilitation		
Main services provided	<ul style="list-style-type: none"> • Wide range of specialisations in acute patient therapy, including: <ul style="list-style-type: none"> – Heart surgery – Cardiology (clinical and interventional) – Orthopaedics – Diabetology – Urology – Otorhinolaryngology – General surgery – Vascular Surgery – Gynaecology 	<ul style="list-style-type: none"> • Long-term hospitalisations for patients suffering from: <ul style="list-style-type: none"> – Disabling chronic conditions – Subacute conditions after a previous acute hospitalisation that require treatment be continued for a certain period of time in a protected environment, in order to achieve a full recovery or to stabilise their condition 	<ul style="list-style-type: none"> • Rehabilitation treatments, including: <ul style="list-style-type: none"> – Cardiology – Neurology – Neuromotor – Nutritional – Respiratory – -Physiotherapy 	<ul style="list-style-type: none"> • Outpatient services, consultations, and diagnostic services performed by hospital and non-hospital facilities: <ul style="list-style-type: none"> – Doppler echocardiogram – Holter test – Doppler vascular ultrasound – Myocardial perfusion imaging – CT and Cardiac CT – Ultrasound – MRI – Nuclear medicine – Laboratory analyses – Outpatient dialysis – Ophthalmology – Dental services – PET/CT 	<ul style="list-style-type: none"> • Assistance and treatment of specific conditions, including: <ul style="list-style-type: none"> – Severe disabilities – Patients with LIS (Locked-in Syndrome) or with amyotrophic lateral sclerosis in the terminal phase (NAC Departments - High Chronic Neurological Complexity Unit) – Complex disabilities, mainly motor or clinical assistance and functional (Healthcare Assistance Continuity) – Patients with severe acquired brain injury disabilities – Psychiatric disorders and disorders related to the use of psychoactive substances

6.4 GHC Group Structure

The GHC Group's 37 clinics are diversified by Region and by sector, as shown below.

Italian regions	no. Reporting Entities (24)	no. Clinics (37)	no. legal entities (legal persons) (37)	Segment	
				Hospital	Social/Dependency Care
Veneto	<input type="checkbox"/> Villa Berica	1	1	✓	
	<input type="checkbox"/> CMSR Veneto Medica	1	1		✓
	<input type="checkbox"/> Sanimedica	1	1		✓
	<input type="checkbox"/> Villa Garda	1	1	✓	
	<input type="checkbox"/> Centro Medico S. Biagio	1	2 ⁽¹⁾		✓
	<input type="checkbox"/> Clinica S. Francesco	1	1	✓	
	<input type="checkbox"/> GVDR	4	1		✓
Lombardy	<input type="checkbox"/> XRay One	1	1		✓
Friuli Venezia-Giulia	<input type="checkbox"/> Centro Medico Università Castrense	1	1		✓
	<input type="checkbox"/> Sanatorio Triestino	1	2 ⁽²⁾	✓	
Piedmont	<input type="checkbox"/> Eremo di Miazzina	2	1	✓	✓
Emilia-Romagna	<input type="checkbox"/> Hesperia Hospital	1	1	✓	
	<input type="checkbox"/> Aesculapio	1	1		✓
	<input type="checkbox"/> Casa di Cura Prof. Nobili	1	1	✓	
	<input type="checkbox"/> Poliambulatorio Dalla Rosa Prati	1	1		✓
	<input type="checkbox"/> Ospedali Privati Riuniti	2	1	✓	
	<input type="checkbox"/> Domus Nova	2	1	✓	
Tuscany	<input type="checkbox"/> Rugani Hospital	1	1	✓	
Liguria	<input type="checkbox"/> Fides Group ⁽³⁾	g ⁽⁴⁾	6 ⁽⁵⁾		✓
Lazio	<input type="checkbox"/> Villa Von Siebenthal	1	1		✓
	<input type="checkbox"/> Aurelia Hospital	1	7 ⁽⁶⁾	✓	
	<input type="checkbox"/> European Hospital	1	1	✓	
	<input type="checkbox"/> Hospice S. Antonio da Padova	1	1		✓
	<input type="checkbox"/> Samadi Residential Psychiatric Care Facility	1	1		✓

(1) Also includes Bimar S.r.l.

(2) Also includes Terme del Friuli Venezia-Giulia S.r.l.

(3) Excluding 4 facilities belonging to Il Fiocco Scrl, a company owned by Fides Medica, whose financial information is consolidated using the equity method

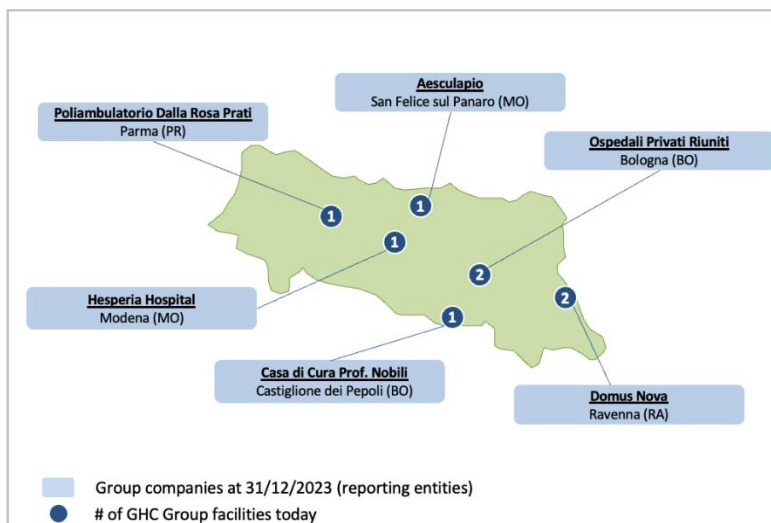
(4) Fides Group Clinics: Residenza Le Clarisse, S. Marta, S. Rosa, Centro Riabilitazione, Villa S. Maria, Villa Del Principe, Le Note di Villa S. Maria, Villa Fernanda

(5) Fides Group legal entities: Fides Medica S.r.l., Centro di Riabilitazione S.r.l., RoEMar S.r.l., Genia Immobiliare S.r.l., Prora S.r.l., Fides Servizi S.r.l.

(6) Aurelia Hospital also includes other companies performing non-core activities (Ram S.r.l., Finaur S.r.l., Gestiport 86 S.p.A., Axa Residence S.p.A., Video 1 S.r.l., Radio IES S.r.l.)

➤ FOCUS: EMILIA-ROMAGNA REGION

GEOGRAPHICAL POSITIONING OF GHC CLINICS



EMILIA-ROMAGNA INDICATORS

Highlights

GDP per capita 2022

€40.0k

Emilia-Romagna

€33.0k

Average Italy

Health expenditure per capita 2022

€2,432

Emilia-Romagna

€2,260

Average Italy

Source:
OASI Report 2023, Istat Conti Economici Territoriali

GHC CLINICS: NON-FINANCIAL HIGHLIGHTS

Clinics (FY2023)	Beds	Admissions	Outpatient services	Employees	% male	% female
<i>Hospital services</i>	#	('000)	('000)	#	%	%
Hesperia Hospital	125	6.0	162.4	266	24%	76%
Ospedali Privati Riuniti	170	7.4	60.1	157	21%	79%
Domus Nova	252	8.1	273.3	202	21%	79%
Casa di Cura Prof. Nobili	86	2.6	41.0	88	17%	83%
<i>Outpatient and dependency care services</i>	#	('000)	('000)	#	%	%
Poliambulatorio Dalla Rosa Prati	-	-	266.7	75	12%	88%
Aesculapio	-	-	52.6	20	10%	90%
Total	633	24.2	856.1	808	21%	79%

HESPERIA HOSPITAL (Modena)

National Health System accredited facility



Main services provided

- Medical-surgical and thoracovascular cardiology
- Medicine and surgery, with specialisation in:
 - Orthopaedics and traumatology
 - Ophthalmology
 - Urology, with state-of-the-art technological equipment (Da Vinci X robot, Holmio laser, and Green Laser)
- Intensive, semi-intensive care and UTIC service
- Multi-disciplinary outpatient activities
- Diagnostic Imaging Service with Nuclear Medicine (Scintigraphy), Low Radiation CT scan, 1.5 Tesla MRI
- Scoliosis and spine pathology centre

OSPEDALI PRIVATI RIUNITI (Bologna)	
1. NIGRISOLI PRIVATE HOSPITAL	
National Health System accredited facility	Main services provided
	<ul style="list-style-type: none"> ▪ Medical and surgical treatment, specialising in: <ul style="list-style-type: none"> - General medicine - Recovery and functional rehabilitation - Long-term care and extensive rehabilitation - Orthopaedics - Urology - General surgery ▪ Outpatient services and instrumental diagnostics ▪ Laboratory analyses ▪ Diagnostic imaging service with CT, MRI and traditional radiology
2. VILLA REGINA PRIVATE HOSPITAL	
National Health System accredited facility	Main services provided
	<ul style="list-style-type: none"> ▪ Medical and surgical treatment, specialising in: <ul style="list-style-type: none"> - Orthopaedics (including Mako robot-assisted surgery) - Ophthalmology - Gynaecology - Otorhinolaryngology - Urology - Recovery and functional rehabilitation ▪ Outpatient services and instrumental diagnostics ▪ Diagnostic imaging service with traditional radiology, 3D mammography and ultrasound
DOMUS NOVA (Ravenna)	
1. DOMUS NOVA	
National Health System accredited facility	Main services provided
	<ul style="list-style-type: none"> ▪ Care services comprising various specialised inpatient units: <ul style="list-style-type: none"> - General medicine and long-term care - General surgery - Orthopaedic prosthetics including robotic surgery ▪ Specialist outpatient physiotherapy and dental services ▪ Gynaecology and otorhinolaryngology ▪ Diagnostic imaging (MRI, CT, RX, MX, ECO, MOC) ▪ CAD dialysis service and digestive endoscopy

2. S. FRANCESCO PRIVATE HOSPITAL

<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ Outpatient eye surgery ▪ Rehabilitation medicine ▪ Outpatient services ▪ Diagnostic testing


POLIAMBULATORIO DALLA ROSA PRATI (Parma)

<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ Multi-disciplinary outpatient specialist services ▪ Diagnostic imaging: Digital X-rays, orthopantomography, high-field MRIs with artificial intelligence, sedation service, CT scans ▪ PET-CT oncology diagnosis service ▪ Dental services, radiology, dedicated CT scans ▪ Physiokinesiotherapy and rehabilitation ▪ Blood collection point and analysis laboratory ▪ Plastic, eye, and vascular surgery

CASA DI CURA PROF. NOBILI (Castiglione dei Pepoli locality, Bologna)

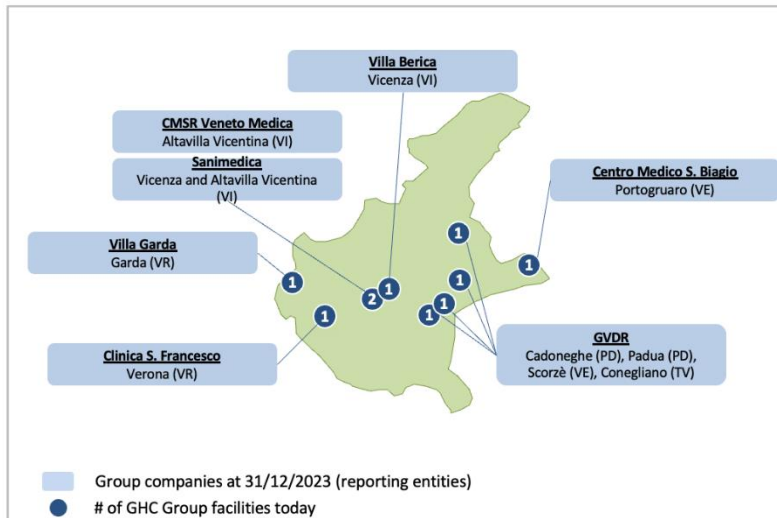
<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ Units specialising in: <ul style="list-style-type: none"> - Orthopaedics and traumatology - General surgery - General medicine and long-term care ▪ Multi-disciplinary outpatient services ▪ Dialysis Centre ▪ Diagnostic imaging with 1.5 Tesla MRI ▪ Outpatient clinic and blood collection point ▪ First Aid Point and Local Emergency Ambulance Service

AESCULAPIO (San Felice sul Panaro, Modena)

<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ Outpatient specialist services ▪ Diagnostic imaging service, radiology (RX, Orthopantomography, Mammography, Ultrasound, MRI) ▪ Sample collection point ▪ Outpatient physical medicine and rehabilitation department

➤ FOCUS: VENETO REGION

GEOGRAPHICAL POSITIONING OF GHC CLINICS



VENETO REGION INDICATORS

Highlights

GDP per capita 2022

€37.2k

Veneto

€33.0k

Average Italy

Health expenditure per capita 2022

€2,303

Veneto

€2,260

Average Italy

Source:
OASI Report 2023, Istat Conti Economici Territoriali

GHC CLINICS: NON-FINANCIAL HIGHLIGHTS

Clinics (FY2023)	Beds	Admissions	Outpatient services	Employees	% male	% female
<i>Hospital services</i>	#	('000)	('000)	#	%	%
Casa di Cura Villa Berica	108	3.7	175.5	146	22%	78%
Casa di Cura Villa Garda	109	1.7	81.4	113	20%	80%
Clinica San Francesco	77	5.4	185.3	204	24%	76%
<i>Outpatient and dependency care services</i>	#	('000)	('000)	#	%	%
CMSR Veneto Medica	-	-	164.2	55	25%	75%
Sanimedica	-	-	61.4	9	11%	89%
Centro Medico S. Biagio	-	-	169.4	30	7%	93%
GVDR	-	-	389.5	85	26%	74%
Total	294	10.8	1,226.8	642	22%	78%

CASA DI CURA VILLA BERICA (Vicenza)

National Health System accredited facility



Main services provided

- Internal medicine and general surgery, specialising in:
 - Gynaecology
 - Prosthetic hip surgery
 - Diabetology (in particular prevention and treatment of complications from diabetes affecting the lower limbs)
 - Osteoporosis and metabolic bone diseases
 - Centre for Minimally Invasive Hepatology and Oncological Therapies for thermal ablation treatment of small tumours

CASA DI CURA VILLA GARDA (Garda, Verona)	
<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ Inpatient rehabilitation and Day Hospital in the fields of cardiology, motor skills, and nutrition (for patients with severe obesity/eating disorders) ▪ Diagnostic services: laboratory analysis (blood collection centre), radiology, nutrition, physiatry, gynaecology, cardiology, and outpatient treatment: physical therapy, psychology, and psychiatry ▪ Main services: traditional radiology, ultrasound, bone densitometry, ECG, echocardiography, Doppler ultrasound, cardiac and blood pressure Holter, stress testing, outpatient rehabilitation and appointments with: nutrition, cardiology, physiatry, psychiatry, psychology, and gynaecology
CENTRO MEDICO S. BIAGIO (Portogruaro)	
<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ Outpatient eye surgery (cataracts, vitreoretinal, corneal transplants, etc.). ▪ In participation with the Banca degli Occhi del Veneto Foundation ▪ Specialist diagnostic radiology and imaging ▪ Digestive endoscopy ▪ Echocardiography, stress testing ▪ Sports medicine ▪ Dental services ▪ Laboratory analyses ▪ Wide range of medical and surgical specialities
CLINICA SAN FRANCESCO (Verona)	
<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ European Centre for Robotic Orthopaedics ("C.O.R.E.") ▪ Main #SICM centre of the Italian Society of Hand Surgery ▪ Post-mastectomy reconstructive breast surgery using highly innovative techniques ▪ First and second-level cardiology centre ▪ Ophthalmology specialising in cataract surgery ▪ High-level diagnostic platform with 4 MRIs and 1 CT scan ▪ Inpatient and outpatient rehabilitation with Hunova robot

CMSR VENETO MEDICA and SANIMEDICA (Vicenza and Altavilla Vicentina)

**National Health System accredited facility
(CMSR Veneto Medica)**

Main services provided



CMSR Veneto Medica

- Diagnostic imaging using cutting-edge technologies, including: Dual Force CT scan capable of reconstructing the affected organ in 3D, with such speed and precision that drugs are not needed to slow the heartbeat, and a brand-new, Total Body 3 Tesla MRI system
- Clinical pathology laboratory under solvency agreement
- Departments:
 - Traditional radiology
 - Ultrasound Department

Sanimedica

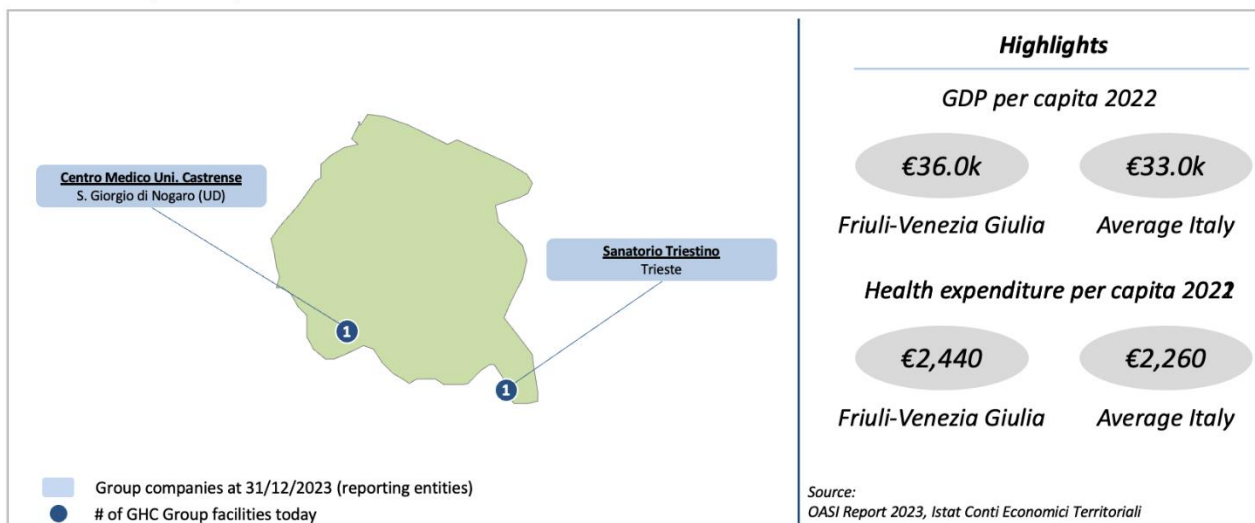
- Department of Occupational Medicine that offers health monitoring service in the workplace in compliance with Legislative Decree No. 81/2008 on safety
- Outpatient health services for all the main specialist branches
- Outpatient surgery service

GVDR (Cadoneghe, Scorzè, Padua, Conegliano)	
National Health System accredited facility	Main services provided
   	<ul style="list-style-type: none"> ▪ Diagnostic imaging (under agreement with the RHS and private providers) ▪ Physical and Rehabilitation Medicine (under agreement with the RHS and private providers) ▪ Outpatient Multi-Specialist: <ul style="list-style-type: none"> - Cadoneghe: Gynaecology and Otorhinolaryngology under agreement with the RHS and private providers, other specialities only under private arrangements - Padua: private practice only - Scorzè: Cardiology and neurology under agreement with the RHS and private providers, other specialities only under private arrangements - Conegliano: Cardiology, Neurology, and Dermatology under agreement with the RHS and private providers, other specialities only under private arrangements ▪ Private Analysis Laboratory in Cadoneghe and Conegliano ▪ Health & Wellness Gym (Cadoneghe) ▪ Occupational Medicine and Business Services ▪ The Group has run the leading Lymphology Centre for patients with lymphedema and lipoedema since 2017.

➤ FOCUS: FRIULI VENEZIA GIULIA REGION


GEOGRAPHICAL POSITIONING OF GHC CLINICS

FRIULI-VENEZIA GIULIA INDICATORS



GHC CLINICS: NON-FINANCIAL HIGHLIGHTS

Clinics (FY2023)	Beds	Admissions	Outpatient services	Employees	% male	% female
Hospital services	#	('000)	('000)	#	%	%
Sanatorio Triestino (incl. Terme del Friuli-Ven. Giulia)	118	2.9	150.2	180	27%	73%
Outpatient and dependency care services	#	('000)	('000)	#	%	%
Centro Medico Uni. Castrense	-	-	61.1	11	18%	82%
Total	118	2.9	211.3	191	27%	73%

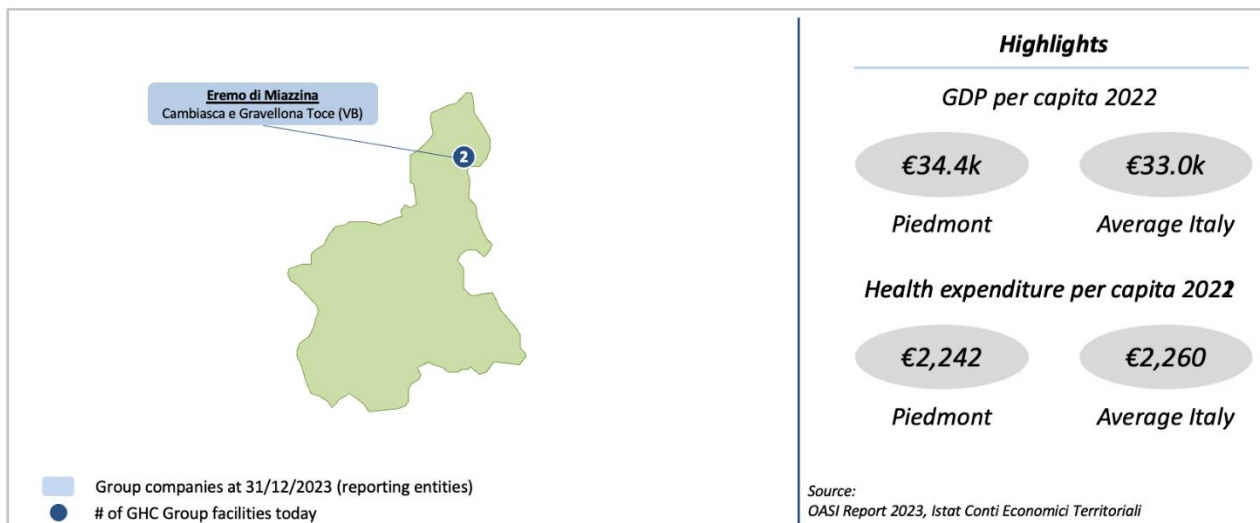
SANATORIO TRIESTINO (Trieste)	
National Health System accredited facility	Main services provided
	<ul style="list-style-type: none"> Medical and surgical inpatient treatment, specialising in general surgery, orthopaedics, internal medicine, urology, gynaecology, vascular surgery, and plastic surgery (private) Outpatient multi-specialist Diagnostic imaging Laboratory analyses Residential Care Centre (RSA) Sanatorio Triestino also owns controlling interests in Eutonia S.r.l. Sanità & Salute ("Eutonia"), the largest physiotherapy and rehabilitation clinic in the Province of Trieste, and in Terme del Friuli-Venezia Giulia S.r.l. ("Terme FVG"), a company that currently manages the "Arta" and "Monfalcone" spas.

CENTRO MEDICO UNIVERSITÀ CASTRENSE (S. Giorgio di Nogaro)	
National Health System accredited facility	Main services provided
	<ul style="list-style-type: none"> Outpatient eye surgery services Diagnostic imaging service Sports medicine Dental services

➤ FOCUS: PIEDMONT REGION

GEOGRAPHICAL POSITIONING OF GHC CLINICS

PIEDMONT REGION INDICATORS



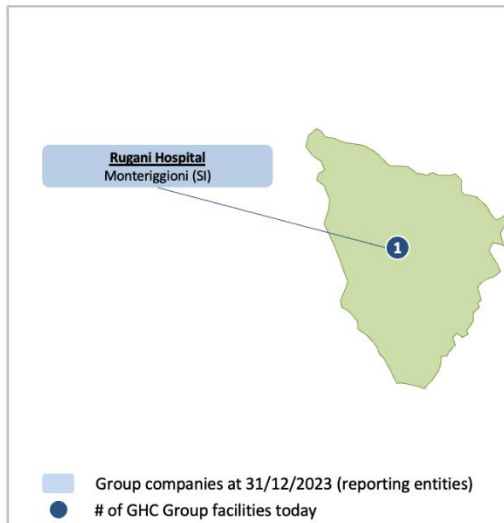
GHC CLINICS: NON-FINANCIAL HIGHLIGHTS

Clinics (FY2023)	Beds	Admissions	Outpatient services	Employees	% male	% female
Hospital services	#	('000)	('000)	#	%	%
Outpatient and dependency care services						
Eremo di Miazzina	309	1.0	145.5	135	25%	75%

L'EREMO DI MIAZZINA (Cambiasca and Gravellona Toce)	
1. L'EREMO DI MIAZZINA (Cambiasca)	
<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ Post-acute hospital care for the full range of pathologies commonly experienced by the elderly and the sequelae of oncological and chronic degenerative pathologies
2. ISTITUTO RAFFAELE GAROFALO (Gravellona Toce)	
<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ First and second-level rehabilitation ▪ Specialist outpatient clinic with the following accredited branches: first-level imaging diagnostics (ultrasound, MOC, colour-echo-Doppler, traditional radiology, MRI), cardiology (ECG-echocardiogram, cardiac and blood pressure Holter), ophthalmology, physical and rehabilitation medicine, psychology, and neurology ▪ Blood collection point for laboratory analysis activities

➤ FOCUS: TUSCANY REGION

GEOGRAPHICAL POSITIONING OF GHC CLINICS



TUSCANY REGION INDICATORS

Highlights

GDP per capita 2022

€35.1k

Tuscany

€33.0k

Average Italy

Health expenditure per capita 2022

€2,359

Tuscany

€2,260

Average Italy

Source:
OASI Report 2023, Istat, Conti Economici Territoriali

GHC CLINICS: NON-FINANCIAL HIGHLIGHTS

Clinics (FY2023)	Beds	Admissions	Outpatient services	Employees	% male	% female
<i>Hospital services</i>	#	('000)	('000)	#	%	%
Rugani Hospital	80	2.1	21.4	89	27%	73%

RUGANI HOSPITAL (Colombaio locality, Siena)

National Health System accredited facility



Main services provided

- Ophthalmology
- Orthopaedics, with a focus on prosthetic surgery and spinal surgery
- Urology
- General surgery
- Otorhinolaryngology
- Functional rehabilitation
- Inpatient and outpatient diagnostic imaging

➤ FOCUS: LIGURIA REGION

GEOGRAPHICAL POSITIONING OF GHC CLINICS



LIGURIA REGION INDICATORS

Highlights

GDP per capita 2022

€35.8k

Liguria

€33.0k

Average Italy

Health expenditure per capita 2022

€2,455

Liguria

€2,260

Average Italy

Source:
OASI Report 2023, Istat Conti Economici Territoriali

GHC CLINICS: NON-FINANCIAL HIGHLIGHTS

Clinics (FY2023)	Beds	Admissions	Outpatient services	Employees	% male	% female
<i>Outpatient and dependency care services</i>	#	('000)	('000)	#	%	%
Fides Group (8 clinics)	399	0.9	-	83	18%	82%

FIDES MEDICA GROUP (Genoa)

National Health System accredited facilities

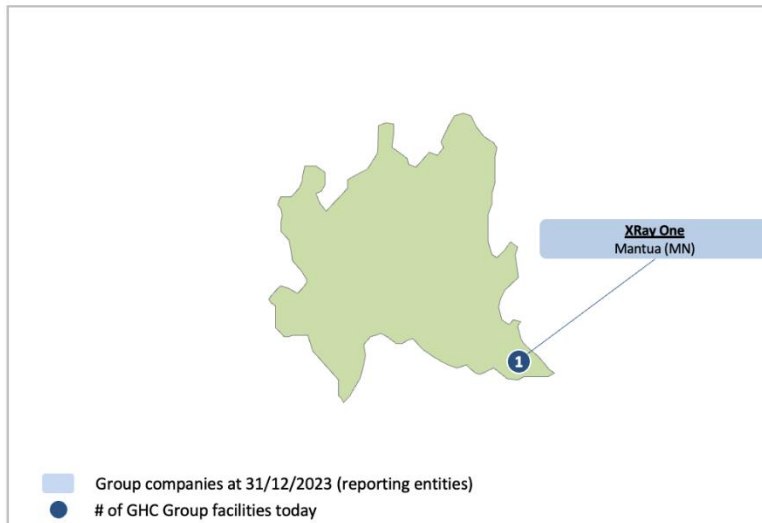


Main services provided

- Full range of rehabilitation services, long-term residential care and reintegration into society
- Specifically, the following services are provided:
 - Care for serious acquired brain injuries
 - RSA rehabilitative and maintenance
 - Treatment for individuals suffering from behavioural eating disorders, personality disorders
 - Long-stay admissions for the elderly

➤ FOCUS: LOMBARDY REGION

GEOGRAPHICAL POSITIONING OF GHC CLINICS



LOMBARDY REGION INDICATORS

Highlights

GDP per capita 2022

€44.4k

Lombardy

€33.0k

Average Italy

Health expenditure per capita 2022

€2,266

Lombardy

€2,260

Average Italy

Source:
OASI Report 2023, Istat, Conti Economici Territoriali

GHC CLINICS: NON-FINANCIAL HIGHLIGHTS

Clinics (FY2023)	Beds	Admissions	Outpatient services	Employees	% male	% female
<i>Outpatient and dependency care services</i>	#	('000)	('000)	#	%	%
XRay One	-	-	123.9	37	30%	70%

