



2023 Sustainability Report

Our Commitment to Wholeness

This report may contain statements and information that could be considered “forward-looking statements.” These statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget” or other similar words. Forward-looking statements are not historical facts but instead represent only our beliefs regarding future events, many of which are inherently uncertain and outside our control.

Forward-looking statements include, among other things, statements regarding our future financial performance, business prospects, future growth and operating strategies, objectives and results.

Actual results, performance, achievements or developments could differ materially from those expressed or implied by these forward-looking statements. With the exception of fiscal year-end information included in our audited financial and community benefit statements, the information we are presenting is unaudited. AdventHealth does not plan to issue any updates or revisions to the report information, including, but not limited to any forward-looking statements contained therein if or when changes in its expectations, or events, conditions or circumstances on which such statements are based, occur.

Unless otherwise indicated, all data and figures in this report are for calendar year 2023.

Table of Contents

Introduction

- 5 Message from the President and CEO
- 6 About AdventHealth
- 7 Who We Are
- 8 Helping Those We Serve Feel Whole
- 11 Vision 2030
- 12 Our Sustainability Journey
- 14 Our Stewardship of Resources

Community

- 18 Overview
- 19 Team Members
- 22 Dynamic Learning Organization
- 24 Clinical Excellence and Health Equity
- 27 Consumer Focused Connected Network
- 28 Inclusive Patient Experience
- 29 Patient Access and Affordability
- 30 Primary Health Division
- 32 Advocacy and Public Policy
- 34 Global Missions
- 36 Supplier Diversity

Environment

- 40 Overview
- 40 Our 2023 Progress
- 46 Looking Ahead

Governance

- 50 Overview
- 50 Our Board Structure
- 51 Our Ethics and Compliance

“Give, and it will be given to you.
A good measure, pressed down,
shaken together and running over,
will be poured into your lap.”

Luke 6:38

(New International Version)

Message from the President and CEO

Our mission of Extending the Healing Ministry of Christ and brand promise to help those we serve feel whole are key to who we are as an organization. In our 50 years as a health system, these priorities have served as the "why" behind what we do, and how we do it.

Central to our wholeness promise is our belief that every individual has infinite value, and deserves whole-person care for the body, mind and spirit. This is why we are committed to sustainability initiatives that help ensure the long-term well-being of our team, consumers, communities, business and environment. These priorities are intertwined. We advance priorities that foster wholeness for the people we serve, our operations and our strategic plan.

Our commitment to sustainability has prioritized systemwide, coordinated focus on areas such as inclusiveness, health equity, environmental stewardship and a consumer-centric connected network of care.

As our journey continues, so has our dedication to strategic and iterative improvement. As part of our commitment to environmental stewardship, in 2022, we became a signatory of the U.S. Department of Health and Human Services (HHS) Climate Pledge. We also launched our first annual sustainability report in 2022, sharing the ongoing progress of our sustainability initiatives, and we are privileged now to share with you our second-year report.

As an industry, we face steep challenges from external forces and internal operational demands. Our commitment to sustainability requires us to balance actions we need to take now, while maintaining a long-term view of what truly matters.

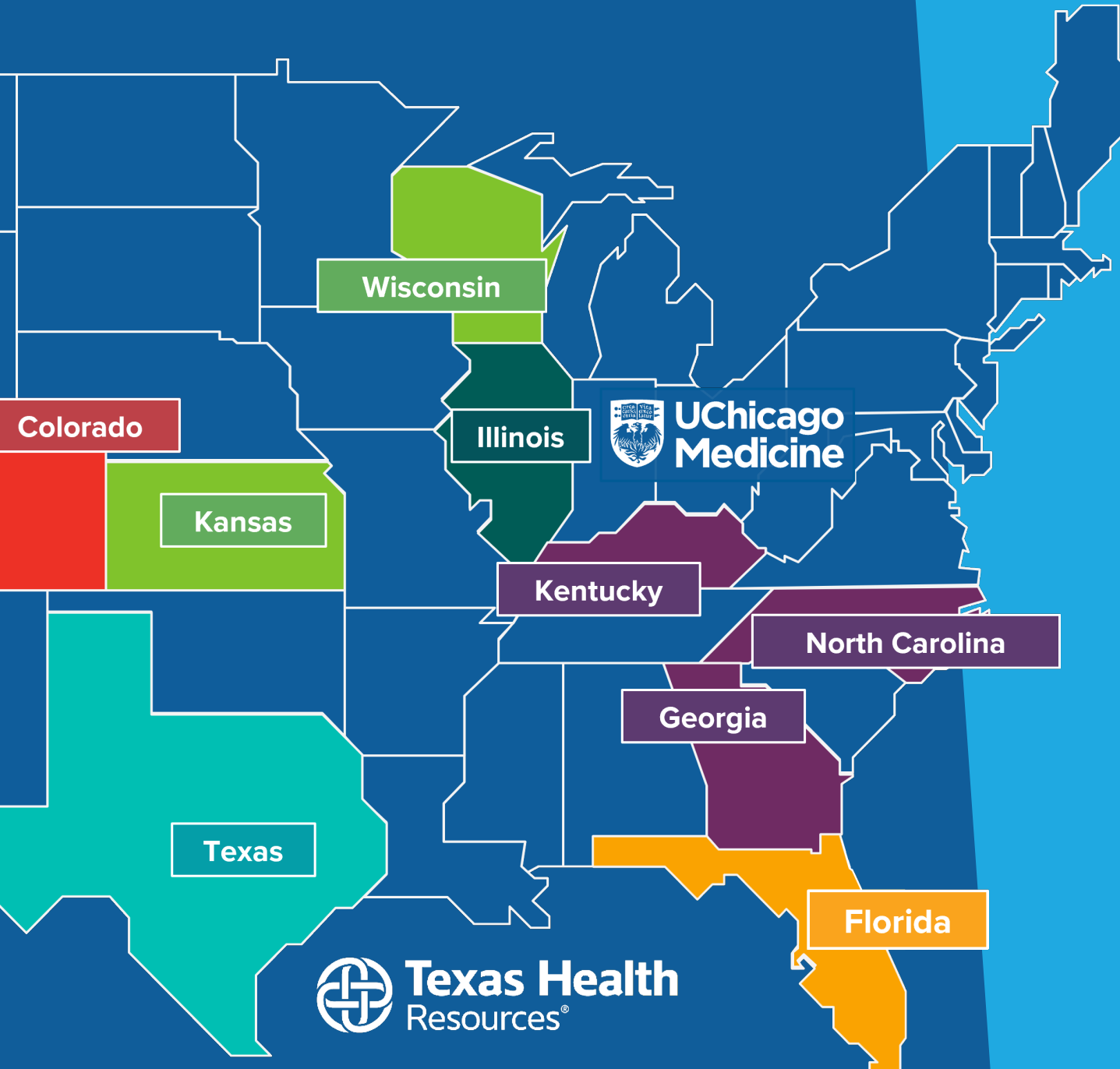
This report documents our 2023 sustainability progress, and reflects our long-term commitment to ensuring AdventHealth is able to provide whole-person care in the communities we serve for generations to come. In doing so, we continue to advance our vision to become known as a **preeminent, faith-based, consumer-focused clinical care company helping those we serve feel whole.**



In His Service,

A handwritten signature in black ink that reads "Terry D. Shaw". The signature is fluid and cursive, written over a white background.

Terry Shaw
President and CEO | AdventHealth



About AdventHealth

AdventHealth came together as a health care system 50 years ago to deliver whole-person care more comprehensively across a unified enterprise. Through our mission, values and service standards, we are committed to delivering care with a focus on healing and restoring the body, mind and spirit.

Here are some key 2023 highlights of our national footprint as an organization.

- 8M+** Patients served annually
- 92,000+** Team members
- 3,800+** Employed physicians
- 52** Hospital campuses in nine states
- 22** Home health and hospice agencies
- 56** Urgent care facilities
- 22** Offsite EDs

Who We Are

AdventHealth is committed to delivering whole-person health to the communities we serve across a unified system. Our cultural framework – mission, values and services standards — lays a firm foundation that serves as the lens through which we approach our day-to-day work and our care for others.

Our Mission

Extending the Healing Ministry of Christ

Our Values

Our values align us around a common set of beliefs and standards that inform our work and guide our behavior.

Quality and Service Excellence. We consistently deliver exceptional care and strive for excellence in all we do.

Community Well-being. We are committed to improving the health, prosperity and well-being of the communities we serve.

High Ethical Standards. We are called to uphold the highest standards, with integrity driving every decision we make and every action we take.

Stewardship. We are guided by relentless stewardship in the management of the resources entrusted to us.

Inclusiveness. We celebrate the diverse backgrounds, cultures and experiences of our patients, visitors and colleagues and embrace opportunities to learn and grow from new perspectives.

These five values reflect the principles and standards that guide our work, including our sustainability initiatives. As you read this report, you'll see these values reflected throughout our practices, approaches and strategies. For instance, our value of inclusiveness is reflected in the way we care for our team members, patients, consumers and members of our communities.

Our Service Standards

Our service standards define how we interact with every individual who walks through our doors. Those we serve will come to know our mission, vision and values through their direct experience with us.

Keep Me Safe. Through our care and safe environments, patients and consumers will know that their personal safety is always our highest priority.

Love Me. Sharing our common humanity, we exhibit uncommon compassion and extend Christ's healing ministry to those we serve through a genuine love.

Make It Easy. We strive to remove the complexity of health care, making it easy for our patients and consumers by meeting them where they are.

Own It. Our team members take responsibility for the person or situation in front of them.



Helping Those We Serve Feel Whole

Our mission of Extending the Healing Ministry of Christ is rooted in the earthly ministry of Jesus, who healed those in His care in body, mind and spirit — a commitment reflected by pioneers of the Seventh-day Adventist Church, our sponsor organization. Our early leaders developed health care institutions that offered their patients whole-person care, providing preventative medicine and the tools to achieve overall wellness, along with the means to treat illness.

Our mission is activated and fulfilled through our brand promise: To help those we serve feel whole. This promise is more than words; it's the primary lens that informs all we do, guiding our strategies and practices in every situation, including our sustainability initiatives. Our service is guided by our whole-person care framework, comprised of four key pathways:

Love the whole person

You are valuable and unique. You deserve to be loved for all the ways that make you special and to have rewarding relationships with God, others and yourself to nurture a sense of **belonging**.

Heal the whole body

Your health is important. Preventing illness is just as essential as curing it. Taking care of your whole self — body, mind and spirit — is the key to experiencing a deeper sense of **well-being**.

Grow the whole potential

Your dreams matter. Reaching your greatest potential is possible through pursuing personal goals and building character. Encouraging growth in ourselves and others brings **fulfillment**.

Live the whole journey

Your life journey has significance. Living a meaningful life together, in support of one another, benefits and strengthens our community. We secure our future for generations to come through stewardship of the resources entrusted to us, resulting in a life of **purpose**.







An Expanded Definition of Health

The four pathways of our wholeness framework are the ways AdventHealth expresses its commitment to whole-person health, and they describe wellness much more broadly than just physical health. AdventHealth is not alone in viewing health from a broader perspective. Increasingly, consumers are also seeing mental, physical and social health as part of what it means to be healthy.

When consumers think about being "healthy," they think about...



2023 Edelman Trust Barometer Special Report: Trust and Health. HEA_DEF. Think about what being healthy means to you. For each of the following, please indicate how big a consideration it is in whether you see yourself as being healthy. 3-pt scale; code 3, major consideration. General population, U.S. "Mental health" is a net of codes 4-8; "physical health" is a net of codes 1-3; "social health" is a net of codes 9-12; "community livability" is a net of codes 13-15. The four-component score consists of respondents who selected at least one attribute from each of the four health dimensions. The exclusive physical health score is comprised of respondents who only selected one or more attributes in the physical health dimension and did not select attributes in any of the other three dimensions.

