



**KORIAN**

*In caring hands*



# **2022 UNIVERSAL REGISTRATION DOCUMENT**

Annual financial report  
and integrated report

# Table of contents

<b>Message from the Chairman of the Board of Directors</b>	
<b>Message from the Chief Executive Officer</b>	
<b>1 Korian, the leading European care services group for elderly and fragile people</b>	<b>7</b>
<b>2 Risk factors</b>	<b>59 AFR</b>
2.1 Operational risks	61
2.2 Strategic risks	66
2.3 Legal, ethics and regulatory risks	67
2.4 Economic and financial risks	69
2.5 Internal control and risk management	72
<b>3 Environmental, social and corporate governance</b>	<b>77 AFR</b>
3.1 An ESG strategy integral to the corporate project	79
3.2 Provide care excellence whilst ensuring dignity and choice for all	95
3.3 Be the employer of choice	105
3.4 Contribute to finding innovative solutions for a more inclusive society	128
3.5 Be a committed and responsible local partner	137
3.6 Reduce our environmental footprint	144
3.7 Group Vigilance Plan	164
3.8 Appendices	174
3.9 Independent third-party report on the verification of the consolidated non-financial performance statement included in the management report	186
Appendix 1: information considered to be the most important	189
<b>4 Corporate governance</b>	<b>191</b>
4.1 Administrative and management bodies of the Company	193
4.2 Compensation	236
4.3 Governance of compensation	259
<b>5 Activities and performance analysis</b>	<b>261 AFR</b>
5.1 Significant events in financial year 2022	262
5.2 Changes in business activities	263
5.3 Review of consolidated results and the financial position at 31 December 2022	264
5.4 Proposed allocation of profit and dividend payment	270
5.5 Legal and arbitration proceedings	271
5.6 Significant changes in the Group's financial position since the end of the last financial year	271
5.7 Material events since the year-end	271
5.8 Foreseeable changes – Outlook	272
<b>6 Financial statements for the year ended 31 December 2022</b>	<b>273 AFR</b>
6.1 Consolidated financial statements at 31 December 2022	274
6.2 Statutory Auditors' report on the consolidated financial statements	332
6.3 Annual financial statements at 31 December 2022	336
6.4 Statutory Auditors' report on the financial statements	353
<b>7 Information on the Company, share capital and shareholding structure</b>	<b>357 AFR</b>
7.1 Information on the Company	358
7.2 Information on the share capital	362
7.3 Shareholding structure	375
7.4 Market for Korian securities	379
7.5 Conditions for shareholder participation in General Meetings	381
<b>8 Further information</b>	<b>383</b>
8.1 Person responsible for the Universal Registration Document	384 AFR
8.2 Person responsible for auditing the financial statements	385
8.3 Highly regulated activities	385
8.4 Glossary	393
8.5 Cross-reference tables	395



In caring hands

# 2022 UNIVERSAL REGISTRATION DOCUMENT

Annual Financial Report and Integrated Report



[www.korian.com](http://www.korian.com)



The Universal Registration Document was filed on 27 April 2023 with the French Financial Markets Authority (Autorité des Marchés Financiers – AMF), in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said regulation.

The Universal Registration Document may be used for the purposes of a public offering of financial securities or for the admission of financial securities to trading on a regulated market if it is supplemented by a prospectus and, where applicable, a summary and any amendments made to the Universal Registration Document. The resulting set of documents is approved by the AMF in accordance with Regulation (EU) 2017/1129.

The Universal Registration Document may be obtained free of charge from the Company, as well as on the Company's website ([www.korian.com](http://www.korian.com)) and on the AMF's website ([www.amf-france.org](http://www.amf-france.org))

## HISTORICAL FINANCIAL INFORMATION

In accordance with Article 19 of Regulation (EC) 2017/1129, the following information is included by reference in this Universal Registration Document:

- the key figures on page 10 as well as the consolidated financial statements for the financial year ended 31 December 2021, the notes to the financial statements, the Statutory Auditors' report presented on pages 252 to 327 of the 2021 Universal Registration Document filed with the AMF on 28 April 2022 under number D.22-0380;
- the key figures on page 12 as well as the consolidated financial statements for the financial year ended 31 December 2020, the notes to the financial statements, the Statutory Auditors' report presented on pages 266 to 324 of the 2020 Universal Registration Document filed with the AMF on 20 April 2021 under number D.21-0331.

The Universal Registration Document is a reproduction of the official version of the Universal Registration Document, which was prepared in XHTML format and is available on the issuer's website.

# Message from the Chairman of the Board of Directors

## JEAN-PIERRE DUPRIEU

Dear shareholders,

The year 2022 was marked by the shocking revelations contained in the book *Les Fossoyeurs*. By pointing a finger at the dishonest practices of management at one company, the book ultimately called into question the entire model of elderly care in place at French long-term care nursing homes, affecting the entire sector.

Korian's management responded swiftly to the situation by choosing to accelerate and further strengthen the Group's ambitions in terms of quality and consideration for residents, patients and teams, just as it did during the Covid-19 pandemic.

The Board of Directors, whose strong commitment I would like to reiterate here, has also worked to overcome this crisis, with the support of its Committees. Thanks to their efforts and expertise, the Board was able to effectively fulfil its role, supervising the Group's business activities, monitoring the capital markets, and developing additional indicators to strengthen how Korian monitors performance in terms of human resources and quality of care.

I would also like to convey the Board of Directors' deep and sincere gratitude to all the Group's employees for their exceptional commitment. It is they who, through their work and dedication, support our residents, patients and their loved ones with dignity, humanity and kindness.

### INTERACTIONS BETWEEN THE BOARD OF DIRECTORS, ITS SPECIALIST COMMITTEES AND GROUP MANAGEMENT

The serious accusations contained in *Les Fossoyeurs* created a shockwave of mistrust that affected all private care providers. For Korian, this shock took the form of a very sharp drop in share price. The Board of Directors naturally finds this situation unacceptable, as it in no way reflects the Group's fundamentals, whether the commitment and ethics of its teams, its operational performance or its financial strength. The Board expects that, in light of the clarification French public authorities have provided in recent months concerning regulation of the medico-social sector in France, the market environment will gradually allow the share price to regain a level consistent with the company's fundamentals.



Throughout the year, the Board of Directors relies on the preparatory work and recommendations of its four specialist Committees. This ensures that the Board makes informed decisions that are properly prepared and debated, based on the operational realities and practical challenges associated with the Group's transformation. The Board's work is further enriched by regular and in-depth exchanges with the Chief Executive Officer, members of the General Management Committee and certain members of Korian's executive management.

Whether in ESG, quality control, knowledge of the health sector, human resources or finance, the diversity of profiles and expertise that make up the Board of Directors and the skills of the four specialist Committees make it possible to build the appropriate strategy for

Korian, taking into account all the Group's financial and extra-financial challenges. In 2022, these competences were further enhanced by the appointment to the Board of Mr. Philippe Lévéque who, through his experience in the service of the public interest, brings expertise in ESG policy and dialogue with stakeholders.

The work of the Board of Directors also benefits from informal conversations between the Directors and Korian's Management, in particular during strategic seminars. The most recent seminar, for example, focused on the strategy for transformation and repositioning of the Group's healthcare activities in France. It took place at a recently inaugurated Inicea clinic, where the facility's teams exchanged with the Board to enhance its deliberations.

“

**Adopting the status of a purpose-driven company is a major step in strengthening the bond of trust that exists between Korian and its stakeholders.**

The Board also investigates topics that are key for Korian, including its quality of service policy, governance, and tracking of strategic indicators with a particular focus on the people and staff of the Group's facilities. This work is carried out by the Ethics, Quality and CSR Committee, then shared and debated with the entire Board of Directors.

Lastly, the Board actively participates in shareholder dialogue thanks to governance roadshows, which I lead. These provide an opportunity for frank and constructive discussions with shareholders and help the Group to continuously improve.

## A EUROPEAN PURPOSE-DRIVEN COMPANY

All decisions taken by the Board of Directors are assessed in light of Korian's social and environmental objectives. As of 2019, the Group has adopted a clear ESG strategy based on 5 pillars, broken down into 15 commitments. The strategy, which runs through 2023, has made it possible to address the challenges posed by caring for elderly and fragile individuals. Implementation of this strategy and associated decisions are systematically reviewed by the Ethics, Quality & CSR Committee.

Following adoption at the General Meeting of 22 June 2022 of the resolution to transform Korian's corporate form into that of a European company, the Board of Directors has decided to propose to shareholders at the General Meeting of 2023 that the Group adopt the status of purpose-driven company. This transformation reflects Korian's desire to strengthen its social and environmental commitments to all its stakeholders.

Adopting the status of a purpose-driven company is a major step in strengthening the bond of trust that exists between Korian and its stakeholders, first and foremost among these its residents, patients, caregivers, staff and local authorities. By becoming a purpose-driven company, Korian undertakes to design, jointly with its stakeholders, methods and tools for providing considerate and caring support for elderly and fragile people, placing the Group's strength in innovation at the service of one of the major challenges European societies are facing.

## COMMITMENT OF DIRECTORS

Lastly, I would like to emphasise the full commitment of the Board of Directors, which is reflected, among other things, in the Board's active contributions to a large number of scheduled and extraordinary meetings as well as two strategic seminars, and in the extensive preparatory work of the Committees.

I would therefore like to thank all the members of the Board for their commitment, as well as the management, for their conscientiousness and dedication.

# Message from the Chief Executive Officer

## SOPHIE BOISSARD

Dear Shareholders,

Following two long years of fighting Covid-19 on every front, 2022 proved to be another trying year for our Group and its stakeholders.

Like all those operating in the elderly care sector, we had to contend with significant fallout from the severe reputational crisis suffered by one of the sector's prominent companies, following revelations in the book, *Les Fossoyeurs*, published at the beginning of the year.

During this same period, soaring energy prices and tightening credit conditions clouded the economic outlook for businesses like our own that are subject to strict price regulation and draw on especially tight labor markets.

Despite these headwinds, we have continued the substantive work begun in 2019 to enhance the quality of care and treatment across our various networks. We are making progress on all indicators from our ESG roadmap and have, in fact, already achieved most of the objectives we set for 2023.

Against this background, I would like to warmly thank all the members of the Korian community who, each and every day, tangibly demonstrate their compassion and unfailing commitment to the care and well-being of our patients, residents and their loved ones.

### A MAJOR CRISIS IN FRANCE'S ELDERLY CARE SECTOR

At the beginning of the year, the elderly care sector in France was rocked by an unprecedented reputational crisis following the publication of *Les Fossoyeurs*, a book that seriously called into question the practices of a company that was previously considered a benchmark for the sector.

While these revelations focused on one specific player, they caused a wave of mistrust towards the entire sector. Public opinion was especially moved by the serious cases of abuse described in the book and called into question the effectiveness of existing prevention and control mechanisms.

As these events unfolded in the first months of 2022, Korian resolutely maintained a proactive policy towards its stakeholders: in each of our establishments, we held numerous meetings with families, allowing everyone to express themselves and ask questions. The national hotline was strengthened, as were the internal warning systems we have had in place since 2017. As of June 2022, Korian has furthermore decided to publish detailed indicators for each of its establishments, notably the number of employees, current rates, and results from the latest surveys conducted by independent third parties at the company's initiative. The Stakeholder Council, which has advised the leadership of Korian France since 2019, has devoted several of its meetings to examining these different actions and reviewing the policies in place at the company. The Board of Directors and its committees have also been very actively involved.

I would like to recognize and pay tribute here to the trust and attentiveness shown by all the members of the Korian community, at a time when it would have been easy to become discouraged in the face of such controversy and violent accusations.



During this time, French public authorities have clarified and strengthened the regulatory framework applicable to the medico-social sector and tightened its rules with the introduction of systematic controls in each establishment every two years. Authorities have also determined that medico-social establishments will henceforth be subject, like healthcare facilities, to a compulsory quality certification procedure from 2023 onwards. I welcome these government initiatives, which were essential to restore confidence and demonstrate that the serious accusations made in the book arose from the behavior of the management team at a particular company and not the practices of an entire sector.

Unfortunately, the crisis triggered by the publication of *Les Fossoyeurs* developed further in the second half of 2022 as the perilous financial situation of the company involved came to light, leading to a financial restructuring that has yet to be completed at this time.

These episodes, combined with a more challenging economic climate, have led many investors to distance themselves from the sector, which has weighed heavily on the valuation of our Group and our stock market performance over the past year.

I am convinced that the clarification of the rules and quality requirements applicable to all players will make it possible to restore confidence and emerge from this crisis, which demonstrates, if any proof were needed, that in our professions, quality, social responsibility and ethics are critical to operational and economic performance. Ultimately, our activities remain more essential than ever to meet the enormous needs that exist in terms of prevention and support for people in fragile situations.



**The resulting plan,  
"At Your Side", will enable  
us to take a full stride forward.**

### FROM "IN CARING HANDS"...

With our corporate project, "In Caring Hands," announced in 2019, we launched a first step aimed at broadening our activities from eldercare to addressing all forms of vulnerability, whether related to age, health or isolation. This corporate project focused on three major areas:

#### ■ commitment to the quality of care and human development

For the first time, we included ESG commitments at the heart of our roadmap, aimed at supporting the quality of our care, developing our human capital and strengthening our local roots. These 15 commitments were almost all achieved by 2022, a year ahead of the schedule we had set ourselves.

#### ■ training new health professionals

One of our key commitments was undoubtedly our **qualifying training policy**, which in 2019 concerned less than 4% of the Group's employees. In 2022, some 7,000 employees, or nearly 11% of our workforce, took part in one of the close to 150 degree-granting courses we offer at our own training centres or via partner schools and universities. For me, these numbers offer tangible proof of the vitality of our Group. This effort, coupled with our workplace health and safety policy, is a major advantage in attracting and retaining employees in labor markets that remain structurally tight.

Also in this period, we were able to carry out our first European-wide employee share ownership plan. Thanks to this initiative, which was co-financed by the company to ensure all employees could participate to some extent, we now have almost 10,000 employee shareholders, who, together, own approximately 3% of the company's capital and thus have a say in the future of their company and in its major decisions.

#### ■ investments to renovate and modernise

The year 2022 also concluded a major renovation and modernisation cycle, initiated in 2017 to support our commitment to quality.

Over 820 million euros were invested in 2022, of which more than 350 million euros in France. In the past five years, a total of nearly 50% of our care homes and healthcare facilities have been renovated and expanded to better meet the expectations of residents and patients with respect to comfort and privacy, to modernise equipment and technical facilities, and to set up consultation centers and outpatient units according to the needs of each region.

Commitment, training and investment have all supported activity in each of our business segments and across our various regions. Our revenue increased by 6.2% in terms of organic growth for 2022. Despite the high-inflation environment, our operating margin before rent remained strong at 24.1%. As a result of the significant investments made in 2022, our leverage increased to 3.7x, but remains well below covenant ratios of 4.5x. Once the various real estate partnership transactions planned for 2023 have been completed, and given our significantly lower investment needs over the next three years, our Group aims to be self-financing from 2024 onwards and to gradually bring leverage under 3x.

The achievements of our "In Caring Hands" project place us in a favorable position as we enter a new stage of maturity.

### TO "AT YOUR SIDE"

We took advantage of 2022 to study its turbulence and work on a new corporate project, commensurate with the new era we are now entering. The resulting plan, "At Your Side", will enable us to take a full stride forward.

#### ■ Strengthening our expertise in chronic diseases to address the exponential increase in needs

With this new project—and building on the expansion of our fields of intervention since 2019—we are **strengthening our expertise in chronic diseases, conditions that cannot be cured but for which treatment and support are possible**.

- According to the latest data from the World Health Organization (WHO), approximately 20 million people in France suffer from chronic diseases.
- According to the latest data from the Haute Autorité de Santé (HAS) in France, an estimated 12 million people suffer from mental health problems, i.e., close to 20% of the French population. Of these people, about 3 million suffer from severe psychiatric disorders requiring specialized care.

Rising needs as regards the prevention of vulnerability and care of chronic patients are indeed the main public health challenge of the coming decade.

With this in mind, we will, of course, actively continue strengthening the fundamentals: our medical expertise and quality policies, supported by an external certification process, as well as our training policies and investments in digital innovations and health data.

## MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

To achieve this, we will capitalize on three centres for shared development, positioned at Group level so as to benefit all our activities: our new corporate university, Korian Solutions, and our medical research and health innovation department.

### ■ Innovating to meet health needs locally

Two basic trends are now structuring the regions we operate in: the risk of medical deserts and the growing demand for home care and support.

The shortage of health professionals is becoming a major concern. In France alone 10,000 additional doctors and 30,000 nurses are needed today. According to the OECD, with just 6.4 nurses per 1,000 inhabitants, France is already well below the 8.8 average of member countries.

These figures highlight difficulties and inequalities in access to care that are likely to worsen in years to come.

Our Group, which operates in more than 700 regions and communities across Europe, offering a range of complementary areas of expertise, seeks to combine its efforts with those of other healthcare players to address these challenges. We already support more than 800,000 people, both in our facilities and in their homes. Our ambition is to at least double our intake and follow-up capacities by 2026, particularly in areas where medical services are lacking.

The second secular trend underway is the move towards care and ageing well at home.

A growing consensus is taking shape around a new vision of old age that favors home care as much as possible, reserving long-term care nursing homes for situations of significant dependency that caregivers cannot address alone without risk to themselves and/or the fragile individual. Korian has contributed to this twofold evolution for several years by:

- designing home-based solutions and shared housing solutions that meet the desire to age at home while being well cared for and supported (Petit Fils, Ages & Vie);
- honing our expertise in the areas of dependency and neurodegenerative diseases in long-term care nursing homes;
- and developing intensive home care and outpatient post-acute care.

The strategic choices we have made in recent years allow us to tackle the major shifts taking place in the eldercare, health and elderly sector with confidence: yesterday's investments have grown into innovative offerings ready to meet the needs of today, and even more so, those of tomorrow.

### ■ Becoming a purpose-driven Company to secure the trust of our stakeholders

Lastly, we are determined to **strengthen our bond of trust and alignment with stakeholders, both overall and at the local level.**

This is the whole purpose of the approach to governance we have adopted since 2019, first of all at the level of our facilities, by establishing family and patient councils, and encouraging social dialogue locally, and secondly, via stakeholder councils set up in each of the Group's main countries that include representatives from the sector's main patient and professional associations.

That is why we will be proposing at the Shareholders' Annual General Meeting to be held in June that the Group adopt the **status of a purpose-driven company** as understood under Article L.210-10 of the French Commercial Code. This regime, which stipulates long-term institutional representation of stakeholders, should be set to become mandatory for all companies in the sector in France by 2025.

As part of this new regime, a new statutory body will be created to work alongside the Group's Board of Directors, in the form of a **permanent Mission Committee**, representing the stakeholder bodies set up at country level. The Committee will make it possible for the Group's management to maintain regular and structured dialogue with stakeholders and, conversely, permit the latter to monitor from within how actions the Group undertakes to guarantee the quality of care in its various networks are implemented.



We will propose to the General Assembly a new "raison d'être", or corporate purpose, for our Group, applicable to all our activities, both in the home and at our facilities, namely to: **"Take care of each person's humanity in times of vulnerability."**

Also in the context of this new regime, we will propose to the General Assembly a new "raison d'être", or corporate purpose, for our Group, applicable to all our activities, both in the home and at our facilities, namely to: **"Take care of each person's humanity in times of vulnerability."**

We will further propose to incorporate in our statutes **five commitments that are integral to achieving our mission**: consideration, fairness, innovation, locality and sustainability in our use of natural resources.

**Our new ESG roadmap for the next five years will be grounded in these five commitments.** It is also in light of these five commitments that the future Mission Committee will undertake its dialogue with the Group's management bodies.

And lastly, to affirm this new stage of maturity and major transformation for our Group, we will propose a name for our **European company**, the overarching structure and symbol of our community, united around a shared mission and distinct from the names specific to each network and family of activities that you are familiar with and which we wish to keep: Korian for medicalized nursing homes, Inicea for healthcare activities, Petits-Fils for home care, Ages & Vie or Casa Barbara for shared living communities.

This new community is Clariane.

Dear shareholders, employees and stakeholders more broadly, despite the current turbulence, I look forward to 2023 and the years beyond with great confidence, my assurance fueled by the conviction that more than ever, with your support, we are doing truly useful work.

My deepest thanks to all of you.



# 1

## Korian, the leading European care services group for fragile people



<b>1.1 PRESENTATION OF THE KORIAN GROUP</b>	<b>9</b>	<b>1.4 OUR STRATEGY</b>	<b>33</b>
History of the Group	10	Our corporate project: "At Your Side"	34
The leading European care services group for fragile people	11	Strategic orientations by segment	37
Key figures for 2022	12	Our fundamentals	38
Three complementary activities to adapt to different care services	14	Environmental, social and governance (ESG) impact	43
A committed player with a strong impact in the regions	15	Real estate strategy	47
Our values inspire us every day	16	Financial outlook	48
<b>1.2 OUR ACTIVITIES</b>	<b>17</b>	<b>1.5 GOVERNANCE, INTERNAL CONTROL AND RISK MANAGEMENT</b>	<b>49</b>
Highly regulated activities	25	Governance at the service of stakeholders	50
<b>1.3 TRENDS AND CHALLENGES IN OUR SECTOR</b>	<b>27</b>	A diversified and committed Board of Directors	51
The three major trends for the 2020-2030 decade	28	An experienced and European Group Management Board	52
Sector challenges	31	Quality control and risk management	53
		Prevention and management of the main risks	54
		<b>1.6 OUR BUSINESS MODEL</b>	<b>55</b>



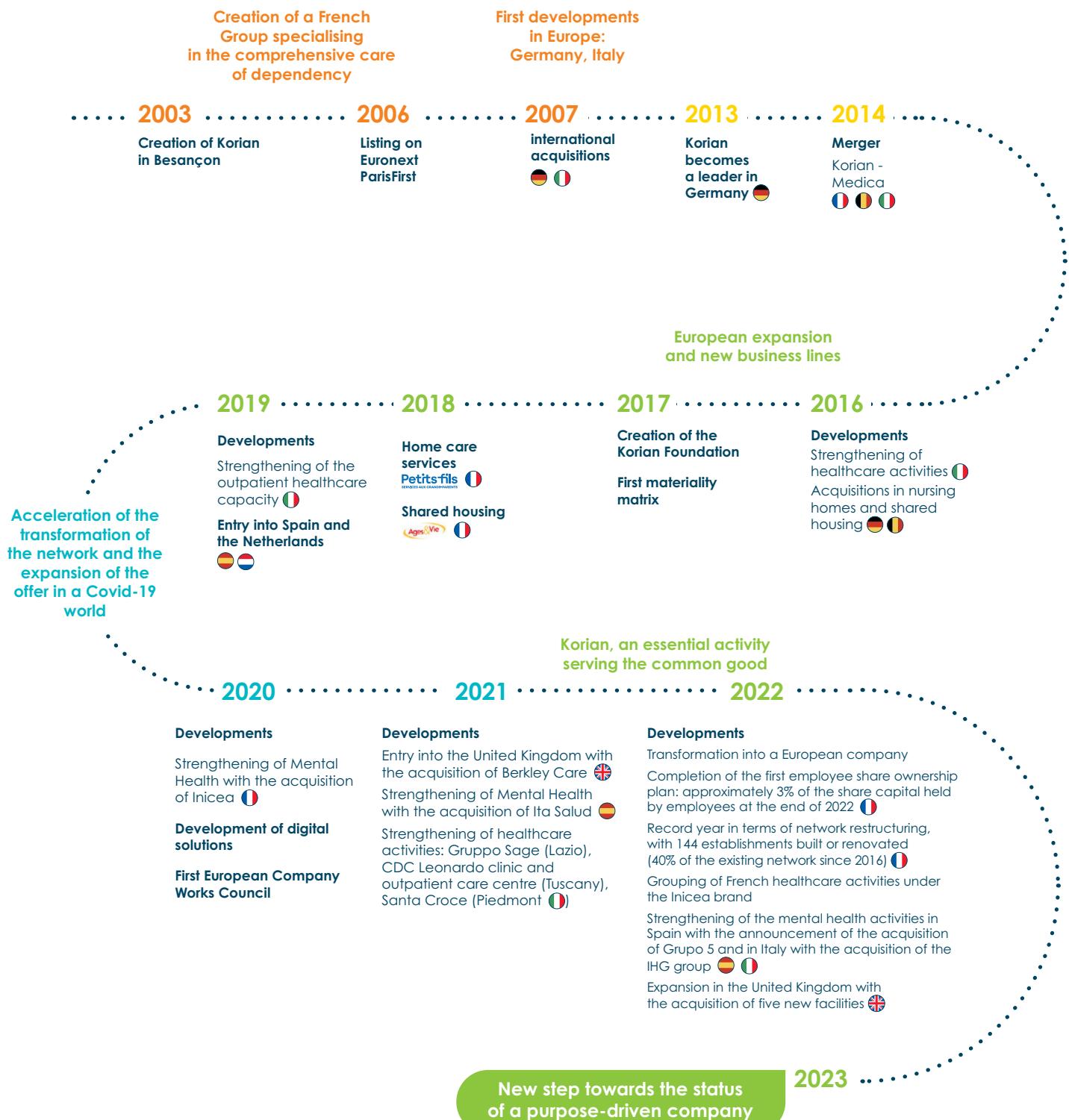


## 1.1 Presentation of the Korian Group

# History of the Group

## KEY MILESTONES

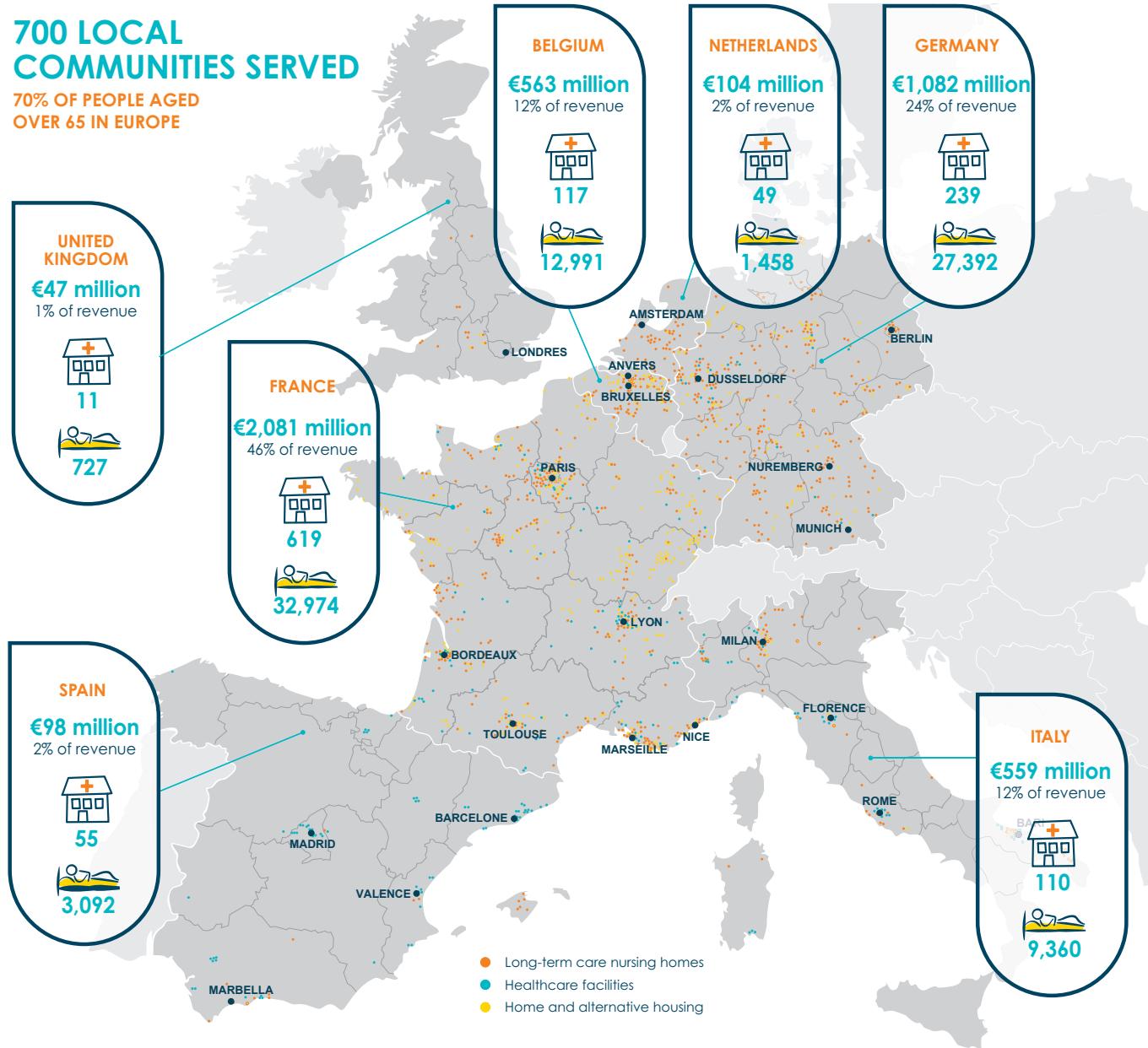
In two decades, Korian has become a major player in the care of fragile people in Europe.



# The leading European care services Group for fragile people

## 700 LOCAL COMMUNITIES SERVED

70% OF PEOPLE AGED OVER 65 IN EUROPE



**59,311**

EMPLOYEES  
82% women



**810,000**

PATIENTS / RESIDENTS



**1,200**

FACILITIES



**87,994**

BEDS



**>100,000**

OUTPATIENT SESSIONS PER MONTH

# Key figures for 2022

## ESG ROADMAP FOR 2019-2023

Most of the targets set for 2023 achieved in 2022

Fifteen commitments promoting the quality of care and support, the quality of life and working conditions of employees and active presence in the regions of our stakeholders to promote a dialogue of trust and responsible contribution

### Quality

ISO 9001  
CERTIFICATION

**68%**  
CERTIFIED SITES

vs 29% in 2021

### Loyalty

AVERAGE  
TENURE

**7.3** years

vs 7.4 years in 2021

### Medical expertise

POSITIVE  
CARE

**97%**

OF THE NETWORK  
(deployment of non-drug therapy  
equipment and associated training)

vs 80% in 2021

### Diversity

WOMEN IN  
TOP MANAGEMENT

**56%**

vs 47% in 2021

### Skills

QUALIFYING  
TRAINING

**11.8%**

EMPLOYEES ENROLLED  
IN A QUALIFYING TRAINING  
PROGRAMME

vs 9.7% in 2021

### Environment

REDUCTION  
OF CO<sub>2</sub>  
EMISSIONS

**-25%**

KGCO<sub>2</sub>/M<sup>2</sup> VS 2019 CO<sub>2</sub>  
(ENERGY FROM BUILDINGS)

## FINANCIAL RESILIENCE

**€4,534 m**

GROUP REVENUE

**+6.2%**  
ORGANIC GROWTH  
vs 5.9% in 2021**+5.6%**

REPORTED GROWTH

**vs 11.3%**  
in 2021**13.4%**

EBITDA MARGIN

**vs 13.9%**  
in 2021**€67 m**NET PROFIT/(LOSS) FROM  
CONTINUING OPERATIONS  
**vs €123 million**  
in 2021**€371 m**FREE OPERATING CASH FLOW  
**vs €230 million**  
in 2021**€1,234 m**CASH AND CASH EQUIVALENTS  
**of which €500 million**  
of undrawn RCF**3.7 x**

FINANCIAL LEVERAGE

**vs 3.1 x**  
in 2021**€3.5 billion**

REAL ESTATE PORTFOLIO

**vs €3.2 billion**  
in 2021**€0.25/share**

with share-based payment option

DIVIDEND

**vs €0.35/share with**  
share-based payment option  
in 2021

Figures as at 31 December 2022 excluding IFRS 16. The 2021 figures are adjusted to reflect the impact of discontinued operations, recognised in accordance with IFRS 5, and the change in accounting for configuration or customisation costs as part of a SaaS-type contract (IAS 38).

## Three complementary activities to provide different care services

PATIENTS / RESIDENTS 2022



### LONG-TERM CARE NURSING HOMES

**695** FACILITIES

**62,298** BEDS



**95,000**  
+3%  
vs 2021

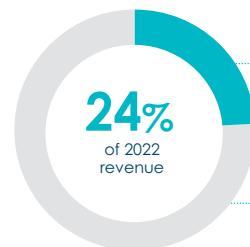


### HEALTHCARE FACILITIES AND SERVICES

**172** FACILITIES (mental health, medical and rehabilitation care)

**10,573** BEDS

**> 100,000** OUTPATIENT CAPACITY (monthly consultations)



**605,000**  
+20%  
vs 2021



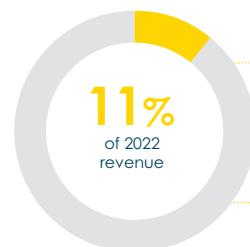
### HOME AND ALTERNATIVE HOUSING

**#1** HOME HELP SERVICES PROVIDER IN FRANCE

**337** HOME CARE

**333** SHARED HOUSING UNITS

**15,123** BEDS



**110,000**  
x 2  
vs 2021

# A committed player with a strong impact in its regions

Given its mission, Korian exchanges regularly with all stakeholders in the regions where it operates.

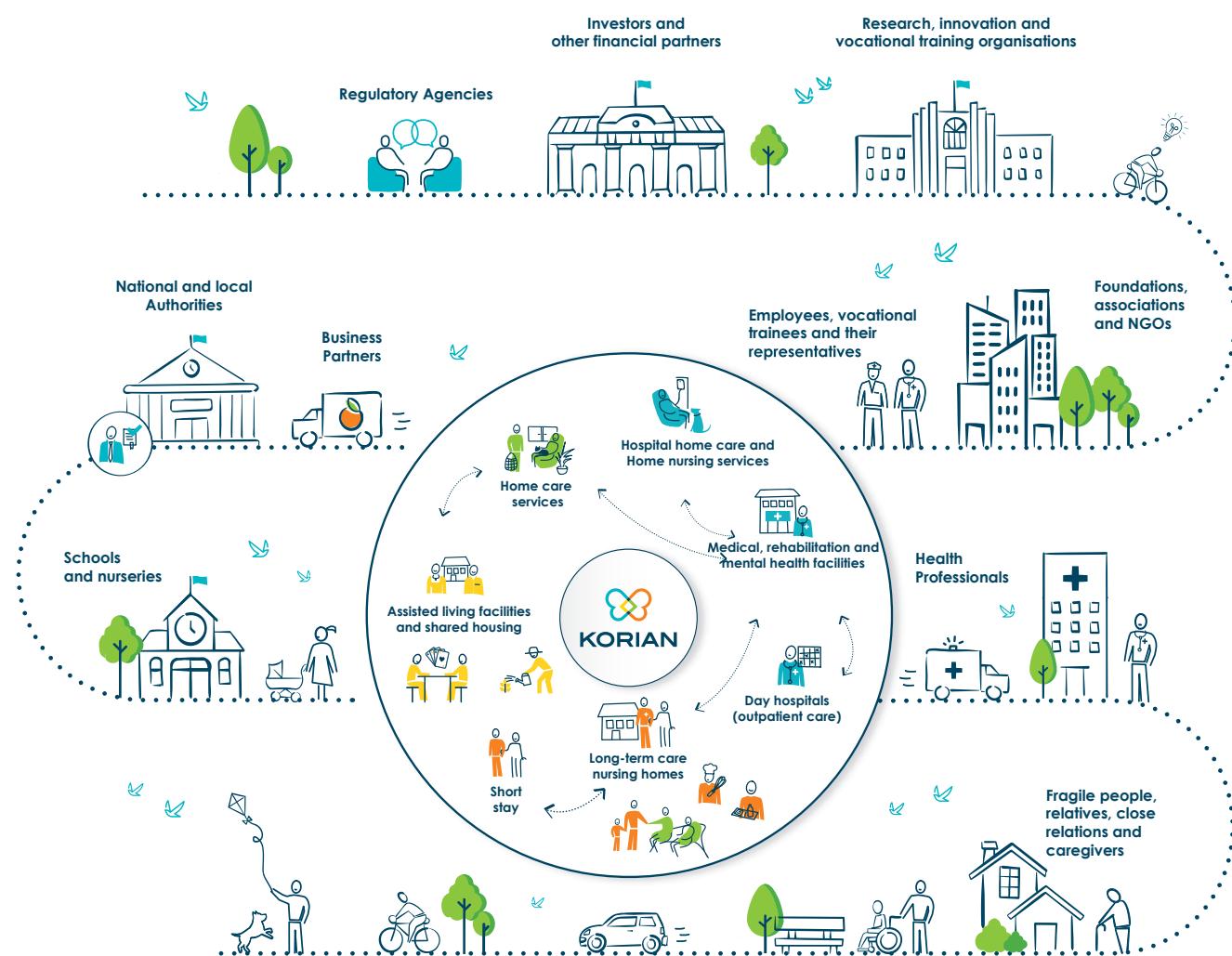
This dialogue makes it possible to better meet their expectations and enhance practices. This momentum promotes the creation of shared value.

These exchanges help to build a development model that is beneficial for the social and economic dynamics of the regions.

The Group has identified eight different categories of stakeholders, all of which are likely to have an impact on its ESG strategy and activities.

According to a study carried out in 2022 by the firm Astérès, the direct, indirect and induced footprint of Korian on the French territory represents the equivalent of **€4.7 billion** in wages and generates **45,400 full-time jobs**.

Thus **€1** of activity generates **€1.1** of additional activity in the rest of the economy, and **ten** jobs at Korian generate **four** additional jobs at suppliers and partners.



## For more information

Chapter 3, §3.1.1 of this Universal Registration Document.

# Our values inspire us every day

Korian's three values, identified jointly with our community of professionals, constitute the foundation of our business lines and know-how; they are at the heart of our commitment and guide all our day-to-day actions. **TRUST**, **INITIATIVE** and **RESPONSIBILITY** are inseparable: a lasting relationship with our stakeholders is based on a bond of trust, is renewed thanks to the spirit of initiative and is maintained by responsible decisions.

Our values are a line of conduct allowing us to create strong bonds with fragile people and their loved ones; they call for exemplary behaviour. These values unleash the power of each to take action and, together, forge a Korian culture common to all professions and activities across the seven countries where the Group operates.

**TRUST** is earned through transparency, benevolence and consideration



**INITIATIVE** grows through innovation, commitment and courage

**RESPONSIBILITY** is demonstrated through integrity, the quality of our services and the sustainability of our decisions

These values are expressed on a daily basis, across all our business lines, through our attitudes. They are our common good, an essential condition for the quality of our work and the commitments we make to all stakeholders. These attitudes are illustrated in very concrete terms in our Ethics Charter, developed with representatives of the various business lines, activities and countries, and the Group functions to take into account the diversity of the operational situations encountered.

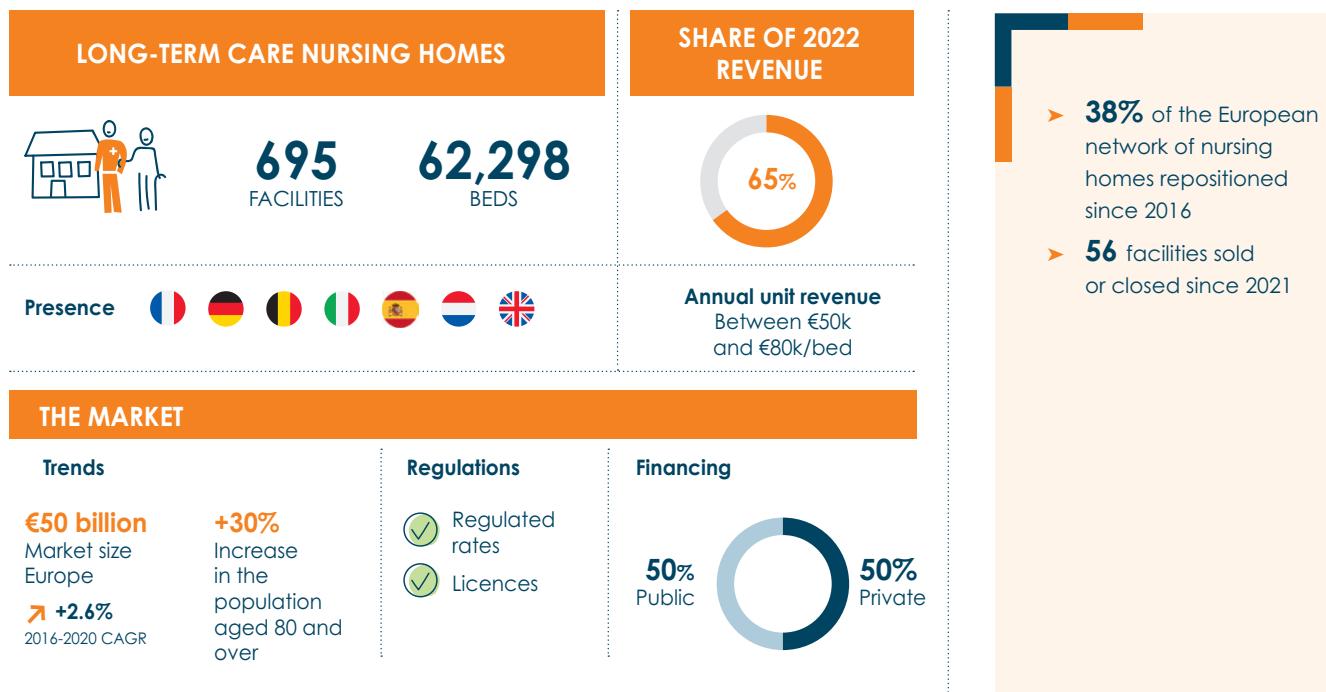
Lastly, these values are reflected in the five commitments that the Group wishes to include in its Articles of Association as part of its project to become a purpose-driven company:

- **TRUST:** Consideration and Fairness;
- **INITIATIVE:** Innovation;
- **RESPONSIBILITY:** Proximity and Sustainability.



## 1.2 Our activities

## LONG-TERM CARE NURSING HOMES



More details in Chapter 8 of this Universal Registration Document.





## A long-term geriatric stay offer

Our long-term care nursing homes are intended for the care of elderly people experiencing loss of autonomy, either on a permanent basis or as part of short stays or day care. These homes and residences work in close collaboration with the local health and social ecosystem. In particular, they provide care for people suffering from cognitive disorders such as Alzheimer's and related diseases. In order to meet changing needs, which are increasingly focused on high dependency, Korian has adapted its network in recent years. The Group has repositioned 38% of its European network of facilities since 2016, mainly through the renovation of existing facilities (adaptation of living spaces to high dependency and improvement of comfort), but also through the development of new facilities.

Korian's offer covers several types of services adapted to growing needs in terms of dependency:

- **protected living units**, integrated into our facilities and designed as spaces for freedom and self-expression. Often supplemented by a therapeutic garden, the architecture, inspired by that of traditional homes, facilitates access to the exterior; everyday objects, such as glasses or plates, are also chosen for comfortable handling by residents. Breakfasts and

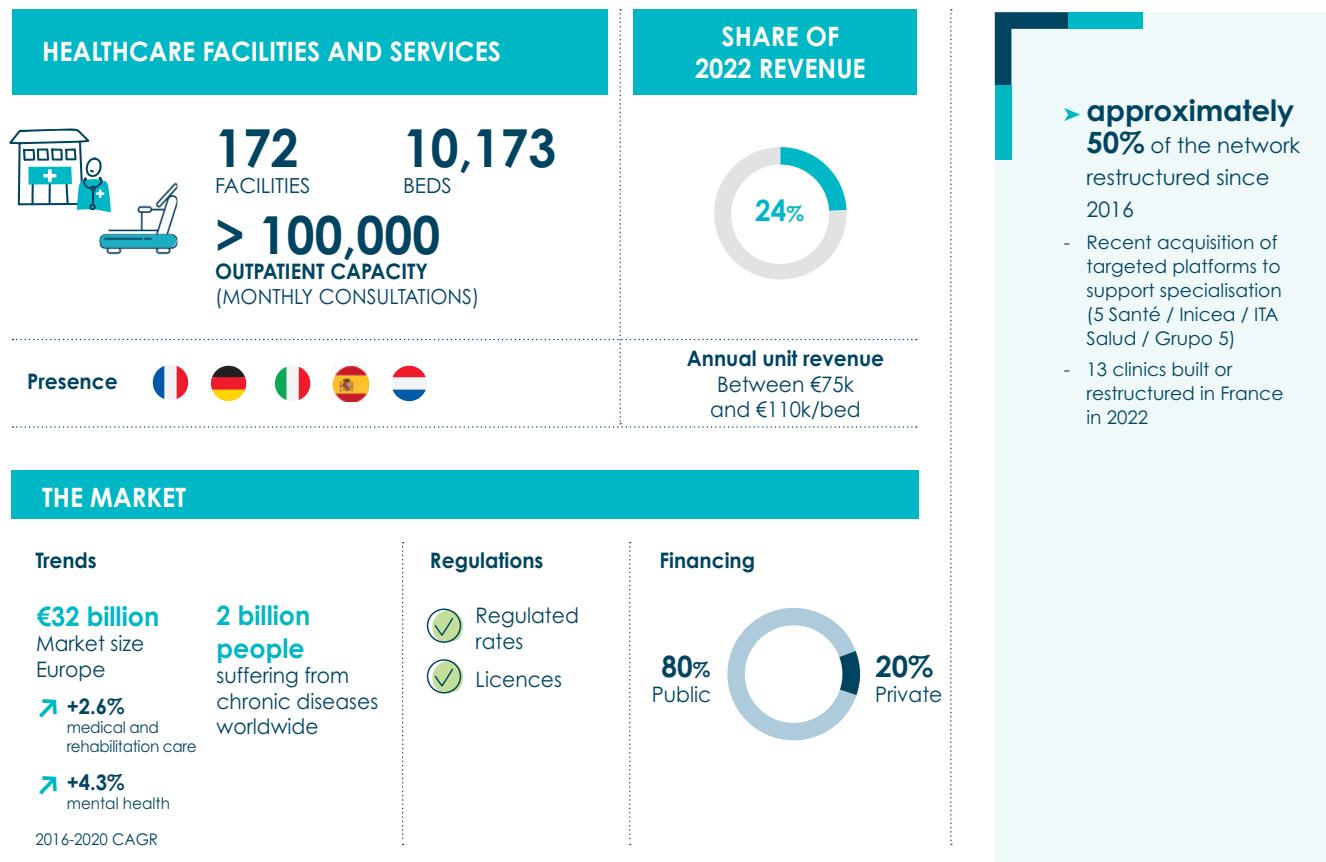
snacks can be served as buffets to promote the feeling of "doing it yourself." Spatio-temporal identification elements (panels, labels with pictograms, personalised doors, etc.) facilitate orientation, improving the well-being of residents. Half of Korian's facilities are equipped with this type of specialised unit (in France, 186 out of 269), covering:

- **day care**, allowing elderly people to stay at home while benefiting from therapeutic support in a day care facility;
- **specific therapeutic units**, offering our residents in facilities suitable daytime care (particularly for cognitive disorders);
- **short stays**, which can be one-off or recurring, and which provide periods of respite for caregivers.

Korian capitalises on technological innovations throughout its network. For example, the non-intrusive fall prevention solution developed by Kaspar is widely deployed in our long-term care nursing homes. Therapeutic solutions using the latest technologies are also in use, such as the Autonomous Multisensory System (AMS), a system offering a personalised multi-sensory experience to our residents with cognitive disorders.

## HEALTHCARE FACILITIES AND SERVICES

Medical and rehabilitation care, mental health, consultations and diagnostics, hospital home care (HHC) and home nursing care



More details in Chapter 8 of this Universal Registration Document.

## A specialised and modernised network, well integrated in the healthcare regions

With a network of 172 facilities in Europe (233 after the integration of Grupo 5 in Spain in early 2023), Korian is a key player in medical and rehabilitation care as well as in mental healthcare in Europe.

Korian's offering is developed in the following areas:

- highly specialised offering adapted to local needs (geriatrics, oncology, cardiology, etc.);

- close collaboration with public hospitals, ensuring the smooth flow of care;
- development of outpatient services enabling patients to be cared for at home when possible;
- latest-generation equipment, ensuring the best quality of service, with therapeutic innovations such as virtual reality headsets and physiological simulators.



## Medical and rehabilitation care facilities

Our medical, post-acute and rehabilitation care clinics provide care for patients discharged from hospital or visiting from home, on a prescription basis.

Our facilities, mainly located in France and Italy, offer specialised care with appropriate technical equipment. In all of them, medical and paramedical teams provide all necessary care and can offer full hospitalisation to

enable people to regain their autonomy, or continue their care in outpatient care.

Like all hospitals, our clinics are subject to quality and safety rules governed by supervisory authorities. They are regularly assessed by the French National Authority for Health (Haute Autorité de Santé), which measures the quality and safety of the care provided.

**OUR SPECIALISATIONS:** cardiology, neurology, respiratory diseases, geriatrics, treatment of severe burns, musculoskeletal system.



## Mental health clinics

**"Psychiatry with a human face and the patient as an active agent in his or her own care" is the founding principle of our mental health clinics.** In full hospitalisation or day care, during the patient's care he or she can benefit from a personalised follow-up adapted to his or her pathology, thanks to therapeutic workshops and individual interviews with a medical psychologist, a psychologist and the nursing team.

Our clinics are gradually integrating new technologies at the core of their structure and protocols. Some clinics or day hospitals are equipped with electroconvulsive therapy (ECT), seismotherapy units and/or transcranial magnetic stimulation (rTMS).

They are also in constant contact with the healthcare community (healthcare professionals, mental health clinics, hospitals, French Regional Health Agencies (Agence régionale de santé – ARS) to integrate and develop new structures in response to regional health needs.

**OUR SPECIALISATIONS:** depression, mood disorders, addiction, eating disorders.

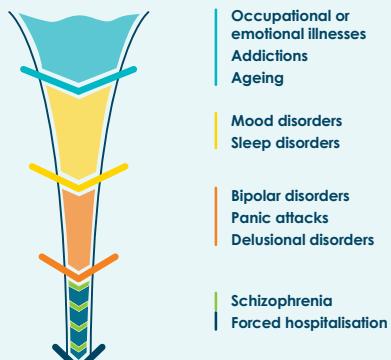
## MENTAL HEALTH: GROWING NEED FOR CARE

Mental health conditions, whether addictions, mood disorders, eating disorders or more severe mental health conditions, are one of the main causes of chronic disease in Europe today. Fifteen percent of the population of European countries suffers from at least one form of these diseases and the prevalence of these pathologies is expected to increase given, the epidemic crisis we are experiencing today.

The installed capacity is insufficient to provide these services. Additional outpatient capacity is necessary to support patients within the context of a personalised therapeutic project and to encourage them to return home during the day so as not to impact their social and professional lives. Similarly, it is important to set up multidisciplinary teams to better manage pathologies related to eating disorders or mood disorders.

### Significant unmet needs in Europe...

15% of the population affected by mental health problems



ONLY 1%  
of the population treated  
with full hospitalisation

### ... which are moving towards private and outpatient care

1

Growing demand for outpatient care

2

Development of innovative treatment methods  
(digital, RTMS, virtual reality)

3

Significant contribution of the private sector



### Day hospitals (outpatient care)

#### Day hospitals: a solution adapted to day care

In day hospitals, each patient benefits from comprehensive and tailored care provided by a team of specialised doctors (geriatricians, cardiologists, pulmonologists, psychiatrists, etc.) and paramedical professionals (physiotherapists, occupational therapists, etc.).

With their modern equipment and high-performance technical facilities, day hospitals offer the same quality and safety of care as full hospitalisation, and they allow patients to return home in the evening.



### Hospitalisation and home care

Hospital home care (HHC) offers continuous and coordinated, intensive, technical or complex medical and paramedical care that self-employed healthcare professionals cannot provide. It "brings" the equipment and care of the hospital to the patient's home, with all the comfort and peace of mind that this can offer.

HHC involves and coordinates a multidisciplinary medical team, including a coordinating doctor, nurses, rehabilitation specialists, a social worker, a psychologist and a dietitian.

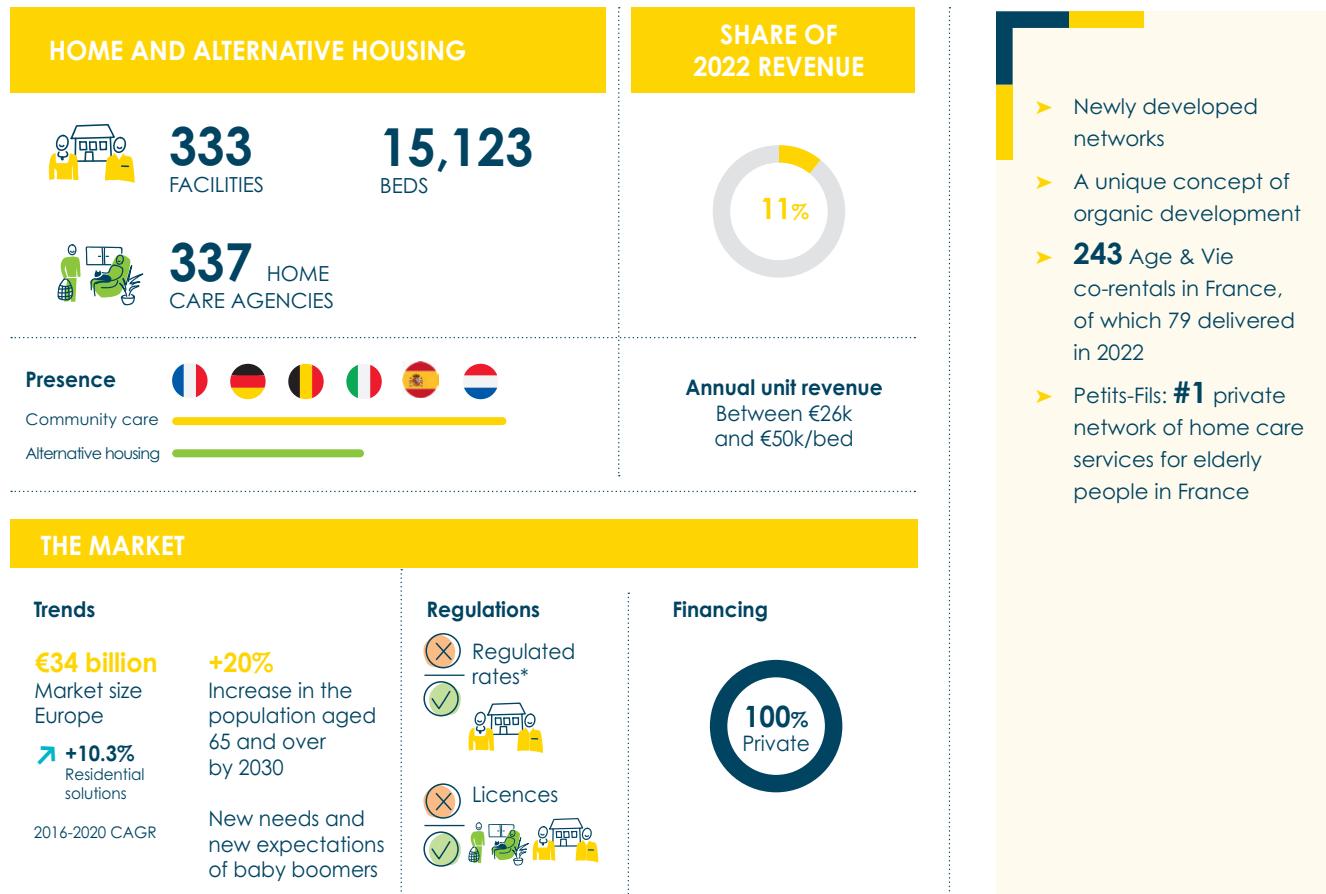
Home nursing care offers a virtuous compromise between complete hospitalisation and placement in a specialised institute. The care provided, most often by nurses or caregivers, can be provided year-round for chronic diseases and progressive or unstable acute pathologies, or occasionally for specific care (injuries, burns, post-surgery, etc.).

OUTPATIENT CARE CAPACITY

**> 100,000 sessions / month**

## HOME AND ALTERNATIVE HOUSING

(Assisted living facilities, shared housing, home care services)



\* More details in Chapter 8 of this Universal Registration Document.



### Deployment of innovative concepts to meet the growing demand for home care solutions

In recent years, Korian has developed a large network of home care solutions for elderly people, a demand that is growing sharply, particularly following the health crisis of 2020. The rapid development of these solutions reflects the Group's desire to respond in a new and differentiated way to the aspirations of elderly people in terms of care and support, regardless of the place of care and the situation of each individual.

This offering consists of shared housing solutions for elderly people, through assisted living facilities and shared housing (small co-rentals for elderly), notably under the Ages & Vie brand in France.

### Strong organic expansion of the network

## Korian has created innovative concepts on a human scale that offer social ties

### SHARED HOUSING



Since 2018, Ages & Vie has offered elderly people the opportunity to live in a community with the help and support of caregivers, while maintaining maximum autonomy. Shared housing enables elderly people to maintain ties with their loved ones and preserve their home environment. In particular, they facilitate the fight against loneliness and often offer shared apartments that are fully embedded in the community. They provide a real living space where social and family ties can be maintained on a daily basis. Each single-storey residence consists of eight studios and a shared living space. These shared and inclusive housing solutions on a human scale meet a need that was hitherto poorly covered, in terms of local support for independent but isolated elderly people. Starting with 44 houses in the Bourgogne - Franche-Comté region in 2018, Ages & Vie was operating 243 shared apartments in 10 French regions at the end of 2022, with a high occupancy rate (95% excluding newly opened houses), reflecting a very high demand for this type of solution.

#### Extension and adaptation outside France

Korian now plans to extend this concept to the German market, by developing an accessible offer adapted to the country's social system. Indeed, Germany is facing even greater demographic pressure than France, and lacks sufficient infrastructure to meet the growing need for solutions allowing people to live at home while benefiting from daily assistance.

### HOME CARE SERVICES



Petits-Fils is the leading private home care services network in France for elderly people with loss of autonomy and now has 253 agencies, i.e. a more than four-fold increase of its network since the acquisition of Petits-Fils in 2018. Supported by growing demand, the development of the agency network already greatly exceeds the objectives set in 2019 of 200 branches open in 2023.

The leading French private network specialising in dependency, Petits-Fils is building a local network across regional France to meet the growing need for home care for elderly people. Its success is the result of a model based on:

- **recognised quality of service** - 97% customer satisfaction - with qualified and experienced caregivers, supporting a limited number of elderly people (two to three);
- **strong attractiveness as an employer**, offering a choice of assignments, compensation above the industry average and permanent contracts (95%);
- **rapid development** based on motivated franchisees committed to their regions.

With nearly 10,000 jobs created since 2017 (mainly caregivers), Petits-Fils is one of the companies that recruit the most in France (36th position according to 2022 ranking published by Le Figaro).

### LONG-TERM FINANCING PARTNERSHIPS

The development of the Ages & Vie concept across France is 70% equity financed by Crédit Agricole, via a dedicated structure held by Crédit Agricole Assurances and the Crédit Agricole Group's regional banks, and Banque des Territoires.

Korian is also supported in these development programmes by credit financing partners, including the European Investment Bank, which, after co-financing the development of Ages & Vie for €135 million in 2020 and 2021, supports the adaptation and deployment of the concept in Germany with bank financing of €150 million, announced in February 2023.

### INNOVATIVE RESIDENTIAL CONCEPT



Casa Barbara is an innovative concept, a new living space designed for active and independent elderly people, created in association with Serge and Jérémie Trigano. These residences operate as a guest house, with a caretaker couple and their children living on site, and offer:

- cultural and sports activities;
- well-being areas, from saunas to cinema rooms and hairdressers;
- dishes signed by the Chef of Chefs, Pierre Gagnaire, crowned the World's Greatest Chef in 2015.

The interior decoration, by Sandra Benhamou, is designed as a large, warm country house with cheery colours, soft shades, natural fibres and woodwork.

# Highly regulated activities

The Group's activities are common good activities and fall within a strict regulatory framework. This framework covers operating licenses, third-party quality controls and certifications, and price regulation.

The processes for obtaining operating licenses, as well as the price regulations, vary between countries and sometimes even within regions of the same country. With regard to financing,

the regulatory framework generally distinguishes between healthcare and medical expenses on the one hand, financed by public authorities, and accommodation and food services on the other, payable by the resident or patient, and/or covered by insurance and various local subsidies.

The following infographic sets out the regulatory framework applicable to Korian's activities.



## For more information

Section 8.3 Highly regulated activities of this Universal Registration Document.





### 1.3 Trends and challenges in our sector

# The three major trends for the 2020-2030 decade

The care needs of fragile people in our European societies are growing and evolving under the effect of three major underlying trends:

- increased prevalence of chronic diseases;
- ageing of the population, paired with changes in the needs of elderly people;
- digital transformation, in particular through the use of data.

While the ageing of the population is a secular trend, the prevalence of chronic diseases, the use of digital technologies and the manner of approaching the healthcare experience have been strongly impacted by the Covid-19 pandemic. The acceleration of these trends and the recent crisis in the sector in France have confirmed our conviction that rethinking and **adapting the support provided to fragile people** are major challenges for European countries.

## 1. THE MAJOR CHALLENGE OF CHRONIC DISEASES

The increase in the prevalence of chronic diseases is a major trend for our societies. The prevention and control of chronic diseases are seen as an imperative of the 21<sup>st</sup> century by the World Health Organization (WHO). Chronic diseases are increasing substantially due to changes in the environment and lifestyles (particularly nutrition and sedentary habits).

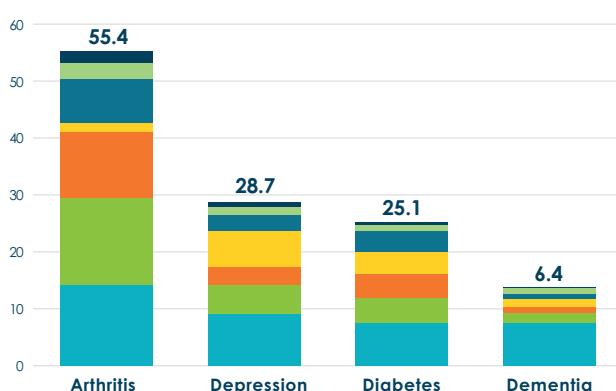
It is essential to be able to provide long-term support to the growing number of chronically ill patients, by providing them with care adapted to their pathologies and with the best possible quality of life.

On a global scale, the prevalence of the main chronic diseases is expected to increase by more than 15% by 2030, in particular due to the ageing of the population.

In Europe, the number of patients with chronic diseases is very high, particularly among elderly people:

- 80% of people aged 65 or over in Europe suffer from at least one chronic disease;
- 40% of people aged 65 or over in Europe suffer from at least two chronic diseases;
- chronic diseases are the cause of 75% of deaths among the population aged 65 or over.

### ► NUMBER OF CASES REPORTED IN THE GROUP'S SEVEN COUNTRIES (in millions)



■ Germany ■ France ■ Italy ■ United Kingdom ■ Spain  
■ Netherlands ■ Belgium

Sources: Eurostat, OCDE, The Lancet.

### Increase of approximately 15%\*

in the number of cases of the most frequent chronic diseases in the global population between 2020 and 2030

\* Estimates for the evolution of diabetes, chronic depression, arthritis and dementia. Sources: Eurostat, OECD, The Lancet Public Health.

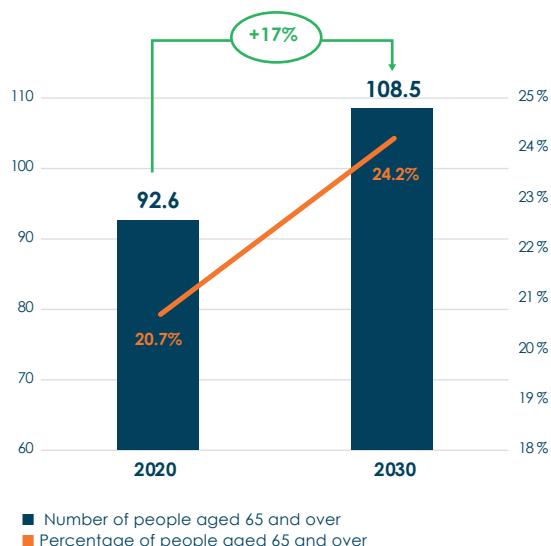
## 2. POPULATION AGEING: 2020-2030, A KEY DECADE

The dual demographic challenge of ageing will be visible in the next 10 to 20 years in Europe with the baby boomers (people aged 65 or over) becoming elderly and with the sharp increase in the number of people aged 85 or over. According to the OECD, the demographic ageing scenario will result in an increase in the percentage of people aged 65 or over, from an average of 20.7% of the European population in 2020 to 24.2% by 2030. Furthermore, by 2050, the population aged 80 or over will double, from 5% of the total population to 10%.

In France, the 2020-2030 decade will be that of the explosion of the number of people aged 75-84. From 4.1 million in 2020, the 75-84 age group will increase to 6.1 million in 2030, i.e. increase

by 49% in just a decade. The generation of baby boomers, born in or after 1945, that reached the age of 75 in 2020, will reach 85 years as of 2030. As a result, during the 2020-2030 decade, the number of people aged 85 or over will increase by 'only' 7.5%, but it will explode by 58% between 2030 and 2040 and, to a lesser extent, by 19.2% between 2040 and 2050. Thus, in France, according to the DRESS, it will be necessary to accommodate an additional 108,000 elderly people in facilities by 2030, if the proportion of people residing in facilities were to remain unchanged at each age and each degree of loss of autonomy.