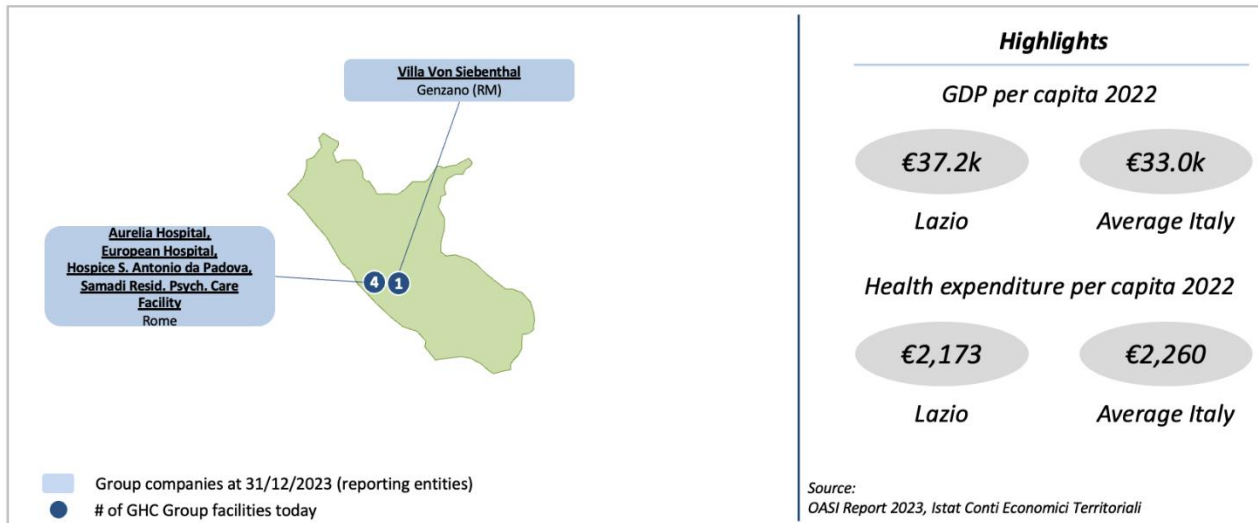
XRAY ONE (Poggio Rusco, Mantua)

National Health System accredited facility**Main services provided**

- Radiological diagnostics (MRI, CT, MOC, CR digitised mammography, ultrasound, abdominal, vascular and peripheral echocolor Doppler, Cone Beam)
- Specialist medical services (first and second-level cardiology, orthopaedics, surgery, vascular surgery, gastroenterology, gynaecology, neurology, neurosurgery, ophthalmology, otorhinolaryngology, pulmonology, urology)
- Dental and orthodontic services
- Physiatry and rehabilitation, hydro-kinesiotherapy, shockwave therapy, osteopathy

➤ FOCUS: LAZIO REGION⁽¹⁾

GEOGRAPHICAL POSITIONING OF GHC CLINICS



GHC CLINICS: NON-FINANCIAL HIGHLIGHTS

Clinics (FY2022)	Beds	Admissions	Outpatient services	Employees	% male	% female
Hospital services	#	('000)	('000)	#	%	%
Aurelia Hospital	291	6.3	20.9	446	37%	63%
European Hospital	144	3.0	21.5	172	28%	72%
Outpatient and dependency care services	#	('000)	('000)	#	%	%
Samadi Residential Psychiatric Care Facility	68	0.5	-	35	51%	49%
Hospice S. Antonio da Padova	125	0.9	-	53	36%	64%
Villa Von Siebenthal	89	0.5	-	52	23%	77%
Total	717	11.1	42.4	758	34%	66%

¹⁾ Excluding the Parent Company GHC S.p.A. and other companies of the Aurelia Hospital Group that do not perform core activities

AURELIA HOSPITAL (Rome)	
<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ Inpatient, acute, and intensive rehabilitation services, with specialisations in: <ul style="list-style-type: none"> - Medicine (cardiology, general medicine) - Surgery (general surgery, minimally-invasive surgery, vascular surgery, orthopaedics and traumatology, urology, gynaecology), including the use of robotics such as the MAKO for robotic orthopaedic surgery and the Da Vinci for urology and general surgery ▪ Services including: Short Observation, Intensive Care, and Coronary Intensive Care ▪ Specialist outpatient clinic with a focus on sports traumatology (shoulder and knee surgery) ▪ Diagnostic imaging with CT, 1.5 Tesla MRI and traditional radiology ▪ Laboratory analyses ▪ It also houses: <ul style="list-style-type: none"> - Level I Emergency and Admission Department (EAD) with 24-hour heliport - High-intensity residential care - Outpatient dialysis centres - Haemodynamics and Digestive Endoscopy Service
EUROPEAN HOSPITAL (Rome)	
<i>National Health System accredited facility</i>	<i>Main services provided</i>
	<ul style="list-style-type: none"> ▪ A leading centre for cardiovascular sciences (heart surgery, interventional cardiology, vascular surgery) for 40 years, and a national and international point of reference for research into heart diseases ▪ Services provided: <ul style="list-style-type: none"> ▪ Medicine and surgery, with specialisation in: <ul style="list-style-type: none"> - Minimally-invasive surgery - Plastic, Reconstructive, and Aesthetic Surgery - Gynaecology and Medically Assisted Procreation (MAP) - Internal medicine - Orthopaedics and traumatology - Neurosurgery - Clinical neurology - Coloproctology - Ophthalmology - Urology, with modern technology (Holmio laser) ▪ Intensive, semi-intensive care and UTIC service ▪ Multi-disciplinary outpatient activities ▪ Diagnostic imaging service with state-of-the-art multi-layer CT, CT angiography, 1.5 Tesla MRI, traditional radiology ▪ Laboratory analyses
HOSPICE S. ANTONIO DA PADOVA (Rome)	
<i>National Health System accredited facility</i>	<i>Main services provided</i>



- A facility providing palliative care services both in hospice and home care settings
- Services are provided to individuals in an advanced stage of illness, with the goal of providing constant support to patients and their families

SAMADI PSYCHIATRIC RESIDENTIAL FACILITY (Rome)

National Health System accredited facility



Main services provided

- The facility operates in the field of mental health and related disorders
- Four different types of inpatient care, rehabilitation, and social intervention are provided:
 - S.T.P.I.T - Psychiatric Intensive Territorial Treatment
 - S.R.T.R.i. - Intensive Therapeutic Rehabilitation Residential
 - S.R.T.R.e. - Extensive Therapeutic Rehabilitation Residential
 - S.R.S.R. 24 - High-Care Socio-Rehabilitation Residential
- The innovative "Multi-Family Psychoanalysis Group" ("MFPG") system was adopted in 2021. Originating in Argentina, the system is also used by some Mental Health Departments and local communities. This methodology was also extended to intensive care patients (i.e. S.T.P.I.T and S.R.T.R.i) and is based on the collaboration and involvement of the patient's entire family unit in therapy.

VILLA VON SIEBENTHAL (Genzano)

National Health System accredited facility



Main services provided

- Neuropsychiatric treatments
- "Extensive" and "intensive" psychiatric treatment for adolescents
- Admissions for mental disorders, including adult patients, in both the acute and post-acute phases
- Admission of patients with drug addiction
- Clinical pharmacological and rehabilitation research with international partnerships

7. Governance

7.1 GHC's corporate governance model (GRI 2-9, 2-11, 405-1)

GHC's corporate governance system is structured according to the traditional administration and control model and includes the following bodies:

- the Shareholders' Meeting, as expression of the interest of the plurality of shareholders, which expresses, through its resolutions, the will of the company;
- the Board of Directors, assigned the widest powers of ordinary and extraordinary administration of the Company, with the power to carry out all acts it deems appropriate for attaining the corporate scope, with the exception of those assigned to the Shareholders' Meeting by law;
- the Board of Statutory Auditors, an independent body which verifies compliance with law and the By-Laws, with the principles of correct administration and the adequacy of the administration and accounting organisation adopted by the Company.

The Board of Directors of the Parent Company currently in office, appointed by the Shareholders' Meeting of April 30, 2021 and in office for a three-year period, is made up of 11 members, five of whom are independent as per Article 148 of the CFA and Article 2, Recommendation 7 of the Corporate Governance Code, as shown in the following table.

OFFICE	MEMBER	YEAR OF BIRTH	GENDER	NATIONALITY	EXECUTIVE MEMBER	NON-EXECUTIVE MEMBER	INDEPENDENT PER CODE	INDEPENDENT PER CFA	In office from	In office until	Control, Risks and Sustainability Committee	Appointments and Remuneration Committee
Chairperson	Alessandro Maria Rinaldi ^(*)	1960	M	ITA		✓			30.04.2021	App. 2023 Ann. Accounts		
Chief Executive Officer	Maria Laura Garofalo ^(*)	1963	F	ITA	✓				30.04.2021	App. 2023 Ann. Accounts		
Director	Alessandra Rinaldi Garofalo ^(*)	1992	F	ITA		✓			30.04.2021	App. 2023 Ann. Accounts		
Director	Claudia Garofalo ^(*)	1985	F	ITA	✓				30.04.2021	App. 2023 Ann. Accounts		
Director	Giuseppe Giannasio ^(*)	1968	M	ITA		✓			30.04.2021	App. 2023 Ann. Accounts		
Director	Guido Dalla Rosa Prati ^(*)	1960	M	ITA	✓				30.04.2021	App. 2023 Ann. Accounts		
Director	Luca Matrigiani ^(**)	1969	M	ITA		✓	✓		13.02.2024	App. 2023 Ann. Accounts		
Director	Federico Ferro-Luzzi ^(*)	1968	M	ITA		✓	✓	✓	30.04.2021	App. 2023 Ann. Accounts	✓	✓
Director	Nicoletta Mincato ^(*)	1971	F	ITA		✓	✓	✓	30.04.2021	App. 2023 Ann. Accounts	✓	
Director	Giancarla Branda ^(*)	1961	F	ITA		✓	✓	✓	30.04.2021	App. 2023 Ann. Accounts		✓
Director	Franca Bruscol ^(***)	1971	F	ITA		✓	✓	✓	30.04.2021	App. 2023 Ann. Accounts	✓	✓

(*) Member drawn from Slate 1, submitted by the majority shareholders Larama98 S.p.A., Maria Laura Garofalo and An.Rama S.p.A. and voted for by 89.458% of the votes cast at the Shareholders' Meeting

(**) Member drawn from Slate 2, submitted by a group of minority shareholders and voted for by 10.542% of the votes at cast at the Shareholders' Meeting.

(***) Member co-opted into BoD on February 13, 2024

The Directors currently in office have adequate managerial and professional skills and the composition of the Board's internal committees ensures the presence of Directors with the specific skills required by law and by the Corporate Governance Code. The preparation of the Directors ranges from economic, legal, financial and organisational management subjects to those more specifically related to the business of the Company and the Group. The relevant curricula vitae are attached to the Corporate Governance and Ownership Structure Report for FY2023 published on the Company's website, to which reference should be made for any further details.

We also note that the composition of the Board of Directors is adequately diversified in terms of age, gender and educational, managerial and professional background, as well as origin, as can be seen from the above, and from the curricula vitae of the Directors.

Specifically, two Directors between the ages of 30 and 40, and nine Directors over the age of 50 sit on the Board of Directors. Six out of 11 Directors are women. The members of the Board include managers of the Company and Directors, including Independent Directors, with relevant experience on listed companies and corporate management, alongside Directors with consolidated track records in the industry in which the Company operates.

The role of Chairperson of the Board of Directors is held by a Non-Executive Director, who is not a senior executive of the Company.

Since the Company is not one of the addressees of Recommendation No 15 of the Corporate Governance Code, which refers only to "large companies", the Board of Directors did not express its position in relation to the maximum number of management and control positions held in other listed or large companies which may be considered compatible with

the proper fulfilment of the role of Director of the Company, deeming it appropriate to leave the individual Directors to assess such compatibility.

Subject to Article 3, Principle 12 of the Corporate Governance Code, Directors are required to accept their appointment when they believe they can devote the necessary time to the diligent performance of their duties. During 2023, the Board of Directors decided not to set a maximum number of appointments in view of the multiplicity of abstractly possible situations, which differ according to the characteristics of the individual Director, the type, size and complexity and specificity of the business sector of the companies in which the other offices are held, as well as the specific role covered (Executive, Non-Executive, Independent Director; member of committees; Statutory Auditor or Chairperson of the Board of Statutory Auditors, etc.).

Refer to Table 1B attached to the Corporate Governance and Ownership Structure Report for the year 2023, published simultaneously with this document and accessible on the Company's website, for the positions held by the Company's Directors as of the end of the year and the publication date of the NFS.

The composition of the Board of Statutory Auditors is as follows.

OFFICE	MEMBER	YEAR OF BIRTH	GENDER	NATIONALITY	INDEPENDENT PER CODE	INDEPENDENT PER CFA	In office from	In office until
Chairperson	Sonia Peron ^(*)	1970	F	ITA	✓	✓	30.04.2021	App. 2023 Ann. Accounts
Statutory Auditor	Alessandro Musiaio ^(**)	1967	M	ITA	✓	✓	30.04.2021	App. 2023 Ann. Accounts
Statutory Auditor	Francesca di Donato ^(**)	1973	F	ITA	✓	✓	30.04.2021	App. 2023 Ann. Accounts
Statutory Auditor	Andrea Bonelli ^(**)	1967	M	ITA	✓	✓	30.04.2021	App. 2023 Ann. Accounts
Statutory Auditor	Marco Salvator ^(*)	1965	M	ITA	✓	✓	30.04.2021	App. 2023 Ann. Accounts

^(*) Member drawn from Slate 2, submitted by a group of minority shareholders and voted for by 10.455% of the votes at cast at the Shareholders' Meeting.

^(**) Member drawn from Slate 1, submitted by the majority shareholders Larama98 S.p.A., Maria Laura Garofalo and An.Rama S.p.A. and voted for by 89.458% of the votes cast at the Shareholders' Meeting

7.2 Board of Directors appointment process (GRI 2-10, 2-18)

Pursuant to Article 147-ter of the CFA, the Company's By-Laws establish that the appointment of Directors is carried out by means of slate voting, in compliance with the current regulations concerning gender equality.

Specifically, Article 27 of the By-Laws provides that Directors are appointed on the basis of slates submitted by shareholders who hold, also jointly, at least 2.5% - or any other percentage set out by applicable provisions - of the share capital represented by Shares carrying voting rights in Shareholder Meetings' motions concerning the appointment of members of the administrative body, or any other threshold set out by Consob pursuant to Article 144-*quater* of the Consob Issuers' Regulation.

Each shareholder - in addition to shareholders belonging to the same group, belonging to the same Shareholder agreement pursuant to Article 122 of the CFA, the parent company, the subsidiaries and those subject to joint control pursuant to Article 93 of the CFA - cannot submit or take part in the submission of more than one slate, neither through nominees or a trust company, nor vote for different slates, and each candidate can be included in one slate only, otherwise he/she will be ineligible. In case of violation of the above, the vote cast shall not be taken into account.

The slates, signed by those who submit them, shall be filed at the registered office and at the market management company at least 25 days before the date set for the Meeting held to resolve on the appointment of the administrative body and made available to the public at the registered office, at the market management company, on the Company's website and according to the other methods set out by applicable legal and regulatory provisions, at least 21 days before the date set for the Meeting on first call.

The slates indicate which Directors meet the independence requirements established by law and by the By-Laws. Slates presenting a number of candidates equal to or greater than three shall in addition include candidates of each gender, according to that indicated in the Shareholders' Meeting call notice, in order to ensure a Board of Directors composition which complies with the applicable legislation on gender balance.

When filed, each slate must be accompanied by:

- information regarding the identity of the shareholders submitting the slate and the total percentage of share capital held by them;
- declarations from the individual candidates accepting their candidacies and certifying, in good faith, the inexistence of any cause of ineligibility or incompatibility, and the satisfaction of the requirements prescribed by applicable law for their respective offices;

- c) declarations of independence made pursuant to applicable laws and regulations; and
- d) a curriculum vitae for each candidate, which shall contain detailed information on the personal and professional characteristics of each candidate and indicate any management and control positions they hold.

Slates presented in violation of the above rules shall be considered null;

The By-Laws do not provide that the outgoing Board of Directors may submit a slate of candidates to serve as Directors.

The candidates elected shall be those on the two slates that have obtained the higher number of votes, with the following criteria:

- a) from the slate which obtained the highest number of votes (the "Majority Slate") all of the members of the Board of Directors are elected except one, as established by the Shareholders' Meeting; the candidates are elected from the Majority Slate in numerical order;
- b) from the slate which obtained the second highest number of votes (the "Minority Slate") and which is not connected in any way, even indirectly, with the Majority Slate and/or the Shareholders who have presented or voted on the Majority Slate, the first candidate listed is elected to the Board of Directors. Slates that have not obtained votes equal to at least half of that required for their presentation will not be taken into consideration. If no slate, other than the Majority Slate, has obtained this percentage of votes, the Director shall be drawn from the same Majority Slate.

In the event of a tie between slates, the slate submitted by the Shareholders holding the largest shareholding, or subordinately by the largest number of Shareholders, shall prevail.

The Company applies diversity criteria, including those relating to gender as set out in current legislation, in the composition of the Board of Directors, in compliance with the priority objective of ensuring adequate expertise and professionalism of its members, both at the time of their appointment and during their term of office. The current composition of the Board of Directors complies with applicable regulations and particularly with Article 147-ter of the CFA, according to which at least two-fifths of the Directors elected within the Board of Directors must belong to the under-represented gender.

In this regard, taking into account the indications received from the Appointments and Remuneration Committee, the Board of Directors has approved an Administrative and Control Board Diversity Policy, which provides non-binding indications on aspects such as gender, age, educational and professional background. These are to be taken into account in order to identify a qualitative and quantitative composition of the Board of Directors and the Board of Statutory Auditors of the Company that is optimal to ensure the effective discharge of the duties and responsibilities entrusted to the management and control bodies through the presence of individuals who, on the one hand, ensure a sufficient diversity of viewpoints and, on the other hand, are equipped with the skills necessary for a good understanding of the Company's business, risks and the long-term opportunities for GHC. This Policy is available on the Company's website in the Governance/Governance Documents section.

We note that at December 31, 2023, the Company has a real and concrete focus on gender equality and opportunity issues, as confirmed by the presence of:

- A female Chief Executive Officer;
- Females in the majority on the Board (6/11, or approx. 55%);
- Females in the majority on both internal committees (2/3, or approx. 67%);
- Females in the majority on the Supervisory Board (2/3, or approx. 67%);

In addition to the provisions contained in law, the CFA and those contained in the By-Laws and the Corporate Governance Code, the Company is not subject to other requirements concerning the composition of the Board of Directors.

Focus: Board of Directors' Self-Evaluation

Consistent with Recommendation No. 22 of the Corporate Governance Code for “non-large” companies, self-evaluation of the Board of Directors and its Committees is conducted at least every three years, in preparation for renewal of the Board.

This self-assessment concluded in early 2024 in view of the upcoming Board renewal. It was conducted through the compilation by all Board members of a questionnaire prepared by the Appointments and Remuneration Committee without the aid of an external consultant, the results of which were collected and examined by the Appointments and Remuneration Committee and submitted to the Board of Directors.

7.3 Appointment process and role of internal Board committees (GRI 2-10, 2-12, 2-15)

Control, Risks and Sustainability Committee

As recommended by the Corporate Governance Code and in accordance with the Consob RPT Regulation, GHC’s Board of Directors has established a committee with responsibilities including sustainability and related party transactions (“Control, Risks and Sustainability Committee”). This body has advisory and proposing functions and, pursuant to Recommendation No. 35 of the Corporate Governance Code, has the task of supporting, by means of an adequate preliminary, consultative and proposal activity, the assessments and decisions made by the Board of Directors concerning the Internal Control and Risk Management System, the approval of the periodic financial and non-financial reports, related party transactions and the sustainability of corporate policies. Following the appointment of the Board of Directors for the three-year period 2021-2023, and as of the date of this report, the Control, Risks and Sustainability Committee comprises the Non-Executive and Independent Directors Franca Brusco (Chairperson, appointed by the Committee itself in line with the internal Regulation, following consultation with Chairperson of the Board of Directors), Federico Ferro-Luzzi and Nicoletta Mincato.

The Control, Risks and Sustainability Committee as a whole has adequate expertise in the business sector in which the company operates, which is functional to assess the relevant risks (including those in the ESG area); at least one member of the committee has adequate knowledge and experience in accounting and finance or risk management.

Focus: Related Party transactions and Directors' Interests

On November 27, 2018, the GHC Board of Directors approved, subject to the opinion of the Control, Risks and Sustainability Committee acting as the competent committee for related party transactions, the Related Party Transactions Procedure, pursuant to Article 2391-bis of the Civil Code and the Consob RPT Regulation (“RPT Procedure”).

The RPT Procedure was most recently updated by the Board of Directors’ resolution of June 22, 2021, subject to the favourable opinion of the Related Parties Committee pursuant to Article 4, Paragraph 3 of the Consob RPT Regulation, in order to incorporate the amendments to the Consob RPT Regulation designed to fully align the regulatory text with Directive (EU) 2017/828, Shareholders Rights Directive 2. The RPT Procedure, which applies to GHC and to all its direct and indirect subsidiaries, governs the rules relating to the identification, approval and execution of related party transactions carried out by the Company, directly or through its subsidiaries. Specifically, the RPT Procedure regulates the procedures for the investigation and approval of related party transactions defined as of greater importance on the basis of the criteria indicated in the Consob RPT Regulation and related party transactions defined as of lesser importance, meaning those other than significant transactions and transactions of negligible amounts (as defined in the RPT Procedure). It also identifies the cases in which the rules provided for in the RPT Procedure do not apply. The full text of the RPT Procedure is available on the Company's website.

It should be underlined that the Board of Directors did not deem it necessary to adopt specific operational solutions aimed at facilitating the identification and adequate management of those situations in which a Director has an interest on his own behalf or on behalf of third parties; the Board believes the safeguards contained in Article 2391 of the Civil Code (“Directors’ Interests”) to be sufficient.

During 2023, the Company finalised a significant related party transaction, described in more detail in the Prospectus prepared in accordance with Consob RPT Regulation and the RPT Procedure. This document was published on August 3, 2023 in the “Governance/Governance Documents/Related Party Transactions” section of the Company’s website www.garofalohealthcare.com.

Appointments and Remuneration Committee

The GHC Board of Directors has established an Appointments and Remuneration Committee, which incorporates the functions provided by the Corporate Governance Code for the Appointments Committee and the Remuneration Committee. This is a preliminary, consultative and proposal body whose main task with regard to appointments is to identify the optimal composition of the Board of Directors and its Committees, indicating the professional figures whose presence may foster its correct and effective functioning and, with regard to remuneration, to make proposals to the Board of Directors for the definition of the remuneration policy for Directors and top management.

Following the appointment of the Board of Directors for the three-year period 2021-2023, and as of the date of this report, the Appointments and Remuneration Committee comprises the Non-Executive and Independent Directors Federico Ferro-Luzzi Brusco (Chairperson, appointed by the Committee itself in line with the internal Regulation, following consultation with Chairperson of the Board of Directors), Giancarla Branda and Franca Brusco.

7.4 Sustainability governance (GRI 2-12, 2-13, 2-14, 2-17)

The Board of Directors has assumed the role of the main driver in the Group's objective of creating long-term sustainable value for the benefit of shareholders and other relevant stakeholders. In this regard, the Company has always paid particular attention to sustainability or "ESG" issues: in fact, the Group considers that these issues lie at the heart of the precious "intangible" heritage that comprises its reputation, its history and the set of principles that underpin its socially responsible action, particularly given the specific - health and personal care in which it operates.

In order to implement the above, the GHC Group has created a Governance system specifically dedicated to the supervision and management of sustainability issues at Group level, in order to operate responsibly and to increasingly integrate sustainability into its strategic actions. This governance system involves a number of players who, each with their own roles and responsibilities, work together to ensure that the principles of sustainable success form an increasingly fundamental part of their daily actions. This is specifically based on the impetus and strategic directions outlined by the Board of Directors.

Specifically, as of December 31, 2023, the Company has:

- A Control, Risks and Sustainability Committee, consisting of three Independent Directors with investigative, propositional and advisory functions vis-à-vis the Board of Directors on sustainability issues;
- A Chief Sustainability Officer, who is responsible for preparing the Non-Financial Statement pursuant to Legislative Decree No. 254/16 and supporting top management in introducing activities relating to medium- and long-term ESG objectives;
- Non-Financial Statement Officers, identified at each subsidiary, responsible for collecting, processing and certifying non-financial data.

In-depth activities related to sustainability issues carried out in 2023

In 2023, the Control, Risks and Sustainability Committee and/or the Board of Directors continued their in-depth work in relation to various aspects concerning sustainability issues, both through internal corporate functions and through induction activities, alongside dedicated conventions and seminars.

In particular, the issues covered by such in-depth work include:

- analysis of the recommendations of the Corporate Governance Committee for 2024, sent in December 2023;
- the relationship between corporate governance, sustainability, and communication with shareholders (by participating in events and seminars organised by Assonime - the Association of Italian Joint Stock Companies);
- the analysis of the evolution of the legislation regarding sustainability reporting - also through a confidential induction carried out by an external advisor of primary standing regarding the Corporate Sustainability Reporting Directive ("CSRD") - as well as the analysis of the initiatives that GHC will have to implement and aimed at implementing the news for the Group;
- the analysis of the proposal relating to the 2023 ESG objectives, monitoring their implementation over the course of the year;
- the analysis of the proposal relating to the short-term (for 2024) and medium-term (for 2024-2026) ESG objectives.

Non-Financial Statement Reporting Process

The GHC Group's 2023 NFS was drawn up according to a structured reporting process, as set out in the "Non-Financial Statement" Policy approved by GHC's Board of Directors. The main steps taken in preparing the 2023 Non-Financial Statement are presented below:

PROCESS PHASES	
Process actor	Main activities
SUBSIDIARY NFS MANAGERS	<ul style="list-style-type: none"> Collecting, checking, and attesting to the data and information to be included in the NFS Certification of data and information through the same IT application used by the Group for the certification of consolidated financial data
ADMINISTRATIVE BODY OF SUBSIDIARY COMPANIES	<ul style="list-style-type: none"> Approval by the Board of Directors of each subsidiary of the non-financial data certified by the relevant NFS Manager; information forwarded to the parent company
CHIEF SUSTAINABILITY OFFICER	<ul style="list-style-type: none"> Consolidation of non-financial data and information certified by the NFS Manager of each subsidiary and approved by the relevant Board Preparation of draft Non-Financial Statement
CONTROL, RISKS AND SUSTAINABILITY COMMITTEE	<ul style="list-style-type: none"> Preliminary analysis of the draft Non-Financial Statement proposed by the Chief Sustainability Officer
GHC BOARD OF DIRECTORS	<ul style="list-style-type: none"> Approval of the final version of the Non-Financial Statement

Sustainability and performance: the 2021-2023 Performance Shares Plan

In 2021, and at the proposal of the Board of Directors, GHC's Shareholders' Meeting approved a long-term incentive plan involving the free assignment of GHC ordinary Shares. This is known as the "2021-2023 Performance Share Plan" and is reserved for the Chief Executive Officer and key figures of the Company and/or the Group as identified by the Board of Directors where applicable. The Plan provides that the assignment of shares is linked to the achievement of certain performance objectives, with a significant weighting given to ESG objectives, as detailed below. For more details on the 2021-2023 Performance Shares Plan, including aspects of its structure and predefined targets, please refer to the Governance/Remuneration section on the Group's website.

PERFORMANCE TARGETS INCLUDED IN THE 2021-2023 PERFORMANCE SHARE PLAN				
AREA	PROFITABILITY	VALUE CREATION FOR SHAREHOLDERS	ESG	
WEIGHTING (%)^(*)	60%	25%	15%	
KPIs	Operating Adjusted EBITDA Weighted Average Margin	Total Relative Shareholder Return	Standard Ethics Rating	Environmental Energy Performance

() The weighting indicated refers to the percentage of shares assigned (on the full achievement of expected objectives)*

Sustainability commitments undertaken by the Group

GHC Group considers sustainability an essential strategic lever for achieving its corporate goals. For this reason, the Group has, since its IPO, opted to provide detail on the status of the targets set for the previous year, simultaneously illustrating its sustainability commitments for subsequent years, with a view to transparently communicating the main lines of action to all stakeholders.

We note that the Group's sustainability goals (those for both 2023 and 2024) were formally approved by the relevant internal Board committees and the Board of Directors.

Below are the commitments made by the Company under the NFS 2022 (approved in March 2023), the detailed elements of which are represented individually in dedicated sections of the document.

AREA	INTERVENTION AREA 2023	OBJECTIVE	PLANNED ACTION	STATUS
ENVIRONMENT	ENVIRONMENT AND EFFICIENCY ENERGY	Execute energy efficiency measures in accordance with the recommendations provided by the FY2022 study.	Implementation of the 2023 investment plan for energy efficiency (see page 90)	✓
		Increase the proportion of electricity acquired from renewable sources to further cut supply costs	Signing of a medium-term Group contract for the supply of electrical energy from at least 50% renewable sources (see page 89)	✓
SOCIAL	QUALITY OF CARE AND FOCUS ON THE PATIENT AND CAREGIVER	Actively monitor, measure, and manage performance quality using primary indicators of patient safety and quality	Performance of an assessment relating to the quality of care and customer satisfaction (see pages 68-69)	✓
		Actively monitor, measure and manage customer satisfaction		✓
	TECHNOLOGICAL INNOVATION AND DIGITALISATION OF SERVICES	Implement digital evolution initiatives and projects	Adoption of digital evolution initiatives related to the “web portal”, RIS, and PACS projects (see pages 71-72)	✓
	ETHICS AND INTEGRITY	Establish a specific training plan on regulatory/compliance aspects (e.g. anti-corruption, privacy)	Definition and adoption of a training plan on these topics for the Holding and Group facilities (see page 75)	✓
	CULTURE OF SUSTAINABILITY	Support participation and community building programmes targeted at disseminating the Company’s sustainable practices and receiving operational improvement insights.	Second edition of the “Raffaele Garofalo award for Sustainability” (see pages 72-73)	✓
GOVERNANCE	ALIGNMENT WITH BEST PRACTICES	Maintaining/improving the Standard Ethics Rating	Maintaining and/or improving the Standard Ethics Rating (see page 39)	✓
	INTEGRATION OF FINANCIAL AND NON-FINANCIAL PERFORMANCE	Integrate ESG issues into the Budgets/Plans of each subsidiary	Definition of process and KPIs (from 2023) and their inclusion in BDGs/Multi-Annual Plans (from 2024) (see page 60)	✓

	DATA SECURITY & PRIVACY	Strengthen cyber security and security measures	Approval of the “Incident Management” procedure by subsidiaries (see page 76)	✓
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Similarly, the sustainability commitments made by GHC for 2024 - the implementation of which will be reported on in the 2024 NFS (to be approved in March 2025) - are given below.