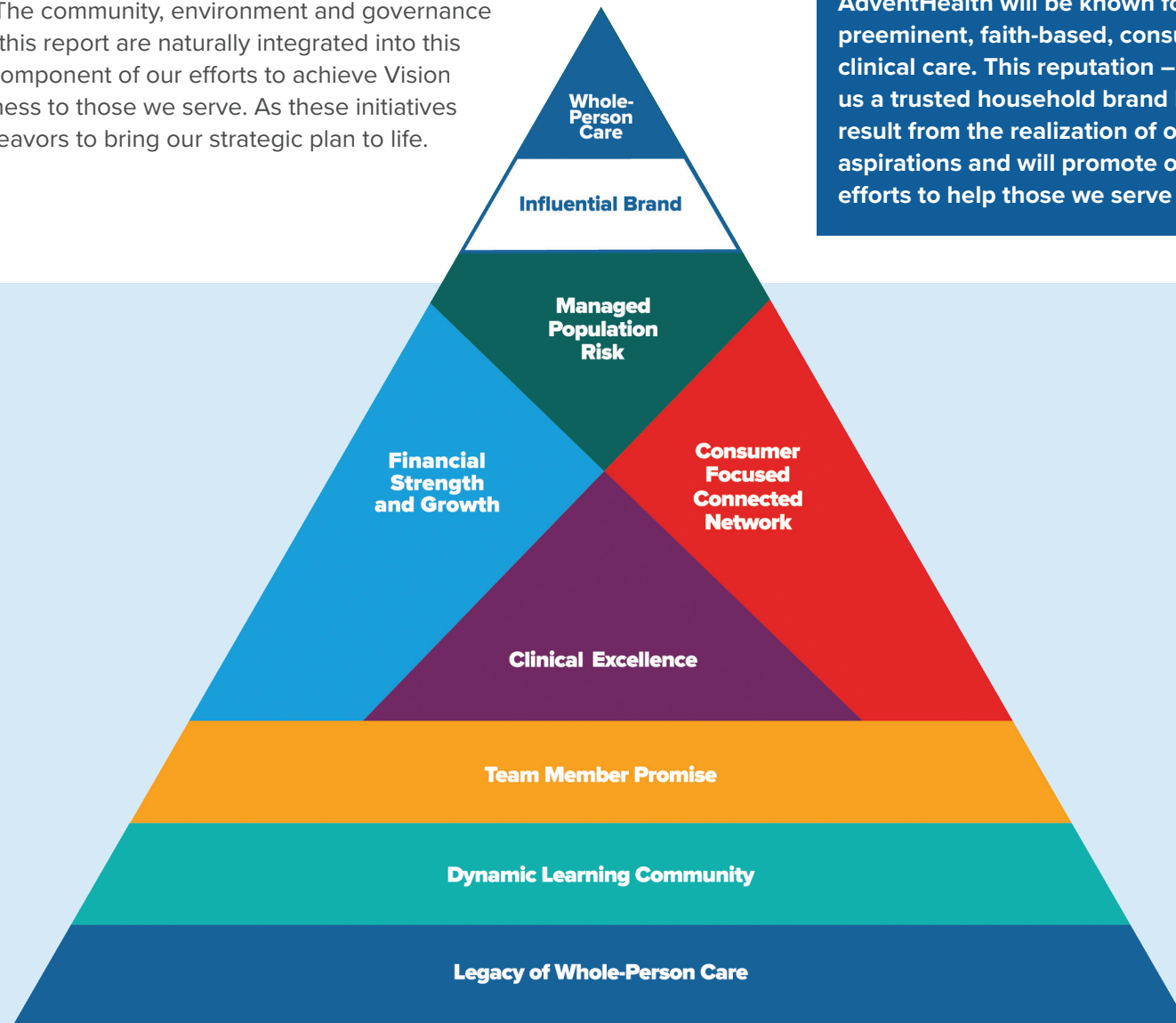
Only 2% say being healthy is just about physical health

Vision 2030

Vision 2030 is our 10-year strategic plan, launched in 2020, that is guiding our strategic priorities to help us deliver on our brand promise of whole-person care. The community, environment and governance initiatives discussed in this report are naturally integrated into this plan and are a critical component of our efforts to achieve Vision 2030 and bring wholeness to those we serve. As these initiatives mature, so will our endeavors to bring our strategic plan to life.

Our Vision

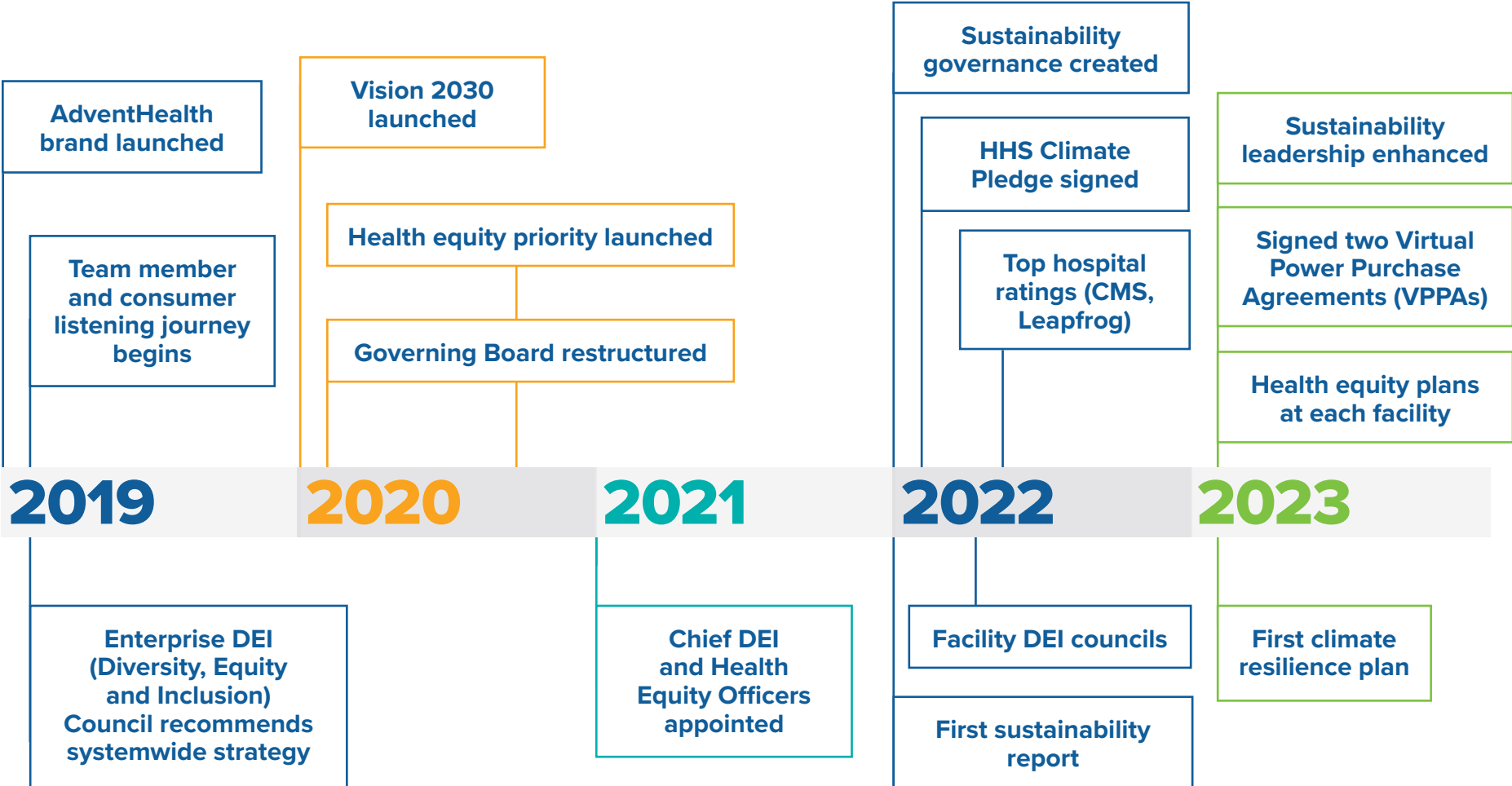
Driven by our mission and commitment to provide wholistic care to all people, AdventHealth will be known for our preeminent, faith-based, consumer-focused clinical care. This reputation – which makes us a trusted household brand by 2030 – will result from the realization of our strategic aspirations and will promote our continuing efforts to help those we serve feel whole.






Our Sustainability Journey

AdventHealth is committed to extending its mission through sustainability initiatives that foster wholeness for the people we serve. To support the long-term viability of these priorities, sustainability has become a key component of how we live out our mission and brand promise to help those we serve feel whole. Through this, we have been blessed to expand our mission in new places, and our growth and business priorities have amplified our sustainability, diversity, equity and inclusion (DEI) commitments.

While there are many more highlights within our journey, here is a snapshot of some of our key milestones over the past few years.



Sustainability Governance Structure

President and CEO Board of Directors			
Sustainability Steering Committee Chief Administrative Officer			
	 Community	 Environment	 Governance
Executive Steering Leaders	President and CEO Chief Administrative Officer Chief DEI Officer Chief Health Equity Officer Senior Vice President, Advocacy and Public Policy	Chief Financial Officer Chief Supply Chain Officer Chief Investment Officer	President and CEO Chief Administrative Officer Chief Legal Officer Corporate Secretary
Working Groups	Enterprise DEI Council	Environmental Sustainability Council	Governance Working Group
AdventHealth Sustainability Progress Dashboard			
Overarching Goals	<ul style="list-style-type: none"> Equitable whole-person care for team members, patients / consumers and communities Known as an employer of choice and health care provider of choice 	<ul style="list-style-type: none"> 50% emissions reduction by 2030 Net zero emissions by 2050 Activate targets and plans for waste and water use reduction 	Governing structure that: <ul style="list-style-type: none"> Upholds mission Ensures accountability and ethical practices Equips us for risks, challenges and opportunities
2023 Highlights	<ul style="list-style-type: none"> Introduced 100% paid parental leave to team members Launched MindSnack, an inclusive micro-learning series Achieved Leapfrog Grade A for 74% of our hospitals 65 facility-level health equity plans implemented Community Health Plans launched for all required facilities Primary Health Division established 	<ul style="list-style-type: none"> Measured 2023 carbon emissions footprint (scopes 1, 2 and 3) Signed two utility-scale renewable energy generation agreements, among the largest of their kind in the industry Began construction on one of the largest privately owned corporate solar projects in Florida on AdventHealth's corporate campus Developed first climate resilience plan with inputs from 20+ leaders across the organization 	<ul style="list-style-type: none"> Two female industry leaders join the governing Board New partnership developed with Learning Pool to advance corporate responsibility team member training First cybersecurity incident response tabletop exercise conducted with senior leadership team (Cabinet) Clinical advisory board for artificial intelligence (AI) selects first pilot projects



Our Stewardship of Resources

AdventHealth is committed to a financial stewardship model that provides a stable operating performance and strong financial foundation to ensure our viability and accelerate the growth of our mission to deliver whole-person care across our markets.

Effective and responsible stewardship not only guides how we utilize our resources, but is also the lens we apply to our continuous pursuit to eliminate inefficiencies and reduce unnecessary costs. At AdventHealth we are consistently looking for better ways to reinvest our resources into people, facilities and advanced technology to help our communities thrive. Our community investment includes providing charity care; strategic philanthropy; community investments;

collaboration with local, state and federal government agencies; and partnerships with not-for-profit and community-based organizations.

These community investments do far more than maintain our tax-exempt, non-profit status. They embody our greater purpose in fulfilling our mission of Extending the Healing Ministry of Christ and helping those we serve feel whole.

52
Hospitals



78
Offsite EDs and
Urgent Care Facilities



386
Primary Care Locations



22
Home Health and
Hospice Agencies



787K+
Value-Based Lives



We strengthen and steward our resource base to provide whole-person care:

8M Patient Interactions

\$4.1 Billion

Community Investment

\$1.4 Billion
Medicare Coverage
Shortfalls

- Unreimbursed costs to care for patients enrolled in Medicare

\$1.3 Billion
Charity Care and Medicaid
Coverage Shortfalls

- Services offered free or deeply discounted to patients unable to pay, and unreimbursed costs from government means-tested programs

\$42 Million Cash and
In-Kind Contributions

- Financial support, donations and service hours given to community partners

\$77 Million
Community
Health Services

- Clinics and programs funded to support the health of our most vulnerable neighbors

\$84 Million
Education and
Research

- Costs to train future health professionals, expand knowledge of current practitioners and invest in research

\$27 Million
Faith-Based
Initiatives

- Funding to meet the spiritual needs of our communities

\$1.2 Billion
Community Capital
Investments

- Funding to expand access and improve quality of care

*The community investment dollar amounts on this page include AdventHealth's joint ventures in its Texas and Illinois markets, and therefore differ from the community investment dollar amounts included in our audited financial statements and related footnotes prepared using generally accepted accounting principles.