### ► CHANGE IN THE POPULATION AGED 65 OR OVER IN EUROPE (in millions and as a % of total population)



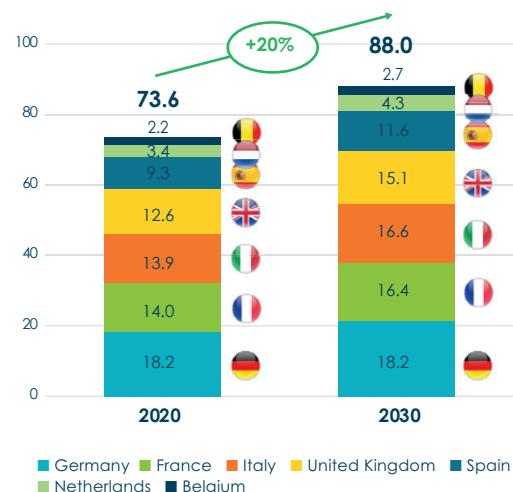
Source: OCDE

### Changes in behaviour and situations

Long-term care nursing homes meet the needs of increasingly elderly and dependent people. In France, people staying in nursing homes are on average 86 years old, and a significant proportion of them arrive directly from a hospital (this is the case for 20% of the care provided in Korian's facilities).

Recent studies in certain European countries show that elderly people express a clear preference for home care (90% in France, 86% in Germany, 82% in Spain), when this is possible.

### ► CHANGE IN THE POPULATION AGED 65 OR OVER IN COUNTRIES WHERE KORIAN OPERATES (in millions)



However, they are increasingly isolated, which is fuelling demand for home care services, or for shared housing solutions (co-rentals for elderly people), making it possible to maintain strong social ties.

The desire to remain at home is also part of the aspirations of patients in healthcare activities, supporting the demand for post-acute care or outpatient mental healthcare, or for nursing or hospital home care.

### 3. MEDICAL CARE TRANSFORMED BY DATA

The management and treatment of chronic pathologies are experiencing and will experience considerable advances, driven by the progress of medical technologies and digital and artificial intelligence. These tools will significantly improve the quality of life of the people concerned, as well as their autonomy.

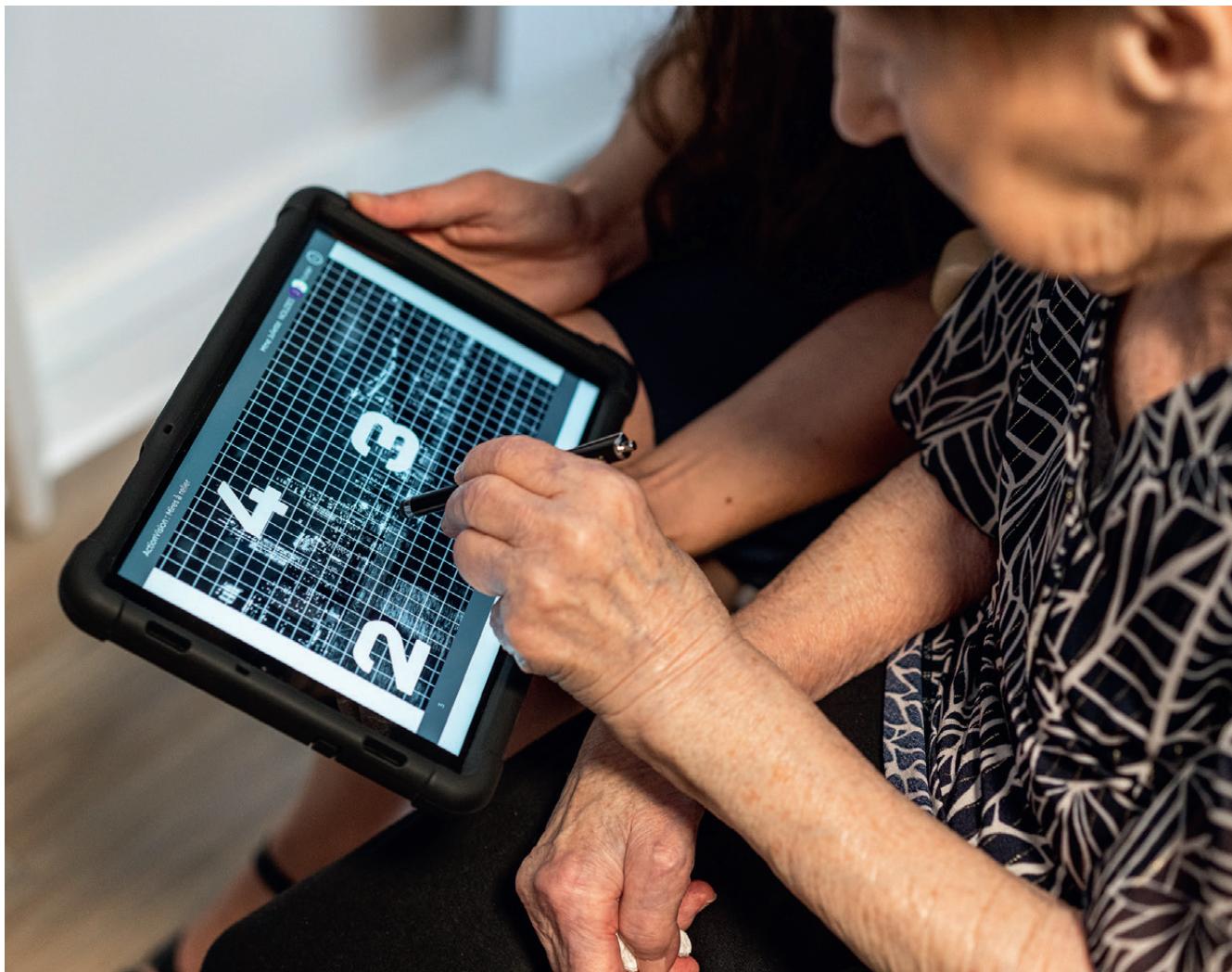
In particular, the digital revolution and recent developments in the field of e-health have favoured the emergence of a new model around 5P medicine (preventive, personalised, participatory, predictive and proof-based) whose limits are constantly being pushed back thanks to data generated by the patient, who becomes a key player in his or her care pathway. Access to health data and their interpretation opens up a field of possibilities that goes beyond curative medicine, with impacts on several levels:

- prevention and diagnosis;
- design of treatment;
- long-term monitoring and coordination of care.

The digitalisation of our businesses is a fundamental trend in the sector, with numerous impacts: simpler monitoring of medical records, surge in the use of telemedicine, applications allowing for better communication with our residents and patients.

The progress of medical technologies is also a major trend for the effectiveness of care. In the field of rehabilitation care, technological advances have made it possible to considerably improve the effectiveness of treatments (as illustrated by the increasing use of exoskeletons in gait rehabilitation).

In long-term care nursing homes, technological developments are improving care, particularly for patients with cognitive disorders such as Alzheimer's. They also make it possible to improve the effectiveness of prevention, in particular of falls.



# Sector challenges

These fundamental trends have been amplified since 2020 with the health crisis, and create very significant needs for additional equipment and human resources, which constitute major challenges for society and for our sector in particular. In the coming years, the sector will have to respond to several major challenges:

- the very substantial needs for recruitment of healthcare professionals and their training;
- the identification of additional resources;

- the shift towards outpatient care and ageing-at-home; and
- the requirements for increased transparency and the need to integrate patients into care systems.

The Group intends to address these essential challenges through its strategic choices.

## THE CHALLENGE OF HUMAN RESOURCES AND TRAINING

Healthcare and dependency management activities require significant human resources, and demographic and epidemiological changes will continue to increase this need for staff, and in particular for qualified caregivers.

In 2020, the OECD estimated that the number of doctors and nurses in Europe was insufficient to meet current healthcare needs. According to the OECD and various other European statistical sources, the shortage of caregivers is estimated at hundreds of thousands per year by 2030. This shortage of

healthcare workers in Europe has been exacerbated by the Covid-19 pandemic.

One of the challenges facing companies in the sector is to rely as little as possible on external recruitment, and to prioritise internal recruitment (apprenticeships, validation of skills acquired through experience, internal mobility, internal training centres, etc.) to meet, as closely as possible, the needs of their patients and residents.

### ► HIRING PERIOD – GERMANY – NURSING HOMES

Average number of days between the publication of a job offer and the hiring of a candidate



█ Number of days for a caregiver position in long-term care  
█ Average number of days in Germany for any type of position

Sources: Bundesagentur für Arbeit, Deutscher Pflegerat.

(1) Preliminary data for 2022 (July 2021 to June 2022).

### ► JOB OFFERS – FRANCE

Number of caregiver job offers, with recruitment difficulties and without recruitment difficulties (in number of offers, % of total) (in thousands of jobs)



█ Caregiver position open for less than 6 months.  
█ Caregiver position open for more than 6 months.

Source: Pôle emploi.

## FINANCING OF HEALTHCARE EXPENDITURES

According to the latest OECD statistics, healthcare spending in Europe is expected to significantly exceed the growth in Gross Domestic Product (GDP) in the coming years, from 8.8% of GDP in 2018 to 10.2% in 2023.

This increase in expenses is due in particular to the increase in the prevalence of chronic diseases, the ageing of the population and the progress of medical technologies. This is a

major challenge for European countries, which must anticipate these changes. The main areas of action they are considering include investing in prevention, finding new sources of financing and/or developing public-private partnerships. In this context, the essential role of the private sector in the development of tomorrow's solutions, particularly in the field of outpatient and home care, is strengthened.

## THE CHALLENGE OF THE SHIFT TOWARDS OUTPATIENT CARE

Alongside growing needs for the care of highly dependent people in facilities, the polarisation of needs among the elderly in Europe leads to a strong demand for shared housing solutions (assisted living facilities, co-rentals for elderly people) and home care services, adapted to people with a sufficient level of autonomy.

Faced with the growing demand for co-rentals suited to elderly people, most European countries are still significantly under-equipped with adapted and affordable infrastructure.

With regard to medical care, the ageing of the population and the increasing prevalence of chronic pathologies are pushing European countries to rethink a healthcare offering focused on patients and their place of life. This includes the development of hospital home care, but also the development of outpatient services (day hospitals) in healthcare facilities.

In Europe, the home healthcare market is expected to grow by more than 8% per year between 2022 and 2028 (Research and Markets).

In France:

- between 2006 and 2020, reliance on hospital home care more than tripled, from 1.9 million to 6.2 million days;
- 80% of the care delivered in mental health clinics is provided on an outpatient basis;
- in the five years preceding the health crisis, the number of day hospital stays increased by 2.4% per year, while full hospital stays increased just 1% over the same period.



## MAKE THE PATIENT A PARTNER

The involvement of patients, as active participants, in their care pathway, is one of the key challenges of the coming years. This trend is the result of:

- the increasing prevalence of chronic diseases, which highlights the importance of the patient's active role and therapeutic education;
- the growing desire of patients to benefit from personalised care, preferably on an outpatient basis or at home, when possible.

This involvement calls for the implementation of transparent and coordinated care systems, making it possible to design long-term care projects jointly with the patient (which may for example include full hospitalisation, day hospitalisation and home care).

It also requires an increase in therapeutic education, which is necessary for prevention and for maintaining patients' quality of life on a daily basis. The focus is on informing and empowering the patient, who will thus be in a better position to change his or her behaviours (eating, sports, etc.).

This co-construction of the care pathway cannot be achieved without implementing fully transparent care systems, consistent with increasing demands in this regard by patients and residents, particularly following the Covid-19 crisis, and in France following the turbulence in the medico-social sector in 2022.



## 1.4 Our strategy

# Our corporate project: “At Your Side”

As explained in Section 3 of this chapter “Trends and challenges in our sector,” our sector addresses challenges that are critical in our societies. They are primarily the result of the growing prevalence of chronic diseases, but also of the increase in the number of elderly people and the change in their aspirations, as well as the digital transformation. The need to respond to these challenges underlines the essential role of the private sector in the development of suitable and sustainable solutions, in collaboration with public authorities.

Our strategic priorities are built on the need to meet these challenges, through our medical expertise and our quality policies, supported by an external certification approach, our training policies, and investment in digital innovation and healthcare data. Our ESG roadmap is fully integrated into this strategy, and the project to adopt the status of a purpose-driven company, if accepted by the 2023 General Meeting, will further strengthen this integration.

## MAJOR TRENDS

- 1 INCREASED PREVALENCE OF CHRONIC DISEASES
- 2 AGEING OF THE POPULATION
- 3 DIGITAL TRANSFORMATION

## SECTOR CHALLENGES

- 1 HUMAN RESOURCES AND TRAINING
- 2 FINANCING OF HEALTHCARE EXPENDITURE
- 3 SHIFT TOWARDS OUTPATIENT CARE
- 4 INVOLVEMENT OF PATIENTS IN CARE AND TRANSPARENCY

As the needs of patients and residents evolve, Korian is also changing its corporate project to better adapt to different situations of vulnerability and respond to public health issues.

### ► AN INTEGRATED APPROACH TO MAXIMISE OUR IMPACT

## OUR CORPORATE PROJECT *At your side*

- 3 BUILDING A BEDROCK OF TRUST
- 2 STRENGTHENING CORE CAPABILITIES
- 1 TACKLING THE OUTPATIENT SHIFT

“Take **CARE** of each person’s **HUMANITY** in times of **VULNERABILITY**”

**VALUES**  
TRUST – INITIATIVE - RESPONSIBILITY

### COMMITMENTS

CONSIDERATION – FAIRNESS – INNOVATION – LOCALITY - SUSTAINABILITY

### FUNDAMENTALS

#### EXPERTISE



LONG-TERM CARE

#### TRAINING



HEALTHCARE

#### DIGITAL



COMMUNITY CARE

With "At Your Side", we are confirming our strategic shift from care for elderly people to the management of all forms of vulnerability and focussing on the conditions for implementation

1

## 1. SUPPORTING THE SHIFT TOWARDS OUTPATIENT CARE

In order to respond to an accelerated change in needs in terms of home care solutions, Korian continues to develop its offer in its various activities, through:

- **home care solutions and shared housing solutions** that meet the desire to age at home while being well supported and cared for (Petits-Fils, Ages & Vie);

- **dependency appraisals** and **neurodegenerative diseases** in medicalised nursing homes and temporary care solutions (short stay, day care);

- **hospital home care and post-acute outpatient care.**

## 2. STRENGTHENING THE FUNDAMENTALS

The successful development of Korian's three activities is due to our know-how in terms of quality of care and medical expertise, our human resources management (and primarily training), and digital innovations. The strengthening of these fundamentals is a major priority for the Group to continue differentiating itself by pushing its standards even further:

- **quality of care and medical expertise:** continue to guarantee consistent excellence in care throughout the Group, in particular through the deployment of the ISO 9001 standard and the optimisation of alert systems, and coordinate and strengthen the Group's medical expertise, a key differentiating factor, coordinated by a dedicated department created in 2022;

- **training:** strengthen our training systems as a source of attractiveness, development and retention of our employees and future employees;

- **digital innovation:** implementation and deployment of new digital services for healthcare.

To this end, we will leverage the three shared skills centres we have positioned at Group level so that they benefit all our activities: our new corporate university, Korian Solutions and the Health Research and Innovation Department.

## 3. BUILDING A PACT OF TRUST

The specificities of our activities, particularly in terms of people, require that we maintain a climate of unfailing trust with all our stakeholders.

Strengthening the trust and alignment we share with our stakeholders, overall and as much as possible locally, is a key ambition of the Group.

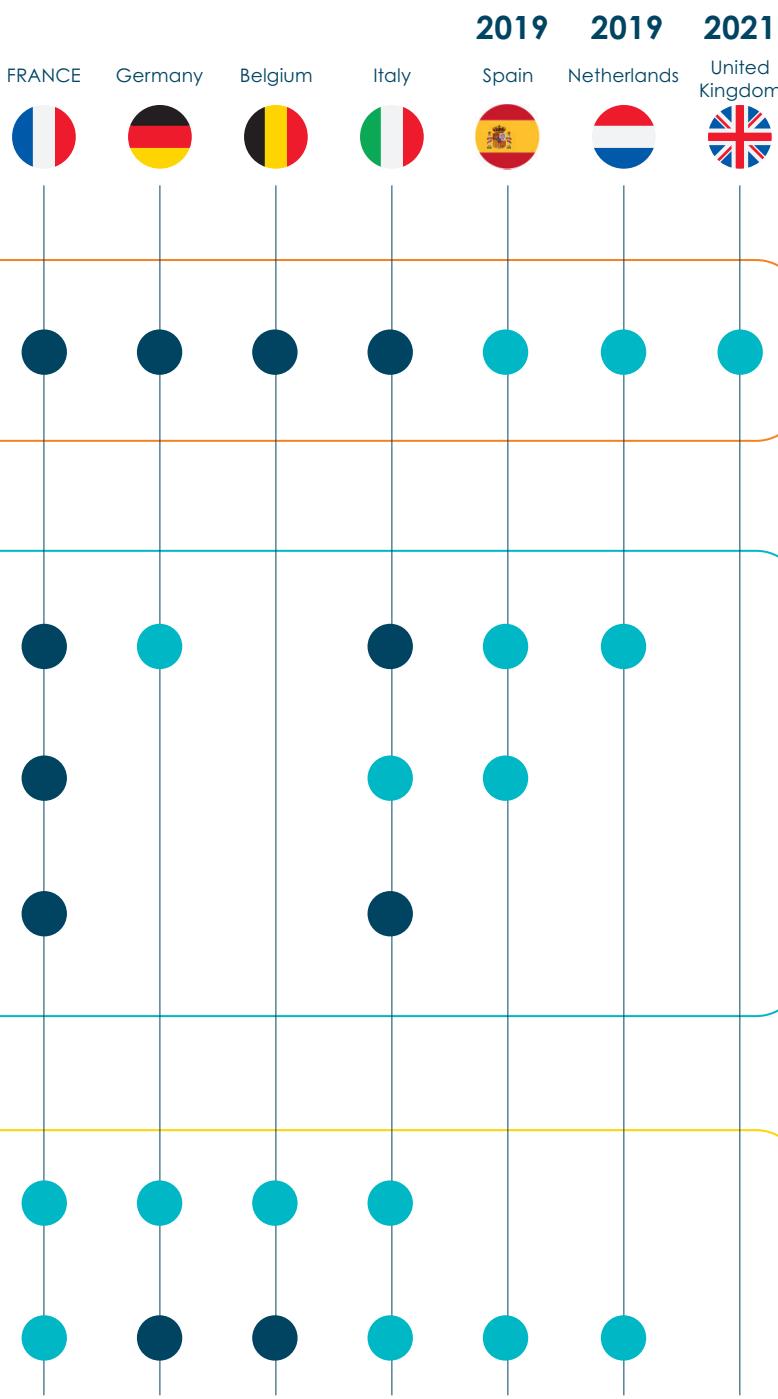
After an extensive consultation process involving more than 1,500 people across Europe, Korian is preparing to propose to its Shareholders' General Meeting that the Company adopt

the status of a purpose-driven company. If adopted, this status will allow us to better integrate our social and environmental objectives into our economic and governance model, while setting up an independent mission committee that will verify that our purpose is respected and will play an active role in supporting our development.

## A PAN-EUROPEAN NETWORK ORGANISED AROUND THREE MAIN AREAS OF EXPERTISE

Demographic and epidemiological factors accentuate the need for specialised and local care to address situations of fragility. To meet these needs, Korian relies on its unique network of 1,200 facilities in seven European countries, offering personalised and diversified forms of care.

Since 2016, the Group has significantly developed its areas of activity on a European scale. This international presence is a strength for deploying new solutions, identifying best practices and offering opportunities for internal mobility.



● New since 2016   ● Existing before 2016.

\* Assisted living facilities and shared housing.

# Strategic orientations by segment

## LONG-TERM CARE NURSING HOMES

Our long-term care nursing homes take care of elderly people who need permanent or occasional stays (short stays), as well as through daycare services (from half a day per week, during the day).

Korian focuses its strategy on continuously adapting its offering to the changing needs of elderly people. The profiles of the residents at long-term care nursing homes are changing, as people enter at an increasingly advanced age, and an ever-increasing average level of dependency.

In this context, the Group has carried out a massive transformation of its network in recent years, through repositioning measures across 38% of its network (renovations or disposals). Today, Korian has a network that is able to meet

the needs of highly dependent people, with living spaces and medical teams adapted to individuals with significant cognitive disorders.

The Group also continues to adapt its network to the needs of the baby boom generation, whose members are looking for facilities that are more open to the outside world, notably with the continuous deployment of:

- short-stay services (typically in the summer or after major surgical operations), which are often respite stays for caregivers;
- a day care offer for elderly people wishing to benefit from care or activities while continuing to live at home.

## HEALTHCARE FACILITIES AND SERVICES

Our healthcare activities include our medical and rehabilitation facilities, our mental health facilities (full inpatient or outpatient care), our hospitalisation and home nursing care expertise, and our consultation and diagnostic activities.

Korian has significantly strengthened its presence in this area in recent years, through dynamic organic growth and through acquisitions that have enabled it to enhance its position in key medical specialties, such as 5 Santé in respiratory rehabilitation in 2020, or Inicea (France), Ita Salud (Spain) and Grupo 5 (Spain) in mental health in 2020, 2021 and 2023.

Now with a European platform, Korian is continuing its strategy of adapting its network to serve increasing numbers of patients, and meet their needs as closely as possible.

This includes:

- strengthening medical specialties, in response to the local needs of populations, in particular as regards geriatrics, neuro-rehabilitation, pulmonology and cardiology;
- modernising the network, in order to continue to offer the best possible quality of care, leveraging technical platforms equipped with the latest medical technologies;
- development of outpatient healthcare services (day hospitals) in healthcare facilities, as well as home care services, in order to meet the growing demand for this type of service.

Since 2016, Korian has built or restructured 50% of its network of medical facilities.

## HOME AND ALTERNATIVE HOUSING

Our community care and alternative housing activities include our shared housing units (assisted living facilities and shared homes) and home care services.

To meet the very strong demand for home care services and shared living solutions for elderly people, Korian has developed unique concepts that are very successful and have experienced strong organic growth.

These include Petits-Fils in France, which is based on a concept guaranteeing high-quality home care services (via the use

of qualified caregivers who are dedicated to two or three residents), Ages & Vie, a concept of small shared housing in rural areas and small towns, and assisted living facilities open to the outside world in Germany or Belgium.

Korian's objective is to continue to deploy these proven concepts, in order to meet the growing needs in the best possible manner, by adapting them as necessary (as illustrated by the project to adapt and roll out the Ages & Vie concept in Germany).

# Our fundamentals

## SEEKING EXCELLENCE IN QUALITY OF CARE AND MEDICAL EXPERTISE

### Quality of care is our first priority

Korian is constantly working to improve the well-being of its patients and residents. It is in this context that we have developed our "Positive Care" approach, aimed at improving the autonomy of our residents and optimising their quality of life through tailored non-drug therapies. This scientific approach is an integral part of our quality and welfare policy and requires an irreproachable quality management system.

For this reason, we have accelerated our comprehensive ISO 9001 certification programme, launched in 2020. At the end of 2022, nearly 68% of the long-term care nursing home network in Europe was fully ISO-certified. In addition to this certification, our facilities are regularly audited internally by more than 200 people dedicated to quality control, and by external organisations (Bureau Veritas, Mérieux, AFNOR and other ISO certifiers in Europe).

This policy of constant improvement and standardisation of the quality of service in all facilities is reflected in a positive trend in the level of satisfaction expressed by the Group's residents and patients:

	2019	2020*	2021	2022
<b>POSITIVE CARE**</b>				
Objective: 100% of the facilities certified by 2023	<b>72%</b>	<b>66%</b>	<b>80%</b>	<b>97%</b>
<b>ISO certification***</b>				
Objective: 100% of the facilities certified by 2023	<b>8%</b> 64	<b>11%</b> 89	<b>29%</b> 240	<b>68%</b> 529



**36** (+2 pts)  
Net Promoter Score

**8/10** (+0.3 pt)  
Satisfaction score

**8.1/10** (stable)  
Consideration score –  
Nursing homes

\* Year impacted by Covid-19.

\*\* This indicator is based on the long-term care nursing homes monitored annually as part of the ESG criteria of the Sustainability Linked Euro PP investment and which have been open for at least two years, i.e. 697 long-term care nursing homes (excluding Spain and the United Kingdom) in 2022.

\*\*\* Scope of 836 facilities restated for 55 institutions sold or closed in 2021 and 2022, i.e. 781 facilities.

### Recognised medical expertise

Korian is a leading player in Europe and invests in a number of areas of medical expertise, which constitutes one of its differentiating features.

Korian focuses on three areas of medical expertise: geriatrics, rehabilitation and mental health, areas in which the Group works with many partners in the medical and research world, to advance and deploy solutions. The coordination and strengthening of this expertise is coordinated by a dedicated department, the Medical Strategy and Health Innovation Department, which covers all of Korian's activities across Europe. Its approach is based on the needs of residents and patients, healthcare professionals and researchers.

The Medical Strategy and Health Innovation Department brings together an internal and external ecosystem relying on three modes of action:

- identifying innovative organisational, technological or research projects that can be deployed more widely;

- supporting project leaders from piloting a solution to Group deployment;
- setting up and monitoring institutional medical-scientific partnerships.

The cross-functional and interdisciplinary approach adopted by this central department at Group level ensures that best practices and major innovations are applied in all countries and all activities.

The Group's ambition is to develop collaborative research with academic partners around priority themes in mental health, rehabilitation and geriatrics:

- brain stimulation;
- fall prevention;
- stroke management;
- elderly patient psychiatry.

## The system for managing alerts and reports is accessible to all stakeholders, reflecting the Group's commitment to transparency

Korian works to ensure that all employees are trained on the importance of good treatment and of the procedures for handling alerts and reports. All staff members should:

- be able to detect and report any risk of inadequate care;
- know how to behave appropriately in the event of a report (accept the complaint, claim or comment, thank the person making the report, and reassure that the problem will be resolved).

When a serious adverse event occurs in a facility, it is subject to:

- the implementation of immediate actions;
- an internal declaration in the system in place in each country;
- a declaration to the competent authorities according to the local regulations;
- an analysis of the root causes which may be accompanied by the implementation of additional actions (preventive or curative).

The person lodging the report receives an acknowledgement of receipt within 48 hours. He or she is then kept informed of the progress of the report and is informed of the conclusion of the investigations within a maximum period of three months (except in cases of particular complexity).

At the national level, the collection of all such events reported by our stakeholders, employees, residents or patients, is regularly reviewed by incident committees. The purpose of these committees is to monitor sensitive issues, define and validate appropriate action plans and coordinate actions between the Group's departments.

A progress report is regularly shared between the countries and the Group on the most sensitive situations and events. This exchange also aims to analyse major trends and take into account broader phenomena.

In order to prevent the occurrence of these undesired events, awareness-raising and prevention campaigns are being rolled out, at the initiative of the Group, around several major themes such as the proper use of drugs, patient safety, hygiene, prevention of the risk of infection, and good treatment. These campaigns are rolled out and supplemented by each country to adapt them to local environments.

In 2022, the frequency of serious adverse events (SAEs) relating to the health, safety and security of residents and patients was 0.47 per 10,000 days. Using the same methodology, the frequency was 0.43 in 2021.

1

### REPORTING OF ALERTS AND INCIDENTS



### EVALUATION

Risk severity assessment: resolution of doubt within a maximum of 7 days



### INVESTIGATION

- Corroborate or refute the facts reported in the alert
- Analyse the causes
- Establish responsibilities, if any



### DECISIONS

Report with analysis of causes, action plan: closing within a maximum of 3 months



### MONITORING

Monthly report to the Group Chief Medical, Ethics and Quality of Service Officer, the HR Director and the CSR DirectorReport to the Group's Risk, Ethics and Compliance Committee

## HUMAN RESOURCES: RECRUITING, DEVELOPING AND BEING A RESPONSIBLE AND COMMITTED CONTRIBUTOR TO SOCIETY

### Continuous investment in teams and talent development

Korian's human resources policy, based on the Group's values – trust, initiative and responsibility – is at the heart of the corporate project, in a service sector dedicated to fragile people for whom the quality of care and support provided is essential.

Developing the attractiveness and recognition of our professions is a priority to be able to guarantee the excellence and continuity of care for residents and patients, in a context of scarcity and volatility of resources.

Korian's HR policy is organised around three strategic priorities:

- **rallying** Korian's employees around an ambitious social foundation;

- **developing** skills and talents to ensure quality of care;
- **being a committed and responsible contributor to society.**

In 2023, the Group received "Top Employer" awards for its four main countries: Germany, France, Belgium and Italy, which together account for 94% of the Group's workforce. This award was attributed following audits carried out by the Top Employer Institute, an independent international body that certifies excellence in HR practices in terms of working conditions.



	2019	2020	2021	2022
<b>Qualifying training programmes</b> (% and number of employees)	<b>4.1%</b> 2,174	<b>8.1%</b> 4,348	<b>9.7%</b> 5,302	<b>11.8%</b> 6,808
<b>Workplace accident frequency rate</b>	<b>52</b>	<b>57</b>	<b>48</b>	<b>41</b>
<b>Women in Top Management</b>	<b>46%</b>	<b>47%</b>	<b>47%</b>	<b>56%</b>
<b>Average tenure of staff in years</b>	<b>6.7</b>	<b>6.9</b>	<b>7.4</b>	<b>7.3</b>

## Training

Faced with the shortage of staff, a major challenge in our sector, the development of training is a pillar of our human resources policy. Led by our training organisation, the Korian Academy, and its network of academies across Europe, qualifying training programmes are springboard for those who wish to develop professionally.

They are also one of the keys to meeting the challenges of recruitment through internal mobility, and a differentiating factor enhancing our attractiveness as an employer. In 2019, Korian innovated by creating its own training programmes leading to qualifications by developing apprenticeships in France and Germany, and by promoting career conversion courses with public and private partners (the "Passerelles" project).

In 2022, more than one in ten Korian employees was enrolled in a qualifying professional development programme.

## Employee shareholding

In 2022, Korian sought to strengthen the commitment of all Group employees and involve them more closely in the corporate project, by proposing an employee shareholding plan with preferential conditions and protection of their investment.

This initiative once again demonstrated the strong commitment of all Group employees, with the participation of 9,250 employees, i.e. 15% of eligible employees. In France, the operation was very popular, with a subscription rate of nearly 24%, i.e. more than 5,600 of the eligible employees in France.

## INCREASED LOYALTY AND ATTRACTIVENESS

Permanent contract hires in 2022

**+19%** vs 2021 c. 10,750



2022 employee satisfaction survey

Commitment rate

**78 (+1 pt)**

Response rate of 58% (+17 pts)



## Social dialogue

The social dialogue is a core component of the Korian Human Resources approach. The diversity of the teams, the Group's multi-local operations, and the nature and conditions of our business activities lead us to maintain a high-quality continuous social dialogue, which is reflected by our status as a "Top Employer" and by the number of social agreements signed with trade unions in Europe.

**STRONG SOCIAL DIALOGUE**

**15 SOCIAL AGREEMENTS SIGNED WITH TRADE UNIONS IN EUROPE IN 2021-2022**

**1<sup>ST</sup> ACTOR IN THE SECTOR TO SET UP A EUROPEAN COMPANY WORKS COUNCIL**

At 31 December 2022, employee shareholding represented 2.8% of Korian's share capital.

**PROMOTING PARTICIPATION**

**9,250 EMPLOYEES (15%)**

**2.8% OF SHARE CAPITAL HELD BY EMPLOYEES**

**Korus**  
Korian's Employee Share Ownership Plan 2022

## DIGITAL STRATEGY

The Digital Transformation Department aims to provide innovative technological responses to the Group's main social, societal and environmental challenges and to remain at the forefront of excellence.

Through the implementation of new digital services, its main objectives are to:

- **strengthen and personalise the care** and services provided to residents, patients and their relatives;
- enable **employees** to carry out their assignments under the best possible conditions;

- improve everyone's **comfort and safety**;
- **reduce the Group's environmental footprint**.

The department works closely with the professional communities to identify needs and select or design and deploy solutions in line with these objectives. In particular, the Group may seize opportunities by acquiring a stake in technology start-ups that offer solutions that meet the Group's needs, are of operational interest and offer a competitive advantage.



### Use of data

Access to health data and their interpretation opens up a field of possibilities that goes beyond curative medicine. Within the Korian Group, several innovation and research projects embody this vision:

- the Kaspar falls prevention system is gradually being rolled out in facilities in France. At the same time, a research project aimed at scientifically validating fall detection solutions, developing fall prediction tools and a resulting personalised management plan is underway;
- care pathways and care programmes for the follow-up of patients with chronic pathologies, such as Baria-Up for long-term support following obesity surgery or Brainstim, which is a care pathway using brain stimulation for patients with resistant depression, allow the introduction of more personalised and participatory medicine for our patients.

Access to this growing volume of health data and the paradigm shift induced by 5P medicine has enabled Korian to switch from being a data producing group to being a data consuming group in the service of better management of our patients and residents.



### Communication between residents, families and facilities

The Group is gradually rolling out E-lio, a product of Technosens, a start-up in which Korian has held a majority stake since 2020. E-lio is a connected box designed specifically to promote the preservation of social ties between residents and their loved ones (videotelephony, messages, photos, etc.) and the sharing of information between the facility, residents and families, through the Korian Families app.



### Quality of life at work

In France, the Koala application, a mobile digital companion for employees in facilities, was developed in 2022. Its objective is to simplify daily and administrative tasks and reduce the associated workload by facilitating the sharing of information in real time, the digitisation of procedures and the centralisation and interconnection of existing tools. The app will be tested in pilot facilities in 2023. In Belgium, another application, the Korian Konnect corporate social network, was rolled out in 2021, facilitating communication within a single facility, between facilities, and between facilities and the head office.



### The comfort and environmental performance of the real estate portfolio

Connected indoor air quality sensors have been deployed throughout the portfolio in Europe. They record CO<sub>2</sub>, temperature and humidity levels and alert staff if the established thresholds are exceeded.

Remote control of heating levels is also the subject of a Europe-wide project, in order to optimise comfort and associated energy consumption.



### E-health or digital healthcare

In partnership with Omedys, a start-up in which Korian acquired a majority stake in 2019, the Group is helping to develop access to telemedicine in France. Adoption of the solution is growing rapidly: on average, 700 remote consultations are carried out every month in the network; more than 12,000 have been carried out in total since implementation of the solution.



### Quality and personalisation of care and services

Fall prevention is a major topic. In France, the deployment of a non-intrusive device (Kaspar) for the detection, analysis and prevention of falls began in 2022. Other fall prevention solutions have been rolled out in the Group's countries, particularly in Germany and Italy.



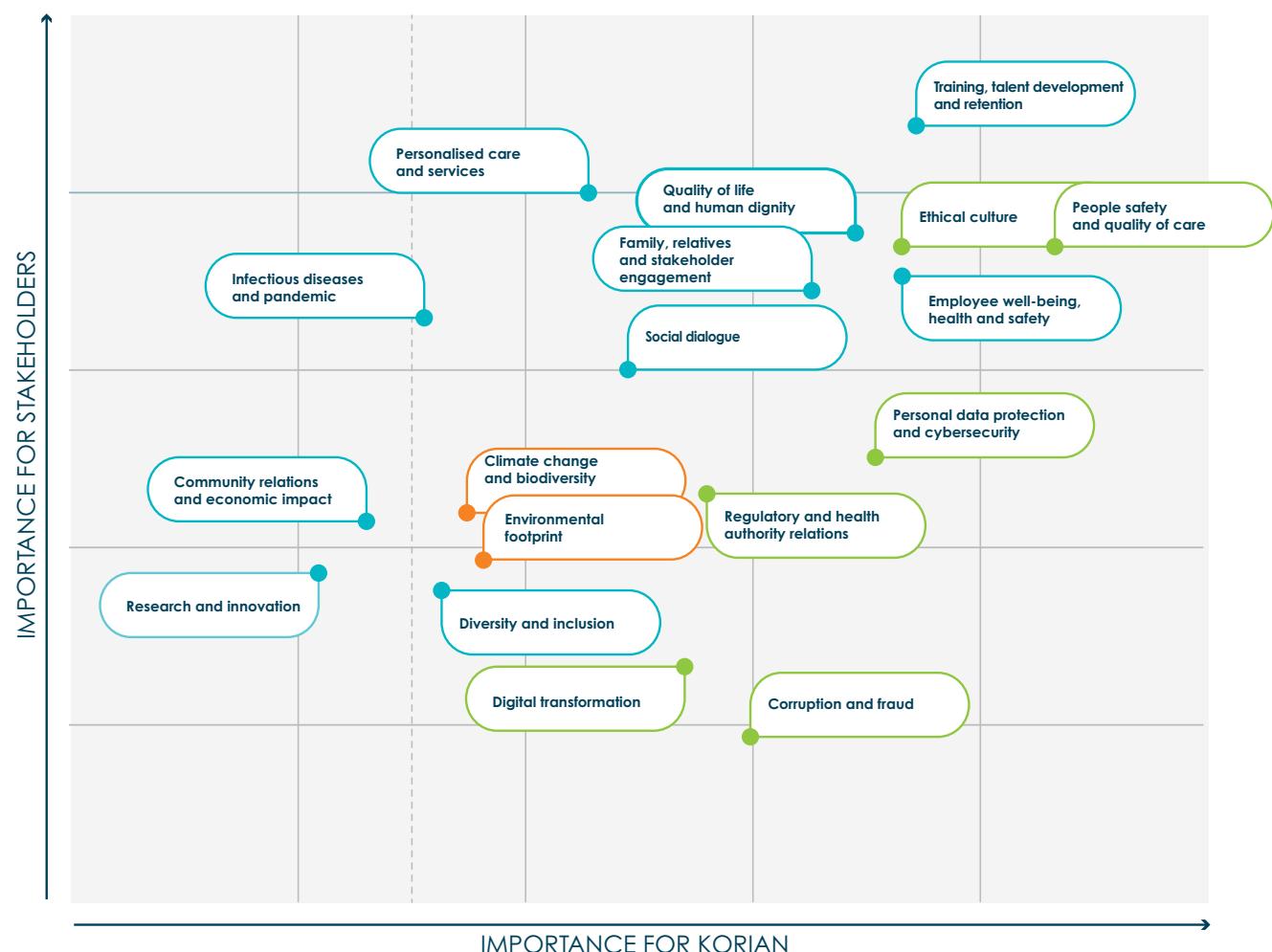
# Environmental, social and governance (ESG) impact

## OUR MATERIALITY MATRIX

### A proactive approach attentive to stakeholders

In 2017, Korian produced a first materiality matrix to identify its main social, societal, environmental and governance issues and build its ESG strategy. Korian's ESG strategy was designed taking into consideration its stakeholders' expectations in order to identify priority social, societal, environmental and governance

challenges. In 2021, Korian updated its materiality matrix to identify and prioritise the expectations of its stakeholders, as well as the most relevant issues with regard to the Covid-19 pandemic.



### 18 MATERIAL ESG

#### CHALLENGES

#### CLASSIFIED IN

#### 3 CATEGORIES

● Environment

● Social/Societal

● Governance

## MAIN STEPS OF OUR ESG COMMITMENT



## OUR 15 ESG COMMITMENTS

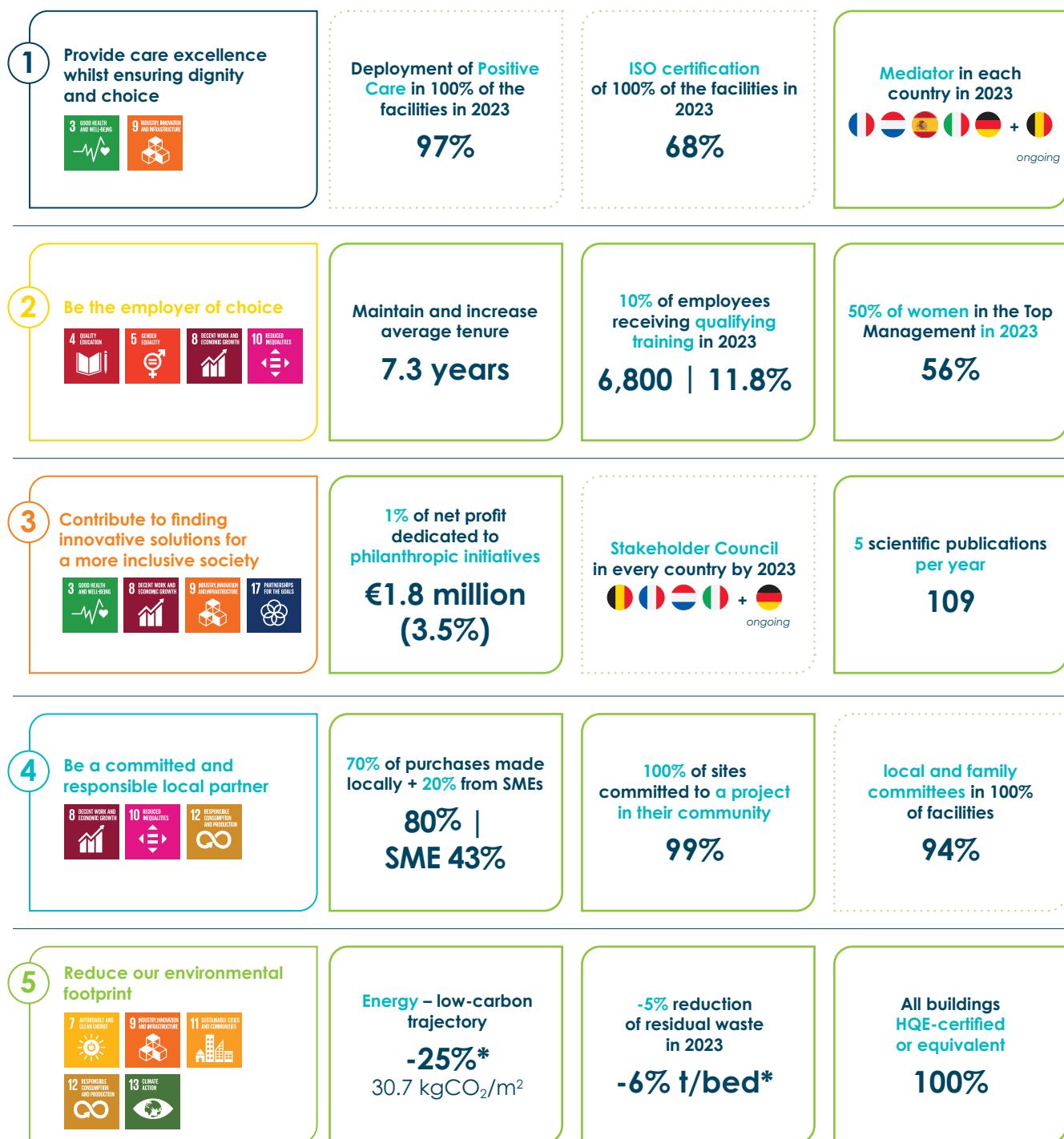
In order to make its actions and responsible approach more clear to its stakeholders, the Group has defined 15 quantified commitments under its ESG roadmap for 2019-2023.

These macro-indicators, which are monitored by the Group's CSR Department in conjunction with the functional departments and all countries, are aligned with the main international non-financial reporting standards (SASB, GRI or the SDGs), and

enable the progress made in terms of ESG performance to be measured, while illustrating the progress of the strategy implemented.

At the end of 2022, the Group had already achieved most of these targets set for 2023.

1



\* Comparison vs 2019 — 2023 target already achieved in 2022 ..... In progress

## ADOPTION OF THE STATUS OF A MISSION-LED COMPANY

In 2022, Korian decided to undertake its transformation to the status of a mission-led company, a proposal that will be submitted to the Group's shareholders at the Company's Annual General Meeting on 15 June 2023. In doing so, the Group extends its mission beyond its historical activity, includes its purpose and its social and environmental objectives in its Articles of Association, and strengthens the participation of its stakeholders in the achievement of its mission.

This transformation seeks to meet the future needs of society in terms of healthcare, to meet the challenges facing our sector and to strengthen the trust of our stakeholders in our project.

The transition of Korian to being a purpose-driven company is a long-term project, which began in March 2022. For several months, all its stakeholders and Top Management were consulted by the Group.

The expectations expressed on this occasion were summarised and then ranked in order of priority at the end of 2022. This matrix constitutes the foundation of Korian's purpose:

### Take care of each person's humanity in times of vulnerability

■ **take care:** we are in the care sector, we care and we provide care, this is the very essence of our profession of everyone's humanity: we work with fragile people on a daily basis, our mission is to enable them to continue to feel that they exist as a person, even when certain things are no longer possible for them or they may feel like they no longer have their own place. In doing this, we also take care of our own humanity;

■ **in moments of vulnerability:** everyone will experience moments of vulnerability at some point in their life. We want to be there when we are needed. This need may last for a few moments, a few days, or for a longer period. The person in need may be a patient coming for a simple consultation or a resident staying for a longer period. We also take care of the caregivers, who experience moments of vulnerability alongside their loved ones. Our mission is to provide support during these moments while maintaining the appropriate distance, as expected by those we support.

Our mission is also grounded in five social and environmental objectives namely, to:

- **act with respect and consideration** both towards the people we support, and their families, towards each of our employees and stakeholders and to combat all forms of discrimination;
- **promote a sustainable and balanced business model**, benefiting our patients, residents and their families, our employees and other stakeholders for each of our business lines and in our investment decisions;
- **promote innovation to contribute to better disease prevention**, the effectiveness of treatments and the satisfaction and quality of life of patients, residents and their families, our employees and other stakeholders;
- **contribute**, through our strong local presence and through our network of institutions, **to access to care**; to build a resilient local ecosystem; and to participate in the business dynamics of each of the regions in which we operate;
- **protect our communities** by contributing through our daily practices and behaviours to the fight against climate change and the conservation of biodiversity.

If this project is approved by the shareholders, Korian will set up a Mission Committee to ensure that each decision taken by the Group is in line with this purpose.

# Real estate strategy

## REAL ESTATE AT THE SERVICE OF HEALTHCARE

Korian's real estate strategy aims first and foremost to serve its operations.

In 2016, a cross-functional Real Estate Department was created at Group level. Its mission is to integrate the "Positive Care" approach into the design and operation of facilities in order to optimise care pathways and well-being in facilities in all the regions covered. In this context, the Group has professionalised its real estate teams and implemented large-scale initiatives.

Korian carries out operations in the fields of:

- construction: bringing together existing services in a new building, positioning facilities closer to hospitals or at the centre of a care ecosystem;
- extension: adding rooms or day hospitalisation spaces;
- transformation: optimising operations, improving comfort, modernising facilities, increasing the number of single rooms and develop new concepts.

The Real Estate Department also manages the Group's portfolio on a day-to-day basis to the highest standards.



## REAL ESTATE: SUSTAINABLE VALUE CREATION

Korian holds, in value, approximately 28% of the real estate linked to the network operated by the Group, for a market value of €3.5 billion.<sup>(1)</sup>

Through its privileged access to real estate as an operator, and its facility development and restructuring programmes, Korian has generated value creation of more than €450 million since 2016, when the real estate portfolio was valued at around €1 billion.

The valuation of the Group's real estate portfolio is based on an annual appraisal of the entire portfolio by an independent expert (Cushman & Wakefield). The Cushman & Wakefield report is available on the Korian website.

In December 2022, the valuation was based on a capitalisation rate of 5.4%, compared to 5.3% in 2021. The value of the portfolio was supported by the resilience of facilities' operational

performance as well as by sustained investor appetite for the Healthcare asset class among the various real estate asset classes.

The €3.5 billion real estate portfolio held by Korian is also a source of equity financing for the Group, which regularly enters into investment agreements with long-term partners.

Thus, in 2020, Korian entered into a partnership with EDF Invest and Cardif on a real estate portfolio worth more than €1 billion, enabling the Group to raise €336 million in equity. A second agreement was signed in 2021 with BAE Systems Pension Funds on a portfolio worth approximately €320 million, enabling the raising of approximately €100 million of equity.

Korian has now grouped the vast majority of its real estate assets into real estate entities, and is ready to enter into new equity investment agreements.

(1) See the 2022 report of the independent expert (Cushman & Wakefield), published on the Korian website.

# Financial outlook

## FINANCIAL OUTLOOK IN LINE WITH THE PRIORITIES OF THE CORPORATE PROJECT

Korian's medium-term financial outlook reflects the evolution of the Group's strategic priorities and is marked by sustained and essentially organic growth, a rebound in margin amounts after

2023, and prioritisation of investments to reduce the Group's debt leverage and thus strengthen its statement of financial position.

## STRONG AND ESSENTIALLY ORGANIC GROWTH

The significant investments made in the Group's network in recent years, including the development of outpatient services and the opening of new facilities (around 3,500 beds over the last two years), the normalisation of occupancy rates and activity, as well as price increases reflecting cost increases, currently enable Korian to benefit from strong embedded growth.

These growth prospects are also supported by Korian's strategic priorities, as part of the "At Your Side" corporate project, including:

- the strengthening of fundamentals, supporting our overall level of activity, beyond the effects of "normalisation";
- the focus on the developing home-based solutions and the alternative housing business, in response to a strong acceleration of demand in all the countries where the Group operates.

Korian therefore expects organic growth of more than 8% in 2023, and more than 5% in 2024-2025.

## OPERATING MARGINS REFLECTING THE INFLATIONARY CONTEXT

In the short term, margins will grow less quickly than revenue and are expected to be quantitatively stable in 2023 compared to 2022, reflecting cost inflation and the repercussions of salary expenses in regulated rates.

From 2024, margins should track the growth in revenue, driven by the increase in occupancy rates, the development of outpatient services and home care services.

## THE END OF A DYNAMIC INVESTMENT CYCLE

The Group has invested heavily in the transformation of its network and the diversification of its activities since 2018. The gradual slowdown in investments from 2023 should enable the

Group to reduce its debt leverage to below 3.5x in 2023, and to approximately 3x in 2024 and 2025.

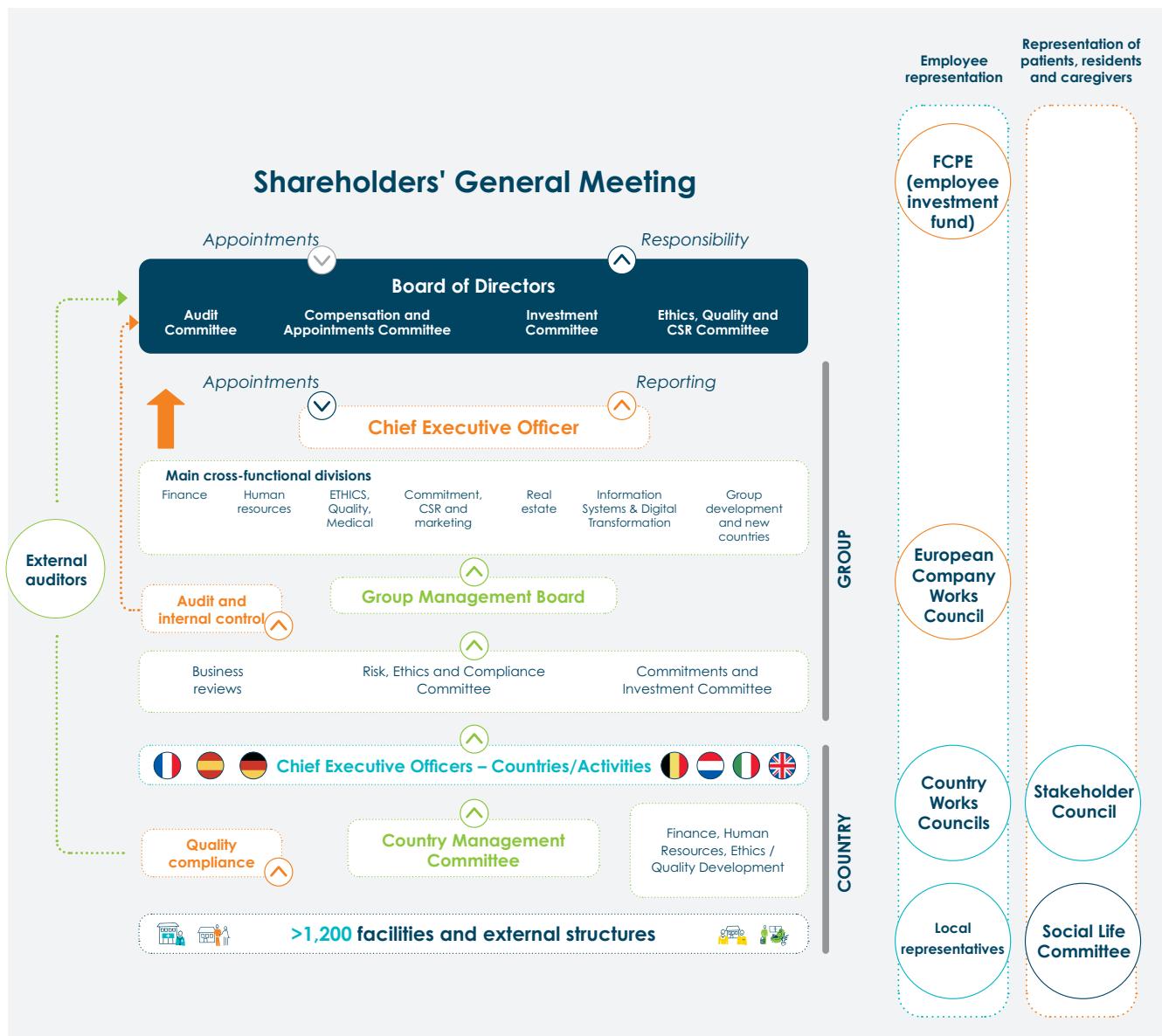


## 1.5 Governance, internal control and risk management

# Governance at the service of stakeholders

The Group's governance aims to encourage active contributions from our stakeholders.

The procedures for reporting information and the rigorous work of the Committees provide the Board of Directors with a precise vision of the progress of operations and the deployment of the strategy.



# A diversified and committed Board of Directors

**13**  
MEMBERS

**45%**  
WOMEN

**15%**  
NON-FRENCH

**64%**  
INDEPENDENT  
DIRECTORS

**2**  
EMPLOYEE  
REPRESENTATIVES

**13**  
MEETINGS  
IN 2022

**56 years**  
AVERAGE  
AGE

**92%**  
ATTENDANCE  
RATE

## Main skills



Healthcare  
sector



CSR



Regulation /  
Control



International  
experience



Strategy /  
M&A



Executive  
function



Human  
capital



Quality  
management

## Independent Directors



Jean-Pierre  
Duprieu ●  
Chairman of the  
Board of Directors



Guillaume  
Bouhours ●



Dr Jean-François  
Brin ●●



Anne  
Lalou ●●



Philippe  
Lévéque ●



Dr Markus  
Müschenich ●



Catherine  
Soubie ●●

## Other Directors



Sophie Boissard  
Chief Executive  
Officer



Predica  
Florence Barjou ●●  
(Permanent representative)



Philippe  
Dumont ●



Holding Malakoff Humanis  
Anne Ramon ●●  
(Permanent representative)



Marie-Christine  
Leroux ●



Gilberto  
Nieddu ●

## Directors representing employees

● Investment Committee ● Compensation and Appointments Committee ● Audit Committee ● Ethics, Quality and CSR Committee.

## 4 specialised Committees of the Board

**Audit  
Committee**  
chaired by  
**Catherine Soubie**

**9**  
MEETINGS  
IN 2022

**Compensation  
and Appointments  
Committee**  
chaired by  
**Anne Lalou**

**6**  
MEETINGS  
IN 2022

**Investment  
Committee**  
chaired by  
**Florence Barjou**  
Permanent representative  
of Predica

**6**  
MEETINGS  
IN 2022

**Ethics, Quality and CSR  
Committee**  
chaired by  
**Philippe Lévéque**

**5**  
MEETINGS  
IN 2022

# An experienced and European Group Management Board

**14**  
MEMBERS

**21%**  
WOMEN

**29%**  
NON-FRENCH

**52 years**  
AVERAGE AGE

**18**  
MEETINGS IN 2022

**5**  
SPECIALISED  
COMMITTEES

**PARTICIPATION IN THE SPECIALISED**  
COMMITTEES OF THE BOARD OF DIRECTORS  
AND IN THE BOARD'S STRATEGIC SEMINARS



**Sophie Boissard**  
Chief Executive Officer



**Dominiek Beelen**  
Executive Vice President - Benelux



**Dr Bart Bots**  
International Development Advisor



**Dr Marc-Alexander Burmeister**  
Executive Vice President - Germany



**Federico Guidoni**  
Executive Vice President - Italy



**Nicolas Mérigot**  
Executive Vice President - France



**Charles-Antoine Pinel**  
Group Executive Vice President Business Development and New Countries

## Group's functional division



**Dr Didier Armaingaud**  
Group Chief Medical, Ethics and Quality of Service Officer



**Rémi Boyer**  
Group Chief Human Resources Officer



**Marion Cardon**  
Chief Brand and Engagement Officer



**Frédéric Durousseau**  
Group Chief Real Estate and Development Officer



**Anne-Charlotte Dymny**  
Group Chief Information Systems and Digital Transformation Officer



**Philippe Garin**  
Group Chief Financial Officer



**Nicolas Pécourt**  
Group Chief Communications Officer

## Executive Secretariat of the Group Management Board



**Sébastien Legrand**  
Group Project Management Officer and Executive Secretary of the Group Management Board

# Quality control and risk management

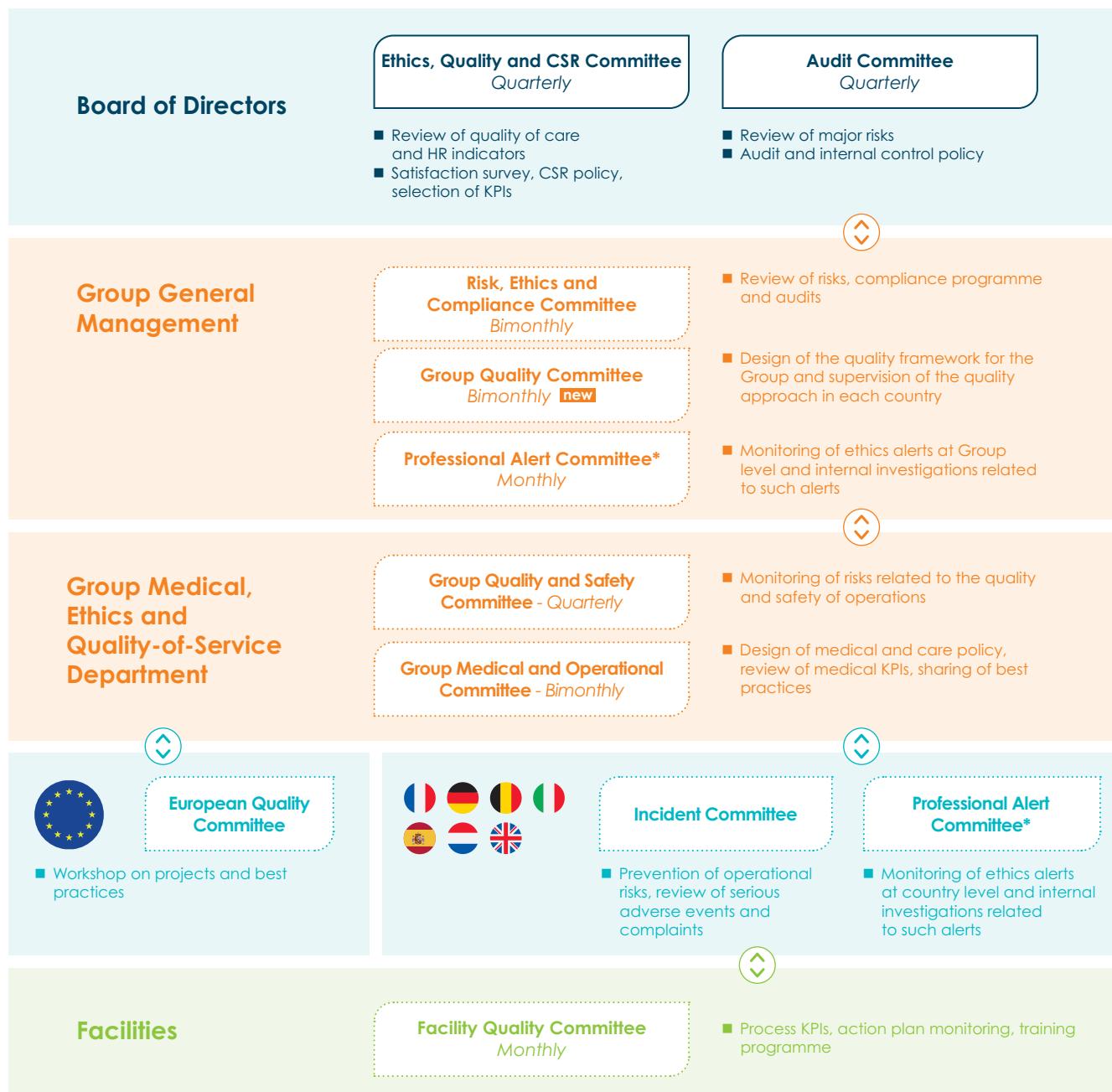
## GOVERNANCE TO ENSURE QUALITY AND COMPLIANCE WITHIN THE GROUP

Internal control is a process implemented by:

- the Board of Directors;
- the Group Chief Executive Officer;
- the General Management of the countries in which the Group operates;
- the operational and functional departments and divisions;
- the Group's employees.

This organisation, which excludes any form of governance conflict, allows operational staff and experts from the various business lines to play a key role in reporting and processing alerts, Serious Adverse Events (SAE) and complaints.

The main parties concerned by the management of the internal control system, as well as the governance bodies set up by each of them, are indicated below.



\* Professional Alert and Internal Investigations Committee.

# Prevention and management of main risks

Risk prevention and management are central concerns for every facility. This local policy is part of a quality policy at country and Group level. It aims to identify, quantify and limit risks in the various dimensions of the Company's activity.

A risk mapping has been drawn up at Group level and is updated every year. It is applied by each business line. Specific action plans aimed at improving risk management and prevention have been drawn up and are monitored.

Operational risk management is part of a decentralised management, in accordance with the quality standards in force within the Group. Risk analysis and assessment processes have been defined for all operational entities.

## ► MAIN RISK FACTORS

Risk category	Risk factor	Criticality of the risk factor	ESG
Operational risks	■ Pandemic	● ● ●	
	■ Treatment and care	● ● ●	
	■ Reputational damage	● ● ●	
	■ Recruitment and employee retention	● ● ●	
	■ Information systems, cybersecurity and personal data protection	● ● ●	
	■ People safety	● ● ●	
Strategic risks	■ Business development and external growth	● ● ●	
	■ Real estate development and construction	● ● ●	
Legal, ethics and regulatory risks	■ Regulations	● ● ●	
	■ Global warming and environmental damage	● ● ●	
	■ Business ethics	● ● ●	
Economic and financial risks	■ Ability to integrate acquisitions and deliver the expected results	● ● ●	
	■ Interest rate risk and liquidity risk	● ● ●	
	■ Cost and inflation management	● ● ●	

## For more information

See §2.5.5 in chapter 2 of this Universal Registration Document.