SCOPE AND ACTION AREA 2024	OBJECTIVE	STRATEGIC RATIONALE
SOCIAL QUALITY OF CARE AND FOCUS ON THE PATIENT AND CAREGIVER	Launch of a home care initiative to improve quality of life and limit the functional decline of individuals in family settings, avoiding hospitalisation or inpatient stays where possible	The development of home care is one of the pillars of the National Recovery and Resilience Plan, which has allocated approximately Euro 3 billion to the field. The goal is to increase the volume of home care services provided, seeking to cover at least 10% of the population aged over 65 by mid-2026, following the best European practices. With this in mind, to maintain a strong focus on social and local community issues, the GHG Group deemed it strategic to develop these services in line with the needs of the population and national and supranational guidelines. These healthcare services will be adopted for the first time by two Fides Group facilities (Rehabilitation Centre and Villa Fernanda), marking the Group’s transition towards this innovative care approach, starting with a setting that is intrinsically linked to these aspects
GOVERNANCE	Analysis and active monitoring of IT governance and cyber security processes	Assessment of the IT process is a strategic initiative for the Group as it paves the way for the consolidation of governance over IT systems and processes. This involves gaining a comprehensive, group-level understanding of the current state of the management and control system for various cross-cutting sub-processes essential for overseeing operational, administrative, and healthcare activities effectively. Several IT processes will be analysed, including in the following areas: IT Governance, Cyber Security, Disaster Recovery, Application and Connectivity Services Status, and IT Department Organisation
DIGITALISATION AND DATA SECURITY	Migration of the Group’s data centre to a new operator to allow for increased computational calculation (resulting in reduced disruption)	The data centre serves as the backbone for all of the Group’s healthcare and non-healthcare activities as it houses, collects, and manages all information (including historical data) essential for GHC’s operations. The data centre migration project is therefore a Group necessity primarily to address the challenges of innovation, digitalisation, and security, especially in light of its new scale (the Group has almost tripled in size since its IPO). As part of this migration project, we note the strengthening of corporate controls in managing contractual relationships with suppliers, which also plays an essential role in reducing operational disruptions at subsidiaries, resulting in increased efficiency and greater appreciation of the activities performed for the benefit of all stakeholders

As evidence of the continued relevance attributed to ESG topics, we note that, on March 14, 2024, at the recommendation of the Appointments and Remuneration Committee, the Board of Directors of GHC approved the “2023 Remuneration Policy and Report”. In this Report, which will be subject to a vote at the Shareholders’ Meeting on April 29, 2024, targets were incorporated into the Chief Executive Officer’s annual variable remuneration component (or “MBO”), accounting for 20%.

In addition, GHC’s main medium-term sustainability commitment to date is outlined below.

SCOPE AND ACTION AREA 2024-26	OBJECTIVE	STRATEGIC RATIONALE
SOCIAL QUALITY OF CARE AND FOCUS ON THE PATIENT AND CAREGIVER	Establishment of a national leading “Cardiovascular Heart Centre” at Aurelia Hospital to increase the quality and effectiveness of surgical services	The establishment of the new Heart Centre is one of the strategic drivers announced to the market during the acquisition of the Aurelia Hospital Group. At the same time, this initiative reflects the Group’s commitment to improve the patient experience and service quality, positioning Aurelia Hospital as an international leader

Again, we note that the target mentioned above was included in the Group’s new medium-to-long-term “2024-2026 Performance Share Plan”, subject to approval by the Shareholders’ Meeting called for April 29, 2024, accounting for 20%.

The GHC Group will also be required – in accordance with the mandatory regulatory requirements outlined in the new sustainability disclosure (“CSRD”) – to develop medium and long-term climate-related targets in 2024, which will be duly reported in its 2024 NFS, to be published in 2025.

ESG ratings and sustainability awards

In 2023, Standard Ethics Ltd. (“**Standard Ethics**”), an independent agency that issues non-financial sustainability ratings, raised GHC’s long-term ESG rating from investment grade “EE” (“Strong”) to “EE+” (Very Strong). The short-term rating was confirmed at the “EE” (‘Strong’) level, also Investment Grade. This marks the second ESG rating upgrade for GHC in the past three years, which has held a Standard Ethics rating since October 2020.

According to Standard Ethics, the rating upgrade can be attributed to “GHC’s continuous focus on innovation and the progressive strengthening of its ESG framework, identifying medium and long-term goals (especially of an environmental nature) aligned with UN, OECD, and EU voluntary guidelines”. In addition, Standard Ethics appreciated the Group’s sustainability governance, which is “well-structured and supported by an appropriate steering, control, and ESG Risk Management system”. Also highlighted by Standard Ethics were the long-term incentive plan, linked to sustainability ratings and energy and environmental performance, and the behaviours adopted “to better protect the interests of minority shareholders, such as the waiver of the majority vote by the controlling shareholder”.

The rating assigned by Standard Ethics is an independent assessment that expresses the level of compliance with voluntary institutional and international sustainability guidelines (and related governance aspects) from the United Nations (UN), the Organisation for Economic Cooperation and Development (OECD) and the European Union (EU).

The Standard Ethics report can be found in both Italian and English in the Sustainability/ESG Rating section on the Company’s website.

We note that maintaining and/or improving the ESG rating provided by Standard Ethics was a sustainability goal for FY2023, an objective that should therefore be considered achieved.

Against this backdrop, we also note that in 2023, GHC was selected as a “**Sustainability Leader**” for the third consecutive year, an honour presented by IISole24Ore and Statista to the most sustainable Italian enterprises from a sample of almost 1,500 companies.

7.5 Group organisational model and regulatory system

GHC Group organisational model

The organisational model adopted by the Group involves centralising at the Parent Company, which exercises management and co-ordination over the subsidiaries pursuant to Article 2497 of the Civil Code, the decision-making process regarding, *inter alia*, the pursuit of the strategic objectives, although ensuring full decision-making autonomy for the subsidiaries in implementing the Parent Company-defined strategy.

In particular, the parent company:

- identifies the strategic development guidelines to be pursued, sets and monitors goals for the various healthcare facilities;
- identifies the potential healthcare facilities to be acquired, managing M&A activities and the post-acquisition integration plan to achieve the potential synergies;
- manages certain specific activities for the Group, so as to rapidly achieve possible synergies in terms of the efficacy and efficiency of the business.

Likewise, each subsidiary:

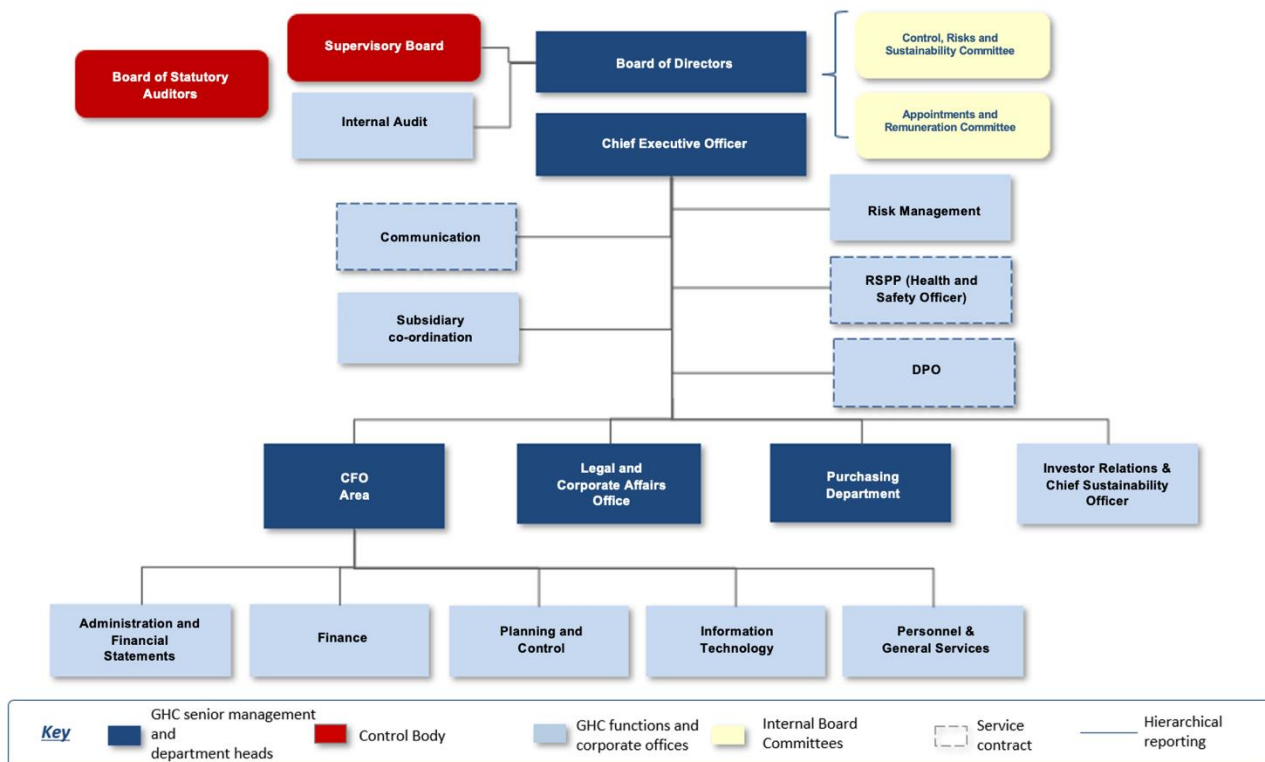
- independently manages its own healthcare and dependency care services;
- formulates and implements its own budget/business plan;
- periodically defines its financial needs.

Organisational model of the Parent Company

The organisational model requires the following Departments/Functions to report directly to the Chief Executive Officer of the Company:

- CFO Management Area: (i) manages the administration, finance, planning and control activities so as to ensure the use of Group economic and financial resources in line with the business plan; (ii) ensures the design, implementation and operation of the services, networks and IT applications that support and/or automate the company's production processes and uses the capacity for technological innovation as a lever of competitive advantage; (iii) ensures the management and development of human resources, all related processes and the management of the company's general services;
- Purchasing Department: handles the procurement of goods and services to support the operations of the Company, contributing to Group purchasing policies in line with corporate strategies;
- Legal and Corporate Affairs: handles the management of legal and corporate affairs, so as to guarantee the protection of the Company's interests in all appropriate forums and ensure the management of corporate obligations, as provided for also by the implementing regulations of the Authorities in charge of market control;
- Communication: ensures the coordination of the Company's external relations and institutional communication in the media, ensuring the consistency of information in view of the policies agreed with the Chief Executive Officer, and ensures the communication of information regarding GHC and each subsidiary, with the exception of regulated information;
- Risk Management: ensures the coordination at Group level of activities relating to the introduction and management of the Enterprise Risk Management process, developing and promoting the development of a risk culture and a common language on risk within the organisation in line with the Guidelines on the Internal Control and Risk Management System issued by the parent company;
- Investor Relations & Chief Sustainability Officer: (i) supports the Chief Executive Officer in managing relations with investors, lenders and other counterparties, ensuring official communication with Borsa Italiana and the market; (ii) promotes and ensures Corporate Sustainability activities in order to foster a Group sustainability culture.

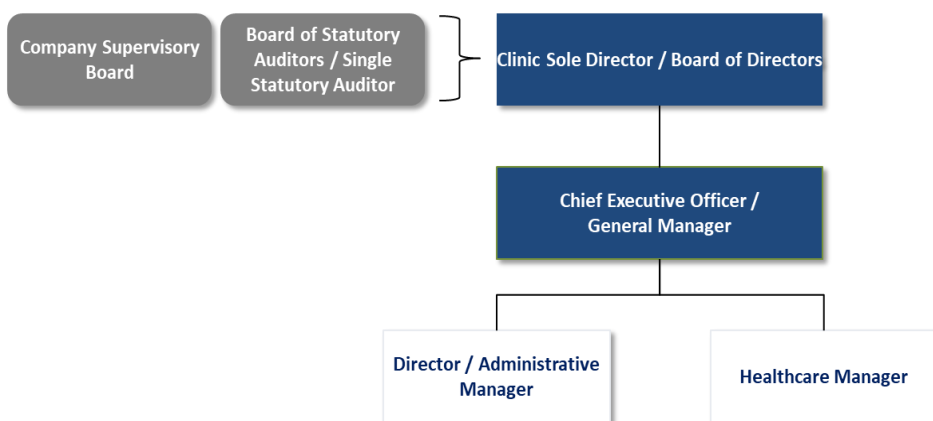
The organisational model also provides that, based on the indications provided by the Corporate Governance Code, the Internal Audit Function, which operates at Group level, reports directly to the Board of Directors of GHC S.p.A. in order to guarantee its autonomy and independence.



Organisational model of the subsidiaries

The organisational model of the subsidiaries establishes that each structure has a:

- **Chief Executive Officer / General Manager:** reports directly to the administrative body of the individual Group company or to the Sole Director;
- **Administrative Manager** who has the task of overseeing in particular administrative-accounting and financial matters and, more generally, supports the structure for “staff” matters;
- **Healthcare Manager**, responsible, *inter alia*, for the technical-functional organisation and good functioning of the sanitary-health services and the respect of the rules of protection of the operators against the risks deriving from the specific activity.



We also note that all subsidiaries are subject to mandatory or voluntary audits and have formal controls for aspects relating to risk management, the application of Law No. 262/2005 and the processing and reporting of non-financial data.

Focus: the Committee of Chief Executive Officers and General Managers of subsidiaries

In 2018, the Board of Directors set up the Committee of Chief Executive Officers and General Managers of the subsidiaries, with coordination functions between the subsidiaries and the relevant corporate and healthcare structures and at which the Chief Executive Officer and GHC's top management may attend on invitation. This Committee, chaired on a rotating basis by one of its members, oversees the implementation of process best practices at Group level and monitors the development of the marketplace.

Group Regulation

The Group Regulation ("**Regulation**"), approved by GHC's Board of Directors in 2020 and updated in 2022, identifies the areas and defines the procedures for the exercise of management and coordination by the Parent Company with respect to its subsidiaries, in accordance with the strategic objectives, development policies and management guidelines set by the Parent Company.

In fact, in the light of the above-mentioned organisational model, the management and coordination of the Parent Company is carried out in the following manners:

- definition of policy and coordination acts for the pursuit of Group interests and the development of all the constituent companies;
- prior authorisation for subsidiaries to carry out "Significant Transactions" (as defined in the Regulation);
- definition of the Group's regulatory system, information flows and other connection processes to ensure effective coordination between Group companies;
- definition of a single address of the ICRMS.

In view of the management and coordination carried out by the Parent Company, each subsidiary is required to:

- adopt and implement the policies, directives and instructions issued by the Parent Company;
- request prior authorisation from the Parent Company to carry out "Significant Transactions";
- implement and comply with the Group's regulatory system, as well as to promote the flow of information and other connection processes with the Parent Company and the other subsidiaries;
- promote the internal controls for which it is responsible in the context of the general policy of the ICRMS set by the Parent Company, ensuring that all the functions and bodies responsible for control (both of the Parent Company and of subsidiary or external companies) are not hindered in the exercise of their functions and that they establish strong collaborative relations with each other, without prejudice, in any event, to the responsibility of the relevant subsidiary.

Therefore, the purpose of the Regulation is to indicate:

- the strategic or operational areas in which the acts of management and coordination are carried out;
- "Significant Transactions" which must be submitted for prior authorisation by the Board of Directors or the Chief Executive Officer of the Parent Company;
- the instruments through which management and coordination is applied, namely the Group's regulatory system, information flows (as defined below), and other connecting processes, such as inter-company committees;
- the corporate processes subject to management and coordination by the Parent Company, broken down by main issues, and the responsibilities of both the Parent Company and the subsidiaries for each area.

Group regulatory system

With reference to the organisational model set out above, the Parent Company defines the Group's regulatory system by identifying specific regulatory and operational instruments (such as, by way of example, procedures, policies, guidelines, directives and recommendations) concerning the concrete methods with which management and coordination is carried out. In this regard, it should be noted that the Parent Company already in 2018 issued a specific company procedure ("Management of the corporate regulatory system" or "Procedure 0"), which seeks to define the rules for the management of the corporate regulatory system, i.e. the set of rules to be followed for the management of the Company's processes.

These instruments, defined as "top-down", are issued by the Parent Company and must be implemented by the Boards of the Subsidiaries or their delegated bodies (on the basis of any indications received from the Parent Company).

As part of the Group's overall regulatory system, in addition to adopting and applying these regulatory instruments, each subsidiary identifies and issues specific regulatory and operational instruments (such as, by way of example, procedures), in compliance with the Group's regulatory system, in order to comply with any requests or indications from the Parent Company, for which the latter may provide a reference model, or internal needs, deriving, for example, from the management of its own Quality System or other certifications or reference regulations.

7.6 Group Internal Control and Risk Management System and Information Flows (GRI 2-16)

Internal Control and Risk Management System

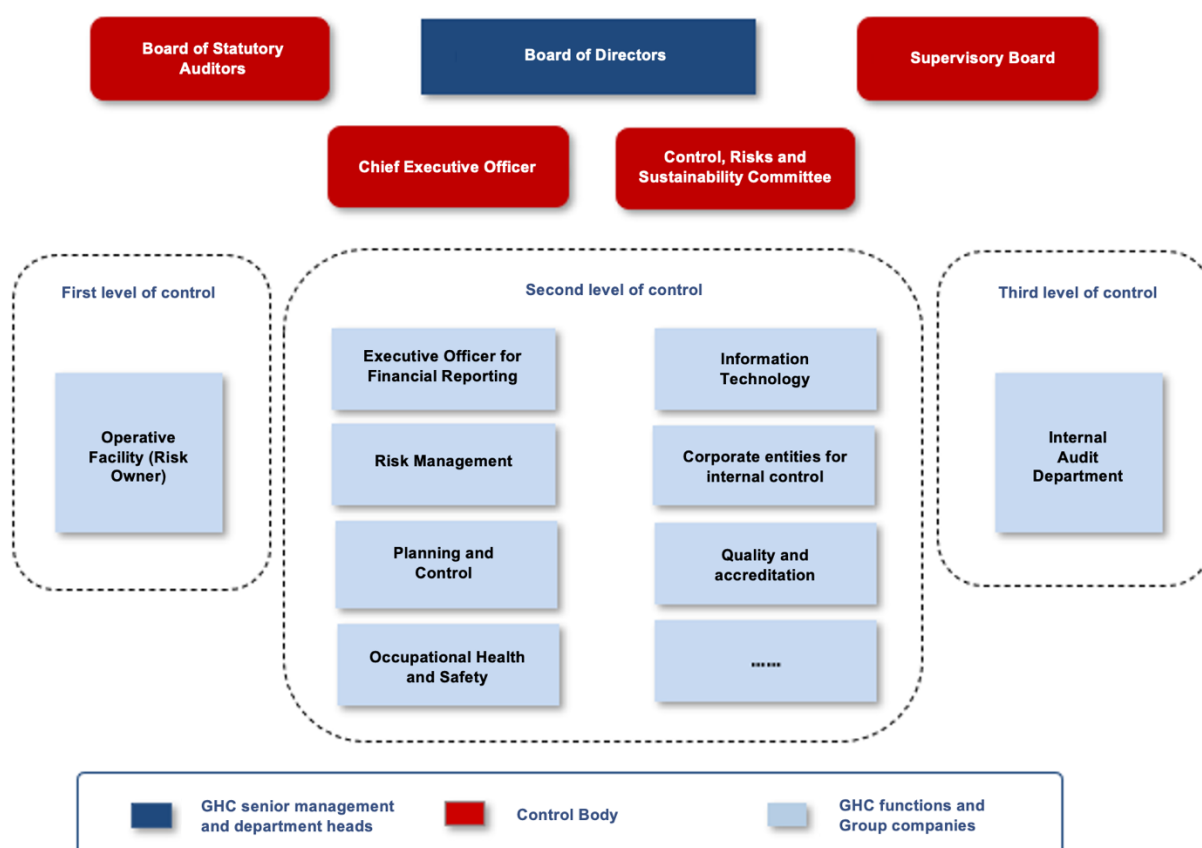
The Internal Control and Risk Management System ("ICRMS") plays a central role in GHC's decision-making process and is defined, in accordance with the principles set out in Article 6 of the "Corporate Governance Code" adopted by the Corporate Governance Committee in January 2020, as the set of rules, procedures and organisational structures which ensure the effective and efficient identification, measurement, management and monitoring of the main business risks within the Group, in order to contribute to its sustainable success.

In this context, the Board of Directors of GHC, which bears responsibility for the ICRMS, within its role of management and coordination of the GHC Group, has prepared the "Guidelines for the Internal Control and Risk Management System" ("**Guidelines**"), updated to the Corporate Governance Code, in force from January 1, 2021, in order to ensure that the organisation's principal risks are properly identified, measured, managed and monitored, in line with the Group's strategic objectives.

The main elements of the ICRMS defined for the GHC Group are:

- the presence of a Chief Executive Officer (the CEO of GHC) who is responsible for establishing and maintaining the ICRMS;
- the presence of organisational structures in charge of carrying out and assessing risk management activities (Control, Risks and Sustainability Committee, Risk Management Function and Internal Audit Function);
- the presence of an Internal Audit Function delegated by the Board of Directors to provide independent assurance on the efficiency and effectiveness of the ICRMS;
- the setting up of a risk management system in relation to the financial reporting process introduced in compliance with the provisions of Article 154-bis of the Consolidated Finance Act;
- the establishment of a Group regulatory system involving specific communication and awareness programmes (Group Code of Ethics to promote and maintain an adequate level of correctness, transparency and ethics in the conduct of Group activities, Organisational and Management Model pursuant to Legislative Decree No. 231/2001).

The main parties involved in the GHC Group's Internal Control and Risk Management System are presented below.



It is important to underline that, in order to ensure the effectiveness of the ICRMS, verification and control activities are provided for on three levels for parties who have been assigned specific roles and responsibilities:

- First level: line controls (procedural, IT, behavioural, administrative-accounting, etc.), i.e. checks carried out by operational structures in order to identify and mitigate risks relating to the areas for which they are responsible;
- Second level: controls carried out by the corporate Functions with specialist supervisory responsibility for managing the Group's risks (Risk Management, Quality and Accreditation, Legal, Compliance, Occupational Health and Safety and Environment, Administration and Control, etc.);
- Third level: controls carried out by the Internal Audit Function, responsible for providing independent assurance through a risk-based approach to first and second level controls, in addition to the overall architecture and functioning of the ICRMS, to identify anomalous trends and violations of procedures and regulations applicable to the organisation.

Throughout 2023, the Chief Executive Officer in charge of the ICRMS, the assigned control functions, and the internal audit function reported periodically to the Board of Directors on relevant events and audits conducted in accordance with the activity plan, with specific reference to the activities conducted by subsidiaries in the area of compliance with the most important applicable regulations.

Group information flows

The GHC Group Information Flow Guidelines ("**Information Flows**"), also approved in 2020 by the GHC Board of Directors and updated in January 2023 to reflect organisational changes, were developed with the dual purpose of:

- representing information flows related to the application of the ICRMS Guidelines;
- identifying and representing the main information flows within the Group in application of the Regulation.

With reference to both cases, the Information Flows identify: (i) the responsibilities of the parties involved in these flows; (ii) the main and secondary recipients, (iii) the frequency and timing necessary to allow the Parent Company to fully exercise its management and coordination and monitor the adequacy and effectiveness of the Group's ICRMS.

During 2023, the guidelines were applied to both information flows governed by the ICRMS Guidelines (see preceding point) and information flows between the Holding and its subsidiaries governed by Group Regulations and corporate procedures.

We also note that the new European Directive on Corporate Sustainability Reporting ("CSRD"), in force from the 2024 NFS (to be published in 2025), imposes an obligation on specific companies to provide adequate disclosure of the main features of their internal control and risk management systems, including in relation to sustainability reporting and the related decision-making process. As mentioned above, in 2024, the Group will collaborate with an internationally reputable consulting firm with specific expertise and prior knowledge of the Group. This partner will be responsible for assisting the GHC in understanding and correctly preparing the new mandatory sustainability reporting disclosure.

The findings of these activities, including those related to internal control and risk management systems in connection with sustainability reporting, will be duly published by GHC in its 2024 NFS.

7.7 Enterprise Risk Management (GRI 2-16)

Enterprise Risk Management

Risk Management activities are considered fundamental by GHC to strengthen the Group's ability to create value for shareholders and stakeholders and to ensure the sustainability of the business over the medium/long term. In 2023, the single integrated Enterprise Risk Management Model was consolidated, extending the scope of the surveys to the Group's new facilities, continuing the measurement of specific Key Risk Indicators, which are designed to empirically validate ERM assessments collected by Risk Owners. In addition, measurement of the 12 new quality-related Key Performance Indicators was incorporated into the model for each Group facility (thereby totalling over 30 risk and quality indicators) Specific vertical assessments on topics of interest such as customer satisfaction and clinical risk analysis and reporting were also initiated. In line with the approved ERM model, the GHC Group's risk management is based on an integrated process of mapping, analysis, processing and monitoring of all organisational risks, providing top management with the information necessary to make, in an informed manner, the best decisions for the achievement of the strategic objectives and for the growth and creation of value for the Group, in addition to its protection. The key roles and responsibilities identified by the GHC Group in managing these issues are presented below.

AREA	ACTOR	Main roles and responsibilities
GUIDANCE	Board of Directors	<ul style="list-style-type: none"> Defines the guidelines of the Internal Control and Risk Management System Oversees the proper functioning, comprehensiveness and effectiveness of the ERM model Approves ERM Guidelines and the Risk Appetite Statement (RAS)
	Control, Risks and Sustainability Committee	<ul style="list-style-type: none"> Oversees correct and effective application of the ERM methodology across the Group Prepares and proposes risk management assessments to support Board of Director decisions
IMPLEMENTATION	Chief Executive Officer	<ul style="list-style-type: none"> Applies the guidelines defined by the Board of Directors Validates the ERM Guidelines and proposes the Risk Appetite Statement, with the support of the competent Departments Validates the results of the Group Risk Assessment
	Group Risk Manager	<ul style="list-style-type: none"> Develops the methodological approach and components of the ERM model Coordinates and supervises Risk Assessment activities at both the holding and healthcare facilities
	Risk Coordinator for healthcare facilities ^(*)	<ul style="list-style-type: none"> Coordinates Risk Assessment activities at the reference clinic, ensuring application of ERM methodology Constitutes the interface for the Group Risk Manager on all Risk Management issues. Ensures adequate information and reporting flows to the Group Risk Manager as part of the process
	Risk Owners	<ul style="list-style-type: none"> Identify and assess risks at the holding and healthcare facilities Define and implement the risk mitigation actions defined within the Action Plans
SUPERVISION	Board of Statutory Auditors	<ul style="list-style-type: none"> Responsible for overseeing the adequacy of the ERM model
	Internal Audit	<ul style="list-style-type: none"> Monitors the effectiveness and efficiency of the model Contributes to the identification of risk areas

(*) The figure of the Risk Coordinator is identifiable, depending on the health facilities, in the figures of CEO, GM or Quality/Clinical Risk Manager and is supported by Administrative Directors and/or Healthcare Managers.

The ERM 2023 findings were submitted to the Board of Directors and relevant Board committees.

7.8 Remuneration policies (GRI 2-19, 2-20, 2-21)

The Remuneration Policy is the result of a process involving the Shareholders' Meeting, the Board of Directors, the Appointments and Remuneration Committee (composed exclusively of Independent Directors), the Board of Statutory Auditors, and the various corporate functions, with respect to their fields of responsibility.

Pursuant to Article 123-ter of the CFA and 84-quater of the Consob Issuers' Regulation, these issues are covered in the "2023 Remuneration Policy and Report".

The "Report" provides a summary of the Company's policy on the remuneration of the Board of Directors and, without prejudice to the provisions of Article 2402 of the Civil Code, the Board of Statutory Auditors, in addition to the compensation for the year ending December 31, 2023.

Specifically, the document is divided into two sections:

- Section I - Remuneration Policy 2024 - illustrates the Policy proposed for 2024 by the Company for the remuneration of Directors and members and the Board of Statutory Auditors, specifying the purposes pursued, the bodies and persons involved and the procedures used for its adoption and execution;
- Section II - Report on Remuneration Paid in 2023 - illustrates the remuneration paid to individual Directors and Statutory Auditors in 2023.

This Report was prepared pursuant to Article 123-ter of the CFA, Article 84-quater and Annex 3A, Schedule 7-bis of the Consob Issuers' Regulation, and in accordance with Article 5 of the Corporate Governance Code.

On March 14, 2024, at the recommendation of the Appointments and Remuneration Committee, the Board of Directors of GHC accepted this Report, which will be put to a vote at the Shareholders' Meeting scheduled for April 29, 2024. Specifically, the Shareholders' Meeting will vote on:

- Section I, namely the "Remuneration Policy 2024", with a binding vote;
- while on Section II, namely the "Report on Remuneration Paid in 2023", its vote is advisory.

The text of the Report is made available to the public at the Company's registered office and in the "Governance/Shareholders' Meeting" and "Governance/Remuneration" sections of the Company's website, www.garofalohealthcare.com, by the 21st day before the Shareholders' Meeting called to approve the Financial Statements for 2023, in accordance with applicable law.