A photograph of a family of four walking through a park. On the left, a young boy in a grey long-sleeved shirt and dark pants walks towards the center. Next to him, a man in a blue and white plaid shirt and dark pants walks towards the right. To his right, a woman in a blue top and grey cardigan walks towards the right. On the far right, a young girl in a pink and white striped sweater and light blue pants is running happily, holding hands with the woman. The background is a lush green park with trees and a fence. The entire image has a light blue tint. The word "Community" is written in large, white, sans-serif font across the middle of the image.

Community

A young man with dark hair, wearing a dark long-sleeved shirt and light-colored pants, is walking in a grassy field. The background is a soft-focus landscape with trees and a building. The entire image is overlaid with a semi-transparent blue gradient.

"I have come that
they may have life,
and have it to the full."

John 10:10

(New International Version)

Overview

People are at the heart of our mission and brand promise of wholeness. We ground our reason for existence in Extending the Healing Ministry of Christ, which guides our purpose as a faith-based health care system that helps those we serve feel whole: our team members, patients and consumers, and members of our communities.

Our journey toward the sustainability – the long-term viability and wellness – of our workforce and those we serve requires strategies unique to each of them. In doing so, we fulfill each component of our wholeness framework: Love the whole person. Heal the whole body. Grow the whole potential. Live the whole journey. Here is how this commitment is reflected:

Our Team Members

Providing whole-person care requires a workforce that feels whole. To deliver on our brand promise of wholeness, we need to first make sure our people feel whole in how they experience their work life within an inclusive environment that cares for them physically, mentally and spiritually.

Our Patients and Consumers

Each individual we care for holds infinite value, and is therefore deserving of high-quality, safe and equitable health care that is easy to access, simple to use, helps them feel whole.

Our Communities

Through strategic partnerships and market relevance, our calling drives us to deliver on our brand promise more comprehensively, in ways that will have transformative impact on the communities where we operate.



Team Members

Our Commitment to Our Workforce

Creating a sustainable, engaged workforce is critical to achieving AdventHealth's promise of wholeness. Over the past four years, we have created and enhanced Team Member Promises that have helped us attract, engage and retain valuable talent at a time when the labor market has been experiencing unprecedented challenges with talent shortages and workforce turnover. In 2023, our workforce was more than 92,000 team members strong, and has continued to grow.

Becoming an Employer of Choice

We continue to see progress in the ways team members are thriving personally and professionally, growing in their careers and bringing their unique "why" to our inclusive environment of care.

We are humbled by the recognition received in 2023 for these efforts, which include:



Best-in-State Employers



Top 150 Places to Work in Healthcare



Most Trustworthy Companies in America



America's Most Innovative Companies



Healthiest 100 Workplaces in America



Best Employers for Veterans

2023 Strides: Our Team Member Promises



Family From Day One

- 1.6% increase in 90-day retention rate
- 2% increase in one-year retention rate
- \$23 million in cost avoidance turnover



Choice of Benefits

- Four weeks of 100% paid parental leave was launched as a new offering to team members
- 5,781 team members earning less than \$21 per hour became eligible to receive a seeded health savings account



Competitive Pay

- Results from a third-party pay equity study for the entire workforce showed a statistically equivalent pay between racially and ethnically diverse and female team members and white male team members



Informed and Heard

- AdventHealth employee engagement scores remain consistent in the top 10% of the health care industry



Lighted Career Path

- Eight Career Paths designed to highlight the possibilities for team members' career journeys
- 88% of team members utilizing educational assistance remain with AdventHealth



Wholistic Leader

- In 2023, 63% of leaders improved their team leadership effectiveness

Recruitment and Retention

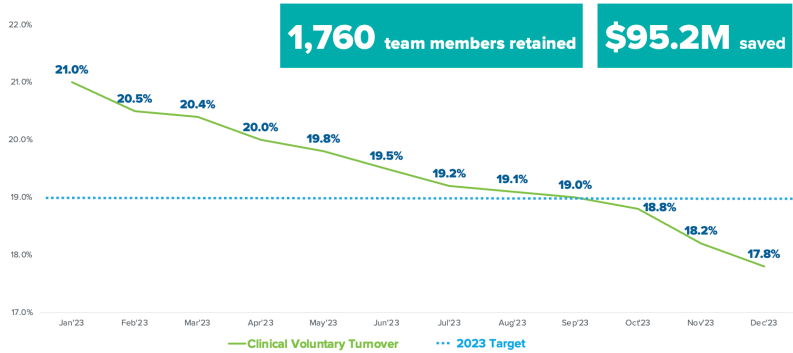
Staffing and turnover have been significant health care challenges in the U.S. for many years. The COVID-19 pandemic exacerbated this problem, as health care workers around the nation, faced with unprecedented levels of stress and burnout, left the profession, retired early or reduced their hours, creating a shortage of skilled and experienced staff. The pandemic revealed the urgent need for strategic solutions to address turnover, reduce reliance on temporary labor and invest in workforce development and retention.

At AdventHealth, we have focused many retention initiatives on those providing direct clinical care. By providing education assistance and leadership development programs, we will continue to aim for the top quartile of clinical turnover reduction.

2023 Retention Improvements

In 2023, more than 27,000 new mission-oriented team members joined AdventHealth, and the organization achieved one of the lowest agency utilization percentages among the largest U.S. health systems. Our turnover rates also showed improvement, as seen below:

2023 Rolling 12-Month Clinical Voluntary Turnover



(Data representative of December 31, 2023)

Additionally, we've continued to leverage key recruitment initiatives through internship and residency programs, partnerships with high school and post-secondary institutions and our own AdventHealth University.

A Diverse and Inclusive Workforce

Creating an inclusive environment is an essential component of enhancing the team member experience and living out our service standards in our team member recruitment, retention and engagement. For example, in 2023, over 60% of learners enrolled through initiatives like tuition assistance, tuition reimbursement, or direct pay program offerings were team members from historically underrepresented backgrounds, compared to a 50% company baseline.

Diversity in Numbers

Overall Workforce

A review of our overall workforce shows its extensive diversity. From 2019 to 2023, AdventHealth's racially and ethnically diverse team member population increased from 44% to 50%. This is well above the representation for the health care industry and the participation rate of the general labor force.

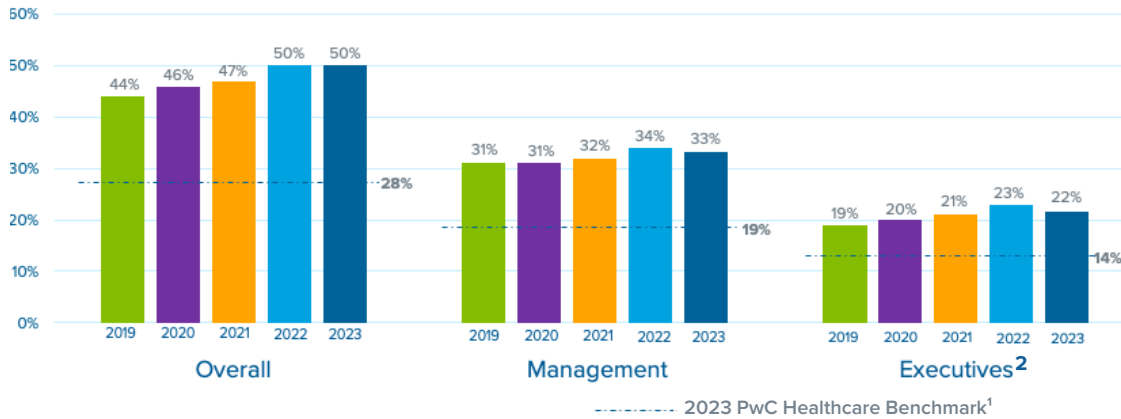
From 2019 to 2023, AdventHealth has maintained an average of 77% women within the team member population, consistent with benchmarks for an industry powered by a predominantly female nursing workforce and exceeding the participation rate of the general labor force.

Leadership Workforce

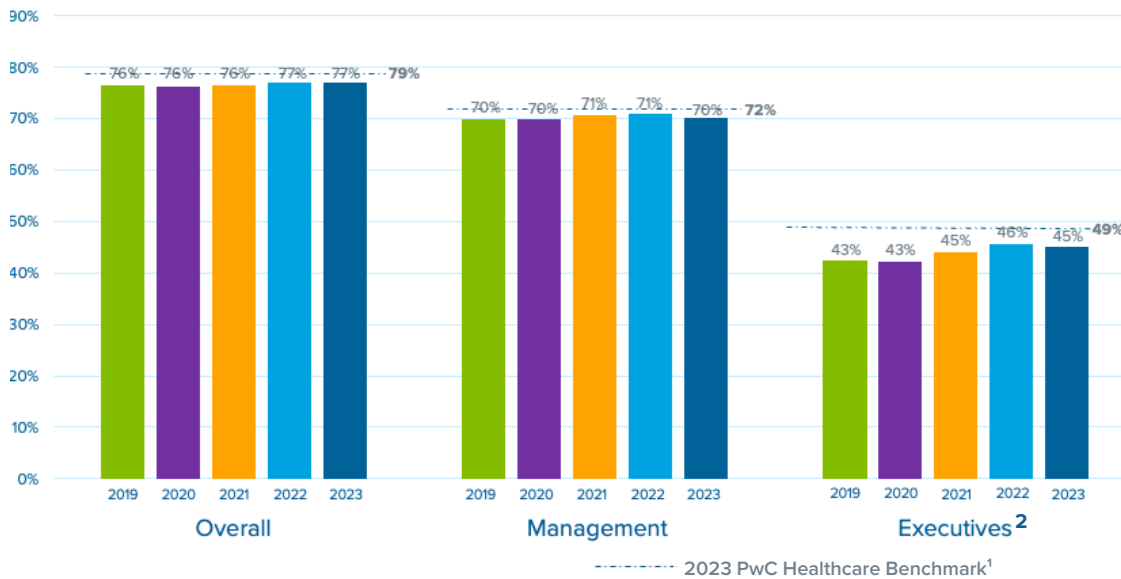
Over the last five years, the organization has seen steady increases in the percentage of women and/or racially and ethnically diverse leaders. We have achieved this through various initiatives, such as leadership development, mentoring programs and talent acquisition strategies.

In the third quarter of 2023, as health care facilities in the Rocky Mountain Region came under AdventHealth's direct management, we experienced changes in the demographic composition of our leadership team. While our leadership teams by and large represent the demographic makeup of the communities they work in, we continuously strive to improve the diversity of perspectives, backgrounds and experiences of our leaders and team members.

Racially and Ethnically Diverse Representation



Women Representation



Multigenerational Workforce

The AdventHealth workforce is becoming more diverse in terms of age, as older workers delay retirement and younger workers enter the field. For the first time in our history, we currently employ workers from five generations, each with their own values, expectations and styles of working.

Through continuous team member listening and monitoring of trends, we seek to understand the evolving needs for each generation, from communications and learning preferences to benefits and flexible work arrangements, in order to respond in ways that help each individual feel whole and supported.



¹PwC Saratoga is the world's leading source of workforce measurement, and uses the PwC Saratoga Benchmarking tool to gather a wide range of diversity data insights that show how organizations measure up against peers within the Hospitals and Health Systems industry.

² Shift in AdventHealth's workforce demographic composition in 2023 due to organizational expansion into new areas.

Inclusive Workplace Culture

In 2023, we launched and continued several initiatives supporting an inclusive workplace, including:

Diversity, Equity and Inclusion (DEI) Councils

With 100% participation across facilities¹, these CEO-led councils promote and cultivate workforce belonging and health equity priorities within each of our local markets.

Leadership Advisory Committees

These committees, like the AdventHealth Diversity Forum and the AdventHealth Women's Leadership Forum, help foster an environment that enables current and aspiring leaders from all backgrounds to maximize their full potential and achieve professional and personal goals at AdventHealth.

Special Observances and Heritage Months

Our special observance calendar enables continuous learning and engagement in meaningful activities that recognize, examine and value the historical legacies of diverse identities.

Inclusive Dialogue Series

Through a format of listening, learning and courageous dialogue, this series spotlights team members who elevate timely and relevant topics, expanding awareness and deepening understanding of each other and our communities.

MindSnack

This video series, launched in 2023, contains bite-sized learning opportunities to promote our value of inclusiveness through engaging storytelling. The concept — born from team member feedback and questions — helps build an understanding of others, enhances the patient experience and supports health equity.