## 1.6 Our business model



## A MODEL THAT CREATES

for all of our

Our resources  
(31 December 2022)

## Financial resources

**€4.5 billion** in revenue  
**€371 million** operating free cash flow before investments  
**€67 million** net profit (excluding discontinued operations)  
**3.7x** leverage ratio

## Real estate resources

**Real estate expertise** serving the care sector through **Korian concepts**  
**>1,200** facilities and **87,994 beds**  
**28%** real estate asset ownership

## Human resources

**A professional community** of **59,311** people  
**82%** women, **56%** in Top Management  
**3,001** apprentices, i.e. **5%** of the Group's FTEs  
**1** European Company Works Council

## Corporate responsibility resources

**2** Foundations (France and Germany)  
**1** Stakeholder Council in **5** countries  
**1** Social Life Committee or equivalent in **94%** of facilities

## Environmental resources

**-30%** in total energy consumption by 2026 (vs 2021)  
**Low carbon roadmap**  
**-40%** by 2030 (energy from buildings)  
**Buildings certified** HQE or equivalent

## Our purpose\*

**"Take care of each person's humanity in times of vulnerability"**

(\*to be submitted to a shareholder vote at the General Meeting of 15 June 2023)

## Our values



## Our corporate project

## OUR CORPORATE PROJECT

*At your side*

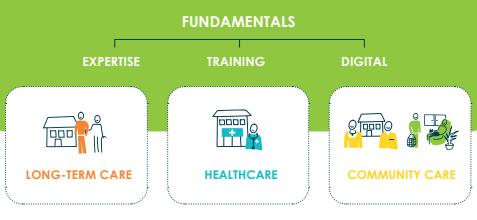
- 3 BUILDING A BEDROCK OF TRUST
- 2 STRENGTHENING CORE CAPABILITIES
- 1 TACKLING THE OUTPATIENT SHIFT

"Take **CARE** of each person's **HUMANITY** in times of **VULNERABILITY**"

**VALUES**  
TRUST – INITIATIVE – RESPONSIBILITY

**COMMITMENTS**

CONSIDERATION – FAIRNESS – INNOVATION – LOCALITY – SUSTAINABILITY



## OUR 5 ESG PILLARS



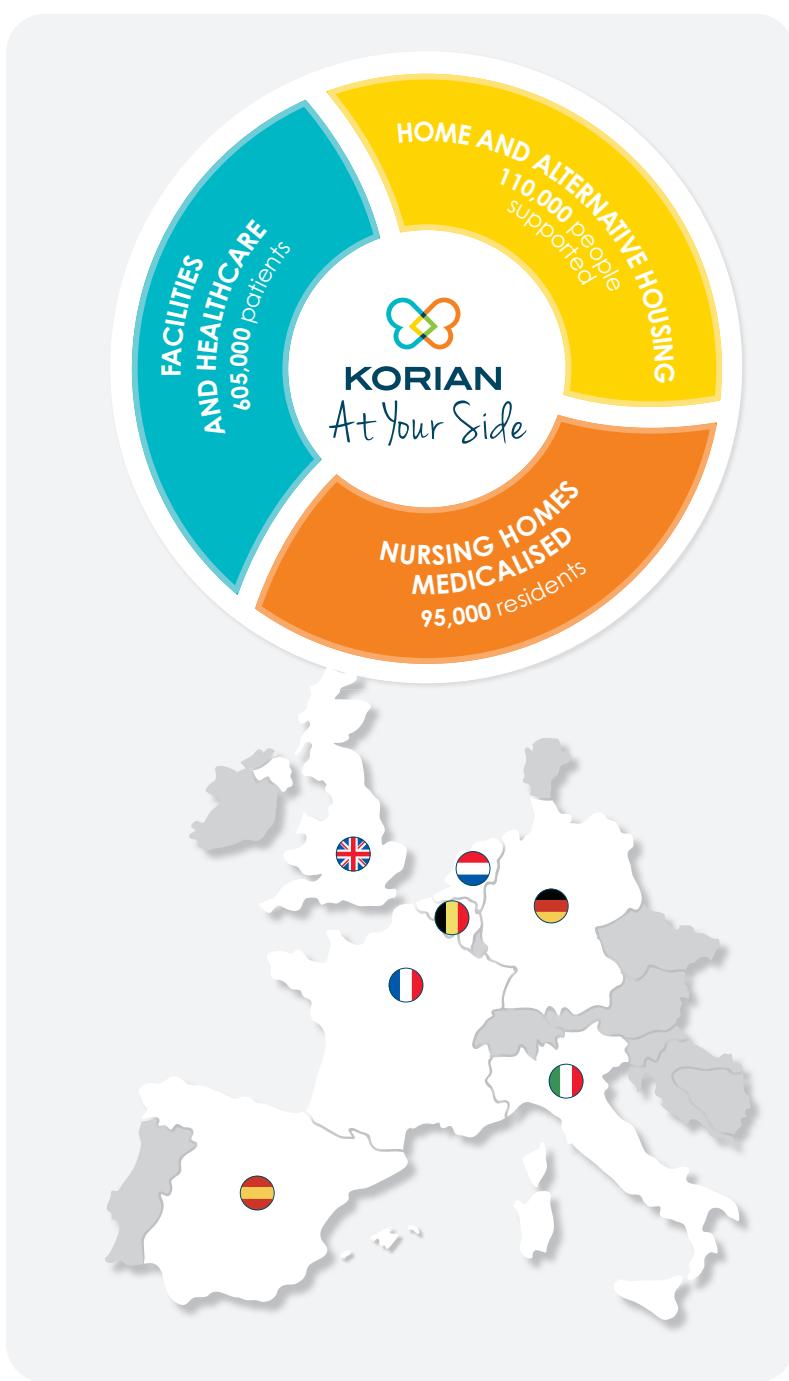
## Trends

## CHRONIC DISEASES

## DEMOGRAPHIC TRANSITION

# SUSTAINABLE VALUE

stakeholders



## DIGITAL TRANSFORMATION

### Our value creation (31 December 2022)

#### Financial value

**Payroll** of **€2.7 billion** representing **60%** of revenue  
**€181 million** investments in the existing network  
**€190 million** financial investments  
**€12.2 million** paid in income tax  
 Dividend proposed: **€0.25/share**

#### Real Estate value

**€3.5 billion** real estate portfolio value  
**€460 million** investments  
**144 buildings** delivered or renovated in 2022  
**1,644 beds** from greenfield projects

#### Human and social value

**810,000** patients, residents cared for  
 Net Promoter Score (NPS) of 36  
**68%** of the facilities ISO 9001 certified

**1<sup>st</sup> employee share ownership plan, Korus**  
**Average tenure 7.3 years**  
**11.8% (6,808 people)** employees enrolled in a **qualifying training programme**

#### Economic and societal value

**700** local communities served  
**99%** of the facilities involved in community projects  
**80%** local purchases, **43%** from SMEs  
**€1.8 million**, i.e. **3.5%** of Net Profit (Group Share) dedicated to **philanthropic endeavours**

#### Environmental value

**-25%** (KgCO<sub>2</sub>/m<sup>2</sup>) in CO<sub>2</sub> emissions (energy from buildings)  
**100%** real estate projects HQE-certified or equivalent



# 2

## Risk factors



<b>2.1 OPERATIONAL RISKS</b>			
2.1.1 Pandemic	61	2.4.1 Ability to integrate acquisitions and deliver the expected results	69
2.1.2 Treatment and care	61	2.4.2 Interest rate risk and liquidity risk	69
2.1.3 Recruitment and employee retention	62	2.4.3 Cost and inflation management	70
2.1.4 Reputational damage	63		
2.1.5 Information systems, cybersecurity and personal data protection	64	<b>2.5 INTERNAL CONTROL AND RISK MANAGEMENT</b>	<b>72</b>
2.1.6 Safety of people	65	2.5.1 Definition and objectives of internal control	72
<b>2.2 STRATEGIC RISKS</b>		2.5.2 Participants in internal control and risk management	72
2.2.1 Business development and external growth	66	2.5.3 Internal control systems for accounting and financial information	73
2.2.2 Real estate development and construction	66	2.5.4 Operational risk management and internal control systems	75
<b>2.3 LEGAL, ETHICS AND REGULATORY RISKS</b>		2.5.5 Insurance and risk coverage	76
2.3.1 Regulations	67		
2.3.2 Global warming and environmental damage	67		
2.3.3 Business ethics	68		

The Group regularly reassesses the risks related to its activities and its environment in order to:

- ensure the quality of operations;
- protect the Company's reputation and the value of its assets;
- secure the Company's decision-making and processes;
- ensure that the actions taken are consistent with the Company's values;
- mobilise the Company's employees around a common vision of the most material risks.

Risk management within the Group is based on a risk monitoring and identification process. The risks are analysed and preventive or corrective measures are implemented to reduce their potential impact.

#### Identification of risks

Every year the mapping of the Group's major risks is updated based on an approach combining:

- a bottom-up analysis – to collect operational managers' point of view and the contributions of each country;
- a top-down analysis – driven by General Management and the Group's functional division heads.

#### Risk analysis and assessment

The risk mapping exercise includes the assessment of the criticality of all major risks.

The gross criticality is assessed based on a joint analysis of two criteria:

- the highest probability of the risk materialising; and
- the estimated scale of its maximum potential negative impact (non-financial, in particular operational, and financial).

The combination of these two criteria defines the gross criticality of the risk.

The risk management framework allows weighting of the gross probability, the gross impact or both criteria, which gives the net criticality of the risk.

A presentation of the risk factors by category is summarised in the table below, with the net criticality of each risk factor indicated according to the three-level scale: low, medium or high. As this Universal Registration Document only presents significant risks, no low-level risks are mentioned.

The risks are classified by decreasing level of criticality within each category (operational risks, strategic risks, legal, ethics and regulatory risks, or economic and financial risks).

#### Risk treatment

The Group implements action plans as part of a continuous improvement process. Furthermore, it has taken out insurance coverage to externalise some of the risks.

The risks presented below are those that the Company considers, as of the date of this Universal Registration Document, to be likely to have a significant impact on the Group or of which stakeholders should be made aware.

#### Main risk factors

Risk category	Risk factor	Criticality of the risk factor	ESG
Operational risks	■ Pandemic	High	
	■ Treatment and care	High	
	■ Recruitment and employee retention	High	
	■ Reputational damage	High	
	■ Information systems, cybersecurity and personal data protection	Medium	
	■ People safety	Medium	
Strategic risks	■ Business development and external growth	Medium	
	■ Real estate development and construction	Medium	
Legal, ethics and regulatory risks	■ Regulations	High	
	■ Global warming and environmental damage	Medium	
	■ Business ethics	Medium	
Economic and financial risks	■ Ability to integrate acquisitions and deliver the expected results	Medium	
	■ Interest rate risk and liquidity risk	Medium	
	■ Cost and inflation management	Medium	

In each category, the risk factors are presented in order of importance, starting with the most significant:

- presentation of gross risk, as it exists as part of the Company's business;
- presentation of the management systems implemented by the Company.

Other risks may emerge in the future and give rise to a materially adverse impact. The above list of risks is therefore not exhaustive.

Some of the risks described in this chapter are associated with social, environmental or governance (ESG) issues. The main non-financial risks are indicated in the table above and in the paragraphs below with the following symbol: .

Chapter 3 of this Universal Registration Document provides more details about the policies implemented by Korian, particularly as part of its ESG strategy, to identify, prevent and mitigate the occurrence of these risks; it also presents the outcomes of these policies.

## 2.1 Operational risks

### 2.1.1 PANDEMIC

#### 2.1.1.1 Description of risk

Despite technological and medical progress, the pandemics linked to Covid-19 and the H1N1 virus have shown humanity's vulnerability to pathogens. New potential threats to health could arise due to the melting of polar ice, the multiplication of crises or another factor not yet known. Infectious diseases could thus spread across the world.

#### 2.1.1.2 Risk management framework

In the context of the Covid-19 pandemic, the Group established a vigilance plan that has demonstrated its effectiveness and could be rapidly redeployed in all of its

establishments and in all its countries of operation (long-term care nursing homes and healthcare facilities) in the event of a new pandemic. This European standard is continuously updated to incorporate best practices in terms of hygiene, traceability and prevention measures.

The Group also ensures that its network always has a steady supply of protective equipment (masks, gloves, etc.) by building up a permanent stock corresponding to two months of consumption. Hygiene diagnostic campaigns covering all European facilities were entrusted to Bureau Veritas from 1 July 2020, with the aim of checking the proper application of these standards and assisting the teams in their implementation.

### 2.1.2 TREATMENT AND CARE

#### 2.1.2.1 Description of risk

In 2022, the Group provided care for 810,000 residents and patients in its 1,200 facilities or in their homes.

Given their frailty, cognitive profile or age, there are risks inherent to caring for elderly or fragile people.

These risks may be associated with the following situations (non-exhaustive list):

- delivery of treatments and medication;
- care procedures;
- the risk of falls;
- seasonal epidemic outbreaks (influenza, respiratory infections) liable to affect elderly people with chronic diseases; and
- poor application of the quality standards (Korian Standard) and the Positive Care approach (designed to promote non-drug therapies where relevant), and the risk of abuse.

#### 2.1.2.2 Risk management framework

The quality and safety of treatment and care are the Group's top priority. Consequently, the management of the risks relating to treatment and care is a matter of particular vigilance. Furthermore, the Group has committed itself to an ISO 9001 quality certification process that significantly exceeds the regulatory requirements.

The following procedures have been established and rolled out within the Group:

- medical, ethics and quality of service policies in compliance with the Group's values, good business practices and regulatory requirements;
- regularly publishing recommended best practices for the directors and staff of the facilities;
- adopting a quality management approach in order to provide care in conditions of optimal quality and safety.

Furthermore, all staff members are trained in an individualised approach to the needs of residents or patients through the personalised or therapeutic project (Positive Care) and in the prevention of abuse. Annual thematic awareness-raising campaigns are rolled out at the European level.

The control system includes internal audits (such as 360° quality audits) and external audits, as well as annual self-assessment programmes.

Quality audits are carried out in the facilities by the Quality Department teams in every country. These audits are conducted using audit frameworks tailored to each activity, which include the requirements of the Korian Standard and the regulations in force in the country in question. The quality audits focus on:

- knowledge, application and control of Best Practices;
- items of traceability.

All facilities are audited every two years.

In addition, the Group organises external audit campaigns:

- assigned to organisations that have been approved to conduct ISO 9001 certification (e.g. Afnor in France, DNV in Italy and Spain, Dekra in Germany). These audits are carried out in order to assess, from a neutral, objective external perspective, the implementation and effectiveness of the quality management system. By 2023, 100% of the long-term care nursing homes and healthcare facilities operated by the Group since 31 December 2019 will be certified;
- as part of the verification of the proper implementation of control plans such as health plans, infection risk management or Human Resources management.

Furthermore, the different national and regional authorities carry out controls in the facilities, in accordance with the various regulations in force.

The Group Quality & Prevention Committee, chaired by the Group's Chief Medical, Ethics and Quality of Service Officer, oversees the audit programmes and the proper implementation of action plans.

A consolidated dashboard is presented to the Risk, Ethics and Compliance Committee chaired by the Group's Chief Executive Officer.

The quality management system also includes:

- a system for reporting Serious Adverse Events (**SAE**), which aims to record every incident in all Group facilities, and to ensure that appropriate measures are implemented immediately;
- implementation of a whistleblowing system enabling any unethical or irregular practices to be reported;
- crisis management procedures scaled appropriately for each country and for the Group as a whole.

Regarding the identification and prevention of any abuse, the Group ensures that professionals are made aware of and trained in best practices and encourages the reporting of all risky incidents and behaviours. Any situation that may constitute a case of abuse is subject to immediate precautionary measures and, where applicable, sanctions.

Further information on the SAE procedures and on Korian's Positive Care approach are presented in Sections 3.2.1 and 3.2.4.2 of this Universal Registration Document.

The Medical, Ethics and Quality of Service Department monitors these policies and coordinates these actions. Further information on operational risk management can be found in Section 3.2.3 of this Universal Registration Document.

## 2.1.3 RECRUITMENT AND EMPLOYEE RETENTION

### 2.1.3.1 Description of risk

Within the Group, 67,000 women and men in the various professional categories (care, hospitality-catering, recreational activities, administration, etc.) are dedicated to helping the most fragile and the elderly.

The future needs are significant and relate to:

- demographics;
- increased prevalence of chronic diseases;
- increased dependency; and
- the isolation of fragile people.

Recruitment needs will have a major impact in the coming years.

However, certain qualifications (caregivers, nurses, doctors and rehabilitation specialists, for example) are currently in short supply in most of the countries where the Group operates, due to insufficient capacity in public training courses and the lack of attractiveness of these demanding professions. This situation can lead to local recruitment difficulties, as well as to high staff turnover rates, particularly among qualified care staff.

### 2.1.3.2 Risk management framework

As part of the "In Caring Hands" corporate project (described in Section 3.2 of this Universal Registration Document), the Group has structured a recruitment and quality of life at work strategy focusing on five main pillars:

1. investment in working conditions and quality of life, in particular concerning health and safety at work or the revision of the "Korian social contract" in each country;

2. management quality;
3. strengthening and centralisation of recruitment services to improve their effectiveness in all countries and at Group level;
4. implementation of a sourcing strategy (identification of candidates and creation of pools) leading to the diversification of recruitment sources (apprenticeship, validation of knowledge acquired through experience, internal mobility, own training centre, international partnerships), aimed at reducing the exposure to recruitment;
5. commitment to ongoing training and professional development thanks to the Korian academies in each country.

This project aims to make Korian the benchmark employer in the sector in Europe. At the same time, it contributes to the Group's ESG commitments and to the other objectives of the "In Caring Hands" corporate project:

- operational excellence (by contributing in particular to the quality of service);
- innovation and digital transformation.

These actions have already earned Korian the Top Employer label in Germany for the third consecutive year, in France for the second consecutive year, and in Belgium and Italy for the first time. Together these four countries employ more than 90% of the Group's employees.

The Human Resources policy takes the form of eight concrete commitments that are rolled out in all of the Group's countries and are the subject of specific action plans and projects (see Section 3.3 of this Universal Registration Document for more information). These eight commitments are also found in the Korian Standard, which incorporates the requirements of the ISO 9001 standard.

An employee satisfaction survey, "Community PULSE", measures employee commitment. In 2022, the Company conducted the Community PULSE survey among all Group employees, of which 36,200 participated, from November to December 2022. The results are presented in Section 3.3.2.6 of this Universal Registration Document. PULSE's results show a high level of employee commitment (78%), up compared to 2022. This testifies to the strong commitment of employees to the "In Caring Hands" project, particularly in the areas of professional training and a better understanding of employee

compensation and benefits. However, the feeling of a safe working environment and work-life balance deteriorated in the 2022 survey and thus calls for increased consideration by managers in the form of precise action plans at each Group site.

The Human Resources policy, the Community PULSE barometer and the Group's occupational health and safety policy, together with the Group's training policy, are described in section 3.3 of this Universal Registration Document.

## 2.1.4 REPUTATIONAL DAMAGE

### 2.1.4.1 Description of risk

The Group's activities with elderly or fragile people are particularly exposed to the risks of misleading information or media campaigns.

The challenge for society related to the ageing of the population is particularly topical and is the subject of numerous political and social debates. Korian may be exposed to controversies concerning the care of elderly or fragile people in general or the Group in particular. There is therefore a risk of harmful media coverage or the spreading of inappropriate and/or misleading information.

### 2.1.4.2 Risk management framework

Reputational risk is the focus of the Group's attention, particularly in terms of preventing and reducing its impacts.

The Group pays particular attention to the quality of the services provided by its facilities. This quality is based first and foremost on the Company's culture and the compliance of every single employee with the Group's Ethics Charter. It is also based on standards and procedures, which are regularly updated as described in section 2.1.2 of this Universal Registration Document.

In order to promote dialogue, family liaison officers are present in all our facilities in France. Their duties include:

- ensuring that residents' stays are in line with their expectations and are as pleasant as possible;
- ensuring smooth communication with relatives as the main point of contact;
- scheduling meetings with relatives and informing them about events at the facility;
- being the guarantor of the quality of the care experience for residents and their relatives;
- participating fully in the life and projects of the facilities and ensuring compliance with the quality approach.

Facilities are encouraged to take into account all observations or complaints made by residents, patients, their relatives or employees. Rapid and satisfactory responses must be provided, with the support of the Social Life Committees (Conseils de vie sociale – CVS) or equivalent in other countries.

The CVSs meet at least three times a year and are composed of the elected representatives of families, residents and employees, as well as the management of the facility. They issue opinions and make proposals regarding the operation and organisation of the facility.

In order to encourage dialogue in the most difficult situations, the Group encourages the liaison officers to use mediation. In France, a former judge was appointed as an independent mediator in 2021. This mediator, who is not an employee of the Group, has total independence in the performance of his duties. The mediator's team is made up of a group of independent mediators. Residents, patients and their families can contact the mediator directly. A Mediation Charter was published in 2021 and is available on the Korian website. The mediator's first report was published on 17 February 2022 and is also available on the Korian website.

Mediation systems have been set up in France, the Netherlands and Spain and are being implemented in Italy. These systems are described in section 3.2.3.4 of this Universal Registration Document. Alongside the policy of promoting open and transparent dialogue with residents and patients in order to resolve tense situations or disagreements, the Group pays particular attention to the impartiality and objectivity of the information communicated by the media relating to these activities which are of a sensitive nature. Where necessary, the Group contacts the media outlets in question when it feels they are not being sufficiently impartial and objective.

## 2.1.5 INFORMATION SYSTEMS, CYBERSECURITY AND PERSONAL DATA PROTECTION

### 2.1.5.1 Description of risk

Information systems play an essential role in the management of the administrative and medical records of 810,000 residents and patients and in the administration of the Group's 67,000 professionals (payroll, planning, career management). They also enable the management of financial flows, accounting, etc., on a daily basis.

Any significant dysfunction, whether due to internal causes (obsolete systems, a failure to maintain infrastructure, uncontrolled IT projects, malicious acts, etc.) or external causes (viruses, cybercrime, etc.) could impact the Group's activity and results.

The past year was mainly marked by a surge in international tensions and their economic consequences. In this general context of increased pressure, cybercriminals have multiplied their attacks, affecting all economic sectors without distinction, and not sparing the healthcare sector. A trend confirmed by the Group's IT security teams, which have noted an increase in cyberattack attempts.

The Group has made strengthening the security of its systems a priority.

Moreover, Korian's activity requires it to collect and process personal data, some of which are considered sensitive, such as the health records of residents and patients. The Group is therefore subject to the General Data Protection Regulation (**GDPR**) applicable since 25 May 2018, as well as the different regulations governing the processing of personal data and health data applicable in the various countries in which it operates. The Group complies with all of these regulations.

### 2.1.5.2 Risk management framework

In order to mitigate the impact of these risks, the Group relies on identified resources within each country's Information Systems Department. The Information Systems Security Officers are responsible for managing these risks and securing the information systems in order to prevent any failure and ensure business continuity.

The work of these local departments is coordinated at Group level.

Within the Group Information Systems Department, an Information Systems Security Office coordinates the network of local information systems security managers, defines the common cybersecurity standard and manages the actions and projects carried out at Group level to ensure a satisfactory level of security in each country.

In addition, to identify system vulnerability risks and implement action plans in order to correct them, Korian calls on specialised service providers to carry out intrusion tests and security audits. At the same time, the Group conducts regular awareness-raising actions among its employees (anti-phishing programmes, etc.) and monitoring of the Internet (including the deepweb and darkweb) in order to identify any data leaks.

With regard to the application of the GDPR, each country has a Data Protection Officer (**DPO**), led at Group level by a DPO reporting to the Medical, Ethics and Quality of Service Department. The Group has also created a Personal Data Framework, which includes the main principles of the GDPR and the level of requirements to which countries must commit as well as the tools and governance bodies to be put in place. This framework is rolled out in all countries, taking into account any specific features and wording. In France, in accordance with the recommendations of the French Data Protection Authority (*Commission nationale de l'informatique et des libertés – CNIL*), each processing operation is recorded in a register and undergoes a preliminary risk analysis and/or an impact analysis when the processing presents a high risk to the rights of individuals.

In addition, preventive measures and training programmes are carried out with members of staff to raise awareness of the risks associated with digital technologies and of the regulations governing personal data. Targeted audits are conducted regularly in order to assess the security and compliance of the systems in place and to implement any necessary action plans. Lastly, the system for reporting SAEs aims to record all incidents relating to information systems, cybersecurity and personal data in all Group facilities.

## 2.1.6 SAFETY OF PEOPLE

### 2.1.6.1 Description of risk

The Group's facilities strive to ensure the safety of all people using them, in compliance with applicable regulations.

In addition to the risk of epidemics, operation of facilities involve the following safety risks:

- building safety risks (including fire safety and health safety);
- food safety risks for residents and patients;
- Legionella-type bacteria in risks facilities' hot water systems, potentially causing legionellosis (respiratory infection) which proves fatal in approximately 11% of cases;
- risk associated with operation of biomedical devices and equipment used for diagnostic, therapeutic or rehabilitation purposes.

Any incidents resulting from malfunctions in the systems and equipment used by the Group's facilities, or any failure to comply with regulations or with hygiene rules (in kitchens or during the distribution of meals), could:

- incur the Group's civil and/or criminal liability;
- lead to the suspension of its operations;
- impact its business, results or financial position; and
- damage its reputation.

### 2.1.6.2 Risk management framework

The Group ensures that each country defines and implements a maintenance policy for its facilities and buildings, together with an investment plan. The Group entrusts the tasks of controlling and monitoring the maintenance and safety of installations (equipment, buildings, medical devices and systems, etc.) to independent professionals.

The Group's internal procedures stipulate the best practices to follow in terms of fire safety, health safety, food safety, etc.

Separately, employees complete mandatory training. Korian's internal teams conduct 360° quality audits to ensure compliance with rules and best practices. In addition, legally qualified organisations periodically carry out external audits. The maintenance system is an integral part of ISO 9001 certification processes.

The SAE reporting system applied by the Group's facilities includes all major technical malfunctions. The Group is organised to manage any exceptional critical situations by applying crisis management procedures calibrated for each country as well as for Group level.

## 2.2 Strategic risks

### 2.2.1 BUSINESS DEVELOPMENT AND EXTERNAL GROWTH

#### 2.2.1.1 Description of risk

The Group implements a development policy to support the strengthening of the Group's medical activity.

The implementation of this strategy requires the ability to find suitable targets and development opportunities at acceptable costs and conditions, as well as the implementation of appropriate integration processes, in order to guarantee a high level of quality across the networks.

#### 2.2.1.2 Risk management framework

The local development teams constantly monitor opportunities and business trends in each country.

At Group level, Korian has a dedicated department whose duties include reviewing partners and strategic opportunities, selecting them, carrying out audits and conducting negotiations.

This department relies on rigorous multi-criteria analysis procedures involving external audits and expert opinions. These audits cover operational, quality, and ethics and financial issues.

These analyses make it possible to identify the risks and take them into account when determining the acquisition price of the target and thus limit the risk of overvaluation. Furthermore, the teams in charge of integration are involved in the acquisition audit process with the aim of preparing a preliminary integration plan, in order to minimise the integration risk. This plan will be completed and validated following the acquisition.

Any proposed investment or divestment exceeding €1 million, including partnerships and acquisitions of equity interests, whether or not it results in control being acquired, is subject to the approval of Korian's Commitments and Investment Committee.

Furthermore, projects with an enterprise value in excess of €15 million or in a new country or outside the scope of the Group's pre-existing business lines (determined at the local level) must be approved by the Board of Directors on the recommendation of the Commitments and Investment Committee of the Board.

### 2.2.2 REAL ESTATE DEVELOPMENT AND CONSTRUCTION

#### 2.2.2.1 Description of risk

Real estate is subject to cycles of variable duration and is itself sensitive to the overall economic environment. Real estate companies are subject to changes in the price of construction materials, may suffer disruptions in their supply chain, or even go bankrupt. Buildings under construction may require repairs to be made, their delivery deadlines may be extended and their budgets may increase, these effects often acting cumulatively.

Construction sites can also be impacted by force majeure events (bad weather, strikes, wars, etc.) in proportions that are difficult to anticipate.

In order to ensure that it can meet changing needs and avoid the obsolescence of certain buildings, the Group has drawn up a transformation and modernisation plan for its real estate portfolio. Furthermore, the real estate strategy implemented since 2017 aims to selectively increase the rate of ownership of assets by benefiting from favourable financing conditions. As a result, the Group owns a number of facilities, either through buyouts of properties that it operates or through the construction of new facilities. In the latter case, the Group is subject to technical or financial uncertainties, such as:

- obtaining building permits;
- compliance with the construction schedule; and

- technical control of projects (in particular the need to take into account the latest regulations on the energy performance and environmental footprint of buildings).

These risks may delay the start of operations or lead to additional costs, which could impact on the Group's business and results.

#### 2.2.2.2 Risk management framework

To protect itself against these risks, the Group has set up dedicated internal teams responsible for coordinating architects and project managers, handling procedures for obtaining building permits, and overseeing construction work.

The Group has also set up a Technical and Environment Department, which liaises with each country's Real Estate Department to ensure compliance with the various environmental regulations and standards and with the low-carbon roadmap.

In addition, the Group protects itself by selecting companies taking into account their financial strength, and by contracting with insurance companies and banks that issue completion guarantees.

Further information on the Group's ESG strategy and low-carbon roadmap can be found in Chapter 3 of this Universal Registration Document.

## 2.3 Legal, ethics and regulatory risks

### 2.3.1 REGULATIONS

#### 2.3.1.1 Description of risk

The Group's medico-social and healthcare activities are subject to laws and regulations in all countries where it operates. In most countries the opening of a medico-social or healthcare facility requires authorisations to be granted. Authorisations are generally issued or renewed subject to compliance of the service provision with assessment and quality control procedures conducted by the supervisory authorities in accordance with the applicable laws in each country.

Furthermore, the pricing of the Group's facilities is regulated. It includes:

1. a portion paid by the residents or patients themselves;
2. a portion relating to treatment and care, directly or indirectly subsidised by public funding.

#### 2.3.1.2 Risk management framework

In order to ensure the proper application of the rules on the use of financing, Korian provides Facility Directors with access to information systems that provide a framework for the allocation of resources to the appropriate category of expenditure (care, dependency or hospitality). The same applies to expenses related to medical equipment and devices. The reports produced are subject to controls at facility level and then at central level.

The Group conducts regulatory watch in all of the countries where it operates in order to protect itself against any negative repercussions resulting from changes to regulations or pricing rules. This watch enables the Group to anticipate any major changes while ensuring the compliance of its operations. The Group is also an active participant in trade union activities.

In addition, the fact that the Group operates in several countries and markets, as well as the diversification of its activities, limits the risks resulting from regulatory change and thus mitigates the impact at Group level.

Furthermore, the Group's operating licences can only be withdrawn under strictly limited circumstances.

### 2.3.2 GLOBAL WARMING AND ENVIRONMENTAL DAMAGE

#### 2.3.2.1 Description of risk

In the context of global warming, the frequency and intensity of major climate events, which can lead to damage to property, as well as temporary disruption to facilities, are increasing.

Moreover, by their nature, Korian's activities consume energy for the operation of the 1,200 Group facilities and generate waste. If the Group's low-carbon roadmap action plans were to prove ineffective, its environmental impacts could remain at their current level or even increase. The Group is also required to comply with the applicable regulations.

#### 2.3.2.2 Risk management framework

In order to adapt to the effects of global warming, the crisis management system notably provides for the installation of generators for use in the event of a disruption to the electricity supply, as well as measures to ensure the safety of people (moving people to other facilities, if necessary). For example, in the event of a heat wave, Korian's facilities operate thermal insulation solutions (air-conditioned rooms and/or portable air conditioners, blackout blinds, etc.). In addition, management has set up protocols and training courses on topics such as hydration and the prevention and

treatment of dehydration, in order to be able to identify and pay special attention to individuals at risk during such events.

The Group has also decided to adapt existing buildings to increase their resistance to extreme weather phenomena, where necessary.

Korian has defined a roadmap based on the Group's carbon footprint, making it possible to achieve the target of reducing greenhouse gas (GHG) emissions by 40% by 2030. This roadmap has five components for each of the most significant carbon emission factors:

- energy consumption of buildings;
- purchases of goods and services;
- food purchases;
- transportation of employees; and
- waste management.

The Group's CSR Department and Technical and Environment Department are responsible for managing this roadmap in coordination with the other functions involved (purchasing, Human Resources, etc.). Furthermore, a Group Commitment and CSR Committee, composed of experts, monitors the action plans and discusses best practices aimed at reducing the Group's carbon impact.

Low-carbon targets have been included in the Top Management targets since 2020. Furthermore, campaigns aimed at raising awareness of energy and waste reduction are being carried out in all of the Group's countries.

The Group is working to reduce the carbon footprint of its buildings through:

- acquisition of new equipment or modification/upgrade of existing equipment that contributes to improving energy management;
- modification of the energy mix (by changing equipment, purchasing renewable energy or producing energy on site);

- implementation of centralised monitoring of energy consumption;

- eco-friendly awareness campaigns for users and specific training for asset managers and maintenance staff.

The Group has all new buildings certified to guarantee low carbon emissions (HQE, LEED, BREEAM, setting a maximum target of  $\text{CO}_2/\text{m}^2$ ).

Further information on Korian's environmental policy can be found in Sections 3.6 and 3.7 of this Universal Registration Document.

## 2.3.3 BUSINESS ETHICS ★

### 2.3.3.1 Description of risk

The Group employs about 60,000 people at more than 1,200 sites in seven countries. The Group works with a large number of suppliers and partners. Moreover, some of the Group's employees interact with policymakers or public bodies within the framework of its activities. Despite the Group's vigilance, non-compliant individual practices could occur, such as:

- non-compliance with the Group's charters (notably the Ethics Charter and the Responsible Purchasing Charter);
- non-compliance with the Group's policies (in particular the anti-corruption guide, the gifts and hospitality policy, and the conflict of interest policy).

Any of these practices could damage the Group's reputation and even incur its liability in the event of a violation of anti-corruption legislation.

The Group is subject to Law No. 2016-1691 of 9 December 2016 on transparency, the prevention of corruption and the modernisation of the economy (the "Sapin 2" Law). Article 17 provides for the implementation of a system to prevent and detect acts of corruption and influence peddling that may be committed within the Group. In the event of non-compliance with this system or of any acts of corruption, the Group's companies could be subject to prosecution and financial penalties.

- the anti-corruption guide and the gifts and invitations, conflicts of interest and sponsorship/corporate philanthropy policies enable the Group to address its important messages, such as:

- reminders of the definitions of corruption and influence peddling;
- sanctions incurred and potential impacts for the Group;
- conduct of lobbying activities;
- a third-party assessment procedure applied in the countries in which the Group operates;
- online and in-person training modules dedicated to raising employee awareness of the ethics commitments (in particular corruption and influence peddling), supplemented by specific training sessions for the functions and activities that are most exposed to the risk of breaches of probity;
- specific accounting procedures incorporated into the Group's internal control standards;
- a whistleblowing system managed at Group level by the Director of Safety, Ethics and Crises and at country level by the departments in charge of compliance, including access to a secure external platform enabling employees and all of the Group's stakeholders to ask questions of an ethical nature or raise an alert, whether anonymously or not; and
- the particularly close attention paid to the risk of corruption in internal audits.

Since September 2022, the Group has been supported by a Compliance Department. Under the supervision of the General Secretary, the Compliance department is responsible for the deployment of this programme in conjunction with the departments in charge of compliance in each country.

### 2.3.3.2 Risk management framework

The Group attaches the greatest importance to preventing and combating all forms of corruption, whether active or passive, private or public, of breaches of probity and of influence peddling.

The Group's commitment is reflected in:

- a regularly updated corruption risk mapping allowing identification of high-risk scenarios and implementation of the corresponding control systems;
- the Group's Ethics Charter, updated in 2021 with the publication of the document "Our values and ethics commitments", lays the foundation for the values and behaviours expected of the Group's staff. It is given to each new employee, who must sign it;

## 2.4 Economic and financial risks

Korian's activities are based on a fixed cost structure and its dynamic development requires sustained investment. The Group is therefore exposed to risks related to liquidity, volatility and inflation in financing conditions, as well as its ability to integrate acquisitions in order to deliver the expected results.

The Group has set up various sources of funding that are described in Note 8 to the financial statements.

At 31 December 2022, the Group's total net indebtedness amounted to €3,775 million (excluding lease commitments), and the average maturity of the Group's financial borrowing was 4.8 years (excluding short-term debt offset by available cash at closing).

### 2.4.1 ABILITY TO INTEGRATE ACQUISITIONS AND DELIVER THE EXPECTED RESULTS

#### 2.4.1.1 Description of risk

Korian's ability to rapidly integrate acquisitions is fundamental to pursuing its development strategy.

In 2022, 20 facilities were integrated or were in the process of being integrated. In particular, this involves acquisitions in Italy, including Italian Hospital Group, and in the United Kingdom.

The Group could encounter difficulties or suffer delays in the integration of these assets, impacting the quality of the services provided, the acquisition of control, the expected synergies and its ability to deliver the expected results.

#### 2.4.1.2 Risk management framework

The Group has significant experience in the integration of acquisitions. Starting from the phase of identifying potential targets, the assets the Group is considering acquisition of are subject to in-depth analyses carried out by multidisciplinary teams in order to reduce uncertainties and understand the risks that may arise during integration.

As described above, any proposed investment or divestment exceeding €1 million, including partnerships and the acquisition of equity interests, whether or not control is acquired, is subject to the approval of Korian's Commitments and Investment Committee.

Furthermore, projects with an enterprise value in excess of €15 million or in a new country or outside the scope of the Group's pre-existing business lines (determined at the local level) must be approved by the Board of Directors upon the recommendation of the Commitments and Investment Committee of the Board.

All projects are also monitored through a monthly business review for each country.

Every country has a dedicated department whose role is to supervise, support and monitor integrations. These departments are coordinated at Group level. A specific process has been set up in order to:

- structure the integration process;
- identify and address the risks;
- monitor the successful implementation of the business plan;
- ensure that the ESG requirements set by the Group are properly met; and
- ensure that the Group's systems and standards are implemented within the desired timeframes.

Since its creation, this department has participated in the integration of many facilities. Due to its extensive experience in the field of integration, this process is industrialised and well-managed.

Progress on the integration of the main acquisitions is monitored by the Board of Directors' Investment Committee.

### 2.4.2 INTEREST RATE RISK AND LIQUIDITY RISK

#### 2.4.2.1 Description of risk

At 31 December 2022, the Group had a solid balance sheet and a high level of liquidity. The Group also benefits from the support of its various banking partners and maintains a balanced distribution of its sources of financing between bank debt and debt issued on the capital markets. Korian also ensures that it diversifies its market debt instruments, which results in a diverse set of investors financing the Group.

However, the Group remains exposed to changes in market conditions and to the assessment by investors and banks of the interest rate and market environment as well as of the Group's credit quality when raising new financing.

The Group is therefore exposed to the risk of rising interest

rates and to the appetite of banking partners and credit investors for providing it with financing.

In general, real-estate debt is taken on at fixed rates for leases and mortgages. For other debt, the choice between a fixed rate or variable rate depends on the type of debt instruments concerned as well as market conventions, or may be the result of a deliberate choice made by the Group in relation to its policy for managing interest rate risk, and therefore to its level of coverage of pre-existing interest rate risk.

The Group is therefore exposed to eurozone interest rate risk as regards both the variable portion of its current debt and its future refinancing and fund-raising arrangements.

The Group mainly operates locally and therefore in the currency of the country in question, without incurring any foreign exchange risk. With the exception of the United Kingdom, all countries of operation belong to the eurozone.

Foreign exchange risk does not constitute a significant risk for the Group.

#### 2.4.2.2 Risk management framework

Korian closely monitors its cash position and changes in its current and future liquidity needs. It then implements its strategy of diversifying sources of financing at the same times as it optimises the cost of its debt.

Korian has set up centralised and pan-European cash management through the use of cash pooling, allowing optimal use of its resources.

The raising of new bank or financial market financing is managed by the Group's central services. From time to time, the Group's subsidiaries may obtain financing from outside the Group, in particular to fund real estate projects.

In 2022, the Group issued several financing solutions, in various formats, including Schuldschein issues and real estate debt with its banking partners. The average debt maturity now stands at 4.8 years (excluding short-term debt offset by available cash at closing).

In addition, the Group benefits from a revolving credit facility in the amount of €500 million under its syndicated loan agreement, not used as of the date of this Universal Registration Document, from a short-term negotiable debt securities programme (NEU CP) for €300 million, and from a medium-term negotiable debt securities programme (NEU MTN) for €200 million.

During 2022, and more particularly from the middle of the first half of the year, without having to resort to it, the Group nevertheless noted a deterioration in the debt market, in particular in the markets for Schuldschein and private

placements in euros. The Group's access to the disintermediated debt market in the coming months could require Korian to use different terms or instruments, adapted to the expectations of investors, from those used in the past.

The Group's indebtedness as at 31 December 2022 is described in Note 8 to the financial statements.

Moreover, Korian pursues a policy of actively monitoring and managing the risk of interest rate fluctuations. It is based on the Group's projected net debt position, after factoring in the execution of its business plan.

The Group has put financial instruments in place to hedge against this risk and uses standard derivative instruments (interest rate swaps, swaptions, caps and floors). The average maturity of its derivative hedges is more than 4.9 years.

At 31 December 2022, taking into account the fixed-rate debt and interest rate hedges in place, approximately 84% of gross borrowings were at fixed rates. The net debt was 100% hedged.

The interest rate risk on the projected debt, in line with the business plan, is already hedged for 2023. The profile of this hedge is declining over time.

In view of the existing hedges, at 31 December 2022 the sensitivity of financial expenses to a change in market rates over the next 12 months was as follows:

- a 0.5% increase (50 basis points) in the yield curve would increase the Group's financial expense by less than €0.2 million;
- a 0.5% decrease (50 basis points) would decrease the Group's financial expense by less than €0.2 million.

These details also appear in Note 8 to the financial statements.

As its bank and bond financing arrangements evolve, the Group adapts its hedging structure to maintain alignment with the debt profile, in accordance with the Group's prudent financial management policy.

#### 2.4.3 COST AND INFLATION MANAGEMENT

##### 2.4.3.1 Description of risk

The international environment has been marked by a return to higher inflation since the middle of 2021. Inflation may increase the cost of the resources used by Korian to carry out its activities. This risk increased at the beginning of 2022 due to the political conflict in Ukraine. In this context, the Group must ensure that it has the ability to protect itself as far as possible from cost increases and consider protective or alternative measures in relation to the operating costs of services and costs related to real estate.

Labour costs represent 60% of revenue and are exposed to inflation, either through wage indexation, as in Belgium, or

through annual negotiations leading to collective agreements, as in France.

In 2022, in France, salaries less than or equal to €2,500 gross per month were increased by 3%, effective from September 2022.

Apart from the inflationary effects, wage costs may also be exposed to legislative decisions to increase wages, as was the case in France starting in 2020 with the "Sécurité de la Santé", or in 2022 in Germany where salaries were increased by around 2.5% from September 2022. These cost increases were offset by dedicated public financing or price renegotiations.

The rents paid for the operation of the non-owned portfolio represent approximately 11% of the Group's revenue. Korian operates 1,200 facilities in seven European countries and is a tenant in 72% of its operating portfolio. The Group is exposed to any increase in rents that could occur either during a lease renewal or through the indexation of rents in accordance with the terms of the contracts. However, there are protective clauses in the contracts (cumulative inflation thresholds to be reached, which only partially reflect inflation). Rents are indexed to indices specific to each country of operation and are mainly linked to inflation, or to residential or commercial rents. They may also depend on specific indices related to the business sector (e.g. the rent increase benchmark rate for long-term care nursing homes in France).

Regarding the cost of investments in renovation of the facilities or relating to new construction and renovation, interruptions to the supply chain or an exceptionally high increase in the cost of raw materials on the global market could result in a delay or an increase in the costs of certain projects prior to their delivery.

Purchases related to operations represent approximately 16% of the Group's revenue. They can be affected primarily by price inflation. It should be noted that the supply of energy, whose prices were subject to strong tensions in 2022, increased by around €20 million over the year, net of specific subsidies. This increase in energy costs is therefore not fully covered by dedicated financing and has had a negative impact on the Group's margins. A significant portion is hedged for the coming year and the Group is implementing multi-year hedging policies. In 2022, energy represented approximately 2% of the Group's revenue.

#### 2.4.3.2 Risk management framework

The Group's Finance Department has implemented effective and regular monitoring of its key indicators, including the operating margin (EBITDAR), occupancy rate, occupancy cost ratio and changes in the various cost categories.

The increase in payroll costs in the main countries where the Group operates may be offset by allocations received and accommodation rates.

The Group has a Human Resources policy that aims above all to improve the quality of life at work, employment conditions and employee satisfaction in order to retain its employees and contribute to their development. This policy is part of the corporate project, designed to provide high-quality care for residents and patients and thus contribute to the level of occupancy rates in the facilities.

To operate an optimal goods and services purchasing policy ensuring quality and competitive prices, Korian has set up Purchasing Departments in the main countries of operation.

The principal functions of these departments are to:

- ensure the highest level of quality and efficiency in purchasing;
- minimise operational risks and create value;
- obtain the best value for money from suppliers;

- find solutions and suppliers that meet local needs and requirements;
- establish long-term partnerships and relationships with suppliers; and
- guarantee the reliability of preferred suppliers.

The subsidiaries are not dependent on single suppliers. They have alternative sourcing options in order to ensure healthy competition while limiting business continuity risks. In appropriate cases, the Purchasing Departments negotiate prices that are fixed over a certain period, such as energy prices in Germany and Belgium, which are fixed for 2023.

The main measures used to manage inflation risk are based on:

- careful monitoring of indicators (salaries, rents, other expenses);
- anticipation of negotiations about the pricing policy;
- regular renegotiation with suppliers; and
- a policy of diversification.

The Group's Real Estate and Development Department is responsible for managing risks related to the leasing of buildings, including increases in rents. This department also manages the portfolio's assets. The active real estate management policy has, among other benefits, made it possible to minimise the number of leases indexed to the most volatile indices and therefore to reduce the risk of decorrelation between changes in rents and the accommodation prices paid by residents.

To manage the risk of rent increases when leases are renewed, the Group has set up a dedicated management system in all of the countries where it operates. It is based on a precise analysis of each lease and notably the occupancy cost ratio (EBITDAR/rent), the expiry date and any renewal clauses, the aim being to proactively determine the outcome of each contract upstream of the process.

More generally, the Group has implemented several mechanisms to protect itself from uncontrolled rent increases. These include:

- active management of current leases and anticipation of expiries;
- add contractual stipulations to the leases signed: free month agreements, indexation freezes or caps, rent reductions, which are part of global negotiations also involving the duration of new leases; and
- increasing the proportion of its portfolio that is fully owned (around 28% in 2022 compared to 25% at the end of 2021).

With regard to the construction costs of turnkey or renovation projects, the Group has several contracts for which the inflation risk is mainly borne by the developer and not by Korian as future operator or future operator and owner. On projects for which Korian is the developer, the Group works with standardised concepts that have been industrialised and make it possible to order raw materials in advance for a series of projects and therefore to control the costs of future deliveries. In addition, framework agreements have been put in place to guarantee prices for products and services over a specified period.

## 2.5 Internal control and risk management

The Group has drafted and implemented an internal control and risk management procedure based on the recommendations set out in the AMF's reference framework (entitled "Reference Framework on risk management and internal control measures") (the "**Reference Framework**").

The risk management and internal control measures complement the control of the Group's activities. The risk management framework aims to identify and analyse the

most material risks and then address them through appropriate action plans. The controls to be implemented as part of these action plans are part of the internal control procedures. The latter thus contribute to the treatment of the risks to which the Company's activities are exposed.

The internal control system is applied to the Company and to all companies within its scope of consolidation.

### 2.5.1 DEFINITION AND OBJECTIVES OF INTERNAL CONTROL

Internal control refers to all Group processes that contribute to the rigorous and efficient management of its business activities and the control of its risks.

More specifically, the purpose of internal control is to:

- ensure compliance with laws, regulations and the Group's values;
- ensure accounting and financial information is reliable and accurate;
- protect the Group's assets and reputation;
- ensure targets are reached; and
- prevent and detect fraud and irregularities.

The internal control system is intended to provide reasonable assurance that these objectives are being achieved.

Internal control is based on a centralised structure with a policy of delegating powers and responsibilities to the Group's operational and functional departments. In particular, the Group ensures that:

- its strategy and operational goals are clearly communicated;
- optimal guidance is provided to assist everyone in their work, in particular by sharing Best Practices;
- its employees have the skills and resources they need to perform their work. To this end, the Human Resources Department in all countries where the Group operates has assessment, periodic monitoring and training procedures in place;
- processes are carefully controlled.

### 2.5.2 PARTICIPANTS IN INTERNAL CONTROL AND RISK MANAGEMENT

The Board of Directors' Audit Committee oversees the internal control process. The process is then implemented by the Group's Chief Executive Officer, the Group's country General Managements, the Group's operational and functional divisions and departments, and by its employees.

#### 2.5.2.1 Management at Group level

The Board of Directors' **Audit Committee** oversees the effectiveness of the internal control and risk management systems and reports regularly on this work to the Board of Directors.

Its responsibilities are defined in the Internal Regulations of the Board of Directors and are described in Section 4.1.3.3.1 of this Universal Registration Document.

The Group's **Chief Executive Officer** defines the principles underlying the internal control system and ensures its implementation, in particular through:

- the internal committees she has set up, which involve the Group's main functional managers; and
- dialogue with the General Management in the countries where the Group operates.

The **Group Risks, Ethics and Compliance Committee** meets under the chairmanship of the Group's Chief Executive Officer every two months and notably reviews and monitors:

- the Group's most material risks and the process for updating its risk map;
- major Group disputes, which the Group Legal Department consolidates for all countries;
- the results of internal audits;
- implementation of compliance plans (primarily with respect to corruption and the GDPR) and preparation for any major legislative amendments; and
- statistics concerning complaints and alerts issued within the Group, in particular via the internal whistleblowing system.

The **Group Finance Department** is responsible for the quality and accuracy of the accounting and financial information produced by the Company and its subsidiaries. In order to optimise its work, the units within this department are divided into business lines:

- in every country, separate teams are responsible for the facilities' accounting and management control;
- at Group level, the units comprise, in particular, the Treasury and Financing Department and the Financial Control Department, which includes the consolidation teams.

Within the Finance Department, the **Group Tax Department** notably monitors any changes to the applicable tax regulations and oversees the Group's tax risks. Where necessary, it is supported by the local Tax Departments.

The **Audit and Internal Control Department** reports to the Group Finance Department and presents the results of its work to the General Management, the Group Risk, Ethics and Compliance Committee and the Audit Committee of the Board of Directors. It carries out the following duties:

- **internal audit:** implementing the audit plan approved by the Board of Directors' Audit Committee and drafting of recommendations to improve risk management, compliance with internal control procedures, overall compliance and overall performance;
- **internal control:** drafting and updating internal control standards (including 175 key controls in 2022), as well as organising the demanding self-assessment campaign carried out within the Group; and
- **risk management:** coordinating the Group's risk mapping exercise, which includes recording and assessing the major risks and the associated action plans, the governance in place for the "top risks" and the identification and qualification of opportunities.

## 2.5.2.2 Management at country level

Assisted by their local Finance Departments, the General Management in the countries where the Group operates are responsible for applying the Group's procedures, supervising financial performance and approving the financial statement closing procedures for their respective subsidiaries.

The Finance Departments in the countries where the Group operates are responsible for verifying the accounting and management data in accordance with the Group's instructions. They also prepare the statutory financial statements.

The heads of the departments ensure that the facilities comply with the regulatory obligations. This includes providing support in their relations with the supervisory authorities and monitoring the achievement of the contractual objectives defined with these authorities.

All countries where the Group operates have an Information Systems Department tasked with ensuring the security of the management tools and, as far as possible, the prevention of any malfunctions thereof, thereby ensuring business continuity. The work of these departments is coordinated at Group level.

The organisation of governance in the countries where the Group operates aims to replicate the organisation at Group level.

2

## 2.5.3 INTERNAL CONTROL SYSTEMS FOR ACCOUNTING AND FINANCIAL INFORMATION

The Group is organised in such a way as to increase the speed and reliability of its procedures for producing financial information.

### 2.5.3.1 The "Book of Rules" covering internal procedures

The Book of Rules is a document prepared for the members of Top Management and includes all the key rules, procedures and principles that apply within the Group. It is updated regularly. Each manager receiving the Book of Rules is responsible for its application and distribution within his or her team. The Group Legal Department and the Legal Departments of the countries ensure a uniform interpretation.

### 2.5.3.2 Internal control standards

The Audit and Internal Control Department deploys and maintains a set of common internal control standards across the entire Group. These standards cover the main processes involved in particular in preparing accounting and financial information, as well as in preventing fraud and corruption.

Every year, a demanding self-assessment campaign is

conducted with the functional departments of every country on the key controls described in these standards. The feedback obtained is used to assess whether the internal control procedures are adequate and effective within every subsidiary and, where appropriate, to define the action plans to be implemented. In 2022, these standards included 175 key controls on 12 processes. For the 2022/23 campaign, a documentary control system was implemented for 15 key control points concerning six processes in order to ensure the accuracy of the ratings of so-called "mature" countries in terms of internal control (France, Germany and Italy). This additional system made it possible to validate the accuracy of the returns with very slight adjustments (only seven adjustments of one degree out of the 45 points, mainly relating to the formalisation of controls and not their effectiveness).

### 2.5.3.3 Operational management monitoring and control

The operational management control unit reports to the Finance Department of each country. Its role is to monitor the operational performance achieved by the facilities and support functions in respect of the targets assigned to them.

## Budgeting process

Every year, all of the facilities prepare a budget based on the guidelines laid down by the General Management and the Finance Department of each country. These budgets follow a common framework that takes into account the business model and the applicable regulations in the country concerned. Operational management control reviews the budgets and then consolidates them at the level of each country, for approval by the country's General Management.

The Group's Financial Control Department then examines and consolidates all budgets presented by the countries at Group level.

The budgeting process also includes an update during the course of the year with the production of three forecasts based on the financial information from the results to date, thereby improving the accuracy and reliability of the financial forecasts.

## Reporting

Every month, operational management control prepares a report serving as a basis for management dialogue with Facility Directors and Regional Directors. This report is consolidated at the level of the Operations Departments in each country as well as that of the General Management in each country.

This report monitors key financial indicators such as revenue, occupancy rates, average accommodation rates, major expenditure items (including employee benefits expenses), trade receivables, cash flows and investments. Any deviations from the budget or forecast and any changes from the previous period are identified, analysed and explained. During a formal meeting by country, called the Business Review, the General Management, the Finance Department and the main functional departments of each country present this report to the Group's General Management.

Simultaneously, the Group Financial Control Department produces a consolidated monthly report. The latter incorporates the management control information for each country into the Group information system. This report is also presented to the Group's General Management every month, and corrective measures are taken if necessary.

## 2.5.3.4 Preparation and control of financial information

The Group publishes half-yearly financial statements as at 30 June (consolidated) and annual financial statements as at 31 December (individual and consolidated), as well as quarterly revenue figures.

The Group Financial Control Department, which reports to the Group Finance Department, is responsible for preparing the consolidated financial information. Its duties include the following:

- distribution of accounting and financial principles in the form of a procedures manual, the Korian Reporting and Accounting Manual;
- preparation of precise instructions, including a detailed schedule, which are forwarded by the Group Financial Control Department to the subsidiaries before each consolidation exercise;
- sub-group consolidation;
- use of a single information system deployed in all the Group's subsidiaries.

In addition, the consolidated subsidiaries prepare a letter of representation addressed to the Statutory Auditors, in which the Management of the consolidated subsidiaries confirm the accuracy and comprehensiveness of the financial information submitted for the purposes of the consolidation exercise.

### 2.5.3.5 Debt and cash management

Debt and cash management are overseen at Group level. The Chief Executive Officer submits a funding strategy to the Board of Directors' Audit Committee and to the Board of Directors. New credit facilities may require the authorisation of the Board of Directors (depending on the governance rules applicable).

The Company's available cash, whether stemming from these credit facilities or from the generation of positive cash flows, can be made available to its subsidiaries through current account or inter-company loan agreements, in particular to finance their development transactions. Foreign subsidiaries may occasionally take out local bilateral loans subject to prior approval by the Group Finance Department and/or the Board of Directors (depending on the applicable governance rules).

In addition, the Group has set up a centralised system for managing means of payment in the administrative headquarters of every country where it operates. Payments made by operational sites are consequently kept to a minimum.

Lastly, the Group has a daily cash pool arrangement with its main banks. The Group Finance Department monitors the monthly consolidated cash positions at country level.

### 2.5.3.6 Internal control procedures associated with growth operations and commitments

All investment and divestment decisions are subject to the approval of an internal committee, either the International and Strategic M&A committee for any investments in a new country or above a certain threshold, or the Group Commitments and Investment Committee. The Group Chief Executive Officer, the Group Chief Financial Officer, the Group Chief Real Estate and Development Officer, the Group International Development Advisor, the Group Executive Vice President Business Development and New Countries, and the Group M&A and International Business Development Director are permanent members of these committees.

In addition, the Board of Directors' Investment Committee is

responsible for reviewing and issuing an opinion prior to the Board of Directors' decision on significant investment or divestment transactions. (Further information is presented in Section 4.1.3.3.3 of this Universal Registration Document.)

### 2.5.3.7 Internal controls related to information systems

An efficient IT organisation is essential to guarantee that all accounting and financial information published is relevant and reliable. To this end, the Group continues to implement mechanisms that safeguard its information systems.

To develop in line with the Group's requirements, existing applications are regularly adapted or changes are made to applications. Such changes ensure that information flows are better and more securely managed.

## 2.5.4 OPERATIONAL RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

### 2.5.4.1 Operational risk management

Each country manages its operations and is responsible for their end results. In order to coordinate the ethics, medical and quality of service policies, the Group has set up a Medical, Ethics and Quality-of-Service Department, whose objectives include:

1. defining the quality and operational risk management policy using ISO 9001 standards;
2. defining guidelines for the Group-wide medical policy, in compliance with:
  - ethics,
  - good business practices, and
  - regulations in the Group's countries.

This department is also responsible for supervising the quality management system implemented in each country, ensuring the harmonisation of practices, and managing and centralising the results of external or internal quality audits conducted within all of the Group's facilities.

This supervision is based on the following committees, chaired by the Group Chief Medical, Ethics & Quality of Service Officer:

- a Group Quality Committee composed of quality managers from every country and a Group Medical Committee composed of medical representatives were created in 2017. These committees meet quarterly to assess the monitoring of the ethics, medical and quality of service policies, share best practices and thus improve Group and country procedures; and
- a Group Quality and Prevention Committee, which monitors the application of the Korian Standards and oversees preventive actions in terms of safety and security.

In addition to these committees, the Group Medical, Ethics and Quality of Service Department supervises all the national quality managers in each of the seven countries, in particular conducting monthly updates in order to review performance and manage ongoing projects.

### 2.5.4.2 "Serious Adverse Events" (SAE) procedures

In accordance with the health regulations applicable in the countries in which it operates, the Group defines a Serious Adverse Event (SAE) as being any internal or external event that is liable to:

- put a facility's service continuity at risk;
- undermine the quality of care for residents or patients; and
- threaten the safety of employees.

In all countries where the Group operates, the Facility Director must report all SAEs to his or her supervisor, who will assess with the Facility Director the level at which the event should be handled. The SAE procedure includes various classification levels:

1. SAEs involving the health of people;
2. SAEs involving safety;
3. SAEs involving the operation of facilities; and
4. SAEs that pose a threat to the public and/or to the Company's reputation.

Depending on the severity of the event and the level at which it is to be handled, a local, regional, national or Group-wide crisis unit may be set up, in accordance with the crisis management procedure.

The SAE procedure is a process for identifying and handling incidents but also for improving risk prevention. All adverse event reports are also added to a database that enables us to define any corrective actions that may be required. In addition, the Group performs a weekly consolidation and ranking of SAEs at Group level according to 14 criteria common to all countries.

This process is also defined in concert with the various supervisory authorities in order to ensure that the appropriate information is submitted (a description of the event itself and of the precautionary measures in place and/or envisaged), in accordance with the applicable regulations.

### 2.5.4.3 The ethics of care, prevention and management of risks related to the activity

The Group has continued its efforts to:

- strengthen the consistency of its ethics approach;
- identify and prevent all levels of risk inherent to its activities; and
- improve the overall quality of its practices and services provided to residents and patients.

The Group's Positive Care approach focuses on individual needs and expectations and aims to provide care to residents and patients under optimal quality and safety conditions. This approach is key to improving our processes and resolving any potential issues.

This policy is part of the Group's desire to always show proper care and respect and thus improve risk control **upstream** through preventive action. The Board of Directors' Ethics, Quality and CSR Committee oversees this policy. To ensure that the Group's ethics principles are applied on a daily basis, a wide range of training courses have been set up.

### 2.5.4.4 Quality assurance process

The Quality Assurance Process is established across Europe by the Medical, Ethics and Quality of Service Department in cooperation with the Quality Departments in every country. The latter ensure that the Group's quality policy and operational risk management procedures are implemented and followed, while factoring in any specific features of local regulations.

The Quality Assurance Process involves deploying a set of rules, policies, procedures and best practices, compiled together in quality manuals accessible to all of the Group's facilities. In addition, in order to ensure the proper functioning of this system, independent internal and external teams conduct quality audits in all of the Group's countries.

At the same time, prevention programmes are developed to address key issues:

- the prevention of epidemics;
- the use of medication;
- the safety of residents and patients;
- the risk of infection;
- well-being; and
- personal data protection.

These programmes are promoted and organised in ways that are tailored to each facility.

In addition, the launch of the ISO 9001 certification project across the entire Group is reflected in the implementation of a common standard at European level (the Korian Standard). This standard details the Group's requirements that meet the ISO 9001 standard and which are set out, where applicable, in country quality manuals.

The aims of this approach are as follows:

- to standardise the quality of Korian services in all its countries and business units;
- to obtain certification for Korian's network from an external organisation;
- to encourage and facilitate the sharing of Best Practices with a view to making improvements on an ongoing basis.

This project is an extension of the initiatives being undertaken in Italy, Spain and the Netherlands, where facilities are certified in the third year following their integration at the latest.

The first facilities in France, Belgium and Germany were certified in 2021.

The entire network of long-term care nursing homes and healthcare facilities (excluding mental health clinics) will be certified by the end of 2023 and within two years following the integration of each new facility.

Regarding mental health clinics, the Group conducted a review in 2021 for implementation between 2022 and 2024.

Further information on the quality approach is available in Chapter 3 of this Universal Registration Document.

### 2.5.5 INSURANCE AND RISK COVERAGE

The insurance policy is managed at Group level with the aim of ensuring homogeneous and consistent coverage of risks (in particular: the types of risks covered, the level of deductibles, the level of caps). The approach consists of aligning coverage limits with the replacement value of the insured property or, in the case of liability coverage, with an estimation of Group-specific risks and of reasonably foreseeable sector-specific risks. In order to reduce risk, the Group has also implemented a prevention policy.

The risk coverage programmes incorporate the specificities of local regulations while maintaining the Group's desire for centralisation and global coverage. The insurance policies taken out under these programmes are placed with leading insurance companies.

In all the countries where it operates, the Group has taken out insurance policies, either through Group insurance programmes or through policies taken out locally, covering, among other things:

- civil liability;
- the risk of property damage; and
- where applicable, operating losses and risks related to the vehicle fleet.

For the construction projects it carries out as project owner in France, the Group takes out policies covering structural damage, its liability as a property developer and comprehensive worksite liability.

The Group has also set up an insurance programme covering the liability of its corporate officers, executives and employees.

# 3

## Environmental, social and corporate governance



<b>3.1 AN ESG STRATEGY INTEGRAL TO THE CORPORATE PROJECT</b>	<b>79</b>	<b>3.5 BE A COMMITTED AND RESPONSIBLE LOCAL PARTNER</b>	<b>137</b>
3.1.1 A roadmap focusing on 5 pillars and 15 commitments	79	3.5.1 Contribution to regional economic and social development	137
3.1.2 Preparing our transition to a purpose-driven company with our stakeholders	86	3.5.2 A purchasing policy that extends the Group's commitments to its entire value chain	137
3.1.3 Rigorous management of non-financial risks	89	3.5.3 Ties with associations and local communities	140
3.1.4 Structured and robust ESG governance	91	3.5.4 Dialogue with representatives of residents, patients and their families about life in the facilities	141
3.1.5 Our contribution to the SDGs	92	3.5.5 A local employer committed to social inclusion	141
3.2 PROVIDE CARE EXCELLENCE WHILST ENSURING DIGNITY AND CHOICE FOR ALL	95	3.5.6 Business ethics	141
3.2.1 Improving the autonomy of residents with the Positive Care approach	95	3.5.7 Tax policy	142
3.2.2 Adopt exemplary conduct and ethical practices in our businesses	96	<b>3.6 REDUCE OUR ENVIRONMENTAL FOOTPRINT</b>	<b>144</b>
3.2.3 Deploying a culture of quality and quality management in all facilities	97	3.6.1 European Taxonomy	144
3.2.4 Ensure safety and continuity of care	102	3.6.2 Commit to a low-carbon trajectory	154
<b>3.3 BE THE EMPLOYER OF CHOICE</b>	<b>105</b>	3.6.3 Reduce the environmental footprint of the Group's real estate portfolio – Scopes 1 & 2 of the carbon footprint assessment	156
3.3.1 The Korian human resources policy	105	3.6.4 Reducing the Group's environmental footprint resulting from its value chain – Scope 3 of the carbon footprint	161
3.3.2 Engaging employees around an ambitious labour-related framework	108	3.6.5 Take into account the impact of the activity on ecosystems and biodiversity	163
3.3.3 Attract and develop talent to ensure quality of care	120	<b>3.7 GROUP VIGILANCE PLAN</b>	<b>164</b>
3.3.4 Be a committed and responsible social player	125	<b>3.8 APPENDICES</b>	<b>174</b>
<b>3.4 CONTRIBUTE TO FINDING INNOVATIVE SOLUTIONS FOR A MORE INCLUSIVE SOCIETY</b>	<b>128</b>	3.8.1 SASB Healthcare Delivery cross-reference table	174
3.4.1 Foundations associated with the Korian Group	128	3.8.2 Indexed articles published in 2022	180
3.4.2 Support research and innovation for care practices	130	3.8.3 Note on methodology	181
3.4.3 Use technology for the sector's major challenges	132	<b>3.9 INDEPENDENT THIRD-PARTY REPORT ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT INCLUDED IN THE MANAGEMENT REPORT</b>	<b>186</b>
3.4.4 Stakeholder Councils provide the Group with insights on the societal challenges of ageing	134	<b>APPENDIX 1: INFORMATION CONSIDERED TO BE THE MOST IMPORTANT</b>	<b>189</b>



## A MESSAGE FROM RÉMI BOYER, CHIEF HUMAN RESOURCES OFFICER

2022 saw consolidation of our CSR progress in a context of continued growth, particularly in the United Kingdom and Spain. It also marked our achievement of most objectives from the ESG roadmap set in 2020 as part of our "In Caring Hands" corporate project.

These results are reflected in the strengthening of our quality-of-care standards. More than two thirds of our sites are now ISO 9001 certified and our "Positive Care" approach has been deployed in 97% of our facilities.