In accordance with GRI Guidelines 2021, the ratio of the Chief Executive Officer's annual total remuneration to the average annual total remuneration of Group employees was also determined. Specifically, the calculation was made by taking as a reference:

- for the Chief Executive Officer: gross annual remuneration (comprising fixed compensation - including remuneration from subsidiaries and associates - non-equity variable compensation, and the fair value of equity compensation) totalling Euro 2,127 thousand in 2023, as indicated in the 2023 Remuneration Policy and Report);
- for employees: the value of personnel expenses indicated on a pro-forma basis in the GHC Consolidated Financial Statements (i.e. taking into account the 12-month contribution of Sanatorio Triestino and Aurelia Hospital's facilities, all acquired in 2023), equal to Euro 110,493 thousand in 2023⁽²⁾.

The ratio for 2023 was 53.3x, in line with 2022 (i.e. 53.4x, using the same calculation method).

We also note that between 2023 and 2022: (i) the percentage change in the total annual compensation for the Chief Executive Officer (calculated for the two fiscal years as explained above) is 0.3%, and (ii) the percentage change in the total annual average compensation of the Group's employees (calculated for the two fiscal years, as explained above) is 0.5%. The ratio between the two variations, as required by the GRI Standards, is therefore 0.53x.

⁽²⁾ We note that: (i) in light of the significant changes made to the scope between 2022 and 2023, the unit remuneration for employees was calculated taking into account the total number of Group employees (2,767 for 2023); and (ii) the average value of remuneration was used as a benchmark, taking into account the Group's complex structure. Even so, given the nature of the Company's business and the exclusive nature of its activities in Italy, it is not thought that the calculation would have resulted in large differences even if based on the median salary value

8. Responsible conduct (GRI 2-23, 2-24)

8.1 The Code of Ethics of the GHC Group

The Group updated its Code of Ethics in 2023 to adapt to the regulations on Whistleblowing, aware of the growing attention of its stakeholders to issues regarding responsible business conduct and also in light of the rapid growth since listing through organic development and M&As. This growth requires its culture to be strongly reaffirmed and absorbed, through clearly presenting the set of values underlying the Group, together with the responsibilities it intends to assume both within its scope and externally.

Compliance with supranational recommendations and principles

As detailed in the Code of Ethics, in undertaking its activities, GHC is guided by a number of the major supranational recommendations, including:

THE MAIN RECOMMENDATIONS AND SUPRANATIONAL PRINCIPLES THAT INSPIRE THE GHC GROUP	
THE UNITED NATIONS GLOBAL COMPACT	<ul style="list-style-type: none"> With particular reference to the principles pertaining to the sphere of "Human Rights" ("<i>businesses are required to promote and respect universally recognised human rights within their spheres of influence</i>" and "<i>ensure that they are not, even indirectly, complicit in human rights abuses</i>") and "Labour" ("<i>businesses are required to uphold the freedom of association of workers and recognise the right to collective bargaining, [...] the elimination of all forms of forced and compulsory labor, [...] the effective elimination of child labour, [...] the elimination of all forms of discrimination in employment and occupation.</i>")
OECD GUIDELINES FOR MULTINATIONAL COMPANIES	<ul style="list-style-type: none"> With particular reference to the principles pertaining to the topic of Competition ("<i>enterprises should [...] conduct their activities in a manner compatible with all applicable competition laws and regulations [...], refrain from entering into or implementing anticompetitive agreements [...], regularly promote the awareness among employees of the importance of observing all applicable competition regulations and policies, and, in particular, train the company's senior management on these issues</i>"), the Environment ("<i>[...] companies should give due consideration to the need to protect the environment, public health and safety, and, in general, should conduct their activities in a manner that contributes to the broader goal of sustainable development.</i>") and Taxation ("<i>[...] companies should comply with both the letter and the spirit of the tax laws and regulations of the countries in which they operate [...], Boards of Directors should adopt tax risk management strategies to ensure that financial, legal and reputational risks associated with taxation, are fully identified and assessed.</i>")
GOALS OF THE UNITED NATIONS 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT (SDGs)	<ul style="list-style-type: none"> With a focus on Goals No. 3 ("<i>ensure healthy lives and promote well-being for all at all ages</i>"), No. 5 ("<i>achieve gender equality and empower all women and girls</i>"), No. 8 ("<i>stimulate sustained, inclusive and sustainable economic growth, full employment and decent work for all</i>"), No. 9 ("<i>building resilient infrastructure and promoting innovation and equitable, responsible and sustainable industrialisation</i>") and No. 16 ("<i>promoting peaceful and inclusive societies for sustainable development, ensuring access to justice for all and building effective, accountable and inclusive institutions at all levels</i>").
DECLARATION ON FUNDAMENTAL PRINCIPLES AND RIGHTS AT WORK AND THE 8 FUNDAMENTAL CONVENTIONS OF THE INTERNATIONAL LABOUR ORGANIZATION (INTERNATIONAL LABOUR ORGANIZATION - ILO)	
UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT INTERNATIONAL CONVENTIONS ON CIVIL AND POLITICAL RIGHTS AND ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS	
UNITED NATIONS CONVENTIONS ON THE RIGHTS OF WOMEN, THE ELIMINATION OF ALL FORMS OF RACIAL DISCRIMINATION, THE RIGHTS OF THE CHILD, AND THE RIGHTS OF PERSONS WITH DISABILITIES	

Addressees of the Code of Ethics

The Code of Ethics addresses and applies to the following addressees:

MAIN ADDRESSEES OF THE CODE OF ETHICS	
<i>All addressees, without distinction or exception, are required to be familiar with the contents of the Code of Ethics and to observe and enforce the Code within the scope of their functions and responsibilities. In no way may the belief that one is acting for the benefit or in the interest of the Group or an individual company of the Group justify the adoption of conduct contrary to the principles and standards of conduct set out in this document. GHC hopes that its stakeholders will recognise the principles on which this Code of Ethics is based, share them, and apply them as the basis for a relationship of mutual trust.</i>	
DIRECTORS, MEMBERS OF SUPERVISORY BODIES, AND EXECUTIVES OF ALL GROUP COMPANIES	<ul style="list-style-type: none"> ▪ Who must: <ul style="list-style-type: none"> a) ensure that all their decisions and actions comply with the Code of Ethics and any conduct codes of the respective bodies to which they belong. b) encourage awareness of the Code of Ethics and its sharing among employees and third parties working on behalf of GHC (such as, but not limited to, doctors, nurses and partners); and c) represent, through their conduct, a role model for staff
EMPLOYEES	<ul style="list-style-type: none"> ▪ Who are required to act in accordance with the Code of Ethics and any conduct codes of the respective bodies to which they belong
COLLABORATORS AND SUPPLIERS	<ul style="list-style-type: none"> ▪ Who must be appropriately informed of the standards of conduct set out in the Code of Ethics, and act in compliance with it throughout their contractual relationship with GHC, without prejudice to compliance with any conduct codes of the respective bodies to which they belong

Responsible conduct criteria

RESPONSIBLE CONDUCT CRITERIA	
RESPONSIBILITY AND OWNERSHIP	<ul style="list-style-type: none"> ▪ Managers, employees and collaborators that cooperate in any capacity in the interest of GHC commit to (among other matters): <ul style="list-style-type: none"> - through constant professional commitment and appropriate personal conduct, contribute to the achievement and maintenance of GHC's own goals for excellence in the delivery of health and social welfare services; - scrupulously observe the precepts set out in any expert and professional Codes of Ethics to the extent applicable to their work; - respect and safeguard company assets and ensure they are not used fraudulently or improperly; - use company tools functionally and exclusively to carry out work activities or for the purposes authorised by the competent internal functions; - ensure equal treatment of all patients
PREVENTING CONFLICTS OF INTEREST	<ul style="list-style-type: none"> ▪ Addressees must avoid any potential conflict of interest that may arise from: <ul style="list-style-type: none"> - participation in business decisions which may give rise to personal interest; - accepting agreements which may give rise to personal benefits; - performing acts, entering into agreements and, in general, engaging in any conduct that may, directly or indirectly, damage GHC, including in terms of image and/or market credibility; - conflict with the interest of GHC, influencing the decision-making autonomy of another party delegated to define business relationships with or for it

INTEGRITY AND PROFESSIONALISM	<ul style="list-style-type: none"> ▪ Acts of business courtesy, including gifts or forms of hospitality, must not compromise the integrity or reputation of either party. An impartial observer must not be able to interpret such gifts as an attempt to acquire improper advantages.
PROHIBITION OF RECEIVING STOLEN GOODS AND MONEY LAUNDERING	<ul style="list-style-type: none"> ▪ The establishment of business relationships with customers, suppliers, collaborators and partners must include careful checks on the counterparty's reputation and ethical values. Among other things, these checks must enable the elimination - with reasonable certainty - of the risk that those acting for the benefit or in the interest of GHC violate any money laundering regulations ▪ GHC is committed to abiding by all international laws and regulations on money-laundering
RELIABLE AND TRANSPARENT ADMINISTRATIVE AND ACCOUNTING MANAGEMENT	<ul style="list-style-type: none"> ▪ A reliable and transparent administrative-accounting system forms the basis for a corporate and business management system to pursue business objectives in a balanced manner and in full compliance with the law, applicable regulations and the legitimate interests of GHC's stakeholders. As such, the data and information contained in financial statements, reports and other corporate communications required by law and addressed to shareholders and the public must represent the true economic, balance-sheet and financial situation of the Group and its companies. Any conduct, by any person and for any reason whatsoever, intended to alter the accuracy and truthfulness of this information is therefore strictly forbidden
LEGITIMATE USE OF IT RESOURCES AND PRIVACY PROTECTION	<ul style="list-style-type: none"> ▪ IT and telematic resources are a fundamental tool for the proper and competitive operation of the enterprise, ensuring the speed, breadth and accuracy of the information flows necessary to efficiently manage and control business activities. Also to ensure compliance with privacy regulations, the Company pursues the correct, legitimate and limited use of computer and telematic tools, avoiding any use designed to collect, store and circulate data and information for purposes other than GHC's activity and/or, in any case, designed to damage third-party information, data, programs or computer or telematic systems and/or the unlawful interception, impediment or interruption of third-party computer or telematic communications ▪ The transmission of data and information by computer and telematic means to public subjects or otherwise of evidentiary documents shall be carried out according to criteria of legitimacy, truth, and exact correspondence to the facts and circumstances represented. Regarding privacy, in carrying out its business, GHC undertakes to collect, manage and process personal data in compliance with applicable legislation, and to ensure the confidentiality of data processing
RESPECT FOR THE ENVIRONMENT AND SAFETY PROTECTION	<ul style="list-style-type: none"> ▪ GHC undertakes to promote and consolidate a culture of respect for the environment and safety, developing awareness of risks and promoting responsible behaviours by all of its stakeholders. In addition, it works to protect, especially with preventive actions, the health and safety of workers, as well as the interests of other stakeholders, and to continuously improve the efficiency of company facilities

Circulation, monitoring and reporting

CIRCULATION, MONITORING AND REPORTING	
CIRCULATION	<ul style="list-style-type: none"> ▪ GHC is committed to encouraging and ensuring adequate awareness of its Code of Ethics by sharing it with stakeholders through appropriate and adequate communication activities. In particular, GHC therefore undertakes to: <ul style="list-style-type: none"> - verify the application of and compliance with the Code of Ethics; - monitor initiatives to increase awareness and understanding of the Code of Ethics; - receiving and analysing reports of infringements of the Code of Ethics; - analyse proposed revisions to corporate policies and procedures likely to affect corporate ethics; - propose amendments, updates and additions to the Code of Ethics to the Board of Directors; - make decisions regarding significant violations of the Code of Ethics;

	<ul style="list-style-type: none"> - pass motions in relation to the review of the most significant corporate policies and procedures, in order to guarantee compliance with the Code of Ethics; - periodically review the Code of Ethics
MONITORING	<ul style="list-style-type: none"> ▪ Each GHC Group company Supervisory Board, being endowed with autonomous powers of initiative and control, verifies alleged violations of the provisions of the Code of Ethics and, where required, proposes appropriate measures to the competent parties ▪ Each GHC Group company Supervisory Board periodically reports, including on the above activities, to the administrative body, to the Board of Statutory Auditors of the relevant Group company (where established) and to the Supervisory Board of Garofalo Health Care S.p.A. ▪ In the event that the Supervisory Board of the relative Group company becomes aware of violations of the Code of Ethics relating to Legislative Decree No. 231/01 and committed by Directors and self-employed workers, the Board must inform the relevant company's administrative body and (where established) Board of Statutory Auditors, which shall take any appropriate action
REPORTING	<ul style="list-style-type: none"> ▪ All Addressees are bound to report any conduct contrary to the provisions of the Code of Ethics to their line manager or the Human Resources department. If the reported behaviour also breaches the Organisation and Management Model pursuant to Legislative Decree No. 231/2001, adopted by the respective Group company and/or a breach as per Legislative Decree No. 24/2023, the report can be submitted and will be handled in accordance with the Whistleblowing Procedure adopted by the company to which the breach refers ▪ Whistleblowers shall at all times be protected against any form of retaliation, discrimination or penalisation and their confidentiality shall also be guaranteed, without prejudice to legal obligations and the protection of the rights of the company or persons accused erroneously and/or in bad faith.

Approval and dissemination of the Code of Ethics within the organisation

GHC's Code of Ethics was approved - in its updated version - by the Board of Directors of GHC S.p.A. on November 14, 2023, and subsequently by the governing bodies of each subsidiary. The Code of Ethics is published in both Italian and English on the Governance/Code of Ethics and 231 Model section of the Company's website.

8.2 Additional policies pertaining to responsible conduct (Diversity and Inclusion Policy)

Recognising the centrality and uniqueness of the individual as one of its founding pillars, GHC considers it a priority to ensure that every one of its employees and collaborators is able to express their potential every day and to feel valued in the full expression of their individuality, believing that this is an essential element in creating healthy and sustainable business management in the long term. GHC is also cognisant of the increased demands of its stakeholders in terms of ESG (Environmental, Social, and Governance) issues, among which the Social sphere, which encompasses the problem of diversity and inclusion, and plays an important role for the Group given its particular business.

In light of the above, GHC has embarked on a journey to formally recognise and support the values of diversity and inclusion within the Group. Against this backdrop, the Diversity and Inclusion Policy (the "Policy") seeks to establish guidelines and commitments on issues of Diversity and Inclusion based on the understanding, respect and appreciation of the differences between each person within the Group.

Compliance with supranational recommendations and principles

The Diversity and Inclusion Policy also recalls the main supranational recommendations, mentioned earlier in the section on the Code of Ethics.

Addressees of the Diversity and Inclusion Policy

The Diversity and Inclusion Policy outlines the principles, commitments, and actions to which GHC is committed to enable the dissemination and maintenance of a corporate culture that respects and promotes diversity and inclusion, in addition to its communication and implementation throughout Group facilities. This Policy applies to all GHC Group companies. In the event of future M&A transactions consistent with the Buy & Build strategy communicated to the market since the IPO, the Group commits to communicating and enforcing this Policy with newly acquired entities.

Commitments and areas of focus

The following are the primary areas of action identified by GHC in regard to the challenges of Diversity and Inclusion:

COMMITMENTS AND AREAS OF FOCUS	
NON-DISCRIMINATION AND PROMOTION OF DIVERSITY	<ul style="list-style-type: none"> ▪ GHC prohibits all forms of discrimination, including those based on race, skin colour, gender, age, religion, physical condition, marital status, sexual orientation, citizenship, and ethnicity. GHC, which has a widespread presence across the country, also recognises the fundamental importance of embracing the heritage of history and experience from the diverse local contexts that form the Group, striving to develop a shared common identity that is sensitive to the needs of different communities. The following are considered particular priorities: <ul style="list-style-type: none"> - Enhancing women’s professional standing (<i>“GHC is committed to adopting a strategic approach targeted at the effective creation of equal opportunities in the Company, beginning with the dissemination of an inclusive corporate culture and human resources policies free from discrimination and prejudice, fostering women’s professional development and growth in order to progressively ensure full gender balance in executive positions”</i>); - The protection of sexual orientation based on affection (<i>“GHC is committed to supporting an inclusive, open and respectful environment for the affective-sexual orientation of its employees and collaborators, creating awareness and sensitivity, promoting mindsets, behaviours, processes and practices that welcome differences and combat all forms of discrimination, in order to ensure the effective inclusion of all individuals who are part of the Group”</i>); - Inclusion of Handicapped People (<i>“GHC is dedicated to promoting the acceptance of disabled workers or collaborators within the Group, offering equal opportunity and treatment for everyone while respecting the needs and capacities of each individual. GHC is dedicated to creating a suitable working environment, including encouraging its various clinics to offer resources for people with varying abilities, independent of regulatory requirements”</i>.)
EQUAL OPPORTUNITIES AND GENDER BALANCE	<ul style="list-style-type: none"> ▪ GHC undertakes to ensure equal opportunities in all processes pertaining to personnel management. GHC is also dedicated to fostering an atmosphere in which each individual is free to exercise his or her right to professional growth and may take advantage of professional development plans based on equitable access and development opportunities. GHC is committed to ensuring fairness at every level of the employment relationship, from the selection process to role assignment, career path development, and remuneration criteria, with the aim of achieving gender pay parity.
INCLUSIVE WORK ENVIRONMENT	<ul style="list-style-type: none"> ▪ GHC is dedicated to fostering an inclusive workplace in which all workers may participate in business activities without obstruction. The Group is committed to ensuring that there is no harassment, intimidation or bullying of any kind in internal or external working relationships. GHC condemns any human or professional behaviour that might result in an intimidating or hostile workplace.
DIVERSITY IN THE COMPOSITION OF THE CORPORATE BODIES	<ul style="list-style-type: none"> ▪ GHC recognises, seeks out and embraces the benefits of diversity within the Group and within its corporate boards, in all aspects, including gender, age, seniority in role, qualifications, skills, educational and professional profile, and personal characteristics. For these reasons, on March 1, 2021, the Board of Directors of GHC S.p.A. approved the "Policy on Diversity of the Administrative and Control Bodies of Garofalo Health Care S.p.A.", which identifies the main criteria to be applied in defining the optimal composition of the Board

	of Directors and the Board of Statutory Auditors so that they can perform their duties in the most effective way, benefiting from the contribution of different and complementary approaches, skills and experiences
DIFFUSION OF A CULTURE OF DIVERSITY IN THE COMPANY AND WILLINGNESS TO LISTEN	<ul style="list-style-type: none"> ▪ GHC undertakes to encourage a culture that, starting with the selection process, values the diversity of all people, each with their own story and experience, regardless of gender, generation and the other dimensions in which diversity - as set out above - is apparent; The Group strives to increase staff understanding of and sensitivity to diversity and inclusion problems, including through business events and awareness campaigns, in order to promote the transmission of the values and courses of action specified in D&I Policy. ▪ The Policy further specifies that no form of retribution against workers and stakeholders who have reported incidences of discrimination or harassment, or who have supplied information about such occurrences, shall be implemented or accepted inside the Group.

Circulation, monitoring and reporting

CIRCULATION, MONITORING AND REPORTING	
CIRCULATION	<ul style="list-style-type: none"> ▪ In the spirit of transparency and cooperation, GHC's Diversity and Inclusion Policy is announced and communicated throughout the organisation and to all those who have relations with GHC.
MONITORING	<ul style="list-style-type: none"> ▪ GHC validates the efficacy of the strategy taken and outlined in this Policy, including the identification of risks of violations of the approved principles, periodic monitoring of compliance with promises made, and a dedicated procedure for reporting violations
REPORTING	<ul style="list-style-type: none"> ▪ GHC offers employees and other stakeholders a particular communication channel that may be used to report suspected violations of norms, principles, and obligations regarding the rights of the individual or his or her relations with others.

Approval and sharing of the Diversity and Inclusion Policy within the organisation

GHC's Diversity and Inclusion Policy was approved by the Board of Directors of GHC S.p.A. on October 28, 2021 and subsequently approved by the governing bodies of each subsidiary Board. The Policy is published in both English and Italian at the "Sustainability Policy" section on the corporate website.

9. Stakeholder Engagement (GRI 2-29)

The GHC Group considers it of the utmost importance to operate in a collaborative and trustworthy environment with its numerous stakeholders, identified since the IPO and consequently listed in the NFS for the preceding years, developing an active and continuous dialogue with them through the support of specific corporate functions.

As a listed company, dialogue with shareholders and the financial community plays a key role for GHC. The primary objective is to provide the investor community with full access to the business information it requires to fully and transparently assess the Group's situation.

Below are the main engagement methods adopted on an ongoing basis for each type of GHC stakeholder.

STAKEHOLDER CATEGORY	MAIN TYPES OF BEHAVIOUR	MAIN MEANS OF DIALOGUE AND ENGAGEMENT
STAFF	<ul style="list-style-type: none"> ▪ GHC is committed to offering equal job opportunities for all, on the basis of professional qualifications and performance, and without discrimination, and the selection, hiring and remuneration of personnel according to merit and competence, without political, trade union, religious, racial, linguistic or gender discrimination, in compliance with all applicable laws, regulations and directives ▪ Those in charge of user relationships, whether they are patients or their proxies, must pursue maximum user satisfaction, ensuring that constant support is provided with truthful and comprehensive information on the clinical treatment protocols adopted and the services provided, enabling users to make informed decisions ("informed consent to treatment") 	<ul style="list-style-type: none"> ▪ Collective bargaining ▪ Communications from senior management ▪ Climate analysis ▪ Training ▪ Individual and dedicated meetings ▪ Team building events ▪ Channels for receiving internal reports ▪ Social networks (LinkedIn) ▪ Corporate and institutional website ▪ Operational web portal
PATIENTS	<ul style="list-style-type: none"> ▪ GHC undertakes to: <ul style="list-style-type: none"> - ensure that the patient (or patient's proxies) is provided with the most appropriate information regarding diagnosis, prognosis, prospects and possible diagnostic-therapeutic alternatives, and the expected consequences of their choices; - refrain from employing misleading or untruthful means of persuasion, whether scientific or otherwise; - avoid the adoption of conduct that leads to unequal treatment or privileged positions in the provision of health care services 	<ul style="list-style-type: none"> ▪ Service charters ▪ Structured pre- and post-service interviews ▪ Satisfaction studies ▪ Customer satisfaction analysis ▪ Corporate and institutional website ▪ Operational web portal ▪ MyGHC App
PUBLIC SECTOR, UNIVERSITIES AND RESEARCH CENTRES, LOCAL COMMUNITY	<ul style="list-style-type: none"> ▪ Relations with these stakeholders are strictly limited to those parties delegated to maintain them as part of their role or those who are specifically and formally appointed by GHC to have contact and/or deal with them and their officials and representatives. ▪ These relationships must be based on honesty, fairness, transparency and full compliance with laws and regulations, while 	<ul style="list-style-type: none"> ▪ Institutional relationships ▪ Dedicated meetings ▪ Dialogue and round tables ▪ Official communications ▪ Conferences and research projects ▪ Meetings with representatives of institutions and associations ▪ Local area initiatives related to quality of care ▪ Donations

	<p>also respecting the public nature of the function</p>	<ul style="list-style-type: none"> ▪ Dedicated corporate points of contact (Communications Manager) ▪ Corporate and institutional website
INVESTORS AND LENDERS	<ul style="list-style-type: none"> ▪ GHC is committed to transparent, timely and symmetrical disclosure to investors, analysts and the market, also via its website, and in compliance with applicable legislation, particularly concerning information likely to materially affect the price of financial instruments ▪ GHC is committed to providing clear and complete information so that investors may base their decisions on knowledge and understanding of the Company's strategies, management performance, and expected return on investment ▪ In view of its status as a listed company, it is prohibited to circulate, by any means whatsoever, false or misleading information, rumours or news regarding the Group or any of its companies, or engage in simulated transactions or other artifices likely to affect the price of financial instruments issued by GHC. 	<ul style="list-style-type: none"> ▪ Shareholders' Meeting ▪ Financial press releases ▪ Post financial results-approval conference call with financial analysts ▪ Periodic meetings (roadshows, 1-to-1s, group meetings) ▪ Engagement on specific topics, also promoted by external parties (e.g. Assonime) ▪ Dedicated corporate points of contact (Investor Relations & Chief Sustainability Officer) ▪ Corporate and institutional website
SUPPLIERS	<ul style="list-style-type: none"> ▪ The parties responsible for the procurement of goods and/or services: <ul style="list-style-type: none"> - must abide by the principles of impartiality and independence in the performance of their tasks and functions; - must keep themselves free from personal obligations to suppliers and consultants; - must not accept goods or services from external or internal parties in exchange for confidential information or the performance of actions or conduct designed to favouring such parties, even if there are no direct repercussions for the Group; - must immediately report to the Supervisory Board any attempt or incident of unjustified change to normal business relations ▪ It is also provided that in no way may the procurement of goods/services in accordance with the principle of economic efficiency lead to even partial renunciation of the best quality standards. 	<ul style="list-style-type: none"> ▪ Ongoing relations with relevant business functions ▪ Participation in initiatives and events ▪ Corporate and institutional website

10. Material Topics (GRI 3-1, 3-2, 3-3)

In line with regulatory requirements and market practices, the Group updated the materiality analysis last year based on the identification of “impacts” in line with the new provisions of the GRI Standards 2021.

We note that impacts are defined as the consequences an organisation has or might have on the economy, the environment, and people, including human rights, which reflect the organisation’s negative or positive contribution to “sustainable development”.

We also note that under the GRI Standards, organisations are obliged to describe their “material topics” based on their operations and utilising the GRI’s industry-specific standards as references. In the case of GHC, as the Sector Standard for the Healthcare industry has not yet been issued, material topics must be identified based on the activities carried out.

Therefore, in light of last year’s activities, GHC’s activities included:

- i) updating of preliminary and context analysis, which made it possible to confirm the list of applicable material topics;
- ii) for each material topic, the association of the relative contribution to sustainable development, by linking them to the various priority goals defined by the United Nations (among those considered significant for GHC, as carried out in previous years);
- iii) clarification of the current or potential “effects” that each material topic can or could have on the economy (i.e. the economic system), the environment, and people (including on human rights)⁽³⁾;
- iv) prioritisation of material topics based on the significance of impacts discovered (positive and negative, existing and potential), taking severity and likelihood of occurrence into account, and utilising the current Enterprise Risk Management system.

Below is the association between material topic and contribution to sustainable development made consistent with the provisions of the new GRI Standards. This was accomplished by (a) linking each material topic to the Sustainable Development Goals (SDG’s) considered by GHC to be most significant in light of the specific activities carried out by the Group (based on that reported by GHC since its 2020 NFS) and then (b) identifying the potential contribution of each material topic to sustainable development, in terms of the potential impacts of each on the economy (economic system), the environment, people and human rights.

SUSTAINABLE DEVELOPMENT GOALS (SDG’S), MATERIAL TOPICS 2023 AND CONTRIBUTION TO “SUSTAINABLE DEVELOPMENT”						
MAIN BENCHMARK SDG’S		MATERIAL TOPICS 2023 (#12)	CONTRIBUTION TO “SUSTAINABLE DEVELOPMENT” MAINLY IDENTIFIED IN:			
SDG #	SDG OBJECTIVE		ECONOMIC SYSTEM	ENVIRONMENT	PEOPLE	HUMAN RIGHTS
3 Good health and well-being	<i>Ensure healthy lives and promote well-being for all at all ages</i>	QUALITY OF CARE			✓	✓
		FOCUS ON THE PATIENT AND CAREGIVER			✓	✓
5 Gender equality	<i>Achieve gender equality and empower all women and girls</i>	TALENT ATTRACTION, DEVELOPMENT AND STAFF WELL-BEING	✓		✓	✓
8 Decent work and economic growth	<i>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</i>	ECONOMIC PERFORMANCE	✓		✓	
		EMPLOYEE HEALTH AND SAFETY			✓	✓
		RESPONSIBILITY ALONG THE SUPPLY CHAIN	✓	✓	✓	

⁽³⁾ Current or potential, short-term or long-term, voluntary or involuntary, reversible or irreversible effects (source: GRI 3)

		MANAGEMENT OF ENVIRONMENTAL IMPACTS	✓	✓	✓	
9 Industry, innovation and infrastructure	<i>Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.</i>	DATA SECURITY AND PRIVACY	✓		✓	✓
		DIGITALISATION OF SERVICES	✓		✓	
		TECHNOLOGICAL INNOVATION	✓			
16 Peace, justice and strong institutions	<i>Promote peaceful and inclusive societies for sustainable development</i>	ETHICS AND INTEGRITY	✓		✓	✓
		GOVERNANCE AND COMPLIANCE	✓			

Finally, in addition to the aforementioned, listed below are the impacts that each material topic (expressed qualitatively, as required by the GRI) can or could have on the economy (i.e. the economic system), the environment, and people (including on human rights).

