



2022 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 2022.

Table of Contents

4 Introduction

- 5 Message from the President and CEO
- 6 Our Legacy of Whole-Person Care
- 7 Our Promise of Wholeness
- 8 Who We Are
- 9 Vision 2030 and Our Sustainability Work
- 10 Our Sustainability Journey
- 12 Our Stewardship of Resources
- 14 2022 Financial Performance
- 16 Featured Story: The Big Empty

18 Community

- 20 Overview

21 Our Team Members

- 21 Our Team Member Promise
- 24 Dynamic Learning Community

26 Our Patients and Consumers

- 26 Quality of Clinical Care
- 28 Health Equity
- 28 Inclusive Patient Experience
- 29 Patient Access and Affordability
- 30 Patient-Centric Care

32 Our Communities

- 32 Advocacy and Public Policy
- 34 Global Missions
- 36 Disaster Relief
- 37 Supplier Diversity
- 38 Featured Story: Inclusive Careers for our Communities

40 Environment

- 42 Overview
- 42 Assessing Our Environmental Impact
- 45 Our Climate Targets and Priorities
- 46 Looking Ahead
- 48 Featured Story: Environmental Stewardship in Action

50 Governance

- 53 Overview
- 54 Renewing our Board Structure
- 56 Our Ethics and Compliance
- 60 Featured Story: Putting a Bowtie on Governance

A close-up photograph of a hand holding a stream of water, with water pouring from it. The entire image is overlaid with a semi-transparent blue filter. The background is a dark blue gradient.

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

John 10:10

(New International Version)

Message from the President and CEO



Driven by our mission of Extending the Healing Ministry of Christ, AdventHealth is dedicated to the restoration of wholeness, and this lens guides all that we do. We apply this focus to key priorities such as diversity, equity and inclusion; health equity; board governance; and environmental sustainability. Prioritizing this work not only supports a long-term strategy for our organization – it’s also the right thing to do and it directly supports our mission.

I am pleased to share with you our first sustainability report for AdventHealth. While we have been making progress in a number of sustainability-related initiatives for quite a while now, we are starting to view this work through an aligned and systemwide approach that will guide it moving forward. This report is a first step in sharing our sustainability journey.

We are drawn to a higher calling to bring hope and healing to the communities we serve. We stand at the intersection of remarkable progress and immense community needs. We have the responsibility – and opportunity – to do more for people who need wholeness more than ever before, and are searching for a trusted partner to help them on their journey to feel whole.

To this end, our sustainability work is comprised of the following focus areas:

- **Community:** Our commitment to people means we are driven to advance wholeness among our team members and the diverse communities in which we live and work;
- **Environment:** We have a responsibility to thoughtfully steward the earth’s resources that have been entrusted to us to do our work;
- **Governance:** We strive to incorporate wholeness in our enterprise’s business practices through oversight, governance and leadership that is committed to our mission, vision and values.

While the progress on our sustainability work is in varying stages, we are committed to setting goals and developing plans that bring wholeness to the people and places we serve, and to sharing our performance on an annual basis.

As AdventHealth pursues its vision to become a **preeminent, faith-based, consumer-focused clinical care company**, our community, environment and governance priorities are a highly integrated guiding force. I invite you to learn more about how this work is making our communities healthier places to live.

In His Service,

A handwritten signature in black ink that reads "TERRY D. SHAW". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Terry Shaw
President and CEO, AdventHealth

Our Legacy of Whole-Person Care

The foundation of AdventHealth's work in whole-person care can be traced back to the mid-1860s, a time when many people suffered from poor health, lower life expectancies and misguided treatment options. Leaders of the Seventh-day Adventist Church believed that good health not only meant healing from illness, but preventative care and daily practices to stay healthy in the first place.

Out of this belief came action. Shortly after the end of the U.S. Civil War, these leaders took the first steps to implement a wholistic approach to health care. At one of the church's first medical facilities, Battle Creek Sanitarium, such practices included recreation and exercise, nutritious meals, and hydrotherapy treatments.

The facility became a health care destination for hundreds of thousands of patients, including well-known business and industrial leaders of the time. Its director, John Harvey Kellogg, was a medical innovator who developed new procedures, surgical approaches and healthier food options that benefited his patients as well as the general public and other Adventist medical facilities.

This period marked a time of rapid growth that saw the advancement of medical education and training and ultimately, a network of more than 650 hospitals, clinics and dispensaries affiliated with the Seventh-day Adventist Church in the U.S. and around the world – some of which became AdventHealth's earliest medical centers.

Today, AdventHealth is the largest Adventist, and one of the largest faith-based health care systems in the country. The way we care for patients, team members and communities is inspired by our whole-person legacy.



AdventHealth's roots in whole-person care can be traced back to innovations led by early leaders of the Seventh-day Adventist Church.

Our Promise of Wholeness

The ultimate outcome of AdventHealth's strategy and efforts is whole-person care. Bringing wholeness to the communities we serve, and the patients we touch, is the fulfillment of our mission of Extending the Healing Ministry of Christ.

This is reflected in our brand promise, "feel whole," which is rooted in the idea that our work and mission take place in a broken world where we are called to help people feel whole. We believe health should be measured in terms of the whole person — body, mind and spirit. The one word that defines our brand is "wholeness" and this is expressed in our brand promise.

As we continue our journey, we are building a framework that defines wholeness in each aspect of our work — individually, with fellow team members, with our patients and within the communities we serve. Our aim is to cultivate a culture of whole-person care in ways that will have life-altering impact.

We are committed to consistently putting this into practice in the following ways:

- **Love the whole person**
- **Heal the whole body**
- **Grow the whole potential**
- **Live the whole journey**



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 both our day-to-day work as well as 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 both 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.

Our Service Standards

Our service standards define how we interact with every consumer and every team member 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 our clean 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.



Vision 2030 and Our Sustainability Work

Our strategic plan, Vision 2030, guides us to become **a preeminent, faith-based, consumer-focused, clinical company** known for whole-person care. The community, environment and governance initiatives discussed in this report are naturally integrated into this plan. They are a critical component of our comprehensive efforts to achieve Vision 2030 and bring wholeness to those we serve. As these initiatives mature, so will our overall efforts to bring our vision to life.

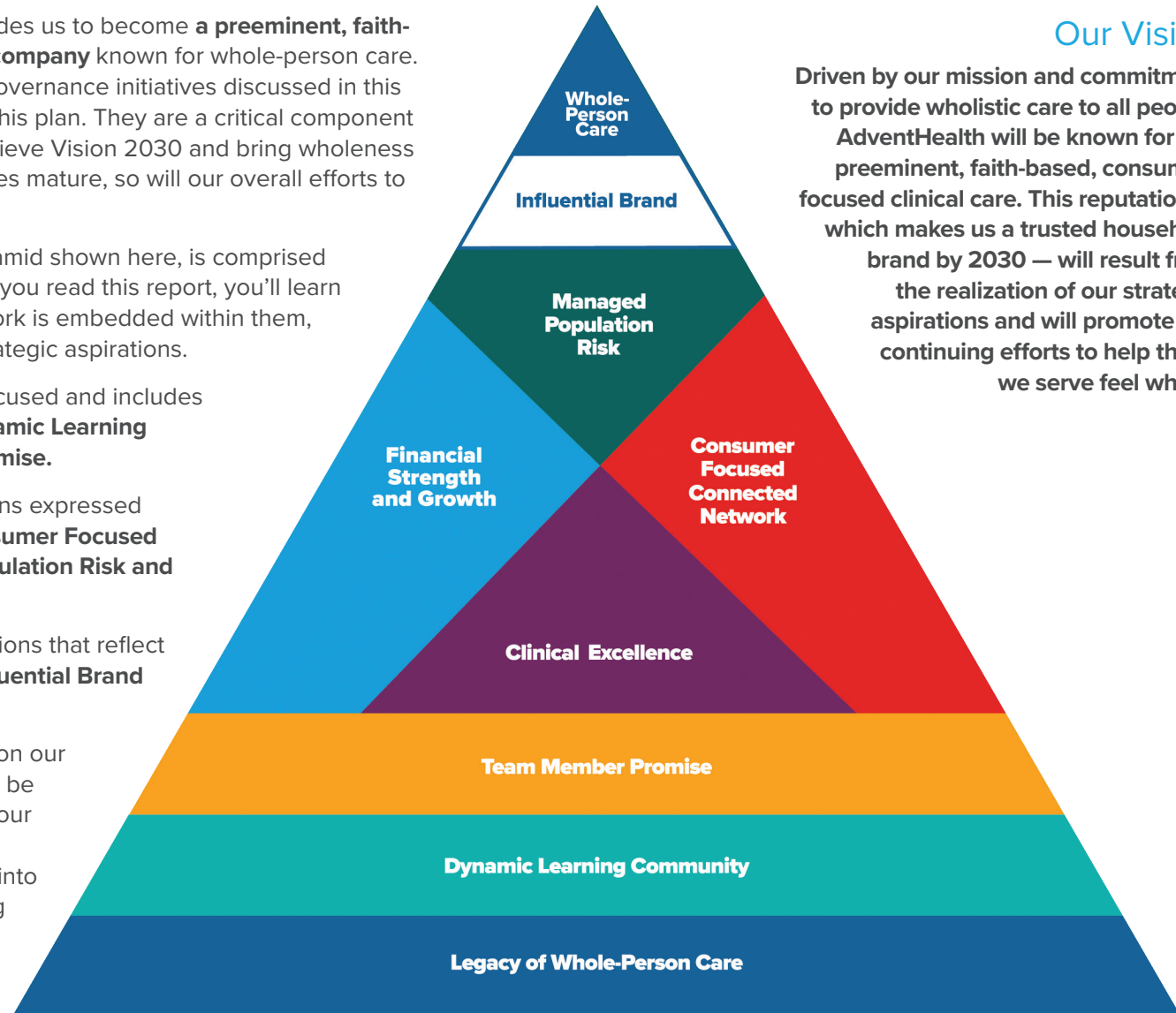
Vision 2030, as depicted in the pyramid shown here, is comprised of nine aspirations in three tiers. As you read this report, you'll learn about the ways our sustainability work is embedded within them, and is maturing alongside these strategic aspirations.

The foundational tier is internally focused and includes **Legacy of Whole-person Care, Dynamic Learning Community** and **Team Member Promise**.

The middle tier represents aspirations expressed externally: **Clinical Excellence, Consumer Focused Connected Network, Managed Population Risk** and **Financial Strength and Growth**.

The final tier is comprised of aspirations that reflect the impact of our strategic plan: **Influential Brand** and **Whole-person Care**.

The impact AdventHealth will have on our industry and in our communities will be the result of successfully achieving our aspirations. All of this enables us to expand our work and our influence into new markets and services, elevating our voice in important national discussions and advancing a movement for whole-person care.



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

At AdventHealth, wholeness is the lens we apply to all aspects of our work. As we evolve as an organization, we continue to examine what it means to apply this wholeness lens and live out our mission in all that we do.

AdventHealth is committed to extending its mission through sustainability initiatives that foster wholeness for the people we serve, our business operations and our strategic plan. We recognize the important and growing role sustainability has in our efforts to deliver whole-person care to our team members, patients and communities.

While our 2022 sustainability report marks the first time we are broadly sharing our sustainability commitment, many related initiatives, including health equity, DEI (diversity, equity and inclusion), board diversification, ethics and compliance and consumer-centric health care have been progressing for quite some time.

What is more recent is our efforts to view this work through a systemwide and aligned direction that will guide it moving forward. This report, developed in close consultation with internal and external stakeholders and subject matter experts, is the first step in sharing our sustainability journey and the approach we are taking.

Sustainability as a Organizational Priority

In 2022, AdventHealth took the following steps to approach our sustainability work from a systemwide perspective:

- **Developed a leadership structure that governs this work.** With oversight from our President and CEO, Board of Directors and executive-level Sustainability Steering Committee, the strategies and plans for each of the three pillars are led by executive steering committees and carried out by working groups that include corporate and market representation.
- **Established goals for each of the three pillars – community, environment and governance.** These goals are guiding our efforts to deliver whole-person care and ensure that each initiative supports the sustainability of our organization and the people we serve.
- **Committed to annual sustainability reporting.** To this end, we have organized a subgroup of subject matter leads that ensures that our reporting process is guided by expertise, and is supported by the ongoing counsel and support of key teams leading sustainability initiatives throughout the organization. As our annual reporting matures, so will this process and our group of advisors and stakeholders.