Meanwhile, 12% of our employees, i.e. close to 7,000 people, benefited from a qualifying training programme in 2022, illustrating that our Company is positioned as a proactive learning organisation that makes it possible for everyone to progress within the Group. At 7.3 years, our employees' average tenure also bears witness to the quality of the Group's human resources policies and our employer brand. Indeed, we are proud to have earned the "Top Employer" label for 2022 in four of the Group's major countries, in France for the second time, in Germany for a third, and in Belgium and Italy for the first time.

We serve 700 catchment areas. Being embedded in the community is therefore essential to ensuring quality relationships with local stakeholders. We are continuously structuring these relationships, both via our Social Life Committees and, at the national level, Stakeholder Councils in five of our seven countries.

The significant energy tensions caused by the Russia-Ukraine conflict have, of course, prompted us to accelerate efforts to reduce energy consumption and inflect the low-carbon trajectory defined in 2020. As a result, our carbon intensity ratio, calculated in terms of the Group's surface area, decreased by 25% in 2022 versus 2019. Our CDP score improved from D to B, recognising the Groupwide progress of our environmental management processes. We therefore confirm the carbon trajectory of -40% emissions intensity established in 2019.

We are entering 2023 with strong momentum from these achievements. This will be a pivotal year for our CSR ambition, as it is both the last year of our 2019-2023 CSR roadmap and the first year of our transition to the status of a purpose-driven company. To support this change, in 2023, the CSR Department will become part of the Group Brand & Commitment Department. This department was recently created to oversee the new roadmap, which is closely linked to the commitments of our corporate purpose, and has been entrusted to my colleague, Marion Cardon, who will pursue this ambition with energy and determination.



## A MESSAGE FROM MARION CARDON, CHIEF BRAND AND ENGAGEMENT OFFICER

It has now been several years since we first established a CSR strategy and roadmap to address environmental and societal challenges. In becoming a purpose-driven company, we are once again taking a key step, by including our commitment to the common good in our Articles of Association. This formalises, in a sustainable and enforceable way, our duty to consider our stakeholders' expectations and our societal impact as we design and implement our corporate strategy.

The year 2022 was punctuated by stages in the development of our project. The first involved extensive consultation with our myriad stakeholders: residents, patients and their families, employees and employee representative bodies, representatives from the various local communities where we operate, and investors. In all, we asked more than 1,500 people about their needs and expectations regarding Korian's purpose, with respect to them directly and more generally for society.

These powerful, complementary and constructive exchanges outlined a clear course of action. This orientation, in turn, enabled us to identify and formulate an identity and purpose, as well as the priority social and environmental objectives through which we want to bring positive value to society.

In 2023, we will continue the process of integrating our purpose and objectives into our Articles of Association, as well as their concrete implementation in the field, with the creation of a standing Mission Committee. Setting up solid and dedicated governance structures will enable everyone to contribute to achieving our purpose and its objectives.

With this transition, we institute that our societal commitments must be central to each of our actions, driven by ambitious CSR objectives that are enabled by the maturity we have acquired on these subjects in recent years and by the daily involvement of all. We are already working to prepare our next CSR roadmap for 2024-2026. This will be an expression of our ambition and our responsibility, integrating our commitments as a purpose-driven company. The Group's CSR Department will play a key role in bringing together and mobilising the Group's employees, who are essential to this transformation.

## 3.1 An ESG strategy integral to the corporate project

### 3.1.1 A ROADMAP FOCUSING ON 5 PILLARS AND 15 COMMITMENTS

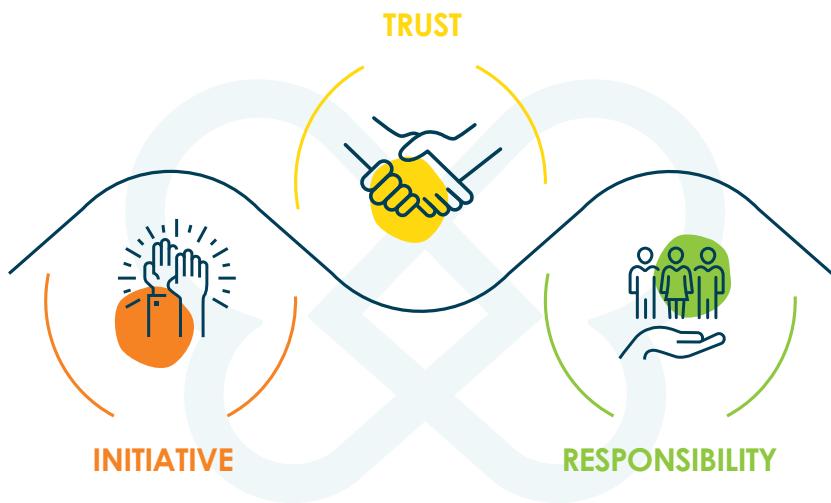
The social and societal nature of Korian's mission means that the Company plays a special role in society. This rests on the heightened sense of responsibility felt by all members of the Company to meet the major challenges of an ageing population in Europe.

#### A mission closely tied to societal challenges

The Group's societal role is at the heart of its mission to "Provide care and support to elderly or fragile people and their loved ones, respecting their dignity and contributing to their quality of life" and of its corporate project. It is manifest in each of Korian's facilities in Europe, which are deeply rooted in their communities, aware and sensitive to the social and environmental realities of their countries. We are proud of our mission of serving the most fragile and elderly among us.

As an extension of these commitments, and in accordance with the mandate given by our shareholders at the General Meeting of 22 June 2022, we have become a European company and have engaged in dialogue with all our stakeholders in order to prepare for transition to the status of a purpose-driven company, which will be submitted to a vote by our shareholders at the General Meeting convened for 15 June 2023.

#### Values



#### THE THREE VALUES OF KORIAN'S CULTURE

These values, which are at the heart of Korian's culture, are inseparable: our long-term relationship with our stakeholders is built on a permanent **bond of trust**, is renewed continuously through a **sense of Initiative**, and sustained by **responsible decisions**.

These values can be seen in behaviours and attitudes that drawn on the Group's DNA and guide everyone's decisions in carrying out the Group's mission:

- Trust is earned through **transparency, benevolence and consideration**;
- Initiative grows through **innovation, commitment and courage**;
- Responsibility is demonstrated through **integrity, the quality of our services and our commitment to long-term sustainability**.

## Stakeholder dialogue and materiality matrix

Korian's ESG strategy was designed with consideration for its stakeholders' expectations to identify priority social, societal and environmental challenges. In 2021, Korian updated its materiality matrix to identify and prioritise the expectations of its stakeholders, as well as the most relevant issues with regard to the Covid-19 pandemic.

In discharging their mission of caring for elderly or fragile people, the Group's facilities are in close contact with various categories of stakeholders: residents, patients, as well as their relatives and caregivers, employees and their

representatives, healthcare professionals, joint authorities and other public and local authorities. At the level of facilities, regions, countries and the Group, Korian is strengthening and structuring its model of stakeholder dialogue.

As a result, Stakeholder Councils are now in place in five of the Group's seven countries (France, Germany, Belgium, the Netherlands and Italy). The Group has also supported the creation of independent foundations in France, Germany and Spain, whose governance bodies include representatives of the main stakeholders.

### ► A BROAD STAKEHOLDER ECOSYSTEM

Stakeholders	Definition and scope	Dialogue channels
Fragile people, relatives and caregivers	Residents, patients, beneficiaries of services in particular elderly or fragile people – as well as their families, relatives and caregivers.	<ul style="list-style-type: none"> <li>■ Social Life Committee/Users Commission</li> <li>■ Family relations</li> <li>■ Satisfaction surveys</li> <li>■ Digital applications</li> <li>■ Customer services</li> <li>■ Website and social networks</li> </ul>
Employees, vocational trainees and their representatives	Employees, interns, apprentices and any person in training, as well as employee representatives and trade unions.	<ul style="list-style-type: none"> <li>■ Korian Start onboarding process, Training, Annual interviews</li> <li>■ Community satisfaction surveys</li> <li>■ Internal communication: Intranet, newsletter</li> <li>■ Help line, whistleblowing system</li> <li>■ Social dialogue with social partners</li> </ul>
Supervisory authorities, national and local authorities	National, regional and local authorities linked to the Group's activities, elected officials and their representatives: for example, the Ministry of Solidarity and Health, French regional health agencies, and Departmental Councils in France.	<ul style="list-style-type: none"> <li>■ Social Life Committees</li> <li>■ Participation in various local consultation bodies dedicated to the economic and social development of the regions: Union Nationale des Missions Locales partnership, local employment and integration, etc.</li> </ul>
Regulators	Regulators of the health and medico-social sector: for example Haute autorité de santé, French regional health agencies.	<ul style="list-style-type: none"> <li>■ Partnership in France with the Union Nationale des Missions Locales</li> </ul>
Civil society, foundations, associations and NGOs	Foundations supported by the Group, civil society players – particularly professional associations, non-profit organisations, non-governmental organisations (NGOs) and volunteers working with the Group at a national, regional or local level.	<ul style="list-style-type: none"> <li>■ Foundations supported by the Group: scientific studies, platforms, etc.</li> <li>■ Themed conferences</li> <li>■ Press relations: press releases, breakfast, visits to facilities, etc.</li> </ul>
Research, innovation and vocational training organisations	State-of-the-art university or hospital medical research facilities and innovation centres dedicated to health and longevity issues, as well as training facilities that deliver accredited degrees, qualifications or continuous education. For example, Fondation pour la Recherche Médicale (FRM), Institut Pasteur, the Toulouse Gérontopôle (geriatrics centre), etc.	<ul style="list-style-type: none"> <li>■ Partnerships</li> <li>■ Scientific studies</li> <li>■ Participation in conferences, seminars</li> </ul>
Healthcare professionals and their representative bodies	Community of internal and external healthcare professionals who interact with the Group, patients, residents, recipients of services, as well as relatives: doctors and specialists, caregivers, nurses, psychologists, physiotherapists, dieticians, psychomotor specialists and pharmacy professionals, etc., along with their representative bodies.	<ul style="list-style-type: none"> <li>■ Social Life Committees</li> <li>■ Stakeholder Councils</li> <li>■ Facility Medical Commissions for the healthcare facilities</li> </ul>
Business partners	Partner companies, suppliers and subcontractors, particularly in the agri-food, healthcare goods and equipment, design and construction, energy, water and waste sectors, etc.	<ul style="list-style-type: none"> <li>■ Responsible Purchasing Charter for suppliers</li> <li>■ Supplier agreements and trade fairs</li> <li>■ Professional organisations (Top AFEP)</li> </ul>

Stakeholders	Definition and scope	Dialogue channels
Investors and other financial partners	Shareholders and holders of other equity or debt securities and instruments issued or guaranteed by the Group or any of its subsidiaries, banks and other financial institutions, as well as financial analysts, credit or non-financial rating agencies.	<ul style="list-style-type: none"> <li>■ Shareholders' General Meeting</li> <li>■ Investor days, conferences and meetings with investors and financial analysts, non-financial rating agencies</li> <li>■ Presentations, annual and half-year financial reports, press releases, Universal Registration Documents, etc.</li> </ul>

## Methodology

This materiality exercise was updated in 2021 based on feedback collected from all stakeholders across the Group's network in Europe, after the first wave of the Covid-19 pandemic.

Numerous discussion groups were organised in each of the Group's countries. Nearly 2,000 people took part in these, including patients, residents, their relatives and families, Korian teams, trade union representatives, etc. As a second step, Korian analysed and classified this information, then supplemented it with the perceptions of investors and the media. Qualitative interviews were then conducted with the Group's key managers, namely the Chairman of the Board of Directors, the Chief Executive Officer, the members of the Group Management Board (including the country Directors) and the main functional departments of the Group.

This process helped to refine the mapping of Group stakeholders and identify priority objectives according to their ESG impact, as related to:

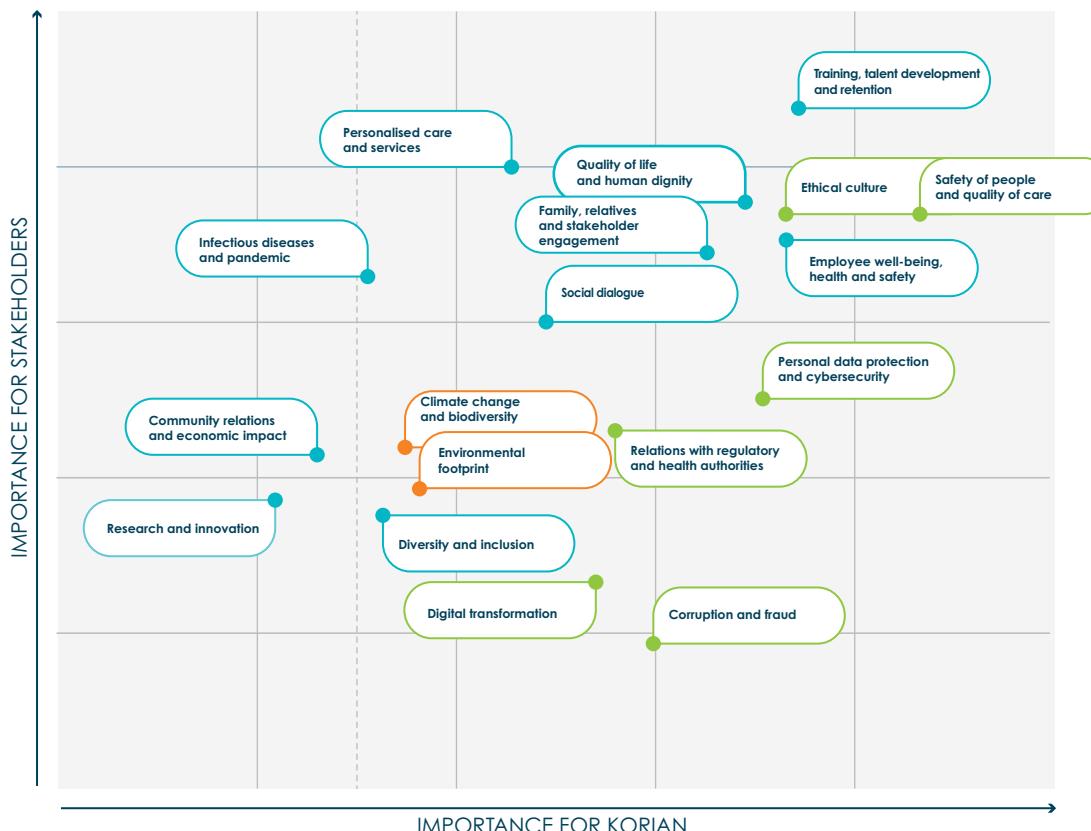
- Korian's mission;
- ESG strategic pillars;
- non-financial risks.

A weighted assessment of priority issues was then carried out, mapped to both stakeholders' perceptions and Korian's.

This materiality matrix synthesises the five pillars of the Group's ESG strategy and the non-financial risk analysis (see below) to identify the areas Korian should prioritise in light of the expectations of its internal and external stakeholders.

3

## Materiality matrix



## 18 MATERIAL ESG CHALLENGES CLASSIFIED IN 3 CATEGORIES

- Environment
- Social/Societal
- Governance

This approach is an integral component of the business model presented in Chapter 1 of this Universal Registration Document.

In 2022, as part of the preparation for its transition to the status of a purpose-driven company, Korian also launched a consultation with its stakeholders to gather their opinions and expectations concerning the Company's mission and main avenues for progress in achieving it (see details in Section 3.1.2).

### ESG challenges

THE 5 PILLARS OF KORIAN'S ESG STRATEGY		OUR 18 MATERIAL ESG CHALLENGES
<b>1</b>	<b>Provide care excellence whilst ensuring dignity and choice</b>	<ul style="list-style-type: none"> <li>■ Quality of life and human dignity</li> <li>■ Family, relatives and stakeholder engagement</li> <li>■ People safety and quality of care</li> <li>■ Infectious diseases and pandemic</li> <li>■ Ethical culture</li> </ul>
<b>2</b>	<b>Be the employer of choice</b>	<ul style="list-style-type: none"> <li>■ Employee well-being, health and safety at work</li> <li>■ Social dialogue</li> <li>■ Diversity and inclusion</li> <li>■ Training, talent development and retention</li> </ul>
<b>3</b>	<b>Contribute to finding innovative solutions for a more inclusive society</b>	<ul style="list-style-type: none"> <li>■ Digital transformation</li> <li>■ Personalised care and services</li> <li>■ Research and innovation</li> </ul>
<b>4</b>	<b>Be a committed and responsible local partner</b>	<ul style="list-style-type: none"> <li>■ Community relations and economic impact</li> <li>■ Regulatory and health authority relations</li> <li>■ Corruption and fraud</li> <li>■ Personal data protection and cybersecurity</li> </ul>
<b>5</b>	<b>Reduce our environmental footprint</b>	<ul style="list-style-type: none"> <li>■ Climate change and biodiversity</li> <li>■ Environmental footprint</li> </ul>

### An ESG strategy focusing on five pillars, aligned with the Sustainable Development Goals (SDGs) and consistent with the corporate project

Korian's ESG strategy aims to improve the Group's social and environmental impact by operating in accordance with its values and taking into account the expectations of its internal and external stakeholders.

The strategy is broken down into five strategic and operational pillars, stemming from our corporate project. This strategy is implemented operationally through action plans, investments and objectives at Group, country and facility levels.

### OUR ESG STRATEGY IN 5 PILLARS



## A roadmap focusing on 15 quantifiable and measurable ESG commitments

The Group has established a roadmap focusing on 5 pillars and 15 quantified ESG commitments, which meet and are based on the main international non-financial reporting standards (such as those of the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI) and the UN Sustainable Development Goals (SDGs)). These indicators are used to measure the progress of ESG performance. The Group's CSR Department monitors this matter in conjunction with the countries and functional departments. Indicators are subject to reporting during monthly business reviews.

They are presented to the financial community alongside the publication of annual results, at conferences and in individual meetings with investors, and notably SRI investors.<sup>(1)</sup>

A correspondence table cross-referencing the SASB Healthcare Delivery industry standard is provided at the end of Chapter 3.

## ESG commitments incorporated into annual and medium-term objectives

The ESG commitments are incorporated into the annual targets of each business line, distributed throughout the management chain, and assimilated in the long-term performance action plans for Top Management.<sup>(2)</sup>

### ACHIEVEMENT OF THE ANNUAL OBJECTIVES FOR 2022

The following criteria were included in the variable compensation of Top Management in 2022:

- The Net Promoter Score (NPS), measured through customer satisfaction surveys;
- A composite HR indicator: stabilisation of average tenure reduction in the frequency rate of work accidents with stoppage and 10% of the workforce enrolled in a qualifying training programme;
- Reduction in carbon emissions per sq. metre due to buildings' energy consumption versus 2019.

## ANNUAL OBJECTIVES FOR 2023

In 2023, the non-financial criteria will be strengthened with an increased weighting in variable compensation. Five criteria are included in the objectives of Top Management:

1. Continuous improvement of the Net Promoter Score (NPS), demonstrating Korian's quality of service;
2. Improvement in workplace quality-of-life, as measured by a "composite" HR indicator;
3. The increase in the number of ISO 9001-certified facilities, in line with the 2023 roadmap, which aims for 100% ISO 9001-certified facilities by the end of 2023;
4. The reduction in the energy consumption of our facilities, new objective in 2023;
5. The quality of care, as measured by a composite indicator (for managers), new objective in 2023.

### 2023-2025 performance share plan

In 2022, the weight of the ESG indicators in the long-term variable compensation awarded to the Chief Executive Officer and Top Management was increased to 50% of the performance conditions. Furthermore, an additional indicator has been added for 2023.

The 2023 performance share plan includes the following three criteria: the reduction of carbon emissions, the percentage of women members of country management committees and within Top Management, and a composite indicator on the quality of care.

(1) Socially Responsible Investment.

(2) Executive managers of the Group's support and operational departments who report directly to the members of the Group Management Board.

## ESG RESULTS IN 2022 OF THE ESG ROADMAP FOR 2019-2023

THE 5 PILLARS OF KORIAN'S ESG STRATEGY	OUR 15 COMMITMENTS BY 2023	2021	2022	2023 OBJECTIVES
1 Provide care excellence whilst ensuring dignity and choice	100% of "Positive Care" facilities in 2023	80%	97%	100%
	ISO certification of 100% of facilities in 2023	29% target 15 %	67.7% target 50 %	100%
	1 Mediator per country & definition of a customer charter by 2023	in place  ongoing 	in place  ongoing 	7 countries
2 Be the employer of choice	Maintain and increase average tenure	7.4 years 	7.3 years 	≥ 6.7 years in 2019
	10% of employees in qualifying training programmes by 2023	9.7%	11.8% 	10%
	50% of women in the Top Management by 2023 (+10 %)	47%	56% 	50%
3 Contribute to finding innovative solutions for a more inclusive society	1% of the Group's net profit dedicated to philanthropic initiatives	€1.5 M 1.6% 	€1.8 M 3.5% 	1% net income
	Stakeholder Council in every country by 2023			7 countries
	5 scientific publications per year	40 	109 	> 5
4 Be a committed and responsible local partner	70% of purchases made locally and 20% from SMEs	78% / SME 36% 	80% / SME 43% 	70% local / 20% SME
	100% of sites involved in a project with local communities by 2023	99%	99%	100%
	Local and Family Committees in 100% of facilities by 2023	89%	94%	100%
5 Reduce our environmental footprint	Deployment of the low-carbon roadmap	-6.8% kgCO <sub>2</sub> /m <sup>2</sup>	-25% kgCO <sub>2</sub> /m <sup>2</sup>	-40% in energy intensity for buildings by 2030
	5% reduction in residual waste production by 2023	-7.6% metric tonnes/bed 	-6% metric tonnes/bed 	-5%
	All new buildings certified HQE or equivalent	95%	100% 	100%

\*Versus 2019.

 OBJECTIVE REACHED

## Financing aligned with 3 of the 15 main ESG commitments

Korian's ESG priorities are fully integrated in the Company's financial strategy. A committee comprising representatives of the Finance and CSR departments meets monthly to measure the progress made in this area.

In June 2020, Korian became the first company in the sector to carry out a private bond placement (Sustainability Linked Euro PP) of €173 million, based entirely on non-financial performance criteria and with a maturity of eight years. An additional issue (tap) of €57 million was completed on 6 October 2020, bringing the total amount of the bond series to €230 million.

As a new milestone in the roll-out of the Group's ESG strategy, this private offering was structured around 3 of the 15 main ESG commitments for 2023. This has strengthened investor confidence in the Group's ambition and its non-financial objectives:

- as regards quality: achieve ISO 9001 certification for all facilities;
- as regards employees: double the proportion of staff members participating in qualifying training programmes to reach 8%;
- as regards society: reduce direct and indirect CO<sub>2</sub> emissions.

Depending on the extent to which each of these targets are met, the interest rate on the bonds may be increased or reduced by up to 20 basis points. If the interest rate increases, half of the increase will be allocated to internal compensatory measures and/or paid to one or more external partners (such as associations or NGOs), the other half being paid to investors.

An independent body, tasked with reviewing the non-financial performance statement, verifies the achievement of the above commitments every year.

## "Sustainability Linked Euro PP" private placement

### ► ACHIEVEMENT OF THE ESG OBJECTIVES FOR 2022

KPIs	Objectives for 2022	Results and notes	Achievement
ISO 9001 certifications	50% of facilities ISO certified (based on a scope of 836 facilities in a position to obtain certification as at 31 December 2019).	At the end of 2022, the Group had an ISO 9001 certification rate of 67.7% of the European network considered for financing purposes, compared to 29% in 2021, 11% in 2020 and 8% in 2019. The number of facilities in a position to be certified at 31 December 2019, i.e. 836 establishments, has been restated for the 55 establishments sold or closed in 2021 and 2022.	✓
Employees enrolled in qualifying training programmes	Have at least 7% of the employees enrolled in qualifying training programmes during the year, with a minimum of 5,250 people.	In 2022, 6,808 people, or 11.8% of the workforce, were enrolled in a qualifying training programme.	✓
Reduction of CO <sub>2</sub> emissions	Pursuant to the notice sent to investors by Euroclear on 24 December 2021, the target for 2022 is to achieve a 2.3% reduction in CO <sub>2</sub> emissions compared to the 2019 emissions, which amounted to 41 kgCO <sub>2</sub> /m <sup>2</sup> .	At the end of 2022, the Group posted a level of CO <sub>2</sub> emissions of 30.7 kgCO <sub>2</sub> /m <sup>2</sup> , representing a 25% reduction in CO <sub>2</sub> emissions compared to the 2019 emission levels.	✓

In 2021, Korian announced the success of two issues:

- a non-convertible green hybrid bond in the amount of £230 million, the purpose of which is to finance the modernisation, acquisition or development of real estate assets, mainly in the United Kingdom. The report on this financing was published on 15 June 2022 on the Korian website on the Sustainable Finance page (<https://www.korian.com/en/sustainable-finance>), accompanied by the certificate of partial allocation of funds provided by our auditors;
- a social bond in the amount of €300 million, based on social criteria, the proceeds of which will be used to finance the growing need for care in Europe, in medico-social and healthcare facilities, as well as in co-living residences or home care services provided by Petits-Fils. The report on this financing was published on 14 October 2022 on the Korian website on the Sustainable Finance page (<https://www.korian.com/en/sustainable-finance>), accompanied by the certificate of total allocation of funds provided by our auditors.

3

### 3.1.2 PREPARING OUR TRANSITION TO A PURPOSE-DRIVEN COMPANY WITH OUR STAKEHOLDERS

#### 3.1.2.1 Objectives of our transition to a purpose-driven company

In order to meet the growth in healthcare needs over the next two decades, as well as the structural challenges of the healthcare sector (persistent effects of the Covid-19 pandemic, crisis of confidence, shortage of healthcare professionals, weakening of the economic model due to the rise in inflation and interest rates), we decided in 2022 to initiate a profound transformation of our Group and its corporate project.

As one of our major goals is to strengthen the confidence of our stakeholders, this transformation will be grounded in our transition to being a purpose-driven company, as announced at the General Meeting held in June 2022, which we will submit to a vote at the General Meeting in June 2023.

Through this transformation, the Group wants to:

- redefine a shared mission that has become broader than its historical activity;
- secure, through their inclusion in the Company's Articles of Association, a corporate purpose and social and environmental objectives that frame our societal commitment;
- strengthen the inclusion and participation of all our stakeholders in fulfilling our mission.

#### 3.1.2.2 Key milestones towards becoming a purpose-driven company

Launched in March 2022, the preparation of our transition to becoming a purpose-driven company has begun and is following the following stages:

- **March to May 2022:** mobilisation of Top Management and preparation of consultations;
- **June to November 2022:** consultation with all stakeholders;
- **October to December 2022:** summary and prioritisation of needs and expectations;
- **November to February 2023:**
  - drafting of our corporate purpose and social and environmental objectives;
  - identification of operational objectives and initiatives in line with our mission;
  - creation of the Mission Committee in anticipation of adoption;

#### ■ February to June 2023:

- preparation of a first roadmap detailing the implementation plans and indicators for operational initiatives in line with our social and environmental objectives;
- familiarisation of the Mission Committee with the Company and preparation of the first committee meeting, to be held on 6 July 2023;
- 15 June: General Meeting at which we will propose our transition to being a purpose-driven company;

#### ■ Second half of 2023:

- first meetings of the Mission Committee and assessment of the means allocated to the strategy established to serve the social and environmental objectives;
- transitional phase between the 2019-2023 CSR roadmap and the preparation of the new CSR roadmap, incorporating the new orientations of the mission-led company, and taking effect in 2024.

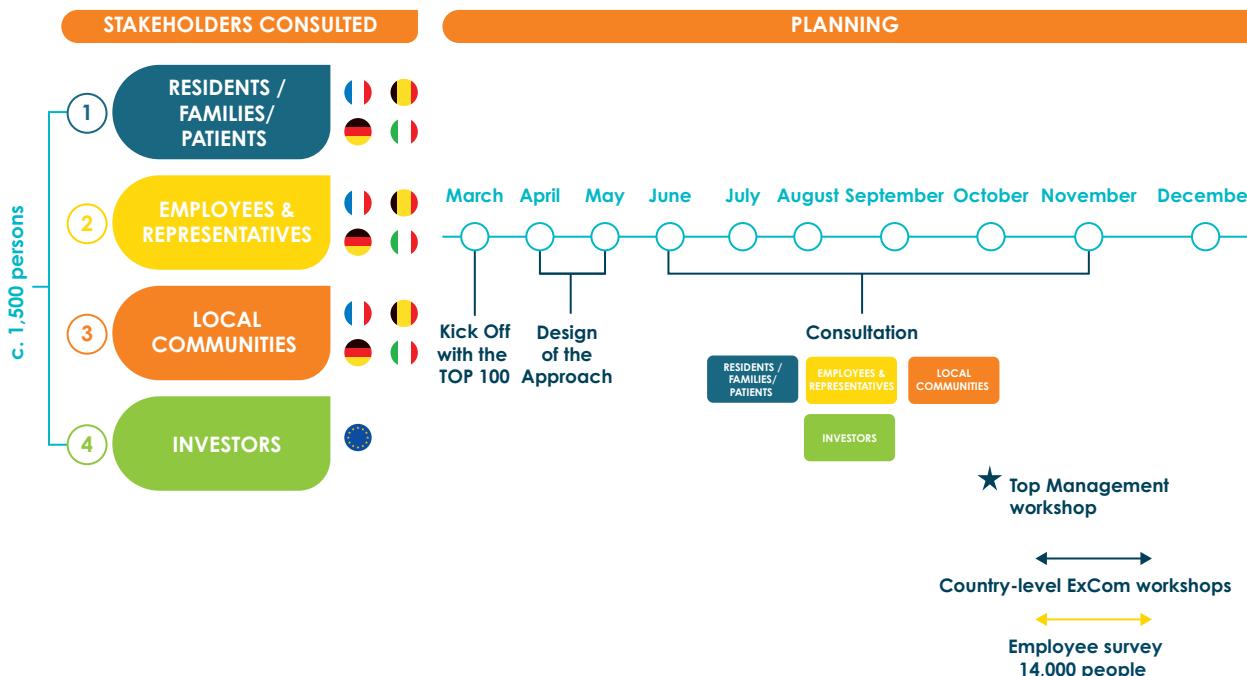
#### 3.1.2.3 Drafting our new corporate purpose

In June 2022, we launched a vast consultation to understand, on the one hand, what the expectations and priorities of our stakeholders are and, on the other hand, the specific contribution that our Group can make given its history, values and expertise.

More than 1,500 people, representing residents, families, patients, employees and their representatives, as well as public authorities and the investment community took part in this exercise through workshops, interviews, surveys, question-and-answer sessions or dedicated meetings at governance bodies or stakeholder councils.

To this was added the written contributions of 14,000 employees across Europe, collected during the annual employee engagement survey, which was carried out in November 2022.

## OVERVIEW OF STAKEHOLDERS CONSULTATIONS



This consultation enabled us to identify for each stakeholder group the essential elements on which to build a renewed mission.

Residents, patients, families, prescribers and associations have asked us in particular to place people at the centre of all our concerns, to take care of our employees as a priority (in terms of training, motivation but also support) so that they in turn can take care of their loved ones and nurture a relationship of trust through transparent communication and greater proximity.

For their part, employees and their representative bodies expressed the desire to improve the quality and further personalise the care of those entrusted to them. They also stressed the importance of training as a driver of quality and employability, and the need for the Company to help them when they experience complicated personal situations. Local authorities expect the Group to contribute to direct and indirect employment in their regions, as well as professional development of employees, in order to increase employability in their regions. They wish to see us communicate even more clearly and transparently on our economic model, on the use of public money and the sharing of value and, lastly, to involve our facilities and employees more closely in the fabric of their regions.

Lastly, the investor community recognised the consistency and continuity of the transition to being a purpose-driven company with the CSR commitments already made. Furthermore, investors insisted on the attention that must be paid to the operational and pragmatic implementation of the commitments, associated with clear objectives and indicators, and monitored by a fully committed Mission Committee representing the diversity of stakeholders.

### 3.1.2.4 Broad consultation of our stakeholders

On the strength of all these contributions, our Group was able to articulate the new mission that it will propose, at the General Meeting of 15 June 2023, to include in its Articles of Association, which will be filed with the Commercial Court.

This mission is based on a purpose:

**The wording of our new purpose: "Take care of each person's humanity in times of vulnerability"**

and five social and environmental objectives, consistent with the 17 United Nations Sustainable Development Goals (SDGs):

1. show **respect and consideration** to every individual for whom we care and their loved ones, as well as every one of our employees and stakeholders while also fighting all forms of discrimination;
2. develop a **fair and sustainable business operating model** that benefits our patients, residents and their families, our employees and other stakeholders for all our business lines and investment decisions;
3. encourage and enhance **innovation** to help better prevent illnesses, increase the effectiveness of treatments and enhance the quality of life and satisfaction of patients, residents, families, employees and other stakeholders;
4. harness our geographic footprint and diverse network of facilities to improve access to care, build a **resilient local ecosystem** and contribute to economic momentum in the regions in which we operate;
5. protect our communities' life environment through the adaptation of our processes and behaviours to **fight climate change and preserve biodiversity**.

## MAIN EXPECTATIONS EXPRESSED BY OUR STAKEHOLDERS



### 3.1.3 RIGOROUS MANAGEMENT OF NON-FINANCIAL RISKS

#### Challenges and management of non-financial risks

As part of its risk management process, Korian analysed its major risks to identify those which have a social, societal or environmental dimension likely to affect the Group, its activities, performance or stakeholders, or the environment. The methodology for identifying risks, their description and the associated management systems are described in Chapter 2 of this Universal Registration Document.

The table below summarises the primary non-financial risks identified within the framework of the Group risk assessment, the policies and actions implemented and the key performance indicators (**KPIs**).

Pillars of the ESG strategy	Non-financial risks/ challenges identified	Policies and actions put in place	Key performance indicators for 2022 (KPI)	Chapter 3 section
1 <b>Provide care excellence whilst ensuring dignity and choice</b>	<b>Treatment and care (Section 2.1.2)</b>	<ul style="list-style-type: none"> <li>■ Ethics, Medical and Quality policies included in the ISO 9001 quality manuals for each activity (Korian Standard)</li> <li>■ Positive Care approach</li> <li>■ Monitoring of Serious Adverse Events (SAEs)</li> </ul>	<ul style="list-style-type: none"> <li>■ Roll-out of Positive Care: <b>97%</b> of the network <sup>(1)</sup></li> <li>■ Frequency of serious adverse events relating to the health and safety of residents and patients: <b>ratio of 0.47 per 10,000 days spent in a facility</b></li> </ul>	Section 3.2.1 Section 3.2.4.2
	<b>Reputation risk (Section 2.1.4)</b>	<ul style="list-style-type: none"> <li>■ Ethics, Medical and Quality policies included in the ISO 9001 quality manuals for each activity (Korian Standard)</li> <li>■ Customer Care Charter</li> <li>■ Processing of customer complaints</li> <li>■ Mediation</li> <li>■ Crisis management procedures</li> </ul>	<ul style="list-style-type: none"> <li>■ Average Group satisfaction score (long-term care nursing homes, assisted living facilities): <b>8/10</b></li> <li>■ Group NPS (long-term care nursing homes, assisted living facilities and healthcare facilities): <b>36</b></li> </ul>	Section 3.2.3.2 Section 3.2.3.3 Section 3.2.3.4 Section 3.2.3.5 Section 3.2.4.3
	<b>Safety of people (Section 2.1.6)</b>	<ul style="list-style-type: none"> <li>■ Procedures to ensure food safety, building safety and the risk of failure of biomedical devices and equipment included in the ISO 9001 quality manuals for each activity (Korian Standard)</li> </ul>	<ul style="list-style-type: none"> <li>■ 360° Quality Audits: <b>74% of the facilities certified A or B</b></li> <li>■ Percentage of facilities with ISO 9001 certification: <b>67.7% of the facilities certified</b> <sup>(2)</sup></li> </ul>	Section 3.2.3.1
2 <b>Be the employer of choice</b>	<b>Information systems, cybersecurity and personal data protection (Section 2.1.5)</b>	<ul style="list-style-type: none"> <li>■ Action plans implemented/strengthened to reinforce cybersecurity (security policy, etc.)</li> <li>■ General Data Protection Regulation (GDPR) compliance framework</li> </ul>	<ul style="list-style-type: none"> <li>■ Prevention, awareness and training actions arranged for "personal data" officers:</li> <li>■ As of 31 December 2022, 712 officers had been trained in 2021 and 2022.</li> </ul>	Section 3.2.4.1
	<b>Recruitment and employee retention (Section 2.1.3)</b>	<ul style="list-style-type: none"> <li>■ Design of new recruitment strategies, measures taken to promote talent retention and loyalty</li> </ul>	<ul style="list-style-type: none"> <li>■ Absenteeism rate: <b>12.7%</b></li> <li>■ Turnover rate: <b>21.5%</b></li> <li>■ Average tenure: <b>7.3 years</b></li> </ul>	Section 3.3.1 Section 3.3.2 Section 3.3.2.3 Section 3.3.2.4
3		<ul style="list-style-type: none"> <li>■ Training organisations and skills development programmes, qualifying training programmes</li> </ul>	<ul style="list-style-type: none"> <li>■ Number of hours of training given (face-to-face training and e-learning): <b>716,429 hours</b></li> <li>■ Employees enrolled in a qualifying training programme: <b>11.8%</b></li> </ul>	Section 3.3.3.2 Section 3.3.3.3

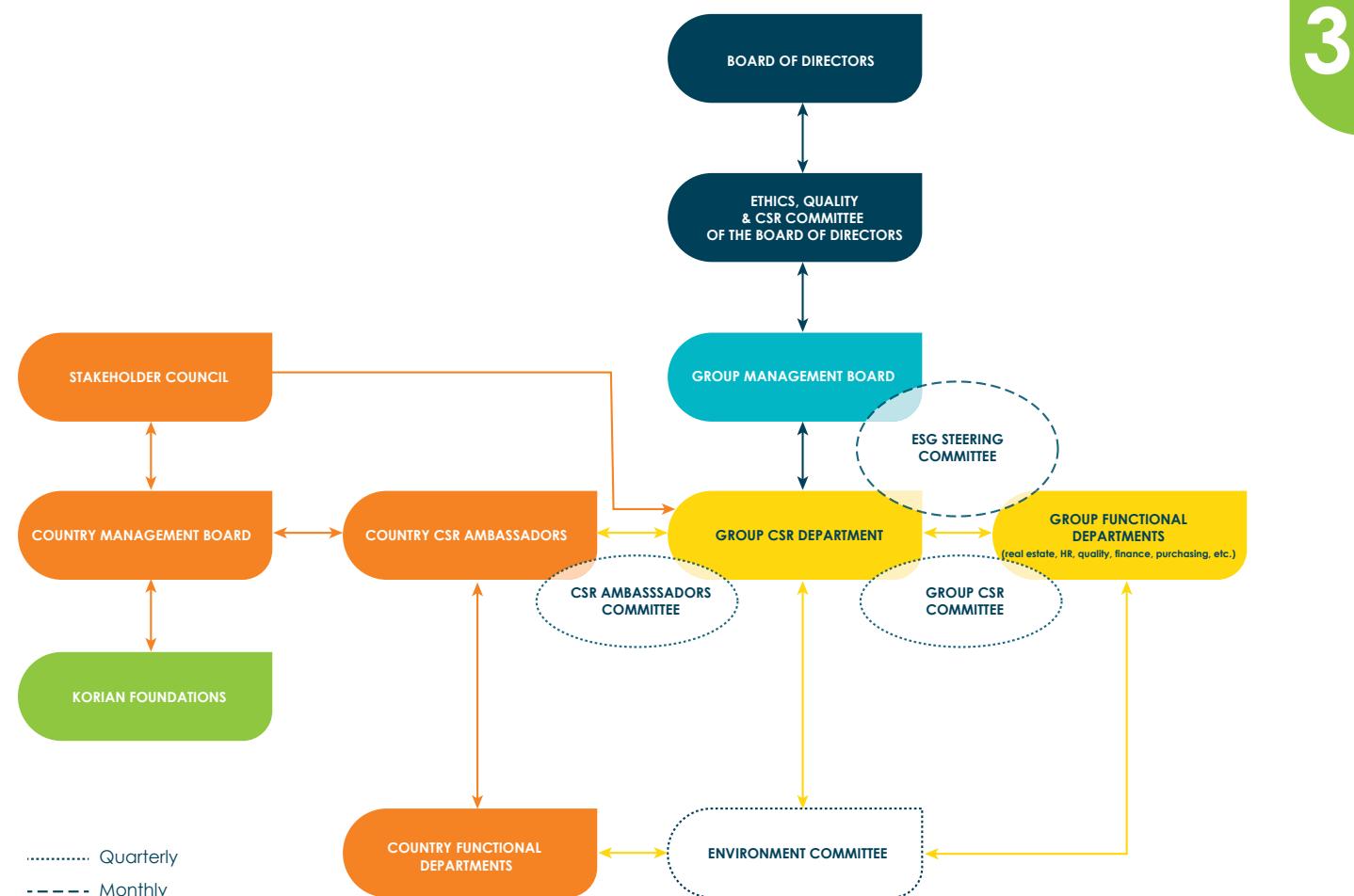
Pillars of the ESG strategy	Non-financial risks/challenges identified	Policies and actions put in place	Key performance indicators for 2022 (KPI)	Chapter 3 section
2 <b>Be the employer of choice</b>	<b>Recruitment and employee retention (Section 2.1.3)</b>	<ul style="list-style-type: none"> <li>Social dialogue and occupational health and safety policy at Group and country level</li> </ul>	<ul style="list-style-type: none"> <li>European Company Works Council</li> <li>Share of employees covered by a social dialogue or collective agreement system: <b>100%</b> (excluding the United Kingdom)</li> <li>Frequency rate: <b>41</b> (down)</li> <li>Severity rate: <b>1.54</b> (down)</li> </ul>	Section 3.3.2.5
		<ul style="list-style-type: none"> <li>Development of inclusion and gender equality policies, Korian Women's Club, employment policies for disabled workers in the Group</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of women on staff: <b>81.4%</b></li> <li>Percentage of women in Top management: <b>56%</b></li> </ul>	Section 3.3.2.4
		<ul style="list-style-type: none"> <li>Transparent and attractive compensation policy</li> </ul>		
3 <b>Contribute to finding innovative solutions for a more inclusive society</b>	<b>Issues related to medical research and societal changes (Section 3.4)</b>	<ul style="list-style-type: none"> <li>Support and participation in medical research, in particular through foundations</li> </ul>	<ul style="list-style-type: none"> <li>109 scientific publications</li> <li>1 Stakeholder Council in 5 countries</li> </ul>	Section 3.4.1
		<ul style="list-style-type: none"> <li>Establishment of Stakeholder Councils in each country - Solidarity actions</li> </ul>	<ul style="list-style-type: none"> <li>3.5% of the Group's net profit dedicated to philanthropic initiatives</li> </ul>	Section 3.4.2
4 <b>Be a committed and responsible local partner</b>	<b>Business ethics (Section 2.3.3)</b>	<ul style="list-style-type: none"> <li>Ethics Charter, anti-corruption policy, Group gifts and invitations policy, sponsorship policy, Responsible Purchasing Charter, third-party assessment procedure</li> <li>Whistleblowing system: secure external platform open to all employees</li> </ul>	<ul style="list-style-type: none"> <li>Deployment of the Ethics Charter across <b>100%</b> of the Group's facilities and systematic communication to new employees</li> <li><b>83.2%</b> of Top Management has completed the anti-corruption training</li> </ul>	Section 3.2.2
		<ul style="list-style-type: none"> <li>Purchasing policy</li> <li>Responsible Purchasing Charter</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of local purchases: <b>80%</b></li> <li>Percentage of purchases with SMEs: <b>43%</b></li> <li>Percentage of preferred suppliers assessed by EcoVadis: <b>44%</b></li> </ul>	Section 3.5.2
	<b>Challenges associated with responsible purchasing</b>			
5 <b>Reduce our environmental footprint</b>	<b>Property development and construction (Section 2.2.3)</b>	<ul style="list-style-type: none"> <li>Low-carbon roadmap for energy in buildings</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of HQE (French High Environmental Quality certification) or equivalent real estate projects in 2022: <b>100%</b></li> </ul>	Section 3.6.3
		<ul style="list-style-type: none"> <li>Measures implemented to limit the environmental impact of activities: reduction of the carbon footprint, recycling and waste reduction, protection of residents from major climate events such as heat waves</li> </ul>	<ul style="list-style-type: none"> <li>CO<sub>2</sub> emissions related to energy (Scopes 1 and 2): <b>30.7 kgCO<sub>2</sub>e/m<sup>2</sup></b></li> <li>Water consumption: 58.8 m<sup>3</sup>/bed</li> <li>Residual waste: 478 kg/bed (<b>-6.1% vs 2019</b>)</li> </ul>	Section 3.6.3
<p>(1) This indicator is based on long-term care nursing homes monitored annually as part of the ESG criteria of the Sustainability Linked Euro PP placement which have been open for at least two years, i.e. 697 long-term care nursing homes (excluding Spain and the United Kingdom) in 2022.</p> <p>(2) Scope of 836 facilities with 55 disposals or closures in 2021 and 2022 deducted, i.e. 781 facilities, used as the basis for this indicator, which is among the ESG objectives monitored annually as part of the Sustainability Linked Euro PP placement.</p>				

### 3.1.4 STRUCTURED AND ROBUST ESG GOVERNANCE

To develop and implement its ESG development strategy, the Group has set up dedicated governance.

- **Board of Directors assisted by the Ethics, Quality & CSR Committee:** design of the ESG strategy and monitoring of its execution.
- **Group Management Board:** execution of the ESG strategy and monitoring of the actions carried out in each of the pillars by the Chief Brand and Engagement Officer with support of a dedicated CSR Department.
- **Group CSR Department:** steering of sustainable development actions hand in hand with the Human Resources, Quality, Real Estate, Purchasing, Operations and Investor Relations functional departments as well as with the network of country ambassadors. Coordination of the monthly Group ESG Steering Committee and mobilisation of all levels of the Group, in particular facilities that maintain close relationships with local stakeholders.

#### ESG GOVERNANCE (2022)



The Board of Directors' Audit Committee is also responsible for monitoring the Vigilance Plan (Section 3.7 of this Universal Registration Document).

### 3.1.5 OUR CONTRIBUTION TO THE SDGS



#### Membership of the Global Compact of the United Nations

Since 2019, Korian has committed to support the 10 principles of the Global Compact of the United Nations Organization (UN) on human rights, international labour standards, environmental protection and the fight against corruption.

In July 2022, Korian submitted its first Communication on Progress (COP) to explain, measure and demonstrate to its stakeholders the progress made during the previous year. This COP obtained the Global Compact Advanced Level, which acknowledges that Korian has adopted best practices in terms of ESG governance, management and reporting.

As such, the Group is contributing to the UN's 17 Sustainable Development Goals (SDGs). A cross-reference table linking the Group's 15 ESG commitments to the Global Compact and the SDGs is presented below.

#### Contribution to the UN Sustainable Development Goals (SDGs)

##### THE 5 PILLARS OF THE ESG STRATEGY

##### SUSTAINABLE DEVELOPMENT GOALS

<b>1</b> <b>Provide care excellence whilst ensuring dignity and choice</b>		<b>Good health and well-being</b> 3.4 Promote mental health and well-being
		<b>Industry, innovation and infrastructure</b> 9.1 Implement high-quality infrastructure that is reliable, sustainable and resilient
		<b>Quality education</b> 4.4 Significantly increase the number of young people and adults with the skills, including technical and vocational skills, necessary for employment and decent work
		<b>Gender equality</b> 5.1 End all forms of discrimination against women and girls 5.2 Eliminate all forms of violence against all women and girls in the public and private spheres
		<b>Decent work and economic growth</b> 8.8 Promote safe and secure working environments for all workers and ensure all workers are protected
<b>2</b> <b>Be the employer of choice</b>		<b>Reduced inequalities</b> 10.2 Promote the social and economic integration of all people, regardless of their age, gender, disability, race, ethnicity, origin, religion or economic status 10.3 Ensure equal opportunities and reduce inequality of outcomes, in particular by eliminating discriminatory practices and promoting the adoption of appropriate laws, policies and measures
		<b>Good health and well-being</b> 3.4 Promote mental health and well-being
		<b>Decent work and economic growth</b> 8.6 Significantly reduce the proportion of out-of-school youth with no jobs or training
		<b>Industry, innovation and infrastructure</b> 9.5 Bolster scientific research, as well as public and private innovation
		<b>Partnerships for the goals</b> 17.17 Encourage and promote effective public-private and civil society partnerships
<b>3</b> <b>Contribute to finding innovative solutions for a more inclusive society</b>		<b>Good health and well-being</b> 3.4 Promote mental health and well-being
		<b>Decent work and economic growth</b> 8.6 Significantly reduce the proportion of out-of-school youth with no jobs or training
		<b>Industry, innovation and infrastructure</b> 9.5 Bolster scientific research, as well as public and private innovation
<b>4</b> <b>Contribute to finding innovative solutions for a more inclusive society</b>		<b>Partnerships for the goals</b> 17.17 Encourage and promote effective public-private and civil society partnerships
		<b>Partnerships for the goals</b> 17.17 Encourage and promote effective public-private and civil society partnerships

**THE 5 PILLARS  
OF THE ESG STRATEGY**

**4 Be a committed and responsible local partner**

**5 Reduce our environmental footprint**

**SUSTAINABLE DEVELOPMENT GOALS**

	<b>Decent work and economic growth</b> <b>8.3</b> Promote the creation of decent jobs and stimulate the creation of small- and medium-sized enterprises
	<b>Reduced inequalities</b> <b>10.2</b> Promote the social and economic integration of all people, regardless of their economic status
	<b>Responsible consumption and production</b> <b>12.6</b> Encourage companies to adopt sustainable practices and to include information on sustainability in their reports
	<b>Affordable and clean energy</b> <b>7.2</b> Significantly increase the share of renewable energy <b>7.3</b> Improve energy efficiency
	<b>Industry, innovation and infrastructure</b> <b>9.4</b> Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.
	<b>Sustainable cities and communities</b> <b>11.6</b> Reduce the negative environmental impact of cities, by paying particular attention to air quality and waste management
	<b>Responsible consumption and production</b> <b>12.3</b> Reduce food waste <b>12.4</b> Establish rational ecological management of waste to reduce pollution <b>12.5</b> Significantly reduce waste production through prevention, reduction, recycling and reuse
	<b>Climate action</b> <b>13.2</b> Integrate climate change measures in policies and strategies

## PILLAR 1 OF THE ESG STRATEGY

### PROVIDE CARE EXCELLENCE WHILST ENSURING DIGNITY AND CHOICE

#### COMMITMENT 1

Deploy Positive Care  
to 100% of facilities by 2023

#### COMMITMENT 2

ISO 9001 certification of 100%  
of facilities by 2023

#### COMMITMENT 3

A mediator per country and  
a Customer Care Charter rolled out  
in all facilities by 2023

#### 2022 RESULTS

97%

vs. 80% in 2021

67.7%

vs. 29% in 2021 ISO certified

Mediators appointed in France,  
Germany, Italy, the Netherlands,  
and Spain

Customer Care Charter defined  
at Group level

#### REMINDER OF THE KORIAN ESG MANIFESTO – OUR OFFER FOR OUR RESIDENTS AND PATIENTS

"Our primary responsibility is to ensure excellence in care while respecting the dignity and **freedom of choice of fragile people and their loved ones**, while promoting the **strengthening or maintenance of autonomy**. This involves a philosophy of care built around the person and his or her needs, respectful of his or her expectations. This is the meaning of the Positive Care approach:

- we guide the people receiving care and caregivers towards the care solution that suits them;
- we are gradually developing a diversified range of services and support in local communities;
- we are implementing a Customer Care Charter in our network, which formalises the Group's values, mission and commitments to its residents and patients;
- the autonomy of our residents and patients is supported by our **Positive Care approach**, which values the capabilities and desires of residents and patients, and includes a range of non-drug therapies. All of the Group's facilities are gradually being equipped with Positive Care equipment and trained in their use, with the aim of covering 100% of medico-social facilities by the end of 2023;
- the quality of all our facilities will be guaranteed by the ISO 9001 quality standard (objective of **100% of facilities certified by 2023**; first step of 15% certified facilities by the end of 2021, 50% by end 2022 and 100% by the end of 2023). The "360° quality" vision will be supplemented by the integration of quality initiatives and measures for residents, patients, families and employees according to a common approach guaranteeing operational excellence;
- we aim for mediation systems to be offered in each of the countries where we operate, in addition to the systems for identifying and processing complaints, to settle disputes that may arise in our facilities with the people we receive in an ethical manner and by favouring dialogue and listening."

## 3.2 Provide care excellence whilst ensuring dignity and choice for all

The quality of care and services is at the heart of our "In Caring Hands" corporate project, which emphasises respect for people, their dignity and their wishes within our facilities.

### 3.2.1 IMPROVING THE AUTONOMY OF RESIDENTS WITH THE POSITIVE CARE APPROACH

Korian has developed a dedicated therapeutic approach for its residents, in particular those suffering from dementia (neurodegenerative diseases). This approach focuses on the development and maintenance of autonomy, while taking into account the resident's expectations and desires. This approach differs from care mainly based on drug treatment, which is not adapted to this type of pathology.

Positive Care, developed by the Group, is based on non-drug therapies, which aim to maintain and stimulate the residents' physical, motor and cognitive capacities, according to their state of health. By preserving residents' capacities, Positive Care aims to optimise their quality of life and well-being, by enabling them to express their wishes and make their own choices.

In practical terms, each resident undergoes a clinical assessment during his or her first 90 days, in order to determine his or her capacities and needs. At the end of this assessment, an individualised non-drug therapy plan is established, which takes into account the resident's interests and life history and specifies the cognitive, functional and behavioural exercises adapted to the maintenance of his or her capacities.

This individualised therapeutic strategy is based on experience and clinical evidence. By training the brain one can compensate for some of the lost capacity related to ageing. Positive Care relies on and encourages natural brain plasticity to prevent and treat fragility and psycho-behavioural disorders related to brain ageing.



This scientific approach is based on numerous studies on residual brain plasticity, including:

- research by Prof Gerald Maurice Edelman, an American biologist and the 1972 Nobel Prize winner in Medicine, who demonstrated the fundamental role of residual brain plasticity in adaptive behaviour;
- research by Prof Matthew D Lieberman, Professor of Neuroscience and Director of Social Cognitive Neuroscience at the University of California, Los Angeles (UCLA), whose approach encourages social distractions to induce engagement and learning, and to capitalise on untapped neurocognitive resources.

Since 2015, Korian's Medical, Ethics and Quality-of-Service Department has formalised the Positive Care approach in order to define and translate it operationally. This work has enabled:

- the design of non-drug therapies together with their integration, exclusion and assessment criteria on the one hand, and the associated protocols (therapeutic sequences and frequency) on the other;
- the consolidation of available therapies in the form of a tree diagram;
- assessment of the contribution of each business line to this therapeutic project led by multidisciplinary teams.

The European Positive Care Committee, which brings together the healthcare teams of the countries where the Group operates, has also set out the operational tools required to deploy the Positive Care approach and to support the teams in its implementation, across the Group's European network, namely:

- a set of non-drug therapies tailored to national preferences and skills and by selecting only therapies that have been the subject of scientific publications;

### 3.2.2 ADOPT EXEMPLARY CONDUCT AND ETHICAL PRACTICES IN OUR BUSINESSES

Our mission, of serving elderly or fragile people, requires that we live up to the daily expectations of people who entrust their health and well-being to us. Whatever the occupation of our employees, their professional conduct must, therefore, be reflected in actions carried out with ethics, integrity and transparency, embodying the corporate project and culture.

Our Ethics Charter presents our three values – trust, initiative and responsibility – and breaks them down into both expected and desired attitudes within the Group, as well as attitudes to be avoided.

The Charter also makes the link with the Group's specific internal procedures and thematic charters (in particular the Responsible Purchasing Charter and the IT Charter). It can be consulted on the Group's and its subsidiaries' institutional websites as well as on the Group's internal networks.

In order to ensure its operational deployment throughout the network, a Values Ambassadors Committee is active at Group level. Every year, this committee organises a "values" week or month, which is an important event for the Company.

- a set of training courses related to these therapies to enable both the appropriation of the therapeutic objectives and proper use of the tools made available;

- a basic methodology that promotes the resident-centred approach and the understanding of the challenges of the pathology (Hoffman method, Montessori method, Böhm method, etc.).

Deployment is monitored at Group level, in conjunction with the Positive Care Officers in each country.

This implementation is an integral part of the Group's ESG strategy and objectives, with the aim of deploying Positive Care in all long-term care nursing homes by the end of 2023.

At the end of 2022, Positive Care non-drug therapy equipment, and the associated training courses, had been rolled out in 97% of the Group's specialised nursing homes.<sup>(1)</sup>

The Group's Positive Care approach – initially focused on non-drug therapies – is being redefined more broadly to include the living conditions, the layout of spaces, the organisation of facilities and the training of teams, in order to individualise the care of residents as much as possible, and more particularly of those suffering from dementia, in accordance with their desires and their needs. This re-definition also aims to extend the Positive Care approach to all of the Group's activities.

Improving support and care through these multiple dimensions is a co-construction project carried out at Group level, with a dedicated European Committee and a quarterly Operational Monitoring Committee, which coordinate and implement the joint work carried out by monthly thematic working groups.

Meanwhile, a number of dedicated tools and materials have been created.

#### For new recruits:

- the Ethics Charter is mentioned in employees' employment contracts. All new employees receive a summary document entitled "Our Values and Ethical Commitments", which also presents the various whistleblowing channels available. This document is co-signed by the new recruit and his or her manager;

- a virtual presentation of our values is viewed during onboarding.

#### For teams:

- a "Let's Talk Values" card game has been developed around practical cases and the ethical dilemmas they raise, in order to discuss them as a team.

#### For managers:

- the "Eval Ethics" platform will be launched in 2023 to enable managers to self-assess on ethics and to be confronted with practical cases, which will be regularly updated;

(1) Based on 697 facilities (excluding the United Kingdom and Spain).

- during the "s.Keys" training module, Facility Directors drew up a Management Charter which describes the managerial attitudes stemming from the Group's values;
- an e-learning course on our values and our Ethics Charter was also rolled out in 2022.

#### For all employees:

- videos and a specific graphic identity have been created. All content is made available to each country on the intranet and to each facility via posters and a QR code;
- a leaflet on our values and the associated attitudes, as well as questions to ask in case of a dilemma, has been developed.

Ethics benefits from a dedicated governance which is organised as follows:

#### At Group level:

- Board of Directors assisted by the Ethics, Quality & CSR Committee: design of the ethics strategy and monitoring of its execution;
- Group Risk, Ethics and Compliance Committee, which meets every two months: execution of the ethics strategy and monitoring of actions carried out by the Medical, Ethics and Quality-of-Service Department;
- Monthly Values Steering Committee with country ambassadors: coordination of the Group's network of value ambassadors.

3

### 3.2.3 DEPLOYING A CULTURE OF QUALITY AND QUALITY MANAGEMENT IN ALL FACILITIES

Korian's goal is to reach operational excellence combining resident and patient satisfaction and service quality.

The Company's Quality strategy is led by the Group Quality Department, within the Medical, Ethics and Quality-of-Service Department, and is coordinated by a European Quality Committee.

The Group Quality Management System (QMS) is characterised by a systemic and rigorous approach to quality, based on the human and daily attention that makes the difference. It ensures that the needs of residents and patients are properly considered and that all possible improvements are implemented. It structures, harmonises, controls, prevents risks and guides the entire Company in a process of continuous improvement, in accordance with the applicable regulations. The four pillars of the QMS are the definition of guidelines (in the Korian Standard), risk management, internal controls and operational coordination of the quality strategy.

The implementation of the QMS takes place at three levels for maximum impact:

- facility: via strong operational support;
- country: via a dedicated team, which is in charge of tailoring the Group's quality strategy to regulatory requirements and national specificities and manages implementation of the Korian Standard within the country;

#### At country level:

At the facility level, the Korian Foundation conducted a research project in 2021 on local ethical reflection spaces (*Espaces de réflexion éthique de proximité – EREP*) in medico-social facilities in France. The purpose of this project was to draft two specifications: one for the Group, another for external players wishing to use it.

Based on feedback from more than a hundred Group facilities and on existing practices, two committees, comprising a wide range of expertise – ethics and quality, geriatric physicians, a philosopher-ethicist, a forward-looking specialist, a psychologist, a writer, Presidents of the France Alzheimer and Old'Up associations, healthcare executives, etc. – defined the notion of "ethical spaces." An ethical space is not limited to a meeting or a committee but is an open space set up according to the needs of each facility. The specifications aimed at providing facilities with tools for the deployment of personalised systems, adapted to their respective contexts and operations, were presented in June 2022.

- Group: via a Quality Department, whose mission is to align all the Group's countries around the Korian Standard, which brings together both the basic principles and the components of the QMS.

A series of internal and external controls measure the compliance and alignment of practices with Korian requirements, including:

- self-checks;
- 360° audits (see below);
- ISO 9001 certification audits;
- measuring customer satisfaction via the KSatisfaction barometer and KWelcome transactional analyses (see Section 3.2.3.2 of this Universal Registration Document);
- the Group Internal Audit Department controls compliance and verifies the performance of the system.

In parallel, the supervisory authorities regularly audit the Group's facilities. Korian therefore continually ensures that the assessments carried out internally are aligned with the expectations of the supervisory authorities.

Every year, a process review is led by the Group Quality Department, in particular in order to integrate the innovations implemented within the Group, as well as feedback from stakeholders.

### 3.2.3.1 Be the first 100% ISO 9001-certified care network in Europe by 2023

The context of strong growth and diversification of activities, coupled with an accelerated international expansion, in a highly regulated sector that varies from country to country and sometimes from region to region, has increased the need to share best practices, harmonise, and adopt a common language within the Group.

Since 2019, the Group Quality Department has launched an ISO 9001 certification project to structure, strengthen and promote quality as a marker of the Group's identity. Korian aims for ISO 9001 certification of all its long-term care nursing homes and healthcare facilities by 2023, thus extending the momentum already present in Italy, Spain and the Netherlands. Korian is the first company in the sector to have

undertaken this approach, incorporated into its ESG objectives, for all its activities.

ISO 9001 certification was chosen because it places the resident, the patient and their relatives at the heart of the Group's concerns. It is fully adapted to the organisation and diversity of the Group's activities. In addition, it is internationally recognised and enables facilities to be compared by external auditors.

Work to define, harmonise and formalise processes has been carried out by the Group Quality Department. This work has made it possible to draft the Korian Standard, including the requirements of the ISO 9001 standard, which are fully customised to the Group's activities and organisation, in addition to the Group's requirements. The Korian Standard consists of a section common to the entire Company and a section dedicated to each activity. Its application is mandatory.

**TIMELINE FOR ROLL-OUT OF ISO 9001 CERTIFICATION IN EUROPE**



As of 31 December 2022, 67.7% of the Group's facilities<sup>(1)</sup> were ISO 9001 certified. This certification is issued by independent certification bodies on the basis of external audits. For all of the Group's countries (excluding the United Kingdom), the ISO 9001 certification audits represented more than 206 audit man-days by the certifying bodies in 2022.

<sup>(1)</sup> Scope of 836 facilities with 55 disposals or closures in 2021 and 2022 deducted, i.e. 781 facilities, used as the basis for this indicator, which is part of the ESG objectives monitored annually as part of the Sustainability Linked Euro PP placement.

### a) Internal audits and quality controls

Every facility must regularly carry out a self-assessment. In addition, every facility is subject to a 360° audit at least once every two years.

These 360° audits aim to:

- check that the facility's operations comply with the regulatory requirements and the Korian Standard;
- assess the assimilation of procedures, by verifying that all procedures are established, known, understood and applied within the facility;
- monitor the implementation of a continuous practice of detecting and correcting malfunctions (deployment of quality monitoring);
- ensure that the expectations expressed by residents, patients and their relatives are taken into account;
- consolidate best practices, identify areas for improvement and facilitate the exchange of best practices within the network.

Korian carries out these 360° audits in order to verify the correct appropriation and application of the Group's standards and to support the teams in the identification and implementation of preventive or corrective actions according to:

- the level of risk identified;
- strategic ambitions;
- the expectations of residents, patients or their loved ones.

Following these assessments, the facilities are rated according to four levels, from A to D.

In 2022, 482 360° audits were carried out in the Group's seven countries.

As of 31 December 2022, 74% of the Group's audited facilities were at level A or B.

For facilities classified C or D, the Group requires a follow-up audit to verify that the issues raised during the first audit have been resolved.

The Group's Internal Audit Department systematically includes Quality Management System control points in its annual reviews and contributes, through its recommendations, to the continuous improvement of the processes implemented.

In 2022, joint work by the Group's Quality and Internal Audit Departments was carried out to:

- ensure that a common approach – aligned with the requirements and terminology of the ISO 9001 certification – be adopted by these two departments in the conduct of internal audits;
- capitalise on the respective expertise in the conduct and coordination of the internal audits carried out by each of these two departments.

### b) Outsourced specific controls

Korian subcontracts certain specific controls to external organisations, for example on food safety.