¹ Plans are in place to activate Rocky Mountain Region facility DEI councils in 2024

Dynamic Learning Organization

AdventHealth continuously aspires to create a culture in which new levels of clinical excellence, organizational performance and mission effectiveness thrive. The work to become a Dynamic Learning Community is key to ensuring the long-term viability of our workforce and talent pipelines.

Our organization, in partnership with AdventHealth University, has developed a learning team and Leadership Institute to create and drive learning strategies for leaders, team members, clinical learners and future talent.



AdventHealth endeavors to provide a best-in-class leadership development experience in key leadership practices, behaviors and attitudes efforts through our leadership framework of Lead Self, Lead Others and Lead Results.

Furthermore, through its culture of learning and development, AdventHealth is also committed to develop its talent from within the organization, reflecting its team member promise of a Lighted Career Path through initiatives like Professional Excellence Program's clinical ladders, Executive Leadership Program, Hospital Medicine Leadership Fellowship and many others.

2023 Dynamic Learning Community Impact



Clinical Learners

As lifelong learners, our clinicians engage regularly in a variety of programs that provide them with the resources and confidence required for success.

609

Physician Team Leadership

69

Coaching Skills for Nursing Participants

1,600+

AHU Enrollees

- Physician Team Leadership
- Hospital Medicine Leadership Fellowship
- Nursing Leader Development
- Coaching Skills for Nursing
- Online RN to BSN Program



Future Talent

As we prepare for future talent, we seek out unique ways to expand opportunities for development of nursing students and graduates from the AdventHealth University (AHU) nursing program. In addition, new health care certification options have been added to our growing early career opportunities for high school graduates as we invite them to establish their careers at AdventHealth.

1,000+

Certification Program Enrollees

14

Clinical and Non-Clinical Health Care Certifications Available Online

418

Certification Program Graduates

- Health Care Certificate Talent Strategy
- AHU Nursing Program Growth
- Internships and Residencies



Leaders

AdventHealth's next generation of leaders must be equipped with resources to grow and advance in their careers.

6,000+

Leading in AdventHealth Participants

22

Leading for the First Time Launch Participants

153

Executive Leadership Program Participants

- Executive Onboarding
- Leading in AdventHealth
- Leading for the First Time
- Executive Leadership Program



Team Members

Team member learning emphasizes key skills such as collaboration, communication, emotional intelligence and empathy.

7,000+

Team members used educational assistance to support their goals

8

Career Paths Available (three in development)

9

Skills Identified (three have been prioritized)

- Educational Assistance
- Career Paths
- Team Member Skills

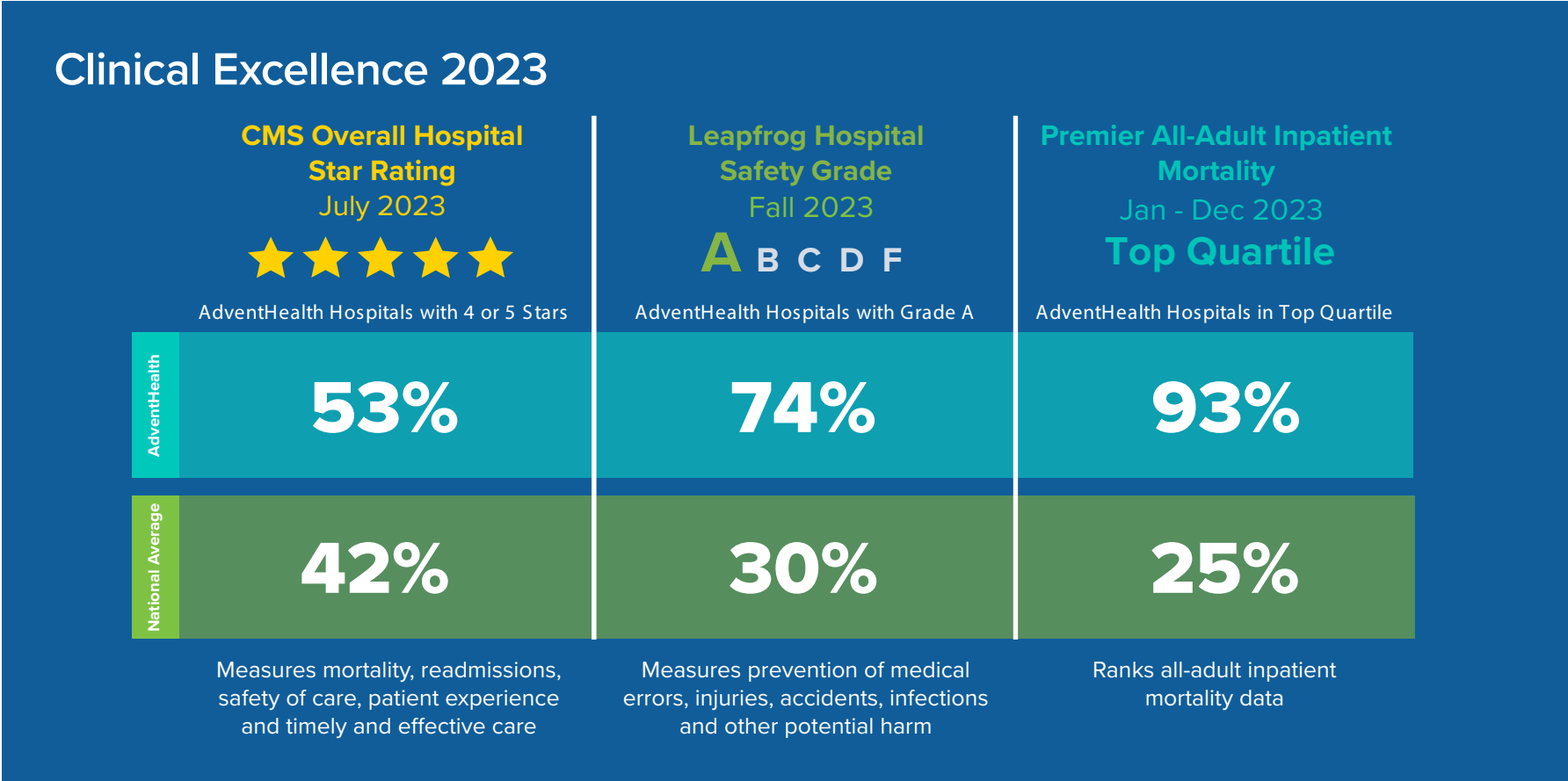
Clinical Excellence and Health Equity

At the heart of our health care practices is the principle that each individual holds infinite value and deserves high-quality, safe and equitable clinical care in order to feel whole. Here are just a few ways we've advanced this work in 2023.

Clinical Quality and Safety

We continue to drive excellence in clinical quality and safety for each patient who walks through our doors. We measure our progress in these areas through the leading industry markers of Centers for Medicare & Medicaid Services (CMS) Overall Hospital Star Rating, Leapfrog Hospital Safety Grade and Premier All-Adult Inpatient Mortality.

The visual below reflects our 2023 clinical performance according to these markers:



In fall of 2023, the latest Leapfrog safety grades showed that 74% of AdventHealth's eligible hospitals across the country earned an "A" grade for meeting the highest safety standards in health care. This marks the highest percentage of Leapfrog A-graded hospitals in our history.

In addition, 93% of our hospitals ranked within Premier's top quartile of hospitals nationally with regards to expected mortality, also the highest in our history. AdventHealth remains significantly above industry averages in these metrics.

We remain steadfast in our commitment to pursuing excellence in clinical quality and safety across all facilities by achieving and sustaining these important goals. In addition, our clinical teams are focused on the following value of care initiatives:

Validate clinical documentation integrity and coding to ensure clear, concise, complete, accurate and compliant clinical documentation through partnering with health care providers to better understand quality, safety and severity of illness.

Achieve length of stay performance to reduce health care costs, improve bed utilization/staffing and reduce hospital acquired conditions. We have reduced variance from CMS Geometric Mean Length of Stay by 15% since mid-2022.

Optimize sepsis care through earlier detection and utilizing best current practices (more information on next page). Sepsis remains the leading cause of inpatient mortality and there is significant opportunity to continue to reduce morbidity and mortality for this pressing clinical condition.

Align clinical supply chain to improve quality and lower cost through economies of scale and standardization by working with supply chain, ancillary service teams and providers to align and standardize services in cardiology, orthopedics, laboratory and other service lines.

Health Equity

A key component of our clinical excellence work is providing equitable care. Our continued work has included addressing disparities in health outcomes among various patient populations, as well as factors outside of our health care delivery that also impact health outcomes, called social determinants of health (SDOH). These include socioeconomic factors such as housing and food, physical environment and health behaviors.

Our approach to health equity is intentional, data-driven and measurable. By focusing on the data, we have developed a systemwide approach that begins within our facilities and supports the creation and implementation of localized efforts. In 2023, we focused on the following areas:

Maturing our Data-driven Approach

We launched a new social determinants of health screening tool to enable the collection of health-related social needs data consistently across all care settings. We also launched a Community Driver Dashboard to identify the three highest-correlated neighborhood factors directly impacting health outcomes by clinical condition. This tool will support our market-level DEI councils in refining their health equity plan interventions.

Approving and Activating 65 Facility-led Health Equity Plans

We have begun a two-year, facility-level health equity plan implementation process for all 65 facility plans, which launched in January 2023.

Equipping our Facility DEI Councils

The Health Equity Resource Hub has been created to equip our DEI councils to select clinical conditions with potential disparities and develop actionable health equity plans to address, track and evaluate their outcomes.

Looking Ahead

As we look ahead in our work, AdventHealth will continue to collaborate with the recently formed Health Equity Advisory Council, a group of external subject matter experts who help to inform ongoing and future health equity work. We are also expanding our data governance and reporting capabilities and are refining our maturity model to guide our health equity journey through 2030.

Clinical Risk Management

Our clinical risk management team plays a key role in ensuring clinical excellence and safety through initiatives that help reduce risk and improve our patients' and team members' health and safety outcomes.

In 2023, the team continued its ongoing work within two priority areas:

- **Review and Evaluation of Claims Data:** Working closely with our clinical team, this initiative has identified opportunities for risk reduction and improvement of health outcomes in areas such as sepsis, perinatal care and telemetry. Work in these areas is described in greater detail in the following section titled Spotlight on Areas of Care.
- **Issue Identification and Support:** In addition to system-level risk reduction efforts, we have dedicated expert personnel to work within each of our divisions to identify and address the most pressing patient safety issues at the facility level using data science and analysis.

While there is much more to be done within these areas, we are committed to improving safety and outcomes for those we care for through a data-driven and methodological approach that supports our service standard of Keep Me Safe and, ultimately, our brand promise to help those we serve feel whole.

Spotlight on Areas of Care

As part of our journey toward clinical excellence, AdventHealth aims to improve health outcomes related to all health conditions we care for in the clinical setting. Three areas in particular – sepsis, perinatal care and telemetry – have been a key focus for our clinical, health equity and clinical risk management teams.

Sepsis

Sepsis is the leading cause of in-hospital mortality and the most significant area we can improve the value of care. In 2023, we continued efforts to reduce sepsis time to treatment and to diagnose patients sooner through technology and data, and to provide continuing education on industry best practices with our clinical staff.

With these efforts, our mortality rate nears top quartile nationally at our risk adjusted observe/expected ratio of 0.63, exceeding our top quartile goal of 0.95.

Perinatal Care

To improve health outcomes of expectant mothers and their newborns, AdventHealth has developed a perinatal collaborative focused on improving quality measures, reducing maternal mortality and equipping caregivers with tools to improve care.

In 2023, our organization has met its perinatal quality measure goals in the following areas:

- 5% or less for early elective deliveries (achieving 3.23%)
- 5% or less for its episiotomy rates (achieving 0.81%)
- 30% or less for its C-section rates (achieving 27.8%)
- 5% or less for unexpected complications to newborns (achieving 2.1%)

Telemetry Monitoring

In 2023, to ensure consistent and high-quality care in the critical area of telemetry monitoring – the monitoring of the electrical activity of a patient's heart – AdventHealth assembled a multidisciplinary systemwide Telemetry Safety Taskforce, which created a corporate telemetry monitoring policy that outlined best practices in these key areas: technician-to-patient ratios, standardized education and training, alarm management, patient transport and a pathway to address escalation when needed.

Consumer Focused Connected Network

As the health needs of our population continue to change, more patients are approaching health care as consumers – and are seeking a health care partner for life. We recognize the importance of the consumer experience as we continue our journey to become a preeminent, faith-based, consumer-focused clinical care company.