SUSTAINABILITY GOVERNANCE STRUCTURE			
President and CEO Board of Directors			
Sustainability Steering Committee Chief Strategy Officer Chief People Officer			
	COMMUNITY	ENVIRONMENT	GOVERNANCE
Executive Steering Committees	Chief People Officer Chief Diversity Officer Chief Health Equity Officer Senior Vice President, Advocacy and Public Policy	Chief Financial Officer Chief Supply Chain Officer Chief Investment Officer	Chief People Officer Chief Legal Officer Corporate Secretary
Working Groups	DEI Council	Environmental Sustainability Council	Governance Working Group

ADVENTHEALTH SUSTAINABILITY PROGRESS DASHBOARD



COMMUNITY



ENVIRONMENT



GOVERNANCE

Overarching Goals

- Whole-person care for team members, patients / consumers and communities

- 50% emissions reduction by 2030
- Net zero by 2050
- Activate targets and plans for waste, water

- Governing structure that:
- Upholds mission
 - Ensures accountability and ethical practices
 - Equips us for risks, challenges and opportunities

2022 Highlights

- Team member investments
- DEI councils at each facility
- Market health equity plans
- Top hospital ratings with CMS, Leapfrog, Premier

- HHS Climate Pledge
- Systemwide assessment of 2021 emissions, waste and water usage
- Phased plan for reducing emissions to meet 2030 goal

- Increased Board diversification
- Operational improvements in core functions underpinning organizational accountability and compliance

2023 Strategies (key priorities; non-exhaustive)

- Craft climate resiliency plan
- Complete annual environmental inventory
- Source clean power from utilities
- Build renewable energy systems
- Establish power purchase agreements to fund renewable energy projects
- Implement team member-focused environmental initiatives
- Complete facility condition assessment and energy audit

- Activate health equity plans in the markets focused on key disparities
- Continue to strengthen DEI governance and plans through DEI councils within each market
- Continue team member DEI and health equity training initiatives
- Explore opportunities to optimize scope and expertise of governing Board committees



Our Stewardship of Resources

AdventHealth is committed to delivering exceptional, whole-person care to the patients and communities we serve, regardless of their background or socioeconomic status. We invest in our communities through a variety of means, including charity care, strategic philanthropy, community investments, collaborating with local, state and federal government agencies and partnering with not-for-profit and community-based organizations.

Our ability to sustain and scale these strategies relies on the strength of our balance sheet. Through effective and responsible stewardship of our resources, we reinvest them back into patient care, communities, facilities and technologies in ways that ensure our viability and accelerate the growth of our mission to deliver whole-person care across markets.

While these community investments help meet the requirements of maintaining our tax-exempt, non-profit status, they do far more than that.

They embody our greater purpose in fulfilling our mission of Extending the Healing Ministry of Christ and helping those we serve feel whole.

As we activate this systemwide commitment, we optimize our resources on local and regional levels to benefit the communities we serve in ways that are relevant to them, whether we're caring for people in highly populated areas like Orlando, Florida and Chicago, Illinois, or in less populated areas such as Hendersonville, North Carolina and Manchester, Kentucky. While each of our communities are diverse, our commitment remains consistent to contribute to their sustainability by helping those we serve feel whole.

Driven by our mission and commitment to provide wholistic care to all people, our vision to be known as a **preeminent, faith-based, consumer-focused clinical care company** fuels our efforts to effectively serve and create long-term benefit for the communities where we operate.

83,000+ Team Members

2,600+ Employed Physicians

\$21.2B Total Assets

51
Hospitals



35+
Post-Acute Sites



100+
Ambulatory Sites



689K+
Value-Based Lives



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

6.7M Patient Interactions

1,000 Daily Admissions

20,000 Daily Outpatient Interactions

\$3 Billion

Community Investment (Excluding Capital Improvements)

\$406 Million
Charity Care

- Financial assistance to our uninsured and under-insured patients who are unable to pay

\$2.4 Billion
Coverage Shortfalls

- Unpaid costs to see patients enrolled in Medicaid or other government assistance programs

\$36 Million Cash / In-Kind Contributions

- Through financial support, in-kind contributions and board service

\$59 Million
Community Health Services

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

\$77 Million
Education and Research

- Continuing education for medical students and staff
 - Investments in health research benefiting communities

\$21 Million
Faith-Based Initiatives

- Funding to meet the spiritual needs of our community



Our 2022 Financial Performance

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 markets.

We are committed to long-term financial strength and sustainability so that we can effectively serve and create long-term benefit for the communities where we operate.

Coming out of the pandemic in 2022, the combination of high inflation rates and significant labor shortages have increased the cost of providing health care, and many hospitals and health care systems throughout the country have faced challenges in remaining viable. For the U.S. health care industry, 2022 represented one of its most difficult years, and this reality is reflected in our 2022 financial performance.

As we continue to work towards long-term financial sustainability, effective stewardship of our resources is a natural part of how we do business and will be critical to remaining viable.

Financial Performance

<i>(Dollars in Millions)</i>	2021	2022
Total Operating Revenue	\$14,883	\$15,700
Income from Operations*	\$994.6	\$690.5
Operating Income %*	6.7%	4.4%

AA Bond Rating

**Excludes one-time costs of electronic medical record system implementation.*



The Big Empty

During a routine school day Maria*, a pre-school teacher, collapsed on the classroom floor, her body convulsing. After thorough testing, her physicians explained she had experienced a severe seizure, typically tied to extreme mental stress, emotional trauma and other psychological factors.

Those factors were certainly present in Maria's life. Her life outside of work was filled with relational brokenness, compounded trauma and inner turmoil. This seizure was her body's way of saying "no more" and Maria needed to listen. So, she made the heartbreaking decision to take a leave of absence from teaching.

With her routine and sense of purpose gone, Maria started feeling restless. She had almost no support in her life and a strained relationship with her parents proved to be a constant reminder of the physical, emotional and spiritual abuse she endured growing up — abuse that prevented her from ever allowing anyone to get close, leaving her without a friend to lean on when life was hard.

"My whole life, I've been serving others but never letting anyone get close," she recounted. "All of a sudden, all I felt was a big empty."

A big empty.

It's often hard to describe the absence of feeling as a feeling, but when you experience the big empty, there's almost nothing you won't do to fill the void. When you feel like it can never be filled, life can quickly lose all meaning. So, when Maria woke up one morning and arrived at that exact conclusion, she decided to end it.

Spiritual Health in Feeling Whole

As an expression of our promise to help those we serve feel whole, AdventHealth has made a commitment to incorporate its mission into the outpatient setting, where the majority of our patient interactions occur. The two major components of this initiative include a commitment to physician engagement, and the integration of missional practices within various AdventHealth outpatient entities, physician practices, home health, hospice and other related entities. One way we do this is through a brief spiritual assessment during clinical encounters.

A short drive to the pharmacy. A shopping basket carrying a collection of random items meant to detract suspicion from the singular object sought. A short drive home. A bag emptied on the bed. And there, among the frivolities, a box of razor blades.

Maria steeled herself for the act but began to hesitate.

What if this doesn't work?

What if I fail and must face my parents again?

She put off the deed until she was sure it could be completed.

The next day, she had a follow-up appointment scheduled at AdventHealth. She had no intentions of keeping the appointment — after all, she was not planning to live beyond the next few days. But somehow, she felt compelled to show up. She decided it would stave off suspicion of her plan and keep up appearances. But something else stirred inside of her, something she couldn't quite place.

Arriving at the receptionist desk, head down and mask on, something unexpected happened. "Even though she was wearing a full mask, the woman at the desk looked into my eyes with a smile so wide that it penetrated beyond her covering," Maria recalled. "I knew with certainty she was glad to see me. Her voice was so kind and welcoming. I was taken aback — I couldn't remember the last time someone was so warm."

When called into the exam room, she felt a bit lighter. When the medical assistant walked in, Maria was shocked by the kindness and care she demonstrated and how every person looked in her eyes. "They actually looked at me!"

Somewhere in those moments, Maria decided she would continue living. "I don't know what you guys have going on at AdventHealth," she shared. "But it's working."

"My whole life, I've been serving others but never letting anyone get close," she recounted. "All of a sudden, all I felt was a big empty."

- Maria

When Maria called AdventHealth's e-Spiritual Care Center following a spiritual referral given during that visit, she was still struggling. Her heart was still heavy. But that big empty was now a bit smaller and not as empty as before. She had hope. She knew she was cared for and loved thanks to the healing kindness of the team members at AdventHealth who, while doing their jobs, were also carrying forward the mission of Extending the Healing Ministry of Christ.

Maria has since relocated to a residence more than an hour away from the clinic where she encountered lifesaving kindness, but she keeps her appointments there.

"The drive is worth it," Maria said.



Community

Overview

We live out our values and put our service standards into practice in the ways we care for our team members, patients, consumers and communities so that in all of our interactions, we help people feel whole.

We cultivate wholeness from within, starting with our team members. This inside-out approach prioritizes team member wholeness so that they are equipped to extend wholeness to those they serve.

Throughout this process, we identify areas where we can do better, and then create strategic plans around them. One example where we have done this is in the area of diversity, equity and inclusion (DEI).

While DEI has been an area of focus for many years, in 2020 we began taking steps to create a systemwide strategy for this organizational priority, building a governance and leadership structure that would integrate a DEI lens across all areas of our business, ranging from team member engagement to health equity. As you read this section of the report, you'll learn about the ways our value of inclusiveness is woven into plans for our team members, patients, consumers and communities:

- **Our Team Members:** Advancing team retention and engagement, a strong and diverse talent pipeline and a dynamic learning community;
- **Our Patients and Consumers:** Advancing our quality of care, health equity, access and affordability and consumer-focused care;
- **Our Communities:** Advancing our community and government advocacy, global missions and supplier diversity.



OUR TEAM MEMBERS

Our Team Member Promise

Our Team Member Promise is rooted in our goal to be known as a place where team members thrive professionally and experience a sense of wholeness, supporting a journey in which each of them is inspired to reach their full potential in the delivery of whole-person care.

To fulfill this promise, we aspire to become an employer of choice by considering the whole-person care of our more than 83,000 team members within an economic and job landscape marked by a variety of instabilities. This has challenged us to reimagine the ways in which we retain, engage and attract team members. We are also committed to creating a culture of belonging by building a diverse workforce at all levels and an inclusive workplace where all team members have opportunities to contribute and thrive. While we still have more work to do, we were honored to be recognized in 2022 by Forbes as Best-in-State Employer and Best Employer for New Grads. In 2022, we renewed our commitment of wholeness to team members, which is expressed through our Team Member Pledge:

Our pledge to you.

You deserve a workplace that understands the depth of your service.

A place that knows that when you feel whole, you can wholly care for others.

We see you. The whole you.

We see your life beyond these walls.

That's why we promise to care for you physically, mentally and spiritually.

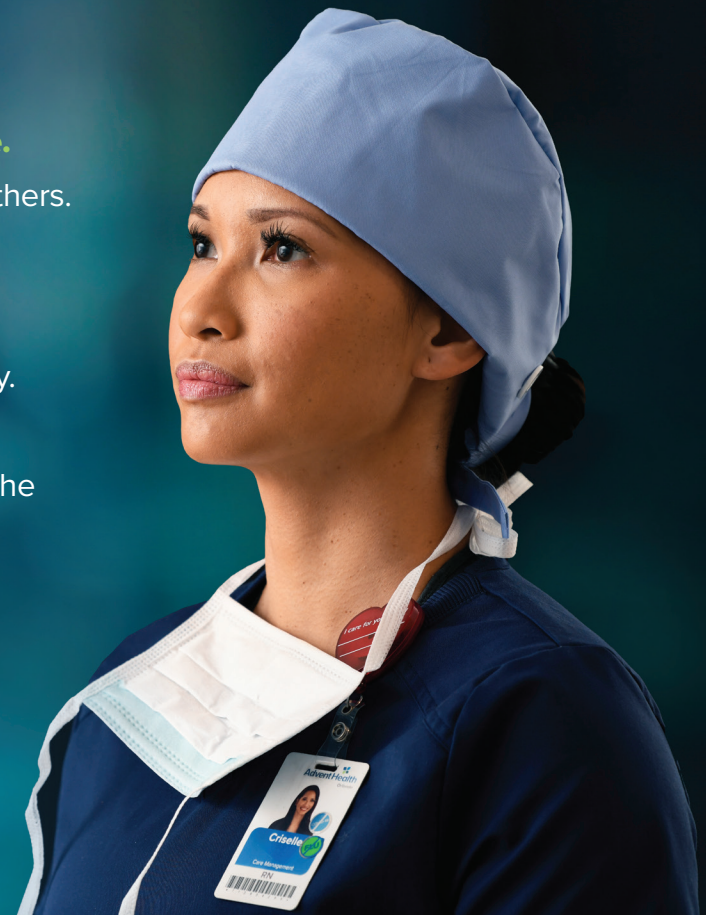
We promise competitive pay and paid time off from your very first day.

We promise to grow your skills with career development in some of the most advanced facilities in the country.

We promise to nurture your goals with debt-free education.

And we promise to cultivate an inclusive environment and a network of opportunity.

Because when you feel whole, we build a stronger community together.