### c) Audits and quality controls by the supervisory public authorities

Public authorities supervise healthcare and medico-social facilities. For example, in France, all Korian healthcare facilities are certified by the French National Authority for Health (Haute Autorité de Santé – HAS), which awarded a level A or B certification (with suggestions for improvement) to 100% of the facilities, and a level A certification (with zero breaches or recommendations) to 71% of the facilities. In Germany, the medical service of the Health Insurance Authority (Medizinischer Dienst der Krankenversicherung – MDK) carries out similar audits. 98% of the long-term care nursing homes audited by the MDK received a level A or B assessment.

These audits assess, for example, medical procedures, monitoring procedures, the quality of files and the participation of user representatives. They are sponsored by the public authorities and supervisory bodies.

### 3.2.3.2 Be attentive to residents, patients and their relatives

Korian regularly monitors the satisfaction of residents, patients and their relatives as regards the services provided.

For the facility, the aim is to obtain a detailed analysis of the level of satisfaction of residents, patients and families with the services offered, to identify the strengths and main areas for improvement, to help prioritise improvement projects, and efficiently meet expectations.

For the Group, the measurement and monitoring of the level of satisfaction of residents, patients and their relatives over time make it possible to identify areas for improvement across the network and to detect best practices to be shared.

The analysis and consideration of results contribute to a culture of continuous improvement.

A system for recording the satisfaction of residents, patients and their families, called "KSatisfaction" has been rolled out in each of the countries where the Group operates.

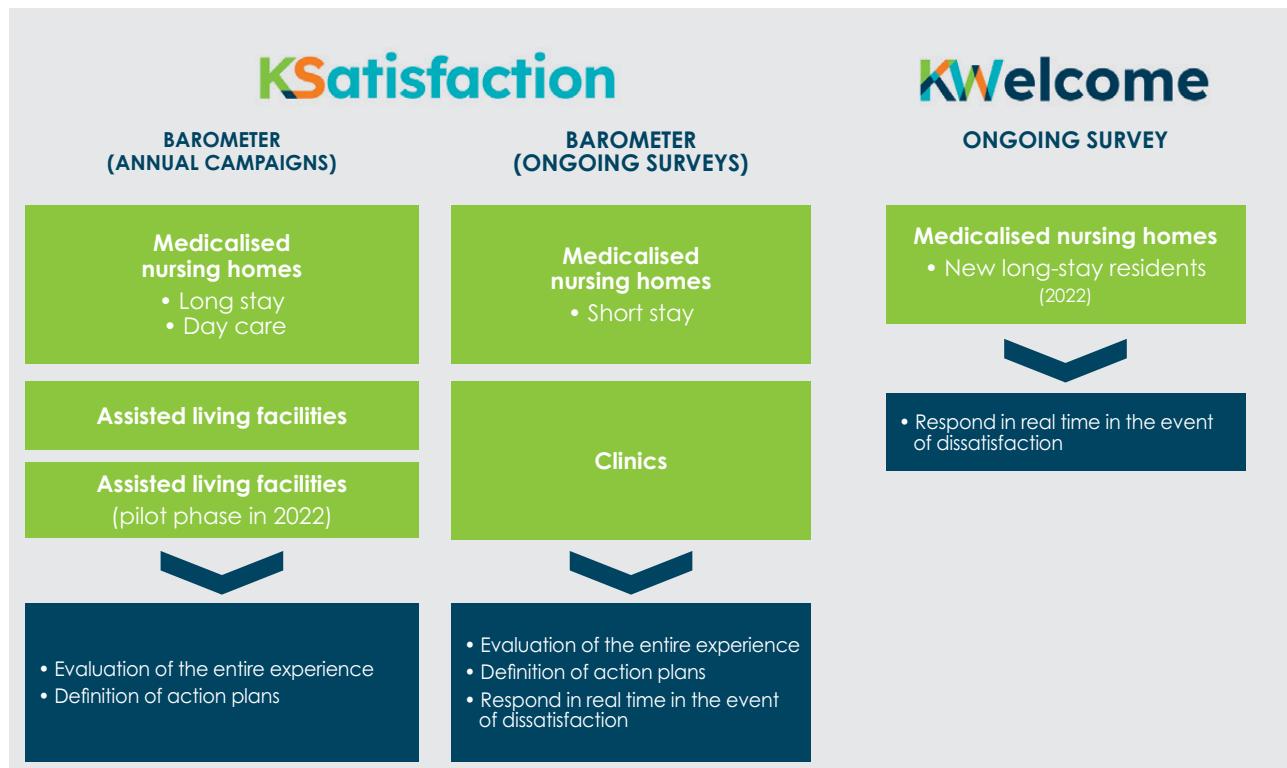
Barometers adapted to each activity, the local context and the profile of residents and patients have been developed, while maintaining a common basis for the Group on the measurement of overall satisfaction (average satisfaction score out of 10), the assessment of consideration<sup>(1)</sup> and the measurement of recommendation (via the Net Promoter Score – NPS<sup>(2)</sup>). The Group also has an online reporting and transcript analysis tool.

In 2022, Spain (excluding healthcare facilities) and the United Kingdom were added to the scope of this survey. A pilot study was also launched for the home care business.

(1) Corresponds to the response, on a scale of 1 to 10, to the question "To what extent do you feel that you / your parent is well regarded and respected?"

(2) The calculation of the NPS corresponds to the share of promoters (scores 9 and 10/10) less the percentage of detractors (scores from 0 to 6/10).

## The different types of barometer at Korian



The survey is conducted once a year within the medico-social network, among families and residents for long-term care nursing homes and among residents for assisted living facilities.

Surveys for short stays in long-term care nursing homes are carried out on an ongoing basis, as for healthcare facilities. Surveys are also conducted continuously, at the time of patient discharge.

The topics covered by the barometers are as follows:

For the medico-social network:

- the facility's environment;
- catering;
- medical follow-up;
- social life;
- reception and communication;
- accommodation;
- the Covid-19 pandemic.

For healthcare facilities:

- reception and information;
- medical support and monitoring;
- accommodation;
- living conditions;
- catering;
- the Covid-19 pandemic.

In 2022, almost 79,000 people responded to the Group's satisfaction surveys, with a return rate for families of 54% for specialised nursing homes. Overall, results improved over the year, slightly up in all areas compared to 2021. In 2022, the Group's average satisfaction score was 8/10 for the activities in the specialised nursing homes and assisted living facilities (short and long stays) and in the clinics. This satisfaction rating is driven by the satisfaction expressed with the attitude of the staff, with in particular a very strong recognition of the kindness of the teams. The areas for improvement highlighted by respondents are staff availability and, to a lesser extent, greater frequency and diversity of the activities offered to independent residents or patients.

The Group's Net Promoter Score (NPS) for these same activities was 36 in 2022. Compared to 2021, the NPS increased in all countries except Belgium.

It should be noted that there is no weighting applied when calculating the results and each response has the same weight.

Starting in 2022, the Group has also set up – on a pilot basis in three countries – a survey dedicated to the analysis of the reception of our residents upon their arrival at the facility, which is a key step in the resident's experience. This study, named KWelcome, is carried out continuously among families and residents at the end of the first six weeks spent in a long-term care nursing home. The survey is associated with an automated alert management system, in order to be able to quickly address reasons for dissatisfaction. KWelcome is being extended to other countries.

## Offering quality catering

As catering is a major satisfaction criterion, it represents a very high expectation of residents and patients. Serving nearly 80 million meals per year in Europe, Korian has made quality catering a priority. The menus are approved by qualified dieticians, in accordance with recommended nutritional intakes. The new recipes are tested by residents and the development of the menus takes their feedback into account. The Group is attentive to ensuring that meals are appreciated, as this allows for better nutrition.

In Italy, a tool has been rolled out allowing residents and their relatives to choose the meals and place orders for ingredients accordingly. This system makes it possible to personalise the menus and ensure that the right proportions are ordered and cooked, which also reduces food waste.



3

### 3.2.3.3 Implement a Customer Care Charter

The Group's Customer Care Charter was defined in 2021 during European workshops and discussions with each country. It reflects the Group's values, mission and commitments to its residents and patients – particularly in terms of communication, respect for each person, and special attention paid to their lifestyle choices and the preservation of their autonomy – as well as the Group's expectations of visitors to its facilities. The Customer Care Charter was translated and rolled out in each facility in 2022.

### 3.2.3.4 Manage customer complaints

Korian has set up an organisation in every country to detect, process and respond to complaints. To this end, a common European framework, formalised by a Group procedure, has been defined on the basis of workshops aiming at:

- identifying all complaints;
- ensuring that all complaints are monitored and addressed;
- promoting the implementation of action plans to reduce the number of complaints and improve customer satisfaction.

The reporting has also been harmonised to:

- optimise management;
- support analysis at all levels of the Company;
- identify areas for improvement at Group level.

### 3.2.3.5 Offer mechanisms for mediation

In addition, the Group has set itself the ESG target of deploying mediation systems in each of its various countries of operation by the end of 2023. This objective is part of an increase in mediation Europewide and is in line with the development of European standards. The mediation system is independent, impartial, confidential and neutral.

The goals of mediation are as follows:

- to understand and appease difficult relationship situations;
- to express the various points of view and solve problems in a humane and equitable manner;
- to restore a relationship of trust that is useful for the well-being of all.

In December 2020, the Group set up a Mediation Department in France. Mediation is based on four pillars: Independence, Impartiality, Confidentiality and Neutrality.

A Mediator was appointed in September 2021 by a joint committee made up of approved consumer associations and Korian representatives, after consulting the Stakeholder Council.

A Mediation Charter has been drawn up to set out the procedures for applying the mediation process to be implemented by the Mediator. This charter is public and can be accessed by any person.

In addition, a dedicated website has been set up, making it possible to refer a matter directly to the Mediator and providing access to full information relating to the mediation process. The annual activity report is also available there. This report compiles recommendations the Mediator makes to the Company every year: <https://mediation.korian.fr/>

In 2022, 43% of the referrals were made by residents or patients, or their relatives, and 57% by Korian employees. 79% of the referrals came from long-term care nursing homes and 21% from healthcare facilities. The three main reasons for referral are relational (49%), medical or related to care, and related to the organisation of the structure. The agreement rate for completed mediations was 90%.

In practice, the Group establishes mediation systems as a way of settling disputes that might arise with people it receives at its facilities. Such mediation is conducted in an ethical manner that promotes dialogue and listening, in line with its corporate project "In Caring Hands." Mediation is a voluntary and personal process, which offers the parties to a dispute an opportunity to reach a voluntary agreement aimed at facilitating their present and future relations.

Mediation systems, financed by Korian and free of charge for its customers, are offered by Korian's facilities in France, Germany, Italy, Spain and the Netherlands. These systems comply with the regulatory framework of each country, the European Code of Ethics and Conduct and the Korian Customer Care Charter. Naturally, they offer the requisite guarantees of independence and confidentiality.

During the year, several initiatives were launched or continued, including:

- "internal" mediation (between employees) has been set up and 12 employees (facilitators) have been trained in this type of mediation;
- an experiment on preventive mediation was launched in two long-term care nursing homes and in two healthcare facilities;
- a partnership has been established with the French Federation of Mediation Centres - which brings together 70 centres and more than 1,000 mediators - to be able to jointly develop a training course that will be rolled out within the Korian network, with the aim of raising awareness among teams and residents and their families of mediation;
- the development of a mediation culture within the Group continued, with the establishment of a mediation awareness day, the publication of a book on mediation, entitled "Understanding and being understood", intended for residents and patients, their loved ones, as well as the teams, and by numerous meetings in facilities and participation in seminars and conferences on mediation.

### 3.2.4 ENSURE SAFETY AND CONTINUITY OF CARE

Data protection, cybersecurity, the monitoring and analysis of Serious Adverse Events and the crisis management procedure are essential to ensure the safety and continuity of care.

#### 3.2.4.1 The Group's personal data protection and cybersecurity strategy

Due to its core business, which consists of supporting elderly or fragile people, respect for medical confidentiality and, more broadly, privacy, as well as personal data protection are major challenges for the Group. All countries where the Group operates are subject to the General Data Protection Regulation (GDPR).

Since 2017, audits have been carried out in all Group countries to assess the maturity of the pre-existing compliance programme with the new GDPR, in order to define priority action plans. These action plans resulted in the compliance programme described below.

The dedicated compliance programme consists of guidelines issued at Group level to cover all GDPR topics and ensure consistent application in the various countries where the Group operates. Their implementation in every country is supported by multidisciplinary teams (Data Protection Officer, internal audit and control, legal, IT security, information systems).

The topics covered are as follows:

- appointment, duties and responsibilities of the Data Protection Officer;
- procedures for preparing the processing register;
- information and consent notices;
- rules on data retention periods;
- security measures;
- impact assessments;
- standard contractual clauses;
- procedures for responding to personal data requests;
- procedures to be followed in the event of a data breach.

These guidelines are recalled and put into perspective in all the awareness-raising actions carried out, through face-to-face training or e-learning, in each country. The main points relating to the GDPR have also been incorporated into the Korian Standard, which includes the requirements of the ISO 9001 standard tailored to our activities and our organisation, in addition to the Group's requirements.

Governance dedicated to managing and monitoring the GDPR has been put in place:

- a Data Protection Officer (DPO) has been appointed at Group level, as well as in all of the Group's countries of operation;
- the network of DPOs in each country is led by the Group DPO to discuss projects involving the processing of personal data, such as satisfaction surveys, Group HR tools or training, and projects on cross-functional topics, such as retention periods, to ensure their compliance;
- within each country, the country DPO leads committees with representatives of the key functions: medical and operations, human resources, marketing and innovative solutions, which meet regularly to discuss the progress of the compliance programmes, as well as any new projects involving compliance or adaptation of existing documentation;
- the review of risks inherent to the GDPR is carried out by a dedicated committee in each country, as well as at Group level on a bimonthly basis.

Since the entry into force of the GDPR, audits have been carried out regularly by the DPO within the facilities and specific control points have been added to the quality audits carried out by the Quality Departments in each country.

Internal GDPR audits make it possible to verify the proper application of the compliance programme in the countries, as well as audits on cybersecurity, are also included in the audit plan of the Group Audit and Internal Control Department. In terms of cybersecurity, prevention and awareness-raising campaigns on phishing are conducted annually, covering a large share of the active email addresses.

### 3.2.4.2 Monitoring and analysis of Serious Adverse Events

A Serious Adverse Event (SAE) is defined as an event (accident, incident or dysfunction) or a situation whose consequences could have been, are, or could become significantly harmful to customers, professionals, visitors, movable or immovable property, the reputation or to any other asset or interest of the Group.

When a Serious Adverse Event occurs in a facility, it is subject to:

- the implementation of immediate actions;
- an internal declaration via the system in place in each country;
- a declaration to the competent authorities according to local regulations;
- an analysis of the root causes which may be accompanied by the implementation of additional actions (preventive or curative).

In 2022, the frequency of serious adverse events (SAEs) relating to the health, safety and security of residents and patients was 0.47 per 10,000 days. Using the same methodology, the frequency was 0.43 for 2021.

The results remain relatively stable across the two years.

At the national level, the compilation of all these events is regularly reviewed by incident committees. The purpose of these committees is to monitor sensitive issues, define and validate appropriate action plans and coordinate actions between departments.

A progress report is regularly shared between the countries and the Group on the most sensitive situations and events. This exchange also aims to analyse major trends and take into account global phenomena.

In order to prevent the occurrence of these adverse events, awareness-raising and prevention campaigns are being rolled out, at the initiative of the Group, around several major themes, such as the proper use of drugs, patient safety, hygiene, prevention of the risk of infection, and good treatment. These campaigns are rolled out and supplemented by each country.

### 3.2.4.3 Crisis management procedures

Following the Covid-19 pandemic in 2020 and 2021, then in 2022 to the crisis that followed the publication of *Les Fossoyeurs*, a book on a major operator in the sector, Korian has strengthened its crisis management culture, based on feedback and information sharing, anticipation and adaptation.

The Group has a crisis management procedure, supplemented, if necessary, by each country.

At the same time, the Group is continuing its preparation by organising crisis exercises (on the theme of cybersecurity in 2022), and drafting business continuity plans, such as that dedicated to the risk of electrical load-shedding in France during the winter of 2022-2023.



## PILLAR 2 OF THE ESG STRATEGY

### BE THE EMPLOYER OF CHOICE

#### COMMITMENT 4

Maintain and increase average tenure

#### COMMITMENT 5

10% of staff enrolled in qualifying training programmes by 2023

#### COMMITMENT 6

50% of women in Top Management by 2023 (+10%)

#### 2022 RESULTS



7.3 years  
vs. 7.4 years in 2021

11.8%  
vs. 9.7% in 2021

56%  
vs. 47% in 2021

#### AS PER THE KORIAN ESG MANIFESTO – BE THE EMPLOYER OF CHOICE

"Be the employer of choice" is a priority for Korian. Aware of our societal responsibility and contribution, we constantly strive to ensure the physical and mental health, well-being and career development of the Group's 59,311<sup>(1)</sup> employees (82% women, 58% in the care business lines). Taking care of our employees is a managerial commitment and a pledge of quality for the services we provide on a daily basis.

With this in mind, the Group has built **an ambitious and responsible social foundation, based on trust, initiative and responsibility**, the values that drive us.

Through constructive, regular and ongoing dialogue using internal listening tools and engagement surveys, this social foundation aims to:

- contribute to continuous improvement of the employee experience;
- establish a work framework that is safe, healthy and conducive to quality care; and
- promote professional fulfilment and career development for all.

This foundation makes it possible to consistently implement the following tangible commitments:

- **commitment 4: maintain as a minimum, or increase the average tenure of employees;**
- **commitment 5: invest in qualifying training programmes to enable 10% of employees to join a qualifying training programme;**
- **commitment 6: increase the number of women among Top management to reach a ratio of 50%.**

<sup>(1)</sup> Permanent contracts including, by agreement, non-permanent German contracts, treated as open-ended contracts, due to their long duration.

## 3.3 Be the employer of choice

### 3.3.1 THE KORIAN HUMAN RESOURCES POLICY

Korian's human resources policy, based on the Company's values – trust, initiative and responsibility – is at the heart of the corporate project "In Caring Hands", dedicated to the service sector for elderly or fragile people and those with loss of autonomy for whom the quality of care and support provided is essential.

The growth of Korian's activities requires the ability to attract and develop a wide variety of talent across different professions, in particular caregivers, nurses, doctors, cooks, as well as job roles related to the personal services activities Korian offers (home caregivers for elderly people, care providers, reception staff, etc.).

However, despite the increasing jobs created in the sector, the number of long-term care nursing home workers in relation to the number of people over the age of 65 has stagnated in recent years and the number of people enrolled in caregiver training has remained flat. All the countries where the Group operates are facing a shortage of healthcare workers, exacerbated by the Covid-19 pandemic. According to the Organisation for Economic Co-operation and Development (OECD) and various other European statistical sources, the shortage of caregivers is estimated to reach hundreds of thousands of caregivers per year by 2030.

Developing the attractiveness and appreciation of professions related to elderly and fragile people is, therefore, an essential priority for Korian, to ensure it is able to guarantee excellence and continuity of care for residents and patients.

This attractiveness and appreciation require:

- **the implementation of an ambitious social foundation** for candidates and employees who hold or will occupy these roles, in terms of working conditions, health at work or quality of life at work, and also opportunities for training, to develop their skills and move towards more qualified and better paid positions.

This social foundation is made possible and supported by a **high-quality managerial culture that safeguards the Group's values** and is based on a managerial model driven by our Facility Directors and their teams, the cornerstones of the network;

- **anticipating the recruitment and skills development needs** for our activities. This requires social innovations to secure and expand our external and internal talent base;
- an organisation that allows everyone to have a real capacity for action with residents and patients, but also with communities and local stakeholders, in order **to support business growth** in all the regions where the Group operates.

To meet these various challenges in a context of strong growth, scarcity and volatility of resources, Korian's Human Resources policy is organised around three priority strategic areas:

1. **engaging** Korian employees around an ambitious social foundation;
2. **developing** skills and talents to ensure quality of care;
3. **being a committed and responsible social player.**

## 2022 WORKFORCE DATA ON GROUP HEADCOUNT

The total Group headcount for 2022 was 57,518 employees in Full-time Equivalent (FTE), versus 55,912 in 2021.

The total number of employees on permanent contracts as at 31 December 2022 was 59,311<sup>(1)</sup> compared to 59,643 in 2021.

### BREAKDOWN OF HEADCOUNT BY COUNTRY (FTE)

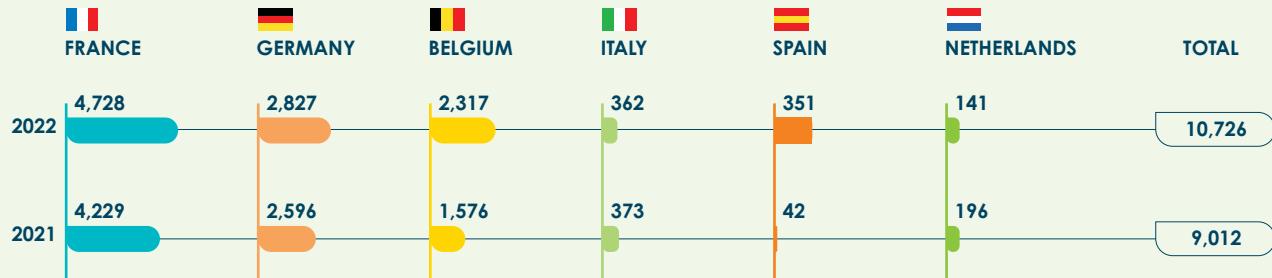


### BREAKDOWN OF HEADCOUNT BY TYPE OF CONTRACT, BY COUNTRY (HEADCOUNT AS AT 31 DECEMBER 2021, PERMANENT AND NON-PERMANENT)

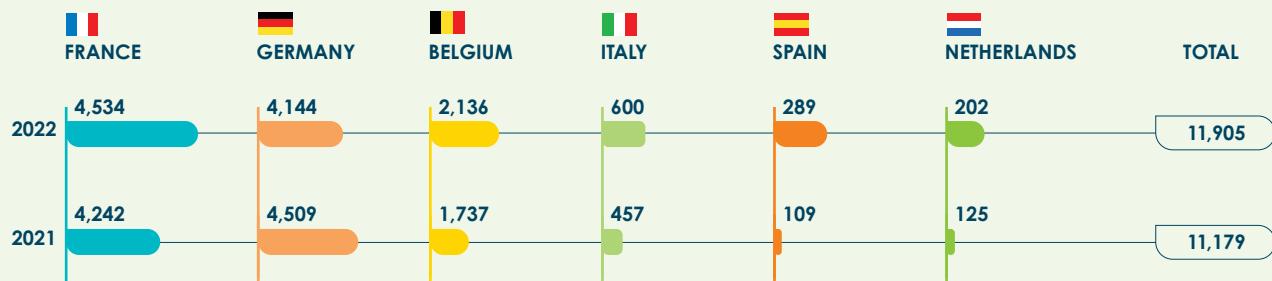


(1) Permanent contracts including, by agreement, non-permanent German contracts, treated as open-ended contracts, due to their long duration. In chapter 3, the indicators calculated based on permanent contracts, however, exclude these 4,960 German non-permanent long-term contracts, for the sake of transparency, and are therefore based on 54,351 permanent contracts.

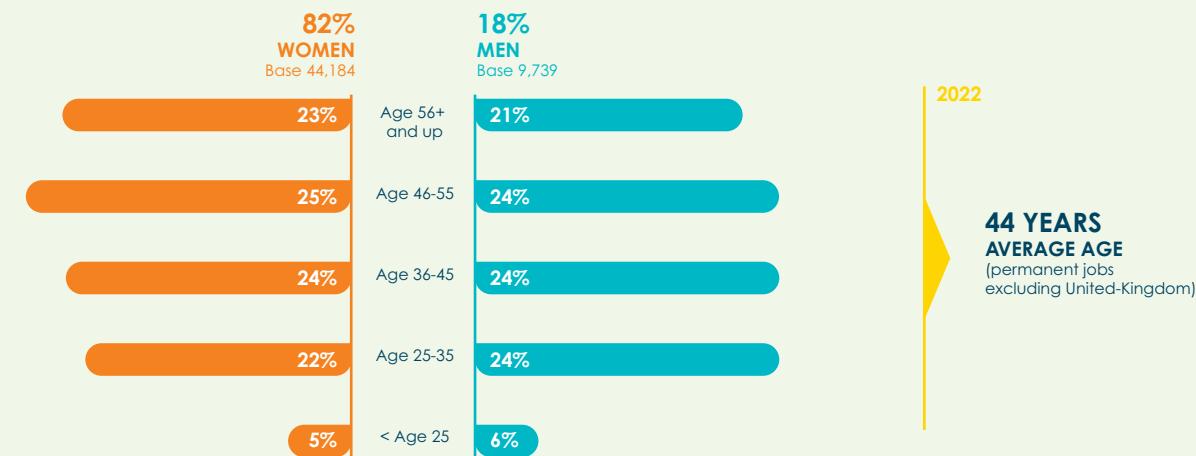
## NUMBER OF HIRES (PERMANENT CONTRACTS)



## NUMBER OF DEPARTURES (PERMANENT CONTRACTS)



## AGE PYRAMID



The results obtained in 2022 are stable:

- stabilisation of the average tenure, which reached 7.3 years in 2022 compared to 6.7 in 2019;
- stabilisation of the share of permanent contracts, which amounted to 84.5% of the workforce in 2022, as in 2021.

### 3.3.2 ENGAGING EMPLOYEES AROUND AN AMBITIOUS LABOUR-RELATED FRAMEWORK

#### 3.3.2.1 Korian's values anchored in the human resources policy

Korian's human resources policy is based on the Company's values: trust, initiative and responsibility. These values form a unifying foundation and are the essence of our corporate culture.

To anchor these values in the Company's social fabric and day-to-day actions, they have been integrated into all of the Group's HR processes. Since 2019, the annual appraisal and professional development interviews for managers include the prism of values in the assessment of the objectives achieved and situations experienced during the year. In 2021, methodical work was carried out to integrate these values into the onboarding and recruitment processes in all Korian countries. At the same time, the Group's values-based Ethics Charter is included in the hiring process: each new employee must sign Korian's ethics commitments.

In line with the Group's values, the Human Resources Department has formulated an employer promise that aims to ensure the proper integration, development and support of each employee throughout their professional life within our facilities. Taking care of those who take care and creating the conditions of trust and fulfilment at work are absolute priorities. In fact, the quality of care is first and foremost the result of the daily commitment of Korian's employees.

To promote monitoring and ensure compliance of all facilities with these commitments, they have been incorporated into the Korian Standard, and are therefore part of the ISO 9001 certification.

The Group has received the "Top Employer in 2023" distinction for its four main countries: Germany, France, Belgium and Italy, which together account for 94% of the Group's workforce.

This distinction was obtained following audits carried out by Top Employer Institute, an independent international body that certifies excellence in HR practices in terms of working conditions. These audits are very comprehensive and cover 400 HR practices divided into six main areas (Steering, Organising, Attracting, Developing, Engaging and Bringing together). A total of 20 themes are addressed, including talent management strategy, work environment, talent acquisition, training and skills development, well-being at work, and diversity and inclusion. A minimum score of 60% is required to be eligible for the Top Employer certification.

In Germany, Korian obtained its third certification, with an overall score of more than 75% and, in particular, better ratings in the training, attracting, developing and engaging commitment categories.

In France, Korian was certified for the second time and this year obtained an overall score of nearly 75%. Results progressed in all six main areas of HR practices.

In Belgium and Italy, Korian was certified Top Employer for the first time, with overall scores of more than 65%.



#### 3.3.2.2 A strong commitment to prevention, health and safety at work

##### A demanding policy driven and embodied by the Group's General Management

Alongside its policy of providing high-quality care to its residents and patients, Korian makes preservation of the physical and psychological integrity of each employee a priority. This is all the more crucial given that the medico-social and health sector generally experiences a high number of accidents in Europe. The Group is committed to reducing the number of workplace accidents thanks to its policy of quality and continuous improvement. The aim is not only to forestall accidents and occupational illnesses, but also to establish a true culture of health and safety at work in every country.

The Group's commitment is summarised in an Occupational Health and Safety Charter, signed in 2019 by the Group Management Board, which is available in all countries.

The action principles of this charter include:

- spreading a culture of health and safety at work throughout the Group;
- promoting working conditions conducive to employee health;
- empowering employees to manage their own health at the Company;
- regularly assessing occupational risks;
- promoting job retention.

The adoption of the charter was followed by the signing of an agreement on health and safety at work negotiated with the trade unions in France in May 2021, and at the European level in November 2021 ("Health and safety protocol on the reduction of workplace accidents").

##### Engaging and shared governance at all levels of the organisation

Considered a true indicator of performance and social responsibility, the prevention, health and safety at work policy is fully integrated into the human resources policy and rolled out via the operational and managerial lines.

To guarantee its consistent implementation in all Korian facilities in Europe, the prevention, health and safety at work policy is included in the Korian quality management standard and is part of the ISO 9001 certification.

The results in terms of health and safety are closely monitored every month by the Group's various governance bodies, i.e., the Group Management Board and its Risks, Ethics and Compliance Committee, as well as during business reviews by the Management Committees in every country. They are also shared with the employee representative bodies in each country, as well as at the level of the European Company Works Council (ECWC). A committee to monitor implementation of the health and safety protocol signed with the ECWC meets twice a year.

In all of the Group's countries, processes for managing risks related to health and safety at work are put in place, in accordance with the laws of each country, and also proactively with employee representatives, occupational health, maintenance and safety teams. All of the Group's countries have tools and committees dedicated to monitoring and analysing the reasons for workplace accidents, in order to implement prevention measures. The Group's occupational health and safety policy is coordinated with all countries to implement best practices for monitoring and analysis and to ensure the effective implementation of the Group's policy. Each country has a frequency rate reduction target. These frequency rates and the analysis of the types of occupational accidents are now included in the monthly Business Reviews of each country and are reviewed on this occasion.

#### ► FREQUENCY AND SEVERITY OF WORKPLACE ACCIDENTS BY COUNTRY

(Excluding the United Kingdom)

Frequency rate	France	Germany	Belgium	Italy	Spain	Netherlands	Total
2022	62	17	30	18	46	1	41
2021	72	24	30	26	55	-	48
Severity rate	France	Germany	Belgium	Italy	Spain	Netherlands	Total
2022	3.29	0.14	0.76	0.36	0.91	-	1.54
2021	3.89	0.69	0.83	0.55	0.93	-	1.97

#### Signature of a European health and safety protocol including 25 actions

With the aim of continuously improving the health and safety conditions for its employees, **in November 2021** Korian's Management and the members of the European Works Council (EWC) adopted a **European protocol on health and safety at work, aimed at reducing the risk of workplace accidents**. This protocol is the result of joint discussions and more than a year of work within the EWC's Health and Safety working group. **This is the first time that such a protocol has been signed in the sector.**

The protocol is based on the Group's Health and Safety at Work Charter and includes 25 measures intended to raise the Group's standards in all countries. Each of the measures refers to an existing best practice in a country, which was the subject of a detailed presentation at the meetings of the EWC's Health and Safety working group.

#### Health and safety results and objectives

The table below shows the frequency and severity of workplace accidents. We have observed a decrease in the frequency rate <sup>(1)</sup> within the Group, which amounted to **41 in 2022 compared to 48 in 2021**. In parallel with this decrease in the frequency rate, the severity rate <sup>(2)</sup> also improved to 1.54 in 2022 at Group level (compared to 1.97 in 2021).

This decrease is mainly due to actions taken following the Health and Safety at Work Agreement signed in 2021 by all the representative trade unions to improve the process of reporting and accounting for workplace accidents. However, these indicators remain too high, and have increased slightly in other geographical areas (excluding Italy), mainly due to cyclical absenteeism related to the Covid-19 pandemic.

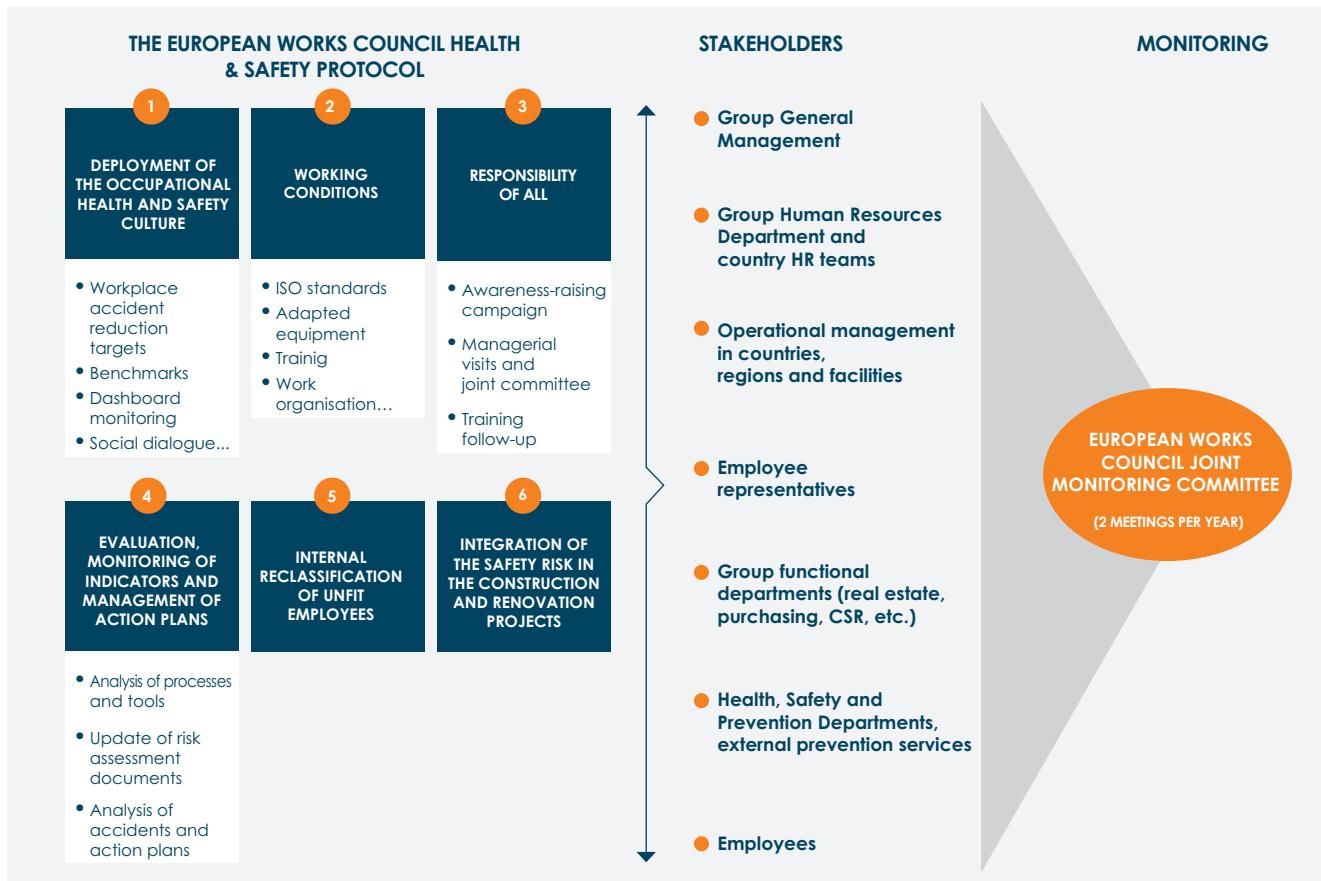
The Group has set itself the goal of significantly reducing the number of workplace accidents by setting targets and monitoring the measures deployed and the progress made.

Since 2022, the results in terms of health and safety are included as criteria in the variable portion of compensation of Top Management within the composite HR indicator.

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<sup>(1)</sup> Number of workplace accidents with work stoppage multiplied by 1,000,000, divided by the number of hours worked.

<sup>(2)</sup> Total number of working days lost due to workplace accidents multiplied by 1,000, divided by the number of hours worked.



In 2022, a roadmap to deploy the 25 commitments of the Protocol was designed jointly with the countries, deployed and shared on a common digital platform, which also makes it possible to monitor the actions and achievement of targets. The monitoring of the roadmap is presented at each joint committee.

#### First "Occupational Health and Occupational Risk Prevention" agreement in the sector in France

In 2021, Korian France worked with the social partners to negotiate and sign the first Company agreement on "Occupational Health and Occupational Risk Prevention" in the private healthcare and medico-social sector.

This agreement, signed unanimously by the social partners in May 2021, commits the parties for four years and covers four major areas:

- understanding on the part of all internal and external players of their roles and interactions;
- prevention of physical risks;
- prevention of psychosocial risks;
- prevention of the risk of incapacity and professional exclusion.

#### Methodical deployment of an occupational health policy in consultation with the teams in the field

In order to allow for better appropriation of the terms of the agreement by Facility Directors, and taking into account challenges related to the implementation of a real risk prevention management system, Korian wanted to adopt a method that involves local and regional management, enabling everyone to be an agent of change. An operational roadmap for the deployment of the agreement in the field was drawn up by the operational staff and professionals concerned.

After carrying out a test phase on 20 facilities in France, the roadmap has been rolled out to all facilities since December 2021 and is monitored facility by facility by means of a dedicated web application highlighting the concrete actions carried out.

This approach, called "Five Steps" facilitates coordination and management by the regional departments, the operations departments and the France Management Committee.

### Among the main points of the agreement

- Korian is committed to ensuring that each facility's Management Committee holds regular discussions with local representatives called the Occupational Health and Safety Steering Committee (OHS Steering Committee) to address accident issues and associated indicators, participate in the update of the professional risk assessment document, and, lastly, develop operational action plans.
- In addition, Occupational Health Officers are appointed in the facilities to increase the visibility of the health and safety at work policy. Their mission is to raise awareness and advise employees on the prevention of occupational risks. To this end, they must follow the dedicated SMS training (Sanitaire Medico Social, formerly HAPA), certified by the French National Institute for Research and Security (*Institut National de Recherche et de Sécurité – INRS*) and delivered by the Korian Academy.
- To reduce the risks related to musculoskeletal disorders (MSDs), 100% of Facility Health Officers will be trained in Housing and Care for Elderly (*Hébergement et accueil des personnes âgées – HAPA*). In addition to the certification of Health Officers, they have a handbook, composed of reflex sheets aimed at raising employees' awareness of recurring work situations that can generate MSDs.
- In partnership with the Purchasing Department and the Occupational Health Unit, a list of equipment reducing the risk of accidents is being carried out.

### Prevention of psychosocial risks and occupational illnesses

Korian pays particular attention to the assessment of occupational risks and the prevention of psychosocial risks in all the countries where it operates. This issue is all the more important in the care professions, where the mental burden of assignments relating to the support of elderly can be substantial. In addition, the health context related to the Covid-19 pandemic may have worsened these disorders.

The employee satisfaction survey, *Kommunity Pulse*, carried out in April-May 2021, confirmed the need to strengthen the psychological support for teams in a particularly troubled period for all.

It is in this context that the social working group of the European Works Council chose to negotiate a text addressing this subject. The prevention of psychosocial risks is one of Korian's commitments, thus reinforced in the "Joint declaration on social commitment and the reduction of absenteeism." It includes a commitment to conduct diagnostics on the psychosocial risks in all countries.

In Germany, sites have been identified as "pilot" sites for these diagnostics. Analyses are underway, in which management and employee representatives participate.

In France, one area of the health and safety agreement signed with the social partners in 2021 is dedicated to the prevention of psychosocial risks. A diagnostic has therefore been launched with 25 facilities. Face-to-face workshops are organised for the teams. An action plan will be developed in 2023.

In Belgium, in collaboration with occupational medicine, specific programmes dedicated to stress management (meditation, breathing, yoga, etc.) have been rolled out in all facilities. "Trusted persons" are appointed at each site and are attentive to the problems encountered by employees.

In France, the Stimulus help line, accessible 24/7, anonymous and confidential, is available to all employees. It allows them to communicate, be supported and take a step back from the difficulties they are experiencing or witnessing.

Whenever a serious incident or event occurs at a facility, this help line may be supplemented with the organisation of support groups. Such groups are co-facilitated by a Korian psychologist and a social worker trained specifically in this technique.

### Taking care of those who take care

Korian strives to uphold the values of availability, attentiveness, and closeness to give its employees all the support they need, every day.

In France, a Social Assistance Unit offers employees a confidential, impartial place to obtain information, advice, and guidance, regardless of the problem at hand:

- social or family issues: pregnancy, birth, death, separation, domestic violence, caring for a family member losing their autonomy, etc.;
- financial worries: help with managing a budget, consumer debt, contacting creditors, etc.;
- health problems: sick leave, disability, part-time work on health grounds, incapacity, impairment, etc.;
- career status: retirement, promotion or transfer, job retention, etc.;
- housing assistance: request for social housing, loan, back-rent, preventing eviction, etc.;
- access to rights: family allowance fund (CAF), social security, administrative situation, etc.;
- preparation of informational materials: guides for parents and carer fact sheets.

In 2022, the social service in France initiated nearly 2,250 contacts and carried out nearly 230 long-term follow-ups.

In 2022, a transnational working group composed of country human resources managers worked on the development of a country standard for social and psychological support for employees.

In addition to helping with better stress management through training, relaxation tools, assistance with personal development and self-management, the standard aims to make a crisis line available in all countries, similar to the existing line in France operated in partnership with Stimulus. The second component concerns the implementation of a complete service offer that meets the needs and situations encountered: coaching for managers, discussion groups or on-site supervision (as set up by the Korian Academy in Germany), mediation (as deployed in France), referral to expert associations in the event of domestic violence, for example, call on the solidarity fund in the event of an emergency such as a flood or fire.

In Belgium, the PETRA solidarity fund was created in 2020 and is financed by the Company to help families or employees affected by life tragedies who are in an emergency situation. In 2022, the monies granted by this fund concerned medical expenses, aid following the death of a loved one or damage

caused to the home by fires or weather, as well as humanitarian support. A new organisation of the fund was established in 2022, with regional ambassadors. This structure also makes it possible to organise activities in facilities, which unites teams together around a cause, in order to raise funds.

### Reducing absenteeism – a managerial priority

#### ➤ ABSENTEEISM RATE BY COUNTRY (PERMANENT WORKFORCE)

(Excluding the United Kingdom)

	France	Germany	Belgium	Italy	Spain	Netherlands	Total
2022	11.2%	18.3%	22.2%	5.9%	6.7%	11.8%	14.2%
2021	11.6%	17.1%	19.9%	5%	7.1%	11.1%	13.9%

Absenteeism covers several forms of absence: workplace accidents, commuting accidents, simple sick leave and occupational illnesses. The causes are therefore multiple and multifaceted.

In 2022, the absenteeism rate remained stable overall, but at a high level. This rate can have a destabilising effect on the work organisation and day-to-day care services in facilities.

At the European level, a dedicated working group was set up in 2021 in collaboration with the European Works Council to study the reasons and propose areas for improvement.

#### Signature of the Joint Declaration of the European Works Council and Korian on social commitment and the reduction of absenteeism

As a socially responsible company, which is concerned about the physical, mental and social well-being of its teams, and in accordance with the Group's Values, Korian wished to involve the social partners of the European Works Council in the process of reducing absenteeism.

As part of the social working group set up in 2020, a text was negotiated and signed committing the Korian group to intensify its actions to improve the quality of management and the working environment in all countries, to initiate discussions on the organisation of work in all countries as part of the social dialogue, and to deploy actions to detect psychosocial risks and to support employees through the implementation of a comprehensive range of services and training in the event of stressful situations.

In line with its work on the reduction of workplace accidents and the signature in November 2021 of the Health and Safety Protocol, Korian Management and the European Works Council signed, in November 2022, the "Joint declaration on social commitment and reduction of absenteeism". Absenteeism data and action plans will be monitored by a joint monitoring committee of the European Works Council and then the European Company Works Council, which will meet twice a year.

#### 3.3.2.3 Internal promotion at the heart of Korian's employer promise

Offering career development opportunities for employees makes it possible to retain know-how in-house. Offering new perspectives to employees who want to take a new direction in their careers is also part of our social responsibility. Championing internal promotion is therefore a win-win contract for all stakeholders.

#### Career development through qualifying training and professional development paths for all

Training is an essential component of Korian's employer promise. It facilitates the professional transition through specific training courses leading to qualifications, and serves as a vehicle for supporting employees throughout their professional lives. It also serves to attract future Korian employees through initial training.

Led by our training organisation, the Korian Academy, and its network of academies across Europe, the qualifying training programme is a springboard for those who wish to develop professionally. It is also one of the keys to meeting the challenges of recruitment through internal mobility. In 2022, more than one in ten Korian employees was enrolled in a qualifying professional development programme.

## Annual assessment and professional development interview

All Korian employees in Europe participate in an annual assessment and professional development interview, either via the "TalentsK" platform or on paper. These interviews are a privileged moment of dialogue, which allows an open and constructive exchange about their tasks and the achievement of their individual objectives. It is also a major channel for professional development, by taking into account the professional expectations and aspirations of each employee, by allowing each employee to discuss his or her training and professional development wishes, as well as his or her career development and internal mobility aspirations, whether functional or geographical. In 2022, nearly 7,000 people conducted their annual interview using the shared digital tool.

## Structured talent management across all countries

Talent management is in place via Career Committees to pinpoint the Group's high-potential employees and emerging talents. The Career Committees also make it possible to propose development plans for high-potential employees, to prepare them for their next positions with defined and personalised qualifying training programmes.

Every year, Career Committees are organised in a structured manner in consultation with all Group countries. This bottom-up process, led by the Human Resources function, begins with local reviews by country followed by consolidation at Group level, which makes it possible to prepare replacement and succession plans to anticipate significant changes in the Company's key positions.



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### 3.3.2.4 A motivating social contract focused on fulfilment at work

The occupations at Korian are unlike any other job; they are demanding, profoundly human and marked by powerful values that are based on a strong sense of commitment.

Korian pays particular attention to the well-being and quality of life at work of its teams. In particular, Korian focuses on **strengthening the "Korian social contract"** and values. Well-being at work, work-life balance, professional equality

and respect for diversity, both in terms of compensation and work organisation: all these measures are part of the "social contract" and contribute to creating a healthy and pleasant working environment that promotes the development and commitment of employees.

Work-life balance is an issue for the health and well-being of our employees, and also for the attractiveness of our business lines. This is all the more important in view of the human dimension of care for the elderly.

## GUARANTEEING PROFESSIONAL EQUALITY – A STRONG AMBITION AFFIRMED AND DRIVEN BY THE GROUP

Guaranteeing professional equality within the Group is an integral part of Korian's 15 ESG commitments. Women represent 82% of Korian's workforce. At the end of 2022, women accounted for 56% of Korian's Top Management, surpassing the objective to achieve parity by 2023.

To achieve this objective, all candidate lists for strategic and senior management positions must include at least one woman.

The Human Resources Department pays particular attention to identifying talented women during talent reviews. Coaching programmes are set up to support them in their career development.

In addition, the Group is committed to working alongside the United Nations Global Compact and UN Women France so that women can be fully recognised for their contribution and talents at work and in society. It is in this capacity that Korian signed the Women's Empowerment Principles (WEP) in November 2020, to promote women's rights, in line with our social approach at the European level.

In addition, a three-year partnership agreement was signed with UN Women France to promote gender equality.

In 2022, for the second consecutive year, Korian Facility Directors took part, during their European training programme s.Keys, in a competition which raised funds donated to UN Women in support of the WEP.

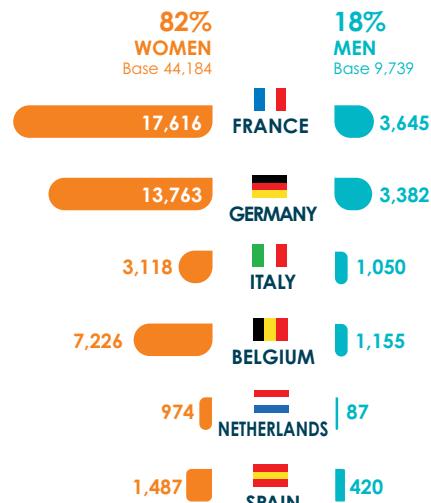
## GENDER EQUALITY INDEX IN FRANCE

The gender equality index for 2022 at the level of the Korian French Economic and Social Unit (ESU) was published on 1 March 2023, in accordance with the law. This index, complying with Law No. 2018-771 on the freedom to choose one's professional future of 5 September 2018 and applicable to companies in France with over 50 employees, is based on the assessment of five indicators to measure where the Company stands in the area of professional equality.

The results obtained on these indicators are as follows:

1. elimination of gender pay gaps: 38 points;
2. equal chance of getting a raise for women and men: 20 points;
3. equal chance of being promoted for women and men: 15 points;
4. all salaried staff receiving a raise on their return from maternity leave: 15 points;
5. gender parity among the 10 highest paid employees: 5 points.

Out of 100 points in total, in 2022 Korian achieved a score of 93 as in 2021. This is an excellent result, up 5 points compared to the previous index. Korian will continue its actions to improve this score, which will be reassessed every year.

BREAKDOWN OF EMPLOYEES BY GENDER AND COUNTRY  
PERMANENT WORKFORCE AS AT 31/12/2022

## Percentage of women in Group management

Group Management Board	21%
Korian Top Management	56%
Facility Directors	69%

## Korian Women's Club

The Korian Women's Club was created in 2019 to promote diversity within the Company and discuss best practices for the recognition and promotion of women.

The Korian Women's Club is chaired by Mrs Catia Piantoni, former Director of Operations of Korian Italy, with the support of the Group's Chief Executive Officer. This club operates as a network of women leaders in all countries. To this end, committees have been set up in every country. The Club's two priorities for action are the promotion of women's leadership and combating violence against women. For example, the Women's Club of Korian Italy has worked to reserve priority places for women who are victims of domestic violence in the new classes of apprentice caregivers launched in Italy in December 2021.

The network currently brings together more than 100 women leaders and managers, on a voluntary basis and has been open to men since 2022.

After launching a survey in 2021 on the obstacles to gender diversity within the Group among senior executives and then among all managers, the Korian Women's Club worked on solutions in 2022 and set up working groups by country by theme: work-life balance issues, gender stereotypes of women leadership and self-censorship.

In 2022, for the second year, the Korian Women's Club launched and managed the "Orange The World" campaign within the Group, in partnership with UN Women France and the OneInThree collective (Fondation Agir Contre l'Exclusion).

## Committing to promoting diversity and inclusion

The diversity of its teams, their career paths and their experiences constitutes Korian's social and human capital. The Group is committed to leading by example in terms of inclusion and fostering an inclusive working environment that enables employees to reach their full potential.

Diversity and inclusion are essential aspects of how we operate and are an integral part of our values. Korian guarantees an inclusive environment, respectful of all forms of diversity, and is committed to the implementation of training and awareness-raising campaigns for managers and teams.

Korian Germany has been a signatory of a diversity Charter since 2019. In Belgium, in early 2020, Korian launched a specific programme dedicated to diversity in the Brussels region, in partnership with the regional organisation, Actiris, in charge of employment policy. This programme consisted in the implementation of diversity management training for Facility Managers and an analysis of the recruitment process in order to ensure objective treatment. Korian was awarded the Diversity Label for its initiatives carried out during these two years. A new action plan was developed as part of a joint working group and will be implemented over the 2023-2025 period. It covers four areas: selection and recruitment, personnel management, awareness-raising and internal communication, and external positioning.

In France, Korian has, since 2018, been a signatory of the "Autre Cercle" Charter to promote the inclusion of lesbian, gay, bisexual and transgender people. In 2022, Korian resigned the charter alongside other major groups, in order to reaffirm its commitment and step up its actions. An e-learning training module has been created and will be recirculated to everyone. Internal awareness-raising through the promotion of role models will be organised. In addition, Korian has an internal Neutrality Officer in charge of providing assistance, if necessary, on issues related to ethnicity and the management of religious issues.

In the United Kingdom, a project on neurodiversity was launched in 2022 with the help of an external firm, with the aim of making Korian a neuroinclusive organisation able to attract, recruit and retain neurodiverse talent. This initiative aims to develop an inclusive and quality working environment for employees with all types of abilities. Some known forms of neurodiversity are, for example, autism, dyslexia, attention deficit disorder with or without hyperactivity, dyscalculia, etc.

During the first phase of the project, all HR policies were audited, as were practices and ways of working; a questionnaire was also distributed to employees and more than 100 individual interviews were conducted with employees. This first step made it possible to establish that 10% of employees were diagnosed with some form of neurodiversity and that, in addition, 20% identify as neurodiverse. 40% of employees also have a family member who is neurodiverse. These results demonstrate that neurodiversity is a major topic in the daily lives of employees, reinforcing the importance for Korian of becoming a neuroinclusive company.

## EMPLOYMENT AND INTEGRATION OF PEOPLE WITH DISABILITIES

At the end of 2022, the Group had 2,306 employees with a disability, or 5% of the Group's permanent FTE workforce. Integrating people with disabilities is not just about recruiting; it is part of an overall approach toward employee integration, professional development and retention. Korian France stands out for the significant proportion (60%) of disabled people among Korian apprentices at the Apprenticeship Training Centre for Chefs" (Centre de formation des apprentis - CFA) set up in 2020 alongside the Accor, Accor Invest, Sodexo and Adecco groups.

## DISABILITY MISSION

In 2020, Korian renewed its agreement on the employment of disabled workers with its labour partners in France. As part of this agreement, in 2022 Korian organised several awareness-raising and communication operations: webinar for Facility Directors and local representatives, webinars for Disability Officers, and a communication campaign on mental disability as part of the Week for the Employment of People with Disabilities.

In 2022, 104 recruitments were made and 170 new disability situations were declared. A total of 30 apprentice caregivers and cooks were hired.

Korian partners with several vocational rehabilitation centres and works to include interns with a disability as part of their certification programmes. Job dating is organised every year to meet potential candidates.

Seven training sessions were organised for managers to better integrate disability into their daily role as managers. More

#### EMPLOYEES WITH A DISABILITY (FTE)



#### An attractive and fair compensation system that reinforces the Korian employment contract

The Korian compensation scheme is a key element in deploying the Company's strategy. It addresses several challenges:

1. attracting and retaining talented employees;
2. offering them a stake in the Company's growth;
3. guaranteeing competitive compensation levels;
4. ensuring fair compensation.

The compensation policies aim to promote individual commitment and collective performance. The priorities of this compensation package are to offer employees an attractive overall compensation, which recognises their skills and professional commitment, particularly in a context of high competition and a shortage of healthcare workers.

The compensation system is therefore supported by the commitments made to employees included in the Company's social contract (signing bonus, tutoring bonus, compensation scales at or above the local market). These are part of a global approach of transparency and employee recognition, that includes compensation components and social benefits.

The compensation package in every country consists of a base salary based on the local market and collectively negotiated pay scales in each country, variable compensation for certain managerial staff (modalities vary according to the country and the function), and social benefits consistent with national laws and practices.

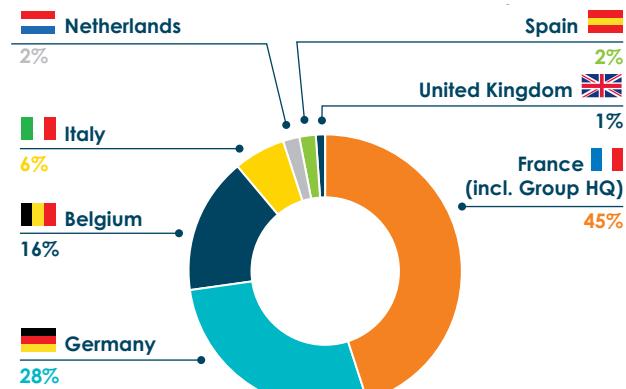
than 80 Disability Officers were trained during the year.

In Italy, there are regional agreements for the employment of disabled workers. In Spain, at least 2% of our staff are employees with disabilities, in accordance with applicable legislation.

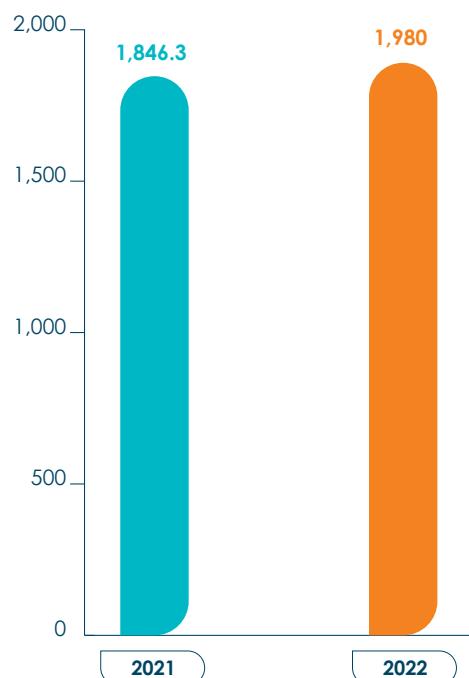
In all countries where the Group operates, gender equality systems and objectives are applied.

Korian ensures that salary increases and compensation related to a promotion are evenly distributed in proportion to the Company's women and men. The "equity ratios", i.e., the difference between the average or median compensation of employees and those of the Chief Executive Officer and the Chairman of the Board of Directors are also disclosed as part of the compensation report in Section 4.2.2.3 of this Universal Registration Document.

#### BREAKDOWN OF GROUP PAYROLL BY COUNTRY



## CHANGE IN GROUP PAYROLL\*



\*salaries, bonuses and profit sharing, excluding social security charges and assisted living facilities.

In all countries, the compensation scheme is adapted to local situations (tension on the labour market or local regulations on the refinancing of health expenditure). It is reviewed regularly with labour partners.

In France, the compensation mechanism is supplemented by an employee savings scheme pegged to specific Group objectives.

In 2022, Korian offered its employees in the French ESU, and in all the countries where Korian operates, an employee share ownership plan.

This employee share ownership plan, called Korus 2022, enabled employees to indirectly become shareholders of the Group under preferential conditions, a matching contribution from Korian corresponding to 100% of the amount invested, up to a gross limit of €200, and a guarantee protecting the initial investment. By increasing the share of employees in its capital, Korian wishes to associate them more closely with the

results of the transformation and innovation projects carried by the Group over the long term. Nearly 15% of all eligible employees took part in the offer, i.e., more than 9,250 employees. In France and Italy, the operation garnered strong support, with a subscription rate of nearly 25% in each country.

At Korian, each employee is recognised as having a role in the corporate project, and this system helps to enhance their commitment to serving elderly or fragile people, and to strengthen their sense of belonging.

### 3.3.2.5 Social dialogue included in employees' day-to-day lives and integrated into governance

Social dialogue is a core component of the Korian Human Resources approach. Because of the diversity of the teams, the Group's multiple geographic regions, and the nature of our jobs and the conditions under which we perform them, it is imperative that we maintain an ongoing, substantive social dialogue based on:

- the Group's values;
- listening to and supporting teams;
- mutual respect;
- the quest for pragmatic solutions as close as possible to the field.

Social dialogue takes place at four levels within our Group: European, national, regional and local.

**At the European level**, in 2022 Korian continued an active social dialogue, in accordance with and beyond the terms of the agreement, signed in 2019, establishing the European Works Council, holding two ordinary plenary meetings and two extraordinary plenary meetings, four Bureau meetings, five working group meetings and two plenary training meetings.

To involve them in the Company's ESG strategy, the representatives of the European Works Council received one day of awareness training on environmental issues, through an event led by the association "La Fresque du Climat", and were encouraged to reflect with the CSR Department on Korian's action priorities and the role of social dialogue.

The representatives also received specific training on the Korus employee share ownership plan before its launch.

Information on the economic, social and financial situation are regularly provided during plenary and Bureau meetings, with the systematic participation of the Group's Directors and in particular its Chief Executive Officer.

European social dialogue has been conducted for three years:

■ **on the issue of absenteeism** and the improvement of the Korian social contract thanks to the meetings of the social working group:

- the meetings of this working group led to the adoption by a majority of the European Works Council of the Joint declaration on social commitment and the reduction of absenteeism (see chapter Absenteeism);

■ **on occupational health and safety:**

- several meetings of the dedicated health and safety working group were held, bringing together representatives from all countries and all trade unions, and led to the adoption in 2021 of the European protocol on health and safety.

In addition, as part of the project to transform Korian's legal status from a public limited company to a European company, adopted by the General Meeting of 22 June 2022, a special negotiation group was set up to arrive at an agreement on employee involvement in the European company.

The representatives of the negotiation group were trained by the Training Institute of the European Trade Union Confederation, then assisted during the negotiations by the European Federation of Public Services. After six negotiation meetings, the agreement relating to the establishment of the Korian SE European Works Council was adopted and signed by all members of the special negotiation group and Korian's management.

At the European sectoral level, Korian is continuing discussions with European social dialogue players, such as the UNI Care trade union federation, and more specifically the European Federation of Public Services, which is the expert previously appointed to the EWC and now to the European Company Works Council; this in order to jointly seek answers to the challenges of the healthcare sector in Europe through a continuous and strengthened dialogue.

In 2020, Korian also joined the international Global Deal initiative, co-led by the OECD and the International Labour Organization (ILO) and supported in France by the Ministry of Labour, which brings together large companies, trade union federations and institutions, with the aim of promoting international social dialogue.

In 2022, the European Health and Safety Protocol signed by Korian and the European Works Council was highlighted in the Global Deal report and presented at the Global Forum in November in Madrid.

In addition, having participated in 2021 in the work of the Global Deal on the prevention of domestic violence, in 2022 Korian contributed to the study commissioned by the ILO on the policies implemented by certain French companies to address the domestic violence of which employees may be victims.

**In all the countries where it operates**, the Group promotes open, quality labour relations supported by management and attentive to employee representatives at every level of the company. Its actions in this area adhere strictly to applicable laws and take a proactive stance to further strengthen the Korian social contract. It is further worth noting that 100% of employees are covered by a social dialogue system or collective agreement (excluding the United Kingdom).

In 2020, Germany set up its first central coordination body to harmonise working conditions at the national level.

Seventeen company agreements signed at the European level and in the Group's various countries cover Korian's employees on topics such as compensation, health, safety, participation and profit-sharing (in France), and working conditions.

In France, social dialogue goes well beyond legal and regulatory requirements. The elected representatives represent 6% of permanent employees, for a total of 1,256 elected representatives.

The social dialogue agreement signed in 2019 made it possible to set up 896 local representatives, 22 trade union representatives and 2 central trade union representatives per representative trade union organisation, who each have 60 hours of delegation per month. The agreement will be renegotiated in 2023.

In addition to the Central Social and Economic Committee, there are seven Social and Economic Committees in France: four within the long-term care nursing homes business, two within the healthcare facilities business and one for the head office and management scope.

A national seminar on social dialogue bringing together Regional Directors and union representatives is organised every year.

## Organisation of social dialogue by country



	SPAIN	ITALY	NETHERLANDS	BELGIUM	GERMANY	FRANCE	UNITED-KINGDOM
<b>Existence of a collective agreement on compensation</b>	✓	✓	✓	✓	✓	✓	?
<b>Type of agreement: sector-wide and/or company-wide agreement</b>	Sector-wide	Sector-wide	Sector-wide	Sector-wide	Sector-wide	Sector-wide and company-wide	
<b>% of employees affected by a collective agreement</b>	100%	100%	100%	100%	100%	100%	
<b>Trade unions</b>	UGT - CCOO - CGT	CISL, UIL	All	All	Verdi (for some local agreements)	UNSA, CFDT, CGT	
<b>Other collective agreements</b>	No	No	No	Collective labour agreement on organisation and benefits	Agreement for the care sector in an additional facility	Teleworking agreement Amendments No. 1 and No. 2 to the regulations of the Group Savings Plan Participation agreement	

### 3.3.2.6 Community PULSE: Korian's internal social barometer

Since 2021, the Group employee satisfaction survey, Komunity Pulse, is carried out once a year. The survey concerns all Korian employees. Korian is committed to listening to its staff and has conducted internal surveys at the European level since 2015.

Recurring questions are asked to measure job satisfaction, commitment, motivation and the rate employees would recommend Korian to people looking for a job or a service for an elderly person close to them (Net Promoter Score).

Conducted in November 2022 in partnership with IPSOS, the Komunity Pulse survey revealed an employee commitment rate, that remains high at 78%, up by three points compared to 2019. Employees are 84% satisfied with their work, which is eight points higher than the benchmark established by IPSOS.

These results give rise to a detailed analysis at Group, country, regional and facility level to identify and understand points of satisfaction and improvement as fully as possible. The results are communicated to all Department and Regional Directors and then to the Facility Directors who share the results with their teams.

The expectations expressed in 2021 concerned visibility on professional development paths and psychological support in the event of stress.

To answer the first expectation, a vast project to overhaul the training offer was launched with the aim of simplifying access to training and qualifying training programmes, resulting in an increase in these offerings which today concern one in ten employees.

As regards the second expectation, working groups have been set up in the countries and at Group level, and have led to the development of a country standard to deliver psychological support suited to the needs of employees (see Section 3.3.2.2).

Scores concerning work-life balance and health and safety in the workplace were slightly down in the Pulse 2022 survey compared to Pulse 2021 and require special attention.

The analysis of the quantitative results and the transcribed statements by each Facility Director inspired initiatives adapted to these expectations, sometimes with an immediate effect on the working atmosphere such as the celebration of birthdays, informal meetings around coffee or snacks, and refurbishment of break rooms.

The Pulse 2022 survey revealed the need to work on our employer image, in a context where the sector for services to elderly people was severely affected during 2022.