MATERIAL TOPICS	CONTRIBUTION TO SUSTAINABLE DEVELOPMENT (i.e. IMPACTS ON THE ECONOMY, THE ENVIRONMENT AND PEOPLE - including human rights)	
QUALITY OF CARE	+	Capacity to respond to the (increasing) care needs of the population with a variety of excellent health and social care services that cover the entire patient care continuum, thanks to a business model based on geographic (by Region) and sectoral (inpatient, outpatient, and social care) diversification. In Italy, Article 32 of the Constitution “protects health as a basic right of the individual and a collective interest and ensures free treatment for the needy”.
	-	“Medical malpractice” refers to the provision of health and social care services that result in direct or indirect harm to the patient (i.e. bodily or psychological).
FOCUS ON THE PATIENT AND CAREGIVER	+	Ability to guarantee patients and carers an exceptional clinical-healthcare experience due to the “patient-centred” business model of the Civil Code, which places the patient “at the centre of the system” by addressing not only their medical but also their psychological and relational requirements. This is accomplished by providing highly qualified personnel and facilities (mainly private) that ensure the greatest levels of comfort. In addition, the possibility exists to respond to health and social-welfare needs that might otherwise (a) be unmet and/or (b) met, but according to time frames that are inconsistent with needs (e.g. possibility for the Group to provide services beyond the contractually defined Budget agreement following specific contractual agreements with Regional Governments or Local Health Authorities designed to reduce waiting lists) and/or (c) be met, but not in the patient’s home Region (e.g. the possibility for the Group to provide additional services with respect to the contractually defined Budget agreement as a result of specific contractual agreements with the Regional Governments or Local Health Authorities intended to minimise so-called “passive mobility”, meaning the outflow of patients from a given Region to receive the necessary treatment in another Region)
	-	The possibility that hospital, local, and social welfare services supplied and/or the manner in which these services are delivered do not effectively account for the requirements of patients and carers (e.g. ineffective handling of complaints, resulting in damage to the Company’s image and reduced quality perceived by patients)
EMPLOYEE HEALTH AND SAFETY	+	Ability to provide for improved safeguards to protect the health and safety of workers, including acquiring non-mandatory certifications that assure the best execution of operations (e.g. installation of a quality management system (QMS) in accordance with UNI EN ISO 9001)
	-	Inadequate sanitation surveillance systems for workplaces with potential consequences on occupational health and safety and/or inadequate/inappropriate occupational health and safety information, education and training.

GOVERNANCE AND COMPLIANCE	+	Due to its status as a company listed on the Euronext market STAR (High Requirements) category, which includes Italy's leading industrial and financial companies, the Company is able to operate in accordance with the highest prerequisites. Ability to set a good example by adopting voluntary operating procedures and instructions geared towards process improvement
	-	Potential for behaviour inconsistent with good governance and/or capable of compromising the Group's compliance with current regulatory responsibilities (e.g. 231 Model and Code of Ethics breaches) Possible breaches of internal company regulations (such as By-Laws, Code of Ethics, and company procedures) adversely affecting the Group's business and reputation
ETHICS AND INTEGRITY	+	Capability to make strategic and/or financial decisions that are consistent with the Group's mission and values (<i>"honesty and legality, excellence of services and facilities, respect for and care of the patient, respect for and enhancement of human capital, safety culture, research/innovation and training, absence of conflicts of interest, confidentiality and respect for the environment"</i>), fostered by more than 60 years of business experience in the industry.
	-	Possibility of inappropriate strategic and/or financial choices being made or conflicting with the interest of the Group and its stakeholders on the basis of special interests (e.g. potential presence of conflicts of interest on the part of the Group's staff and associates)
ECONOMIC PERFORMANCE	+	Opportunity to have positive spillover effects on the local area by virtue of its activity, including through the Buy & Build strategy that envisions the Group's growth along external lines while fully respecting the history and values of the companies acquired periodically (i.e. M&A excludes streamlining based on Target workforce cuts)
	-	Potential that deteriorating financial and economic results may have a negative impact on the Group's business conduct and/or development possibilities (in terms of service quality and/or employment levels).
TALENT ATTRACTION, DEVELOPMENT AND STAFF WELL-BEING	+	Potential of ensuring considerable professional opportunities due to the fact that each healthcare facility is a part of a Group that is varied geographically and/or by sector, hence potentially able to provide better opportunities for professional advancement compared to smaller and/or local businesses
	-	Prospective inability to attract and retain qualified personnel, i.e. physicians, paramedics, and health care workers who, due to their skills and experience, are essential to the quality of services provided, the effectiveness of organisations, the attractiveness of facilities, but the concurrent difficulty in replacing them with staff that possess characteristics and skills in line with needs
TECHNOLOGICAL INNOVATION	+	Capacity to invest substantial financial resources to support technological development in relation to infrastructure, medical and diagnostic equipment and information systems used, thereby ensuring continuous improvement of quality and services provided, including through the use of medical infrastructure/equipment capable of enabling exclusive and cutting-edge treatments.
	-	Potential difficulty or inability to follow and adapt to technological evolution, and the possibility of encountering inefficiencies, failures, and malfunctions of the infrastructure, medical and diagnostic equipment used, and the information systems that manage them, resulting in potential impairment of the operability and quality of hospital and local and social-welfare services provided (e.g. temporary and/or protracted unavailability of software and hardware platforms owing to malfunction and/or cyber attack, with possible disruption of health care and/or administrative operations)
DIGITALISATION OF SERVICES	+	As a consequence of the digitalisation of clinical/health and staff procedures, decision-making on medical/clinical matters and management control may be enhanced, and operations can be made more efficient, resulting in a more effective use of human and economic resources. This also involves the prospect of gaining access to new users/markets via the digitalisation of some services that are now offered only in person.
	-	Possibility of being unable to keep up with advances in technology as it pertains to the evolution of care processes and patient care, which might have a negative influence on the ability to uphold high quality standards and assure patient satisfaction.
DATA SECURITY AND PRIVACY	+	Ability to guarantee continuing operations and the availability and efficiency of peripheral connectivity required to deliver business services.
	-	Potential violations of applicable regulations governing the management, processing, and protection of personal data, with potential adverse effects on the Group's business and prospects (e.g. compromising the confidentiality, integrity, and availability of economic and financial and/or patient data due to malfunction and/or cyber attack).

MANAGEMENT OF ENVIRONMENTAL IMPACTS	+	Capability to assure compliance with all applicable environmental requirements, with special emphasis on the safe handling of medical waste (hazardous and non-hazardous) Opportunity to benefit from Group-wide economies of scale in obtaining and accessing innovative and environmentally friendly energy supplies (e.g. Power Purchase Agreement for electricity)
	-	Possibility of occurrence of polluting events relating to greenhouse gas emissions into the atmosphere by the Company as a result of its operations and/or as a result of the occurrence of exogenous events of accidental or natural nature or related to climate change with impacts on the Group's operations (e.g. flooding, earthquakes, fire etc.)
RESPONSIBILITY ALONG THE SUPPLY CHAIN	+	Opportunity to benefit from economies of scale at Group level to ensure supplier selection that meets the highest quality standards
	-	Possibility of awarding contracts to natural/legal persons who do not fulfil internal and/or external ethical, financial, and/or regulatory standards (e.g. health and safety).

In accordance with the GRI Guidelines, the prioritising of identified impacts and related "material topics" can be based on the Enterprise Risk Management systems employed by an organisation. GHC has had an ERM model since as early as 2021, subsequently consolidated and extended in 2022 and 2023. Consistent with the GRI methodology, the activity of analysing and prioritising effects, in addition to the relevant material topics, were structured in such a way as to:

- link to each impact, and hence to each material topic, a particular macro-category of risk from the GHC Risk Universe, as represented in the ERM model approved by the Board of Directors;
- associate to each material topic, and on the basis of the associated macro-categories of risk referred to in (a), the set of underlying business processes equipped with specific probability and impact assessments rendered by the Risk Owners during 2023 (also submitted to the Board of Directors for approval);
- following the reconciliation activity with ERM described in (a) and (b) above, rank the material topics based on the average likelihood and effect values assigned to them. We note that these values were considered gross of the mitigation measures taken by GHC (i.e. excluding them), in line with the GRI ratio (which requires businesses to evaluate their potential contribution to sustainable development in light of the activities performed, i.e. without considering any mitigation efforts adopted and the associated control safeguards).

The study undertaken by the Sustainability and Risk Management function resulted in the aforementioned ranking of topics, which is substantially in line with 2022.

RANKING	MATERIAL TOPICS 2023
1	QUALITY OF CARE
2	DATA SECURITY AND PRIVACY
3	TALENT ATTRACTION, DEVELOPMENT AND STAFF WELL-BEING
4	DIGITALISATION OF SERVICES
5	ETHICS AND INTEGRITY
6	ECONOMIC PERFORMANCE
7	FOCUS ON THE PATIENT AND CAREGIVER
8	EMPLOYEE HEALTH AND SAFETY
9	TECHNOLOGICAL INNOVATION
10	RESPONSIBILITY ALONG THE SUPPLY CHAIN
11	GOVERNANCE AND COMPLIANCE
12	MANAGEMENT OF ENVIRONMENTAL IMPACTS

11. Disclosure under Legislative Decree No. 254/2016: economic and social topics

Economic responsibility

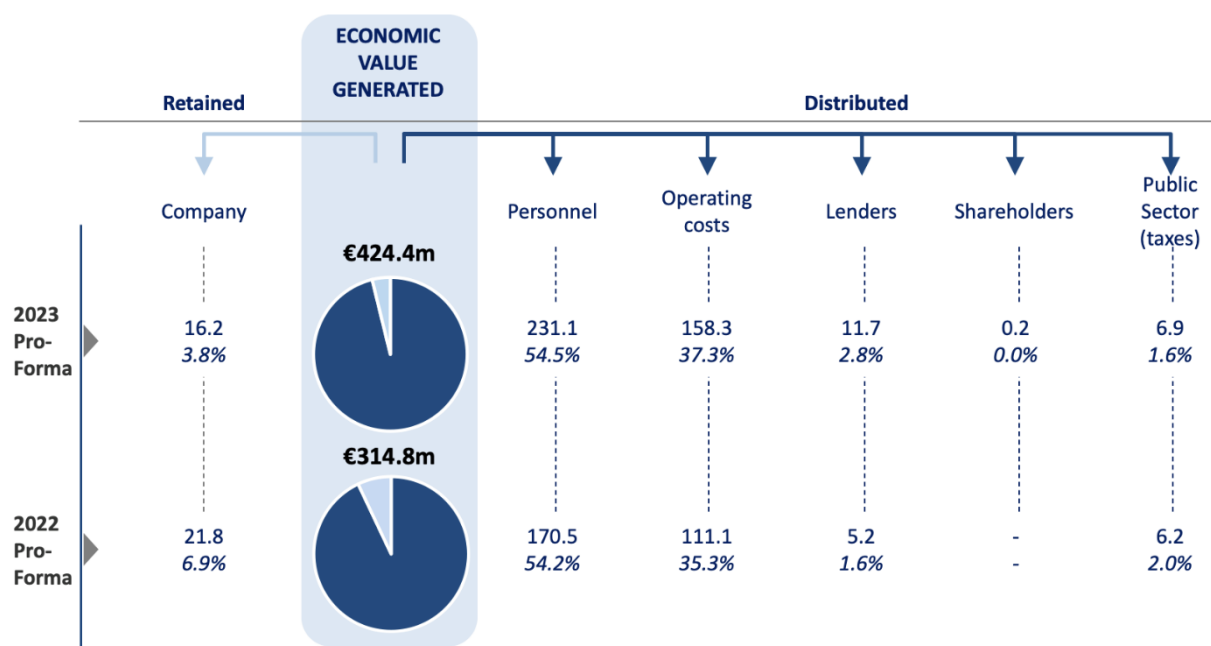
MATERIAL TOPICS REFERENCED:

⇒ ECONOMIC PERFORMANCE

REFERENCES CONTAINED IN THE GROUP'S CODE OF ETHICS

"GHC is committed to transparent, timely and symmetrical disclosure to investors, analysts and the market, also via its website, and in compliance with applicable legislation, particularly concerning information likely to materially affect the price of financial instruments."

The GHC Group's economic performance, considered in terms of its sustainability over time, is represented by the Economic Value Generated and Distributed statement. This statement, in particular, presents the operating performance and the wealth distributed by the Company to its stakeholders, considered as a proxy for the organisation's ability to create value for its stakeholders. For a uniform comparison, and as in the previous last year, these statements have been prepared on a pro-forma basis (i.e. giving retroactive effect from January 1 to the various acquisitions made by the Group in 2023). (GRI 201-1)



The Net Economic Value generated ⁽⁴⁾ in 2023 amounted to Euro 424.4 million, up 34.8% compared to Euro 314.8 million pro-forma in 2022. The Net Economic Value generated was distributed as follows: (i) Personnel⁽⁵⁾: Euro 231.1 million, approx. 54.5% of the total; (ii) Operating costs⁽⁶⁾: Euro 158.3 million, approx. 37.3% of the total; (iii) Lenders: Euro 11.7 million, approx. 2.8% of the total; (iv) Shareholders (value includes minority interest profit/loss): Euro 0.2 million; (v) Public Administration: Euro 6.9 million in the form of taxes, approx. 1.6% of the total.

⁴⁾ Net Economic Value generated calculated as Revenues + Financial income + Result of equity investments valued using the equity method - Amortisation, depreciation and write-downs

⁵⁾ Includes personnel costs and other service costs (medical-surgical services, nurses, social workers, technical-health services, gifts to employees, emoluments to Directors and Statutory Auditors)

⁶⁾ Includes raw and other material costs, service costs (net of personnel costs), other operational costs, receivable write-downs and other provisions

APPROACH TO TAX (GRI 207-1)

Regarding tax matters, the parent company coordinates actions, as follows:

- i. providing guidance and instructions on taxes for the consistent application of tax legislation pertaining to topics of common interest;
- ii. identifying the methods and timescales for acquiring reports, documents and information flows relating to Group taxation for the purposes of tax consolidation, for the Companies that are part of it;
- iii. providing interpretative guidance and specialist support on specific issues that including corporate transactions, new contracts and/or new transactions;
- iv. overseeing the Group's tax risk analysis and assessment activities for specific issues.

The parent company is also promptly informed of tax audits and inspections, the pre-litigation phase and any tax litigation involving its subsidiaries.

In turn, the subsidiaries:

- i. are responsible for the proper application of tax laws;
- ii. submit any requests or queries they intend to put to the tax authorities to the parent company well in advance so that the parent company can provide a prior opinion on whether they are necessary, their form and content, in time for them to be submitted to the tax authorities;
- iii. promptly inform the Parent Company of the responses from the tax authorities to allow for possible implementation of the indications obtained in a uniform manner at Group level;
- iv. inform the parent company without delay of any tax inspections and audits ordered by the competent authorities, pre-litigation and tax litigation and coordinate the related activities with the parent company.

Risk control and management

The Administrative Officers of each subsidiary verify that the tax receivable/payable recorded in the separate financial statements are consistent with the amounts resulting from the tax calculation performed by the outside tax consultant. To calculate the taxes of the subsidiaries within the scope of tax consolidation, the Parent Company uses an external consultant who performs an additional compliance check on the taxes arising from the participating companies.

Group tax principles

The Group pursues a seeks to comply with the applicable tax law and to interpret it so as to observe substance as well as their form, while maintaining a transparent relationship with the tax authorities.

FOCUS: ECONOMIC AND FINANCIAL PLANNING AND ESG TOPICS

As part of the GHC Group's ongoing commitment to sustainability, operating guidelines were outlined for the first time in 2023 in preparation for the integration of ESG topics into the 2024-2027 multi-year Budgets/Business Plans of subsidiary companies.

Specifically, with a view to ensuring increasing integration between financial and non-financial aspects, we note that these "Operating Guidelines" were developed based on GHC's 2023 Material Topics. These topics are proposed as the main areas of focus for subsidiary companies in developing value-added projects within the ESG framework.

The "Operating Guidelines", prepared by the Chief Sustainability Officer and shared with the CFO, were then forwarded by the Holding Company's Planning and Control department to its subsidiaries as an essential component of the documentation preceding the formulation of Budget and Business Plan documents.

Once identified by the individual subsidiaries, the ESG initiatives were then incorporated into the Budget/Business Plan documentation presented for discussion and ultimately approved by their respective Boards of Directors. These initiatives will be continuously monitored throughout 2024 with a view to their final assessment at the end of the financial year, as reported in the 2024 Non-Financial Statement (to be published in 2025).

We note that integrating ESG topics into the Budgets/Business Plans of subsidiary companies constituted a sustainability goal for FY2023, which should therefore be considered achieved.

The patient-centred approach

MATERIAL TOPICS REFERENCED:

- ⇒ QUALITY OF CARE
- ⇒ FOCUS ON THE PATIENT AND CAREGIVER
- ⇒ TECHNOLOGICAL INNOVATION AND DIGITALISATION OF SERVICES
- ⇒ GOVERNANCE AND COMPLIANCE

REFERENCES CONTAINED IN THE GROUP'S CODE OF ETHICS

"The patient-centred approach takes into account the preferences, needs and values of the individual patient in every clinical decision, with a daily commitment to ensuring the highest professionalism of doctors and operators, the excellence of technological equipment, and the highest degree of comfort, cleanliness and hospitality at each facility."



REFERENCES CONTAINED IN THE GROUP'S CODE OF ETHICS

"HEALTH IS THE MOST PRECIOUS GOOD THAT MAN CAN HAVE" - Raffaele Garofalo

The GHC model puts the patient "at the centre of the health system", i.e. whereby their physical, psychological and social state, as a whole, is considered, along with their feelings, knowledge and experience of the disease, on the basis of the guiding principle "Health is the most precious good that a person can have" that has constantly driven Raffaele Garofalo and all his collaborators. Diagnosis and treatment are performed in terms of appropriateness, timeliness, effectiveness, their systematic nature and continuity, as dictated by the patient's status, who must always be adequately informed.

For this reason, the Group is committed to not only maintaining the best quality standards, but also investing in technological innovation and facility improvements. Despite the difficulties of the COVID-19 emergency over the last three years, this commitment has led the Group to invest over Euro 56 million to support the quality of care and services, as illustrated below.

TOTAL INVESTMENTS MADE IN THE 2021-23 PERIOD - HIGHLIGHTS

c. €38.9m

TO PRESERVE
THE HIGHEST
QUALITY STANDARDS

c. €1.4m

FOR NEW
STATE-OF-THE-ART
MACHINERY

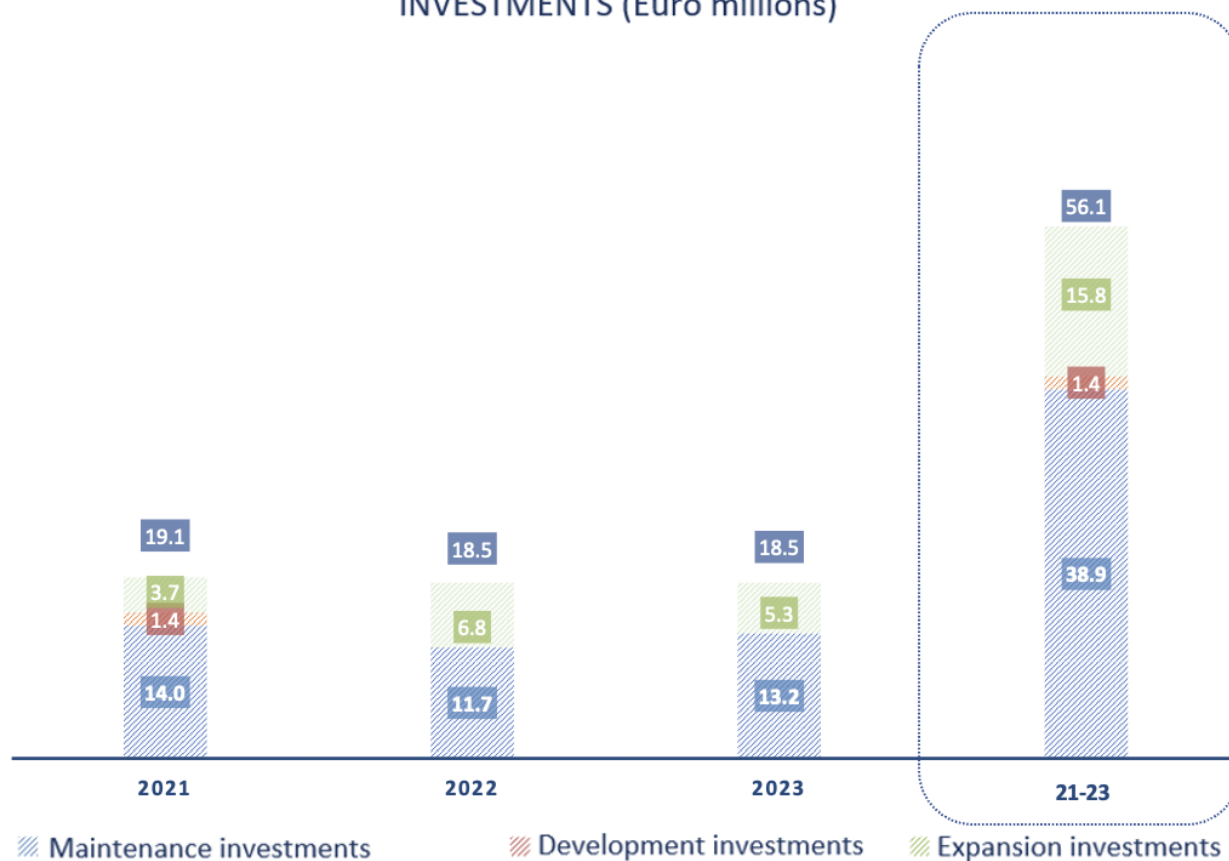
c. €15.8m

TO EXPAND EXISTING
FACILITIES

c. €56.1m

INVESTED IN THE LAST 3
YEARS, DESPITE THE
COVID EMERGENCY

INVESTMENTS (Euro millions)



MAIN DEVELOPMENT & EXPANSION INVESTMENTS CONCLUDE IN 2023

In 2023, the Group made further investments of a non-recurring nature within the framework of long-term development and expansion, with expansion projects designed to increase production capacity and diversify the type of services offered. The main projects concluded are detailed below.

Eremo di Miazzina (Gravellona Toce)



- October 2023 saw the inauguration of the Istituto Raffaele Garofalo, an accredited clinic involved in the post-trauma and post-operative specialties, for recovery and intensive functional re-education of a neurological, muscular, respiratory, cardiac and oncological variety.
- The expansion project involved the construction of a new building with an area of 4,000m². The new building houses further healthcare facilities, adding 46 beds under accreditation to the Gravellona Toce facility, which already has 52 beds for 1st and 2nd level recovery and rehabilitation.
- The facility also has a major outpatient clinic comprising neurophysiology, cardiology, and radiology departments equipped with state-of-the-art machines, including a new open MRI. In addition, it is equipped with an operating theatre for complex outpatient eye surgery
- The Institute's two wings, connected by means of a raised panoramic corridor, making up an overall area of 10,000 m² and with 98 beds under accreditation with the Piedmont Regional Health Service.

GVDR (Cadoneghe)



- New wing of the Cadoneghe facility opened in October 2023
- The extension brought the total area occupied by the facility to approx. 5,000m², providing new spaces for outpatient, surgical, and rehabilitation activities equipped with state-of-the-art technology
- We note that the extension project commenced in 2016 with the purchase of the former Mejaniga di Cadoneghe parish theatre (which had been closed for years), and led to the regeneration of an area that had fallen into serious disrepair
- Specifically, the new three-storey building houses an outpatient operating theatre equipped with state-of-the-art equipment, including a touch panel for monitoring temperature, humidity, air quality, and lighting. It also comprises surgical outpatient clinics, an endoscopy column with artificial intelligence, and a gym spanning approximately 400m², equipped with cutting-edge neurological rehabilitation apparatus.

QUALITY OF CARE AT GHC FACILITIES

HIGHLIGHTS 2023

HIGHLIGHTS AT FACILITIES IN THE EMILIA-ROMAGNA REGION	
HESPERIA HOSPITAL	<ul style="list-style-type: none"> ▪ The Heart Surgery Unit is a leading centre for the surgical treatment of heart conditions. This recognition is owed to the use of cutting-edge techniques and a multidisciplinary team dedicated to continuous research. The team excels in employing minimally invasive surgical techniques, including beating-heart procedures. ▪ The facility hosts medical teams from public hospitals in its operating theatres for special and complex procedures, achieving highly effective outcomes through close and continuous collaboration with the public sector. Finally, the removal of a life-threatening tumour (invasive thymoma) from the chest of an Albanian patient was performed in partnership with the thoracic surgery department at Baggiovara Hospital. ▪ The vascular surgery department at Hesperia Hospital is nationally and internationally recognised and is among the world's 10 most recommended centres for reconstructive surgery and for endovascular treatment of deep vein disease. It is the national centre in Italy for the phlebology training in accordance with the European Union of Medical Specialists and is an international training centre for deep vein surgery. The facility recently hosted a delegation of doctors from Saudi Arabia as part of an exclusive training programme focused on its new Intravascular Ultrasound (IVUS) system, an innovative ultrasound method designed to improve patient care. ▪ Thanks to the facility's modern technologies, such as the Da Vinci X robot, (Greenlaser and Holmio) lasers, and new endoscopy instruments, the Urology team at Hesperia Hospital is able to provide top-tier treatments. ▪ In 2023, it was the first facility in Emilia-Romagna and Northern Italy to offer the Adxbladder test—a groundbreaking, non-invasive diagnostic tool with 97% accuracy for the early detection of bladder cancer, conducted through a straightforward urine analysis.
DOMUS NOVA	<ul style="list-style-type: none"> ▪ The minimally invasive hip replacement team performed a hip replacement operation under local anaesthesia for the first time using an innovative anaesthetic technique. This technique ("Sandri-Blasi") allows anaesthesia to be administered at the surgery site without altering muscle strength, and with many post-operative benefits ▪ In April 2023, Darsena Community Hospital (or "OsCo") opened its doors within a dedicated area (1,190m²) of the accredited private San Francesco Hospital. The OsCo has 24 beds and represents an important example of public-private accredited collaboration in this field. In accordance with the provisions of the NRRP, the facility seeks to provide suitable care for patients who, no longer requiring the services of an intensive hospital ward, are not yet able to return home from a health or social care perspective.
POLIAMBULATORIO DALLA ROSA PRATI	<ul style="list-style-type: none"> ▪ The following services were introduced in 2023: <ul style="list-style-type: none"> - ARC assisted remote-rehabilitation service - Regenerative orthopaedic medicine service with PRP, Lipocell, and Monocytes - Pain management outpatient clinic - Mechanical physiotherapy instrumentation upgrades - Caress Flow gynaecological treatment, which can improve various conditions through the application of highly concentrated oxygen and hyaluronic acid
AESCULAPIO	<ul style="list-style-type: none"> ▪ In 2023, the facility invested in renewing its existing equipment by acquiring: <ul style="list-style-type: none"> - two state-of-the-art ultrasound machines, plus an additional ultrasound machine to perform second-level cardiology examinations - cutting-edge dental equipment in the fields of prosthetics and endodontic implants, with a focus on fostering collaborations with the Odontostomatology department at XRay One, a GHC Group facility in Poggio Rusco, near Mantua, in Lombardy.

	<ul style="list-style-type: none"> - additional state-of-the-art instrumentation dedicated to psychiatry and rehabilitation departments (e.g. Tecar Ares)
HIGHLIGHTS AT FACILITIES IN THE VENETO REGION	
VILLA BERICA	<ul style="list-style-type: none"> ▪ Orthopaedic robotic surgery using Mako technology, commenced at the facility in November 2023
VILLA GARDA	<ul style="list-style-type: none"> ▪ In October 2023, the facility introduced an updated treatment approach, establishing itself as an international benchmark for treating eating disorders through Multistep Cognitive Behavioural Therapy (CBT-MS). What sets CBT-MS apart is the adoption of a unified theory across various levels of care, employing a progressive approach led by a multidisciplinary team. It actively involves patients in the treatment process, includes parents as “helpers”, and provides manual treatment in a real-world clinical setting. The effectiveness of this treatment is demonstrated by numerous studies published in leading international journals. The adolescent version of CBT-MS has been recommended as an alternative to family therapies by the British NICE guidelines, confirming its validity as an innovative therapy for eating disorders. ▪ In November 2023, the facility introduced an innovative Local TeleMedicine programme, the first to mark collaboration in the Veneto Region between accredited public and private operators on a telemedicine project with remote medical reporting. In fact, this agreement provides for the launch of an “Integrated Care Network” based on collaborative coordination between Villa Garda and Scaligera Local Health Service Unit 9 for remote ECG reporting of non-self-sufficient patients receiving Home Care Services in the municipality of Garda and its surroundings (around 20,000 inhabitants) for an extendible term of two years. The project was financed by means of the resources Villa Garda obtained as the winning facility of the first “Raffaele Garofalo Award for Sustainability”. This funding allowed Villa Garda to purchase three portable electrocardiographs (including the relating consumables) to be allocated, free-of-charge, to District 4 IHC staff, also guaranteeing them (at no charge to Scaligera LHSU 9) the medical expertise required in the field of cardiology for subsequent reporting
CLINICA S. FRANCESCO	<ul style="list-style-type: none"> ▪ In 2023, the hospital was included among the best hospitals in Italy (40th) in the ranking compiled by the US magazine <i>Newsweek</i> of the 2,300 best hospitals in 28 countries ▪ Approximately 5,000 robotic prosthetic surgery procedures and approximately 150 trapezio metacarpal prosthesis operations were performed in 2023
CENTRO MEDICO S. BIAGIO	<ul style="list-style-type: none"> ▪ The treatment of arthropathies with the intra-articular administration of autologous PRP (platelet-rich plasma) was recently introduced as a service
CMSR VENETO MEDICA	<ul style="list-style-type: none"> ▪ A new collaboration between the CMSR Cardiovascular Imaging Department and the Centro Cardiologico Monzino IRCCS was launched in March 2023. Thanks to CMSR's state-of-the-art equipment, it will be possible to perform Cardiac CT and Cardiac MRI examinations at the facility with analysis and reporting by the Centro Cardiologico Monzino team
GVDR	<ul style="list-style-type: none"> ▪ In October 2023, the extension of GVDR's Cadoneghe premises was inaugurated. The building now has a total area of more than 5000 m², making it one of the largest outpatient healthcare clinics in the Veneto region ▪ The new wing has been designed to house an outpatient operating room equipped with state-of-the-art equipment. This includes a touch panel that displays light intensity, temperature, humidity and air quality, sounding an alarm if there are any changes to the programmed parameters, as provided for in the current regulations. It is also equipped with an endoscopy column and artificial intelligence for gastroscopy and colonoscopy examinations, allowing the identification in real time of intestinal polyps with the greatest risk of developing into cancer.