Our Team Member Promise

To ensure that our strategic priorities were meeting the needs of team members, in 2019 we began implementing a systemwide plan to invite, listen to and value the feedback of our team members, which has provided a richer and more informed understanding of their needs. Here are some of our 2022 highlights showing the ways we've been addressing team member feedback:



Family From Day One

- Access to benefits for new team members starting on their first day
- An advance of 24 hours paid days off on new team members' first day of work
- New onboarding experience designed for all team members and leaders



Choice of Benefits

- More than 10,000 team members have used Enrich, our financial wellness offering
- More than 5,000 team members have used Ginger, a new mental health support app
- More than 2,500 team members have participated in the Wondr Health weight management program
- Starting in mid-2023, team members will have access to paid parental leave
- Team members earning below \$21 per hour have access to company-funded \$2,000 health savings accounts



Competitive Pay

- Living wage studies routinely conducted in all markets to ensure minimum wage meets local living wage standards
- Regular market analyses ensure market-competitive salaries



Informed and Heard

- Team members surveyed twice a year through AdventHealth's YourVoice Survey to gain valuable perspectives on work experience
- Our employee survey engagement scores are in the top 10% within the health care industry



Lighted Career Path

- AdventHealth's Nursing Professional Excellence Program, our new clinical ladder model, is designed to support team member growth and is benefiting more than 3,800 nurses
- More than 1,900 team members have benefited from student loan support
- Over 5,400 team members have benefited from educational assistance through direct tuition payment or tuition reimbursement



Wholistic Leader

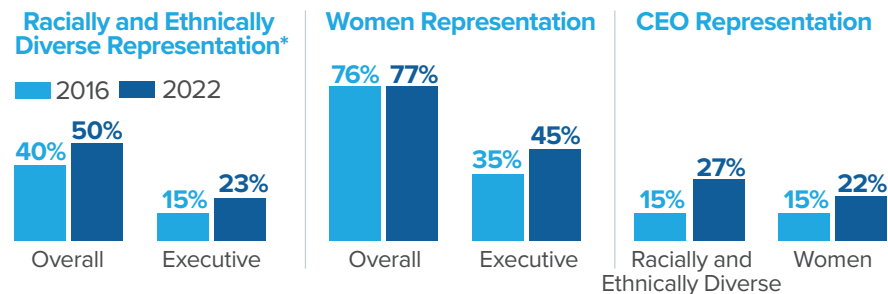
- More than 5,000 leaders in 2022 participated in the first Leading in AdventHealth professional development experience
- One-on-one development conversations between team members and their leaders twice per year

A Diverse Workforce and Inclusive Workplace

Creating a diverse, equitable and inclusive environment for team members – regardless of race, color, religion, national origin, sex, marital status, age, disability, sexual orientation, gender identity, or any other consideration – is also an essential component of enhancing the team member experience and living out our service standards in our team member recruitment, retention and engagement. Our commitment to this environment, which begins at and is reflected in the top levels of leadership, includes:

- **Systemwide DEI leadership** through a strategy that includes:
 - An enterprise DEI council chaired by our president and CEO, and comprised of cross-functional executive leaders;
 - New executive leadership in late 2020 to lead our DEI work: Alric Simmonds, MD, chief health equity officer, and Jessica Brazier, chief diversity, equity and inclusion officer;
 - Facility DEI councils, which were established at every hospital campus in 2022;
 - Diversity leadership forums comprised of advisory committees to increase diversity at leadership levels.
- **Increasing diversity in leadership:** Building on our strides over the past decade, we continue to actively address disproportionate career trajectory trends among different team member populations. Areas of focus include: succession planning with an intentional focus on diverse candidates; leadership accountability for development of diverse team members; and leadership advisory committees for advancement of women and racially and ethnically diverse groups.

Our Progress: 7-Year Summary



*Defined as American Indian or Alaska Native, Asian, Black or African American, Native Hawaiian or other Pacific Islander, Two or More Races, and/or Latino or Hispanic.

Innovative and Diverse Talent Pipelines

Today’s labor market, especially within health care, is more competitive than ever. AdventHealth is focused on building a strong talent pipeline and a network of opportunity through the work of its talent acquisition and strategy teams, an internal staffing agency and a national employer brand campaign.

We also continue to invest heavily in innovative ways to connect with candidates from a variety of backgrounds through many partnerships and initiatives.

- Over the past year, our recruiting initiatives have resulted in the following:
 - In 2022, diverse races and ethnicities represented 41% of new hires into management and supervision roles at AdventHealth. This is a 2.5% increase compared to 38.5% in 2021.
 - Hired 292 international nurses from 17 countries.
 - Trained and hired members of the community for entry-level clinical careers through workforce development pilots.



Dynamic Learning Community

Cultivating a culture of learning and development that permeates every aspect of our work is key to helping our team members live and work to their fullest potential.

Our people development initiatives play a significant role in elevating leadership skills, transforming clinical practice and supporting workforce retention, among many other things. These programs are an investment in team members' wholeness journey, and help equip our teams and leaders to extend wholeness to those they serve.

In support of this priority, our 2022 initiatives included:

- The establishment of a **learning steering committee** to provide recommendations and evaluate learning strategies, priorities, standards, delivery modes, policies and systemwide professional development activities;

- Design work for **Leading in AdventHealth 2.0** began in late 2022, building on the foundational Leading In AdventHealth professional development experience, which provides AdventHealth's framework for wholistic leaders.
- Our **health care leadership programs**, which are well underway, had 86 participants in the 2022 Cohort of the Physician Team Leadership Program and 32 participants in the 2022 Cohort of the Hospital Medicine Leadership Fellowship;
- Development of a **high school academic strategy** in partnership with AdventHealth University created certificate pathway programs for graduating high school seniors.

2022 Impact*

Leader Community



43

Executive Onboarding Participants

230

Executive Coaching Engagements

5,201

Leading in AdventHealth Participants

Clinical Learner Community



Graduate Medical Education

306

Residents

39

Fellows

Team Member Community



3,686

Team Members Participated

525

Team Member Certifications

3.7M

AdventHealth Learning Network Courses Completed (excluding Epic)

Future Talent Community



1,740

2021 GN hires

1,700

2022 GN hires

1,700

Nursing Practicum Students

*Latest available YTD 2022 figures shown; these will be updated with full 2022 data after year end

Leadership Institute Offerings — 2022 Highlights



Leading in AdventHealth:
5,201 Leaders

Leadership development programs that help physicians, hospitalists and administrators enhance their strategic leadership skills.



Leadership Internship:
65 Interns

41% Racially/Ethnically Diverse **45%** Female



Leadership Residency:
42 Current Residents

33% Racially/Ethnically Diverse **51%** Female



Executive Coaching:
230 Leaders



Executive Leadership Program:
153 Total Leaders

26% Racially/Ethnically Diverse **61%** Female

An 18-month experience, divided into six in-person intensives, that helps leaders in AdventHealth learn six leadership cornerstones proven effective in health care management.

46% received a promotion after starting the program

26% executives are in or have graduated from ELP

94% ELP graduates are still working at AdventHealth



Health Care Leadership Program:
118 Leaders

50% Racially/Ethnically Diverse **43%** Female

A foundational learning experience that introduces leaders to AdventHealth's leadership framework and invites them on a journey to wholeness in leadership.

DEI Education and Training

We work to translate DEI into everyday understanding and practices through team member engagement and education initiatives such as: history and heritage month recognitions, ongoing storytelling, an inclusive dialogue series, and conscious inclusion training. We also integrate DEI principles into our new hire training and onboarding.

Recent strides demonstrate our progress to translate our value of inclusiveness in the following ways:

- Since 2020, 100% of team members completed standardized, enterprise wide training on our value of inclusiveness.
- One hundred percent of facility DEI councils have participated in Inclusive Environment of Care education, providing practical skills to recognize and counter the effects of bias.
- More than 100 stories and events were shared across our markets in celebration of nationally recognized history and heritage months.

OUR PATIENTS AND CONSUMERS

Quality of Clinical Care

While clinical excellence has always been a top priority for AdventHealth, in 2019 the organization reimagined its strategic clinical excellence model, and since then has seen increased and measurable improvements in the quality and safety of care at our hospitals. While we have seen these results clearly from our data on health outcomes, the improvements have been corroborated by some of the most well-respected hospital rating systems across the country.

One of the leading industry markers for quality and safety of care is the Centers for Medicare and Medicaid Services' (CMS) five-star rating system. According to their assessment, **82% of AdventHealth hospitals in 2022 earned a 4- or 5-star rating** — a substantial increase from 24% in 2016. The system assesses five factors: mortality, readmissions, safety of care, patient experience and timely and effective care. As is seen in the graphic, the number of AdventHealth hospitals with a 4- or 5-star rating has increased year over year, reflecting the effectiveness of our strategic clinical care model.

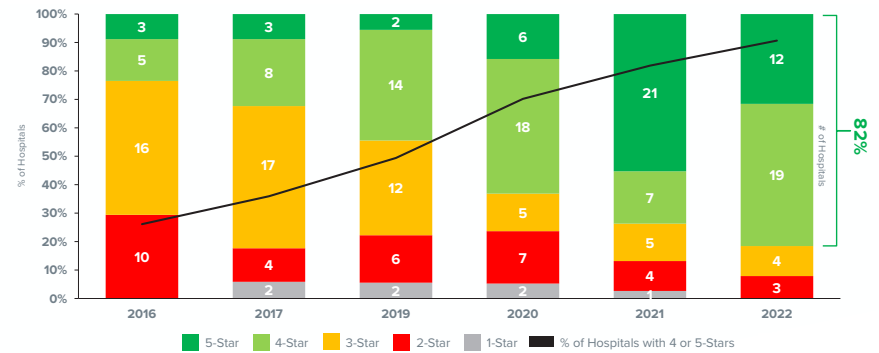
In 2022, The Leapfrog Group, a leading health care safety organization, awarded an **“A” Leapfrog Safety Grade to 72% of AdventHealth hospitals** — an 13% increase from 59% in 2016. This safety grade uses publicly available data to analyze hospitals' performance related to preventing medical errors, injuries, accidents, infections and other potential harms to patients in their care. In 2021, our work on clinical safety saw AdventHealth hospitals among the top 5% nationwide in the Leapfrog Safety Grades.

In 2022, AdventHealth was recognized with the Emerald Award for Outstanding Achievement by a Health Care System, a first for any health system. The achievement honors AdventHealth's performance across Leapfrog's Hospital Safety Grades and Top Hospital Award, which is one of the most competitive quality awards a hospital and its team members can receive.

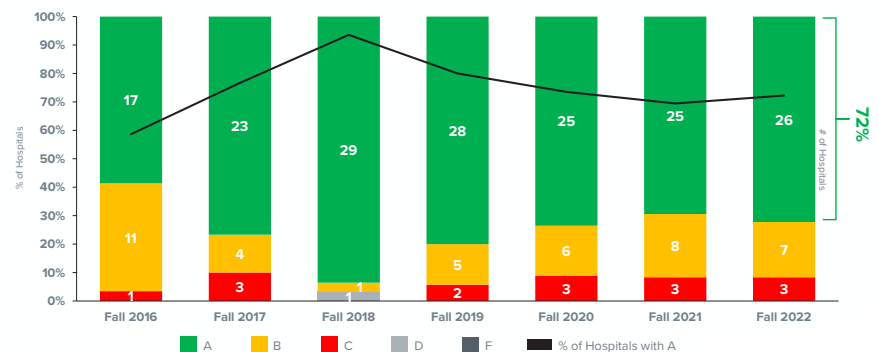
	Goal	2016*	2022*	National Average
CMS Overall Hospital Star Rating A	★★★★★ 4 or 5 stars	24%	82%	42%
Leapfrog Safety Grade	A B C D F	59%	72%	33%
Premier All Adult Inpatient Mortality	Top Quartile	22%	81%	25%

*Percentages for AdventHealth hospitals

CMS Overall Hospital Quality Star Ratings Trend



AdventHealth Leapfrog Safety Grade Trend



Also in 2022, Premier Inc., a health care improvement alliance, ranked 81% of AdventHealth hospitals in the top 25% among all of rated hospitals based on its all-adult inpatient mortality data. This compares to 22% of AdventHealth hospitals ranking in the top 25% in 2016.