## 3.3.3 ATTRACT AND DEVELOP TALENT TO ENSURE QUALITY OF CARE

### 3.3.3.1 Anticipate massive staffing needs in the coming years

The care sector in Europe has a massive need for personnel. These needs are linked to overall demographic changes, to the tension on the labour market – aggravated by the Covid-19 pandemic health crisis – and to the fact that these professions require State diplomas, the number of which is regulated. Government-approved training institutes do not have sufficient available capacity and are not numerous enough to train the number of staff required in the medium term.

According to the OECD, recruitments of nurses and caregivers in Western Europe are estimated at 1.2 million by 2025: 720,000 positions will need to be filled to replace existing staff and 480,000 new jobs must be created to meet increasing demand for care, given the ageing of the population. However, existing training systems can cover only 60% of needs, leading to a deficit of around 100,000 caregivers per year by 2025. This assessment does not take into account new home care needs. The imbalance is all the more worrying as the growth in care and support services for elderly or fragile people will undoubtedly be strong over the coming years.

### 3.3.3.2 Working with professional communities to develop skills

In light of this, Korian is moving to prepare for this shift in the sector, relying on its professional communities to develop the skills required for its current activities, and also to anticipate and develop skills related to its new activities.

Belonging to a profession and capitalising on the expertise of a strong professional community one's professional community to develop and perform one's job better are one of the eight commitments to our employees. The Group is gradually setting up professional and learning communities in every country where it operates.

Each professional learning community aims to:

1. reflect on changes to their jobs and the new skills that will be required for each profession;
2. describe the qualifying training programmes specific to each occupation;
3. identify the resulting training needs;
4. work closely with schools and the training ecosystem in connection with these occupations;
5. promote best practices specific to each profession to help improve the skillset of employees who belong to them.

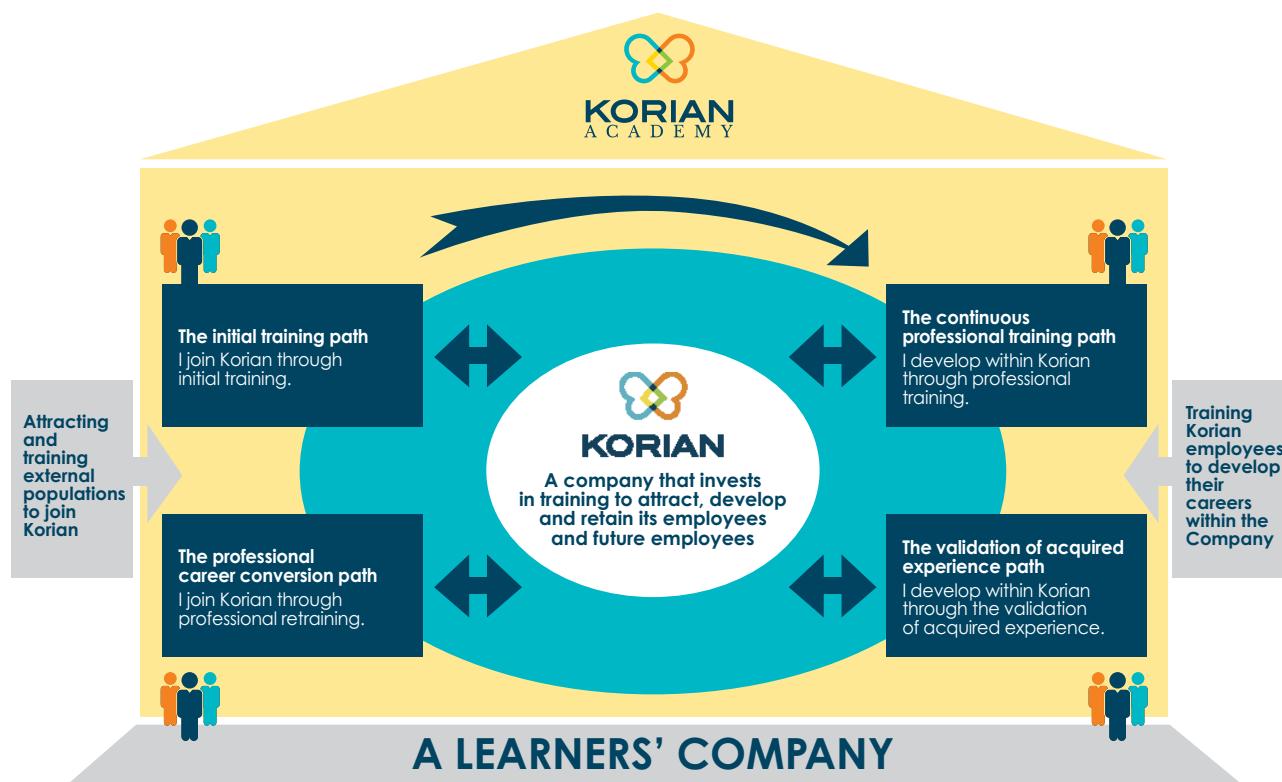
In 2019, the Group defined four main sectors (care, operations, services, support functions) which encompass 30 key professions. This professional reference framework also serves as the foundation for the information system for employee and career development, called "Talent K."

In 2022, the focus was on four major professional communities: Facility Directors, with the three-year "s.Keys – Skills for share" training programme; nurses, who already benefit from nursing committees in every country; caregivers; and chefs and kitchen staff, who work, particularly in France, as a professional community to coordinate best practices.

In 2022, four business-line committees set up in collaboration with the Korian Academies launched a reflection on skills. The objective of the approach is to move from a traditional approach to providing training to a skills-based approach in order to be able to support employees more effectively. A common skills matrix has been adopted, anchored in the Group's values. This matrix, divided into hard skills and soft skills, provides a framework while leaving room for the Group's countries to express their specificities.

Hard skills	Professional skills Methodological skills	Knowledge Know-how
Soft skills	Know yourself and take care of yourself People skills Leadership	Social skills

### Korian is mobilised through training to attract, develop and retain its employees and future employees



Training as a vector of attractiveness, development and retention for employees and future employees is one of the Group's strategic priorities. It is fundamental to ensuring the quality of care and meeting the evolving needs of our activities. At Korian, it focuses on:

- attracting and training external populations to join Korian;
- training Korian employees to develop their careers within the Company.

To this end, the Group has implemented a training policy, supported by the Korian academies, which mobilises Korian employees and future employees in four ways:

- the initial training path:** to enable the people concerned to join Korian via training courses leading to qualifications, and in particular apprenticeships to promote the professional integration of young people;

- **the continuous professional training path:** to cultivate internal talent pools and mobilise internal recruitment. The objective is to retain employees by giving them the opportunity to pursue their careers within the Group via continuous professional training;
- **the validation of acquired experience path:** to enable employees to pursue professional development leading to qualifications, while remaining employed;
- **the professional career conversion retraining path:** to diversify the Group's recruitment channels, focusing on social innovation by recruiting differently and in innovative ways.

#### QUALIFYING TRAINING

Qualifying training is one of the pillars of Korian's ESG commitment, with a target raised to 10% of the workforce enrolled in a qualifying training programme by 2023. This makes it possible to meet recruitment challenges through internal mobility and social promotion, while addressing the increasing requirements of residents and families regarding quality of care and satisfaction.

In 2022, 6,808 Korian employees in Europe were involved in a qualifying training programme, i.e., 11.8% of FTEs, a significant increase compared to 2021 (9.7%) and almost three times as many as in 2019 (4%).

The training courses run by the Korian Academy are numerous and diverse. A large portion are dedicated to the care professions, but hospitality and catering are also featured.

#### 3.3.3.3 The Korian Academies and professional training at the heart of the employer promise

Korian is supported by the Korian Academies, which are the Group's training organisations in each country. The Korian Academies work with internal and external educational partners to develop employee skills and meet the growing and constantly evolving needs of the care and service professions.

Every year, the Korian Academies offer a large number of training and development paths based on business needs. These pathways cover all of Korian's business lines and are intended for all employees at all levels of the organisation. In 2022, 40,476 employees completed at least one training course and 716,429 hours of training were completed in all.

#### Evolution of the role of the Korian Academies

The Group continues to strengthen the role of the Korian Academies (internal training organisations) in order to support the Company's operational challenges. As a result, the mission of the academies was broadened and enhanced in 2021, thanks to a major project involving the Human Resources and training teams, for implementation in 2022. The Korian Academy teams have been strengthened in all countries through dedicated recruitment. Their main duties are as follows:

- support business lines and operations with mandatory training on the Group's fundamentals: values, "Positive Care" policies, safety of residents, patients and employees;
- design, monitor and maintain qualifying training programmes within each business line;
- produce innovative educational content on the fundamentals of Korian's healthcare offering;
- manage partnerships with schools and educational institutions;
- organise the onboarding of all new employees;
- implement bespoke coaching and psychological support, on request.

In addition, the Korian Academies play a significant role in coordinating training via networks of internal trainers. These internal trainers, who are experts in their fields, share their know-how and expertise with the teams, through mandatory training and professional development programmes.

In 2021, to support training in all Korian facilities, it was decided to gradually appoint training ambassadors at all sites. These ambassadors have been specially trained for this role and are, under the responsibility of the Facility Director, responsible for developing and monitoring training plans for the facility.

#### A renewed training offer aligned at the European level

To adapt its training offer according to the changing needs of the Group's activities, the training offer was refocused in 2021 around five main areas:

- onboarding programmes;
- the 10 mandatory Korian training courses;
- on-site training;
- development of qualifying training programmes.
- development pathways.

The 10 mandatory Korian training courses include values, Positive Care, health and safety of residents and patients, hygiene, safety and medication.

The catalogues of all Korian Academies in the various countries were revised according to a common structure and methodology.

#### Apprenticeship to promote the professional integration of young people

Korian has also chosen to train via apprenticeships in its main occupations, with a focus on caregivers and chefs. At the end of 2022, the Group had 3,001 apprentices, including 1,953 in Germany and 1,037 in France. In total, the number of apprentices within the Group represented 5% of the FTEs at the end of December 2022.

Apprenticeships allow us to recruit and retain the employees of the future, cultivating a pool of potential diploma and certificate holders steeped in Korian's values and supported by a community of mentors. The "Generalistik" programme in Germany and the strong acceleration of apprenticeship training for caregivers in France make the Group a pioneering player committed to apprenticeships, in particular with the creation in France of a real apprenticeship channel for caregivers, which did not exist before 2017.

The Group also participates in the French government's PAQTE programme to develop training, apprenticeships and "career introduction" internships for young people entering the workforce, along with inclusive purchasing. Thanks to these actions to promote inclusion in the various local communities, 26% of work-study recruitments carried out in 2022 benefited people living in priority urban neighbourhoods.

#### APPRENTICESHIP IN GERMANY

In Germany – where apprenticeship is already highly developed – a new apprenticeship system called "Generalistik" came into force in 2020. It made sweeping reforms to the training of apprentices, in particular by requiring 1 mentor for every 10 apprentices. In a context of increased competition for the same positions, the Generalistik programme not only makes it possible to forge strengthened partnerships with healthcare schools and universities close to our facilities, but above all to strengthen the quality of the relationship and training with apprentices, in order to improve the conversion rate of apprentices to open-ended contracts, through pre-recruitment and better retention of young people in training.

#### APPRENTICESHIP IN FRANCE: THE FIRST TRAINING CENTRE FOR APPRENTICES IN THE CARE PROFESSIONS

Following the creation of an Apprentice Training Centre (Centre de formation des apprentis – CFA) for cooks, created with four other companies in 2019, Korian was the first Group in France to launch its own Apprentice Training Centre for the care professions, led by the Korian Academy.

The CFA for care professions provides apprenticeship training for the state caregiver diploma. Their 18-month training includes theoretical teaching time with on-the-job training, half of which is carried out in a long-term care nursing home or a Korian post-acute and rehabilitation care facility, located in the Paris region. At the end of their training and upon obtaining their diploma, they may be offered a position as a caregiver within the network of Korian facilities.

The Group also offers its employees on open-ended contracts, who meet the age criterion and who wish to follow a caregiver training course, to suspend their open-ended contracts for the duration of the training and sign an open-ended apprenticeship contract. This status guarantees that their salary will be maintained, that they will be able to become a caregiver once they have obtained their diploma, and, in the event of failure, that they will be able to return to their former position.

Launched with a first cohort of 19 apprentice caregivers on 4 January 2021, the Apprentice Training Centre had 300 apprentice caregivers in 2022. The Apprentice Training Centre for the care professions also innovated this year, by setting up a course dedicated to the nursing and in September 2022 was thrilled for its first apprentices in their second and third years of training to become state-accredited nurses.

#### Promoting the validation of acquired experience

One significant driver of social promotion within Korian, the Validation of Acquired Experience (VAE), allows employees to pursue a qualifying career path, while remaining employed at the same time.

In France, this system allows employees with two years of professional experience to obtain a diploma related to their profession, without returning to school. In 2022, Korian opened access to the system for staff working as caregivers (including on fixed-term contracts) and today has more than 1,000 employees engaged in a VAE pathway with the support of the Korian Academy.

The success rate for obtaining these diplomas is 78% and specifically 68% for the caregiver diploma, that is to say, double the national average (30%). This rate is achieved thanks to the individualised support and the role of Korian's training tutors.

#### Promoting retraining pathways for career conversion

The Group communicates regularly about its employment and career opportunities through different channels, including social media. In addition, initiatives were put in place in 2021 to expand recruitment channels, diversify talent pools and attract new talent. These initiatives are an illustration of the social innovation carried out by the Group to develop win-win solutions and reduce the risk of excessive exposure to external recruitment, in a context of persistent high staff turnover.

#### "PASSERELLES" IN FRANCE

Officially launched in April 2021, the Passerelles initiative is based on the French State's "Transitions Collectives" system. This system is aimed at companies that have to adjust their workforce within the framework of employment and career path management agreements. For example, this system allows employees from the service sector – today Derichebourg Multiservices and Monoprix – to retrain via a 14-month qualifying training programme, leading to a caregiver diploma.

This professional retraining path by immersion in one of our facilities allows employees who have reached the second half of their career to move into a new profession. At the end of their training and upon graduation, they will be hired at Korian on permanent contracts, with the aim of 150 people benefiting from the Passerelles programme by 2023. This project also enabled the teams of Korian Académie France to review the qualifying training programme for becoming a caregiver, as part of the State diploma, by integrating digital modules and educational innovations related to the Korian care policy and to Korian's Positive Care approach. The first people to graduate were recruited at the end of 2022 as healthcare caregivers. This retraining project oriented towards care professions, including for non-caregivers, illustrates Korian's desire to work in a committed and responsible manner for employment in France. It also provides an innovative educational pathway that is motivating for employees affected by restructuring plans in their original company, while allowing them to join engaging, caring professions.

## RETRAINING PROGRAMME IN ITALY

Retraining courses to become a caregiver are also offered by Korian in Italy (Operatore Socio Sanitario – OSS) in collaboration with Adecco in the Milan region and with the placement association D.i.Re, a long-standing partner of Korian, making it possible to reserve some open positions for women who are victims of domestic violence.

## Continuous training for Facility Directors with s.Keys



In 2020, the Group updated its managerial training offer. In association with the IFG Executive Education management training group, Korian offered the first European training programme for Facility Directors. Named **s.Keys – Skills for Share**, this qualifying training programme targets all Facility Directors and aims to establish a single and common framework for action across Europe.

The programme runs for three years. It focuses on the development of leadership and the role of Facility Directors in a multi-stakeholder management environment. The programme starts with a personality test, the "CliftonStrengths Finder," followed by an interview with a specialised coach, to better understand the person's strengths. Then begins the "blended" training of approximately 50 hours per year, including online training modules, virtual workshops and collective co-development sessions.

A quarterly newsletter, s.Keys – Skills for Share, is distributed to all Facility Directors in Europe, making it possible to monitor the programme's progress and strengthen the Directors' community, which also has a dedicated website, bringing together peer communities and offering master classes.

Launched on 16 September 2020, the programme currently brings together 720 Facility Directors in six countries (France, Germany, Belgium, Italy, Spain, the Netherlands). In October 2022, a third cohort was launched with 190 employees.

The programme has also been opened to teams headquarters, at broadening exchanges between teams headquarters and promoting cross-functional collaboration.

## s.Keys: a vehicle for promoting Korian's managerial culture

Promoting a management culture that is specific to Korian, structured around the Group's values and its corporate project, is a priority objective of the Group, as a responsible social player whose success is grounded in the commitment, cohesion and retention of its teams.

Korian wants to develop the Korian Management Way across the Group. Regardless of the country in which they are located, any person in a management position will share and embody the same management principles, based on the values of trust, initiative and responsibility. This Korian Management Way is an integral part of Korian's corporate identity.

One of the key contributions to the construction of the Korian Management Way in 2021 was the development of a new "Korian Management Charter." This charter, developed jointly by 700 Facility Directors as part of the s.Keys – Skills for Share training programme, serves as a managerial foundation and commitment to the teams, and translates the Company's three values into practice on the ground, with tangible attitudes and behaviours.

The Group has also incorporated a management framework based on management rituals into the ISO 9001 Standard that is applicable to all sites.

### 3.3.4 BE A COMMITTED AND RESPONSIBLE SOCIAL PLAYER

Locally rooted in all the countries where it operates, the Group plays an essential role in community cohesion and inclusion. The growth of Korian's activities is closely linked to its regional reach and its social involvement for the benefit of all local stakeholders.

Aware of its social responsibility, Korian is committed to supporting social integration, the return to work, social cohesion and the inclusion of fragile populations. This is a Korian hallmark wherever the Group is present.

#### 3.3.4.1 An actor committed to combating violence against women

The Group is particularly sensitive to the prevention of violence against women, insofar as 82% of our employees are women.

In 2022 in France, our social services strengthened its communication with the teams in order to publicise key contacts in case of need: the 3919 hotline, contact information for social service, and a QR code for information centres on the rights of women.

It has been estimated that 21% of the long-term support provided by our social services in France concerns employees who are victims of intra-family violence. 100% are women. Social services provided them with rehousing assistance, financial aid and legal assistance.

Information campaigns were continued in 2022 to support female victims of violence, in partnership with expert associations in the field, such as FACE and UN Women France.

Korian is a co-founding member with Fondation agir contre l'exclusion (FACE) of the first network of European companies committed to combating violence against women. Known as "One in Three Women", this network includes Kering, Carrefour, SNCF, OuiCare and L'Oréal.

As part of this network, Korian Académie France has developed an e-learning training module, to inform and raise awareness of managers and employees on the topic of domestic violence. The Orange the World campaign, to which Korian committed itself in 2021 and again in 2022, was an opportunity to promote this training widely in all countries.

In 2022 Korian continued its partnership with La Maison des Femmes, in the Paris suburb of Saint Denis. This structure is a place of refuge that welcomes women who are vulnerable or victims of violence, and provides a multidisciplinary team (doctors, nurses, social workers, lawyers, police officers, etc.). Facilities were informed of the role of La Maison des Femmes, and solidarity workshops were organised by the Korian Foundation for Ageing Well.

In Italy, a partnership was established with the professional reintegration association D.i.Re in Milan, to test prevention measures with specialist associations. In 2021, Korian Italy launched a qualifying training programme to become a caregiver, reserving a certain number of spots for women who are victims of domestic violence. In 2022, in conjunction with D.i.Re, training courses were launched for Facility and Region Directors to raise their awareness and help them identify signs of violence.

In Spain, the Group is also working to provide apartments in one of its residences for women who are victims of violence. In 2022, Korian Spain launched a major survey of its managers to assess the teams' knowledge of issues of violence and their assumptions regarding the behaviour to adopt.

## Orange the World

Under the leadership of the Korian Women's Club, Korian mobilised its teams for the second consecutive year on behalf of the "Orange the World" campaign. Supported by the UN since 1991, the campaign began on 25 November 2022, and consisted of 16 days of action to combat violence against women around the world. The awareness-raising campaign was relayed in all the countries where the Group operates, with the aim of creating a climate of benevolence and listening to encourage victims to speak up and give advice on how to support them.

As in 2021, orange masks were ordered and delivered to all facilities and head offices, to support the cause and stimulate discussions within the teams. All employees, symbolically wearing an orange mask during the campaign, were invited to be ambassadors for this cause among their colleagues, patients, residents and their relatives.

Communication tools were created to support discussions on the subject of violence in all facilities: a brochure explaining Korian's commitments and a guide to supporting women who are victims of violence.

In France, an explanatory sheet on the duties of social workers has been widely distributed, as well as the "violence meter", a tool intended for women to help them better identify violent behaviour, particularly in the case of economic or verbal abuse. The "violence meter," has been translated and distributed in all countries.

Events were organised at the initiative of Facility Directors in partnership with local associations, in Carcassonne, at the Korian Bastion facility with the collective "11 du droit des femmes". A dedicated "instant Kfé" was organised at the head office, with the participation of the social service and the Korian Foundation in France.

Lastly, a webinar in which the Group Chief Executive Officer and Dr Ghada Hatem of La Maison des femmes participated was organised by the Group and French management. On this occasion, 325 people benefited from Dr Hatem's advice. In Italy, a webinar was also organised in partnership with the D.i.Re association and the Onda Foundation, with the participation of the Executive Director of Korian Italy.

In Germany, all members of the Management Committee have chosen to get involved, by relaying its support massively on social networks and internally.

In Belgium, for the second year, the facilities organised a relay walk in which employees, residents, relatives and neighbours were invited to participate. Theatre sessions took place in four facilities. A podcast with testimonials from female victims and caregiver managers was recorded and widely distributed.

### 3.3.4.2 Business Collective for a More Inclusive Economy

Since 2018, Korian has been part of the Business Collective for a More Inclusive Economy, which was created as a joint initiative of several major French companies to improve their contribution to an inclusive economy. Three working groups were created on apprenticeships and training, the offering of goods and services to disadvantaged persons, and inclusive purchasing. In 2021, Mrs Sophie Boissard took over duties as co-chairwoman of this group with Mr Thomas Buberl, Chief Executive Officer of AXA. In 2022, a fourth working group was created specifically to promote mentoring.

## PILLAR 3 OF THE ESG STRATEGY

### CONTRIBUTE TO FINDING INNOVATIVE SOLUTIONS FOR A MORE INCLUSIVE SOCIETY

#### COMMITMENT 7

Devote 1% of Group net profit  
to funding philanthropic initiatives

#### COMMITMENT 8

One Stakeholder Council  
in every country by 2023

#### COMMITMENT 9

5 scientific publications per year

#### 2022 RESULTS

3.5%  
i.e. €1.8M vs. €1.5M in 2021

1 Stakeholder Council  
in five countries (France, Germany,  
Italy, Belgium and the Netherlands)  
vs. four countries in 2021

109  
scientific publications  
vs. 40 scientific publications in 2021

#### AS PER THE KORIAN MANIFESTO – CONTRIBUTE TO FINDING INNOVATIVE SOLUTIONS FOR A MORE INCLUSIVE SOCIETY

Our expertise in the field of care for elderly or fragile persons entrusts us with a unique role in society and in caregiving services. The Group, **through its foundations in France and Germany and its Medical and Research Departments in these countries**, carries out clinical research projects and societal studies, in conjunction with a network of university partners and scientists, focused on **four workstreams**:

- 1. age-related diseases and management of loss of autonomy;
- 2. **prevention** and care for chronic diseases;
- 3. **the working conditions of caregivers**;
- 4. **the usefulness and social role of elderly people**.

In each country, solidarity actions are also carried to promote the professional integration of young people and disadvantaged women. In this context, Korian is actively involved in various programmes and initiatives:

■ in France, the Collective of companies for a more inclusive economy, is committed via a joint programme to the professional integration of young people through apprenticeships and continuous training, as well as integration services;

■ the Orange the World campaign supported by the United Nations, to combat violence against women (see Section 3.3.4.1 "Committing to promoting equality, diversity and inclusion" in this Universal Registration Document).

Concretely, in the coming years:

- we wish to continue to support and participate in scientific research programmes and our goal is to publish at least **five scientific papers**, notably through our network of foundations;
- we commit to setting up a **Stakeholder Council** in each country outside France;
- we pledge to dedicate at least **1% of our annual net profit** for research and philanthropic initiatives.

## 3.4 Contribute to finding innovative solutions for a more inclusive society

### 3.4.1 FOUNDATIONS ASSOCIATED WITH THE KORIAN GROUP

Korian has created two legally independent foundations:

- the Korian Foundation, a corporate foundation created in France in September 2017;
- the Korian Foundation for Care and Ageing Well, created in Germany in early 2020.

These two foundations carry out actions aiming to:

- support and participate in scientific research programmes to advance scientific knowledge and also to tangibly improve the support of residents and patients, the quality of care and the working conditions of caregivers;
- conduct societal studies to change views on ageing and contribute to thinking about and inventing a longevity society. This means changing our perspective on ageing and promoting and supporting care occupations and those that support the most fragile, including by inspiring new vocations;
- support solidarity actions to combat the isolation of elderly people, promote the professional integration of young people from disadvantaged neighbourhoods, improve access to legal rights and care for caregivers and women in difficulty. The Boards of Directors of the foundations are composed of figures who are internal and external to Korian, divided into three colleges: representatives from the Group, Group employees and representatives of the foundations' Scientific Boards.

In addition, the foundations benefit from the input and leadership of the members of their Scientific Boards: researchers and academics, practitioners, caregivers, designers, association managers, etc.

The foundations also surround themselves with partners who are both recognised in the field of clinical research and in human and social sciences, along with industrialists and actors from the social and solidarity economy, to galvanise genuine scientific cooperation.

To these two foundations is added the FITA foundation created in 2002 by Ita Salud Mental, a mental health specialist in Spain acquired by the Korian group in 2021.

Taking a research, action and training approach, the professionals of the Korian facilities (medical, paramedical and caregivers) are involved in the development and implementation of scientific protocols in order to ensure their relevance and their feasibility in terms of expertise and needs.

The research also involves residents and patients of Korian facilities (long-term care nursing homes and healthcare facilities) who volunteer to participate.

#### 3.4.1.1 The Korian Foundation in France



FONDATION KORIAN  
POUR LE BIEN-VIEILLIR

Created in 2017 for a first five-year cycle, the French Foundation of the Korian group had set itself the objective of contributing to the reflection on Ageing Well, by conducting a series of studies with the IPSOS institute on how people view ageing, by supporting initiatives to promote the social inclusion of elderly people and to promote oral archives, and more broadly by encouraging various applied medical research projects aimed at improving the physical and psychological support provided to elderly people and their families and caregivers, at home and in medico-social or healthcare facilities.

In five years, 15 research projects have been completed, resulting in 30 publications; three prizes have been awarded to associations particularly involved in these themes, while 29 platforms and 21 morning sessions have been organised in Paris and 16 cities in the regions, bringing together a total of nearly 5,200 representatives of associations and professionals in the field of ageing for face-to-face discussions.

In 2022, the Foundation continued its actions to transmit and promote the voice of elderly people through two emblematic projects:

**"Territoires et mémoires de vie" (Territories and Memories of Life)** – Part 2: One of the missions of the Korian Foundation for Ageing Well is to give a voice to elderly people and carry their voices, their life stories, sharing and promoting their experiences. In this book entitled "Territoires et mémoires de vie", the Korian Foundation gives the floor to residents who live in nursing homes. For the past two years, the Foundation has been studying local communities and the impact that living spaces can have on our history. After Marseille, the biographer Régine Zohar turned to Bordeaux, collecting the life stories of residents at the Villa Gabriel, Villa Louisa, Villa Bontemps and Clos Serena long-term care nursing homes.

Season 4 of the **"La Voix des Aînés" podcast**, entitled "Ecology once upon a time": As the climate and environmental emergency forces us to rethink our lifestyles and consumption, the Foundation wished to let elderly people speak about this topic and share their memories of a time when people were inventive and thrifty out of necessity.

In addition to the projects carried out in favour of Ageing Well, the Foundation supports solidarity actions for four target audiences:

- isolated elderly people;
- caregivers;
- women in difficulty;
- young people in priority education areas.

In 2021, the Foundation, together with Fondation Agir Contre l'Exclusion (FACE), launched solidarity workshops to improve employees' access to rights in healthcare and medico-social facilities. Designed with the support of Korian's social services and organised by the Korian Foundation, they are led by FACE clubs and structures in the regions. In 2021 and 2022, 47 Group healthcare facilities and long-term care nursing homes and 900 participants benefited from these workshops.

The partnership with the Alliance for Education, aimed at introducing middle-school and high-school students in priority education areas to the elderly care professions, also continued, through the participation of Group employees in five job forums and the hosting of 15 interns under the programme.

The Foundation supports the mobile campaign of the Bus du Coeur, which is led by the Agir Pour le Cœur des Femmes Foundation, which aims to inform, raise awareness and prevent cardiovascular diseases in women. In 2022, the Bus du Coeur campaign enabled 5,000 women to be screened in 14 cities in France.

As part of the Group's support for the fight against violence against women, the Foundation has a partnership with the Maison des Femmes in Saint-Denis, enabling victims (Korian employees or not) to access social, medical and legal support. The Foundation provides funds for two night nurses.

At the end of this first five-year cycle, the Foundation decided to devote its new cycle of work starting in 2023 to the theme: "Loving to care". It intends to dedicate its actions to caregivers, care professions and healthcare organisations. The Korian Foundation has identified three key areas for reflection:

- the physical and moral health of caregivers: prevention and support, fight against burnout, social inclusion and work-life balance, etc.;
- the attractiveness of the care professions: professional recognition, social representation of caregivers, diversity of professions and profiles, new generations and new expectations, etc.;
- the meaning of the job: organisational ethics, new forms of management, teamwork and time management, etc.

### 3.4.1.2 Korian Foundation for Care and Ageing Well in Germany

The well-being of caregivers and more generally of people active in the care sector is a key focus of the Korian Foundation's actions in Germany. In 2022, stress reduction

was at the heart of the Foundation's work through the distribution of healthy recipes that take into account the pace of work in facilities and aromatherapy training. The Foundation has also published a guide for professionals in the care sector on the topic of end-of-life support, death and bereavement. It aims to offer them tools to support the people concerned and their families and support them in managing the emotional burden associated with this mission.

In December 2022, the German Foundation, in partnership with Korian Germany, the University of Bremen and the Fraunhofer IIS research institute, also launched the "Care 2030" (Pflege 2030) project. The Korian Haus Curanum facility in Karlsfeld was selected to pilot this three-year project, supported by a €3.1 million grant from the Bavarian Ministry of Health and Care, which aims to project itself into the near future of the healthcare sector. The contributions of new technologies and innovative planning methods to the quality of care and working conditions will be studied through their experimentation at the Karlsfeld site.

#### 3.4.1.3 The FITA foundation for mental health in Spain

In Spain, Ita Salud Mental, a mental health specialist acquired by the Korian group in 2021, created the FITA foundation in 2002. Its mission is to contribute to the prevention, awareness and understanding of mental health problems. More specifically, its programmes aim to:

- promote emotional well-being;
- facilitate the early detection of mental disorders;
- contribute to the reduction of their stigma;
- support and guide affected people and their families in accessing treatment.

The FITA foundation mainly carries out three types of actions:

- care and rehabilitation programmes dedicated to supporting people suffering from or having suffered from mental disorders and helping them towards autonomy and social inclusion. The Foundation's objective is to be able to meet the diversity of needs through these programmes: accommodation in transitional housing, psychological support, support in day-to-day management, academic guidance, professional integration, financing assistance for treatment. In 2021, 179 people were supported through these programmes, mostly at the end of or after treatment, and 89 relatives and/or education and social action professionals were advised by the Foundation's teams;
- prevention and training programmes: workshops for the general public, continuing training for education and social action professionals. In 2021, 1,300 people took part in prevention workshops and 320 professionals were trained;
- awareness-raising actions based on the testimonials of people who have experienced mental health problems, through interventions in schools or the publication of novels written based on these testimonials.

### 3.4.2 SUPPORT RESEARCH AND INNOVATION FOR CARE PRACTICES

In order to contribute to public debate and to advance ideas and knowledge, the Medical Departments, the Research Departments and the Group's Foundations conduct scientific research or support programmes implemented as part of scientific collaborations with their academic partners.

#### Key figures: 109 scientific communications

- 21 scientific articles published in indexed journals. The main themes of these articles are respiratory rehabilitation and psychiatry.
- 49 oral communications (Conference presentations, face-to-face or online).
- 39 posters at conferences.

 <p><b>MENTAL HEALTH</b></p> <ul style="list-style-type: none"> <li>• Eating disorders</li> <li>• Adolescence and mental health</li> <li>• Domestic violence</li> <li>• Autistic spectrum</li> <li>• Mental health and Covid-19</li> <li>• Suicide</li> <li>• Schizophrenia</li> </ul>	 <p><b>REHABILITATION</b></p> <ul style="list-style-type: none"> <li>• Respiratory diseases</li> <li>• Respiratory diseases and Covid-19</li> </ul>
 <p><b>GERIATRICS</b></p> <ul style="list-style-type: none"> <li>• Drug prescription</li> <li>• Urinary incontinence</li> <li>• Injury and recovery</li> <li>• Non-drug therapy</li> <li>• Covid-19</li> <li>• Palliative care</li> <li>• Geriatric assessment</li> </ul>	 <p><b>CROSS-FUNCTIONAL OR SPECIFIC THEMES</b></p> <ul style="list-style-type: none"> <li>• Digital healthcare and telemedicine</li> <li>• Orthopaedic surgery</li> <li>• Knowledge and management of insomnia</li> <li>• Pain management</li> </ul>

### 3.4.2.1 Deploy a healthcare innovation strategy

In January 2022, the Group created a Medical Strategy and Health Innovation Department, whose aim is to meet the expectations of residents and patients, as well as those of our business lines, by developing a differentiated care offer for each activity, which incorporates the latest advances in medical research.

The Group is developing a "5 Ps" approach to medicine (preventive, personalised, predictive, participatory, pertinent) within its facilities, by mobilising its medical community around three areas:

- diagnostics and therapy: non-drug treatments, new technologies - artificial Intelligence, digital therapies;

- organisation of pathways: telemedicine, e-courses, mobile teams, new activities (sleep, pain, etc.);

- research and training: clinical studies and data collection.

The Medical Strategy and Health Innovation Department brings together an internal and external ecosystem using three modes of action:

- identify innovative organisational, technological or research projects that can be deployed more widely;
- support project leaders from piloting a solution to Group deployment;
- establishment and monitoring of institutional medical-scientific partnerships.

## COLLABORATIVE RESEARCH PARTNERSHIPS



The Group's ambition is to develop collaborative research with academic partners around priority themes in mental health, rehabilitation and geriatrics:

- brain stimulation;
- fall prevention;
- stroke management;
- psychiatry for the elderly.

An interdisciplinary Group Medical Innovation Committee, which meets quarterly, was created in November 2022 to oversee the implementation of this strategy.

Within the countries, the Research and Medical Departments directly support and develop research work in the facilities to tangibly improve the relevance and quality of care.

At the end of 2022, 36 clinical studies were underway within the Group. This research concerns pulmonology, exercise physiology, nutrition, health psychology, psychiatry, physical medicine and rehabilitation. They aim to:

- better understand the underlying determinants and mechanisms of chronic diseases and ageing;
- improve our diagnostic and assessment tools;
- adapt our care methods to the specific needs of patients and residents.

The Group also conducts research projects related to new technologies, robotics and artificial intelligence:

### In Italy: the MOVECARE project

This project aims to develop and field test an innovative multi-stakeholder platform:

- an activity centre;
- a virtual community;
- a caregiver;
- a robotic system;
- connected objects;
- home automation sensors.

The resulting ecosystem aims to provide support, follow up on and offer the elderly person the opportunity to participate in

cognitive and physical activities at home, preferably with peers, through a comprehensive, modular and tailored approach. With this system, the person is not obliged to wear a particular device or to change their habits.

### Support for external research projects

Since 2020, the Korian group has supported the Fondation Pour la Recherche Médicale, with funds used for three research projects:

- identification of antiviral molecules effective against Covid-19;
- clinical trial on the efficacy of injecting plasma from recovered Covid-19 patients into hospitalised but non-ventilated patients;
- development of new biomarkers for Alzheimer's disease.

## 3.4.3 USE TECHNOLOGY FOR THE SECTOR'S MAJOR CHALLENGES

The Digital Transformation Department aims to provide innovative technological responses to the Group's main social, societal and environmental challenges.

Through the implementation of new digital services, its main objectives are to:

- strengthen and personalise the care and services provided to residents, patients and their families;
- enable employees to carry out their assignments under the best possible conditions;
- improve the comfort and safety of everyone;
- reduce the Group's environmental footprint.

The department works closely with the business line communities to identify needs and select or design and deploy solutions in line with these objectives. The various stakeholders are involved in the preliminary phases of projects aimed at confirming the added value of the new product or service.

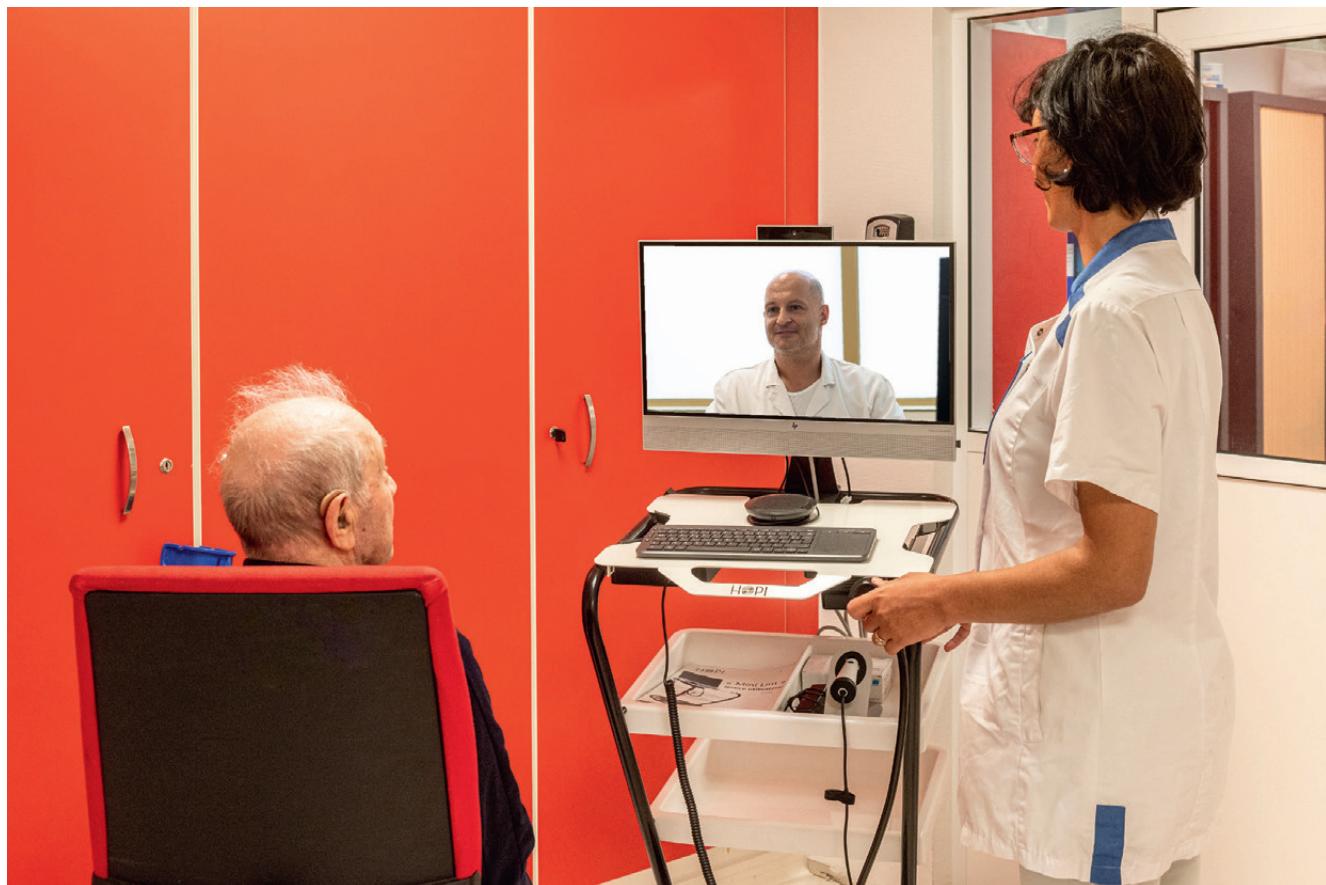
The department also contributes to the development of a culture of innovation within the Group, in particular through the coordination of a collaborative platform that allows everyone to be a source of innovation by submitting innovative solutions proposed by start-ups. With this desire to develop its culture of innovation, in 2022 Korian took part for the first time in VivaTech, the largest European event dedicated to startups and technology. The event was an opportunity for Korian to showcase some of the solutions tested or deployed in its facilities, and to announce its partnership, aimed at jointly imagining and building innovative digital solutions to improve the management of chronic disease, with Kamet Ventures, recognised in particular for its expertise in innovation.

The projects described below illustrate the contribution of technological solutions to the achievement of the Group's social, societal and environmental objectives.

### E-health or digital healthcare

In partnership with Omedys, a start-up in which Korian has acquired a majority stake, the Group is helping to develop access to telemedicine in France in order to facilitate access to primary care in medical deserts, avoid unnecessary visits to the emergency room, and support doctors working in isolated practices.

- In medical deserts, Omedys supports the establishment of remote consultation rooms for local general practitioners who dedicate part of their time to such consultations. These doctors respond to requests from the network of remote consultation rooms located in the region, in pharmacies, nursing offices or nursing homes. Patients are assisted by a healthcare professional during the remote consultation (pharmacist, nurse). Doctors carry out the diagnosis remotely, in accordance with the patient's coordinated care pathway and using the coordination tools necessary for medical monitoring. As a result, patients can avoid long journeys and waiting times when consulting a general practitioner and can, if needed, be redirected to a local specialised doctor.
- In nursing homes, the development of telemedicine makes it possible to improve the medical follow-up of residents by reducing the time needed to receive care, in particular for the growing number of residents who do not have an attending physician. It also contributes to improving the working conditions of caregivers in facilities, while strengthening the collaboration between doctors and caregivers. Within Korian's French network, since 2020, 120 long-term care nursing homes have been equipped with remote consultation carts to facilitate the use of remote consultations. All nursing homes are equipped with tablets to access the Omedys service. The solution is this quickly being adopted on average, 700 remote consultations are carried out every month in the network; more than 12,000 have been conducted in total since the implementation of the solution.



3

### Quality and personalisation of care and services

- In France, following a successful trial in 2021, the deployment of a system for detection, analysis and prevention of falls began in 2022. This technology, which is non-intrusive because it does not display an image, presents the outline of the room in the form of a cloud of points, and alerts caregivers in the event of a fall or an abnormally long absence from bed by the resident concerned, which may indicate a possible fall.
- In Germany, the Lindera falls prevention application is used by around 100 facilities (i.e. approximately half of the network) and its deployment is continuing. Based on a video recording to study the resident's movements and responses to a questionnaire covering the main psychosocial factors of falls, the application assesses the resident's risk of falls and generates personalised recommendations for preventive measures.
- In Italy, the RistoCloud application offers many functionalities related to meal management. By centralising all information related to the menus (recipes, ingredients, allergens, nutritional composition, etc.), it facilitates the monitoring of individual diets by automatically integrating food-related data from the medical file. It allows patients or residents to order their meals when several menus are available and permits families to consult the menus. The application is also used by the facilities to simplify the management of food stocks and to limit waste.

### Communication between residents, families and facilities

- e-lio, a product of the Technosens startup, in which Korian holds a majority stake, is a connected box designed specifically to foster social ties between residents and their loved ones (videotelephony, messages, photos, etc.) and the sharing of information among facilities, residents and families, through the Korian Familles application. The application, accessible to all family members, makes it possible to generate a paper newsletter containing the photos and messages sent to the resident during the week. The entire French network of nursing homes has also been equipped with connected televisions making it possible to broadcast the facility's news in shared spaces and to organise video calls with families. The gradual roll-out of individual boxes in rooms is continuing.

### Quality of life at work

- In France, the Koala application, a mobile digital companion for employees in facilities, was developed in 2022. Its objective is to simplify daily and administrative tasks and reduce the associated workload by facilitating the sharing of information in real time, the digitisation of procedures and the centralisation and interconnection of existing tools. The app will be tested in pilot facilities in 2023.

- In Belgium, the Korian Konnect corporate social network was rolled out in 2021 and training to facilitate its adoption continued in 2022. The application has been set up to facilitate communication within facilities, between facilities, and between facilities and the head office. Home care employees also have access to the app. Employees can access their schedules via Korian Konnect, request leave or overtime, and access benefits reserved to employees. In 2022, 7,095 accounts were active.
- In the United Kingdom, employee satisfaction is measured continuously via an app accessible on mobile devices and tablets in facilities. The aim is to encourage employees to express themselves, quickly detect trends and respond to them in a proactive and personalised manner. A short questionnaire is sent to the employee each week, who answers it anonymously. The manager can answer questions, difficulties or suggestions raised by employees directly in the application. Lastly, on-board artificial intelligence makes it possible to personalise the questionnaire by adapting it to the employee's previous responses.

### Safety, comfort and environmental performance of buildings

- Connected indoor air quality sensors have been deployed throughout the portfolio in Europe. They record the CO<sub>2</sub>, temperature and humidity levels and alert staff if the established thresholds are exceeded. The individual apartments of assisted living facilities in France have also been equipped with connected smoke detectors, in addition to the audible alarm, to alert the manager and indicate the apartment concerned.
- Remote control of heating levels is also the subject of a project on the European scale, in order to optimise comfort and the associated energy consumption. Several solutions are in the testing phase.
- The Alexa voice assistant, which is being tested on several sites (post-acute and rehabilitation care clinics, assisted living facilities, long-term care nursing homes), enables patients and residents to voice control the lighting and shutters of the room, and to view the menu and the day's activities.

### 3.4.4 STAKEHOLDER COUNCILS PROVIDE THE GROUP WITH INSIGHTS ON THE SOCIETAL CHALLENGES OF AGEING

In order to listen closely to its internal and external stakeholders, and to take their expectations into account when defining and implementing its strategy, Korian aims to set up Stakeholder Councils in all of the countries where it operates. These independent councils are a forum for discussion and reflection, whose mission is to inform Korian on the issues related to the Company's activity and societal issues of ageing and fragility.

The Group's ESG objective is to have a Stakeholder Council in place in all its countries of operation by 2023.

#### FRANCE

On 17 October 2019, Korian created a Stakeholder Council in France, the first in its sector of activity. It is composed of around ten members from Korian's main stakeholders (associations of elderly people and retirees, patient representatives, healthcare professionals, qualified experts in ageing and loss of autonomy, etc.), and chaired by Dr Françoise Weber, former Deputy Chief Executive Officer of the French National Agency for Food, Environment and Labour Safety (Agence Nationale de Sécurité Sanitaire de l'Alimentation, de l'Environnement et du Travail – ANSES), now retired.

In 2022, following the publication of *Les Fossoyeurs* by Victor Castanet, a dedicated information and explanation session, and regular updates on the situation by the Group's General Management and the Executive Management in France, were organised for the Stakeholder Council.

An assessment of the working group, launched by Korian in 2020, on the activity and strengthening of the Social Life Committees in long-term care nursing homes was presented to the Board following the recommendations it had formulated in 2021 after reviewing the proposals of the working group.

To broaden its field of expertise to include new Korian activities, in 2023 the Stakeholder Council has integrated new members, particularly for mental health and to further represent patients.

## Germany

The Stakeholder Council was created in December 2022, with Dr Stefan Arend as Chairman. The members of the body have been selected and a first meeting will be held in the first quarter of 2023.

## Belgium

A Stakeholder Council (Advisory Board) was set up in 2020. It is made up of a philosophy professor at the University of Ghent and an expert in ethics, a doctor specialising in health economics, a representative of one of the leading temporary employment agencies in Belgium, a doctor from the University of Louvain specialising in the care of neurodegenerative diseases and, lastly, the manager of an alternative housing centre in Brussels.

The Belgian Advisory Board interacts with the management of Korian Belgium in order to provide external insight on the Group's activity and its societal challenges.

In 2022, it met three times to discuss the future of the healthcare offer, intergenerational cohabitation and the combination of healthcare activities in the same region.

In addition to the Stakeholder Council, a Young Elderly Council was also set up in 2022. It comprises five new generation elderly persons who have different expectations from those of the current residents. The objective is to better understand how Korian can evolve to meet the expectations of the generation that is becoming elderly. The care provided to elderly people and the incentives for moving to a facility, as well as the type of facility desired, are discussed in this body.

## Italy

The Stakeholder Council, created in 2022, is chaired by Prof. Francesco Longo, Associate Professor in Health Management at Bocconi University, Milan. The body is composed of representatives of employees, patients or residents, as well as their relatives, academics – including a neurologist and a psychiatrist – as well as members of associations, with the Presidents of the ONDA and D.i.Re foundations, which support gender-sensitive health practices, combat violence against women and support women who are victims of violence.

The first meeting was held in December 2022 and the work programme defined for 2023 will cover scientific research and the challenges of sustainability and anticipation of future needs in human resources and the value chain.

In Italy, the Group is very active in professional organisations and specific technical committees dealing with long-term care nursing homes, post-acute and rehabilitation care and integrated care approaches. During these meetings, Korian's representatives have the opportunity to interact with stakeholders.

## Netherlands

In accordance with the applicable legislation, the Stakeholder Council (National Customer Council) is composed of relatives of residents, who meet regularly with the Group's Management in the Netherlands. Depending on the subject, the National Customer Council has co-decision power, as for instance for the appointment of management members, Regional and Facility Directors, or issues advisory opinions.

In 2022, the National Customer Council took part in the appointment of the Director of the Netherlands, and notably issued opinions on the volunteering policy, the annual quality plan and the nutrition policy. The National Clients Council is also very involved in the implementation of the Care and Compulsion Act, participates in the personalisation of care working group and is part of the national crisis management team.

Each facility also has a Customer Council, which is made up of residents or their relatives.

Furthermore, in France, Germany and Spain, the Group works with foundations whose governance bodies include representatives of the main stakeholders.

## PILLAR 4 OF THE ESG STRATEGY

### BE A COMMITTED AND RESPONSIBLE LOCAL PARTNER

#### COMMITMENT 10

70% of purchases carried out in the country of the facility  
+ 20% from SMEs

#### COMMITMENT 11

100% of sites engaged in an associative or community project by 2023

#### COMMITMENT 12

Social Life Council or equivalent in each facility by 2023

#### 2022 RESULTS

80%  
of local purchases  
vs. 78% in 2021

43% of Group purchases with SMEs  
vs. 36% in 2021

99%  
of facilities committed to their community

94%  
of facilities with a CVS or CDU  
vs. 89% in 2021

### AS PER THE KORIAN MANIFESTO – BE A COMMITTED AND RESPONSIBLE LOCAL PARTNER

Our expertise in the field of caring for ageing or fragile persons entrusts us with a unique role within the **local communities** where we operate. We occupy a central role in regions, both as creators of stable, long-term and inclusive jobs and also as active contributors to local public health policies.

Our facilities are cover a broad societal range due to our occupations, fixed or mobile healthcare teams and local intergenerational outreach they generate. The facilities are very often involved in the life of their communities through associations and tangible projects and also through the Social Life Committee set up to promote dialogue between the community, the facility and families. Our facilities also contribute to the local economies.

In this context, by 2023, we commit to having:

- at least **70% of our goods and services purchases made in the countries in which we operate** and at least 20% from SMEs;
- **100% of facilities engaged in a project for an association** or for their community;
- **100% of facilities with a Social Life Committee or equivalent**.

## 3.5 Be a committed and responsible local partner

### 3.5.1 CONTRIBUTION TO REGIONAL ECONOMIC AND SOCIAL DEVELOPMENT

Korian plays an active role in the economic and social development of the communities in which it operates. The Group has more than 1,200 facilities located as close as possible to local communities and employment areas, often close to priority urban areas, but also in rural areas and in "medical deserts".

A new facility boosts the local economy. For example, in France, a long-term care nursing home or a specialised clinic with around 100 residents and patients represent respectively between 60 and 120 direct jobs that cannot be relocated. In addition to creating stable jobs that cannot be relocated, the opening of a facility contributes to the local economy, both through the building's maintenance and the purchase of goods and services necessary for its operations.



Petits-fils, the specialist in home care services for elderly people, ranked number 36 on the list of companies that are hiring the most in France (2022 ranking published by *Le Figaro*).

Ages & Vie shared housing also contributes to regional integration in rural areas. These homes are inclusive solutions located in the heart of small towns and neighbourhoods, near healthcare centres, local shops, schools and associations. Elderly people thus remain in their home environment. Welcoming to relatives and friends, they facilitate exchanges with residents' families. The homes are connected to their communities and welcome multiple generations under one roof (in some facilities, caregivers live

with their families in staff accommodation on the first floor). They thus offer an intergenerational environment to elderly residents. From the start, the Ages & Vie concept was designed and developed in partnership with municipalities. It closely matches the needs of mayors looking for an innovative solution that creates jobs, in line with the expectations of their constituents.

By their very nature, our services aim to be local services with a strong commitment to an economy of social inclusion and solidarity.

#### Creation of the Companies and the Common Good Chair

In order to explore and qualify the mechanisms and actions through which the Company contributes to the common good and to generating economic and societal value in the regions where it operates, the Korian group created the ICP-ESSEC Companies and the Common Good Chair in 2021 in partnership with ICP, ESSEC and six other partner companies (Saint-Gobain, Bayard, Grant Thornton France, Meridiam, Eurazeo and Kea & Partners). The aim of the Chair is to develop multidisciplinary research around the notion of the common good applied to companies. In particular, it has created a "Company and Common Good" university diploma as an initial degree and continuing education, in which two Korian group employees participate every year. In 2022, the Chair began a research programme on the contribution of companies to the common good through their local presence, which runs until 2024. The research areas are as follows: studying the conditions for a successful regional anchoring policy and measuring the impact of companies at the level of local communities.

3

### 3.5.2 A PURCHASING POLICY THAT EXTENDS THE GROUP'S COMMITMENTS TO ITS ENTIRE VALUE CHAIN

#### 3.5.2.1 Purchasing organisation at Korian

The aim of the Purchasing Department is to guarantee the highest possible level of quality and efficiency in purchasing for all of the Group's business lines, contributing to value creation and ensuring the control of operational risks. The objective is to obtain the best quality/price/service ratio according to the principle of neutrality, by selecting proposals adapted to the Group's functional and technical needs, on the basis of a process that guarantees objectivity, fairness and transparency.

The main missions of the Purchasing Department are to:

- support all countries (including employees from the network and headquarters) in the various stages of the purchasing process;

- list solutions that meet needs;
- implement long-term strategies aimed at increasing performance and efficiency to deal with external risks (inflation, competition, etc.);
- improve the entire purchasing process in collaboration with the business lines and control the associated risks;
- ensure that the purchasing policy is consistent with the Group's ESG strategy;
- manage and secure commercial relationships with all service providers and suppliers.

The purchasing policy is driven by the Group's Purchasing Department and is then rolled out in all its subsidiaries. The purchasing team is made up of 40 people in all the countries where the Group operates.

The provision of products or services is an important component in the quality of the care and services provided to residents and patients, as well as to the Group's employees. The ecosystem is made up of more than 30,000 suppliers covering various purchasing categories (catering, medical devices, maintenance, laundry, etc.).

Purchases of products and services are made directly by each facility from suppliers that have been referenced by the Purchasing Department, following calls for tenders, or from other suppliers. The facilities are the suppliers' end customers. There is no obligation for facilities to use preferred suppliers exclusively, although it is recommended as the preferred suppliers have followed a selection process to ensure that they meet the Group's requirements:

- quality standard defined by the business lines;
- involvement of operational staff in the selection process (users group);
- limiting risks related to supply, safety, hygiene, etc.;
- qualification of suppliers (supplier dependency rate, financial monitoring, etc.);
- ESG commitments.

All supplier listings are carried out under a rigorous call for tenders with a multi-criteria rating in which the "price" criterion represents on average 25% of the overall score. Referencing decisions are made at the level of the Purchasing Committee of the country concerned and at the level of the Group's Investment Committee.

Korian regularly discusses the collaboration and performance of its suppliers through performance reviews. For several years now, Korian has been informing and mobilising its suppliers around the Group's commitments, sharing with them a summary of its commitments as well as its achievements, at least once a year.

In 2022, the Purchasing Department implemented a digital tool aimed at improving monitoring and dialogue with suppliers, facilitating the purchasing process, the control of contractual commitments and the traceability of purchases made, as well as the deployment and proper implementation of the Group purchasing policy. This tool is available in Germany, Belgium and the Netherlands, and will be rolled out in France in 2023. The Group is also deploying its policy of assessing third parties as regards the risks of corruption, influence peddling, breach of probity and the duty of vigilance.

### 3.5.2.2 Responsible purchasing policy

Responsible purchasing is at the heart of the Group's purchasing policy and actively contributes to Korian's ESG performance by striving to achieve the following three objectives:

- developing balanced relationships with suppliers, based on the notions of trust and sustainability of the commercial relationship;

- managing ESG risks and opportunities related to purchasing and the supply chain;
- providing the Group with the know-how of innovative and efficient suppliers.

To contribute to achieving the Group's ESG objectives, social and environmental performance criteria are integrated into the supplier selection and assessment process.

#### ESG criteria are included in the calls for tenders and in the specifications prepared with the business lines

The ESG and quality criteria included in the specifications represent on average 75% of the overall rating awarded internally to the suppliers. These criteria are reflected in the commitments made by the suppliers.

For example, during the call for tenders for catering in France, our national supplier committed to the following criteria:

- 81% local purchases (made in France): +8 points compared to 2021;
- 29% local purchases (within the scope of the region): +6 points compared to 2021;
- CO<sub>2</sub> footprint reduction: -20% (by 2024);
- local producers: develop tripartite agreements.

#### Suppliers' compliance with the Group's Responsible Purchasing Charter is contractualised

The Group's Responsible Purchasing Charter defines the reciprocal social, ethical and environmental commitments between the Group and its suppliers. Korian asks its preferred suppliers to commit to compliance with this charter. In 2022, joint work by the CSR, Purchasing and Legal Departments was undertaken to update the Responsible Purchasing Charter and the contractual CSR clauses in order to strengthen the Group's commitments to its suppliers as well as those expected by the Group from its suppliers.

#### The commitments made by suppliers also relate to their own value chain, and must be rolled out to their partners and subcontractors

The Group strives to select suppliers committed to ESG issues.

For example, the data centre supplier for France aims to become negative in terms of carbon emissions by 2030 and the supplier for the leasing and maintenance of laundry has committed to the following targets by 2025:

- have 80% recycled textiles;
- -20% CO<sub>2</sub> emissions (compared with 2010);
- -45% in detergent consumption (compared with 2010);
- -35% in energy consumption (compared with 2010);
- -50% accidents with work stoppage.

**The preferred suppliers are assessed by the independent organisation EcoVadis in order to monitor the effective implementation of Korian's ESG requirement**

As part of its responsibility and duty of vigilance, the Korian group requires that all preferred suppliers be assessed on their CSR policies, and more specifically those related to the UN Global Compact, of which Korian is a signatory.

At the end of December 2022, 304 preferred suppliers (excluding the United Kingdom) had been assessed through the EcoVadis platform, representing 44% of the Group's preferred suppliers. The average score of the assessed suppliers was 54.7 out of 100. Conversely, Korian also has its own CSR policy assessed by EcoVadis.

**Korian establishes enhanced cooperation and open dialogue with its suppliers, which create value for all its stakeholders. The monitoring of ESG performance is a subject included in the dialogue**

As a company that supports the social and economic development of the regions where the Group operates, Korian is committed to:

**MAKE 70% OF ITS PURCHASES LOCALLY**

Local purchases are defined as purchases of products or services made within the country where the purchasing

facility is located. Precise criteria have been established according to the type of purchases, in order to contribute to local employment and to promote national supplies, including short circuits, whenever possible.

The Group favours local purchases in order to reduce its environmental impact, but also to contribute to the economic momentum of the regions in which it operates. All the Group's countries therefore monitor a local sourcing indicator, which is included in the ESG objectives. In 2022, Korian made 80% of its purchases (excluding the United Kingdom) from companies based in the country of the purchasing facility, thus exceeding its target of 70%.

In 2022, for the Group's French facilities, 82% of the food purchases from preferred suppliers were made in France, 36% of the fruit and vegetable purchases came from a radius of less than 150 km (200 km in the Île-de-France region) of the fruit and vegetable warehouse in charge of supplying the site, and 15.6% of the products purchased were manufactured in the same administrative region as the facility.

By way of illustration, a partnership between all facilities in the Hauts-de-France region and La Ferme de Gally has enabled the delivery of strawberries from the Phalempin market to residents, for consumption as part of their menus, or for activities such as making jam. At the end of 2021, Korian committed to purchasing volumes from potato and wine producers in order to support local producers, within the framework of tripartite agreements.



### PROMOTE INCLUSIVE PURCHASING BY CONTRIBUTING TO THE DEVELOPMENT OF SMEs, MAJOR SOURCES OF LOCAL EMPLOYMENT

In addition to local purchases, the Group has set itself the target of making at least 20% of its purchasing by spending from small- and medium-sized enterprises (SMEs). In 2022, 43% of purchases were made from SMEs at Group level (excluding the United Kingdom).

The other area covered by inclusive purchasing at Korian is the use of suppliers employing workers with disabilities or who are undergoing socioprofessional integration. The Group is a member of the Business Collective for a More Inclusive Economy in France and its Chief Financial Officer is a sponsor of the working group on purchasing, which, at Korian, has led to:

- introduction of an inclusive purchasing clause in all calls for tender and, where possible, a selection criterion based on the supplier's commitment to inclusion;
- integration of inclusion in performance reviews with our main suppliers;
- subscription to a database of inclusive suppliers, so that they are included in calls for tender.

The Group participates in professional events in order to meet and establish contact with these suppliers, such as the fifth session of the TOP AFEP, the Impacting Purchasing Tour (as part of the PAQTE – Pacte avec les quartiers pour toutes les entreprises – described in Section 3.5.5) or Inclusiv'Day, which brings together social innovations and inclusive businesses.

### REDUCE OUR GREENHOUSE GAS EMISSIONS THROUGHOUT OUR SUPPLY CHAIN TO CONTRIBUTE TO THE GROUP'S OBJECTIVES

(See Section 3.6.4.1 on the decarbonisation of the Group's purchases).

The Responsible Purchasing Charter signed by suppliers includes the commitment to fight against global warming.

### 3.5.3 TIES WITH ASSOCIATIONS AND LOCAL COMMUNITIES

Numerous associations work in the Group's long-term care nursing homes. They provide assistance, offer activities and provide entertainment, making them highly appreciated by both residents and their families. These organisations encourage socialisation, communication and the sharing of personal experiences among residents, help maintain their mental and physical capabilities, and also provide information, training and support to families. They are very varied and representative of the local life and culture: organisation of sports and cultural activities, beauty treatments, intergenerational exchanges, support groups for caregivers, etc.

The survey of more than 900 facilities conducted at the end of 2021 by the Group, revealed that 99% of sites have a local partnership, compared with 97% in 2020. The analysis of the results highlights the varied typology of the organisations and activities within the Group's facilities: on-site interventions, donations or volunteering in connection with associations,

#### France

For example, a new company vehicle policy has been rolled out in France, which references electric and hybrid vehicles and sets a maximum level of CO<sub>2</sub> emissions per km for each category of vehicle.

In addition to the Responsible Purchasing Charter, a specific charter relating to ESG commitments for renovation projects has been signed by 12 of the main French suppliers working on these projects. As part of the Boost renovation programme in France, these 12 Korian service providers on renovation sites have made social and environmental commitments that will be applied and deployed during the renovation of Korian facilities:

- 10% of the contract amount via a local integration organisation;
- use of referenced products and suppliers (especially those with local roots);
- packaging of furniture with recycled and recyclable materials;
- recycling of all furniture replaced;
- proof of an 80% waste recycling rate by 2022 and a search for a reuse solution for the remaining 20%;
- mandatory ESG assessment via the EcoVadis platform with a minimum score of 55.

In line with these commitments, Korian wished to favour the local economic fabric in the choice of suppliers producing bedroom equipment for the renovation concept. Currently, 87% of the Boost bedrooms under renovation are produced in France (flooring, furniture, fittings, paint, curtain making, etc.).

NGOs, academic, cultural or intergenerational institutions, or discussions with local and/or national authorities. More than 2,000 volunteers are welcomed every year within Korian facilities and the facilities benefit from an average of eight different partnerships with local associations, schools, public organisations, etc. By way of illustration, in 2021 a national partnership was established with the France AVC association, making it possible to host information meetings with doctors specialising in stroke in our facilities.

In Germany, for example, nearly 40% of the facilities indicated that they had activities with kindergartens, and this was also the case in Italy, with primary schools. Of the responding sites, 28% indicated that they had links with cultural associations for activities such as card games, chess, dance, music or singing. More than a third of facilities that responded took part in the actions of the international One in Three Women campaign to combat violence against women.

### 3.5.4 DIALOGUE WITH REPRESENTATIVES OF RESIDENTS, PATIENTS AND THEIR FAMILIES ABOUT LIFE IN THE FACILITIES

Bodies are set up within the facilities with the representatives of residents or patients, as well as their relatives, in order to include them in the life and operation of the facilities. These bodies make it possible to inform the representatives, and to involve them and let them express themselves on the projects and the life of the facility. These bodies ensure that users' rights are respected. They are one of the channels used to reinforce dialogue and to contribute to include stakeholders' expectations in the decisions and life of the facilities, on topics such as care, food, entertainment, administrative issues

and the buildings. Through their opinions and proposals, these bodies contribute to the quality of care provided to residents and patients.