Easy to Access. Simple to Use. Helps Me Feel Whole.


AdventHealth is committed to establishing lifelong relationships through a thoughtfully designed consumer experience that provides exceptional and compassionate whole-person care across a connected network that is easy to access, simple to use and helps consumers feel whole.





While we are still on a journey to improve the consumer experience, we are grateful for the recognition of being ranked first among 96 health care brands nationwide in the **Gartner 2023 Hospitals and Health Systems Digital IQ Index**.


This recognition highlights our dedication to creating a seamless digital experience for our patients through convenient scheduling, video or in-person appointments, a comprehensive app and more.

In 2023, we made progress in the following ways:






Easy to Access

-  Provide easy access to consumer self-service features for booking appointments
-  Ensure timely access through phones, our most utilized consumer channel





Simple to Use

-  Optimize the AdventHealth app now offering more than 100 Epic capabilities, with an eCommerce-inspired shopping experience embedded to allow consumers to easily find care
-  Launch intelligent Virtual Assistant, an artificial intelligence tool that offers prompt assistance to consumers seeking self-service support



Helps Me Feel Whole

-  Provide The Whole Care Experience training for our team members, an internal training on how to live out our service standards for those we care for
-  Ensure excellent in-venue patient experience

Inclusive Patient Experience

We recognize that every person – regardless of background, status or circumstance – has an intrinsic need for dignity as a basic element of wholeness. We are committed to delivering whole-person care with an approach to patient interactions that incorporates respect, autonomy, empowerment, safety, communication, privacy, acceptance, inclusion, acknowledgment and fairness. Some new initiatives in 2023 include:

Empathy Learning Reinforcements

We researched, designed and tested an empathy curriculum to be embedded within day-to-day operations, guiding how our team members listen and engage with diverse patients in ways that establish understanding and trust.

Health Equity Microlearning Series

MindSnack, which are bite-sized learning opportunities, are helping team members build understanding of others, enhance patient experience and support health equity.

Inclusive Environment of Care Learning Experience

We expanded the rollout to go beyond local DEI councils and AdventHealth Medical Group leaders to all AdventHealth physicians.

Patient Dignity and Respect

We developed and piloted learning experiences to equip our team members with knowledge, skills and best practices, including in LGBTQ+ patient care.

Patient Policies and Procedures

We have continued to update our policies and procedures to ensure that they are aligned with our inclusion principles, and protect the rights and dignity of our patients and team members.





Patient Access and Affordability

AdventHealth's patient acceptance policy is based on its mission statement and its charitable purposes, and therefore accepts patients in immediate need of care, regardless of their ability to pay. Patients who qualify for charity care in accordance with our financial assistance policies are provided services for which no payment is due for all or a portion of their bill.

As part of our ongoing work to ensure that our financial assistance policy continues to align to our mission and charitable purposes, we regularly review this policy, and in 2023, it was updated to expand its impact to more patients.

We recognize that patient access and affordability continue to be significant unmet needs within the community at large. We have the

opportunity and responsibility to facilitate access and affordability in even bigger ways in communities with the greatest need.

To this end, we continue to focus on advancing our community advocacy and health equity priorities for our organization. We also continue to operate AdventHealth facilities that offer free or subsidized specialized care, and partner with organizations that offer care to patients regardless of their ability to pay.

Examples include a care clinic and mobile health bus offering primary health care operated by Texas Health Huguley and a community primary health clinic operated by AdventHealth Waterman. In addition, AdventHealth supports several Federally Qualified Health Clinics – clinics offering medical care to patients regardless of insurance status – in many of our communities to improve access to care for our patients.

Primary Health Division

Our Health Care Landscape

AdventHealth’s brand promise of whole-person care is our long-term commitment to those we serve. When faced with change, we innovate to uphold this commitment.

As our population grows and ages, a significantly larger segment of patients will rely upon government-paid health care. This foreshadows an unsustainable situation as the weight of this demand relies on a shrinking labor pool and limited financial resources.

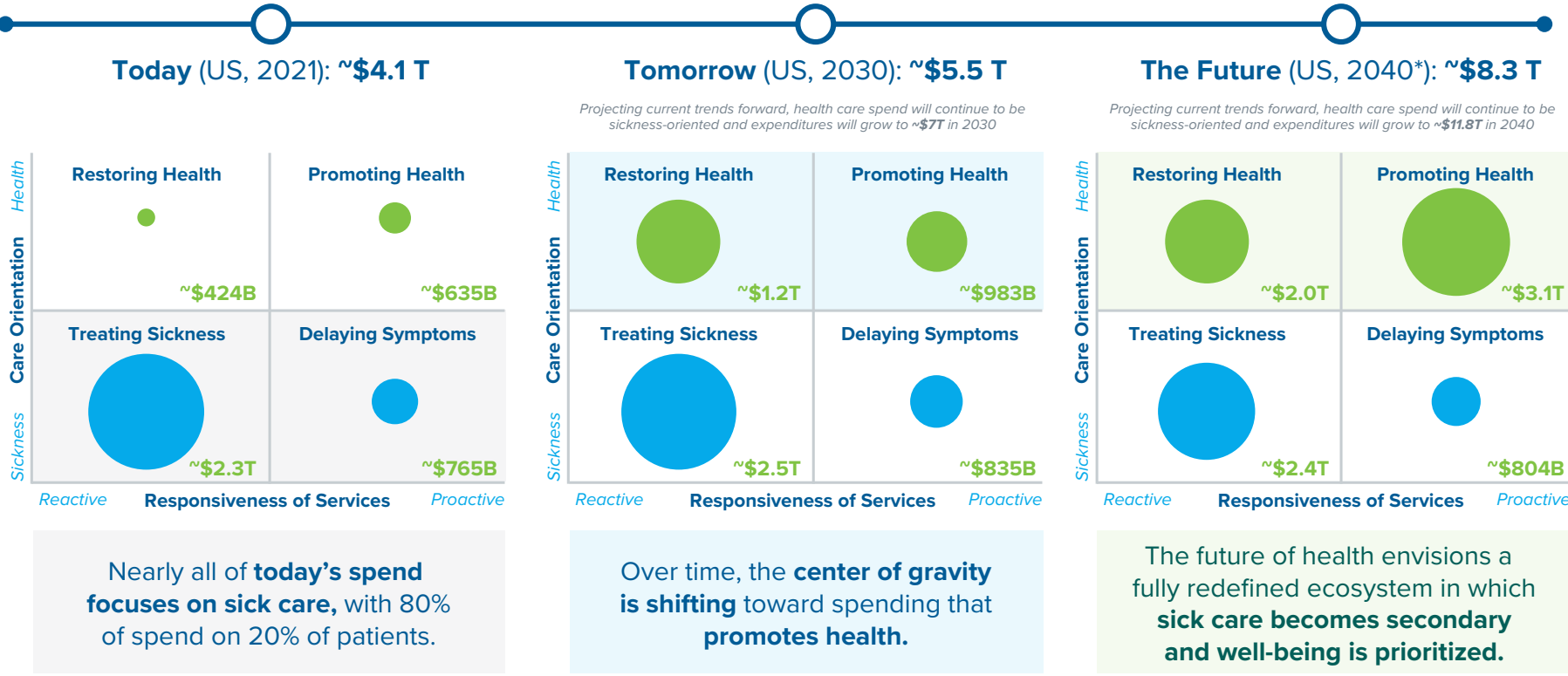
Society’s need for acute care will remain, but more integrated, accessible and affordable primary health care at all points in life will be in increasing demand. This will be key to establishing a lifelong

relationship between health care partners and patients, driven not by sick care, but wellness and prevention.

As the diagram below shows, the center of gravity in the U.S. is shifting toward health care and away from sick care.¹

Focusing more broadly on health and wellness versus specifically only on sick care has been shown to result in greater human and financial benefits.

¹ Batra, N., Davis, A., and Sterrett, L. 2022, October, 12. Rebuild: Financial Future of Health Care [Conference presentation]. American Hospital Association Health Systems Leadership Retreat 2022. Scottsdale, AZ, United States of America.





AdventHealth's New Primary Health Division

To respond to these evolving trends, AdventHealth established its new Primary Health Division in 2023. The division will orchestrate high-value, longitudinal, whole-person primary health care that aims to succeed in multiple payor structures. Comprised of services outside of the hospital, this work enhances AdventHealth's approach to whole-person care and positions the organization as a leader in value-based care. AdventHealth is also building a systemwide Care-at-Home platform that includes home and hospice care through diverse channels and offerings. Beginning in Florida, the next phase will focus on expanding these structures within the Multi-State Division.

To this end, the Primary Health Division offers three distinct primary care products for three specific reimbursement models:



Primary Care+

A retail option offering walk-in/same-day appointments as well as extended and weekend hours

FFS/Retail



Enhanced Primary Care

Including both fee-for-service and value-based reimbursement models as extended and weekend hours

FFS/Value-Based



Well 65+

Provides high-quality senior care taking full-risk

Full Risk

Advocacy and Public Policy

Our brand promise to help those we serve feel whole extends to those who live in our communities. This commitment is reinforced by research demonstrating that the majority of drivers for health outcomes fall outside of health care delivery and encompass health behaviors and social determinants of health.¹

Community Advocacy

AdventHealth reinvests its resources to make our communities healthier places to live. Our contributions include capital investments; charity care; unreimbursed costs of caring for patients with Medicare, Medicaid and other government resources; faith-based initiatives; community health services; health professional education; research; and direct donations to our community partners.

In 2023, AdventHealth invested approximately \$4.1 billion to improve access to whole-person care and address specific health needs in our communities.

Our community investments are guided by findings from our Community Health Needs Assessments (CHNAs), conducted every three years and outlining social, economic and health needs of each community. The findings are then reviewed to develop individual Community Health Plans (CHPs) for each facility to address social and/or health needs in their local community.

Key highlights from our most recent 2022-2023 CHNAs include:



Input was gathered from over 22,000 community members in 9 different states



Mental health support was the single most common need we found across AdventHealth communities



The largest group of community needs were within social determinants of health

¹ Magnan, S. 2017. Social Determinants of Health 101 for Health Care: Five Plus Five. NAM Perspectives. Discussion Paper, National Academy of Medicine, Washington, DC. Retrieved from <https://doi.org/10.31478/201710c>

In 2023, each hospital developed its own CHP, laying out a three-year timeline for its strategies, with annual evaluations built into the implementation process. Some early examples of initiatives within CHPs from our markets include:

Texas Health Huguley Hospital

The hospital, in partnership with area churches and safety net organizations like The Harvest House of Burleson, launched a pilot program implementing spiritual whole-care screenings. Across all AdventHealth facilities, this screening helps assess the overall whole-person health of an individual.

The hospital is exploring adding three other safety net organizations, as well as up to 10 additional church communities, to participate in the program in 2024.

AdventHealth Shawnee Mission

Improving maternal and infant health outcomes through preventive care and screenings is a priority of AdventHealth. The hospital is working to improve access to prenatal and postnatal care, investing in blood pressure cuffs for at-risk mothers and increasing care for low-income expectant mothers, among other areas.

Whole Health Hub

The Whole Health Hub is a digital platform embedded in our patient electronic medical record platform, Epic, to assist caregivers in referring patients to community services that can provide for unmet social needs such as assistance with food, housing or transportation. After a successful referral, patients may be connected directly to local, state or national resources.

- Since its launch in 2022, more than 35,000 AdventHealth staff and community members have used the platform for over 90,000 searches.
- In 2023, patients were connected to more than 7,000 resources.

Collected data has been valuable in identifying the services that patients need most, such as housing, access to health care and food.

Government Advocacy

Our government advocacy efforts also aim to address SDOH factors that impact health outcomes by identifying policy and funding opportunities with local, state and national governments.

In partnership with our local community-based organizations and public sector partners, we advocate for resources to advance the needs of high-priority regions identified within our Community Health Needs Assessments.