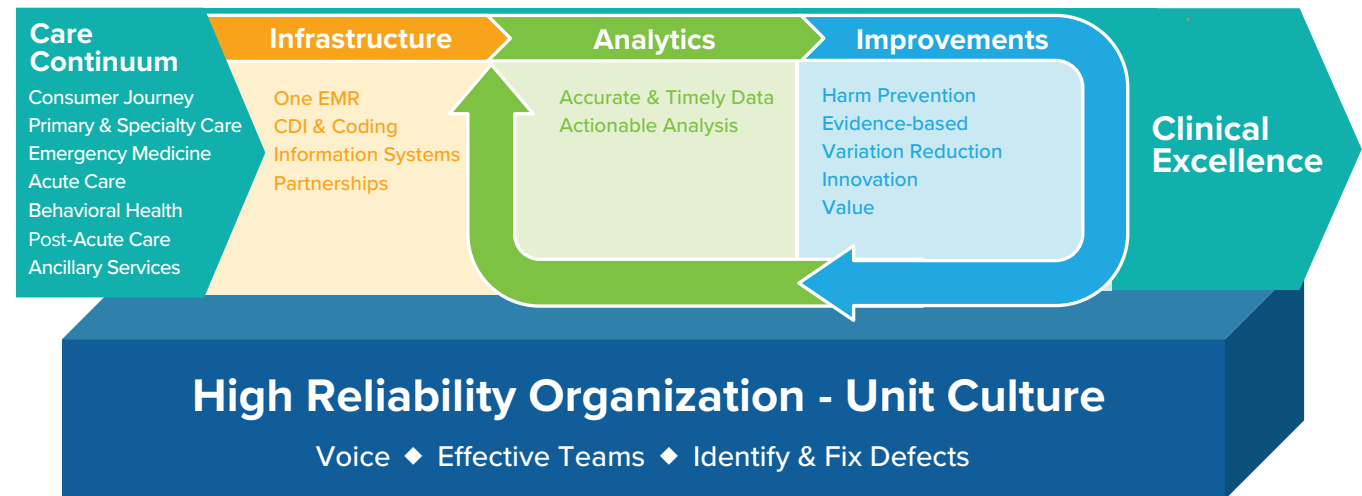
Clinical Excellence Strategic Model

Our clinical leadership partnered with physician champions and clinical leaders throughout the system to develop an approach designed to empower our health care teams with the right tools, data and information to make informed and well-supported decisions in their clinical care.

The key components of this model include the following:

- **High Reliability Organization (HRO) Unit Culture:** An empowered, informed culture at the unit level has built a foundation for driving patient safety and quality outcomes. These initiatives have focused on improving future planning, reflection, clear communication, conflict resolution and regular learnings from challenges and successes. It has resulted in empowering team members to have a voice and speak up freely, promoting a fair and just work environment and encouraging teamwork.
- **Infrastructure:** Across the entire care continuum, a cohesive and integrated infrastructure has strengthened the integrity of patient information through a single electronic medical record system (Epic), clinical documentation and coding that accurately reflect the nature of each patient case, and collaborative partnerships with information systems and other internal teams such as supply chain, research, population health and others.

Clinical Excellence Strategic Model



- **Analytics:** An optimized infrastructure has enabled accurate and consistent data and insightful analytics – leading to a better understanding of patient needs. This has directly resulted in better informed decisions made within clinical settings, based on real-time data and insights.
- **Improvements:** Improvements in decisions have led to improvements in care, which have translated into harm prevention, increase in evidence-based medicine, consistent approaches to decision making and care delivery, innovation and greater value of care made possible through prioritizing health outcomes over cost.

This iterative model has been developed to be dynamic, with the ability to evolve along with a changing patient landscape.

Health Equity

At AdventHealth, our approach to health equity is intentional, data-driven and measurable. By focusing on the data, we are developing a systemwide approach that begins within our hospitals and supports the creation and implementation of localized efforts. Executive accountability continues to be key as we advance this work.

Our recent work in this area includes:

- **Assessing Health Equity Baseline:** In 2022, we took a first look within our facilities to identify potential disparities in our inpatient outcomes based on race, ethnicity, gender and/or insured status, leading to the development of a robust and validated methodology to identify potential disparities in our inpatient quality outcomes. Interactive dashboards were then developed and shared with each facility to explore over 100 clinical conditions through a health equity lens.
- **Building Health Equity Action Plans:** Based on the above data, 100% of all AdventHealth fully-owned hospitals developed health equity plans in 2022 to address potential disparities within their facilities and in their communities. These facilities are now actively working on implementing these plans to mitigate disparities in clinical outcomes. Interventions within these plans are designed to address care delivery as well as the social determinants of health for the relevant population. These disparities exist across a range of conditions including, but not limited to, sepsis, diabetes, heart failure, respiratory failure and maternity and newborn related conditions.
- **Recent accomplishments in our health equity work include:**
 - A \$2 million W. K. Kellogg Foundation grant, “Building Health Equity across Health Care Systems and Communities,” awarded to address health inequities in differing racial, ethnic and income populations served by AdventHealth.
 - Health equity highlighted as a top priority at AdventHealth’s 2022 Conference on Mission, a keynote annual meeting for AdventHealth which sets and reinforces strategic direction for the company.
 - Development of a robust, data driven health equity methodology, which was validated by national academic and industry experts.

- Meetings with 35+ local DEI councils to share and explore health disparity data resulting from the Health Equity Clinical Area of Focus methodology.

Beyond the plans recently developed based on current health equity data-driven methodology, we continue to advance market-level health equity initiatives that have been in progress on an ongoing basis.

As one example, we are involved in a number of initiatives addressing disparities in maternity-related outcomes, including research on respectful maternity care, National Safe Sleep Hospital Certification for promoting safe infant sleep, perinatal collaboratives and monitoring of maternal mortality.

The health care industry, including AdventHealth, is also guided by best practices to analyze all clinical quality and safety measures through Race, Ethnicity and Language (REaL), Social Determinants of Health (SDoH) and Sexual Orientation and Gender Identity (SOGI) lenses and develop informed approaches in closing gaps in outcomes, access and patient experience that exist across populations. Evaluating our health equity plans through these lenses will support our efforts to benefit and effectively deliver whole-person care to patients in the communities we serve.

Inclusive Patient Experience

Reflecting our value of inclusiveness and how we live out our service standards, AdventHealth is committed to creating a safe and caring environment where all diverse groups are welcome and have the opportunity to experience whole-person care, regardless of race, national origin, gender, language, economic status, religion, age, disability, sexual orientation, gender identity, and other considerations. AdventHealth provides a number of resources to support the diverse needs of those we serve, including but not limited to: diverse spiritual

care services delivered from various faith backgrounds; interpreters and language services in more than 150 languages and dialects; and behavioral health services to care for various psychiatric, emotional and mental needs of patients. Through an immersive onboarding training on whole-person care, we also ensure that our service standards are guiding how we care for our patients and families in clinical settings.

We are on a continuous journey to learn and improve our efforts by actively listening to and engaging with our patients and communities. Based on data captured through our health equity work, we are also developing personalized health care plans to address disparities among patient populations, including:

- **Persons with lower socioeconomic status.** One in five people in the U.S. live in families that are struggling to pay medical bills. We are reviewing opportunities to improve patient access and affordability through measures like formalized follow-up appointments in our outpatient clinics for the underinsured or patients who qualify for charity care.
- **Racially and ethnically diverse groups.** AdventHealth creates and maintains community and faith-based partnerships to reach and build trust with consumers. This includes working with partners to host local vaccine and community health clinics, and sponsoring hiring initiatives that enable us to build a workforce that mirrors the diversity in communities that we serve.
- **Sexual and gender minority groups.** AdventHealth led a collaboration of U.S. Adventist health systems to develop guiding principles for establishing an equitable and inclusive health care environment for LGBTQ+ patients and caregivers.
- **Underserved rural communities.** To provide rural residents with better access to health care services such as intensive care, labor and delivery, psychiatric care, and cardiac care services, our top-ranked rural hospitals partner with the community to take team members into local homes, congregations and businesses to address needs.

Patient Access and Affordability

As a faith-based, non-profit health care organization, AdventHealth's financial resources, revenue and gains after expenses go toward benefiting communities in the areas of patient care, research, education, community service and capital reinvestment. A significant portion of these revenues are allocated to support health care affordability.

Additionally, AdventHealth receives resources from private as well as government sources, including programs sponsored by various state and federal government programs such as Medicare and Medicaid. AdventHealth covers the uncompensated components of providing care through these programs.

With a goal of providing the right care to patients at the right time, AdventHealth facilities accept patients in immediate need of care, as well as patients who qualify for charity care, regardless of their ability to pay. One such example is AdventHealth's Hope & Healing Center, a substance use disorder treatment facility that works in partnership with Seminole County and the Seminole County's Sheriff's Office to provide specialized care for all patients, regardless of insurance or their ability to pay. Other AdventHealth clinics offer free or reduced specialized care such as the Trina Hidalgo Heart Clinic (cardiac), Outline Clinic (mental health), Community Care Clinic (COPD) and Community Hope Clinic (cardiac rehabilitation). We also continue to partner with other organizations, including the Health Partnership Clinic, Flagler Free Clinic, Pioneer Medical Group, the Community Health Centers, the Orange Blossom Clinic.

Despite these strides, 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. This is why our community advocacy and health equity work continue to be key priorities for our organization. We are also exploring additional ways to improve patient access and affordability through measures like formalized follow-up appointments in our outpatient clinics for underinsured or charitable patients.

Patient-Centric Care

A Consumer Focused Connected Network

In 2019, AdventHealth began to examine new ways to put patients' needs at the center of our health care delivery, and bring to life our strategic aspiration of becoming a Consumer Focused Connected Network. Extensive research, led by patient feedback and consultation, identified the major patient pain points in health care related to access, cost, time, communication and personalized care.

From there, we created 16 Consumer Promises that come together to provide exceptional, compassionate, whole-person care across a connected network that is easy to access and simple to use. These promises will be fully realized by 2030. Ultimately, we are working to build lifelong relationships with patients and consumers, enabling every single one of them to feel whole. This journey is integrated into our commitment to deliver whole-person care to the communities we serve.

Consumer Promises

	Clear Communication		Same-Day Access		
Coordinate Care	Immediate Virtual Response	Medication When and Where You Need It		Self Scheduling	Well-Being
			Personalization		
One-Time Registration		On-Time Appointments	Expanded Hours & Flexible Scheduling		Meaningful Relationships
			Care Everywhere	Arranging Your Next Appointment	Cost Guarantee
					One Bill

While there are many initiatives within each Consumer Promise, taking a close look at specific ones helps us to see the targeted ways that health care can be made simpler and easier from a consumer's perspective.

One example is AdventHealth's Care Advocacy program, which provides an immediate, real-time way for patients to digitally message care advocates about any health care need or question from anywhere. Care advocacy helps consumers navigate the AdventHealth network by giving them access to a trusted friend in health care: their care advocate.

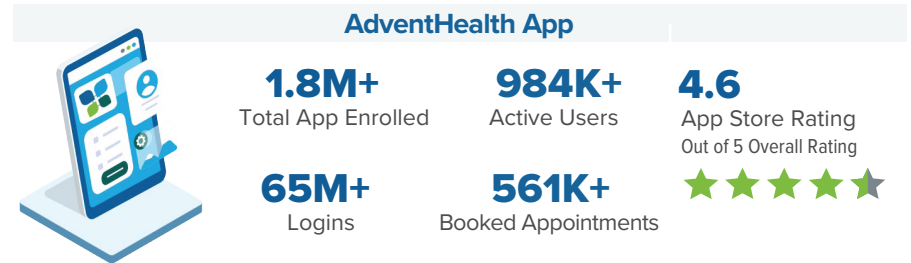
Since it launched in November 2020, this program has seen more than 2.8 million messages exchanged, supporting more than 81,000 patients with their own care advocate. The average response time is approximately 14 minutes, which exceeds our goal of 20 minutes. Eighty-three percent of users express that they feel comfortable discussing their health with a care advocate, 76% indicate that the service makes it easier for them to interact with the health care system, and 75% recommend this service to others.



Digital Tools

With more than 1.8 million registered users, the AdventHealth App continues to be an essential tool for our consumers as they manage their health care digitally. Through this app, consumers are able to access their lab and radiology results; visit summaries and clinical notes; share certain elements of their health data with non-AdventHealth providers; indicate their arrival times to the emergency department; and process their payments more easily, among other offerings.

With Epic (described below), we are able to take full advantage of the MyChart tools and deploy custom capabilities like care advocacy into the AdventHealth app.



An Epic Transformation

One of the biggest enablers of our Consumer Focused Connected Network is Epic – a single integrated platform for AdventHealth's electronic medical records and revenue cycle. This represents one of AdventHealth's largest change management initiatives in 2022, and the platform will help transform the patient, consumer and health care provider experience.

Epic will replace the eight electronic medical record platforms historically used across the organization. Our transition to this system will provide patients and health care teams alike with a seamless experience across all of our hospitals, ambulatory sites, emergency departments, physician offices, home health and hospice facilities.

For health care providers, it will be a single point of access to comprehensive patient information everywhere across our system. And for the first time, we will have the opportunity to extend patient information to other health systems' providers and facilities. Data will be connected, giving patients and their providers the information that they need, when they need it.

Rollout of Epic has been following a phased approach, beginning in early 2022 and continuing through 2023.