In some countries where the Group operates, these bodies – which in France are called Social Life Committees (Conseils de vie sociale – CVS) for long-term care nursing homes and User Commissions (Commission des usagers – CDU) for healthcare facilities – are mandatory.

In 2022, **94%** of Korian's facilities in Europe had such bodies, compared with **89%** in 2021.

### 3.5.5 A LOCAL EMPLOYER COMMITTED TO SOCIAL INCLUSION

Korian has more than 1,200 facilities located as close as possible to local communities and employment areas. Establishments are often close to priority urban areas, but also in rural areas, as close as possible to local needs. By their very nature, they provide local services with a strong commitment to an economy of social inclusion and solidarity. Korian is thus active in supporting participants in local job integration programmes and also carries out healthcare job discovery initiatives, as well as supporting initiatives to finding employment.

In 2017, Korian France set up a structured partnership with local initiatives to introduce young people to our occupations. This partnership has since been strengthened with the Second Chance Schools network and many other local players.

#### Commitment to the Business Collective for a More Inclusive Economy

Since 2018, Korian has been part of the Business Collective for a More Inclusive Economy, which was created as a joint initiative of several major French companies to improve their contribution to an inclusive economy. In 2021, Sophie Boissard, the Group's Chief Executive Officer, took over the duties as co-chairwoman with Thomas Buberl, AXA's Chief Executive Officer. Three working groups were created on

apprenticeship and training, the offering of goods and services to disadvantaged persons, and inclusive purchasing. In 2022, a fourth working group was set up, specifically dedicated to mentoring.

Korian is also a member of the United Way (Alliance for Education) association and participates in its flagship "Youth Challenge" programme, which is rolled out in priority education establishments, with the aim of combating school dropout and supporting students from the sixth grade to their final year in their professional orientation and integration.

The Group also participates in the French government's PAQTE programme (Pacte avec les quartiers pour toutes les entreprises), which promotes and develops discovery internships, apprenticeships, training and inclusive local purchasing with SMEs/VSEs, in particular through regional speed dating days.

Our network is very supportive of interns. In France, it supports nearly 5,000 interns every year in France, both through internships related to career guidance for secondary school students or for job seekers, and through internships within the framework of degree courses.

It should be noted that out of the 889 apprentices recruited in France in 2022, 26% lived in priority urban neighbourhoods.

### 3.5.6 BUSINESS ETHICS

#### Combating corruption and influence peddling

The Group condemns all forms of passive or active corruption and influence peddling. To meet its legal obligations under the so-called "Sapin 2" Law of 9 December 2016, Korian has developed an ethics and compliance programme consisting of the following:

- **corruption risk mapping:** based on the mapping of the Group's processes, the various risk scenarios were identified and assessed for criticality in terms of impact

and probability of occurrence, after taking into account the control systems in place. This mapping was updated in 2021;

- **Group Ethics Charter and internal policies:** the Group Ethics Charter (see Section 3.2.2) presents our three values – trust, initiative and responsibility – and translates them into both expected attitudes within the Group, and attitudes to be avoided. It is supplemented by internal policies specifying the rules and aimed at governing practices in terms of gifts and invitations, conflicts of interest and sponsorship and patronage;

- **corruption prevention guide:** distributed in 2022, this document brings together the Group's compliance policies and procedures. A version for the Group's third parties outlining the behaviours expected by the Group from its third parties, particularly suppliers, will be rolled out in 2023;
- **whistleblowing system:** the Group has set up a whistleblowing system common to all Group entities, allowing all employees, candidates for a position, Group co-contractors, shareholders, Group customers and their relatives to ask a question or file an alert, in their local language. This involves reporting any violation – suspected or proven – as regards the principles set out in the Ethics Charter or any other Group internal policy, a breach of the regulations in force, a conflict of interest, an act of corruption or influence peddling, a threat or harm to the common good, serious harm to the environment or to the health or safety of people, or a serious violation of human rights and fundamental freedoms. This system guarantees the anonymity of the person making the alert and to risk confidentiality in the handling of each alert. This system fulfils the requirements of Articles 6 and 17 of the Sapin 2 Law and the Duty of Vigilance Law. It was supplemented by Group procedures, applicable from 1 January 2022, on the processing of alerts and the conduct of internal investigations. These procedures make it possible to define a clear governance for the monitoring of alerts, and plan for the appointment of "investigation officers", who will be trained on how to conduct internal investigations;
- **training:** the Group has set up a specific training plan on corruption and influence peddling. This training plan includes a common core for all Group employees in the form of e-learning, webinars and face-to-face workshops. This common core is supplemented by specific training for populations particularly exposed. At the end of 2022, 83.2% of Top Management had completed the anti-corruption e-learning module;
- **accounting control procedures:** the internal control framework has been expanded to incorporate all the corruption prevention measures introduced by the Group;
- **assessment of third parties:** the Group has adopted a procedure for assessing third parties, both for anti-corruption and influence peddling for aspects related to its duty of vigilance. This procedure specifies the assessment of the entity or partner to be carried out upstream, on the basis of research and documentation collection as well as the action to be taken in the event of a risk. In the context of mergers and acquisitions, a compliance and reputation audit is also systematically carried out;
- **assessment of the system:** the Compliance Department draws up a system control plan which specifies the departments in charge of control and the control points determined. The Group's Audit and Internal Control Department is in charge of level 3 control and includes issues relating to corruption or fraud in its audit plan.

### 3.5.7 TAX POLICY

The Group has a central tax function within the Group Finance team. This department coordinates the tax policies of the various countries where the Group operates and ensures compliance with tax laws and the payment of fair taxes on the basis of the taxable income generated by the Group.

The purpose of the Group's tax approach is to support the Group's operational activity and its mission to serve elderly or fragile people. The tax positions are therefore realistic and

based on a reasonable interpretation of the applicable laws; they are also closely linked to the economic substance of the activities carried out locally.

Korian does not use tax structures that would enable it to avoid paying tax, nor does it invest in companies or structures located in tax havens. The Group refrains from taking advantage of any tax situation that does not comply with its Ethics Charter and expects its partners to comply with an equivalent level of ethics.

	France	Germany	Belgium	Italy	Spain	Netherlands	United Kingdom	Total
<b>Profit/(loss) before tax</b>	<b>92.1</b>	<b>-43.0</b>	<b>-4.6</b>	<b>29.0</b>	<b>-10.7</b>	<b>-1.1</b>	<b>-3.8</b>	<b>57.9</b>
Theoretical rate	25.00%	30.44%	25.00%	27.90%	25.00%	25.00%	19.00%	22.81%
Theoretical tax (TT)	-23.0	13.1	1.2	-8.1	2.7	0.3	0.7	-13.2
Effective tax (ET)	-19.2	8.1	-2.0	-6.6	4.1	-1.9	5.3	-12.2
Difference ET - TT	3.9	-5.0	-3.2	1.5	1.5	-2.1	4.6	1.1
<b>Effective tax rate (ETR)</b>	<b>20.8%</b>	<b>18.8%</b>	<b>-44.3%</b>	<b>22.9%</b>	<b>38.7%</b>	<b>-173.0%</b>	<b>140.1%</b>	<b>20.99%</b>
Cash out	-78.4	-1.5	0.0	-5.2	0.0	-2.1	-0.1	-87.4

The difference between the tax expense and the cash out amount is primarily attributable to:

- the recognition of deferred taxes on all tax items giving rise to temporary differences;

- the legal gap between recognition of the tax expense and its final payment with a balance of corporate tax in 2021 and, as a result, particularly significant advances in France for 2022 due to exceptional transactions.

## PILLAR 5 OF THE ESG STRATEGY

### REDUCE OUR ENVIRONMENTAL FOOTPRINT

#### COMMITMENT 13

Low-carbon roadmap for building energy achieved in 2021 with a target of -40% for 2030

#### COMMITMENT 14

5% reduction in residual waste volume by 2023

#### COMMITMENT 15

100% of new buildings<sup>(1)</sup> certified HQE or equivalent starting from 2020

#### 2022 RESULTS

- 25%  
(Kg CO<sub>2</sub>eq/m<sup>2</sup>) vs. 2019

- 6.1% metric tonnes/bed residual waste vs. 2019

100%  
of the new buildings are certified vs. 95% in 2021

#### AS PER THE KORIAN ESG MANIFESTO – REDUCE OUR ENVIRONMENTAL FOOTPRINT

We operate over 1,200 facilities in Europe, with a very dense regional network in urban and rural areas. It is therefore essential that we manage the **environmental footprint** of our buildings. Our first actions have targeted the optimisation of energy consumption, as well as waste reduction. Then, on the basis of a full carbon footprint audit carried out in 2019, we prepared a first roadmap to reduce the carbon footprint of our real-estate portfolio by 2030 and set ourselves the following three main objectives in 2019:

- reduce the carbon footprint related to the energy consumption of the Group's real estate portfolio by 40% by 2030;
- reduce residual waste by 5% by 2023;
- engage all new Greenfield buildings in an HQE or equivalent certification process.

Beyond these objectives, Korian is also working towards a more comprehensive decarbonisation of its activities, mainly in its purchases for catering, goods and services, as well as for employee transport. The Group has also joined an initiative to preserve and restore biodiversity in urban environments (the Biodiversity Impulsion Group).

## 3.6 Reduce our environmental footprint

### 3.6.1 EUROPEAN TAXONOMY

Regulation (EU) 2020/852, known as the European Taxonomy Regulation, is a key element of the European Commission's action plan to redirect capital flows towards a more sustainable economy. To this end, the European Taxonomy sets a classification system for environmentally sustainable economic activities.

As a non-financial company, below Korian presents the share of the Group's revenue, capital expenditures (CapEx) and operating expenses (OpEx) for the 2022 financial year which are associated with taxonomy eligible activities under the first two environmental objectives (mitigation of climate change and adaptation to climate change), in accordance with Article 8 of the Taxonomy Regulation and Article 10 (2) of the Delegated Act supplementing Article 8. The analysis covers all Group entities (scope of fully consolidated entities).

#### Analysis of the Group's activities with regard to the European Taxonomy Regulation

The Korian group has identified among its various activities (see Section 1.1 of the Universal Registration Document for the presentation of the Group's activities) those covered by the European Taxonomy Regulation with regard to the two climate objectives:

- mitigation of climate change;
- adaptation to climate change.

These activities are presented in the table below:

Target	Activity listed in Annex II of Delegated Regulation (EU) 2021/2139	Description of Korian's activities	Eligibility		
			Revenue	CapEx	OpEx
1 - Mitigation of climate change	7.1 Construction of new buildings	Sales of furnished apartments for non-professional leasing (Ages & Vie)	Eligible	Eligible	Eligible
	7.7 Acquisition and ownership of buildings	Residential solutions (assisted living facilities and shared housing for elderly people)	Eligible (rent only)	Eligible	Eligible
2 - Adaptation to climate change	12.1 Residential care activities	Long-term care nursing homes	Ineligible	Eligible	Eligible
		Post-acute and rehabilitation care clinics and mental health clinics (excluding outpatient solutions)	Ineligible	Eligible	Eligible

The Group's long-term care nursing home activities are part of Objective 2, adaptation to climate change, Section 12.1 "Residential care activities". Due to the similarity of the services (extended accommodation and medical care) of

post-acute and rehabilitation care clinics and mental health clinics (excluding outpatient solutions), the latter are also considered to be relevant to Section 12.1.

## Methodology and calculation

### a) Share of revenue associated with taxonomy eligible activities

The share of revenue associated with activities eligible for the European Taxonomy was determined based on the segmentation of revenue by activity in the Group's information systems and reconciled to the line "Revenue and other income" of the consolidated financial statements as at 31 December 2022 (see Chapter 6, Section 6.1 of this document).

Pursuant to Delegated Regulation 2021/4987 published by the European Commission on 6 July 2021 (Appendix I 1.1.1), the revenue from long-term care nursing home and healthcare facility activities meeting Objective 2 "Adaptation to climate change" was excluded due to the non-qualifying nature of the activity.

Only revenue corresponding to rents received from residential solutions (Activity 7.7 "Acquisition and ownership of buildings") and sales of furnished apartments for non-professional leasing (Activity 7.1 "Construction of new buildings") is considered eligible.

This resulted in a percentage of Group eligible revenue of **1%** for the 2022 financial year. This percentage stems directly from the classification of the Group's activities as established by the current texts, which do not consider the medico-social housing business, Korian's main activity, as qualifying under adaptation criteria. This figure does not in any way reflect the Group's commitment to reducing its carbon emissions. However, these activities are included in the basis for calculating the eligibility ratios for CapEx.

Given the insignificant amount of eligible revenue related to Activity 7.1 "Construction of new buildings" and 7.7 "Acquisition and ownership of buildings", the Group has not carried out any alignment analysis concerning the revenue generated by these activities.

The breakdown of revenue eligibility and alignment is presented below:

Economic activities	Code(s)	Substantial contribution criteria							
		Absolute revenue €m	Share of revenue %	Mitigation of climate change %	Adaptation to climate change %	Aquatic and marine resources	Circular economy %	Pollution %	Biodiversity and ecosystems %
<b>A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY</b>									
<b>A.1 Environmentally sustainable activities (aligned with the taxonomy)</b>									
Construction of new buildings	7.1	-	-						
Acquisition and ownership of buildings	7.7	-	-						
<b>Revenue from environmentally sustainable activities (aligned with the taxonomy) (A.1)</b>		0	0%	0	0	0	0	0	0
<b>A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)</b>									
Construction of new buildings	7.1	1	0%						
Acquisition and ownership of buildings	7.7	53	1%						
<b>Revenue of the activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)</b>		54	1%						
<b>Total revenue of the activities eligible for the taxonomy (A.1 + A.2) (A)</b>		54	1%						
<b>B. Activities not eligible for the taxonomy</b>									
<b>Revenue from activities not eligible for the taxonomy (B)</b>		4,480	99%						
<b>TOTAL A + B</b>		4,534	100%						

3

**b) Share of capital expenditure (CapEx) associated with taxonomy eligible activities**

The share of CapEx associated with the eligible activities was calculated on the basis of the amounts paid for the acquisition of tangible and intangible assets and increases in rights of use, including those resulting from business combinations, associated with the eligible activities of the Group.

The CapEx segmentation by activity was carried out on the basis of the right-of-use assets broken down by entity and the

Group's capital expenditure reporting and reconciled to the consolidated financial statements as at 31 December 2022 (see Chapter 6, Note 5 "Goodwill, intangible assets and property, plant and equipment"). The CapEx of small amounts (amounts of less than €1 million) or that cannot be allocated to a single activity (for example headquarters CapEx, IT CapEx, maintenance CapEx not detailed) as well as increases in rights of use were excluded.

At 31 December 2022, the share of eligible and aligned CapEx amounted to 29% and 12% respectively, details of which are presented in the table below.

Economic activities	Code(s)	Substantial contribution criteria								
		Absolute CapEx €m	Share of CapEx %	Mitigation of climate change %	Adaptation to climate change %	Aquatic and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	
<b>A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY</b>										
<b>A.1 Environmentally sustainable activities (aligned with the taxonomy)</b>										
Construction of new buildings	7.1	-	-	100%	0%					
Acquisition and ownership of buildings	7.7	87	7%	100%	0%					
Residential care activities	12.1	53	4%	0%	100%					
<b>CapEx of the environmentally sustainable activities (aligned with the taxonomy) (A.1)</b>	<b>140</b>	<b>12%</b>	<b>62%</b>	<b>38%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)</b>										
Construction of new buildings	7.1	-	-							
Acquisition and ownership of buildings	7.7	-	-							
Residential care activities	12.1	207	17%							
<b>CapEx of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)</b>	<b>207</b>	<b>17%</b>								
<b>Total CapEx of the activities eligible for the taxonomy (A.1 + A.2) (A)</b>	<b>347</b>	<b>29%</b>								
<b>B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY</b>										
<b>CapEx of the activities not eligible for the taxonomy (B)</b>	<b>836</b>	<b>71%</b>								
<b>TOTAL A + B</b>	<b>1,183</b>	<b>100%</b>								

### No significant harm criterion

**ACTIVITY 7.1 CONSTRUCTION OF NEW BUILDINGS**

Given the absence of CapEx related to Activity 7.1 "Construction of new buildings", the Group focused on Activity 7.7 "Acquisition and ownership of buildings".

**ACTIVITY 7.7 ACQUISITION AND OWNERSHIP OF BUILDINGS**

As summarised in the previous analysis table, all of the Group's CapEx for Activity 7.7 "Acquisition and ownership of buildings" are considered eligible.

In order to analyse the alignment of Activity 7.7 "Acquisition and ownership of buildings" as part of the climate change mitigation objective, the Group focused on investments related to Ages & Vie (which is its alternative housing offering in France) and applied the criteria of substantial contribution and the DNSH prescribed by Appendix 1 to the regulations.

**Substantial contribution criterion**

For buildings with a building permit dated after 31 December 2020, the analysis was carried out on the basis of the "NZEB minus 10%" thresholds, i.e. "RT 2012 minus 10%" for buildings with building permits filed under the 2012 Thermal Regulation or "RE 2020" for buildings with a building permit filed under the 2020 Environmental Regulation.

For buildings with a building permit dated prior to 31 December 2020, the analysis was based on the energy performance certificates and the primary energy consumption thresholds of the top 15% established, in France, by the Sustainable Real Estate Observatory (*Observatoire de l'Immobilier Durable*);

**DNSH**

As the Group is located in Europe, Korian has considered as material the climate risks related to heat waves, drought, soil degradation, severe weather and coastal erosion for its centres close to the sea.

To carry out the physical climate risk analyses, Korian based itself on the pessimistic projections of the IPCC on the lifespan of its buildings (Scenario 8.5). These analyses were carried out on all Ages & Vie sites under construction in 2022.

When a building was particularly exposed to a risk given its geographical position, a plan identifying actions for adapting the asset to the climate risk in question as well as the actions to be implemented was decided.

**ACTIVITY 12.1 RESIDENTIAL CARE ACTIVITIES**

Concerning Activity 12.1 "Residential care activities", as it concerns an adaptation activity within the meaning of the taxonomy, an analysis of the physical climate risks (as described in the previous paragraph) and the implementation and definition of an adaptation plan are required in order to consider the CapEx as eligible. Such analyses were carried out during the 2022 financial year for a selection of assets in France and Europe in order to assess whether their CapEx related to new construction of facilities, property buybacks and external growth were eligible. No extrapolation was carried out for assets that were not analysed for physical climate risks, which were therefore considered ineligible.

With regard to the DNSH Pollution relating to Activity 12.1, the Group has validated the existence of a waste management plan for each country where it is present, treating the toxic and pharmaceutical waste, while promoting the recycling and reuse of the other types of waste.

In accordance with the details provided by the European Commission on 19 December 2022, Korian has retained as aligned within the meaning of Activity 12.1:

- only climate change adaptation CapEx for existing buildings;

- for buildings under construction, all CapEx related to the building are taken into account considering that the adaptation measures are included in the various characteristics of the building (for example, the materials used, the depth of the foundations, etc.) and that it is not possible to identify them separately. In addition to the physical climate risk analyses carried out as part of the eligibility, the new standards in force in the countries of these new constructions promote the adaptation to climate change of the building as a whole.

**c) Share of operating expenses (OpEx) associated with taxonomy eligible activities**

The overall amount of the Korian group's operating expenses meeting the definition of the Taxonomy represented 3.0% of total consolidated operating expenses for the 2022 financial year, i.e. €104 million for total operating expenses of €3,531 million. The Group has chosen to apply the materiality exemption allowed by Paragraph 1.1.3.2 of Appendix I of the Delegated Regulation of July 2021.

## Substantial contribution criteria

Economic activities	Code(s)	Absolute OpEx	Share of OpEx	Mitigation of climate change	Adaptation to climate change	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	
		€m	%	%	%	%	%	%	%	
<b>A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY</b>										
<b>A.1 Environmentally sustainable activities (aligned with the taxonomy)</b>										
OpEx of the environmentally sustainable activities (aligned with the taxonomy) (A.1)		0	0%							
<b>A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)</b>										
OpEx of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)										
<b>Total OpEx of activities eligible for the taxonomy (A.1 + A.2) (A)</b>										
<b>B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY</b>										
OpEx of activities not eligible for the taxonomy (B)										
<b>TOTAL A + B</b>		<b>104</b>	<b>100%</b>							

3

## Minimum guarantees

Korian has ensured compliance with the minimum guarantees. In particular, the Group is subject to and complies with the obligations of the Sapin 2 and Duty of Vigilance acts (see Chapter 3, Section 3.7). All of the Group's processes related to human rights, labour law, business ethics (see Chapter 3, Section 3.5.6), corruption and taxation (see Chapter 3, Section 3.5.7) are in place and ensure

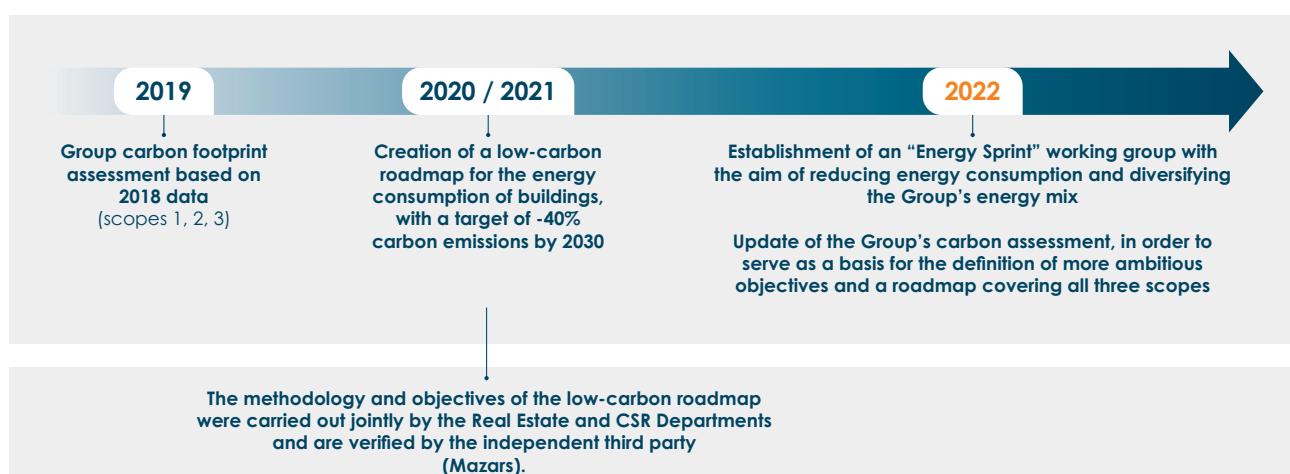
compliance with the requirements of the Taxonomy Regulation. Korian also verifies the quality of its suppliers by auditing them in order to verify the correct application of its Responsible Purchasing Charter and Ethics Charter (see Chapter 3, Section 3.5.2).

In addition, Korian has not been subject to any material judicial convictions in relation to the various dimensions of the minimum guarantees.

### 3.6.2 COMMIT TO A LOW-CARBON TRAJECTORY

Korian is committed to a low-carbon roadmap, aimed at limiting the environmental footprint of its activities by improving the energy performance of its buildings, and by adapting its operations to the current climate emergency context.

#### CHRONOLOGY OF INITIATIVES AND ACTIONS COMPLETED AND INITIATED TO DATE



#### 3.6.2.1 Governance

Environmental issues are reviewed and monitored at the Board of Directors level by the Ethics, Quality and CSR Committee, which met five times in 2022.

The environmental impact of activities is also taken into account in the Group's risk assessment as part of the risk mapping, which includes a risk dedicated to global warming and damage to the environment. The risk assessment and monitoring is presented to the Board of Directors' Audit Committee.

Throughout 2022, environmental issues were brought to the attention of the Group Management Board by the Group's Human Resources and CSR Department. In preparation for the transition to being a purpose-driven company in June 2023, a new Brand and Commitment Department has been created, to which the CSR Department will now report. The CSR Department is in charge of implementing the Group's environmental strategy, together with the Group's Real Estate Department for matters related to the real estate portfolio.

The environmental strategy is presented and monitored on a monthly basis by the Group's ESG Steering Committee, chaired by the Chief Executive Officer.

Some environmental indicators are monitored during the monthly business reviews carried out in every Group country and an environmental indicator is also systematically included in the criteria for the variable compensation of employees.

In addition, a specific governance has been put in place to ensure the deployment of the environmental strategy.

A European Environment Committee met every quarter in 2022 to share experiences and to monitor the progress of environmental projects. Composed of technical, energy and environmental experts from every country, it is tasked with:

- participating in defining the Group's environmental policy;
- promoting the exchange of "best practices" between countries;
- measuring the progress achieved by the countries and at Group level.

The country teams are autonomous in the implementation of the initiatives taken to achieve the objectives.

In 2022, a working group dedicated to energy management – known as the "Energy Sprint" – was created bringing together all the countries where it operates and their business experts. Its objective is to:

- define and manage a strategy to improve energy efficiency;
- reduce energy consumption;
- diversify the Group's energy mix to increase the share of local, green and renewable energies.

The areas of work are as follows:

- raise awareness among teams about more economical and efficient use of energy;
- identify, quantify and plan the deployment of technical mechanisms for improving energy efficiency, reducing the energy consumption of facilities and measuring consumption;
- secure and diversify energy supplies with the aim of significantly increasing the use of local, green and renewable energies.

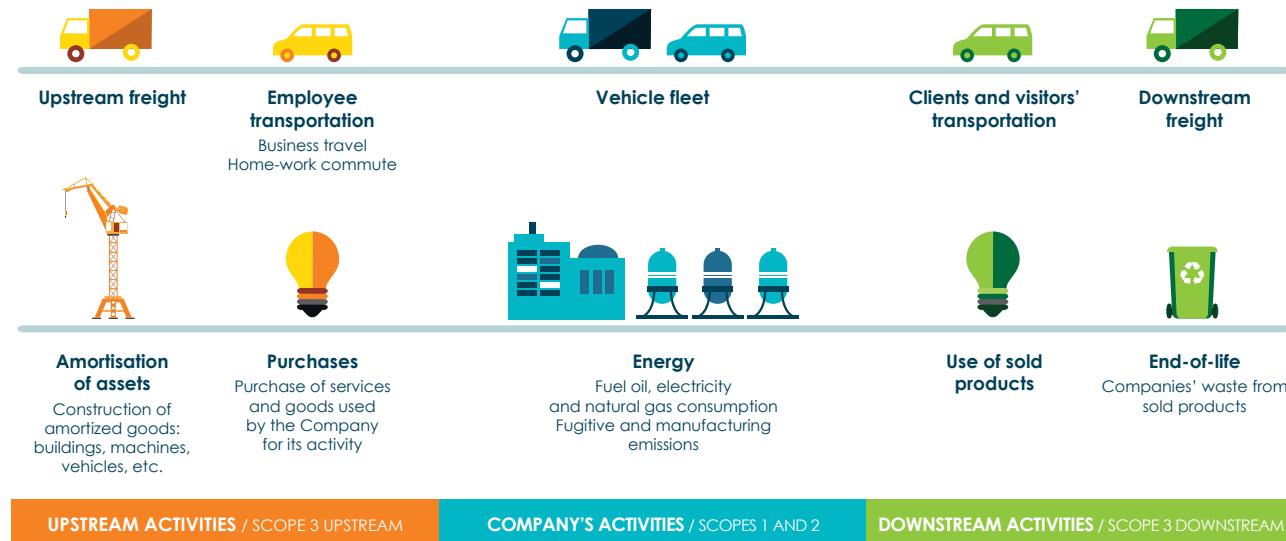
### 3.6.2.2 Identify Korian's priority environmental challenges

Korian updated its Carbon Assessment in 2022, with an independent firm, by refining the methodology and the granularity of the source data used, compared to the previous assessment conducted in 2019, in order to have a

robust and comprehensive view of the Group's carbon footprint on its direct and indirect emissions (Scopes 1, 2 and 3, according to the GHG Protocol).<sup>(1)</sup>

#### Scope of the carbon footprint assessment

##### PRIMARY SOURCES OF EMISSIONS IN A CARBON FOOTPRINT ASSESSMENT

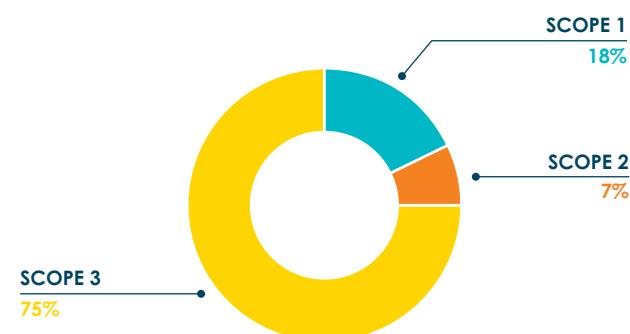


#### BREAKDOWN OF CO<sub>2</sub> EMISSIONS (BASED ON 2021 DATA)

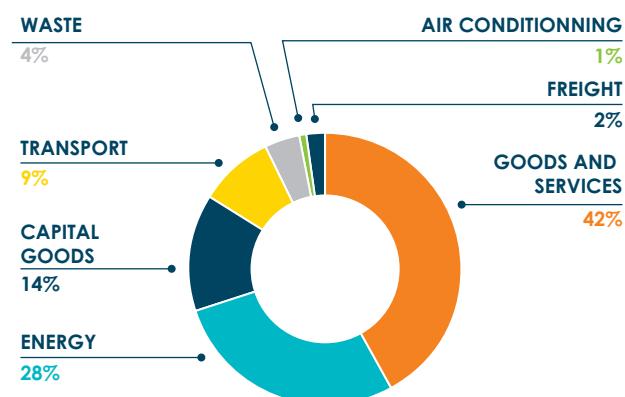
Nearly 600,000 metric tons of CO<sub>2</sub> equivalent were emitted in 2021 and break down as follows, in accordance with the GHG Protocol methodology:

Scope according to the GHG Protocol	TCO <sub>2</sub> e
Scope 1	107,381
Scope 2	42,092
Scope 3	448,576
<b>TOTAL</b>	<b>598,049</b>

#### BREAKDOWN BY SCOPE



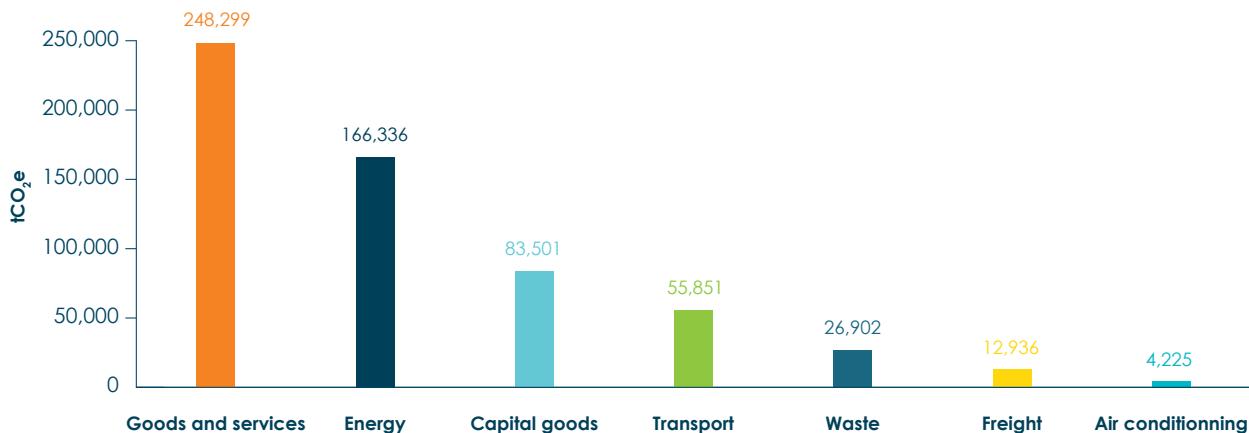
#### BREAKDOWN BY ITEM



(1) According to the Greenhouse Gas Protocol:

- Scope 1: "direct emissions from sources owned or controlled by the reporting entity";
- Scope 2: "indirect emissions related to the consumption of electricity, heat or steam necessary for the manufacture of the product or the operation of the reporting entity";
- Scope 3: "other indirect emissions related to the supply chain (upstream or downstream) and the use of products and services".

## BREAKDOWN BY EMISSION SOURCE



### 3.6.3 REDUCE THE ENVIRONMENTAL FOOTPRINT OF THE GROUP'S REAL ESTATE PORTFOLIO – SCOPES 1 & 2 OF THE CARBON FOOTPRINT ASSESSMENT

A first specific roadmap for the energy of buildings was drawn up in 2020, with a target of a 40% reduction in carbon emissions in terms of intensity compared to 2019, with a starting point of 41 kgCO<sub>2</sub>e per m<sup>2</sup>.

A study was carried out on the operational mechanisms for action and their impact in terms of reducing energy consumption and greenhouse gas emissions. Their technical and financial feasibility was assessed to draft a deployment schedule within the Group's buildings over the short, medium and long term.

Every year, the objectives set as part of the trajectory are verified.

The expected decrease in the Group's greenhouse gas emissions is not linear over the decade, because the investments necessary to improve the energy performance of the existing fleet are made at the beginning of the period, and will produce their effects towards the end of the period.

In the context of the energy supply crisis and inflation, the Group has set itself two new objectives.

By 2026, Korian is committed to:

- reducing its total energy consumption by 30%, based on 2021 consumption volumes, by adapting its practices, equipment and buildings;
- reducing the share of fossil fuels and energy produced mainly from fossil fuels to less than 50% of its energy mix.

#### Action levers identified for existing buildings

##### Energy improvement work

As part of the energy and low-carbon trajectory, the definition of multi-year investment plans (CapEx) includes a target for reducing energy consumption that goes beyond the regulatory objectives in force, by scheduling installation of new equipment or maintenance of existing equipment. The most efficient technical solutions, such as heat pumps, the installation of high-efficiency boilers, or connection to an urban heating network, have been identified and studied so that they can be implemented and prioritised.

The energy investment plans considered are assumptions that may vary according to changes in equipment technologies, investment opportunities in the countries and public support policies. Their annual monitoring will make it possible to achieve the overall trajectory, regardless of the type of work carried out.

**FRANCE**

197 buildings have been the subject of targeted investments to reduce their energy consumption, of which 150 covered by the Energy Savings Certificates scheme.

**GERMANY**

Automated management and monitoring of the energy consumption of the facilities was put in place in 2022. A charter of best practices in energy management was also

shared with maintenance managers.

**BELGIUM AND SPAIN**

Energy performance contracts have been signed with service providers to optimise the energy consumption of buildings by setting precise, measured and verified reduction targets over time. They define the energy efficiency investments, the implementation of renewable energy installations, as well as the maintenance, required to achieve these objectives.

### Changes in the energy mix to promote low-carbon energy and self-consumption

The Group is diversifying its energy mix by reducing the use of fossil energies, such as gas, propane or fuel oil, on the one

hand, and by developing the purchase or self-consumption of renewable energies, for instance photovoltaic panels, on the other hand. A new target of 50% renewable energy in the Group's energy mix has been set for 2026.

**FRANCE**

A schedule has been drawn up to gradually replace all fuel oil boilers still present in the real estate portfolio with less carbon-intensive energy sources.

A study on the photovoltaic potential of the real estate portfolio is planned for 2023.

**BELGIUM**

63 facilities, i.e. more than 50% of the portfolio, were equipped with photovoltaic panels at the end of 2022.

**ITALY**

38 facilities had green energy contracts in 2022.

### Monitoring and managing energy consumption

In 2021, a centralised energy consumption consolidation platform was rolled out. This tool makes it possible to monitor the energy performance of the real estate portfolio, in particular by automating certain indicators related to the activity, such as energy consumption per bed, per sqm or by type of activity, as well as the associated carbon emissions.

### Raising user awareness

In 2022, a European campaign was rolled out in the facilities to raise employee awareness of energy-related eco-gestures. Asset managers and maintenance staff are also specifically trained in detecting overconsumption.

**FRANCE**

All technical managers, maintenance technicians and asset managers receive annual training on energy management.

Energy consumption is analysed on a monthly basis with regard to historical data over the same period, and by comparing it with the consumption of facilities in the same geographical area, as well as with sector ratios provided by ADEME<sup>(1)</sup>, in order to identify and address overconsumption.

**GERMANY**

39 fact sheets were sent to the entire group to raise awareness among maintenance managers of best practices to adopt in terms of building energy management.

**BELGIUM**

Via the Korian Konnect app, Belgian employees regularly receive key messages to raise their awareness on environmental issues.

(1) French Environment and Energy Management Agency.

## Action levers for new buildings

The construction of buildings weighs on the Group's carbon footprint. In addition to the mechanisms identified for the existing buildings currently operated by Korian, the Group has also committed, since 2020, to having all of its new construction projects certified with an environmental certification – mainly High Environmental Quality (HQE) in France, Leadership in Energy and Environmental Design (LEED) or Building Research Establishment Environmental Assessment Method (BREEAM) in Italy and Belgium, and German Sustainable Building Council (DGNB) in Germany.

These buildings comply with the requirements of thermal and low-carbon regulations, and therefore need less energy.

At the end of 2022, 100% of the Group's portfolio of new projects consisted of projects that will be eligible for certification.

In 2022, 73% of the facilities opened by the Group were certified, i.e. 49 facilities.

### FRANCE

The Joncs Marins and Montvert clinics opened in 2022 obtained the highest level of HQE certification.

The La Liladière and Aubier de Cybèle long-term care nursing homes obtained HQE "Excellent" certification.

Two assisted living facilities, Les Essentielles, were also opened and certified HQE in 2022.

All the Ages & Vie facilities (shared housing) opened in 2022 – i.e. 43 houses – earned NF HABITAT HQE certification.

### ITALY

The BEREZZO - San Giulio long-term care nursing home, opened in 2021, was LEED GOLD certified.

### NETHERLANDS

Three facilities opened in 2021 and one opened in 2022 earned the GPR – GEBOUW label.



## Results in 2022

In 2022, the scope of energy consumption reporting included 951 sites for a total of 4,497,260 sqm in seven countries (France, Germany, Italy, Belgium, Spain, the Netherlands and the United Kingdom).

### ENERGY CONSUMPTION IN 2022



The facilities with 12 months of consumption are included in the scope.

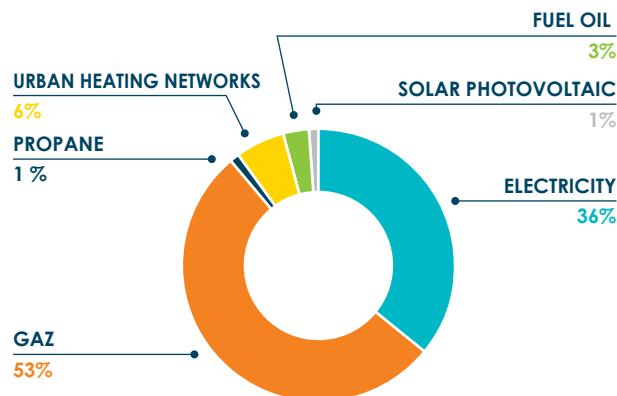
\*The 2021 data has been corrected following a reporting error on the Dutch data.

3

The reduction in energy consumption per square metre observed between 2021 and 2022 was due to:

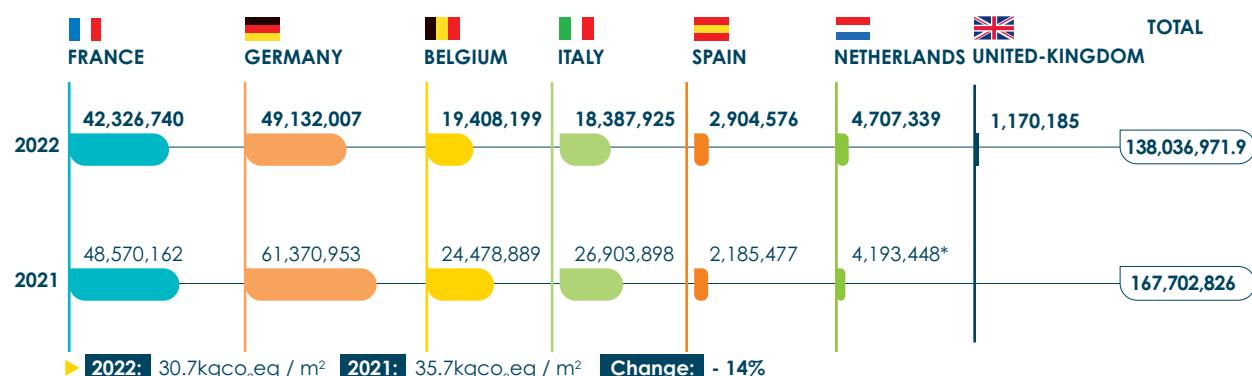
- a portfolio using less energy thanks to accelerated renovation of the real estate portfolio, which began in 2016, and new certified buildings aiming for very good thermal performance;
- the behavioural factor, with the increased awareness among teams of the measures necessary to avoid overconsumption, in the context of the energy and environmental crisis;
- the control of consumption related to the measures applied during the Covid-19 pandemic to the operation of ventilation facilities;
- a climate effect, with a less severe winter.

### GROUP ENERGY MIX



The carbon emissions associated with the Group's energy consumption are as follows:

### CARBON EMISSIONS RELATED TO ENERGY CONSUMPTION



The facilities with 12 months of consumption data are included in the scope.

\*The 2021 data has been corrected following a reporting error on the Dutch data.

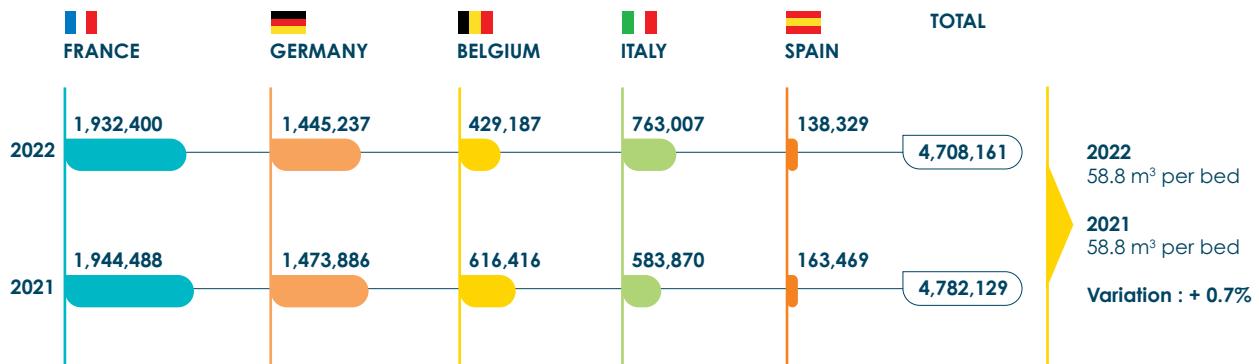
The reduction in CO<sub>2</sub> emissions per square metre observed between 2021 and 2022 was due to:

- the Group's strategy of promoting less carbon-intensive energies: for example, with the installation of photovoltaic panels for self-consumption at facilities in Belgium or the implementation, in early 2022, of green energy purchasing contracts in more than 30 facilities in Italy;

- better energy performance of buildings compared to 2021;
- the update of the emission factors in 2022.

The Group also monitors the water consumption at its sites:

#### WATER CONSUMPTION (IN M<sup>3</sup>)



In 2023, the Group will analyse the water uses related to its activity, in order to define a roadmap and set objectives relating in particular to the reduction of consumption and the reuse of grey water.

#### FRANCE

All technical managers, maintenance technicians and asset managers receive annual training on water management. Water consumption is analysed on a monthly basis with regard to historical data over the same period, and by comparing it with the consumption of facilities in the same geographical area, as well as with sector ratios provided by ADEME<sup>(1)</sup>, in order to be able to identify and address overconsumption, in particular by repairing leaks, regulating flushing and automatic watering of green spaces.

#### BELGIUM

In order to control their water consumption, the facilities have adopted automated consumption monitoring systems. These automated systems are linked to the water meter and systematically provide alerts when consumption is above average.

(1) French Environment and Energy Management Agency.

## 3.6.4 REDUCING THE GROUP'S ENVIRONMENTAL FOOTPRINT RESULTING FROM ITS VALUE CHAIN – SCOPE 3 OF THE CARBON FOOTPRINT

### 3.6.4.1 Decarbonisation of purchasing

Representing 42% of Korian's carbon footprint, purchasing is a priority issue for improving the environmental impact of the Group's activities.

The Responsible Purchasing Charter includes a commitment by suppliers to manage and limit the environmental impact of their activities, in particular by reducing their consumption of natural resources, and by recovering their waste throughout the lifecycle of their products or services. Raising awareness about the Group's ESG objectives and monitoring the non-financial performance of suppliers are an integral part of the dialogue with suppliers.

In 2021 and 2022, the Group carried out a study with an independent consulting firm to:

- identify the most emissions intensive purchasing categories;
- determine the mechanisms for action leading to an impact reduction, without affecting the quality of products or services;
- model the associated emissions reduction potential.

The Responsible Purchasing Charter is being updated to reflect the Group's ambition to decarbonise its purchases, and consequently strengthen its requests for supplier commitment in this area. The tender procedure is also being clarified and strengthened on this assessment criterion.

In the course of 2023, a roadmap for reducing carbon emissions, including Scope 3 categories, including purchases, will be drawn up.

### 3.6.4.2 Catering

More than 80 million meals are served every year within the Group. The menus are based upon a food plan validated by accredited dieticians, in accordance with nutritional recommendations. Korian is committed to ensuring the well-being of residents and patients by offering meals that are pleasurable, family-oriented and sustainable.

Catering is the second largest source of CO<sub>2</sub> emissions within the Group. In 2021, the teams in France conducted a study with independent consulting firms, including one specialised in responsible catering. This work made it possible to identify mechanisms for reducing emissions, in the short and medium term, for a sample of menus offered in the facilities. New recipes with equivalent nutritional contributions, but a reduced environmental footprint, have been validated.

Among the mechanisms identified are the following:

- favouring plant-based proteins over animal proteins, when possible;
- favouring white meat over red meat;
- favouring local supply;
- reducing food waste.

Support for local producers also helps to reduce greenhouse gas emissions related to the production and transport of ingredients used to prepare meals in facilities.

During this study, the eating habits of residents, as well as emblematic or regional dishes, were taken into account.

This approach was initially carried out in France, where the identified mechanisms made it possible to develop an action plan for 2022, which included the new references in the food plans. The results were also shared with the Purchasing Directors of other countries, in order to roll out the approach to the entire Group over the coming years. At the end of 2022, France's food carbon footprint had decreased by 7.8% compared to 2020.

#### FRANCE

All fish served in the facilities come from sustainable fishing (eco-label). Menus are planned for periods of five weeks and are updated each season in accordance with the seasonality of food products.

#### ITALY

A vegetarian day was organised in the facilities.

3

### 3.6.4.3 Employee transport

Employee transport, including commuting and business travel, represents 9% of the Group's CO<sub>2</sub> emissions.

For the Group, the challenges of employee mobility are threefold: the carbon footprint, ensuring employee health and safety, and well-being at work. It is worth noting that the majority of employees work on site, within the facilities.

The Group's deliberations on how to improve its impact revolve around the means of transport used, the work organisation, the accessibility of the sites and their proximity to the places where employees live, facilities' equipment in terms of parking spaces and charging infrastructure, as well as allowances for the use of public transport or cycling.

Depending on the country of operation concerned, the regulations and infrastructure equipment dedicated to soft mobility or to the charging of electric vehicles differ, but the Group's travel policy recommends favouring videoconferences, whenever possible, and asks employees to take the train for journeys that last less than 4 hours.

Car policies are gradually being revised, to reference less emissive vehicle models.

In addition to the promotion of teleworking when possible, in some countries a financial contribution to public transport subscriptions and a bicycle mileage allowance have been introduced.

### 3.6.4.4 Waste reduction and recycling strategy

The Group's environmental footprint also includes waste, which accounted for 4% of the Group's greenhouse gas emissions in 2021. The transport, treatment and transformation of waste have impacts on ecosystems. Reusing waste as a resource in order to limit the extraction of raw materials in a circular economy is an issue in terms of climate change, but also a matter of pollution. The Group's environmental strategy therefore includes improving waste management and waste recovery.

The Group's waste management strategy consists of optimising selective sorting in all its facilities, reducing the quantities of residual waste (household waste), with a Group objective of -5% residual waste per bed by 2023 compared to 2019, and improving the recycling of the various waste streams.

#### 3.6.4.4.1 Optimise waste sorting

Awareness-raising campaigns on sorting instructions (posters, quality procedures, training in team meetings, etc.) are carried out in the facilities.

#### FRANCE

Selective sorting has been optimised at more than 200 facilities since 2020.

This transformation involves various stages within the facilities:

- the implementation of new waste streams with dedicated sorting equipment for deposit and collection. The trolleys of employees responsible for cleaning and maintenance have been adapted to collect three waste streams;
- recourse to an eco-organisation for furniture waste;
- the on-site teams – cleaning and maintenance, nurses, managers and catering staff – have been trained and made aware of the proper use of this new equipment and the changes required in practices.

The optimisation of waste management has led to savings, which have been invested in the implementation of new sorting channels, contributing to better waste recovery.

#### 3.6.4.4.2 Waste recovery

The Group is working to improve the recovery of its waste, with a particular focus on bio-waste.

#### FRANCE

In 2021, a partnership was signed for 72 facilities in the Paris region to promote the methanisation and composting of kitchen and restaurant room waste. The food waste collected by a social inclusion company is then transformed into biogas, which is used as fuel for heating, or as a natural fertiliser. In 2022, this partnership generated around 150 MWh of renewable gas and 180 metric tons of fertiliser. At the facilities in the Lyon and Marseille region,

biowaste collection amounted to 125 metric tons in 2022.

#### NETHERLANDS

A bio-waste sorting campaign has begun to equip all sites with bio-waste sorting containers in order to recycle this organic matter and reduce the tonnage of residual waste.

#### RECYCLING OF IT EQUIPMENT

Used computers are entrusted to an organisation that deconditions, secures and reformat them, and then recycles them for use by other users.

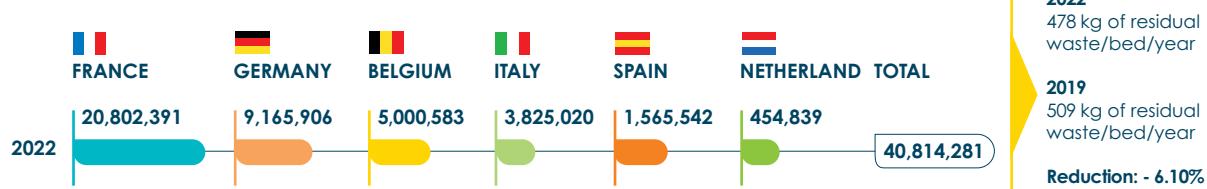
#### 3.6.4.4.3 Waste results

##### RESIDUAL WASTE

The Group carried out a diagnosis of waste volumes in 2019 and set itself the target of reducing its residual waste by volume per bed by 5% by 2023. Residual waste is defined as the portion of waste remaining after collection of selective sorting and which cannot be reused or recycled. The

reduction in the volume of residual waste is therefore an indication of improved sorting of waste toward other channels, allowing in particular its recovery, and of successful policies aimed at reducing or avoiding waste at source, for instance by reducing single-use or eliminating overwrapping.

In 2022, the volume of waste per bed (excluding the United Kingdom) was 478 kg, representing a decrease of 6.1% compared to 2019.



## INFECTIOUS MEDICAL WASTE

Infectious medical waste is a sub-category of medical waste. This infectious medical waste, as defined by the Group, is waste that presents a risk of infection because it contains viable microorganisms, or their toxins, which are known to cause (or one has good reason to believe may cause) diseases in humans or other living organisms due to their nature, quantity or metabolism.

This waste is inherent to the Group's healthcare activity. In accordance with national laws, the management of infectious medical waste is associated with specific internal procedures within the Korian Group. They provide details

about how to proceed and about the usual precautions to identify, store and eliminate medical waste, including infectious waste, while ensuring the safety of people and the protection of the environment.

Depending on the countries in which the Group operates and their respective regulations, infectious medical waste may be counted with residual waste, collected by the doctors who administer the care, or be collected by pharmacies, which explains why quantitative data cannot be systematically collected separately. For France and Spain in 2022, the total weight of the infectious medical waste collected was 221,628 kg, i.e. 7.3 kg per bed compared to 362,385 kg in 2021, i.e. 11.6 kg per bed.

## 3.6.5 TAKE INTO ACCOUNT THE IMPACT OF THE ACTIVITY ON ECOSYSTEMS AND BIODIVERSITY

Aware that ecosystem services are essential for human well-being and health, and that biodiversity and climate change are closely related, Korian joined the Biodiversity Impulsion Group's applied research programme in 2021.

This initiative brings together 16 urban actors within the Sustainable Real Estate Observatory. Observing that real estate activities and densification have a strong impact on biodiversity – in particular through the extraction of materials

and soil artificialisation – this programme aims to measure and accelerate the contribution of city stakeholders, by defining a common system for measuring and managing the biodiversity of a real estate project in its territory.

In 2022, work was carried out to define common indicators in terms of sensitivity, impact, biodiversity reception potential and co-benefits, and to develop a measurement tool that can be used during the development of a new project.



## 3.7 Group Vigilance Plan

The Group is subject to French Act No. 2017-399 of 27 March 2017 pertaining to the corporate duty of vigilance incumbent on parent companies and contracting companies. As such, Korian is required to establish and implement a vigilance plan covering the activities conducted by the Group and any subsidiaries it owns.

The Vigilance Plan sets out the reasonable vigilance mechanisms in place with a view to identifying and preventing:

- serious violations of human rights and fundamental freedoms;
- violations of personal health and safety;
- harm to the environment,

ensuing from activities conducted by the companies owned by Korian, or resulting from the activities carried out by subcontractors or suppliers with which Korian has an established business relationship.

The Vigilance Plan consists of the following mechanisms:

- risk mapping system;
- regular assessment procedures for subsidiaries, subcontractors and suppliers;
- appropriate risk mitigation and prevention measures;
- whistleblowing mechanism and alert reception system;
- system for tracking the measures implemented and assessing their effectiveness.

The Vigilance Plan first sets out the governance matters relating to the duty of vigilance, the methodology for devising a Vigilance Plan, and the whistleblowing mechanism covering all risks identified in respect of the duty of vigilance.

The table presented on the following pages lists all of the mechanisms in place (assessment procedures, mitigation actions, tracking systems for the measures used) and the results of these in respect of each of the main risks identified. Cross-referencing is included whenever these systems are detailed in another section of the Universal Registration Document.

### GOVERNANCE

The implementation of the Vigilance Plan is managed by the General Secretariat, integrating the key functions. The development and deployment of the Vigilance Plan are presented to the Risk, Ethics and Compliance Committee, which meets bimonthly (see Section 1.5).

The General Secretariat decides on the action priorities and the evolution of the plan in close coordination with the Group CSR Department as well as with the Audit Department through a control questionnaire including action points relating to CSR and the duty of vigilance. The Group's subsidiaries also actively participate in the deployment of the plan through their local manager in charge of implementing compliance actions within their scope.

### PLAN FORMULATION METHODOLOGY

Korian carries out concrete actions to prevent the risk of violations of human rights, health and safety and the environment. To this end, Korian conducts continuous identification and monitoring of risks of violations related to commercial activities.

The identification of risks consists of:

- collecting and reviewing existing documentation relating to the identification and prevention of risks within the Group;
- developing a typology of risks related to human rights, fundamental freedoms, health, safety and the environment based on:
  - the previous risk mapping,
  - analysis of the present situation,
  - public sources, particularly with regard to suppliers,
  - relevant international standards on fundamental rights,
  - internal guidelines on fundamental rights;
- conducting interviews with key functions;
- on the basis of the interviews conducted and the risks established, identification of "serious risks" in terms of violations of human rights, health and safety, and the environment;
- rating of gross risks;
- rating of net risks;
- formulation of the risk mapping;
- validation of risk mapping.

The entire risk mapping is reviewed on an annual basis. It may also be revised at any time if an event were to significantly affect the risk assessment.

## EVALUATION OF THIRD PARTIES

Korian has decided to adopt a third-party risk assessment policy. This third-party assessment policy aims to implement the systems in place within the Group to assess the level of risk that a partner of the Group represents, in terms of corruption and the duty of vigilance, (i) before entering into a contractual or commercial relationship with the latter, and (ii) during the relationship, and to set up, where applicable, appropriate risk management systems to reduce the risks identified. Compliance checks must also be carried out before each M&A transaction (merger, acquisition or sale).

"Partner" here means all suppliers, service providers, consultants, brokers, intermediaries, target, beneficiaries of sponsorship or patronage actions, etc., in summary, any third party to the Korian group whose employees it may come to know in the context of the selection, negotiation and/or referencing mission or in the context of acquisitions, whether within or outside the European Union.

The assessment of partners consists of three steps:

- Step 1: know the warning signs to be able to detect them;
- Step 2: determine the level of risk attached to the relationship;
- Step 3: implement measures proportionate to the level of risk identified.

The General Secretariat, the Purchasing Department and any other relevant department work together to ensure and control these assessments and their follow-up throughout the business relationship.

## WHISTLEBLOWING SYSTEM

The Group has set up a whistleblowing system common to all Group entities, allowing all employees, candidates for a position, Group co-contractors, shareholders, Group customers and their relatives to ask a question or file an alert, in their native language. The system covers reporting for any violation – suspected or proven – as regards the principles set out in the Ethics Charter or any other Group internal policy, a breach of the regulations in force, a conflict of interest, an act of corruption or influence peddling, a threat or harm to the common good, serious harm to the environment or to the health or safety of people, or a serious violation of human rights and fundamental freedoms.

This system guarantees the anonymity of the person making the alert and the confidentiality in the handling of each alert. This system fulfils the requirements of Articles 6 and 17 of the Sapin 2 Law and the Duty of Vigilance Law. It is supplemented by Group procedures, applicable from 1 January 2022, on the processing of alerts and the handling of internal investigations. These procedures make it possible to define a clear governance for the monitoring of alerts, and plan for the appointment of "investigation officers", who will be trained on how to conduct internal investigations;

For employees, the whistleblowing system includes the following alert methods:

- the chain of command;
- Human Resources;
- Group or country Compliance Departments;
- an incident reporting tool;
- an anonymous whistleblowing system.

This system is set out in the Group's new Ethics Charter, as well as in the document "Our Values and Ethics Commitments", signed by all new employees.

## DUTY OF VIGILANCE MEASURES

The table below shows all the measures required by the Duty of Vigilance with respect to the Group's business activities and its supply chain. The whistleblowing mechanism, which covers all the risks faced by the Group, is described on the previous page in the introduction to the Vigilance Plan.

The following systems are detailed throughout the Universal Registration Document. Cross-references are provided to policies, procedures and courses of action so that the required level of information may be accessed.