AdventHealth's 2023 government advocacy efforts resulted in millions of dollars in state and federal funding in the communities we serve. Some of these investments have supported the following:

- Increased access to women's health services with a mobile mammography bus
- Increased diagnostic screenings for the underserved with a mobile MRI unit
- Advanced research on type 1 diabetes at the AdventHealth Translational Research Institute
- Increased health care access to uninsured community members through a community clinic expansion
- Added mental health navigators in pediatric emergency departments and primary care offices
- Enabled access to costly genetic testing for underserved pediatric patients
- Funded a new facility to support abused children

Policy Advocacy

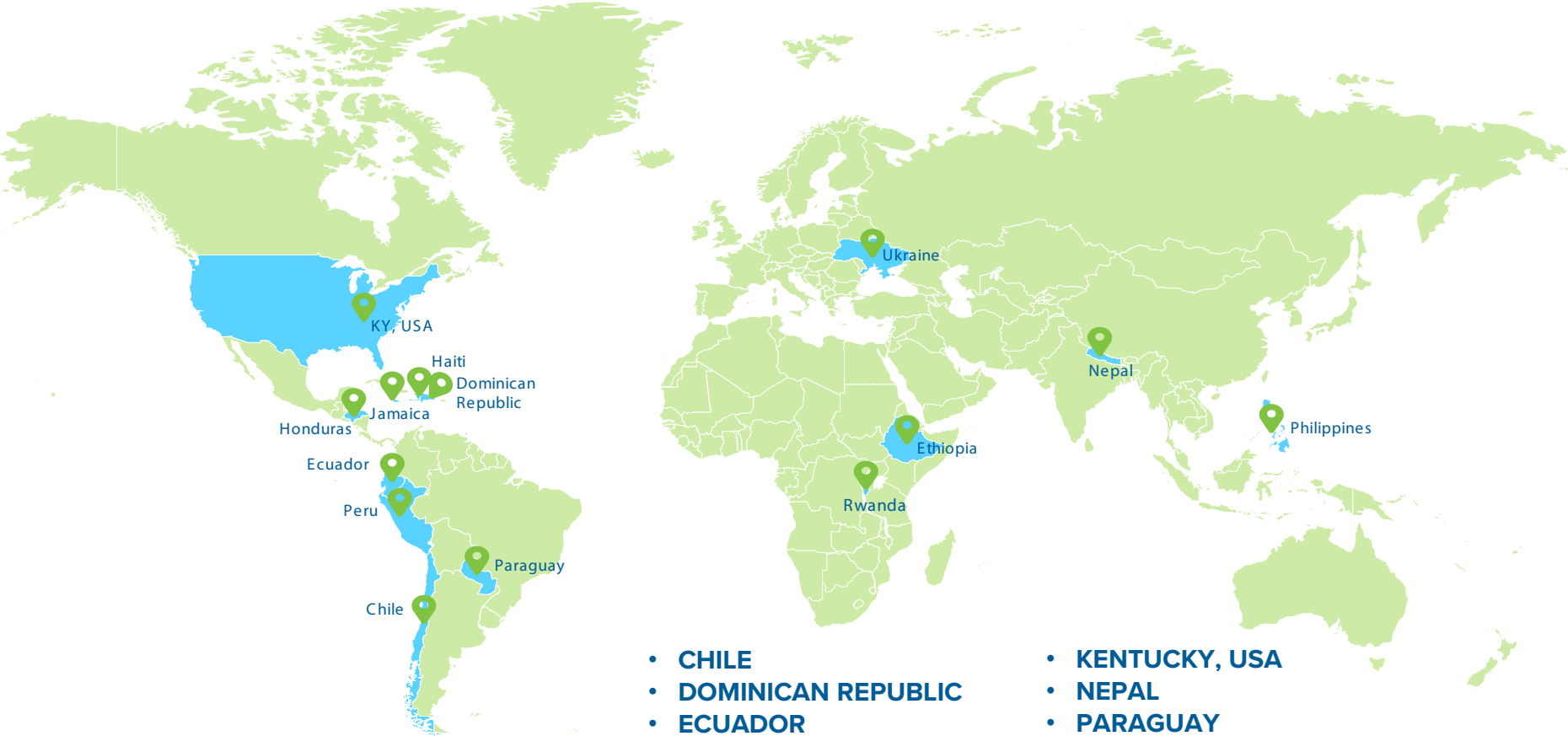
AdventHealth also actively informs governmental policies at the state and federal levels that address SDOH. In 2023, we:

- Submitted comments on the adoption of a health equity adjustment in the Hospital Value-Based Purchasing Program
- Advocated for separate reimbursements for specific SDOH diagnosis codes, including homelessness
- Advocated for mental health parity and informed the adoption of Medicare payments for family counselors and mental health counselors



Global Missions

AdventHealth is committed to extending wholeness far beyond the communities where its facilities operate. We partner closely with hospitals and institutions in 14 strategic areas around the world to provide medical care, equipment, supplies and health care education.



14 Strategic Relationships

- CHILE
- DOMINICAN REPUBLIC
- ECUADOR
- ETHIOPIA
- HAITI
- HONDURAS
- JAMAICA
- KENTUCKY, USA
- NEPAL
- PARAGUAY
- PERU
- PHILIPPINES
- RWANDA
- UKRAINE

In 2023, our global missions work progressed in the following ways:

Expansion of Strategic Partnerships

Ukraine was added as AdventHealth's 14th global strategic partnership. As the country continued facing an unprecedented wartime crisis, AdventHealth worked with the Angelia Adventist Clinic in Kyiv to forge an official partnership that has allowed us to support their work in war-torn regions. We also worked with other non-profit organizations to help provide for basic needs such as food, clothing and medical care to internally displaced people.

Warehouse Program

AdventHealth donated critical equipment including autoclaves, ultrasound machines, stretchers, hospital beds, incubators, exam tables, computers, X-ray machines, anesthesia equipment and laboratory and surgical supplies to hospitals and clinics in the Bahamas, Chile, Honduras, Jamaica, Peru, the Philippines and other countries. These in-kind donations have amounted to \$930,000 in value.

Mission Trips

AdventHealth's medical mission trips provide opportunities for our team members to engage in our work to provide whole-person care in practical and impactful ways. They provide surgical care, primary care and continuing medical education to our Global Missions strategic areas.

In 2023, a total of 308 team member volunteers took 23 trips to more than nine countries to care for more than 22,000 people.

Other 2023 Projects and Contributions

Our work in 2023 also included philanthropy for key projects and initiatives like mobile medical clinics in Ukraine, a CT scanner in Nepal and upgrades to an imaging center in Chile.





Supplier Diversity

At AdventHealth, we are committed to fostering a culture of inclusion and diversity within our procurement practices and creating opportunities for diverse businesses to grow and thrive in our industry. Some of our 2023 progress in supplier diversity includes:

Contracts to Diverse Suppliers

We awarded over 50 contracts to diverse suppliers in the past year, including significant commitments to women, minority-owned and small business suppliers.

\$140M

Purchased from certified Tier 1 and Tier 2 suppliers*
40% women and minority-owned business enterprises
60% small business enterprises

Vendor Education Activities

AdventHealth participates in local and state diversity councils and supports various supplier diversity networking and business educational events. In 2023, AdventHealth held its annual Supplier Training Academy session in partnership with the Hispanic Chamber of Commerce of Metro Orlando and supported the Florida State Minority Supplier Development Council's Business Opportunity Procurement Summit.

Supplier Diversity Pledge

We are proud to be part of an industrywide initiative to advance supplier diversity in our sector, and we have signed a supplier diversity pledge with Premier Inc., a leading group purchasing organization.

Diversity Language within Contracts

We have taken steps to ensure that our commitment to supplier diversity is reflected in our engagement and group purchasing organizations' contracts with all our suppliers, regardless of their diversity status.

**Tier 1 supplier refers to certified diverse-owned businesses that directly provide goods or services to the organization. Tier 2 supplier refers to certified diverse-owned businesses that indirectly provide goods or services to the organization through third-party distribution channels.*



A dense forest of tall, thin evergreen trees, possibly spruce or fir, with a teal overlay. The trees are arranged in a regular pattern, creating a sense of depth and perspective. The ground is covered in low-lying vegetation and fallen branches. The overall atmosphere is serene and natural.

Environment

“The earth is the LORD's,
and everything in it, the
world, and all who live
in it; for he founded it on
the seas and established
it on the waters.”

Psalm 24:1–2

(New International Version)

Overview

Our commitment to environmental stewardship is rooted in the responsibility God extended to humanity to care for the earth and manage its resources wisely. Just as the earth was entrusted to us and was intended to benefit us, our duty is to keep it whole by protecting and preserving it. This priority also reflects our organizational value of stewardship, which calls us to thoughtfully use the resources given to us to fulfill our mission of Extending the Healing Ministry of Christ.

Inspired by our vision to become a preeminent, faith-based, consumer-focused clinical care organization committed to delivering whole-person care, AdventHealth is focused on reducing its impact on the environment as part of our efforts to support the well-being of our communities and deliver whole-person care to our patients.

Since 2021, we have continued to advance our commitment to environmental stewardship and integrate climate resiliency throughout the organization. This work includes an annual systemwide environmental inventory measuring greenhouse gas (GHG) emissions, waste and water consumption. AdventHealth also signed the U.S. Health and Human Services (HHS) Climate Pledge in October 2022, which establishes short- and long-term goals for GHG emissions.

Our 2023 Progress

In 2023, we conducted the second annual systemwide environmental inventory of our 2022 environmental and GHG footprint, advanced our U.S. Health and Human Services (HHS) Climate Pledge commitments, and continued to fortify our team and governance structure to ensure we meet our short- and long-term commitments.

In order to advance our decarbonization efforts and build health care resilience, AdventHealth has chosen to partner with community-based organizations including Practice Greenhealth, Health Care Without Harm, the Healthcare Anchor Network and local utility companies within the communities where we operate. These strategic partnerships allow us to learn environmental best practices from other health care organizations and share our learnings with other health systems to ensure that whole-person care is at the center of what we do.



2022 Environmental Inventory

Following a consistent process and approach from 2021, AdventHealth conducted its second annual systemwide environmental inventory, including 2022 data of our GHG emissions, waste and water use. Data was collected across the organization to determine systemwide emissions generated from our investment portfolio, purchased supplies and business services, fleet, anesthetic gas, refrigerants and business travel. These data elements make up Scope 1, 2 and 3 emissions, defined by the World Resources Institute's The Greenhouse Gas Protocol¹.

AdventHealth's 2022 Environmental Footprint

Based on these data, our 2022 GHG emissions, waste and water usage across our system are below.



¹ A full description of what is included in all three scopes can be found in: World Business Council for Sustainability Development. World Resources Institute (2001). The Greenhouse Gas Protocol. Retrieved from ghg-protocol-revised.pdf (ghgprotocol.org)

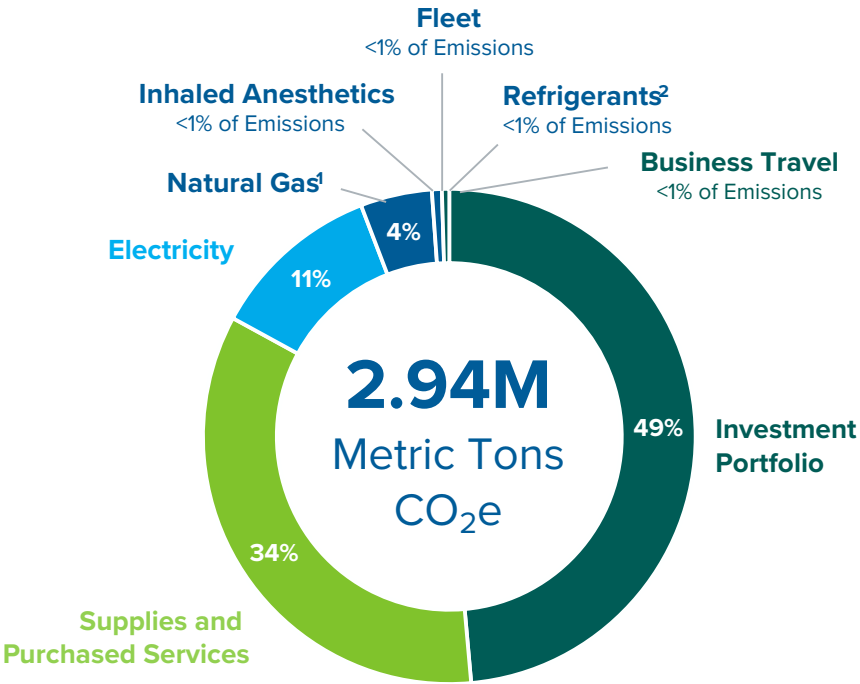
² Includes Scopes 1, 2 and 3 emissions, which were determined based on the following: World Business Council for Sustainability Development. World Resources Institute (2001). The Greenhouse Gas Protocol. Retrieved from ghg-protocol-revised.pdf (ghgprotocol.org)

³ All waste calculations were determined using a cost method and the EREF MSW Landfill Tipping Fee.