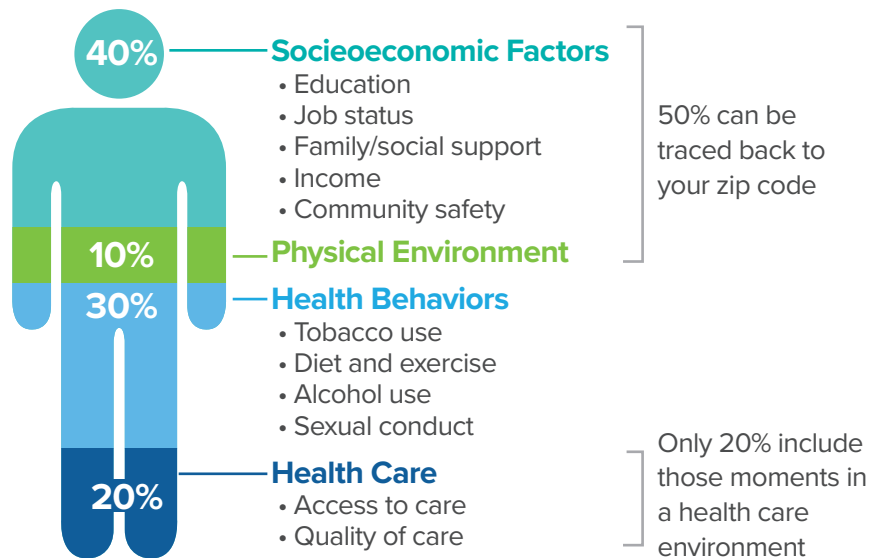
OUR COMMUNITIES

Advocacy and Public Policy

Our advocacy and public policy work addresses needs from a whole-person perspective, which in turn supports the sustainability of our health care system and fulfills requirements of our tax-exempt, non-profit status. **In this space, whole person care requires not only health care, but also attention to social needs that have health outcome impacts.**

Research has demonstrated that 80% of drivers for health outcomes are based on social determinants of health (SDOH), which include various socioeconomic, physical and environmental factors that impact health such as food security, housing, financial security and lifestyle habits. Access to health care drives as little as 20% of health outcomes.¹

80% of health outcome drivers are not health care access and quality



Source: Institute for Clinical Systems Improvement; Going Beyond Clinical Walls: Solving Complex Problems, 2014

Community Advocacy

In 2022, approximately \$3 billion was invested in our communities (excluding capital investments) based on local needs. Key priority areas are determined based on results of in-depth Community Health Needs Assessments (CHNAs), which are conducted within our communities every three years. Based on these assessments, Community Health Plans (CHPs) are then developed that address the identified community health needs. Currently, some of the highest priority community health needs across our markets include: **workforce development, mental and behavioral health, health care access and quality, and food and housing security.**

Community health plans include components such as education, research, financial assistance, special programs and spiritual resources. We seek to align community benefit processes with broader strategies of health equity, diversity and inclusion, community engagement and advocacy to support those we serve. This ensures that we are taking into account all factors that could impact health outcomes and are representing the diverse populations and backgrounds of all we serve based on the data that comes out of these assessments.

Our 2022 CHNA process represented our fourth assessment cycle, which reflected the most comprehensive surveying tools and processes to date. In preparation for this assessment, language, survey tools and data collection targets were standardized based on community demographics. In addition, for the first time, this assessment included questions related to diversity, equity and inclusion, which were reviewed for comprehension and inclusive language.

A community committee that included representatives serving low-income, minority and other medically underserved populations helped guide each hospital's CHNA process. We are also continuing to review our facility boards of directors and seek voices from local community and business leaders who reflect the diversity of perspectives and backgrounds in the areas they represent.

¹Magnan, 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>

Our community benefit efforts over the past decade have established a sufficient baseline for a review of our community efforts. This revision of our approach, strategies and impact is iterative to ensure continuous improvement. Looking ahead, we are reviewing the data, results, insights and lessons in order to redesign our processes. We aim to better catalyze investments that address community needs, optimize collaborations and continue seeking to better serve our communities, while applying an equity lens to all that we do.

In 2022, AdventHealth launched a software tool through which we can screen patients and refer them to resources that address social needs with health outcome impacts. We are on track to fully integrate this platform into our electronic medical records platform across the entire AdventHealth footprint by late 2023. The ability to correlate social need interventions with health care outcomes is critical to ensuring increased, scalable and sustainable investments into our communities.

Government Advocacy

Our government advocacy initiatives complement our community advocacy work by advancing SDOH solutions on local, state, and national levels. Our advocacy priority areas are determined by the most pressing needs that are identified in our Community Health Needs Assessments.

AdventHealth works with community-based organizations and leaders across the organization to identify policy solutions that address issues such as food security, access to care and workforce development. The goal is to capture the voices of our community partners and translate them into advocacy recommendations. These recommendations are then shared with federal agencies, legislators and other policymakers.

Additionally, AdventHealth actively informs policies that address SDOH. This includes informing the adoption of SDOH metrics in Medicare quality programs and integrating health equity initiatives in alternative payment models. Other examples include advocating for:

- **Local partnerships to expand access to healthy food and legislation to promote food access**, such as the Farm Bill, the Healthy Breakfasts Help Kids Learn Act and grocery benefits for students during the summer months.

- **Legislation to improve workforce development**, including increasing graduate medical education slots and funding for nursing education and allied health colleges.
- **Funding for the provision of telehealth services** in schools and the use of virtual tools to expand access to care.
- **Extension of virtual care flexibilities that were provided through Public Health Emergency**, with the goal of expanding access to care for vulnerable populations.
- **Policies to increase access to public health programs** like the Supplemental Nutrition Assistance Program and the Temporary Assistance for Needy Families program that address the socioeconomic needs of our patients.
- **Policies to advance health equity**, including working with national trade organizations to advance policies that advance health equity.
- **Policies to increase access to behavioral health and substance use disorder treatment**, informing draft legislation by the Senate Finance Committee and regulations increasing access to care.
- **Funding to address gaps in behavioral health services in our communities.**
- **Policies that improve representation from racial and ethnic minorities in research and clinical trials.**

AdventHealth also partners with various national organizations like the Adventist Health Policy Association, the American Hospital Association, Premier, the Root Cause Coalition, the Healthcare Anchor Network and the Healthcare Leadership Council to advance policies promoting high-quality, equitable health care, and to educate legislators and policymakers on the issues impacting our communities.

Global Missions

AdventHealth is committed to extending wholeness beyond its national footprint to areas around the globe. Since 2010, AdventHealth Global Missions has developed health care partnerships in 13 strategic areas around the world, from Kentucky to the Philippines, reflecting a truly collaborative approach toward health care. Each area is led by an executive sponsor who oversees the development of the relationship with a collaborative strategic plan. This includes short-term mission trips with AdventHealth team members from their facility/region in support of health care delivery among vulnerable communities. Global Missions also delivers medical aid, equipment and supplies around the world, and manages education and health care programs domestically and overseas.



13 Global Missions Partnerships

Here are some examples where Global Missions recently worked with partners to bring wholeness around the globe:

- In December 2022, AdventHealth added Chile as its **13th Global Missions location**. The relationship includes Clinica Adventista Los Angeles and Universidad Adventista de Chile. Initial activities include equipment donation support, leadership training and nursing education.
- During 2022, AdventHealth's equipment donation program resulted in **shipments to 15 countries on four continents**, with a total value of more than \$1 million.
- In May 2022, **Paraguay became AdventHealth's 12th Global Missions location**, along with two new partnerships developed with Adventist hospitals in Asunción and Hohenau. Areas of need include collaboration, training, community care and medical equipment.
- Through AdventHealth's relationship with the Kalala Learning Village in Ethiopia, **new classrooms were built in 2021 to accommodate nearly 2,000 students**. AdventHealth also raised funds to purchase an x-ray unit for the Summit Clinic located on the school campus.
- In **India and Peru**, AdventHealth worked with Adventist Development and Relief Agency (ADRA), the global humanitarian arm of the Adventist Church, **to provide oxygen-producing facilities to help treat high rates of COVID-19 infections**. Without them, staff at these hospitals had to pay for oxygen by the tankful at much higher prices than normal due to overwhelming demand. During the pandemic, these facilities provided a secure, sustainable and affordable source of oxygen for many critically ill patients.
- In July 2022, AdventHealth partnered with the Eastern Peruvian Mission of Seventh-day Adventists to **provide medical care in Pucallpa, in the Peruvian Amazon region**. Fourteen team members from AdventHealth set up temporary primary care clinics and a pharmacy for five days to offer free services such as wellness checks, pelvic exams, radiology testing, vision screenings and COVID-19 vaccines. The group cared for more than 3,000 residents.



AdventHealth brings medical care to Peru

Disaster Relief

When unexpected disasters occur, AdventHealth works with key partners domestically and globally to help bring healing and wholeness in areas facing deep challenges. Below are just a few examples of ways we have extended our mission to distressed communities:

Wildfires in Colorado

In the final hours of 2021, wildfires in the Boulder, Colorado, area threatened the facilities of Avista Adventist Hospital. With flames just a short distance away, hospital team members courageously fought back the fire, protecting the hospital from the flames. In early 2022, donations from team members and AdventHealth totaled approximately \$1,336,000 in support of impacted team members and their families.

Flooding and Mudslides in Eastern Kentucky

In 2022, heavy flooding and mudslides in Eastern Kentucky devastated several communities, leaving many patients and AdventHealth team members homeless. In partnership with the local health department, AdventHealth Manchester established a response coordination hub in order to stockpile drinking water, arrange transport for patients and team members and collect funds for basic needs such as clothing, shoes, personal care products, non-perishable foods and more. AdventHealth and its team members donated more than \$370,000 to this effort.

War in Ukraine

When the war in Ukraine broke out, AdventHealth sent out a systemwide appeal to all team members to help raise funds for humanitarian aid and supplies. In just a few short days, this effort raised more than \$232,000 to support refugee and humanitarian efforts. This included the purchase of three vans, which were turned into mobile clinics and medical offices. Hundreds of war refugees received care at these clinics, including OB-GYN, dentistry and pharmacy services. In addition, more than 600 team members at AdventHealth Celebration in Florida came together to package 200,000 nutritious meals to send to Ukraine.

AdventHealth Global Missions worked with Angelia Adventist Clinic in Kyiv to provide free medical care, and with the Ukrainian Adventist Church to provide for basic needs and supplies in a refugee camp in Western Ukraine. The organization also donated more than \$216,000 worth of medications, supplies and cash gifts to the Ukraine.

Hurricane Ian

In September 2022, Hurricane Ian, one of the most destructive hurricanes to hit the U.S. in recent history, swept through large parts of Florida, Georgia and North and South Carolina. Hundreds of homes were destroyed, communities were devastated by flooding and strong winds, and millions were left without power.

Many AdventHealth team members in Florida faced devastating loss, including damaged or destroyed properties, vehicles and belongings. To support them, a fund was set up for AdventHealth team members to donate financial support through payroll deductions and online donations, as well as paid days off to provide more time off for impacted team members to focus on their recovery needs. AdventHealth team members donated more than \$93,000 to support their colleagues impacted by the hurricane.

Supplier Diversity

Supplier diversity and inclusion is an integral part of our commitment to our community. We seek to expand partnerships with a diverse range of businesses, including those owned and operated by diverse races and ethnic backgrounds, women and veterans. We also encourage our group purchasing organization to establish and maintain supplier diversity policies, procedures and goals.

AdventHealth is currently working with its group purchasing organization to establish and activate a supplier diversity pledge and is integrating inclusive language into its contracts that will also be reflected in AdventHealth contract templates in the future. We also continue to evaluate and research various suppliers to further diversify the range of our suppliers and businesses.



Team members came together to package meals to send to Ukraine



Team members came together to support one another during Hurricane Ian

FEATURED STORY

Inclusive Careers for our Communities



Spotlight on Team Members with Disabilities

AdventHealth is committed to cultivating an inclusive workplace where all team members have opportunities to contribute and thrive. We advance this commitment through a variety of workforce strategies that allow us to attract, engage, retain and grow team members who represent the rich diversity of our patients, families and communities.

One specific example of how we are putting this commitment into action is through partnerships with community organizations to provide career opportunities for individuals with disabilities. Let's take a closer look.

According to the CDC, 61 million adults in the U.S. live with a disability.¹ Despite the progress that has been made through the years, persons with disabilities still face barriers to equitable access to employment. This is often due to factors such as lack of necessary resources or employment discrimination.

AdventHealth has partnered with community organizations to provide a springboard for persons with disabilities to develop avenues for career development in health care through vocational fit assessments, hands-on training and mentorship. Here are a few examples.

Project SEARCH in Kansas

Project SEARCH is an international network that prepares young people with disabilities for employment success.

Daniel Schnacker (pictured on left in photo) is a team member who has participated in the Project SEARCH initiative at AdventHealth Shawnee Mission in Kansas. When Schnacker was born, he was enrolled in Britain Development, an AdventHealth B.E. Smith Family Center program that provides therapy and educational services for children with disabilities from birth through 6 years old. At the time, his mother, Janet Schnacker, was working as a registered nurse at AdventHealth.