	<ul style="list-style-type: none"> ▪ The facility will also house a surgical client and around ten multi-specialist medical clinics. ▪ The Neuropsychological Rehabilitation activities were also improved, with a gym with an area of approximately 400m², which houses the BRAIN LAB - Advanced Technology Neurological Rehabilitation (Physiotherapy, Neuropsychology, Occupational Therapy and Speech Therapy). The new gym is equipped with the VIKTOR platform, one of the few installed in Italy. The platform allows tetraplegic and paraplegic patients to walk by means of a track fixed to the ceiling, and a HUNOVA stabilometric platform to assess patient stability.
HIGHLIGHTS AT FACILITIES IN THE FRIULI-VENEZIA GIULIA REGION	
SANATORIO TRIESTINO	<ul style="list-style-type: none"> ▪ Project launch for the creation of a new operating room for eye surgery and a new dedicated endoscopy area.
HIGHLIGHTS AT FACILITIES IN THE PIEDMONT REGION	
EREMO DI MIAZZINA	<ul style="list-style-type: none"> ▪ In October 2023, the new wing of the Raffaele Garofalo Institute was inaugurated, as part of an expansion project that has already involved the construction of a new building with an area of 4,000m². The new building houses further healthcare facilities, adding 46 beds under accreditation to the Gravellona Toce facility, which already has 52 beds for 1st and 2nd level recovery and rehabilitation. ▪ The Institute currently has two wings, connected by means of a raised panoramic corridor, making up an overall area of 10,000 m² and with 98 beds under accreditation with the Piedmont Regional Health Service.
HIGHLIGHTS AT FACILITIES IN THE TUSCANY REGION	
RUGANI HOSPITAL	<ul style="list-style-type: none"> ▪ The facility has been recognised as a centre of excellence for HIFU treatment of prostate cancer and for the Green Laser treatment of prostate enlargement. ▪ In the diagnostic imaging department, a new state-of-the-art 128-layer CT scanner was introduced.
HIGHLIGHTS AT FACILITIES IN THE LIGURIA REGION	
FIDES GROUP	<ul style="list-style-type: none"> ▪ Among the initiatives launched in 2023, relating to the laundry activity, we note the Group's work supporting the "Veneranda Compagnia di Misericordia", which helps rehabilitate and reintegrate into society those, who owing to time in prison and/or returning to society following a period of incarceration, find themselves in a difficult situation.
HIGHLIGHTS AT FACILITIES IN THE LAZIO REGION	
AURELIA HOSPITAL	<ul style="list-style-type: none"> ▪ The hospital is one of five centres making up the "Arthroscopic Surgery Project 2023". ▪ The hospital has entered into teaching agreements with almost all the universities in Rome for training courses, internships, and specialisations in several specialist branches. ▪ Aurelia Hospital's interventional cardiology is in the top ten in Italy by number of coronary angioplasties. ▪ The Urology unit is the Key Regional Holmium Laser Surgery Centre and minimally invasive Surgery Centre.
SAMADI RESIDENTIAL PSYCHIATRIC CARE FACILITY	<ul style="list-style-type: none"> ▪ At the hospital, there are agreements for undergraduate and post-graduate training internships with several faculties of psychology and physiotherapy specialisation schools, and an agreement with the Psychiatric Specialisation School of Cattolica del Sacro Cuore University. ▪ The hospital also has partnerships with several integration and rehabilitation projects both with Rome 1 Local Health Authority Mental Health Departments and with the Community of Sant'Egidio. ▪ It also carried out a research project with the Chair of Psychology of La Sapienza University in Rome.

- We also note that several cultural events were held at the facility as part of “Samadi InConTra” initiative, designed for facility residents and their families.

QUALITY CERTIFICATIONS

The subsidiaries which, as of December 31, 2023, have EN ISO 9001-2015 Quality Management System certification are detailed below.

Region	Clinic
Veneto	<ul style="list-style-type: none"> ▪ CMSR Veneto Medica ▪ Sanimedica ▪ Centro Medico S. Biagio ▪ GVDR
Emilia-Romagna	<ul style="list-style-type: none"> ▪ Hesperia Hospital ▪ Ospedali Privati Riuniti ▪ Poliambulatorio Dalla Rosa Prati ▪ Domus Nova
Friuli Venezia-Giulia	<ul style="list-style-type: none"> ▪ Centro Medico Università Castrense
Liguria	<ul style="list-style-type: none"> ▪ Roemar, Rehabilitation Centre, Fides Medica, Prora (Fides Group)
Lombardy	<ul style="list-style-type: none"> ▪ XRay One
Lazio	<ul style="list-style-type: none"> ▪ European Hospital

ADDITIONAL CONTROLS SET UP BY GHC GROUP TO SUPPORT QUALITY OF CARE

In 2018, GHC’s Board of Directors set up a Scientific Committee with consultative functions, comprising the Healthcare Managers of the Group’s clinics and leading scientific experts. This seeks, among other matters, to make available to the clinics and the researchers of the GHC Group a “forum” for the sharing and synergy of their scientific activities; to act as a promoter of common guidelines for the planning and presentation of research projects to domestic and international funding agencies for medical research and health services; to map the excellences at the clinics within the scope of the GHC Group.

The Chairperson of the Scientific Committee is Prof. Oscar Maleti, a leader in the field of vascular surgery and of the international scientific community. In 2023, the activity performed by the Scientific Committee was reported by Prof. Maleti and assessed by the GHC Board of Directors in a dedicated meeting. In order to promote and support the Scientific Committee’s activity, at the meeting, the GHC Board of Directors also resolved to finance a research project called “*Study of the short and long-term effects of a residential treatment based on cognitive behavioural therapy in a cohort of adolescent patients with anorexia nervosa*”, presented by Prof. Riccardo Dalle Grave as principal investigator and to be carried out at the Villa Garda facility.

We note that the resources allocated to the project were identified as part of the fund provided for under Article 40 of the By-Laws (established since 2018), which stipulate that an annual maximum of 1% of the Group’s net profits be used for scientific and/or charitable purposes.

FOCUS: QUALITY OF CARE AND CUSTOMER SATISFACTION

In 2023, GHC performed a quality of care and customer satisfaction assessment. The purpose of the first phase of the assessment, which was coordinated by the Holding Risk Manager, and supported by the Chief Sustainability Officer, was to analyse the method of managing customer satisfaction process and complaints management, currently employed at the Group's facilities, in order to measure the Key Performance Indicators (KPIs).

HIGHLIGHTS: ASSESSMENT AREAS	
CUSTOMER SATISFACTION	<ul style="list-style-type: none"> ▪ Customer satisfaction is a tool used to obtain feedback on the services provided to users, identifying any critical issues and/or service disruptions and the relative improvement measures, at the same time ensuring the quality of service. ▪ The analysis activity is usually performed using a series of broad-ranging tools, including: sending hard copy and/or digital questionnaires that users can freely deliver to the facility, direct interviews (particularly in the event of longer or shorter stays), and gathering of rapid feedback by means of totems in the admissions areas. ▪ These tools allow the measurement of users' perceived quality regarding specific aspects of each facility, which generally include admission method, staff courtesy, cleanliness, canteen quality of service, information received from medical/nursing staff, compliance with the waiting times, etc.
COMPLAINTS	<ul style="list-style-type: none"> ▪ Complaint management is the main tool available to users who can constructively report any problems linked to the services received from a healthcare facility. They can also use the system for giving praise, of course. ▪ Complaints are usually submitted to the health authorities in the specific hard copy form or digitally by e-mail/telephone to the Public Relations Office - PRO. Complaints will then be addressed as soon as possible. ▪ Complaints of particular interest may become "non-compliances", triggering a procedure to analyse the problem and define corrective action, directly involving the Health Department.
ELEMENTS UNDER ANALYSIS	
CUSTOMER SATISFACTION MANAGEMENT	<ul style="list-style-type: none"> ▪ Method of formalising the process and identifying management and control ownership. ▪ Survey timeframes and frequency ▪ Analysis tools ▪ Publication and sharing of results with management ▪ Scope of users involved
COMPLAINT MANAGEMENT	<ul style="list-style-type: none"> ▪ Method of formalising the process and identifying management and control ownership. ▪ Complaint response times ▪ Analysis tools ▪ Publication and sharing of results with management

The analysis was carried out by means of interviews and questionnaires during dedicated meetings with each facility, validating the results by subsequently sending a checklist to the relative owners (typically, Quality Managers). The analysis did not relate to the GVDR and Sanatorio Triestino facilities, nor to those connected to Aurelia Hospital Group, which had recently been acquired. On completing the data collection and analysis process, the main findings that emerged from the assessment, together with the relative improvement measures identified were shared with the individual facilities involved in the process and with the Control, Risks and Sustainability Committee and with the Board of Directors, during a dedicated meeting.

Reported below are users' twelve perceived quality indicators explored during a further assessment, which was also carried out by means of interviews and questionnaires during dedicated meetings with each facility, validating the results by subsequently sending a checklist to the relative owners (typically, Quality Managers). As mentioned above, the analysis did not relate to the GVDR and Sanatorio Triestino facilities, nor to those connected to Aurelia Hospital Group, which had recently been acquired.

PERCEIVED QUALITY INDICATORS UNDER ASSESSMENT (BY SECTOR)			
PERCEIVED QUALITY INDICATORS AREA UNDER ASSESSMENT	HOSPITALS SECTOR	OUTPATIENT CARE SECTOR	DEPENDENCY CARE SECTOR
<i>Booking service</i>	✓	✓	-
<i>Administrative admissions service</i>	✓	✓	✓
<i>Accessibility of clinics</i>	✓	✓	-
<i>Comfort of clinics</i>	✓	✓	✓
<i>Cleanliness of facilities</i>	✓	✓	✓
<i>Quality of canteen services</i>	✓	✓	✓
<i>Adherence to appointment times for the provision of services</i>	✓	✓	-
<i>Time available for family visiting</i>	✓	-	-
<i>Attention received from medical staff</i>	✓	✓	✓
<i>Attention received from nursing/technical staff</i>	✓	✓	✓
<i>Clarity and fullness of the information/explanations received</i>	✓	✓	✓
<i>Protection of privacy</i>	✓	✓	-

The results of the analysis - for each indicator and each facility - were then analysed in terms of: (i) average perceived satisfaction at Group level, (ii) average perceived satisfaction by individual subsidiary company, and (iii) perceived satisfaction by individual indicator. Once again, on completing the data collection and analysis process, the main findings that emerged from the assessment, together with the relative improvement measures identified were shared with the individual facilities involved in the process and with the Control, Risks and Sustainability Committee and with the Board of Directors, during a dedicated meeting.

We note that the activities relating to the quality-of-care assessment and the customer satisfaction assessment constituted two separate sustainability goals for 2023 and should therefore be regarded as achieved.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS (GRI 2-25)

The GHC Group analyses and monitors the impacts of its services on the community through a complaints management and customer satisfaction survey system, through which users and anyone else who interacts with the Group can indicate the positive and negative aspects of their experience at GHC Facilities and in their interactions with GHC employees.

In this regard, it should be noted that handling of complaints is also required under regulations for the accreditation of Group facilities. This provides that grievances may be sent multi-channel (email, telephone, verbally), initiating an evaluation process that, on the assumption that the grievances are well-founded (causing harm to the user and/or the Group), may set in motion detailed investigations to identify causes and remedial action.

This approach is complemented by the customer satisfaction strategy, which involves two modes of engagement:

- direct, regarding the administration of questionnaires to users with specific fields (quality of service, friendliness and helpfulness of staff, cleanliness and comfort of premises, information received, etc.);
- indirect, using interactive media stations and other survey devices that allow the user to provide feedback freely.

Again, the information collected is systematised and processed to identify any areas for improvement. Hence, user engagement is the primary source of information for the model and, from a participatory viewpoint, enables it to feed not only the surveys but also the operation of the model itself, pointing directly or indirectly to areas of improvement.

All information collected during complaint management and customer satisfaction surveys is reprocessed and formalised within an annual report that generally falls under quality surveys within the Management Review Document (to identify systemic and coordinated actions).

As described above, in 2023, the Group moved to align the quality indicators and measure them by single facility in relation to twelve shared Key Performance Indicators.

MEMBERSHIP ASSOCIATIONS (GRI 2-28)

Several Group entities are members of major associations of a specialised (e.g. the Italian Private Hospital Association) and industrial (Unindustria) nature.

The Group's entities, however, do not play "significant roles" as described by the new GRI Standards (i.e. requiring presence in the governing bodies of the relevant associations and/or funding them more than other associates).

TECHNOLOGICAL INNOVATION AND DIGITALISATION OF SERVICES

The importance of Information Technology within the Group is increasingly vital due to its relevance in controlling core aspects and enabling the development of new opportunities.

Listed below are the primary core areas and tasks of the IT function that are required for the continuous oversight and operation of healthcare facilities.

Core Areas/ Functionalities	Availability	Compliance	Security
INFRASTRUCTURE	<ul style="list-style-type: none"> Maintaining operations on an ongoing basis 	<ul style="list-style-type: none"> Technical and regulatory requirements, with regard to Law 262 compliance 	<ul style="list-style-type: none"> Compliance with the principles of confidentiality, integrity and data segregation
NETWORK AND CONNECTIVITY	<ul style="list-style-type: none"> Availability and efficiency of peripheral connectivity needed to deliver business services 	<ul style="list-style-type: none"> Compliance with GDPR and AGI regulations, through application of the required safeguards (SIEM - Security Information and Event Management, SOC - Security Operation Center) 	<ul style="list-style-type: none"> Constant monitoring of firewalls and verification of attempted incursions
APPLICATIONS	<ul style="list-style-type: none"> Ongoing maintenance of management applications to support healthcare facility operations 	<ul style="list-style-type: none"> Compliance with information access policies and management of permissions to restricted areas 	<ul style="list-style-type: none"> Constant monitoring of user management and access analysis

Opportunities enabled by IT levers can be categorised as internal or external based on the availability of various enabling elements, illustrated below.

Opportunity type	Enabling factors	Description of the opportunity
INTERNAL	Data availability and Incremental information	<ul style="list-style-type: none"> Improved decision-making skills on medical and clinical issues and on management control
EXTERNAL	Digitalisation of the patient journey	<ul style="list-style-type: none"> Improved experience for users/patients with potential to increase the attractiveness of facilities

As regards the aforementioned, in 2023 GHC Group continued to work on Information Technology issues, related to the optimisation of core areas and services and the field of digital evolution.

With reference to the core areas and services, the main activities implemented by the Group were mainly related to security issues, through:

- **Extension of SIEM (Security Information and Event Management) monitoring and protection services and Patch Management** (i.e. a centralised console that allows threat prevention, containment and remediation to be strengthened, reducing the attack surface on servers and Windows workstations, and simplifying and automating the application of patches to company systems);
- **Standardisation of the perimeter firewalls and implementation of MDR (Management Defence Reporting) systems** with endpoint antivirus.

The aforementioned activities involved all Group facilities (except the new companies acquired in 2023).

With reference to digital evolution, the main activities implemented by the Group related to:

- **Creation of the “web portal”**, meaning an IT architecture capable of connecting: (a) the GHC corporate website, updated with a new dynamic graphic layout, (b) the new “operations” website, the entry-gate to the websites of the individual Group facilities, made possible owing to the graphic interface, which will allow patients to explore the Group centres, manage and book services online and keep up-to-date with the news published by the individual facilities, and (c) the websites of the individual facilities, brought into line in terms of graphic layout, which, as of today’s date, are gradually being rolled out. Once all the planned services have been implemented, the latter websites will allow users to make bookings and manage payments and relations with insurance funds;
- **Development of the MyGHC App**, in order to broaden the user experience of the new web portal through a mobile app (already available to Android and Apple users). The app has made it possible to book services at the Group healthcare facilities (as of today’s date, gradually being rolled out) by means of portable devices (like mobile phones and tablets). The launch of the MyGHC App also involved the reorganisation of certain common processes (to permit alignment at Group level), and the launch of new processes supporting the planned functions;
- **Extension of the electronic Medical Records roll-out project** to the Villa Garda and Villa Von Siebenthal facilities (the latter was completed at the beginning of 2024). This project was regarded as particularly beneficial in light of the specific functions of electronic Medical Records. These allow the digitalisation of the entire patient data collection and recording process, segregation of patient data visibility (based on the type of operator and in line with the current regulations), standard use of the product at healthcare clinics, and sharing of treatment programs between doctors and clinics in line with the regulations and preparation of clinics for Electronic Health Files (*Fascicolo Sanitario Elettronico* - FSE);
- **Extension of the RIS (radiological information system) and PACS (Picture Archiving and Communication System)** to the CMSR, Sanimedica, Villa Berica, Villa Garda and Aesculapio clinics. This activity was also regarded as particularly valuable, given that RIS and PACS, integrated into a single software application, allow the computerised management of activities linked to radiology and diagnostic imaging, therefore simplifying consulting activities to the benefit of medical staff and patients alike;
- **Gradual digitalisation of HR Management processes**, migrating the related activities (including employee data attendance and payment management) to the GHC cloud. The HR Management digitalisation project was completed in 2023 as regards employee data, attendance and files for the first cluster of Group facilities and will be gradually extended to the remaining facilities from 2024 onwards.

We note that the activities relating to the web portal and the extension of the RIS and PACS projects (both relating to digital evolution issues) constituted two separate sustainability goals for 2023 and, as such, this goal may be regarded as achieved.

FOCUS: RAFFAELE GAROFALO AWARD FOR SUSTAINABILITY

The second Raffaele Garofalo Award for Sustainability was held in 2023. This is the Group’s internal challenge designed to spread and further develop a culture of sustainability within GHC.

INITIATIVE HIGHLIGHTS	
TOPIC CHOSEN FOR THE 2023 AWARD	<ul style="list-style-type: none"> ▪ “The patient at the centre of the system”, referring to the humanisation of treatment, staying true to the memory of the values, the man and the professional figure of Prof. Raffaele Garofalo.
BENEFICIARIES OF THE PROJECT	<ul style="list-style-type: none"> ▪ The Raffaele Garofalo 2023 Award for Sustainability, as in the case of the 2022 Award, involved employees and business partners of the individual facilities, all invited to take an active part with a view to making a direct contribution to the development of the facility in question and its local community.
EXECUTION METHOD	<ul style="list-style-type: none"> ▪ <u>June - August 2023</u>: Through the Chief Sustainability Officer and the Holding Communications Manager, GHC staff were invited to submit ideas/initiatives that, in line with the topic indicated, would allow Group facilities to improve the quality of experience for patients and their families and/or enhance the reputation and standing of the facilities regionally and in their local communities.

	<ul style="list-style-type: none"> ▪ <u>September - October 2023</u>: The ideas/initiatives submitted by each facility, gathered by the “Sustainability Ambassadors” - identified at each healthcare facility, and usually the HR, Purchasing, Quality, or Communications Manager - were shared with the Chief Sustainability Officer and the Holding Communications Manager. ▪ <u>November 2023 - January 2024</u>: following meticulous verification and discussion, the Chief Sustainability Officer and the Holding Communications Manager defined a shortlist of ideas/initiatives, which was subsequently shared with the Chief Executive Officer of GHC Group. ▪ <u>February 15, 2024</u>: Holding of the initiative award event in Bologna (at the commemoration of the death of Prof. Raffaele Garofalo), with the attendance of the Chief Executive Officer of the GHC Group, the Chief Executive Officers/General Managers/Healthcare Managers of the GHC Group healthcare facilities, the Chairperson of the Control, Risks and Sustainability Committee and the Chairperson of the Scientific Committee. All GHC staff were invited to connect to the event, broadcast on a live stream. At the event, the award-winning initiative and relating healthcare facility were announced. The initiative will be launched for implementation in 2024.
<p style="text-align: center;">WINNING CLINIC</p>	<ul style="list-style-type: none"> ▪ Fides Group
<p style="text-align: center;">CHOSEN INITIATIVE (2024)</p>	<ul style="list-style-type: none"> ▪ Offer of a home treatment service in the local area - provided in collaboration with family doctors and local social workers - designed to limit functional decline and improve the quality of life of the individual in his or her home, avoiding hospitalisation or unduly placing people in residential facilities, and detecting any unexpressed needs or problems resolved inappropriately.

We note that holding the second “Raffaele Garofalo Award for Sustainability” was a sustainability goal for 2023, and, as such, this goal may be regarded as achieved.

We also note that, in 2023, GHC pledged to fund a “sustainable action” for Villa Garda, the winning Group healthcare facility in the first “Raffaele Garofalo Award for Sustainability”. The “sustainable action” was identified as the development of an innovative local telemedicine project and was the first telemedicine and remote reporting project in the Veneto Region, carried out in association with public and accredited private operators. Based on collaborative coordination between Villa Garda and Scaligera Local Health Service Unit 9, the project involved the launch of an “Integrated Care Network” for remote reporting of patients who are not self-sufficient in Garda and the surrounding municipalities for an extendible term of two years, allowing entirely electronic management of the services.

As part of the Villa Garda project, by means of the resources obtained as the winning healthcare facility of the first “Raffaele Garofalo Award for Sustainability”, it purchased three portable electrocardiographs (including the relating consumables) and allocated them to the District 4 Integrated Home Care (“IHC”) staff, also providing them with the necessary medical expertise in the field of cardiology for subsequent reporting (at no charge to LHSU 9). Multiple benefits will be derived from the initiative as the project will permit the implementation of home healthcare services, support General Practitioners in caring for bedridden patients and those who cannot be transported by ordinary vehicles, reduce waiting lists, reduce ambulance transport service costs, and reduce waiting times for the provision of particular services.

The project was presented in November 2023 at the Villa Garda clinic (in Garda), and attendees included the Chief Executive Officer of GHC Group and the General Manager of Scaligera Local Health Service Unit 9.

Responsible conduct

MATERIAL TOPICS REFERENCED:

⇒ ETHICS AND INTEGRITY

⇒ DATA SECURITY & PRIVACY

REFERENCES CONTAINED IN THE GROUP'S CODE OF ETHICS

“Regarding privacy, in carrying out its business, GHC undertakes to collect, manage and process personal data in compliance with applicable legislation, and to ensure the confidentiality of data processing.”

The GHC Group, in light of its particular activities, is required to constantly monitor the security and privacy of the data it holds as it is exposed to risks related to the compromise of the availability, confidentiality and integrity of special personal (health) and operating-financial data processed by the company.

The risks regarding personal data are mainly associated with the applicable GDPR regulations, which require organisations to prepare specific safeguards to manage and protect this data. This is especially true when the data in question, as is the case for the GHC Group, belongs to a ‘special category’ (health data).

For this reason, in 2023, the Parent Company’s IT department continued to boost the activities undertaken in 2022 relating to IT security, namely:

- **Security Scope:** periodic monitoring through vulnerability assessment of the entire Group perimeter (except those facilities acquired in 2023). Following the vulnerability assessment, remediation plans were prepared for the vulnerabilities found. In this regard, the parent company’s IT function uses dashboards in the area of security for the control and governance of cyber attacks on the entire corporate perimeter (holding company and subsidiaries), and a dashboard for the control of crucial APIs in the area of IT infrastructure (such as the availability of network and server services);
- **MFA (Multi Factor Authenticator) Scope:** in 2023 the application of the dual factor system was extended to various software systems throughout the Group’s healthcare facilities (except those facilities acquired in 2023, which will be included in 2024);
- **Efficiency and Availability:** to enable better governance over access and improved availability of accounting and financial data, the migration of the accounting system of the GDVR (acquired in December 2022) to GHC’s data centre was completed. Activities were also initiated for the integration of the same application for Sanatorio Triestino (acquired in 2023).

Given the significance of the topic, the GHC Group has reported on “Substantiated complaints concerning breaches of customer privacy and losses of customer data”, ([GRI 418-1](#)).

Substantiated complaints concerning breaches of customer privacy and losses of customer data - 2023

Description	Number
Total number of substantiated complaints received	-
<i>Complaints received from outside parties and substantiated by the organisation</i>	-
<i>Complaints from regulatory bodies</i>	-
Total number of identified leaks, thefts, or losses of customer data for 2023	-

FOCUS: ETHICS AND INTEGRITY: TRAINING ACTIVITIES 2023

In order to raise awareness and effectively implement the Group Anti-Corruption Policy, issued in January 2023 and adopted by the individual Group companies, in November 2023 a training session was organised on the subject of “Bribery offences and GHC Anti-Corruption Policy”, created with the support of a leading external consultant.

The training session was held in the presence of the Chief Executive Officer of the GHC Group and coordinated by the General Counsel and the Holding Internal Audit function. All the Chief Executive Officers/Sole Directors, General Managers, Chief Operating Officers, Administration Officers, Quality Manager and Healthcare Managers of the GHC Group healthcare facilities were invited, with the option to extend the invitation (where applicable) to the Purchasing, Communications and Human Resources managers, in addition to any consultants/external partners that have or may have relations with the Public Administration on behalf of the Group companies.

In addition to the above, we note that in 2023 an induction session relating to the Organisational Model on Privacy was held for Holding personnel only.

We note that defining and implementing a training plan on regulatory/compliance issues (such as anti-corruption and privacy) was a sustainability goal for 2023, and, as such, this goal may be regarded as achieved.

FOCUS: DATA SECURITY & PRIVACY: NEW PROCEDURES 2023

With a view to further strengthening the company measures to apply to IT issues, in August 2023 the “IT Incident Management” Procedure was approved, the essential elements of which are presented below.

“IT INCIDENT MANAGEMENT” PROCEDURE	
OBJECTIVES	<p>Define the method of managing IT incidents and problems in order to ensure:</p> <ul style="list-style-type: none"> ▪ the efficiency and effectiveness of the incident and problem management process in order to improve security, maximise system availability, improve service levels and user satisfaction and optimise costs ▪ the reduction of the number of incidents by means of a proactive method of management and issue investigation through specific monitoring dashboards ▪ the ability to monitor ICT activities in the management of incidents and problems owing to full tracking of the measures taken and the relative potential to enable drivers to measure quality of service ▪ an increase in the GHC Group’s ability to proactively identify the potential areas for internal improvement, drawing on knowledge built up in prior incident and/or problem management ▪ involvement of all the company departments that have technical and/or specialised skills to resolve the incident and investigate the problems that caused it, potentially by extending the scope of analysis
SCOPE OF APPLICATION	<ul style="list-style-type: none"> ▪ The “IT Incident Management” Procedure applies to Garofalo Health Care S.p.A. (“GHC” or the “Company”) and all of its subsidiaries. ▪ For this purpose, GHC guarantees the maximum dissemination within the Group. ▪ The Procedure and all subsequent amendments or additions must be enacted by the administrative body of each subsidiary.
SCOPE	<ul style="list-style-type: none"> ▪ The Procedure governs the operating processes relating to IT incident management throughout their life cycle with reference to the Opening and Classification, Analysis and Resolution, Closure and Reporting phases, and lastly, Problem Management. ▪ More specifically, the Procedure regulates the technical support activity performed by the IT groups for all the ICT issues which require their involvement. ▪ By way of example, reported below is a non-exhaustive list of types of incidents that fall within the scope of application of the Procedure:

	<ul style="list-style-type: none"> - software anomalies; - database mismatches; - network infrastructure and security problems; - backup or data recovery problems; - damage to hardware components (e.g. hard disks, memory, network cards) or software; - inability to access systems
ADDRESSEES	<ul style="list-style-type: none"> ▪ Any GHC Group users or organisational units who detect events that may cause outages or unplanned reductions in services, or loss or damage to the ICT infrastructure during their working activity ▪ Technical functions responsible for managing IT incidents and problems

We note that the approval of an IT incident management procedure (known as “incident management”) was a sustainability goal for 2023, and, as such, this goal may be regarded as achieved.

12. Disclosure under Legislative Decree No. 254/2016: personnel and human rights topics

Our people

MATERIAL TOPICS REFERENCED:

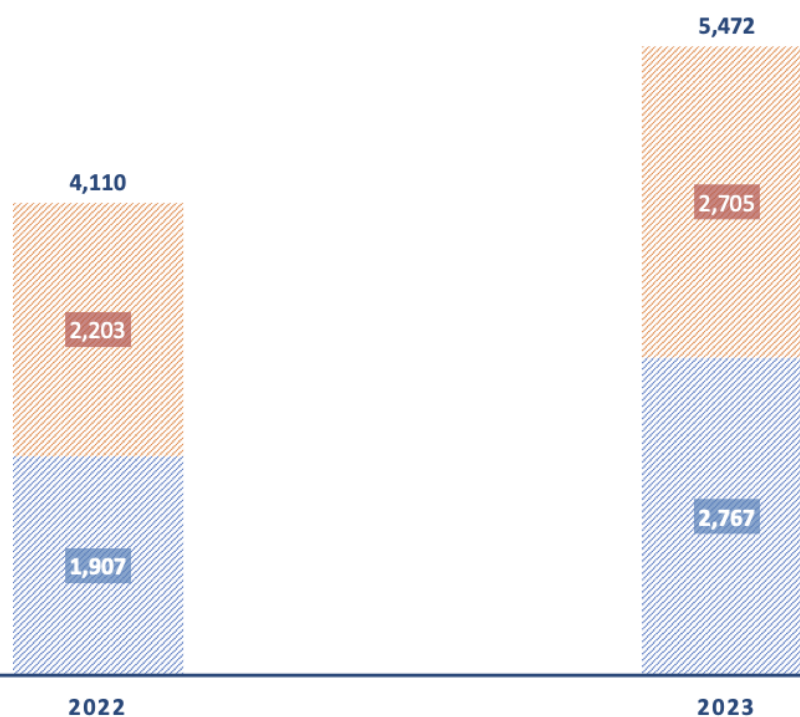
- ⇒ TALENT ATTRACTION, DEVELOPMENT AND STAFF WELL-BEING
- ⇒ WORKER HEALTH AND SAFETY
- ⇒ GOVERNANCE AND COMPLIANCE

REFERENCES CONTAINED IN THE GROUP'S CODE OF ETHICS

"GHC is committed to offering equal job opportunities for all, on the basis of professional qualifications and performance, and without discrimination, and the selection, hiring and remuneration of personnel according to merit and competence, without political, trade union, religious, racial, linguistic or gender discrimination, in compliance with all applicable laws, regulations and directives."