⁴ All water calculations were determined using a cost conversion method and internal conversion calculation falling within the US DOE recommendations.

2022 Total Emissions Footprint

Based on 2022 data, results of our Scope 1, 2 and 3 GHG emissions are shown below.



GHG Emissions Key

Scope 1	Scope 2	Scope 3	Scope 3
		Supplies and Purchased Services.	Investments

¹ Natural Gas represents 99% of Scope 1 emissions from onsite fuel combustion; emissions from propane and other fuels are also included in emissions inventory.

² Refrigerants were newly added to 2022 emissions inventory based on partial supplier-provided data for Central Florida Division.

Maturing our Environmental Inventory Processes

AdventHealth has been focusing on this work since 2021 and has worked to collect, evaluate, interpret, quantify and report on our progress related to Scope 1, 2 and 3 GHG emissions reduction, energy and water efficiency, and waste diversion. This process has shed a light on how much of a positive impact AdventHealth can make and has reaffirmed our commitment to supporting our team members and community by improving our organizational practices and operations.

In the fall of 2023, AdventHealth made a decision to partner with Watershed, a climate software company, to begin utilizing its enterprise climate carbon accounting platform. This dynamic system integrates our many sources of GHG emissions and streamlines our ability to analyze and report on our performance.

AdventHealth has invested in this system to refine and ensure accuracy in its GHG emissions calculations, shorten the time between implementing an emission reduction program and measuring its effectiveness, and position itself to grow with advances and most up-to-date changes in carbon accounting methodologies and environmental management.

Our HHS Climate Pledge Commitment

In October 2022, AdventHealth reinforced its commitment to environmental sustainability as it joined the U.S. Department of Health and Human Services' (HHS) Climate Pledge. AdventHealth is focused on the 2030 and 2050 emissions targets set forth by this pledge:

- 2030 Emissions Target: 50% reduction of Scope 1 and 2 emissions
- 2050 Emissions Target: Net-zero emissions across all three scopes

Since signing the HHS Climate Pledge, our progress on its commitments has included the following:

- ✓ Publicly report our emissions and progress annually
Reported each year through our annual sustainability report
- ✓ Designate an executive lead for this work by the end of 2023
Dual executive responsibility led by our chief supply chain officer and chief investment officer
- ✓ Conduct an inventory of Scope 3 emissions by the end of 2024
Scope 3 inventory has been conducted for 2021 and 2022
- ✓ Develop and release a climate resilience plan for our facilities and communities by the end of 2023
(update on the following page)

In process: Reducing Scope 1 and 2 emissions by 50% by 2030 from 2021 baseline



A major component of our integrated approach to sustainability is developing partnerships with community and industry organizations. Together, we can identify unique opportunities to further our organizational goals for the benefit of our team members, patients and communities.

Key levers activated in 2023 toward our 2030 emissions reduction goal include the following activities.

Onsite Renewable Energy Generation

Onsite renewable energy generation is one area we are focusing on in our efforts to reduce purchased electricity consumption. The first onsite solar opportunity was an 850 kilowatts (kW) array installed on a parking garage near AdventHealth Orlando. The second onsite array is currently under development and is expected to be completed by the end of 2024. This array will be one of the largest privately owned corporate solar projects in the state of Florida and will be located at AdventHealth’s corporate campus in Altamonte Springs, Florida. The project is expected to be around three MW in size and is projected to decrease the corporate facility’s reliance on grid electricity by approximately a third.



Rendering of future corporate campus solar project

Offsite Renewable Energy Production

In addition to onsite renewable energy, supporting offsite renewable energy production is another way we are reducing our emissions footprint. This is being done through the establishment of multiple

long-term virtual power purchase agreements (VPPAs) to fund the development and operation of large-scale renewable energy projects such as wind and solar, in exchange for Renewable Energy Certificates (RECs). We believe that VPPAs will account for roughly 70% of our emissions reduction to get us to our 2030 emissions target.

Our Virtual Power Purchase Agreements	
In 2023, AdventHealth signed two VPPA contracts that will generate approximately 100% of our purchased electricity by 2026.	
<p>15,000-acre wind farm in Texas</p> <p>12-year contract</p> <p>REC delivery began in Jan. 2024</p> <p>Collaborator: Scout Clean Energy, a Brookfield Renewable Company</p>	<p>3,000 acre solar farm in development</p> <p>15-year contract</p> <p>REC delivery begins in Jan. 2026</p> <p>Collaborator: a subsidiary of NextEra Energy Resources, LLC</p>

Community Solar: Partnering with Local Utilities

Community solar programs are made available through utility companies and provide an opportunity for customers to subscribe to financially support electricity generation sourced from utility-managed solar projects in the community. The cost paid to utility companies for this clean electricity goes toward maintaining and developing future renewable energy projects in the community that other businesses and residential customers can also utilize.

To date, AdventHealth has enrolled in community solar projects with Florida Power and Light. Collectively, two hospitals now receive over 80% of their electricity from local community solar projects and AdventHealth has received more than 41,000 RECs.

Climate Resilience Plan

As part of the HHS Pledge, AdventHealth crafted its first climate resilience plan with input from more than 20 cross-functional leaders throughout the organization. This document addresses the direct and indirect impacts of climate on our organization and the

communities and patients we serve, and outlines ways that our team members prepare for and manage through climate-related incidents. The framework for the climate resilience plan is based on understanding that our team members, our facilities, our patients, the communities we serve and our planet are all interconnected and all impacted by climate-related events. This document addresses ways in which we as an organization are learning to become more resilient to handle these events through proper team member training, planning and preparation, support of underserved communities, advocacy and education.



Energy Efficiency Initiatives

AdventHealth is nearing completion of a systemwide facility condition assessment (FCA). This initiative is focused on evaluating the current state of nearly 40 hospitals and will help develop a prioritized roadmap toward modernization and energy efficiency improvements. The FCA is being completed in accordance with ASHRAE (American Society of Heating, Refrigerating and Air-conditioning Engineers) Level II energy audit standards at numerous acute-care facilities across the nation.

Efforts to become more energy efficient and reduce our carbon footprint could potentially include actions such as installing energy-saving devices (e.g., LED lighting), building automation upgrades, and replacing end-of-life building infrastructure (e.g., chillers, cooling towers, boilers, generators) with electric or energy-efficient alternatives, among others.

Community Environmental Projects

AdventHealth continues to live out its environmental stewardship commitment by championing diverse environmental projects and positively impacting local communities.

- In the Mid-America Region, AdventHealth Shawnee Mission has diverted waste from local landfills through a partnership with Missouri Organic, a local composting firm. This conscious effort has positively impacted the local environment, creating nutrient-rich soil that is used in the surrounding communities as well as at the hospital's herb and rooftop gardens. These gardens are enjoyed by patients and staff alike.
- AdventHealth Celebration has supported its community and staff in a unique way through an onsite hydroponics program. The soil-less and self-contained farm is able to produce 75-100 pounds of food a week, reducing unnecessary food waste, high emissions via transportation and cost. This food is provided to staff, and donated to local food banks. The hydroponics station also hosts local schools to teach children about healthy eating.
- Our Global Missions team has been able to support a 160-solar panel installation at the Hopital Adventiste d'Hati in Port-au-Prince, Haiti. This installation will enable the hospital to save \$1,000 a day on fuel costs and will provide a reliable source of electricity for continued care, including the use of the AdventHealth-donated CT scanner.
- In 2023, a Bring Your Own Cup initiative signaled the start of the corporate campus' transition away from single-use cups and plates in favor of eco-friendly products.
- The corporate campus is partnering with O-Town Compost, an Orlando-based small business, to divert compostable food waste and products from the onsite cafes and kitchens away from landfills, converting it into nutrient-rich soil and providing it to local residents and area businesses.

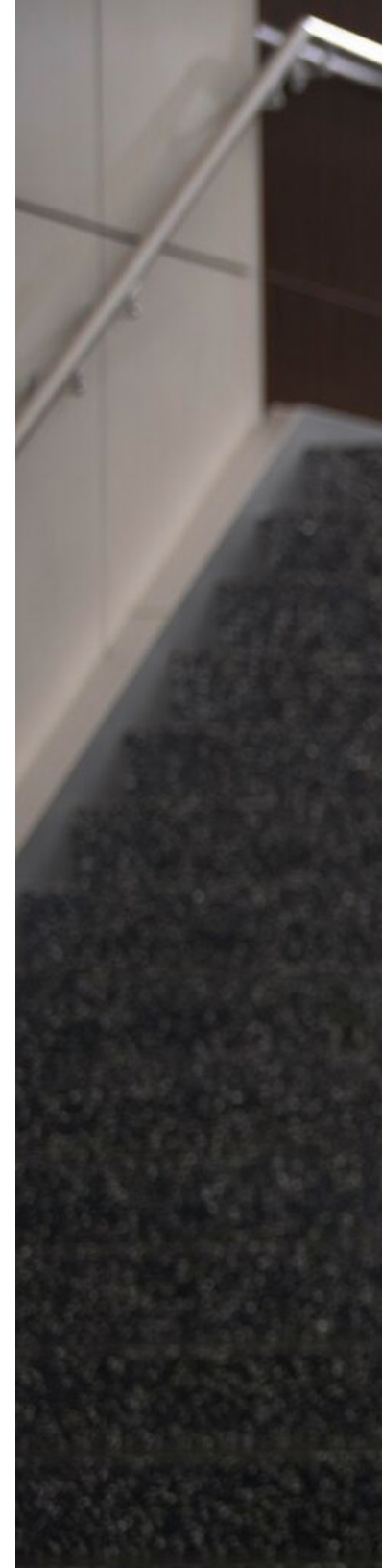
Looking Ahead

To date, we have begun making strides in nearly all of our environmental focus areas, including our annual systemwide environmental inventory, large-scale and community-focused energy programs, and the development of relationships with industry peers and leading health system groups. Looking toward the future, we also plan to focus on waste, water and inhaled anesthetics initiatives, among others.

AdventHealth is actively working toward a strategy to evaluate GHG emissions associated with the onsite utilization of inhaled anesthetics like nitrous oxide and desflurane. Our strategy will not be implemented before collecting and reviewing all available anesthetic utilization data, working and learning from a team of

anesthesiologists and chief medical officers, and potentially holding a summit where clinical champions from across our system would have an opportunity to speak on behalf of their facilities and ensure we are keeping patient and clinician safety top of mind.

As the landscape for environmental regulations and reporting requirements continue to shift, so do our strategies to ensure that our environmental work and reporting continue to address industry and business trends as they continue to evolve. Our environmental stewardship journey is an iterative process, and we look forward to sharing our progress and collaborating closely with industry and business partners to meet our climate goals.







AS PLATE

EVOLUTION

PHIVE

HUMANITY

When the FES became available to the market, other robotic companies reacted...
...to the market. The design, and the concept of the original Dario. From this...
...was developed. The FES Plate offers similar features that are found on the FES...
...was contained on a flat synthetic skin and held within a guide holder. This design...
...and laparoscopic surgeons to practice surgical skills on an affordable and...
...equipment skills device. This device allows surgeons to practice with...
...cutting, dissection, suturing, and more.