¹Okaro, C., Hollis, N., Cyrus, A., Griffin-Blake, S. (2018, August 17). Prevalence of Disabilities and Health Care Access by Disability Status and Type Among Adults — United States, 2016. *Morbidity and Mortality Weekly Report*. https://www.cdc.gov/mmwr/volumes/67/wr/mm6732a3.htm?s_cid=mm6732a3_w

Twelve years after Schnacker's graduation from the program, his family continues to feel its significant impact. As Schnacker joined AdventHealth as a Project SEARCH intern, his mother transitioned careers to become a physical therapy assistant working in the Britain Development program — the same program that gave Schnacker his early learning foundations. Janet's other son, Adam, also works in the program now as a physical therapist — a decision influenced by his brother's inspiring journey as a child.

Janet said the warmth and kindness of the therapists who took care of Schnacker during his early years inspired her to consider a career change to help other children in the program.

"My interactions with my son's therapists were always warm and welcoming," Janet said. "I felt like I was home and didn't want to leave. I'm proud that my son lets his personality shine, and I like that he has continued to learn and develop with the assistance of the foundation he has gained."

Schnacker added, "I learned I was someone special when I was little. This is a safe place where I can express my feelings and show my deepest side."

Project SEARCH in Central Florida

The Project SEARCH partnership between Seminole County Public Schools and AdventHealth provides an immersive learning experience that empowers high school graduates like Jayla Diaz and Gurkirat Kooner to contribute toward the delivery of whole-person care.

"The project has enabled me to become independent and help people in need," said Diaz, who interns in the nutrition department. For Kooner, a supply chain intern, extending kindness to new people is something he enjoys doing at work. "I love the project because I've been able to learn different skills," he said.

The end goal of the project is to provide opportunities for interns to become AdventHealth team members upon graduation.

"A leader I worked with during my internship rotations was the one who recommended me for my current role," said Myles Lopez, a former intern and warehouse fulfillment specialist at AdventHealth.

Alejandro Vasquez, also a former intern and patient transportation specialist at AdventHealth, said, "I was the first intern to transport patients all by myself. My life has become better due to the support of my colleagues and leaders."

Pepin Academies Transition in West Florida

The AdventHealth Pepin Academies Transition Program in West Florida is a special education initiative that empowers students with learning disabilities with tools for success.

With support from onsite job coaches, students are able to train and enhance their social interactions within different areas at AdventHealth. By enabling a welcoming environment tied to the organization's mission, vision and values, many students, including Sydney Caplinger, have been able to participate in various opportunities to learn and grow.

"I'm thankful to be able to show the same care and compassion to patients as I received during my health care experience as a child," said Caplinger, a previous program volunteer in the cardiac interventional unit at AdventHealth Tampa.

"I'm thankful to be able to show the same care and compassion to patients as I received during my health care experience as a child."

- Sydney Caplinger

A lush forest scene with a stream and a thatched hut, overlaid with a teal tint. The scene is a dense forest with a stream flowing through it. In the foreground, there are large, moss-covered rocks. In the middle ground, a stream flows over a small waterfall. In the background, a thatched hut is visible among the trees. The entire scene is overlaid with a teal tint.

Environment

“God saw all that He had made,
and it was very good.”

Genesis 1:31

(New International Version)

Overview

When the earth was created, God entrusted humanity to honor creation by taking good care of the planet and thoughtfully stewarding its resources. Our actions and the health of the planet are intertwined. Just as creation was designed for our benefit, our responsibilities toward the earth were intended to sustain it and keep it whole.

While the interconnected nature of this relationship is still true today, the current state of the earth is far from what was originally intended. From pollution caused by greenhouse gas (GHG) emissions, mishandling of waste and water, and many other factors, we see the harmful impact of our collective actions on the health of our planet. In turn, we also see how the earth's inhabitants have been affected by these actions, or potentially lack of action, as they face growing climate-related illnesses; food and water shortages; and natural disasters.

The health care industry itself is a microcosm of this two-way relationship. While the health care system is responsible for caring for a growing population of patients, the industry itself is responsible for approximately 8.5% of GHG emissions in the U.S.¹

What does this mean for AdventHealth? As a leading faith-based health care provider, we must fulfill our responsibility and take action to help care for our planet. This includes reducing our environmental footprint as we contribute to the well-being of communities and provide whole-person care more comprehensively to the patients we serve.

In October 2022, AdventHealth demonstrated its commitment to environmental sustainability by signing the U.S. Department of Health and Human Service's (HHS) Climate Pledge, which includes the following:

- Reducing our organization's emissions** by 50% by 2030 and to net zero by 2050 and publicly reporting on our emissions and progress annually;
- Completing an inventory** of Scope 3 emissions by the end of 2024;
- Developing climate resilience plans** for our facilities and communities by the end of 2023;
- Designating an executive lead** for this work by the end of 2023.

This pledge was signed following a comprehensive assessment of our systemwide 2021 environmental emissions, waste and water usage, and development of a strategic plan for reducing our outputs that has been reviewed and vetted to ensure feasibility within our budget and timelines.



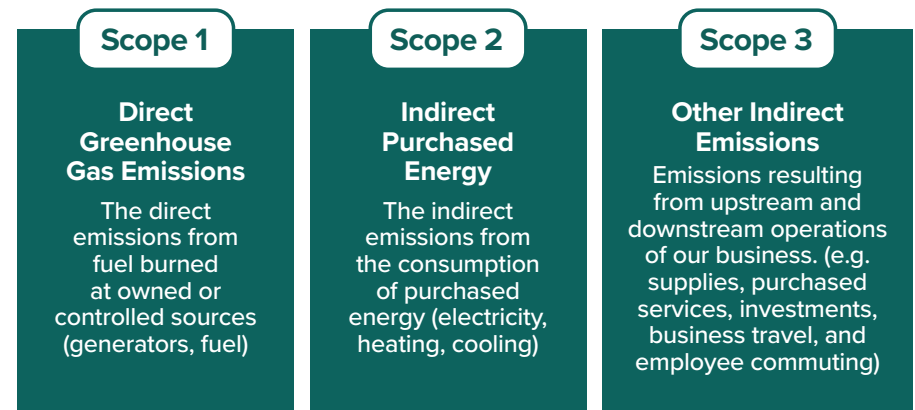
This marks the start of an exciting journey, as we begin work to reduce our environmental footprint through a coordinated and systemwide approach.

Assessing Our Environmental Impact

In 2022, the first step in our environmental sustainability journey was to compile data to perform a systemwide environmental assessment, starting with our climate emissions, which includes direct and indirect emissions of GHGs and energy use.

This initial assessment, which began in June 2022, involved comprehensive collection and evaluation of data from calendar year 2021 across all our facilities and business operations. The types and sources of these data are numerous, ranging from energy used at facilities to maintain operations, to vehicles operated, to travel, to supply chain purchases, and much more. The data we assessed fall within three scopes²:

Established Carbon Emission Scopes



¹ Eckelman, M., Huang, K., Lagasse, R., Senay, E., Dubrow, R. and Sherman, J. (December 2020). Health Care Pollution And Public Health Damage In The United States: An Update. Health Affairs. <https://doi.org/10.1377/hlthaff.2020.01247>

² World Business Council for Sustainability Development. World Resources Institute. (2001). The Greenhouse Gas Protocol. Retrieved from ghg-protocol-revised.pdf (ghgprotocol.org).

Environmental Assessment Categories

The following categories of data were gathered for this assessment:



Facilities

(Scope 1 & 2)

Master List of Sites

Plans for Site Development

Energy Consumption by Site

Water Usage by Site

Waste Generation by Site

Anesthetic Usage by Site



Fleet

(Scope 1)

Master list of Vehicles

Fuel consumption by vehicle OR mileage driven by vehicle



Investments

(Scope 3)

Overview of investment portfolio (amount invested with which organizations)

Investment strategy overview, e.g., nature of investments, frequency of changes in investment portfolio



Procurement

(Scope 3)

Total annual spend on goods and services by Category & vendor, including:

- Medical devices
- Medical supplies
- IT and computer equipment
- Office supplies
- Technology vendor services
- Food
- Other



Travel

(Scope 3)

Flight Data

Rail Data

Bus Data

Rental Car Data

AdventHealth's 2021 Environmental Footprint*

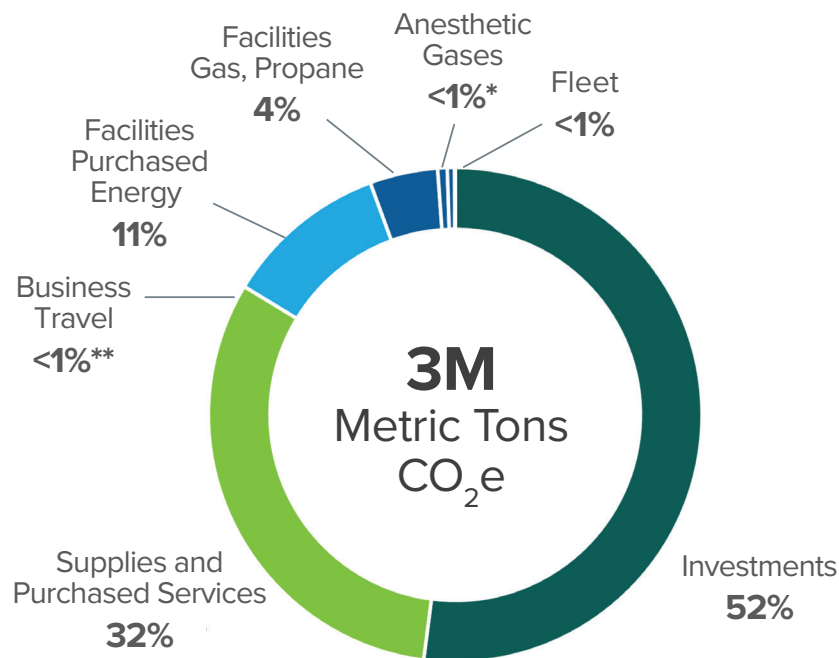
Results from our 2021 assessment of scopes 1, 2 and 3 greenhouse gas emissions, as well as waste and water usage across our system are below.



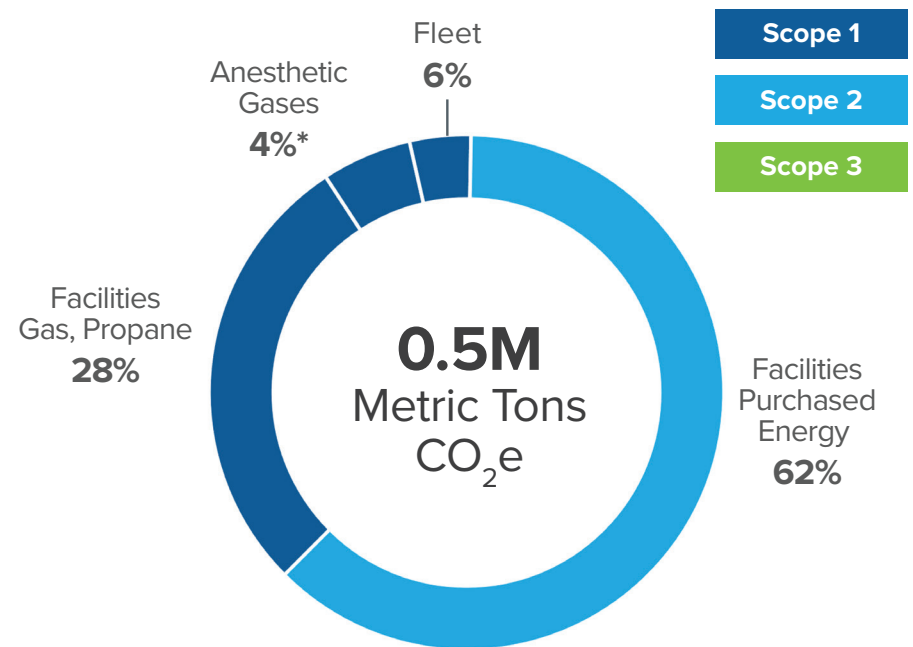
Number displays total scope 1, 2 and 3 emissions – scope 1 and 2 emissions are 0.5M MT Co2e. All emissions calculations were determined following the GHG protocol. All waste calculations were determined using a cost method and the EREF MSW Landfill Tipping Fee. All water calculations were determined using a cost conversion method and internal conversion calculation falling within the US DOE recommendation.

AdventHealth Emissions Footprint

Scope 1, 2, and 3 Inventory



Scopes 1 and 2 Inventory



* Anesthetic Gas emissions are still under analysis; current value is an estimate based on industry benchmarks

** Business Travel data represents a subset of total business travel based on data availability and/or level of effort required to gather data extending project timeline






Note: Estimated margin of error on greenhouse gas emissions calculations is 20% as of 9/30

Our Climate Targets and Priorities

With our participation in the HHS Climate Pledge, **our short-term climate target is to reduce Scope 1 and 2 emissions by 50% by the year 2030** from our 2021 baseline. These priorities include installing on-site renewable energy generation, establishing long-term virtual power purchase agreements (VPPAs), grid greening and implementing energy-saving devices. Additional actions such as purchasing offsets and renewable energy certificates may be used to ensure we meet our short-term climate goal.