At December 31, 2023, the Group's total workforce stood at approximately 5,472, of which 2,767 were employees and 2,705 freelance professionals (e.g. doctors, consultants, psychologists, health technicians), up from 2022, partly due to the acquisitions of the Sanatorio Triestino and the clinics of the Aurelia Hospital Group during the year.

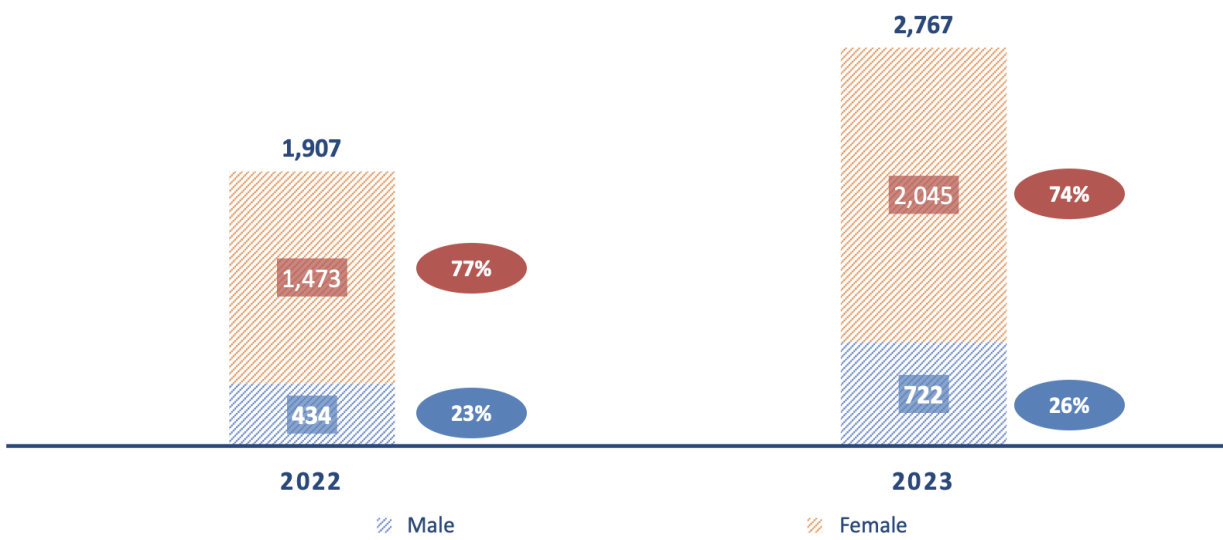
TOTAL WORKFORCE (#)



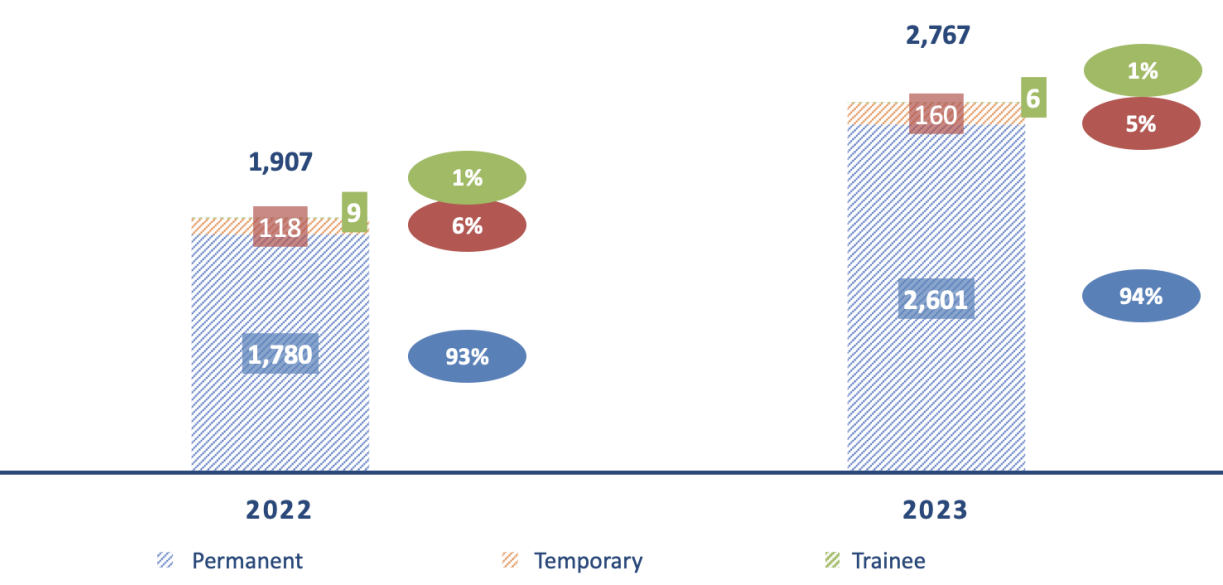
▨ Employees

▨ Collaborators

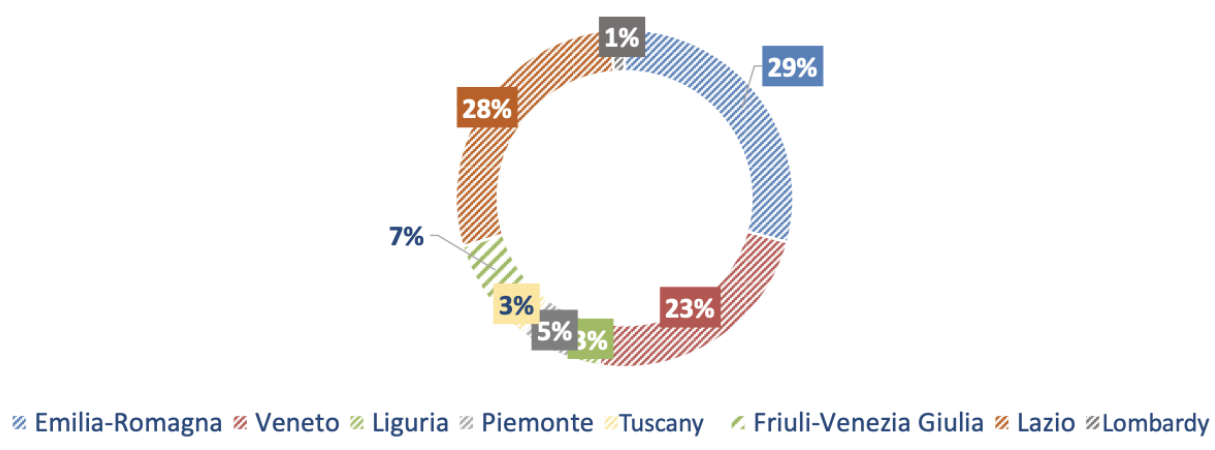
TOTAL EMPLOYEES BY GENDER (#)



TOTAL EMPLOYEES BY CONTRACT TYPE (#)



TOTAL EMPLOYEES BY REGION (%)



The following provides further details regarding employees in 2022 and 2023 in accordance with the GRI Standards. In this regard, it should be noted that the reported values refer to the headcount as at December 31, 2022 and December 31, 2023, respectively. The 2023 values include those relating to Sanatorio Triestino and the Aurelia Hospital Group healthcare facilities acquired in 2023. In addition, it should be noted that almost all (99.9%) of the Group's employees on the payroll at December 31, 2023 are covered by collective bargaining agreements. (GRI 2-30)

BREAKDOWN OF EMPLOYEES BY GENDER & CONTRACT TYPE (GRI 2-7, 405-1)

Group employees by gender and contract type						
	2022			2023		
	Male	Female	Total	Male	Female	Total
Permanent	410	1,370	1,780	685	1,916	2,601
Temporary	24	94	118	37	123	160
Trainee	-	9	9	-	6	6
Total	434	1,473	1,907	722	2,045	2,767

BREAKDOWN OF EMPLOYEES BY GENDER & FULL-TIME/PART-TIME CONTRACTS (GRI 2-7, 405-1)

Group employees by full-time/part-time contracts						
	2022			2023		
	Male	Female	Total	Male	Female	Total
Full Time	384	1,174	1,558	668	1,718	2,386
Part Time	50	299	349	54	327	381
Total	434	1,473	1,907	722	2,045	2,767

BREAKDOWN OF EMPLOYEES BY AGE & PROFESSIONAL CATEGORY (GRI 2-7, 405-1)

Group employees by gender and professional category								
	2022				2023			
	under 30	30-50	over 50	Total	under 30	30-50	over 50	Total
Executives	-	7	5	12	-	9	6	15
Managers	-	14	4	18	-	17	6	23
White-collar	268	832	571	1,671	410	1,143	836	2,389
Blue-collar	9	99	98	206	17	135	188	340
Total	277	952	678	1,907	427	1,304	1,036	2,767

BREAKDOWN OF EMPLOYEES BY GENDER & PROFESSIONAL CATEGORY (GRI 2-7, 405-1)

Group employees by gender and professional category						
	2022			2023		
	Male	Female	Total	Male	Female	Total
Executives	8	4	12	10	5	15
Managers	11	7	18	14	9	23
White-collar	355	1,316	1,671	586	1,803	2,389
Blue-collar	60	146	206	112	228	340
Total	434	1,473	1,907	722	2,045	2,767

NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER (GRI 401-1)

New Group hires by age, gender and job category							
	2023				2023		
	under 30	30-50	over 50	Total	Male	Female	Total
Executives	-	-	-	-	-	-	-
Managers	-	2	-	2	1	1	2
White-collar	118	96	21	235	58	177	235
Blue-collar	5	9	4	18	6	12	18
Total	123	107	25	255	65	190	255

Employees who left the Group by age, gender and job category							
	2023				2023		
	under 30	30-50	over 50	Total	Male	Female	Total
Executives	-	-	-	-	-	-	-
Managers	-	-	-	-	-	-	-
White-collar	87	101	62	250	68	182	250
Blue-collar	3	11	21	35	11	24	35
Total	90	112	83	285	79	206	285

The Group's average incoming turnover rate ⁽⁷⁾ in 2023 was 13.5% (compared to 15.3% in 2022) while its average outbound turnover rate was 15.1% (compared to 17.5% in 2022).

In order to facilitate a better understanding of the overall average figure, we note that inputs/outputs related to staff from hospital sector facilities account for approximately 75% of the total figure recorded in 2023, those related to outpatient sector facilities account for approximately 18%, and those related to social welfare sector facilities account for approximately 7% (values substantially in line with those recorded in 2022).

INCOMING AND OUTGOING TURNOVER RATE		
	2022	2023
Incoming turnover rate (%)	15.3%	13.5%
Outgoing turnover rate (%)	17.5%	15.1%

The Group will continue to monitor the evolution of the turnover rate of its clinics in 2024 and provide information on it in next year's reporting.

The following provides some details on non-employee personnel for 2023 as per the new GRI Standards. In this regard, we note that the reported values refer to the headcount at December 31, 2023. The 2023 values include those relating to Sanatorio Triestino and the Aurelia Hospital Group healthcare facilities acquired in 2023.

WORKERS WHO ARE NOT EMPLOYEES (GRI 2-8)

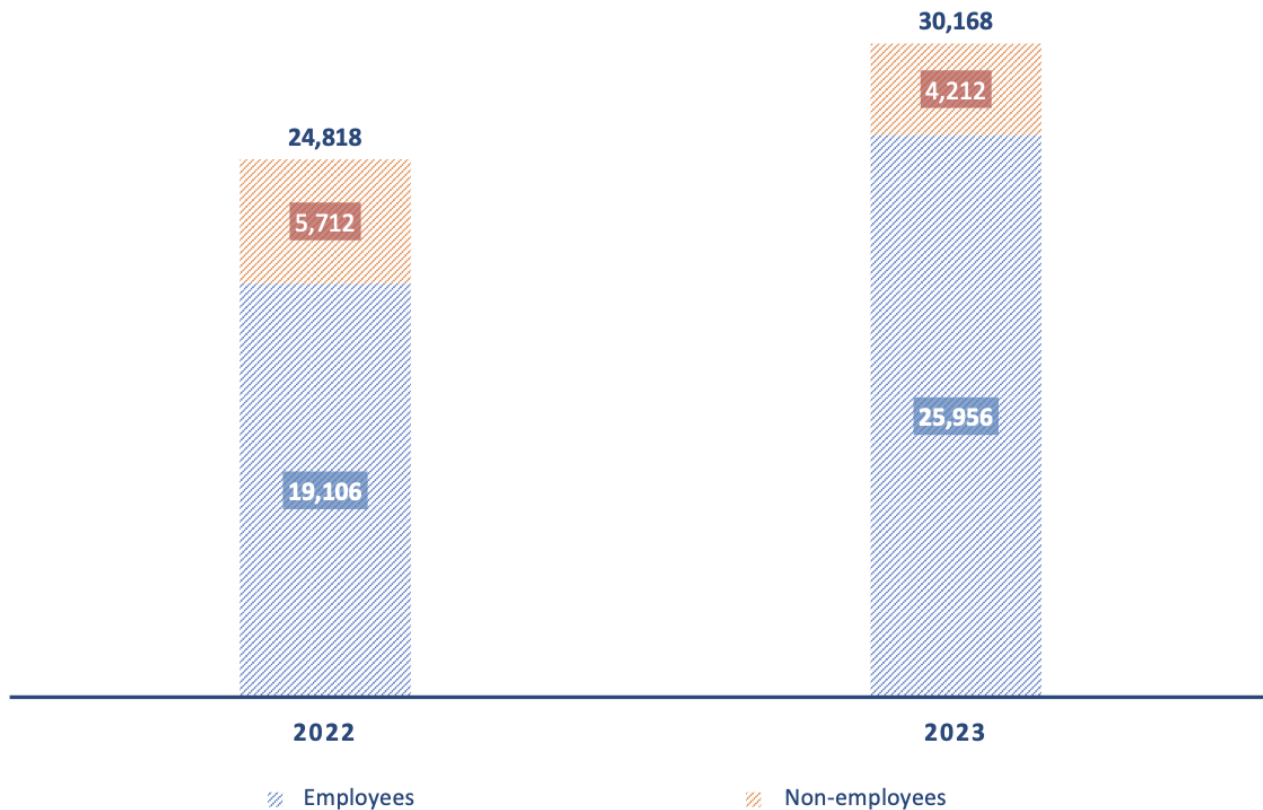
Group workers who are not employees						
	2022			2023		
	Male	Female	Total	Male	Female	Total
Medical and paramedical staff	1,386	663	2,049	1,647	870	2,517
Non-medical and non-paramedical staff	45	109	154	72	116	188
Total	1,431	772	2,203	1,719	986	2,705

⁷⁾ The figure is calculated as the ratio of total revenue/output to total workers in the prior year, excluding employees of the parent company (as a holding company that does not engage in health care operations), of Sanatorio Triestino and the clinics of the Aurelia Hospital Group, acquired in 2023

TRAINING (GRI 404-1)

A total of 30,168 hours of training were delivered in 2023, of which 25,956 were provided to employees and 4,212 hours to non-employees.

TRAINING PROVIDED TO EMPLOYEES AND NON-EMPLOYEES (HOURS)



The per capita training hours given to Group employees during the reporting period are summarised below

Employee per capita training hours by gender and professional category ⁽⁸⁾						
CONTRACT	2022			2023		
	Male	Female	Total	Male	Female	Total
Executives	15.2	25.0	16.8	4.3	-	3.3
Managers	9.5	0.8	4.7	2.3	2.3	2.3
White-collar	10.3	9.5	9.6	9.2	9.5	9.4
Blue-collar	17.4	12.6	14.0	11.8	9.4	10.2
Total	11.4	9.8	10.1	9.5	9.4	9.5

⁸⁾ These figures do not take into account the contribution of the Parent Company GHC S.p.A. The average hours of training are calculated by dividing the total number of hours during the year by classification and gender, by the total number of employees in the same category

OCCUPATIONAL HEALTH AND SAFETY (GRI 403-9)

There were 83 work-related injuries in 2023, sharply down on 2022 (also considering the Group's significant acquisition-led increase in size) given the fading COVID emergency.

Employee work-related injuries ⁽⁹⁾		
Description	2022	2023
Total number of deaths due to work-related injuries - employees	-	-
Total number of serious work-related injuries (excluding deaths) - employees	-	1 ⁽¹⁰⁾
Total number of recordable employee work-related injuries	107	83

The employee injury rate is also presented below, obtained by comparing the total number of injuries recorded to the total number of hours worked (3,918,015 in 2023, up from 2,759,256 in 2022). As highlighted above there was a clear drop in the work-related injury rate recorded for employees (influenced in preceding financial years by the COVID-19 emergency).

Employee occupational injury rate ⁽¹¹⁾		
Description	2022	2023
Rate of deaths due to work-related injuries - employees	-	-
Rate of serious work-related injuries (excluding deaths) - employees	-	-
Rate of recordable employee work-related injury (per million hours worked)	39	21

Regarding this, the Group further announces that it did not detect any non-compliance with rules and/or voluntary guidelines regarding the health and safety implications of its services in 2023 (GRI 416-2)

⁽⁹⁾ An injury is recorded if it involves one of the following consequences: death, days of absence from work, reduction of duties or transfer to another facility, need for medical treatment beyond first aid, loss of consciousness, serious accident

⁽¹⁰⁾ We note that the injury was recorded on the home-work commute, therefore outside of the healthcare facility in question.

⁽¹¹⁾ The accident rate is the ratio between accidents and hours worked by the Group during the reporting period. In order to improve the readability of the data, the multiplier 1,000,000 was used. At the regulatory level, the Group is not required to record the accidents of non-employee workers.

13. Disclosure under Legislative Decree No. 254/2016: active and passive corruption topics

Our Integrity

MATERIAL TOPICS REFERENCED:

- ⇒ GOVERNANCE AND COMPLIANCE
- ⇒ ETHICS AND INTEGRITY

REFERENCES CONTAINED IN THE GROUP'S CODE OF ETHICS

"No conduct, direct or through any intermediary, aimed at improperly influencing the decisions of the public administration or acquiring preferential treatment, even indirectly (e.g. issuing of a provision to the detriment of a competitor of GHC), is permitted in the conduct of any company activity. Such a prohibition may not be circumvented or evaded through sponsorships or donations to public administrations or bodies, or through the assignment of roles to persons in any way related to those working in the public administration."

The GHC Group undertakes to conduct its business with the utmost fairness and integrity in all its relationships with people and entities outside the Group. Professionalism, competence, fairness and courtesy are the guiding principles that the Group observes in its relationships with third parties and/or its companies. In line with the principles of integrity that underpin the GHC model, it is essential that relationships with parties both internal and external to the GHC model are based on:

- full transparency and fairness;
- compliance with the law, particularly in relation to the provisions on offences against the Public Administration and corruption among private individuals;
- independence from all forms of conditioning, whether internal or external.

On the issue of corruption, GHC has always monitored and managed this risk through various tools, including the Group's Code of Ethics (updated in 2023 and formally implemented by all Group companies), the Organisational Model (pursuant to Legislative Decree No. 231/01) of each company, and the reporting procedure ("Whistleblowing").

The Code of Ethics pays particular attention to the essential principles of its work, namely honesty and compliance with all applicable regulations in Italy and, in particular, in the various Regions in which the Group's healthcare facilities operate.

For the Group, the prevention of corrupt practices represents not only a legal obligation, but also one of the principles on which its actions are based. With this in mind, GHC announced the Group's "Anti-Corruption Policy" in January 2023, making zero tolerance explicit for any kind of direct or indirect act of corruption. The Anti-Corruption Policy, which was approved by the Board of Directors of the parent company, has been enacted by the administrative bodies of subsidiaries and distributed to all Group employees. This Policy was the subject of specific training courses within the Group in 2023 and the Group's business partners are currently being informed of the Policy. **There were no cases of corruption in 2023. (GRI 2-26, 205-2, 205-3)**

We also note that in 2023 there were no "significant instances of non-compliance", as defined by the new GRI Standards. There were only three insignificant data breaches in this sector owing to exchanges or sending errors in the reports made or sent to the Privacy Guarantor. (GRI 2-27). In 2023, the Group was not involved in any cases involving anti-competitive activity, violations of anti-trust legislation, or anti-monopoly actions. (GRI 206-1)

Lastly, please note that specific processes are in place for all stakeholders to allow for "requests for clarification" and the ability to "raise concerns" (as per GRI 2-26), which were already described in the preceding sections.

14. Disclosure under Legislative Decree No. 254/2016: environmental topics

Environmental responsibility

MATERIAL TOPICS REFERENCED:

- ⇒ MANAGEMENT OF ENVIRONMENTAL IMPACTS
- ⇒ RESPONSIBILITY ALONG THE SUPPLY CHAIN

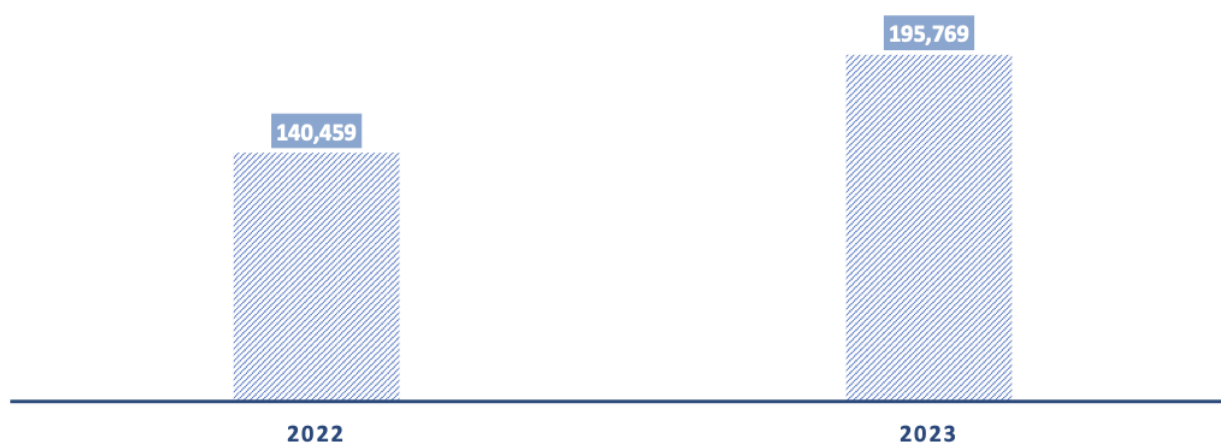
REFERENCES CONTAINED IN THE GROUP'S CODE OF ETHICS

"In the management of its activities, GHC pursues environmental excellence and the promotion and consolidation of a culture of respect for the environment, promoting responsible behaviours by all of its stakeholders. In addition, it works to protect, especially with preventive actions, the health and safety of workers, as well as the interests of other stakeholders, and to continuously improve the efficiency of company facilities."

Overall, the Group's energy consumption in 2023 was 195,769 GJ, (against 140,459 for the previous year.)⁽¹²⁾.

Further evidence of the above comes from calculating the energy intensity of the Group in the two reference years (GRI 302-3), as a ratio of total energy consumption to total turnover, on a pro-forma basis⁽¹³⁾. This results in a value for 2023 of 0.44 GJ/€k, (against 0.42 GJ/€k in 2022).

ENERGY CONSUMPTION (GJ)



Energy intensity			
	Unit	2022	2023
Total energy consumption	GJ	140,459	195,769
GHC consolidated revenues (pro-forma)	€k	334,801	449,515
Energy intensity	GJ/€k	0.42	0.44

⁽¹²⁾ We note that the 2022 data shown in paragraph 14 were submitted based on new rates used for 2023, in order to permit a consistent comparison. The 2022 values thus calculated do not show any significant change on those previously published.

⁽¹³⁾ The pro-forma figure gives retroactive effect from January 1 to the Group's acquisition of Sanatorio Triestino and the Aurelia Hospital Group's healthcare facilities in 2023.

ENERGY CONSUMPTION DETAILS (GRI 302-1; 305-1; 305-2)

Details on the energy consumption of subsidiaries and company vehicles for the years 2022 and 2023 are presented below. Neither of these figures take into account the contribution of the parent company GHC S.p.A., considered residual to that of the clinics as it relates to just one office.

Energy consumption at clinics ⁽¹⁴⁾					
Type of energy consumption	Unit	2022	2023	2022 (in GJ)	2023 (in GJ)
Energy carriers for heating					
Natural gas	scm	1,902,602	2,409,257	65,238	82,609
Diesel	L	5.702	7.338	205	264
Electricity purchased	kWh	19,349,983	26,205,252	69,660	94,339
Of which from GO- certified renewable sources	kWh	-	-	-	-
Self-produced electricity	kWh	127,038	122,240	457	440
Of which self-produced from renewable sources	kWh	127,038	122,240	457	440
Energy produced and fed back/sold to the grid	kWh	576	546	2	2
Of which from renewable sources	kWh	576	546	2	2
District heating	kWh	952,279	4,494,528	3,428	16,180
Of which from certified renewable sources	kWh	-	-	-	-

Vehicle fleet energy consumption ⁽¹⁵⁾					
Type of energy consumption	Unit	2022	2023	2022 (in GJ)	2023 (in GJ)
Diesel	L	26,162	33,225	942	1,196
Vehicles	no.	19	24	-	-
Petrol	L	15,100	21,660	482	691
Vehicles	no.	15	26	-	-
LPG	L	251	319	6	8
Vehicles	no.	-	1	-	-
Methane	Kg	840	868	42	44
Vehicles	no.	3	3	-	-

The GHC Group's total consumption for 2022 and 2023 is shown below (excluding the Parent Company GHC S.p.A.).

¹⁴⁾ In 2023, the conversion factor used for the calculation of energy consumption is 1 kWh = 0.0036 GJ for electricity and heat. For natural gas (1 Smc = 0.034288 GJ) and diesel (1 L = 0.0360108 GJ), the coefficients used were those from the NIR 2023

¹⁵⁾ For 2023, the conversion factors used are 1 L = 0.035994 GJ for diesel, 1 L = 0.0319162 GJ for petrol, 1 kg = 0.050433 GJ for methane, 1 kg = 0.024407122 GJ for LPG (source for diesel, petrol and LPG: NIR 2023; for methane: DEFRA 2023)

Total energy consumption			
	Unit	2022	2023
Total energy consumption	GJ	140,459	195,769
<i>of which from certified renewable sources</i>	<i>GJ</i>	<i>455</i>	<i>438</i>

ELECTRICITY CONSUMPTION AND GREENHOUSE GAS EFFECT

Direct and indirect greenhouse gas emissions (hereinafter also “GHG”) associated with GHC Group’s main elements of consumption can be broken down into two categories:

- **Direct (Scope 1) emissions:** greenhouse gas emissions from direct fuel consumption by the company (e.g. natural gas, diesel and petrol);
- **Indirect (Scope 2) emissions:** greenhouse gas emissions from the consumption of electricity, heat and steam received and used by the company.

The emissions produced by the Group in 2023 were generated by the energy consumption described above. These figures also do not take into account the contribution of the Parent Company GHC S.p.A.

Scope 1 Emissions ⁽¹⁶⁾			
	Unit	2022	2023
Natural gas	t(CO ₂)e	3,835	4,911
Diesel for heating	t(CO ₂)e	16	20
LPG	t(CO ₂)e	0.4	0.5
Petrol	t(CO ₂)e	33	45
Methane	t(CO ₂)e	2	2
Diesel for vehicles	t(CO ₂)e	67	83
Total Scope 1 Emissions	t(CO₂)e	3,953	5,063

Scope 2 emissions have been calculated using two separate methods: Location-based and Market-based. The first value is based on the location of the company (“Location-based”) and is the result of the calculation of greenhouse gas emissions from electricity production in the area where consumption takes place, while the second is based on the market on which the company operates (“Market-based”). Scope 2 emissions are expressed in tons of CO₂⁽¹⁷⁾.

Scope 2 Emissions ⁽¹⁸⁾			
	Unit	2022	2023
Electricity (Location-based)	t(CO ₂)e	6,095	8,255
Electricity (Market-based)	t(CO ₂)e	8,843	11,976
District heating	t(CO ₂)e	163	807

Overall, in 2023, the Group's total (direct and indirect - location-based) GHG emissions amounted to 14,125 tCO₂ equivalent.

⁽¹⁶⁾ The emission factor used to calculate Scope 1 emissions is DEFRA 2023, taken as a reference according to the specific energy vector considered.

⁽¹⁷⁾ Note that the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂ equivalent).

⁽¹⁸⁾ In 2023, the emission factor used to calculate Scope 2 Market Based emissions is: AIB (2023); the emission factor used to calculate Scope 2 Location-Based emissions is: TERNA (2019); the emission factor used to calculate district heating is Defra 2023

It has also been deemed useful to provide the value of the Group's GHG emissions in the two reference years (**GRI 305-4**), calculated as a ratio of total GHG emissions to total turnover, on a pro-forma basis. In 2023, this value was 0.031 t CO₂eq./€k (in line with 0.030% tCO₂eq./€k in 2022).

TOTAL GHG EMISSIONS (CO₂ EQUIVALENT TONNES)



GHG emission intensity			
	Unit	2022	2023
Total GHG emissions	tCO ₂ eq	10,211	14,125
GHC consolidated revenues (pro-forma)	€k	334,801	449,515
GHG emission intensity	tCO₂eq./€k	0.030	0.031

Given the sector in which the Group operates, its activities do not involve significant water consumption or the release of polluting emissions other than greenhouse gas emissions into the atmosphere. Therefore, while providing a comprehensive overview of the Group's business activities, these topics (referred to in Article 3(2) of the Decree) are not covered in this document.

We further note that the Group has not reported the Scope 3 emissions for 2023, which will be included in the Group activities to adapt to the new mandatory regulatory requirements provided for by the CSRD in 2024 (for the 2024 NFS, which will be published in 2025).