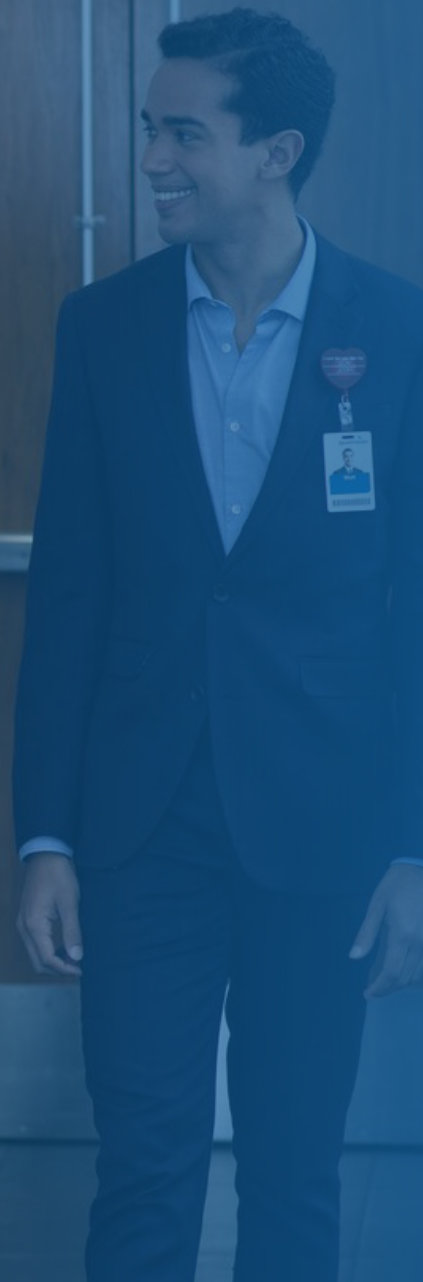
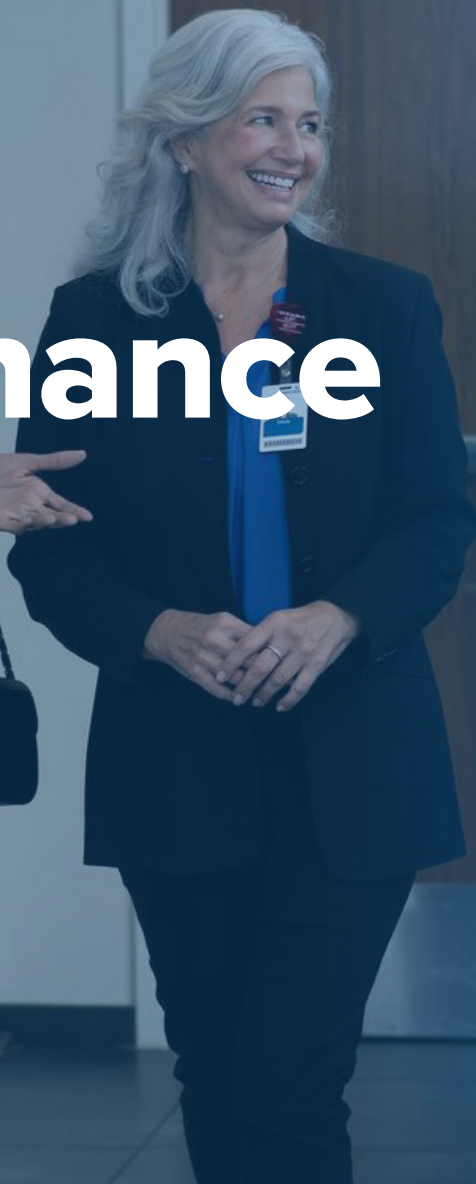
A committee of experienced, minimally invasive surgeons created the initial design of the FES...
...Dario. The idea was centered in computer animation, which was started as a prototyping...
...effort with physical materials. These included polycarbonate frames, aluminum supporting frame...
...base and a 3D-printed gripper for the structure framework. Usability testing was conducted...
...and iterative modifications were made to improve ergonomics, standardization, and cost...
...requirements. 3D-CAD algorithms and specifications were created and distributed to medical...
...and simulation companies for both physical and digital manufacturing.

The FES is a robotic system that allows for the creation of a...
...allows you to practice. It is a flexible, durable, and...
...The FES is a...
...allows you to practice. It is a flexible, durable, and...
...The FES is a...
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The FES is a...
...allows you to practice. It is a flexible, durable, and...
...The FES is a...
...allows you to practice. It is a flexible, durable, and...
...The FES is a...



Governance



“Each of you should use whatever gift you have received to serve others, as faithful stewards of God’s grace in its various forms.”

1 Peter 4:10

(New International Version)

Overview

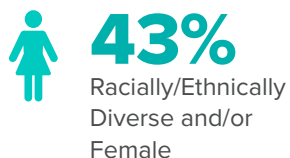
To advance our mission, culture and brand promise of whole-person care, we must ensure the sustainability and long-term well-being of our business practices and operations. Upholding the governance structures in place that keep us accountable, ethical, compliant and effective in managing risks is key to this goal.

Our organizational policies are key to maintaining compliance with federal, state and local government laws and regulations; health care, business and financial policies and regulations; and our own internal codes of conduct. This is reflected in the work of all areas of the organization and requires the expertise and training provided by our corporate responsibility, legal, financial, advocacy and regulatory teams, among others.

Our Board Structure

AdventHealth's 24-member parent governing Board provides oversight of the organization's strategic direction, financial performance, quality of care and mission fidelity. Its members, consisting of leaders from the healthcare industry and our sponsor organization, play key roles to ensure that everything we do remains rooted in our mission and brand promise of whole-person care, and with their diverse skills and experiences, helps guide the activation of our culture, strategic focus, management of risks and opportunities and effectiveness in the marketplace.

In 2023, we were pleased to welcome two additional new female members to our Board. To maintain fresh perspectives and representation from our sponsoring organization, the majority of our church leaders rotate on and off the Board according to a pre-set rotation schedule, with the most recent rotation having taken place in September 2023.



The figures above indicate our Board makeup, which currently has one vacancy.



Our Ethics and Compliance

Audits and Financial Reporting

AdventHealth's financial reporting practices prioritize accuracy and transparency. Its process is governed by the Board Audit and Corporate Responsibility Committee (BACRC), which provides oversight and evaluation of the effectiveness of AdventHealth's external financial reporting, internal and external auditors and corporate responsibility program.

AdventHealth's BACRC includes members with financial and health care industry expertise to provide strong governance. The organization has an internal audit department that completes an annual audit plan and obtains an external audit over its annual financial statements by an independent accounting firm.

Corporate Responsibility

AdventHealth aims to create a culture that embodies a high level of ethical conduct, integrity and compliance through corporate policies, accurate documentation and reporting, patient privacy and compliance with government laws and regulations designed to keep our patients, team members and communities safe and help those we serve feel whole. Our key 2023 priorities included the following:

Team Member Education and Training

We engaged a new partner, Learning Pool, that allows us to follow up with targeted interventions by market on specific topics where there is an opportunity for team member education improvement. We also updated our Code of Conduct Handbook and distributed it to all team members. On an annual basis, all AdventHealth team members are also required to complete CORE (Commitment, Obligation, Responsibility, Ethics) code of conduct and privacy and compliance training.

Patient Privacy

AdventHealth's corporate responsibility team continued to work with other departments across the system to protect the privacy and security of patient health information and ensure compliance with federal and state patient privacy regulations. The organization's patient privacy policies are outlined on its intranet site, and its Notice of Patient Privacy Practices can be found at: AdventHealth.com/legal/patient-privacy-hipaa.

We will be implementing a new patient protection system in 2024 that leverages artificial intelligence to provide alerts when records may be accessed inappropriately. This added safeguard supports our already robust monitoring system to ensure an operating environment that is focused on the protection of our patients' private health information.

Ethics and Compliance

The corporate responsibility team is dedicated to overseeing compliance efforts with federal and state health care regulations. The team also provides education, responds to questions and investigates areas of concern reported by team members and other stakeholders. A 24-hour hotline, known as the Guideline, is also available to allow individuals to report compliance or ethical concerns or questions on an anonymous basis if they choose.

Cybersecurity and Technology

As a leading health care provider, AdventHealth handles sensitive and confidential data from millions of patients, customers and partners every day. We also rely on a complex network of devices, systems and vendors to deliver whole-person care and services. That is why we take information security very seriously and invest in best practices and technologies to safeguard patient data, devices and people from cyber threats.

AdventHealth has been certified by HITRUST since 2021 and renewed its certification for an additional two years in 2023. HITRUST is an organization that provides a framework of requirements for information security in health care inclusive of HIPAA (privacy law), PCI-DSS (payment card industry rules), state laws and best practice guidelines. Achieving this certification demonstrates a high level of discipline and investment in cybersecurity. The scope of the HITRUST certification covers both our critical applications for patient care and finance, in addition to systemwide facility-level security.

In addition to the HITRUST assessment, the information security program undergoes audits every two years by an independent party to ensure ongoing enhancement and adaptation to the evolving cybersecurity landscape. The results of these audits are then presented to AdventHealth's Board along with regular updates on program progress.

In the past year, we have achieved the following milestones in our information security program:

- We monitored half a trillion transactions, using advanced analytics to detect and prevent fraud, malware and other attacks.
- We successfully segmented our networks between facilities, which provides the ability to limit the impact of a cyber attack to a specific location.
- We managed and secured over 200,000 devices, including laptops, tablets, smartphones and medical equipment, using encryption, authentication and remote wipe capabilities.
- We trained and supported over 92,000+ employees, across all levels and functions, on information security awareness and best practices

using online courses and phishing simulations, and reached our highest rate of training completion ever of 92%.

- We continued our use of a tabletop simulation exercise with AdventHealth's full Cabinet leadership to help ensure an organized response to real cyber events and affirm good practices.
- We assessed and monitored over 500 third-party vendors who handle sensitive information and provide services to our organization using rigorous standards and audits.

Despite our achievements, we are aware that the cyber threat landscape is constantly evolving and becoming more sophisticated. In particular, we have witnessed an increased prevalence of attacks on health care systems, which can hinder a health care organization's ability to provide care and endanger patients' safety and privacy. That is why we are not complacent and always strive to improve our information security posture and capabilities.

Going forward, we will be looking at new and improved ways of hosting our Epic cloud-based electronic health record environment and preparing for the Workday enterprise management cloud transformation while focusing on building a level of resiliency that allows us to respond and recover quickly in the event of a successful attack. We will do this by moving away from a reactive and defensive approach to a proactive and adaptive one, where we anticipate and prepare for potential scenarios and incidents.

Artificial Intelligence in Health Care

Artificial intelligence (AI) holds great potential for health care and its delivery – including decreasing administrative workload for front-line caregivers; contributing to surgical outcomes; and supporting clinical decisions, patient engagement and operational efficiency. As new innovations within the AI space expand their reach in health care, AdventHealth is continuing to harness the potential of AI for health care delivery and outcomes, while building the appropriate governance and structural frameworks to protect patient privacy, ensure compliance

with federal and state regulations and reflect the highest level of ethical conduct.

Artificial intelligence has been a part of AdventHealth's health care services since 2003, when it was first introduced to the radiology department. Since then, AI has been expanded to various areas of the organization, and in 2023, we conducted an audit of all of our technology to identify and catalog our AI systems. AdventHealth currently has more than 44 systems that include AI technology and over 60 AdventHealth-developed AI data analysis models.

Governance and Oversight

AdventHealth is establishing governance structures to guide the responsible use of AI within the organization, ensuring it aligns with our mission, vision and values. AI is also incorporated into the existing vendor network, leveraging the expertise and innovation of our partners while also being thoughtful about the risk profile and closely monitoring the state and federal regulations that may affect use. Every new update includes a review of the potential benefits and risks of AI for patients, providers and team members.

One facet of our governance is the Clinical AI Advisory Board. The goals of this 30-member multidisciplinary board are to:

- Evaluate tenets of public discourse around the use of AI and its application in health care settings
- Increase awareness and knowledge of AI applications, benefits and challenges within health care
- Develop a draft clinical AI strategy that supports current imperatives, including goals, partnerships and clinical vetting
- Glean learnings from pilot tests and share findings from both successes and failures

Harnessing the Potential of AI in the Health Care Setting

AdventHealth is defining ways to apply a systematic evaluation process to AI scenarios utilizing key technology partners that are being very intentional in how they are operating AI and large language models. We

have also updated our procurement practices to screen for responsible AI with current and future vendors/partners.

AI has significant potential to improve clinical care, HR processes, sustainability operations in supply chain tracing, predictive equipment maintenance, and energy systems optimization.

AdventHealth's AI Roadmap

With this understanding of AI clinical applications, AdventHealth is leveraging its technology partners to provide secure and reliable platforms to utilize generative AI. Roadmaps have been established with our key vendors, including Epic and Microsoft, who are thought leaders in this space, to create frameworks to bring new AI innovations online safely and thoughtfully.



Improving Diagnostics

Earlier, more accurate diagnosis, improving outcomes.



Optimizing Treatment Plans

Optimal interventions based on bestpractices and individual patients.



Expanding Access

AI chatbots and remote health monitoring to provide convenient access and navigation to providers.



Enabling Preventive Care

Individualized predictive risk of chronic disease.



Optimizing Clinical Workflows

Process automation and scheduling optimization to reduce delays.



Reducing Waste and Errors

Identify non-value-added tests, treatments, procedures and admissions; prevent harm and near misses with real-time predictions.



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“Mercy, peace and love
be yours in abundance.”

Jude 1:2

(New International Version)



Advent Health

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