Top Levers to Reduce Emissions

Five potential levers to achieve 2030 emissions reduction goal, based on financial and operational considerations.

LEVERS	DESCRIPTION
 On-site Renewable Energy Generation	Install on-site renewable energy generation infrastructure atop owned buildings, garages/ parking, and property to directly reduce purchased electricity consumption
 Physical and Virtual Purchase Power Agreements	Establish long-term contracts to fund development of renewable energy projects (wind, solar, etc.) in exchange for Renewable Energy Certificates (RECs)
 Energy Efficiency Improvements	Install energy-saving devices (e.g., LED lighting) and replace end-of-life building infrastructure (e.g., chillers, cooling towers, boilers) with energy-efficient alternatives
 Grid Greening	Rely on steady transition of grid electricity generation from fossil fuels to renewable, zero-emissions fuel sources
 Offsets / RECs	Purchase standalone Renewable Energy Certificates (RECs) to reduce electricity emissions and carbon offsets to address hard-to-abate emissions

While these priorities will help meet our 2030 goal to varying degrees, on-site renewable energy generation and purchase power agreements in particular will serve as significant contributors.

As we look ahead to the actions required for the next seven years, AdventHealth has formalized its 2023 work streams, which include the following:

Program Design, Strategy and Management

Based on our completed 2021 climate assessment results, we are developing a roadmap for how we will implement our immediate priorities and additional actions.

As part of this work, significant collaboration and planning is taking place to gain insights into planning, initiative viability, timelines, levels of efforts, contributions to emissions reduction and costs to identify solutions to help us meet our climate goals.

Renewable Energy

We are developing a renewable energy strategy and conducting planning and sourcing for on-site renewable energy opportunities and VPPAs.

Sustainable Investments

We are developing recommendations and implementing process enhancements for our investments.

Supply Chain Sourcing

We are in process of socializing our internal sustainability efforts with our supplier community, engaging with suppliers to understand their sustainability efforts, developing an AdventHealth supplier scorecard, and working toward driving down AdventHealth's scope 3 emissions.

Momentum Builders

These additional initiatives are critical to engage employees and enable organizational change management and could possibly include initiatives such as recycling programs, facility green teams and others.

Work has also begun to reduce our emissions, waste and water footprint. For example, a systemwide facility condition assessment and energy audit is underway, as well as renewable and solar energy initiatives at select facilities. Another example is the McRae Parking garage solar project at AdventHealth Orlando, where 1,800 solar panels were installed and is projected to generate more than 1.2 megawatt hours (MWh) annually.

Looking Ahead

While our current assessment, target setting, planning and communication activities mark the beginning of our environmental sustainability work, they will become part of an iterative process that will evolve as standards and technologies continue to change. AdventHealth is committed to meeting the climate goals outlined in the HHS Climate Pledge, including reduction of its Scope 1 and 2 emissions by 50% by 2030. We look forward to sharing our progress as our environmental strategies continue to take shape and we will be publishing annual Climate Resilience Plans going forward.



FEATURED STORY

Environmental Stewardship in Action

Texas Health Mansfield

A range of onsite initiatives at Texas Health Mansfield began in December 2020 to help the facility efficiently manage resources by lowering energy usage and reducing waste.

These include actions such as the installation and use of 100% LED technology in buildings and parking lots; a heat recovery chiller that will help reduce energy use; faucets with sensors to control water usage; mechanical equipment with motors and variable frequency drives to improve efficiency; a cardboard recycling program; trash compactor sensors; and an environmentally preferred source for the procurement of paper towels.

“Sustainability has always been a big aspect of my professional journey,” said David Baker, director of facilities at Texas Health Mansfield. “These projects have had an impact on our carbon footprint, energy conservation and cost savings.”

Ultimately, the initiatives will help lower energy costs and support improved patient care through a cleaner and less wasteful clinical environment. The facility has achieved substantial cost reductions, including an annual saving of about \$40,000 in trash pick-up, resulting in reduced waste and carbon emissions from trash trucks. Baker said he recognizes the important role sustainability plays in health care, and is optimistic about contributing to shaping the future.

“I grew up recycling newspapers, bottles and cans,” said Baker. “Implementing sustainable initiatives helps to improve patient care, which results in healthier and more resilient communities.”

Our Environmental Commitment Within our Markets

As part of AdventHealth’s systemwide commitment to environmental stewardship, we are advancing facility-level initiatives that will help us meet our environmental targets, including those for climate emissions outlined within the U.S. Department of Health and Human Services Health Sector Climate Pledge, which we signed last October. Here are three examples of initiatives within our markets.

AdventHealth Orlando

Covering 60,000 square feet, the 1,806-solar panel McRae parking garage at AdventHealth Orlando is one of the largest in the Central Florida region. Implemented in 2020, it generates 1.3 million kilowatt hours annually, and is estimated to save more than \$4.6 million in energy costs over its lifetime.

In addition to providing shaded parking, the initiative includes 32 free electric car charging stations for low- to zero-emission vehicles.

“This project is an important initiative which will provide long-term benefits for our community, including helping to achieve its sustainability goals,” said Doug Hilliard, senior financial officer for AdventHealth Central Florida Division — South Region.

Ben Fitzgerald, director of environmental services and facilities at AdventHealth, added, “This is a promise to our community that we care for the environment the same way we care for their health. The project has been a catalyst for conversations around design standards for new campuses, health parks and standalone EDs (emergency departments).”

Fitzgerald facilitated the project’s completion at the height of the pandemic, and said he finds the ability to optimize automated systems rewarding. He recycles in his home and uses an energy monitoring system to track his family’s real-time energy usage and identify wasteful consumption.

“Sustainability cannot happen in a vacuum,” he said. “It takes a village, and it’s important to educate people to manage our natural resources.”

“This project is an important initiative which will provide long-term benefits for our community, including helping to achieve its sustainability goals.”

- Doug Hilliard
AdventHealth Central Florida Division — South Region

AdventHealth Apopka has saved \$230,000 in energy and operational costs, conserving 2,000 metric tons in carbon emissions.

AdventHealth Apopka

Scott Sukits, director of control systems and energy management at AdventHealth Apopka, said the consistent oversight of the control systems team contributed to his facility’s energy targets. Built in 2014 with an LEED Green Building Rating System design, AdventHealth Apopka is the only ENERGY STAR-certified hospital in the state of Florida, recently obtaining the certification for the second year in a row for 2022.

“I spent 18 years designing all types of buildings that use a lot of energy, including hospitals,” said Sukits. “While energy efficiency is the goal, a key objective is to ensure that the initiatives are safe for the people who benefit from them.”

AdventHealth Apopka has saved \$230,000 in energy and operational costs, conserving 2,000 metric tons in carbon emissions.

In his own personal life, Sukits describes a good example of sustainability as turning off lights when not in use. He said he believes when people see themselves as part of a change, they feel better about coming to work and collaborating with teammates.

“I remember when I was little, I was given reusable bags every time I went to the grocery store,” he said. “As small as that initiative was, it reminded me to preserve resources and to contribute toward building a sustainable environment.”

A photograph of three people in an office setting, overlaid with a blue tint. A woman with long dark hair stands in the center, smiling and pointing at a laptop screen. To her left, a woman with light hair is seated, looking at the screen. To her right, a man with dark hair is seated, also looking at the screen. They are all wearing lanyards with ID badges. The laptop is open on a table, and there are some papers and a small heart-shaped badge on the table. The word "Governance" is written in white, sans-serif font across the middle of the image.

Governance

Well done, good and faithful servant! You have been faithful with a few things; I will put you in charge of many things.

Matthew 25:21

(New International Version)



Overview

Our ability as an organization to deliver whole-person care requires a governance model that equips us to respond to market instabilities and opportunities, upholds our cultural framework, and ensures that our practices and policies keep us accountable, ethical, compliant and effective in managing risks.

Our commitment to governance begins at the very top levels of leadership and flows through every level of our organization. We have taken steps to ensure that our parent governing Board and corporate practices and policies are structured to help us operate our business with integrity, excellence and strategic vision in accordance with our mission, values and service standards.

One area of particular focus has been the updating of our governing Board's structure and composition so that we can meet the ever-evolving business challenges that have come with our own growth and the shifting health care landscape.

Our work on governance encompasses the following areas:

- Our Board structure
- Our ethics and compliance
 - Corporate responsibility
 - Patient and data privacy
 - Cybersecurity
 - Clinical risk management
 - Financial reporting

Renewing our Board Structure

The Role of Our Governing Board

AdventHealth's parent governing Board provides oversight of the organization's strategic direction, financial performance, quality of care and mission fidelity. Board members help strengthen AdventHealth's culture, strategic focus, effectiveness and financial sustainability.

Ties to the Seventh-day Adventist Church

AdventHealth is an important part of the health ministry of the Seventh-day Adventist Church within the four church regions, or unions, where we operate: Mid-America, Lake, Southern and Southwestern Unions. These unions are comprised of four multi-state areas within the country that share resources for mission objectives, Adventist education and special projects, among other church mission objectives. Each union consists of smaller areas called conferences, which often follow state lines.

With the church as AdventHealth's sponsoring organization, the majority of governing Board members consist of union, conference and other church leaders. This not only maintains our close ties with the church, but also the church's position as the sanctioning body for our status as a faith-based, non-profit health care organization.

Diversifying our Board Structure

In recent years, AdventHealth has experienced significant growth and the health care industry has increased in complexity. To help ensure that our enterprise effectively responds to shifting challenges and new market opportunities, the governing Board was restructured in 2020 to incorporate the diversity of backgrounds, skillsets, perspectives and experiences we need to meet current and future market realities, while maintaining church sponsorship.

The changes made to the Board's structure include the following:

- To optimize its decision-making capabilities, and to reflect Board sizes of comparable health care organizations, the Board's previous membership size of 67 members **was reduced to 24 members**, with many members serving and rotating through pre-set terms.
- As part of our commitment to reflecting diversity, equity and inclusion on all levels of the organization, **we continue to pursue diverse gender and ethnic representation** on the Board to ensure a well-informed range of perspectives and thinking.
- The Board now includes **eight at-large positions held by diverse leaders within the health care and business communities**. The selection process is overseen by the Governance and Nomination Committee, and is based on key criteria such as alignment with our mission, expertise and diversity of backgrounds, among others. These leaders contribute to the well-rounded perspectives and expertise of the Board.
 - Currently seven of the eight positions have been filled – four men and three women – with the remaining position available for the appointment of a female business leader.



Board Governance on the Local Level

In addition to AdventHealth’s governing Board, our hospitals also have boards consisting of local community and business leaders who advise on areas that have relevance and impact on the local level, such as credentialing; philanthropy; community investment; and quality, access and safety of care. These hospital boards work collaboratively in sharing functions with, or providing recommendations to, management and the governing Board.

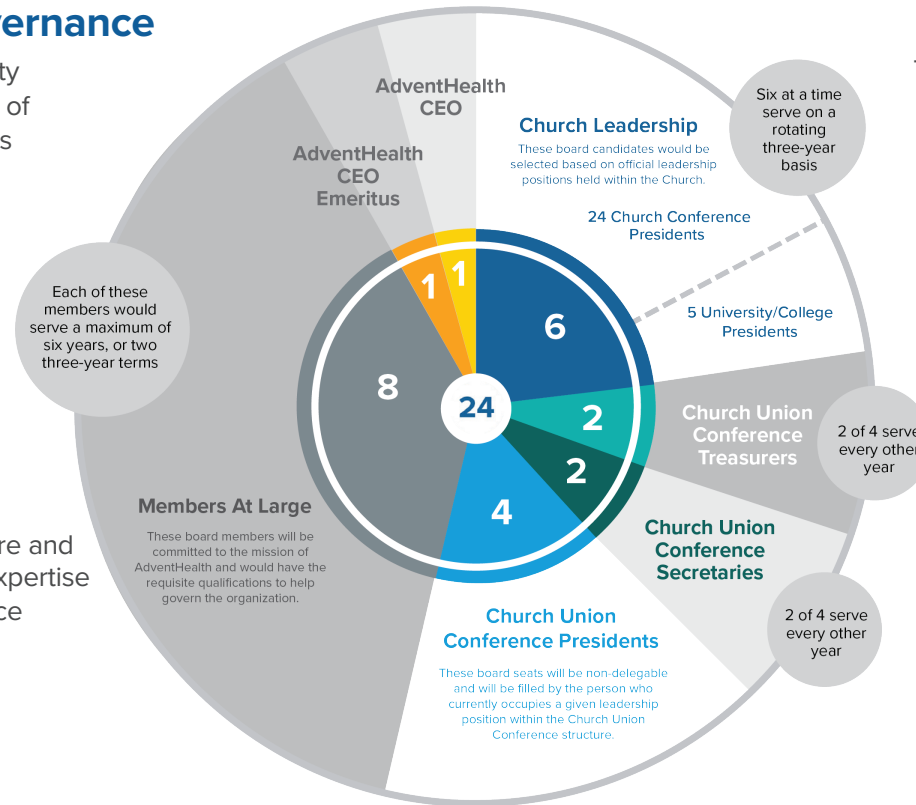
Board Composition and Governance

To support our long-term success and viability and to better meet the more complex needs of the communities we serve, AdventHealth has transitioned from a Board structure of 67 members to 24 members.