We also note that, including in light of the periodic Risk Assessment surveys that the Group is conducting, there are no "direct" risks related to climate change, continuing in any case with the analysis activities for the identification of possible critical issues and/or opportunities (e.g. in relation to the transition to renewable energy).

FOCUS: GHC GROUP ENERGY SUPPLY STRATEGY

Aware of the importance of energy issues in ensuring the sustainable growth of its business, since last year, the Group has put in place an energy supply strategy, as previously outlined in the NFS for 2022.

The highlights of the strategy defined and implemented by the Group are reported below, together with the main activities carried out during the year in this area.

HIGHLIGHTS OF THE ENERGY SUPPLY STRATEGY DEFINED BY THE GHC GROUP		
PROJECT PHASE	STRATEGIC OBJECTIVES	STATUS
SIGNING OF "BRIDGING CONTRACTS" (FOR 2023)	<ul style="list-style-type: none"> Streamline and standardise the electricity and gas supply conditions at Group level Gradual contracting of the individual facilities with electricity and gas suppliers selected at Group level (by means of "beauty contests") through the stipulation of "bridging contracts" (i.e. in force for part of the year only) in order to avoid penalties for early termination. 	<ul style="list-style-type: none"> Activities performed as of December 2022: Group suppliers of electricity and gas selected by means of a formal tender process. Activities performed in 2023: gradual contracting of the facilities involved with the new Group suppliers (through "bridging contracts").
SIGNING OF CENTRALISED SUPPLY CONTRACTS (FROM 2024)	<ul style="list-style-type: none"> Electrical Energy: stipulation of a medium-term agreement (Power Purchase Agreement – "PPA") to stabilise energy price volatility. Natural gas: stipulation of a Group contract with better financial conditions than in a stand-alone scenario. 	<ul style="list-style-type: none"> Electrical Energy: Power Purchase Agreement signed with IREN active as of January 1st, 2024. Natural gas: stipulation of a better Group agreement for 2024 against 2023 in terms of raw material spread applied.

Specifically, we note that the Power Purchase Agreement ("PPA"), terminated in November 2023 between GHC and Iren Mercato S.p.A. (Iren Group company operating in the sale of energy and services), provides for the supply of electrical energy from a 100%-renewable source in the 2024-2028 period to satisfy GHC Group energy consumption.

The agreement provides that the majority of GHC's energy requirements will be covered by the Iren Group 18.4MW photovoltaic plant located in Palo del Colle (BA) based on a set price below the average values for 2021 (the year preceding the energy shock).

The transaction will allow GHC to significantly reduce the raw material supply price, at the same time, mitigating its exposure to the volatility of the energy markets in the medium term, and allow GHC to put in place a 100% renewable supply certified by Guarantees of Origin.

We note that entering into a Group contract for the medium-term supply of electrical energy from at least 50% renewable sources was a sustainability goal for 2023, and, as such, this goal may be regarded as achieved.

FOCUS: ENERGY EFFICIENCY INVESTMENTS 2023

As a result of the changed external context on the energy markets that occurred in 2022, which has brought the energy issue to the forefront of public debate, GHC firstly performed analysis of energy efficiency for all Group facilities, defining at the conclusion of the overall analysis activity or following identification of common guidelines at Group level, an energy efficiency investment plan.

Once defined, those investments were approved in Q1 2023 by the Boards of Directors of the individual subsidiary companies in conjunction with approval of the multi-year Budgets and Business Plans.

Those investments, made in 2023, mainly related to improving the efficiency of lighting and windows systems, and replacing some boilers and air-conditioning units.

Overall, the energy efficiency investments made by the Group in 2023, totalling approximately Euro 0.8 million, were in line with the related investment budget planned at the beginning of the year.

In this regard, we note that implementation of the 2023 investment plan as regards energy efficiency was a sustainability goal for 2023, and, as such, this goal may be regarded as achieved.

RESPONSIBILITY ALONG THE SUPPLY CHAIN (GRI 2-6)

REFERENCES CONTAINED IN THE GROUP'S CODE OF ETHICS

"The parties responsible for the procurement of goods and/or services must abide by the principles of impartiality and independence in the performance of their tasks and functions, must keep themselves free from personal obligations to suppliers and consultants, must not accept goods or services from external or internal parties in exchange for confidential information or the performance of actions or conduct designed to favour such parties, even if there are no direct repercussions for the Group, and must immediately report to the Supervisory Board any attempt or incident of unjustified change to normal business relations. In no way may the procurement of goods/services in accordance with the principle of economic efficiency lead to even partial renunciation of the best quality standards."

The Group's subsidiaries have specific company procedures for supplier management ("Procedure for supplier qualification, purchasing and payables cycle"), an activity managed independently by the individual facilities with the exception of significant supplies at Group level. For these, the activity is coordinated centrally by the parent company, which negotiates "framework contracts" setting out the conditions for the supply of goods and services - quantity, price, delivery times, payment terms, etc. - for major supplies with leading domestic and international operators.

These procedures require that:

- all products or services that affect the quality of services provided be subject to a defined and controlled procurement process;
- the key suppliers and services the facility uses be qualified in accordance with established criteria and regularly monitored over time in line with their demonstrated level of reliability;
- the products/services procured be verified for compliance with the contractual requirements agreed with suppliers, and any non-conformities found relating to supplies be documented and properly managed;
- records on the quality of qualified suppliers and supplies received be kept up to date;
- the functions involved in these activities ensure - each to the extent of its responsibilities and by means of the information systems used - that data and information is traceable, providing for the retention and archiving of the documents produced (on paper or electronically) to allow the reconstruction of the different stages of the process (traceability principle);
- activities be carried out with duties and responsibilities kept separate in order to prevent incompatible activities from being concentrated under common responsibilities (segregation principle).

Within the framework of these Procedures, there are two key figures: the Purchasing Manager (who is responsible - *inter alia* - for helping to produce the procurement plan, assessing the compatibility of requirements with production activities, collecting useful and necessary elements for the qualification of suppliers, preparing purchase requests, collecting quotations and bids and negotiating the best possible terms) and the Purchasing Contact (who is responsible - *inter alia* and to the extent within their remit - for assessing the compatibility of requirements with production

activities, collecting useful and necessary elements for the qualification of suppliers, preparing purchase requests and collecting quotations and bids).

Purchasing Managers/Purchasing Contacts are identified for different categories of products/services, such as general goods and services, drugs and health care supplies, prosthetics, laboratory materials and equipment, and maintenance equipment, goods and services for plant and facilities.

In terms of process, the Purchasing Procedures govern, *inter alia*:

- (i) the management of the supplier register, which involves the inclusion of a supplier in the supplier register when it meets certain requirements, and periodic supplier evaluation;
- (ii) procurement planning and management of any extra-budget items;
- (iii) the specific process for purchasing products, goods and services (i.e. procurement request/order proposal, proposal review, order approval and order submission);
- (iv) the methods for carrying out checks on the procurement of products/services;
- (v) the methods for receiving invoices, checking and recording them.

See below the reports as per the relevant GRI indicator for 2023⁽¹⁹⁾ (GRI 204-1).

Proportion of expenditure on raw materials, consumables and services with Italian (local) suppliers			
Reference	2023		
	Expenditure on Italian suppliers (%)	Expenditure on non-Italian suppliers (%)	Total (%)
Raw materials and consumables	99%	1%	100%
Service costs	99%	1%	100%
Total	99%	1%	100%

WASTE MANAGEMENT (GRI 306-1; 306-2; 306-3, 306-4, 306-5)

Healthcare waste management is governed by Presidential Decree No. 254/2003, which classes waste from healthcare activities as "special" waste. Specifically, medical waste is categorised by the regulations as hazardous and non-hazardous, as set out below:

- Hazardous waste: this may be (i) waste presenting a risk of infection (i.e. waste that presents a biohazard, and objects and materials for disposal that have come into contact with infected or suspected infected blood or biological material), (ii) waste not presenting a risk of infection (i.e. "chemical/physical risk"), and (iii) waste requiring special disposal methods (i.e. expired or unusable drugs, narcotic or psychotropic substances, which must be managed in the same way as other hazardous medical waste):
- Non-hazardous waste;
- Urban-type waste: this waste is part of the flow of urban waste or can be treated as such, and is collected and managed by local councils which, using separate collection, send it to be appropriately reused or disposed of. This type of waste cannot be broken down in detail (as shown in the table below) since there is no legal requirement for a weighing system as there is for "hazardous" and "non-hazardous" waste.

Waste management is governed within the Group by specific company procedures (the "Waste Management Procedure"), which, for each subsidiary, set out the roles and responsibilities within the process.

Specifically, Waste Management Procedures seek to:

- ensure the proper management of this activity, from collection to disposal, the proper keeping of the hazardous waste loading and unloading register, and the organisation of temporary storage spaces (for the management of hazardous medical waste presenting a risk of infection, where present);

¹⁹⁾ Figure calculated net of the parent company (as a holding company that does not carry out health care activities)

- lay down all appropriate precautions for biohazard prevention during the disposal phase of hazardous medical special waste;
- correctly inform all operators of the proper methods for sorting, collecting and disposing of waste generated;
- provide the tools to distinguish between the different types of waste, their transfer and possible pre-treatment;
- protect the safety and health of facility operators and users.

Each clinic has service contracts with specialised and authorised waste transportation and disposal companies that periodically collect the waste stored in temporary storage facilities.

Total hazardous and non-hazardous waste produced by the GHC Group in 2023 is shown below⁽²⁰⁾.

Group waste (tonnes)						
	2022			2023		
	Hazardous	Non-hazardous	Total	Hazardous	Non-hazardous	Total
Reuse	-	1	1	400	11	412
Recycling	9	80	89	29	115	144
Composting	-	15	15	-	14	14
Waste recovered	9	96	105	429	140	569
Incinerator (energy recovery)	76	108	184	54	155	209
Incinerator	301	21	322	288	20	307
Landfill	47	126	173	85	134	219
On-site storage before disposal operations	33	-	33	32	-	32
Waste directed to disposal	457	255	712	459	309	768
Total waste generated⁽²¹⁾	466	351	817	888	449	1,338

⁽²⁰⁾ We note that these figures do not include the contribution of the parent company (as a holding company that does not carry out health care activities)

⁽²¹⁾ 100% of waste is managed off-site

15. Correlation table between the issues addressed in Legislative Decree No. 254/2016 and the risk areas defined in the GHC Group's Enterprise Risk Management model

ECONOMIC AND SOCIAL ISSUES

RISK CATEGORY	RISK AREA	DESCRIPTION
STRATEGIC	▪ Safeguarding of Group values: Patient Safety	▪ Cases of medical malpractice
	▪ Safeguarding of Group values: Rules of Conduct	▪ Violation of the Code of Ethics in Group companies
	▪ Human capital	▪ Availability of key individuals (e.g., Directors and SDE) within the organisation
	▪ Infrastructure and technology	▪ Technologies that are not up to date with the dynamics of a changing market
	▪ Application of M&A management and compliance with the acquisition process	▪ Risk of deviation from the qualitative and quantitative targets set by the Group's M&A management
	▪ Change in Applicable Standards and Regulations	▪ Unexpected changes in industry regulations and/or national and/or regional healthcare policies
	▪ Reputation of the Group	▪ Damage to the GHC Group's brand image or its credibility and integrity
OPERATING	▪ Relationships with service partners and suppliers	▪ Dependence on critical service partners and suppliers (e.g., medical supplies, maintenance services, waste disposal)
	▪ Availability, confidentiality, integrity of patient data	▪ Availability, confidentiality and integrity of patient data compromised due to cyber attack
	▪ Availability, confidentiality, integrity of information systems	▪ Compromising the availability of ICT systems and/or the confidentiality and integrity of other sensitive data (e.g. economic and financial data)
	▪ Integrity and continuity	▪ Integrity and availability of business assets compromised
FINANCIAL	▪ Disclosures and compliance with Margin and Financial Debt Targets	<ul style="list-style-type: none"> ▪ Disclosures to the market and/or the public that are not timely or truthful, or are incomplete ▪ Consolidated operating EBITDA margin below budget target ▪ Exceeding the Group's target leverage

STAFF AND HUMAN RIGHTS ISSUES

RISK CATEGORY	RISK AREA	DESCRIPTION
STRATEGIC	▪ Safeguarding of Group values: Rules of Conduct	▪ Violation of the Code of Ethics in Group companies
	▪ Safeguarding of Group values: Patient Safety	▪ Cases of medical malpractice
	▪ Human capital	▪ Availability of key individuals (e.g., Directors and SDE) within the organisation
	▪ Reputation of the Group	▪ Damage to the GHC Group's brand image or its credibility and integrity
OPERATING	▪ Employee safety	▪ Death or serious injury of employees

COMBATTING ACTIVE AND PASSIVE CORRUPTION

RISK CATEGORY	RISK AREA	DESCRIPTION
STRATEGIC	▪ Safeguarding of Group values: Rules of Conduct	▪ Violation of the Code of Ethics in Group companies
COMPLIANCE	▪ Compliance with laws and regulations	▪ Violation of applicable laws or regulations

ENVIRONMENTAL ISSUES

RISK CATEGORY	RISK AREA	DESCRIPTION
STRATEGIC	▪ Safeguarding of Group values: Rules of Conduct	▪ Violation of the Code of Ethics in Group companies
	▪ Infrastructure and technology	▪ Technologies that are not up to date with the dynamics of a changing market
	▪ Reputation of the Group	▪ Damage to the GHC Group's brand image or its credibility and integrity
OPERATING	▪ Relationships with service partners and suppliers	▪ Dependence on critical service partners and suppliers (e.g., medical supplies, maintenance services, waste disposal)
COMPLIANCE	▪ Compliance with laws and regulations	▪ Violation of applicable laws or regulations

MAIN SAFEGUARDS

SCOPE OF DECREE	MAIN SAFEGUARDS
ECONOMIC AND SOCIAL	<ul style="list-style-type: none"> ▪ Existence of a formalised Company Regulation and of the associated regulatory system ▪ Presence of information flows to monitor associated risks and checking that the relevant mitigation actions have been put in place (at Holding and healthcare facility level) ▪ Provision of regular information flows to the Supervisory Board regarding potential violations of the Code of Ethics or the control principles of the 231 Model ▪ Existence of procedures formalised by the parent company on Accounting and Administration, Planning and Control, Information Technology, Finance and Treasury, Legal and Corporate, Communications, Investor Relations, Non-Financial Statement and Internal Audit issues. ▪ Production of an annual Audit Plan prepared by the Internal Audit function and approved by the Board of Directors of the Holding company ▪ Presence of a formalised M&A policy that sets out: fiscal, legal and financial due diligence; direct contact with the owners and management of the target structure; sensitivity analysis of the main economic and financial assumptions underlying the acquisition; contractual guarantees regarding any liabilities that may emerge after the deal is closed; standard, formalised process for post-merger integration ▪ Periodic assessment of cyber security risks, with the launch of mitigation and implementation plans as required, taking specific security countermeasures to reduce the risk of loss and compromise of data in the short term ▪ Constant verification of the facilities' needs/opportunities in terms of maintenance, expansion and development investment
PERSONNEL AND RESPECT FOR HUMAN RIGHTS	<ul style="list-style-type: none"> ▪ Code of Ethics and Diversity and Inclusion Policy aligned with best practices ▪ Checking and monitoring specific KPIs with reference to personnel, including composition by gender and contract type, rate of incoming and outgoing turnover, mandatory and non-mandatory training provided, any work-related injuries, warnings and disciplinary action taken.
COMBATTING ACTIVE AND PASSIVE CORRUPTION	<ul style="list-style-type: none"> ▪ Mapping of applicable statutory and regulatory requirements ▪ Update in 2023 of the Group's Code of Ethics with reference to whistleblowing regulations. ▪ Approval and distribution of an Anti-Corruption Policy
ENVIRONMENTAL	<ul style="list-style-type: none"> ▪ Mapping of applicable statutory and regulatory requirements ▪ Timely verification and monitoring of the main environmental KPIs through a structured process formalised in the "NFS Procedure" ▪ Execution in 2022 and 2023 of an energy efficiency analysis for all Group facilities in order to identify the priority lines of action in relation to these issues. ▪ Signing of a Power Purchase Agreement ("PPA") in 2023 for the supply of electrical energy from renewable sources.

16. Disclosure required by the European Regulation on the taxonomy of environmentally sustainable activities

Introduction

In recent years, the European Union has developed an ambitious strategy for sustainable development and the transition to a low-carbon economy, in line with the contents of the 2015 Paris Climate Agreement and the United Nations 2030 Agenda, with its 17 Sustainable Development Goals.

Specifically, the European Union has committed to becoming the first climate-neutral continent by 2050 and to reducing greenhouse gas emissions by at least 55 percent by 2030 compared to 1990 levels. In order to achieve these goals, the European Union is progressively setting out EU policies to promote investments in "sustainable" assets and activities, i.e. to channel not only public but also private resources towards these assets and activities.

The Taxonomy Regulation

The EU Taxonomy Regulation (EU Regulation 2020/852) dated June 18, 2020 provides a unified system for classifying economic activities that can be considered environmentally sustainable. Specifically, the Taxonomy provides a classification system for defining which economic activities can be considered environmentally sustainable and therefore contribute substantially to the achievement of one of the following six goals:

1. climate change mitigation;
2. climate change adaptation;
3. sustainable use and protection of water and marine resources;
4. transition to a circular economy;
5. pollution prevention and control;
6. protection and restoration of biodiversity and ecosystems.

An activity can then be considered eligible⁽²²⁾ according to the Taxonomy ("Taxonomy-eligible"), i.e. potentially contributing substantially to one of the six environmental objectives, if it is described in the list of activities identified by the Regulation itself. In order to be able to define whether an eligible activity is aligned⁽²³⁾ to the Taxonomy ("Taxonomy-aligned"), the following criteria must be jointly met:

- make a substantial contribution with reference to the identified economic activity;
- technical screening criteria;
- do no significant harm ("DNSH"), i.e. avoid adverse effects on other environmental goals;
- carry out activities in compliance with minimum safeguards, recognising the importance of human rights and labour standards.

After the publication of EU Regulation 2020/852, the following regulatory updates have been issued:

- Climate Delegated Act (EU 2021/2139);
- Delegated Act pursuant to Article 8 (EU 2021/2178);
- Complementary Climate Delegated Act (February 2022);
- Delegated Regulation 2023/2485 relating to supplementary activities for climate objectives;
- Delegated Regulation 2023/2486 regarding four environmental objectives not related to climate, also containing amendments and additions to Delegated Regulation disclosure (EU 2021/2178).

Pursuant to the regulatory requirements set out in the Delegated Regulation relating to Article 8 of EU Regulation No. 2020/852, the GHC Group is required to include in its Non-Financial Statement (NFS) information on how and to what extent its business is associated with environmentally sustainable economic activities within the meaning of the EU Taxonomy. The Regulations require that items of turnover, capital expenditure (CapEx), and operating expenditure (OpEx) associated with activities considered eligible and aligned with the Taxonomy be reported.

⁽²²⁾ Economic activity eligible for the taxonomy: an economic activity as described in the Delegated Regulations, as per Articles 10 (3), 11 (3), 12 (2), 13 (2), 14 (2) and 15 (2) of EU Regulation 2020/852, regardless of whether that economic activity meets one or all of the technical screening criteria set out in those Delegated Regulations.

⁽²³⁾ Taxonomy-aligned economic activity: an economic activity that meets the requirements of Article 3 of Regulation (EU) 2020/852.

KPI values with reference to eligible and aligned activities according to the European Taxonomy

For the 2023 reporting year, assessments of eligibility and alignment with the Taxonomy were conducted with reference to the objectives governed by the Climate Delegated Act, which includes the climate change adaptation and mitigation objectives. In addition, eligibility assessments were performed with reference to the objectives outlined in the annexes (Annex I, II, III, IV) to the Delegated Regulation on the Environment, published by the Commission in June 2023.

Based on the analysis performed, currently none of the Group's economic activities are eligible, and therefore the entirety of the Group's turnover, investments and operating costs for the year 2023 is to be considered ineligible and consequently not aligned.

Pursuant to the regulatory requirements under the Delegated Regulation to Article 8 of Regulation 2020/852, the attached tables (prepared according to the provisions of Annex II to the Delegated Regulation (EU) 2021/2178) illustrate the proportion of economic activities that are aligned, eligible, not aligned and ineligible for the Taxonomy within the framework of turnover, capital expenditure and total operating expenditure.

With reference to the disclosure pursuant to Article 8, paragraphs 6 and 7 of Delegated Regulation (EU) No. 2021/2178, which requires the use of the templates provided in Annex XII for the disclosure of nuclear and fossil gas-related activities, it is noted that the Group has not reported such as no eligible and/or aligned activities have been identified with reference to these areas.

Annexes (Turnover KPI)

FY 2023	2023			Criteria for substantial contribution							Criteria for "Do no Significant Harm" (h)							Share capital (A.1.) expenditure (A.2.) aligned with Taxonomy, 2022 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
	Codes (1) (a)	Profit (3)	Share capital, 2023 (6)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)				
		Currency (€ thousands)	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T		
A. Taxonomy-eligible activities																				
A.1 Environmentally sustainable activities (aligned with Taxonomy)																				
Capital expenditure for environmentally sustainable activities (aligned with Taxonomy) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	No	No	No	No	No	No	0%				
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	No	No	No	No	No	No	0%	A			
Of which transitional		0	0%							No	No	No	No	No	No	0%		T		
A.2 Activities eligible for the taxonomy but not environmentally sustainable (activities not aligned with the taxonomy) (g)																				
				AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)											
Capital expenditure for the activities eligible for the taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A.2)		0	0%	0%	0%	0%	0%	0%	0%							0%				
A. Capital expenditure for activities eligible for taxonomy A.1+A.2		0	0%	0%	0%	0%	0%	0%	0%							0%				
B. Activities not eligible for the taxonomy																				
Capital expenditure for activities not eligible for taxonomy		360,977	100%																	
TOTAL		360,977	100%																	

Annexes (Capital expenditure KPI)

FY 2023	2023			Criteria for substantial contribution							Criteria for "Do no Significant Harm" (h)							Share capital (A.1.) expenditure (A.2.) aligned with Taxonomy, 2022 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
	Codes (1) (a)	Capex (3)	Absolute share capital expenditure, 2023 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)				
Economic activity (1)	Currency (€ thousands)	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T		
A. Taxonomy-eligible activities																				
A.1 Environmentally sustainable activities (aligned with Taxonomy)																				
Capital expenditure for environmentally sustainable activities (aligned with Taxonomy) (A.1)	0	0%	0%	0%	0%	0%	0%	0%	0%	No	No	No	No	No	No	0%				
Of which enabling	0	0%	0%	0%	0%	0%	0%	0%	0%	No	No	No	No	No	No	0%	A			
Of which transitional	0	0%								No	No	No	No	No	No	0%		T		
A.2 Activities eligible for the taxonomy but not environmentally sustainable (activities not aligned with the taxonomy) (g)																				
			AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)												
Capital expenditure for the activities eligible for the taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A.2)	0	0%	0%	0%	0%	0%	0%	0%	0%							0%				
A. Capital expenditure for activities eligible for taxonomy A.1+A.2	0	0%	0%	0%	0%	0%	0%	0%	0%							0%				
B. Activities not eligible for the taxonomy																				
Capital expenditure for activities not eligible for taxonomy	61,023	100%																		
TOTAL	61,023	100%																		

Annexes (Operating expenditure KPI)

FY 2023	2023		Criteria for substantial contribution							Criteria for "Do no Significant Harm" (h)							Share of operating (A.1.) expenditure (A.2.) aligned with Taxonomy, 2022 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
	Codes (1) (a)	ORIX (1)	Absolute share operating expenditure, 2023 (a)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)			
Economic activity (1)		Currency (€ thousands)	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T	
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (aligned with Taxonomy)																			
Capital expenditure for environmentally sustainable activities (aligned with Taxonomy) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	No	No	No	No	No	No	0%			
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	No	No	No	No	No	No	0%	A		
Of which transitional		0	0%							No	No	No	No	No	No	0%		T	
A.2 Activities eligible for the taxonomy but not environmentally sustainable (activities not aligned with the taxonomy) (g)																			
				AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)	AM; N/AM (f)										
Capital expenditure for the activities eligible for the taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A.2)		0	0%	0%	0%	0%	0%	0%	0%							0%			
A. Capital expenditure for activities eligible for taxonomy A.1+A.2		0	0%	0%	0%	0%	0%	0%	0%							0%			
B. Activities not eligible for the taxonomy																			
Capital expenditure for activities not eligible for taxonomy		7,899	100%																
TOTAL		7,899	100%																

GRI Content Index

Declaration of use	Garofalo Health Care S.p.A. publishes this report in accordance with the GRI Standards for the period from January 1, 2023 to December 31, 2023.
GRI 1 used	GRI 1 - Foundation - 2021
Relevant GRI industry standards	Not applicable

GRI Standard	Disclosure	Page	Omission		
			Requirements omitted	Reason	Explanation
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306-4	Waste not sent to landfill	91-92			
306-5	Waste sent to landfill	91-92			
Topic: Talent attraction, development and staff well-being					
3-3	Management of material topics	55-58			
401-1	New employee hires and employee turnover	80-81			

404-1	Average hours of training per year per employee	82			
405-1	Diversity of governance bodies and employees	31-32, 79-80			
Topic: Employee health and safety					
3-3	Management of material topics	55-58			
403-9	Work-related injuries	83			
Topic: Focus on the patient and caregiver					
3-3	Management of material topics	55-58			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	83			
Topic: Data security and privacy					
3-3	Management of material topics	55-58			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	74			
Topic: Quality of care					
3-3	Management of material topics	55-58			
Topic: Digitalisation of services					
3-3	Management of material topics	55-58			
Topic: Technological innovation					
3-3	Management of material topics	55-58			

Mr. Alessandro Maria Rinaldi
Legal representative

**INDEPENDENT AUDITOR'S REPORT
ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3,
PARAGRAPH 10 OF LEGISLATIVE DECREE No. 254 OF DECEMBER 30, 2016, AND
ART. 5 OF CONSOB REGULATION N. 20267/2018**

**To the Board of Directors of
Garofalo Health Care S.p.A.**

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 (hereinafter "Decree") and to article 5, paragraph 1, letter g) of the CONSOB Regulation n. 20267/2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of Garofalo Health Care S.p.A. and its subsidiaries (hereinafter "GHC Group" or "Group") as of December 31, 2023 prepared on the basis of art. 4 of the Decree, and approved by the Board of Directors on March 14, 2024 (hereinafter "NFS").

Our limited assurance engagement does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "*Disclosure required by the European Regulation on the taxonomy of environmentally sustainable activities*".

Responsibility of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" established by GRI – Global Reporting Initiative ("GRI Standards"), which they have identified as reporting framework.

The Directors are also responsible, within the terms established by law, for such internal control as they determine is necessary to enable the preparation of NFS that is free from material misstatement, whether due to fraud or error.

The Directors are moreover responsible for defining the contents of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the activities and characteristics of the Group, and to the extent necessary in order to ensure the understanding of the Group's activities, its trends, performance and the related impacts.

Finally, the Directors are responsible for defining the business management model and the organisation of the Group's activities as well as, with reference to the topics detected and reported in the NFS, for the policies pursued by the Group and for identifying and managing the risks generated or undertaken by the Group.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

During the year covered by this assurance engagement, our auditing firm applied *International Standard on Quality Control 1 (ISQC Italia 1)* and, accordingly, maintained a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with the criteria established in the "*International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on NFS are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we carried out the following procedures:

1. analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the selection process in place in light of the provisions of art.3 of the Decree and taking into account the adopted reporting standard;
2. analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance with the Decree;
3. comparison between the financial data and information included in the NFS with those included in the consolidated financial statements of the GHC Group;

4. understanding of the following matters:

- business management model of the Group's activities, with reference to the management of the topics specified by article 3 of the Decree;
- policies adopted by the entity in connection with the topics specified by article 3 of the Decree, achieved results and related fundamental performance indicators;
- main risks, generated and/or undertaken, in connection with the topics specified by article 3 of the Decree.

Moreover, with reference to these matters, we carried out a comparison with the information contained in the NFS and the verifications described in the subsequent point 5, letter a) of this report;

5. understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the NFS.

In particular, we carried out interviews and discussions with the management of Garofalo Health Care S.p.A. and with the employees of Aurelia Hospital S.r.l., European Hospital S.p.A. e Ospedali Privati Riuniti S.r.l. and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

In addition, for material information, taking into consideration the Group's activities and characteristics:

- at the group level and subsidiaries:
 - a) with regards to qualitative information included in the NFS, and specifically with reference to the business management model, policies applied and main risks, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
 - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.
- for the following subsidiaries, Aesculapio S.r.l., Aurelia Hospital S.r.l., Casa di Cura Villa Berica S.r.l., Casa di Cura Villa Garda S.r.l., Centro di Riabilitazione S.r.l., Centro Medico San Biagio S.r.l., Clinica San Francesco S.r.l., Domus Nova S.p.A., European Hospital S.p.A., F.I.D.E.S. Medica S.r.l., Fides Servizi S.c.a.r.l., Gruppo Veneto Diagnostica e Riabilitazione S.r.l., Hesperia Hospital Modena S.r.l., L'Eremo di Miazzina S.r.l., Ospedali Privati Riuniti S.r.l., Poliambulatorio Dalla Rosa Prati S.r.l., Prora S.r.l., Ro. E. Mar S.r.l., Sanatorio Triestino S.p.A., Sanimedica S.r.l., which we selected based on their activities, their contribution to the performance indicators at the consolidated level and their location, we carried out site visits, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of the GHC Group as of December 31, 2023 is not prepared, in all material respects, in accordance with article 3 and 4 of the Decree and GRI Standards.

Our conclusion on the NFS does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph *“Disclosure required by the European Regulation on the taxonomy of environmentally sustainable activities”*.

DELOITTE & TOUCHE S.p.A.

Signed by
Francesco Legrottaglie
Partner

Rome, Italy
March 28, 2024

This report has been translated into the English language solely for the convenience of international readers.