The AdventHealth Board helps advance our mission and guides the management team as it addresses new challenges and market opportunities.

The new structure is comprised of:

- 14** members are paid executives of the Seventh-day Adventist Church
- 8** members are leaders in the health care and business communities with specific expertise and insights to support our governance
- 1** previous AdventHealth CEO
- 1** current AdventHealth CEO



Advisory Council

These individuals will be invited to meet during the following events/meetings on an annual basis: AdventHealth Conference on Mission, AdventHealth/Church Market and Business Conference

Our Ethics and Compliance

AdventHealth is committed to creating a culture that embodies a high level of ethical conduct, integrity and compliance with corporate policies, financial management and reporting, data privacy, and government laws and regulations to keep our patients, team members and communities safe.

Our Corporate Responsibility

AdventHealth's corporate responsibility team not only works to ensure ongoing regulatory compliance, but also supports leading-edge best practices and innovation in the ways it educates team members on compliance expectations and responsibilities, supports guidance on applicable rules and regulations, reviews strategic planning for potential risks, and investigates concerns regarding potential violations.

In 2022, key areas of focus for corporate responsibility included the following:

- Standardizing and updating policies and processes related to parity in services provided to patients, employment practices, investigations and mitigation;
- Ensuring regulatory compliance with transparency regulations to achieve better outcomes, particularly those that influence the behavior of patients, providers, payers and others;
- Driving continuous compliance with referral source contracts through management of the physician contract review and payment system;
- Assessing current research processes to support human subject protection requirements;
- Using external resources, such as the Ethisphere ethical culture survey, to evaluate ethical culture and support leadership in addressing potential concerns;
- Partnering with operational leaders to proactively identify, audit and monitor risk across the enterprise;

- Exploring partnerships with internal customers to mitigate risk and implement safeguards to data and health information, new service lines and medical devices, artificial intelligence and other areas;
- Investigating, addressing and improving tracking tools for noncompliance with regulations, coding and billing manipulation, improper marketing tactics, and/or failure to protect patient privacy;
- Developing and deploying new training and education resources for team members to support the upholding of compliance and ethical standards throughout the organization.

Patient Privacy

In addition to these priority areas, AdventHealth's corporate responsibility team also works 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. Our commitment to protecting patient information is shared with our patients, and our facilities clearly communicate with patients in writing about the ways that their medical information may be used to efficiently coordinate their treatment, payment and health care operations, and their rights regarding their patient information.

Ongoing initiatives to advance and preserve policies and practices to safeguard patient information include creating annual systemwide compliance and privacy training for all workforce members, using proactive monitoring and auditing tools to identify inappropriate access, creating policies around use or disclosure of protected health information; developing new guidance or educational resources as new national or state regulations are issued; investigating and addressing instances of noncompliance; and proactively identifying areas of patient privacy risk.

Cybersecurity

As an organization, AdventHealth implements a wide array of cybersecurity controls that are designed to protect our information technology system and data against cyber attacks.

As the risks of cyber attacks continue to evolve, AdventHealth closely monitors these new and emerging risks in order to decide where we need to enhance our controls to deal with new and emerging threats. As such, none of our control measures are one-time initiatives; they are iterative, requiring constant monitoring, modification and enhancement.

Some components of AdventHealth's cybersecurity program include:

HITRUST Common Security Framework (CSF) and Certification.

AdventHealth has selected the HITRUST CSF as the foundation of its cyber security program, which has then been enhanced, as needed, to meet our requirements. This ensures that AdventHealth meets all federal, state and other legal & regulatory obligations, which include HIPAA, the Security and Privacy Rule requirements and PCI-DSS to name a few. All of AdventHealth's hospitals, physician practices and major applications are HITRUST certified. These certifications are renewed every two years.

AdventHealth Threat Management Program. In collaboration with state, federal and private partners, we share cyber intelligence to help fine-tune our capabilities to identify and block the latest cyberthreats.

Incident Response Planning and Testing. AdventHealth has a robust incident response program that is documented in 13 incident response playbooks, which are enhanced and tested annually to ensure the organization is always ready to respond and contain incidents whenever needed.

Vulnerability Management: AdventHealth has a very robust vulnerability program that is designed to constantly assess all computing assets at all layers (network operating system and applications), and then remediate these vulnerabilities as quickly as possible.

Ransomware Preparedness. This includes vulnerability and privileged access management, end user training, logging and monitoring of malicious activity, threat intelligence using data from government and private sources, intrusion detection, and other measures.

Independent Third-party Audits. Conducted every two years by industry leader KPMG, these cyber maturity assessments provide a clear picture of the state of our cybersecurity program, where gaps are and what actions should be taken to improve our security.

Team Member Education. AdventHealth has developed a comprehensive curriculum of cybersecurity resources to educate our team members on safe online practices and identify risks, such as phishing schemes and ransomware attacks.



Clinical Risk Management

AdventHealth's risk management program conducts regular, consistent and comprehensive analysis of its risk management data to improve patient safety in clinical settings and team member safety in the workplace.

One key example of a team member safety initiative is AdventHealth's beSMART (Safely Move and Reposition/Transfer) program, which is focused on safe patient handling and mobility. This program was created to meet our goal to reduce the number of injuries associated with lifting and repositioning patients, which can result in severe and long-lasting health conditions for our team members.

Over a five-year period, the beSMART program has resulted in a 36% reduction in related injuries. This program is an example of synergistic initiatives that not only improve the safety of our team members, but also improves the safety of the patients we serve.

For patients, perinatal safety and robotically assisted surgery are just two areas of many that reflect our commitment to ensuring their safety.

AdventHealth's perinatal safety efforts over the past three years have led to steadily declining episiotomy and cesarean section rates that are 7% and 4% respectively below expected rates even as the number of annual births increase. The declining rates resulted from close collaboration between leaders from risk management, safety, quality and clinical areas; evidence-based practices from external experts; transparency in data that informed decision making; and empowerment of clinicians in meeting achievable metrics.

AdventHealth's focus on the safety of robotically assisted surgical procedures over the past six years has resulted in its top surgeons demonstrating significantly lower risks of excessive blood loss, converting to an open surgery and extended inpatient length of stay. These multi-year initiatives have resulted in decreases in patient harm while simultaneously improving the quality of the care provided.

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 financial reporting, internal and external auditors and corporate responsibility program.

As part of enhancements made to the governing Board structure and committees, additional financial expertise was added to the BACRC to further strengthen our financial oversight and governance. In addition, AdventHealth's internal audit department completes an annual audit plan that focuses on both financial and operational audits to ensure accurate accounting throughout the organization.

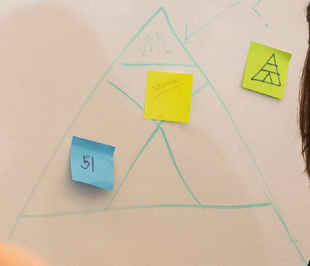
Externally, an annual audit over the organization's annual financial statements is performed by Ernst & Young and shared with the BACRC. AdventHealth has consistently achieved clean audit assessments for many years. Additionally, on an annual and quarterly basis, our financial statements along with required footnote disclosures are posted on the Electronic Municipal Market Access (EMMA), a public website primarily used by rating agencies and our bondholders. We also meet annually with rating agencies and our banking partners to update them on systemwide strategies and finances.



Inclusive Input

Strategic Decision

Wide Accountability



030



FEATURED STORY

Putting a Bowtie on Governance

Our Governance Journey

While the word governance often brings to mind a concept perceived as cut and dried, those who have had the opportunity to take part in establishing a governance framework for transformational priorities would tell you it's anything but that, and it is the journey that can make all the difference. Here's a look at the journey we took at AdventHealth for three significant systemwide priorities: our rebrand, service standards and wholeness framework.

Writer and author Rohini Nilekani once said, "As citizens, we have to co-create good governance. We cannot outsource it and hope to be passively happy consumers."

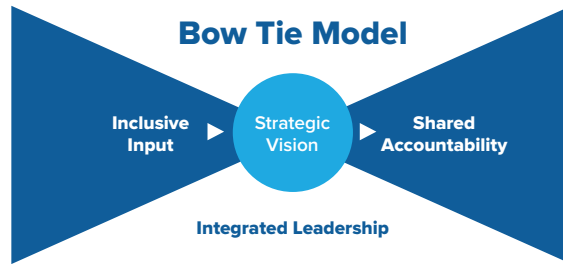
Co-creation has been an instrumental part of AdventHealth's strategy to establish strong governance for new systemwide priorities. Because good governance is foundational to sustainability, AdventHealth is committed to a governance process that upholds its mission, ensures accountability and ethical practices, and equips the organization for risks, challenges and opportunities.

Knowing that strategic counsel and input, paired with shared accountability, play a critical role in the realization of its governance goals, AdventHealth has made it a practice to use the bowtie model to help guide decision-making at all levels of the organization.

The bowtie model is built on the belief that decisions and work are better informed because of diverse input from a wide range of stakeholders, both internal and external. The model has been instrumental in guiding transformational initiatives for the organization, including bringing together a large number of separate and distinct brands in 2019 into a more integrated health care system under a single AdventHealth brand.

"We started as a family of brands with no governance process, and evolved into a branded house with one name," said Vickie White, chief brand and consumer officer for AdventHealth. "This obviously represented a significant change across the organization that required us to put a formal governance structure in place."

This journey required a model that would allow for co-creation with local market leadership, corporate services, team members and consumers.



Deceptively simple in appearance, the bowtie model lays the groundwork for change by gathering inclusive input from diversely appointed stakeholder groups that feeds into the development of a strategic vision, which is then broadly translated and implemented in a way that ensures shared accountability.

The bow tie model proved to be the perfect approach for the task at hand.

"Rather than relying solely on our internal leadership teams when making key decisions about our brand, we conducted multiple consumer focus groups and were very intentional about incorporating that feedback into the process," White said.

It was the bowtie model in action, paired with design thinking, that helped facilitate co-creation and agreement. "We are a better organization because we are co-creating," White said. "And because we have very clear accountabilities that many have helped to design."

The idea that people care about what they help create is a deeply held conviction at AdventHealth. That puts the bowtie model at the heart of the visionary process that helps inform how best to govern one of the nation's largest faith-based health systems.

Even as our single brand was coming together, work had been underway to meld 20 different ways of thinking about service from across what was then Adventist Health System into a unified set of service standards—which ultimately became how patients and communities experience AdventHealth's mission and values.

Pam Guler, chief experience officer for AdventHealth, led the work that initially brought together 40 contributors from different areas across the system to ideate over the course of several months on foundational service standards. Those ideas were then taken to numerous focus groups with front-line team members and leaders, ultimately resulting in 1000+ contributors to service behaviors that we now live out every day.

"Even though we had already had hundreds and hundreds of voices," Guler said, "we thought: Why not thousands? Why not bring in more people to ultimately impact the service standards that would later become our reality?" Keep Me Safe. Love Me. Make It Easy. Own It.

That same degree of engagement was incorporated into developing a framework for wholeness that would more clearly define and translate the concepts of wholeness, whole-person care and feeling whole, all very much interwoven in AdventHealth's culture and serving as the crux of its brand promise.

"We took some ideas we had with whole-person care and we began to sit down with physicians, nurses, academics, people at all levels and in all departments, our wellness coaches and leadership and consumer groups of all sorts," said Carla Park, vice president of wholeness and faith strategy. The end result: a framework that helps define what it means to extend the healing ministry of Christ via pathways of belonging, wellness, fulfillment and purpose.

The bowtie model of leadership has served the organization well through significant changes and, yes, challenges, as it has served to reinforce AdventHealth's mission and values. Ensuring accountability in all the right places helps position the organization to better respond to whatever risks and opportunities the future holds on the way to becoming a preeminent, faith-based, consumer-focused clinical company delivering whole-person care.

One thing is certain: The bowtie model is here to stay. "The more people who weigh in, the more beautiful something is going to be. It's like that because a community crafted it. And the Lord Himself was in the midst of the spiritual — the moving of people's hearts and minds," Park said.



And God is able to bless you abundantly, so that in all things at all times, having all that you need, you will abound in every good work.

2 Corinthians 9:8

(New International Version)



Corporate Headquarters
900 Hope Way, Altamonte Springs FL 32714 | adventhealth.com