Duty of Vigilance issues	Types of Duty of Vigilance risks	Risk assessment procedures and mitigation steps implemented
Abuse		<ul style="list-style-type: none"> <li>■ Ethics, Medical and Quality policies</li> <li>■ Positive Care Programme (see 3.2.1 of the URD): <ul style="list-style-type: none"> <li>▪ management of behavioural disorders and mitigation of their manifestation</li> <li>▪ training in understanding dementia pathologies and their symptomatological expression (productive behavioural disorders)</li> <li>▪ control of anxiety levels with standardised clinical assessment (neuropsychiatric inventory used by healthcare teams: NPI-ES, for example)</li> </ul> </li> <li>■ ISO 9001 quality management (see 3.2.3 of the URD)</li> <li>■ Procedures for addressing "Serious Adverse Events" (SAE), together with related procedures depending on the level of SAE classification, and a risk management system. Each alert is entered into a centralised database enabling corrective action to be specified, where required (see 3.2.4.2 of the URD)</li> <li>■ Publication and communication of recommendations of best practices to all employees</li> <li>■ Training in Welfare, Ethics and Care for All (BEST)</li> <li>■ Awareness-raising and prevention campaign at the European level on welfare (see 3.2.4.2 of the URD)</li> <li>■ KSatisfaction surveys in order to assess the level of patient, resident and family satisfaction (see 3.2.3 of the URD)</li> <li>■ Ethics Charter including a section on respect for human rights</li> </ul>
Issues relating to Human Rights & Fundamental Freedoms	Discrimination	<ul style="list-style-type: none"> <li>■ Quality of life at work policies (see 3.4.3 of the URD)</li> <li>■ Korian Women's Club (see 3.3.2.4 of the URD)</li> <li>■ Training and awareness-raising campaigns for managers and teams (see 3.3.2.4 of the URD)</li> <li>■ Combating violence against women: Korian is a co-founder of the European "One in Three Women" network with the FACE Foundation, awareness-raising e-learning module, "Orange the World" campaign (see 3.3.4.1 of the URD)</li> <li>■ Anonymous, confidential hotline open 24/7 for employees in France and Belgium (see 3.3.2.2 of the URD)</li> <li>■ 2023 performance share plan including a criterion on the percentage of women in the country management committees and within Top Management (see 3.1.1 of the URD)</li> <li>■ Ethics Charter including a section on non-discrimination</li> <li>■ Korian's Human Rights Statement published in October 2022 including a section on the fight against discrimination and the promotion of equal opportunities</li> <li>■ Korian is a co-founder of the Business Collective for an Inclusive Economy</li> </ul> <p><b>Best practices:</b></p> <ul style="list-style-type: none"> <li>■ Korian Germany, signatory of the Diversity Charter (see 3.3.2.4 of the URD)</li> <li>■ Signature by Korian France of Autre Cercle's commitment charter for the inclusion of LGBT people (see 3.3.2.4 of the URD)</li> <li>■ Mission handicap France working for professional integration, professional development, and job retention (see 3.3.2.4 of the URD)</li> <li>■ Partnership with La Maison des Femmes in Saint-Denis France and with the DiRE association for social reintegration in Milan (see 3.3.4.1 of the URD)</li> <li>■ Member in France of the Business Collective for a More Inclusive Economy (see 3.3.4.2 and 3.5.5 of the URD)</li> <li>■ "Living well together" guide to encourage dialogue and respect for all colleagues regardless of their gender, disability, sexual orientation, or religion (France)</li> <li>■ Social worker service in France</li> <li>■ Diversity label for Korian Brussels region (see 3.3.2.4 of the URD)</li> </ul>

**System for monitoring actions****Assessment of the system for monitoring actions – KPIs**

<ul style="list-style-type: none"><li>■ Korian Standards (nursing homes and healthcare facilities) rolled out</li><li>■ Quality audits (360° quality audits) performed every two years (see 3.2.3.1 of the URD)</li><li>■ Annual audits carried out by the Group's Audit and Internal Control Department (see 3.2.3.1 of the URD)</li><li>■ Group and Country whistleblowing and complaints system – Integrity Line &amp; other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)</li></ul>	<ul style="list-style-type: none"><li>■ Roll-out of Positive Care: 97% of the network (compared to 80% in 2021)</li><li>■ 360° Quality Audits: 74% of facilities certified A or B</li><li>■ Percentage of facilities with ISO 9001 certification: 68% of the facilities certified (compared to 29% in 2021)</li><li>■ Frequency of serious adverse events: 0.47 per 10,000 days spent in a facility</li></ul>
<ul style="list-style-type: none"><li>■ Group and Country whistleblowing and complaints system – Integrity Line &amp; other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)</li></ul>	<ul style="list-style-type: none"><li>■ Percentage of women on staff: 82% (compared to 81% in 2021)</li><li>■ Percentage of women in Top management: 56% (compared to 47% in 2021)</li></ul>

Duty of Vigilance issues	Types of Duty of Vigilance risks	Risk assessment procedures and mitigation steps implemented
 <b>Issues relating to Human Rights &amp; Fundamental Freedoms</b>	<b>Non-compliance with the 8 fundamental conventions of the International Labour Organization (ILO)</b>	<ul style="list-style-type: none"> <li>Social dialogue at the European level with the establishment of a European Company Works Council, which succeeded the European Works Council on 17 November 2022 following the transformation of the Company into a European company (see 3.3.2.5 of the URD)</li> <li>“Living well together” guide to encourage dialogue and respect for all colleagues regardless of their gender, disability, sexual orientation, or religion (France)</li> <li>Ethics Charter including a section on respect for human rights and the dignity of persons and the employee's commitment to respect the Ethics Charter</li> <li>“Let's talk about values” game to bring the Group's values to life through practical scenarios (see 3.2.2 of the URD)</li> <li>Korian's Human Rights Statement including a section on safe working conditions</li> <li>Responsible Purchasing Charter including a section on respect for human rights and working conditions</li> </ul>
 <b>Issues relating to the health &amp; safety of people</b>	<b>Residents straying from facilities</b>	<ul style="list-style-type: none"> <li>Positive Care Programme (see 3.2.1 of the URD): <ul style="list-style-type: none"> <li>Implementation of so-called behavioural therapies following assessment: vigilance is high in order to detect any wandering, which is reduced by setting up mediation/empathy therapies</li> </ul> </li> <li>Procedures for addressing “Serious Adverse Events” (SAE), together with related procedures depending on the level of SAE classification, and a risk management system. Each alert is entered into a centralised database enabling ad hoc corrective action, where required (see 3.2.4.2 of the URD)</li> <li>Awareness-raising and prevention campaign on patient safety</li> </ul>
	<b>Crisis management: Epidemics, fires, disasters and climate events</b>	<ul style="list-style-type: none"> <li>Ethics, medical and quality policy included in the Korian Standards</li> <li>Infectious risks prevention and awareness raising rolled out at the European level</li> <li>Annual epidemic vigilance plan</li> <li>Vigi-Covid plan integrated into 360° audits and the Korian Standard</li> <li>Dedicated monitoring and alert system and procedures for managing the health crisis (see 3.2.4.3 of the URD)</li> <li>Sectorisation procedure with isolation of grouped cases and dedicated teams</li> <li>Roll-out of national and cross-border hygiene network. Weekly vigilance network with an overview of epidemic pressures in Europe</li> <li>Hygiene training Training of the Hygiene Officer in facilities (Objective 100%)</li> <li>Inventory of personal protective equipment</li> <li>Self-assessment of facilities</li> <li>Crisis management system and business continuity plans</li> <li>Heatwave plan (protocols and training on hydration, prevention and treatment of dehydration)</li> </ul>
	<b>Medication errors</b>	<ul style="list-style-type: none"> <li>Ethics, Medical and Quality policies</li> <li>Medication management: the drug circuit, from prescription to administration, complies with the legislation in force in each country and recommendations on the proper use of the drug. The drugs dispensed within the Group's facilities are prescribed by doctors</li> <li>Awareness raising and prevention at the European level on the proper use of medication (see 3.2.4.2 of the URD)</li> <li>Quality management</li> <li>Procedures for addressing “Serious Adverse Events” (SAE), together with related procedures depending on the level of SAE classification, and a risk management system. Each alert is entered into a centralised database enabling ad hoc corrective action, where required (see 3.2.4.2 of the URD)</li> <li>Publication and communication of best practices recommendations to all employees – Welfare, Ethics and Care for All (BEST) training</li> </ul>

## System for monitoring actions

## Assessment of the system for monitoring actions – KPIs

<ul style="list-style-type: none"> <li>■ Discussions with the European Works Council and a dedicated working group on the respect and improvement of employee working conditions, including health and safety (see 3.3.2.3 of the URD)</li> <li>■ Group and Country whistleblowing and complaints system – Integrity Line &amp; other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)</li> </ul>	<ul style="list-style-type: none"> <li>■ European Works Council: 2 ordinary plenary meetings, 2 extraordinary plenary meetings, 4 Board meetings, 5 working group meetings and 2 plenary training meetings</li> <li>■ Share of employees covered by a social dialogue system: 100% (excluding the United Kingdom)</li> <li>■ Deployment of the Ethics Charter across 100% of the Group's sites and systematic communication to new employees</li> </ul>
<ul style="list-style-type: none"> <li>■ Oversight of SAEs by theme, category and hierarchy, according to the severity of the Serious Adverse Event (SAE)</li> <li>■ Weekly reporting and monthly Incident Committees for SAE analysis and remediation in every country</li> <li>■ Group and Country whistleblowing system - Integrity Line &amp; other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)</li> <li>■ Internal audits (360° quality audits) performed every two years (see 3.2.3.1 of the URD)</li> <li>■ Annual audits carried out by the Internal Audit Department (see 3.2.3.1 of the URD)</li> </ul>	<ul style="list-style-type: none"> <li>■ Frequency of serious adverse events: 0.47 per 10,000 days spent in a facility</li> </ul>
<ul style="list-style-type: none"> <li>■ "Serious adverse events" (SAE) procedures, associated procedures according to the classification level of the SAE as well as the risk management system (see 3.2.4.2 of the URD)</li> <li>■ Incident Committee</li> <li>■ Quality Committee</li> <li>■ Internal audits (360° quality audits) performed every two years (see 3.2.3.1 of the URD)</li> </ul>	<ul style="list-style-type: none"> <li>■ Roll-out of Positive Care: 97% of the network (compared to 80% in 2021)</li> <li>■ Frequency of serious adverse events (SAEs) relating to the health, safety and security of residents and patients: 0.47 per 10,000 days spent in a facility</li> </ul>
<ul style="list-style-type: none"> <li>■ Annual audits carried out by the Group's Audit and Internal Control Department (see 3.2.3.1 of the URD)</li> <li>■ Internal audits (360° quality audits) performed every two years (see 3.2.3.1 of the URD)</li> <li>■ Inventories and regular controls of drug management</li> <li>■ Group and Country whistleblowing and complaints system – Integrity Line &amp; other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)</li> </ul>	<ul style="list-style-type: none"> <li>■ Frequency of serious adverse events (SAEs) relating to the health, safety and security of residents and patients: 0.47 per 10,000 days spent in a facility</li> </ul>

Duty of Vigilance issues	Types of Duty of Vigilance risks	Risk assessment procedures and mitigation steps implemented
	<b>Personal data protection</b>	<ul style="list-style-type: none"> <li>■ Dedicated compliance programme comprising guidelines issued at Group level covering all GDPR topics (see 3.2.4.1 of the URD)</li> <li>■ Dedicated governance composed of a Group Data Protection Officer (DPO) and country DPOs in each of the countries where the Group operates. (see 3.2.4.1 of the URD)</li> <li>■ Employee training and awareness campaigns (see 3.2.4.1 of the URD)</li> <li>■ Review of GDPR risks at Group level (bimonthly) by the Ethics and Compliance Risk Committee and at country level by a dedicated committee (see 3.2.4.1 of the URD)</li> <li>■ Human Rights Statement including a section on personal data protection</li> </ul>
	<b>Workplace health and safety at Korian or its suppliers</b>	<ul style="list-style-type: none"> <li>■ "Serious Adverse Events" procedures, associated procedures according to the classification level of the SAE as well as the risk management system (see 3.2.4.2 of the URD)</li> <li>■ European protocol on health and safety at work and the reduction of workplace accidents (see 3.3.2.2 of the URD)</li> <li>■ Company agreement in France on "Occupational Health and Occupational Risk Prevention" (see 3.3.2.2 of the URD)</li> <li>■ In France, a department dedicated to occupational health, composed of occupational risk prevention specialists (see 3.3.2.3 of the URD)</li> <li>■ Dedicated SMS training (Sanitaire Medico Social, formerly HAPA), certified by the French National Institute for Research and Security (Institut National de Recherche et de Sécurité – INRS) and delivered by the Korian Academy (see 3.3.2.2 of the URD)</li> <li>■ Internal Community Pulse barometer to assess the commitment rate of employees (see 3.3.2.2 of the URD)</li> <li>■ Acciline tool (in France) to monitor all workplace accidents at each site, Economed declarative database in Germany</li> <li>■ Anonymous, confidential hotline open 24/7 for employees in France and Belgium (see 3.3.2.2 of the URD)</li> <li>■ Ethics Charter including a section on safety and security</li> <li>■ Responsible Purchasing Charter including a section on respect for human rights and working conditions</li> <li>■ Performance share plan that includes a target reduction in the frequency of workplace accidents with lost time (see 4.2.1.1 of the URD)</li> <li>■ Protocols for all its health and medico-social networks in Europe, which have resulted in an increase in the use of personal protective equipment (PPE)</li> <li>■ Joint statement by the European Works Council and Korian on social commitment and reducing absenteeism</li> </ul>
<b>Issues relating to the health &amp; safety of people</b>	<b>Psychosocial risks / harassment</b>	<ul style="list-style-type: none"> <li>■ European protocol on health and safety at work and the reduction of workplace accidents (see 3.3.2.2 of the URD)</li> <li>■ "Serious adverse events" (SAE) procedures, associated procedures according to the classification level of the SAE as well as the risk management system (see 3.2.4.2 of the URD)</li> <li>■ Training and awareness-raising campaigns for managers and teams (see 3.3.2.4 of the URD)</li> <li>■ Responsible Purchasing Charter that includes a section on compliance with working conditions</li> <li>■ Performance share plan that includes a target reduction in the frequency of workplace accidents with lost time (see 4.2.1.1 of the URD)</li> <li>■ Joint statement by the European Works Council and Korian on social commitment and reducing absenteeism</li> </ul>
	<b>Facility security</b>	<ul style="list-style-type: none"> <li>■ "Serious adverse events" (SAE) procedures, associated procedures according to the classification level of the SAE as well as the risk management system (see 3.2.4.2 of the URD)</li> <li>■ ISO 9001 Standard - Management &amp; Support</li> <li>■ Awareness raising and prevention at the European level on health and safety (see 3.2.4.2 of the URD)</li> <li>■ Hygiene assessments and Vigi-Covid plan (European standard) integrated into the 360° audits and the Korian Standard, which includes the ISO 9001 certification requirements in addition to the Group requirements (see 3.2.3.1 of the URD)</li> <li>■ Prevention visits as part of the Group insurance programme</li> </ul>

System for monitoring actions	Assessment of the system for monitoring actions – KPIs
<ul style="list-style-type: none"> <li>■ Group and Country whistleblowing system - Integrity Line &amp; other channels</li> <li>■ GDPR internal audits in all Group countries</li> <li>■ Cybersecurity audits included in the Audit and Internal Control Department's audit and internal control plan</li> <li>■ Annual phishing prevention and awareness campaigns (see 3.2.4.1 of the URD)</li> </ul>	<ul style="list-style-type: none"> <li>■ As of 31 December 2022: 712 personal data officers had been trained in 2021 and 2022 (compared to 318 in 2021)</li> <li>■ Monitoring of data protection breaches declared to the local authority: 18 cases in 2022</li> </ul>
<ul style="list-style-type: none"> <li>■ Psychological support and follow-up systems in place across all Group countries</li> <li>■ Group and Country whistleblowing system - Integrity Line &amp; other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)</li> <li>■ Employee Pulse survey (Commitment index)</li> </ul>	<ul style="list-style-type: none"> <li>■ Frequency of serious adverse events (SAEs) relating to the health, safety and security of residents and patients: 0.47 per 10,000 days</li> <li>■ Joint Committee of the European Works Council for monitoring the protocol on occupational health and the prevention of occupational risks</li> <li>■ Frequency rate: 41 (compared to 48 in 2021)</li> <li>■ Severity rate: 1.54 (compared to 1.97 in 2021)</li> </ul>
<ul style="list-style-type: none"> <li>■ Group and Country whistleblowing system - Integrity Line &amp; other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)</li> <li>■ Employee Pulse survey (Commitment index)</li> </ul>	<ul style="list-style-type: none"> <li>■ Joint Committee of the European Works Council for monitoring the protocol on occupational health and the prevention of occupational risks</li> <li>■ Frequency rate: 41 (compared to 48 in 2021)</li> <li>■ Severity rate: 1.54 (compared to 1.97 in 2021)</li> </ul>
<ul style="list-style-type: none"> <li>■ Internal audits (360° quality audits) performed every two years (see 3.2.3.1 of the URD)</li> <li>■ External audits with sworn bodies (see 3.2.3.1 of the URD)</li> </ul>	<ul style="list-style-type: none"> <li>■ Frequency of serious adverse events: 0.47 per 10,000 days spent in a facility</li> <li>■ 360° Quality Audits: 74% of the facilities certified A or B</li> <li>■ Percentage of facilities with ISO 9001 certification: 68% of the facilities certified</li> </ul>

Duty of Vigilance issues	Types Duty of Vigilance risks	Risk assessment procedures and mitigation steps implemented
	<b>Waste management / medical waste management</b>	<ul style="list-style-type: none"> <li>■ "Serious adverse events" (SAE) procedures, associated procedures according to the classification level of the SAE as well as the risk management system (see 3.2.4.2 of the URD)</li> <li>■ Optimisation of waste sorting and monitoring of residual waste production, waste management (see 3.6.4.4 of the URD)</li> <li>■ Protocols on all its health and medical-social networks in Europe, which have resulted in an increase in the use of personal protective equipment (PPE)</li> <li>■ Partnership to promote methanisation and composting of kitchen and room waste (see 3.6.4.4.2 of the URD)</li> <li>■ Raising awareness of eco-gestures to improve waste sorting in facilities (see 3.6.3 and 3.6.4.4 of the URD)</li> <li>■ Infectious medical waste collection system (see 3.6.4.4.3 of the URD)</li> <li>■ Responsible Purchasing Charter including a section on eco-gestures and the preservation of biodiversity</li> <li>■ Human Rights Statement that includes an environmental section</li> </ul>
 Environment	<b>Reduction of the environmental footprint</b>	<ul style="list-style-type: none"> <li>■ Assessment of Korian's carbon footprint in 2022 (based on 2021 data) by an external third party (see 3.6.2 of the URD)</li> <li>■ Working group created in 2022 to reduce energy consumption and diversify the energy mix</li> <li>■ High Environmental Quality (HQE) or equivalent building certification (see 3.6.3 of the URD)</li> <li>■ Inclusion of criteria on reducing environmental impact in purchasing call for tenders procedures in order to meet Korian's commitments (see 3.5.2 of the URD)</li> <li>■ National maintenance plan (France), the actions are listed and reported in a register and in a tool (see 3.6.3 of the URD)</li> <li>■ Assessment of Korian's carbon footprint in 2019 performed by an external third party on the business scope in France, Germany, Belgium and Italy (see 3.6.2 of the URD)</li> <li>■ Low-carbon roadmap for building energy to 2030, with a target of -40% (see 3.6.3 of the URD)</li> <li>■ Responsible Purchasing Charter that includes a section on reducing the carbon footprint</li> <li>■ Human Rights Statement including an environmental component</li> <li>■ Centralised platform for consolidating energy consumption</li> <li>■ 2023 performance share plan including a criterion on the reduction of carbon emissions (see 3.1.1 of the URD)</li> </ul> <p><b>Best practices:</b></p> <ul style="list-style-type: none"> <li>■ European campaign to raise awareness of eco-friendly behaviours (see 3.6.3 of the URD)</li> <li>■ Training seminar for the European Works Council dedicated to CSR led by the "La Fresque du Climat" organisation</li> </ul>

## System for monitoring actions

## Assessment of the system for monitoring actions – KPIs

<ul style="list-style-type: none"><li>■ Korian Standards (nursing homes and clinics) rolled out</li><li>■ Monitoring of the collection of residual waste and of infectious medical waste (see 3.6.4.4 of the URD)</li><li>■ Group and Country whistleblowing system - Integrity Line &amp; other channels</li></ul>	<ul style="list-style-type: none"><li>■ Ratio of infectious medical waste per site: 7.3 kg/bed</li></ul>
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<ul style="list-style-type: none"><li>■ Energy audits (see 3.6.3 of the URD)</li><li>■ Group carbon assessment</li><li>■ Action plans associated with energy audits (see 3.6.3 of the URD)</li><li>■ Low-carbon roadmap for building energy (see 3.6.3 of the URD)</li><li>■ Monitoring and reduction of residual waste (see 3.6.4.4 of the URD)</li></ul>	<ul style="list-style-type: none"><li>■ Reduction of kgCO<sub>2</sub>/m<sup>2</sup> emissions in 2022 vs 2021: -14%</li><li>■ Percentage of new High Environmental Quality (HQE) or equivalent projects: 100%</li></ul>
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## 3.8 Appendices

### 3.8.1 SASB HEALTHCARE DELIVERY CROSS-REFERENCE TABLE

The Sustainability Accounting Standards Board (SASB) is an American non-profit organisation that has developed a system for classifying industries according to their ESG risks and opportunities. The SASB standards identify environmental, social and governance issues related to the financial performance of each industry, in order to propose indicators of the company's value that are relevant to both investors and companies. As the SASB standards are based on American practices and regulations, some of the indicators are therefore not applicable to the Group.

In 2021, Korian published for the first time a reconciliation of the data included in its Universal Registration Document with the SASB Healthcare Delivery standard, to which the Group adheres.

However, the Healthcare Delivery activity is only one component of the Group's business (described in Chapter 1 of this Universal Registration Document). The residents and patients of the Group's post-acute and medico-social facilities are monitored medically (mainly for chronic pathologies), but the Group has no hospital activities and its surgical clinics are located solely in Italy. Some of the indicators of this standard do not, therefore, apply to the Group's business. In such cases, the Group has proposed, where possible, an alternative indicator to address the topic.

SASB Code	SASB metric	SASB category	SASB measurement unit	2021	
				Information published by Korian	URD Section
<b>Energy management</b>					
HC-DY-130a.1	(1) Total energy consumed, (2) Percentage of grid electricity, (3) Percentage of renewable energy	Quantitative	Gigajoules (GJ) Percentage (%)	(1) Korian publishes the total energy consumed in kWh: Total energy consumption: 725,336,917 kWh in 2022. (2) 36% electricity. (3) Korian does not publish the percentage of renewable energy. For more information, see the paragraph opposite.	3.6.3
<b>Waste management</b>					
HC-DY-150a.1	Total amount of medical waste, percentage (a) incinerated, (b) recycled or treated and (c) landfilled	Quantitative	Metric tons (t)	The quantity of infectious medical waste was 7.3 metric tons per bed in 2022 (see the opposite paragraph). This waste is collected and processed using regulatory channels in the countries in which Korian operates. Korian does not have information on this processing.	3.6.4.4.3
HC-DY-150a.2	Total quantity of: (1) pharmaceutical waste and (2) non-hazardous pharmaceutical waste, percentage (a) incinerated, (b) recycled or treated, and (c) landfilled	Quantitative	Metric tons (t) Percentage (%)	(1) (2) Korian does not publish this type of information. In the countries where the Group operates, the recovery and destruction of pharmaceutical waste is governed by regulations and is the responsibility of the States, which set up appropriate collection systems for unused or expired drugs (obligation stipulated by EU Directive 2004/27/EC of 31 March 2004).	

SASB Code	SASB metric	SASB category	SASB measurement unit	2021	
				Information published by Korian	URD Section
<b>Patient privacy and electronic medical records</b>					
HC-DY-230a.1	Percentage of electronic patient medical records (EMR) meeting the "significant use" requirements	Quantitative	Percentage (%)	100% of resident and patient records are digitised. More information can be found in the paragraph opposite.	
HC-DY-230a.2	Description of policies and practices to secure protected client health records (PHI) and other personally identifiable information (PII)	Discussion and analysis		Korian publishes information on risk management relating to information systems, cyber security and personal data protection that may impact its residents and patients, as well as details of its Group personal data protection policy (in accordance with the GDPR). This information can be found in the paragraphs opposite.	2.1.5 3.2.4.1
HC-DY-230a.3	(1) Number of data breaches, (2) Percentage involving (a) personally identifiable information (PII) only and (b) protected health records (PHI), (3) Number of affected customers in each category, (a) PII only and (b) PHI.	Quantitative	Number Percentage (%)	(1) In 2022, 18 cases of data breaches were identified (the increase compared to 2021 is explained by a change in the scope of the indicator, with seven countries integrated in 2022 compared to three in 2021, and the development in all countries of a culture of reporting and transparency, linked to the deployment of data breach management and reporting processes).  (2) (a) 83% involving nominative data (b) 50% concerning protected health information.  (3) Korian does not publish the number of customers concerned in each category.  More information on the Group's strategy in terms of personal data protection and cybersecurity are available in the opposite paragraph.	3.2.4.1
HC-DY-230a.4	Total amount of financial losses as a result of legal proceedings associated with data privacy and data security	Quantitative	Monetary value	No financial losses were attributable to legal proceedings associated with data privacy or data security.	
<b>Accessibility of services for low-income patients</b>					
HC-DY-240a.1	Discussion on the strategy for managing the combination of patient' situations in terms of insurance	Discussion and analysis		This indicator is not applicable in the European context.	Not applicable
HC-DY-240a.2	Disproportionate Share Hospital (DSH) (Hospitals serving a disproportionate proportion of patients covered by Medicare) adjustment payments received	Quantitative	Monetary value	This indicator is not applicable in the European context.	Not applicable

SASB Code	SASB metric	SASB category	SASB measurement unit	2021	
				Information published by Korian	URD Section
<b>Quality of care and patient satisfaction</b>					
HC-DY-250a.1	Average total hospital performance score in terms of value-added purchases and domain scores, for all facilities	Quantitative	Number	This indicator is not applicable in the European context.	Not applicable
HC-DY-250a.2	Number of Serious Reportable Events (SRE) as defined by the National Quality Forum (NQF)	Quantitative	Percentage (%)	Korian publishes the frequency rate of Serious Adverse Events (SAEs) relating to the health, safety and security of residents and patients, according to its own guidelines. The definition of SAEs is common to all Group entities. The ratio was 0.47 per 10,000 billed days in 2022. Further information can be found in the paragraph opposite.	3.2.4.2
HC-DY-250a.3	HAC score (nosocomial infection rate) by hospital	Quantitative	Number	Nosocomial illnesses are reportable illnesses, which must be reported to the authorities and monitored as Serious Adverse Events (SAEs). However, Korian does not monitor nosocomial illnesses separately from other SAEs related to treatment. It is not, therefore, possible to provide an infection rate. For the healthcare facilities, the Group's countries concerned (France and Italy) define a policy for the prevention and control of infections in hospitals, in accordance with local regulations, and have dedicated prevention and treatment protocols. Each clinic has a Healthcare-Associated Infections Control Committee. In the Group's surgical clinics (only present in Italy), the prevention of nosocomial infections is integrated into the risk management system through specific procedures (such as prophylaxis and monitoring of patients during their stay). Cases of infection are recorded in the patient's medical records, are reported to the Risk Manager and are reviewed during internal audit meetings.	
HC-DY-250a.4	Excess readmission rate by hospital	Quantitative	Ratio	This indicator is not considered applicable as Korian does not operate any hospital activities.	Not applicable
HC-DY-250a.5	Scale of the adjustment of payments for readmission under the Hospital Readmissions Reduction Programme (HRRP)	Quantitative	Monetary value	This indicator is not considered applicable in the context of European legislation.	Not applicable

SASB Code	SASB metric	SASB category	SASB measurement unit	2021	
				Information published by Korian	URD Section
<b>Management of controlled substances</b>					
HC-DY-260a.1	Description of policies and practices for managing the number of prescriptions issued for controlled substances	Discussion and analysis		Korian follows the regulations in force in the European market. All drugs are subject to marketing authorisation. The drugs dispensed by the Group's facilities have been prescribed by doctors. The drug circuit, from prescription to administration, complies with the legislation in force in each country and recommendations on the proper use of drugs.	
HC-DY-260a.2	Percentage of controlled substance prescriptions written for which a request was sent to a Prescription Drug Monitoring Programme (PDMP) database	Quantitative	Percentage (%)	This indicator is not considered applicable in the context of European legislation.	
<b>Pricing and billing transparency</b>					
HC-DY-270a.1	Description of policies or initiatives to ensure that patients are properly informed about the price before undergoing an operation	Discussion and analysis		For Italy (the only country where the Group has surgical clinics), the cost of the operation is presented and validated in advance by the patient: depending on the type of surgical procedure, the pricing may be determined by each clinic, which sets its prices out in a contract presented to the patient for validation (the cost depends on the implant, the equipment used, the costs of the staff and doctors, as well as the operating room). The cost borne by patients also depends on the rates and reimbursements charged by their insurance companies.	Regulations and pricing table – Chapter 8
HC-DY-270a.2	Discussion on the provision of pricing information for services to the public	Discussion and analysis		Information on the details of the regulations and provisions governing pricing and financing of healthcare and medico-social activities in each country where the Group operates can be found in Chapter 8 of the Universal Registration Document.	Regulations and pricing table – Chapter 8
HC-DY-270a.3	Number of the entity's 25 most common services for which pricing information is publicly available, percentage of total services performed (by volume) represented by these services	Quantitative	Number Percentage (%)	This indicator is not considered relevant due to the Group's activities.	

SASB Code	SASB metric	SASB category	SASB measurement unit	2021	
				Information published by Korian	URD Section
<b>Employee health and safety</b>					
HC-DY-320a.1	(1) Frequency rate of workplace accidents (TRIR) and (2) days away, restricted or transferred (DART)	Quantitative	Rate	(1) Frequency rate: 41 in 2022. (2) The corresponding indicator is the severity rate: 1.54 in 2022. Further information can be found in the paragraph opposite.	3.3.2.2
<b>Employee recruitment, training and retention policy</b>					
HC-DY-330a.1	(1) Voluntary and (2) involuntary employee turnover rate for: (a) doctors, (b) non-doctor healthcare professionals, and (c) all other employees	Quantitative	Rate	(1) Korian publishes the overall turnover rate for the Group: 21.5%. (2) Korian does not publish detailed information on turnover rates by category. Further information can be found in the paragraph opposite.	3.3.1
HC-DY-330a.2	Description of talent recruitment and retention efforts for healthcare professionals	Discussion and analysis		Korian publishes its Human Resources strategy relating to the attractiveness, recruitment and retention of employees, which breaks down as follows: <ul style="list-style-type: none"><li>■ rallying employees around an ambitious social foundation;</li><li>■ internal social promotion at the heart of Korian's employer promise;</li><li>■ a motivating social contract focused on fulfilment at work;</li><li>■ anticipating and taking appropriate action in view of the talent shortage in the sector;</li><li>■ qualifying training programmes. Korian hires via internal and external channels and invests in skills development. Internally, the Group is committed to qualifying training programmes, in particular the Validation of Acquired Experience and apprenticeships. Externally, the Group recruits via announcements or partnerships, or using innovative retraining schemes. It also carries out numerous initiatives to allow people seeking professional integration to discover its occupations. To learn more about these policies, as well as the Group's measures to promote well-being and quality of life at work, please refer to the paragraphs opposite.</li></ul>	3.3

SASB Code	SASB metric	SASB category	SASB measurement unit	2021	
				Information published by Korian	URD Section
<b>Impacts of climate change on the health of individuals and infrastructure</b>					
HC-DY-450a.1	Description of policies and practices regarding: (1) physical risks due to the increase in frequency and intensity of extreme weather events and (2) changes in morbidity and mortality rates linked to diseases related to climate change	Discussion and analysis		<p>(1) The physical risks related to the increase in the frequency and intensity of extreme weather events are presented in Chapter 2, on Risks, of the Universal Registration Document</p> <p>(2) This indicator is not monitored by Korian.</p> <p>Korian is committed to a low-carbon roadmap, in particular by improving the energy performance of its buildings and reducing the environmental footprint of its activities and those of its entire value chain in order to:</p> <ul style="list-style-type: none"> <li>▪ ensure compliance with European regulatory requirements;</li> <li>▪ contribute by upholding its responsibility as an actor proactively involved in the fight against global warming, by adapting its activities, and in the preservation of the environment.</li> </ul> <p>Please refer to the paragraphs opposite for more details.</p>	2.3.2 3.6.2 3.6.3 3.6.4
HC-DY-450a.2	Percentage of healthcare facilities that are compliant with the Centres for Medicare and Medicaid Services (CMS) emergency preparation policy	Quantitative	Percentage (%)	<p>This indicator refers to US regulations, which are not applicable to Korian.</p> <p>Korian complies with all regulations applicable in the countries in which it operates regarding emergency procedures and situations.</p> <p>In addition, Korian has set up a centralised crisis management system, which is described in the paragraph opposite.</p>	3.2.4.3
<b>Fraud and unnecessary procedures</b>					
HC-DY-510a.1	Total amount of financial losses due to legal proceedings associated with Medicare/Medicaid fraud under the US False Claims Act	Quantitative	Monetary value	<p>This indicator is not considered applicable in the European context.</p>	Not applicable
HC-DY-000.A	Number of (1) facilities and (2) beds, by type	Quantitative	Number	<p>At 31.12.2022:</p> <p>(1) 1,200 facilities.</p> <p>(2) Total number of beds: 87,994.</p>	
HC-DY-000.B	Number of (1) inpatient admissions and (2) out-patient visits	Quantitative	Number	<p>(1) (2) In 2022, 810,000 residents and patients were welcomed in long-term care nursing homes, clinics with full hospitalisation, or for outpatient consultations. Korian does not publish the details of this figure. It is also worth noting that these are not only hospitalised patients but also residents of long-term care nursing homes or assisted living facilities.</p>	

### 3.8.2 INDEXED ARTICLES PUBLISHED IN 2022

France	Molinier, V., Alexandre, F., Heraud, N.	Effectiveness comparison of inpatient vs. outpatient pulmonary rehabilitation: a systematic review
France	Chapel, B., Alexandre, F., Heraud, N., Ologeanu-Taddei, R., Cases, A.S., Bughin, F., Hayot, M.	Standardization of the assessment process within telerehabilitation in chronic diseases: A scoping meta-review
France	Caille, P., Stephan, Y., Sutin, A., Luchetti, M., Canada, B., Heraud, N., Terracciano, A.	Character and Change in Physical Activity across 3-10 years
France	Alexandre, F., Molinier, V., Hayot, M., Chevance, G., Moullec, G., Varray, A., Heraud, N.	Association between long-term oxygen therapy provided outside the guidelines and mortality in patients with COPD: Protocol for a Systematic Review and Individual Participant Data Meta-analysis
France	Mulin, E., Augustin, A., Gruet, M.	Toward a better understanding of fatigue in schizophrenia
France	Latrille, C., Chapel, B., Heraud, N., Bughin, F., Hayot, M., Boiche, J.	An individualized mobile health intervention to promote physical activity among adults with obstructive sleep apnea: An intervention mapping approach.
France	Hognon L., Heraud N., Varray A., Torre K.	Complex systems approaches to the adaptability of human functions and behaviour in health, aging, and chronic diseases: protocol for a meta-narrative review
France	Caille, P., Stephan, Y., Alexandre, F., Molinier, V., Heraud, N.	Do personality traits predict physical activity and sedentary behaviour 6 months after an inpatient pulmonary rehabilitation program in patients with chronic respiratory diseases?
France	Bughin, F., Mendelson, M., Jaffuel, D., Pépin, J.-L., Gagnadoux, F., Goutorbe, F., Abril, B., Ayoub, B., Aranda, A., Alagha, K., Pomies, P., Roubille, F., Mercier, J., Molinari, N., Dauvilliers, Y., Heraud, N., Hayot, M.	Impact of a telerehabilitation program combined with CPAP on symptoms and cardiometabolic risk factors in obstructive sleep apnea patients. Study protocol for a randomized, controlled, multicenter study.
France	Alexandre, F., Molinier, V., Hognon, L., Charbonnel, L., Calvat, A., Castanyer, A., Henry, T., Marcenac, A., Jollive, M., Vernet, A., Oliver, N., Heraud, N.	Does fatigue predict the slowdown in exercise capacity improvement during a short inpatient pulmonary rehabilitation program?
France	Fiona Ecarnot, Stéphane Sánchez, Gilles Berrut, Véronique Suissa, Serge Guérin	Defining Your "Life Territory": The Meaning of Place and Home for Community Dwellers and Nursing Home Residents — A Qualitative Study in Four European Countries
France	Lea Peroni, Didier Armaingaud, Stéphane Sánchez, Monique Rothan-Tondeu	Representations of English- and French-speaking Internet users on urinary incontinence: a webometric study
France	Lea Peroni, Didier Armaingaud, Stéphane Sánchez, Monique Rothan-Tondeu	Perceptions, representations and logics of action of urinary incontinence in institutionalized elderly people: a concurrent mixed study protocol
France	Fabrice Mbalayen, Valentine Dutheillet-de-Lamothe, Aude Letty, Solenn Le Bruchec, Manon Pondjikli, Gilles Berrut, Lamia Benatia, Biné Mariam Ndiongue, Marie-Anne Fourrier, Didier Armaingaud, Loïc Josseran, Elisabeth Delarocque-Astagneau and Sylvain Gautier	The Covid-19 Pandemic and Responses in Nursing Homes: A Cross-Sectional Study in Four European Countries
France	Lea Peroni, Didier Armaingaud, Tassadit Yakoubi, Monique Rothan-Tondeur	Social representations of urinary incontinence in caregivers and general population: a focus group study
Spain	Guerrero-Cuevas, B., Valero-Aguayo, L., Solano-Martinez, D., Priore-Molero, C., Perea-Barba, A., Afán de Rivera, MA	Detection of Eating problems and their Relationship with eating habits in adolescents
Spain	Evans, C., Paz, C., Medina, JC., Georghiades, A., Pascual, M., Fernandez-Naranjo, R., Anastasiadou, D., Grau, A.	Sociodemographic and clinical characteristics of adolescents attending an integrated treatment for eating disorders in Spain: The ITAMITED project
Spain	Guillen-Botella, V., Fonseca-Baeza, S., Perez, S., Garcia-Alandete, J., Marco, JH., Grau, A.	An intervention for family members of people with suicidal behaviour.
Spain	Evans, C., Paz, C., Medina, JC., Georghiades, A., Pascual, M., Fernandez-Naranjo, R., Anastasiadou, D., Grau, A.	Sociodemographic and clinical characteristics of adults attending an integrated treatment for eating disorders in Spain: The ITAMITED project
Belgium	Joren Raymenants, Caspar Geenen, Lore Budts, Jonathan Thibaut, Marijn Thijssen, Hannelore De Mulder, Sarah Gorissen, Bastiaan Craessaerts, Lies Laenen, Kurt Beuselinck, Sien Ombelet, Els Keyaerts, Emmanuel André	Natural ventilation, low CO <sub>2</sub> and air filtration are associated with reduced indoor air respiratory pathogens
Belgium	Ariën, K. & Heyndrickx, Leo & Michiels, Johan & Vereecken, Kathleen & Lent, Kurt & Coppens, Sandra & Willems, Betty & Panus, Peter & Martens, Geert & Van Esbroeck, Marjan & Goossens, Maria & Marchant, Arnaud & Bartholomeeusen, Koen & Desombere, Isabelle.	Three doses of BNT162b2 vaccine confer neutralizing antibody capacity against the SARS-CoV-2 Omicron variant.

### 3.8.3 NOTE ON METHODOLOGY

Following the transposition in France of European Directive 2014/95/EU of 22 October 2014 on the publication of social and environmental information (Order no. 2017-1180 of 19 July 2017, OJ of 21/7, and Decree 2017-1265 of 9 August 2017, OJ of 11/8), as amended by Order no. 2017-1180 of 19 July 2017 and Decree no. 2017-1265 of 9 August 2017, Korian publishes a statement of non-financial performance (SNFP) in its universal registration document.

The cross-reference table with the social, environmental and societal information to be included in the non-financial performance statement is published in Section 8.5 of this Universal Registration Document.

This methodological note specifies the methods used for collecting and calculating the key performance indicators included in the Group's SNFP.

#### Reporting scope and consolidation method

The indicators published in 2022 concern the Group scope, excluding the acquisitions made in 2022. They therefore concern, with the exceptions mentioned in the SNFP, the following countries: Germany, Belgium, Spain, France, Italy, the Netherlands, and the United Kingdom.

A Group framework has been established for the KPIs of the 2019-2023 roadmap (the monitoring table of which is included in the introduction) as well as a dedicated framework for the HR indicators, which together make up the non-financial indicators. The purpose of these documents is to harmonise and formalise the definitions, calculation methods, governance and reporting procedures.

#### Specific features of the reporting scope for Positive Care and ISO 9001 certification

In June 2020, the Group completed a private placement based on non-financial performance criteria: the Sustainability Linked Euro PP. The annual calculation of the

#### Frequency of Serious Adverse Events (SAEs)

$$\left( \frac{\text{Number of SAEs related to the health, safety and security of residents and patients in 2022}}{\text{Total days billed in 2022}} \right) \times 10,000$$

In 2022, the design of the indicator was clarified as regards:

■ **the definitions:**

- safety-related incidents refer to accidents (without malicious intent),
- security-related incidents refer to malicious actions;

■ **the reasons and status of the incidents selected:**

- the reasons for the incidents used in the calculation of the indicator are those directly related to the health, safety and security of residents and patients. This represents approximately 54% of the total SAEs declared in 2022,

ESG objectives associated with this placement is based on the Group scope dating from 2019 and including 836 facilities, excluding the disposals and closures made since the scope was established. In 2021 and 2022, this scope was therefore restated to account for the exit from the scope of 55 facilities, thus defining the basis for the calculation of these indicators at 781 facilities in 2022. The indicators calculated on this basis are the deployment of Positive Care and ISO 9001 certification.

#### Reporting period

The quantitative indicators are calculated for the calendar year, from 1 January to 31 December 2022 (12 months), with data as at 31 December 2022. Some indicators do not comply with this rule for reasons of data availability and are calculated on a rolling 12-month basis. This particularity is indicated in the definitions of the indicators concerned, in this methodological note.

#### Data collection

The data relating to the defined scopes were collected by the Group CSR Department, directly from the relevant Group departments or countries.

#### External audit

The ESG information provided was subject to an external audit by Mazars SAS, appointed as an independent third party and member of the Mazars SA network, the Company's Statutory Auditor.

Detailed tests were carried out on the key performance indicators mentioned in the report in Section 3.9, and the other data were reviewed for consistency and accuracy.

#### Methodological clarifications and limitations

When data could not be obtained for all countries, changes in the scope are mentioned in this methodological note.

## Share of ISO 9001-certified facilities

The certified facilities are included in the database of 781 facilities used to calculate the ESG objectives related to the Euro PP placement in 2022.

## Share of Positive Care facilities

This same Euro PP scope of 781 facilities includes long-term care nursing homes open for at least two years, i.e. 697 facilities (excluding Spain and the United Kingdom), where non-drug Positive Care therapy equipment is deployed for which at least one of the employees has completed training.

## Number of trained “personal data” officers

The personal data officers are employees identified within the Group as “privacy champions” because of their operational responsibilities requiring awareness. On subjects related to the protection of personal data, they provide, as part of their role, a link between the Data Protection Officer of the country in which they work and the other employees.

This indicator was collected for all Group countries excluding the United Kingdom.

As of 31 December 2022, the officers trained over the last two years (in 2021 and 2022) were recognised. An officer trained several times during these two years is counted only once.

Some of the officers counted may have left the Group since their training.

## Recruitment

The number of hires covers the number of permanent employees whose contracts started during the period.

## Average tenure

Number of years of service for the permanent workforce at the end of the period divided by the permanent workforce at the end of the period. For the acquired companies, the length of service of their employees is retained.

## Frequency rate

Number of workplace accidents with work stoppage multiplied by 1,000,000, divided by the number of hours worked.

## Severity rate

Number of days lost following a workplace accident multiplied by 1,000, divided by the number of hours worked.

## Absenteeism rate

Number of hours of absence for the permanent workforce for the following reasons: sick leave, occupational illness, workplace accident, commuting accident or unauthorised absence, divided by the number of theoretical hours worked for the permanent workforce. This indicator is calculated on a rolling 12-month basis.

## Turnover rate

Number of departures from the permanent workforce divided by the permanent workforce. This indicator is calculated on a rolling 12-month basis.

## The number of employees with a disability

This indicator is published excluding the Netherlands and the United Kingdom.

## Share of employees involved in qualifying training programmes

Number of permanent and temporary employees committed to a qualifying training programme during the period divided by the average annual Group FTE.

A qualifying training programme must lead to an external diploma or recognised certification. If the training is organised in-house, then its content must be validated by a public authority or body, in order for the diploma or certification issued to be recognised. This type of training generally lasts at least 25 hours.

The types of qualifying training programmes included are, for example, apprenticeships, the Validation of Acquired Experience (VAE), or the s.Keys facility director training programme. Mandatory or regulatory training courses are not recognised as qualifying training programmes.

## Number of scientific publications

Scientific articles published during the period in indexed journals with a Digital Object Identifier System (DOI) number and whose authors include at least one Korian employee or a person affiliated with the Korian Foundation for Ageing Well when the article was published are recorded. Written or oral communications presented at scientific conferences are also recorded when a representative of Korian or the Korian Foundation for Ageing Well appears on the list of authors.

## Share of suppliers assessed using the EcoVadis platform

The Group asks its preferred suppliers, characterised by the purchase amounts and centralised management by the Purchasing Department, to be assessed by the non-financial rating agency EcoVadis, in order to be able to monitor their ESG performance. This indicator is calculated on the basis of 692 preferred suppliers (excluding the United Kingdom). Only preferred suppliers were included in the indicator this year.

## Share of local purchases in Group Purchases

This indicator is calculated on the basis of the responses to a questionnaire sent to 692 tier-one preferred suppliers (excluding suppliers in the United Kingdom). In 2022, the indicator only concerned preferred suppliers.

This ratio corresponds to the share of revenue generated by these suppliers with the Group that they declare to be generated locally, i.e., in the same country or region as those where the ordering facility is located.

Various criteria indicated in the questionnaire were used to qualify local purchases, depending on the type of purchases. For food products, the country of origin is taken into account for fruit and vegetables; for meat, the animal must have been born, raised and slaughtered in the same country; and for fish, it is the fishing area that is considered. For processed products, at least 50% of the raw materials must come from the country where the facility is located. For manufactured products, the criterion of the last substantial transformation is used. Services are qualified as local purchases when they contribute to job creation in the same country as the facility.

### Share of the Group's purchases made from small- and medium-sized enterprises (SMEs)

This indicator was calculated with the help of an external consultancy for Group purchases (France, Germany, Belgium, Italy, the Netherlands and Spain), excluding Italian cooperatives. Only cumulative expenses of more than €50 thousand were taken into account in the analysis, excluding rents.

The European Commission definition is used, which establishes the following thresholds:

- small business: fewer than 50 employees and revenue less than or equal to €10 million or total balance sheet less than or equal to €10 million;
- medium-sized company: less than 250 employees and revenue less than or equal to €50 million or total balance sheet less than or equal to €43 million.

This indicator is calculated on a rolling 12-month basis.

### Share of facilities involved in a project with local communities

This indicator is calculated on the basis of the responses to a questionnaire sent to 906 facilities (healthcare facilities and long-term care nursing homes) and records the share of facilities that had, during 2021, a partnership with a local or international charitable association, resulting in an intervention within the facility or a joint project. The rate of response to this questionnaire was 76%. The 2021 results were used in 2022.

### Share of facilities with Social Life Committees or User Commissions or equivalent

This indicator is calculated on the basis of the responses to a questionnaire sent to 898 facilities (healthcare facilities and long-term care nursing homes) and records the share of facilities that have a forum for dialogue in which residents or patients, as well as their relatives, can participate. The rate of response to this questionnaire was 74%. The questionnaire results were updated in 2022 for Italy, as the 2021 results suggested that the questions may have been misunderstood.

### Percentage of new buildings certified to High Environmental Quality (HQE) or equivalent

New Greenfield (new building) projects included in the portfolio following the first Investment Committee, and meeting the certification criteria for HQE or equivalents, are recorded.

### Energy consumption and associated carbon emissions

Each country provided its energy consumption figures, based on 2022 invoices, information given by service providers or readings taken by the facilities. The data recorded come from the following energy sources: electricity, gas, propane, heating network, wood and fuel oil. The breakdown is presented in Section 3.6.3.

These data are consolidated in a Group tool, which also makes it possible to calculate the greenhouse gas emissions associated with energy consumption.

The energy consumption and the associated carbon emissions are divided by the total surface areas for which energy consumption has been communicated, in order to obtain two intensity indicators.

The emission factors were updated in 2021. The emission factors used for the conversions are as follows:

Country	Energy	Unit	2022 emission factors	Sources
France	Natural gas	kgCO <sub>2</sub> e/kWh HCV	<b>0.205</b>	ADEME
	Electricity	kgCO <sub>2</sub> e/kWh	<b>0.0599</b>	ADEME
	Fuel oil	kgCO <sub>2</sub> e/kWh LCV	<b>0.324</b>	ADEME
	Propane gas	kgCO <sub>2</sub> e/kWh LCV	<b>0.272</b>	ADEME
	Urban heating networks	kgCO <sub>2</sub> e/kWh	<b>Related to the site location. See below</b>	See below
Germany	Natural gas	kgCO <sub>2</sub> e/kWh HCV	<b>0.201</b>	BAFA <sup>(1)</sup>
	Electricity	kgCO <sub>2</sub> e/kWh	<b>0.267</b>	Supplier
	Fuel oil	kgCO <sub>2</sub> e/kWh	<b>0.266</b>	BAFA <sup>(1)</sup>
	Propane gas	kgCO <sub>2</sub> e/kWh	<b>0.239</b>	BAFA <sup>(1)</sup>
	Urban heating networks	kgCO <sub>2</sub> e/kWh	<b>Average used: 0.28</b>	BAFA <sup>(1)</sup>
Belgium	Wood	kgCO <sub>2</sub> e/kWh	<b>0.027</b>	BAFA <sup>(1)</sup>
	Natural gas	kgCO <sub>2</sub> e/kWh HCV	<b>0.214</b>	ADEME
	Electricity	kgCO <sub>2</sub> e/kWh	<b>0.22</b>	ADEME
	Propane gas	kgCO <sub>2</sub> e/kWh LCV	<b>0.269</b>	ADEME
	Fuel oil	kgCO <sub>2</sub> e/kWh LCV	<b>0.324</b>	ADEME
Italy	PV	kgCO <sub>2</sub> e/kWh		<a href="https://app.electricitymaps.com/zone/BE">https://app.electricitymaps.com/zone/BE</a> IPCC 2014
	Natural gas	kgCO <sub>2</sub> e/kWh HCV	<b>0.214</b>	ADEME
	Electricity	kgCO <sub>2</sub> e/kWh	<b>0.24571</b>	ISPRA (National agency)
	Green energy electricity	kgCO <sub>2</sub> e/kWh	<b>0.04293</b>	ISPRA (National agency)
	Propane gas	kgCO <sub>2</sub> e/kWh LCV	<b>0.269</b>	ADEME
Spain	Fuel oil	kgCO <sub>2</sub> e/kWh LCV	<b>0.324</b>	ADEME
	Urban heating networks	kgCO <sub>2</sub> e/kWh	<b>Related to the site location. Four sites concerned: ■ Vittoria Residence: 0.02 ■ Crocetta Residence: 0.161 ■ MAZZARELLO: 0.165 ■ BOSCO DELLA STELLA: 0.165 TBC</b>	Supplier
	Natural gas	kgCO <sub>2</sub> e/kWh HCV	<b>0.214</b>	ADEME
	Electricity	kgCO <sub>2</sub> e/kWh	<b>0.238</b>	ADEME
	Propane gas	kgCO <sub>2</sub> e/kWh LCV	<b>0.269</b>	ADEME
Netherlands	Fuel oil	kgCO <sub>2</sub> e/kWh LCV	<b>0.324</b>	ADEME
	Natural gas	kgCO <sub>2</sub> e/kWh HCV	<b>0.214</b>	ADEME
	Electricity	kgCO <sub>2</sub> e/kWh	<b>0.415</b>	ADEME
	Propane gas	kgCO <sub>2</sub> e/kWh LCV	<b>0.269</b>	ADEME
	Fuel oil	kgCO <sub>2</sub> e/kWh LCV	<b>0.324</b>	ADEME
United Kingdom	Electricity	kgCO <sub>2</sub> e/kWh	<b>0.283</b>	IEA
	Natural gas	kgCO <sub>2</sub> e/kWh HCV	<b>0.214</b>	ADEME

(1) BAFA: Federal Office for Economic Affairs and Export.

Heating network for facilities in France	Urban heating networks emission factor	Sources
KORIAN LE DOUBS RIVAGE	0.053	ADEME
KORIAN LA FERME DU MARAIS	0.063	ADEME
KORIAN SAINT-SIMON	0.172	ADEME
KORIAN LES GRANDS CRUS	0.07	ADEME
KORIAN FONTAINE ST MARTIN	0.103	ADEME
KORIAN MARIE D'ALBRET	0.072	ADEME
KORIAN PARC DES DAMES	0.144	ADEME
KORIAN RIVE DE SELUNE	0.051	ADEME
KORIAN MARISOL	0.231	ADEME
KORIAN CASTEL VOLTAIRE	0.282	ADEME
KORIAN LES ACACIAS	0.039	Supplier
LES ESSENTIELLES NANCY	0.08	ADEME
LES ESSENTIELLES LA ROTONDE	0.036	ADEME
KORIAN LA SPINALE	0.057	ADEME
KORIAN LES CLARINES	0.04	ADEME

## Water consumption

Each country provided its water consumption figures, based on the 2022 invoices, information given by service providers or readings taken by the facilities. These data are consolidated within the same Group tool used for energy consumption and for the calculation of the associated carbon emissions.

The indicator is communicated in relation to the number of beds at the facilities that have reported their consumption, in order to obtain an intensity ratio: volume of water per bed.

## Tonnage of residual waste

The Group's definition of residual waste corresponds to the portion of waste remaining after selective collection and which cannot be reused or recycled.

The weight of the residual waste was consolidated in 2022 based on the information provided by the countries and facilities, either from the weighing by the collection service provider (for Belgium), or from an estimate based on the volume of waste containers and the frequency of collection.

Data on the tonnages of residual waste were collected from 887 sites in 2022, i.e., a coverage rate of 94%, in France (excluding Ages & Vie), Germany, Belgium, Italy, Spain and the Netherlands, and include two sites with an outpatient activity.

## Tonnage of infectious medical waste

Infectious medical waste is inherent to Korian's care activity and is a sub-category of medical waste. Infectious medical waste, as defined by the Group, is waste that presents an infectious risk because it contains viable microorganisms, or their toxins, which are known to cause (or one has good reason to believe may cause) disease in humans or other living organisms due to their nature, quantity or metabolism.

Depending on the countries in which the Group operates and their respective regulations, infectious medical waste may be counted with residual waste, collected by the doctors who administer the care, or be collected by pharmacies, which explains why quantitative data cannot be systematically collected separately. In 2022, data on the tonnage of infectious medical waste was collected in France and Spain.

*Information on the respect for animal welfare is not dealt with in this Universal Registration Document as it is not considered relevant for the Group. However, it is recalled that animals may be present in the facilities, and most of the time belong to the residents themselves.*

## 3.9 Independent third-party report on the verification of the consolidated non-financial performance statement included in the management report

**For the financial year ended 31 December 2022**

To the shareholders:

As an independent third-party body, member of the Mazars network, Korian's statutory auditor, accredited by COFRAC Inspection under number 3-1058 (scope of accreditation available on [www.cofrac.fr](http://www.cofrac.fr)), we carried out work aimed at formulating a reasoned opinion expressing a conclusion of moderate assurance on the historical information (recorded or extrapolated) of the consolidated non-financial performance statement, as well as, at the request of the company and outside the scope of accreditation, a conclusion of reasonable assurance on a selection of information, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the financial year ended 31 December 2022 (hereinafter respectively the "Information" and the "Statement"), presented in the group's management report in accordance with the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

### Opinion of moderate assurance

Based on the procedures that we implemented, as described in the section "Nature and scope of our work", and the information that we collected, we did not identify any material anomaly likely to call into question the fact that the consolidated non-financial performance statement complies with the applicable regulatory provisions and that the Information, taken as a whole, is fairly presented, in accordance with the Guidelines.

### Reasonable assurance report on selected CSR information

With regard to the information selected by the company and bearing the ✓ sign in Appendix 1, and at the company's voluntary request, we performed similar procedures to those described in the "Nature and scope of our work" section below, in respect of the key performance indicators and other quantitative results that we deemed the most important, albeit taking a more in-depth approach, in particular with regard to the number of tests conducted.

The selected sample therefore accounts for 86% of the workforce and between 80% and 83% of the environmental information considered.

We believe this work allows us to express an opinion with reasonable assurance on the information collected.

### Opinion of reasonable assurance

In our opinion, all of the relevant aspects of the information selected by the company and identified by the ✓ sign in Appendix 1, were gathered in compliance with the Guidelines.

### Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used reference framework or established practices on which to evaluate and measure the Information allows the use of different but acceptable measurement techniques that may affect the comparability between entities and over time.

Consequently, the Information should be read and understood with reference to the Guidelines, the significant items of which are presented in the Statement.

### Limitations inherent to the preparation of the Information

The Information may be subject to inherent uncertainty in the state of scientific or economic knowledge and in the quality of the external data used. Some items of information are sensitive to the methodological choices, assumptions and/or estimates used to prepare them and are presented in the Statement.

## The company's responsibility

The Board of Directors is responsible for

- selecting or establishing appropriate criteria for the preparation of the Information;
- preparing a Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators and the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- as well as setting up the internal control that it deems necessary to prepare Information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared in accordance with the entity's Guidelines as mentioned above.

## Responsibility of the Independent Third Party

Based on our work, it is our responsibility to express a reasoned, moderate assurance opinion on:

- the compliance of the Statement with the provisions laid out in Article R. 225-105 of the French Commercial Code;
- the accuracy of the historical information (recorded or extrapolated) provided in accordance with (3) of Sections I and II of Article R. 225-105 of the French Commercial Code, namely the outcomes of policies, including key performance indicators, and the actions taken in relation to the main risks.

As we are responsible for drawing an independent conclusion on the Information as prepared by management, we are not authorised to be involved in the preparation of such Information as this could compromise our independence.

At the company's request and outside the scope of accreditation, it is also our responsibility to provide a conclusion expressing reasonable assurance that all significant aspects of the information selected by the entity (1) were gathered in compliance with the Guidelines.

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions (in particular in terms of the information provided for by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the vigilance and anti-corruption plan or tax evasion);
- the accuracy of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with applicable regulations.

## Regulatory provisions and applicable professional doctrine

Our work, as described below, was carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, the professional doctrine of the French National Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this audit in lieu of an audit programme and the international standard ISAE 3000 (revised).

## Independence and quality control

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the professional Code of Ethics for Statutory Auditors. In addition, we implemented a quality control system that includes documented policies and procedures to ensure compliance with the applicable legal and regulatory texts, ethical rules and the professional doctrine of the French National Institute of Statutory Auditors relating to this assignment.

## Means and resources

Our work relied on the skills of four people between October 2022 and April 2023 and was carried out over a total period of six weeks.

To assist us in carrying out our work, we called on our specialists in sustainable development and corporate social responsibility. We conducted around 15 interviews with the people responsible for preparing the Statement, representing in particular general management and the risk management, compliance, human resources, health and safety, environment and purchasing departments.

(1) Share of employees involved in qualifying training programmes; Share of facilities with ISO 9001 certification; CO<sub>2</sub> emissions related to energy (Scopes 1 and 2) CO<sub>2</sub>eq/m<sup>2</sup>.

## Nature and scope of our work

We planned and carried out our work taking into account the risk of material misstatement of the Information.

We believe that the procedures we conducted, exercising our professional judgment, enable us to formulate a conclusion of moderate assurance:

- we familiarised ourselves with the business activity of all of the entities included in the scope of consolidation and the report on the main risks relating to them;
- we assessed the appropriateness of the Guidelines in terms of their relevance, comprehensiveness, reliability, neutrality, and clarity, taking into account, where applicable, best practices in the sector;
- we verified that the Statement covers each category of information stipulated in Section III of Article L. 225-102-1 governing social and environmental matters, as well as, the respect for human rights and the prevention of corruption and tax evasion;
- we checked that the Statement presents the information stipulated in Section II of Article R. 225-105, where relevant in terms of the main risks, and includes, where applicable, an explanation of the reasons justifying the absence of the information required by paragraph 2 of Section III of Article L. 225-102-1;
- we verified that the Statement presents the Group's business model and a description of the main risks associated with operations at all the entities included in the scope of consolidation, including, where relevant and proportionate, the risks generated by its business relations, products or services, as well as policies, actions and outcomes, including the key performance indicators in respect of the main risks;
- we referred to documentary sources and conducted interviews to:
  - assess the process for selecting and validating the main risks, as well as the consistency of outcomes, including the key performance indicators chosen, in light of the principle risks and policies presented, and
  - corroborate the qualitative information (actions and outcomes) that we deemed most important, as presented in Appendix I. For certain risks, (1) our work was carried out at the level of the consolidating entity, for other risks, work was carried out at the level of the consolidating entity and in a selection of entities (2);
- we checked that the Statement covers the Group's consolidated scope, namely all the entities included in the scope of consolidation in accordance with Article L. 233-16, with the limits set out in the Statement;
- we examined the internal control and risk management procedures put in place by the entity and assessed the collection processes to ensure the comprehensiveness and accuracy of the Information;
- as regards the key performance indicators and the other quantitative outcomes we deemed most important, as presented in Appendix I, we performed:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes therein,
  - detailed tests using sampling techniques or other means of selection, consisting of verifying the proper application of definitions and procedures and reconciling the data with the supporting documents. This work was performed on a selection of consolidated entities and covered between 80% and 100% of the consolidated data selected for these tests;
- we assessed the consistency of the Statement as a whole based on our understanding of all entities included in the scope of consolidation.

The procedures implemented as part of a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine of the French National Institute of Statutory Auditors; the procedures implemented for reasonable assurance require more extensive verification work.

Independent third-party.

Mazars SAS

Paris La Défense, 20 April 2023

Anne Veautre

Partner

Edwige Rey

CSR & Sustainable Development Partner

(1) Treatment and care; Damage to reputation; Information systems, Cybersecurity and personal data protection; Real estate development and construction; Business ethics.

(2) France, Germany and Belgium.

# Appendix 1: information considered to be the most important

**List of key performance indicators and other quantitative results considered to be the most important and selection of contributing entities and countries that have been tested in detail.**

(v) Information reviewed with reasonable assurance.

<b>Key performance indicators</b>	<b>Audited entities</b>
Number of hours of on-site training provided;	
Share of employees involved in qualifying training programmes ✓;	
Absenteeism rate.	
Share of employees with a disability;	France
FTE;	Belgium
Turnover.	Germany
Share of employees covered by a social dialogue mechanism or a collective agreement;	
Percentage of women in Top Management.	Group
Korian carbon footprint (GHG emissions Scopes 1 & 2) ✓;	France
Energy consumption per m <sup>2</sup> ;	Belgium
Tonnage of residual waste.	Germany
Share of ISO 9001-certified facilities ✓.	Group
Frequency rate;	France
Severity rate.	Belgium
Percentage of new buildings certified High Environmental Quality (HQE) or equivalent.	Germany
Average Group satisfaction score;	Group
Group NPS.	
Frequency of Serious Adverse Events;	Group
Roll-out of Positive Care.	
Share of Top Management having completed the anti-corruption e-learning course.	Group
Share of preferred suppliers in Europe assessed by EcoVadis.	Group
Number of contacts having participated in personal data training / awareness-raising actions.	Group



# 4

## Corporate governance



<b>4.1 ADMINISTRATIVE AND MANAGEMENT BODIES OF THE COMPANY</b>	<b>193</b>	<b>4.2 COMPENSATION</b>	<b>236</b>
Korian's governance		Introduction	237
4.1.1 Governance method	193	4.2.1 Compensation policy for corporate officers (ex ante Say-on-Pay)	238
4.1.2 General Management	194	4.2.2 Compensation components paid during the 2022 financial year or awarded in respect of said year to corporate officers (ex Post Say-on-Pay)	246
4.1.3 Board of Directors	194		
4.1.4 Implementation of the AFEP-MEDEF code's recommendations	197		
4.1.5 Information on conflict of interest issues	233		
	234	<b>4.3 GOVERNANCE OF COMPENSATION</b>	<b>259</b>

This chapter contains the main body of the corporate governance report, approved by the Board of Directors (the "Board" or "Board of Directors") at its meeting held on 28 March 2023, upon the recommendation of the Compensation and Appointments Committee per its meeting held on 24 March 2023 and with the support of the Group Corporate Secretariat and the Group's Human Resources Department, in accordance with Article L. 225-37 of the French Commercial Code. Among other matters, it reports on:

- the powers of the Chairman of the Board of Directors and the Chief Executive Officer;
- the composition of the Board of Directors;
- the conditions for preparing the work of the Board of Directors and its specialised Committees;
- the application of the Corporate Governance Code\*; and
- the principles and rules for determining the compensation and benefits of all kinds granted to corporate officers.

The conditions for shareholder participation in the General Meeting (the "General Meeting") appear in Section 7.5 "Conditions for shareholder participation in General Meetings" of this Universal Registration Document.

Information about delegations of authority to increase the share capital is presented in Section 7.2.3 "Authorised capital (issued and unissued)" of this Universal Registration Document.

Factors which may have an impact in the event of a takeover bid are set out in Section 7.2.5 "Factors which may have an impact in the event of a takeover bid" of this Universal Registration Document.

The restrictions imposed on corporate officers by the Board of Directors relating to the exercise of options and the sale of securities, where share subscription options or performance shares have been granted, are set out in Section 7.2.4.3 "Long-term compensation plans" of this Universal Registration Document.

In accordance with Article L. 22-10-71 of the French Commercial Code, the corporate governance report has been presented to the Statutory Auditors.

\* Korian abides by the Corporate Governance Code for Listed Companies, jointly drafted by the AFEP and the MEDEF in December 2002 and revised in December 2022 (the "AFEP-MEDEF code"). The code is available on the following website: [www.afep.com](http://www.afep.com).

## 4.1 Administrative and management bodies of the Company

### KORIAN'S GOVERNANCE



4

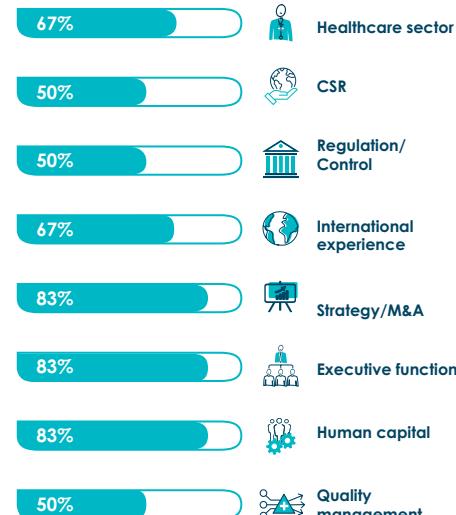
### THE BOARD OF DIRECTORS

assisted by the specialised Committees

**A DIVERSE TEAM**

**REGULAR WORK**

**VARIED EXPERTISE**



### The 4 specialised Committees

Investment Committee

Ethics, Quality and CSR Committee

Compensation and Appointments Committee

Audit Committee

## 4.1.1 GOVERNANCE METHOD



### 4.1.1.1 Governance

Korian ("Korian" or the "Company") is a European company (société européenne) with a Board of Directors.

### 4.1.1.2 Separation of the offices of Chairman and Chief Executive Officer

Article 12 of the Company's Articles of Association defines and specifies the appointment and operating procedures for the General Management, in accordance with statutory requirements. The Board of Directors determines how General Management functions are to be performed, and appoints (and, as the case may be, dismisses) the Chief Executive Officer.

On 21 March 2012, the Board of Directors decided to separate the offices of Chairman of the Board of Directors and Chief Executive Officer. The decision became effective on 30 April 2012.

Following the dismissal of the previous Chief Executive Officer on 18 November 2015, these duties were reunited on an interim basis and allocated to Mr Christian Chautard (then Chairman of the Board of Directors) until 26 January 2016, date on which the separation of duties was reinstated with the appointment of Mrs Sophie Boissard as Chief Executive Officer while Mr Christian Chautard remained Chairman of the Board of Directors.

## 4.1.2 GENERAL MANAGEMENT

Since 26 January 2016, Mrs Sophie Boissard has served as Chief Executive Officer. At its meeting of 5 December 2019, the Board of Directors decided to advance its renewal of her term of office as Chief Executive Officer for a period of five years from 1 January 2020.

### 4.1.2.1 Chief Executive Officer

The Chief Executive Officer does not have an employment contract with the Company or with another Group company.

Under Article 12.3 of the Company's Articles of Association, subject to the powers that the law expressly confers on shareholders' General Meetings and the Board of Directors, and within the limits of the corporate purpose, the Chief Executive Officer has the broadest possible powers to act in all circumstances in the name of the Company.

Following the resignation of Mr Christian Chautard, from his duties as Chairman and from his term of office as Director, for personal reasons, the Board of Directors decided, at its meeting of 1 October 2020 and on the recommendation of the Compensation and Appointments Committee, to maintain the separation of duties and to appoint Mr Jean-Pierre Duprieu as Chairman of the Board of Directors.

Organised on a long-term basis since 26 January 2016, this corporate governance formula is widely recognised as the best practice for enabling of effective and balanced governance.

### 4.1.1.3 Succession plan

Following the recommendation of Article 18.2.2 of the AFEP-MEDEF code, the Compensation and Appointments Committee ensures the preparation of a succession plan for the Company's management bodies.

The succession plan is the result of a process in which the Compensation and Appointments Committee:

- works in close collaboration with the Chief Executive Officer, the Chairman of the Board of Directors and the Group's Human Resources Department to check that (i) the plan complies with the Company's and market practices, (ii) high-potential employees identified within the Company receive appropriate support and training, and (iii) there is adequate monitoring of key posts that may become vacant;
- meets, as necessary, with key managers;
- works, as necessary, with an external consultant;
- presents progress reports on this work to the Board of Directors.

This plan is reviewed every year and, as necessary, updated.

During the 2022 financial year, the Compensation and Appointments Committee, at its meeting of 6 December 2022, reviewed and commented, in particular, on the work of an external consultant relating to review of succession plans for General Management as well as internal succession paths.

The Chairwoman of the Compensation and Appointments Committee then presented this work to the Board of Directors at its meeting of 8 December 2022.

The Chief Executive Officer is responsible for the General Management of the Company and represents the Company in its relations with third parties. The Company is bound even by actions of the Chief Executive Officer that are not within the corporate purpose, unless it can prove that the third party was aware, or under the circumstances could not have been unaware, that the action was not within the corporate purpose. However, publication of the Articles of Association is not in itself sufficient proof thereof.

Article 11.3 of the Company's Articles of Association and Article 1.4 of the Internal Regulations of the Board of Directors, as updated on 28 June 2022 (the "Internal Regulations") lists the Chief Executive Officer's decisions that must be submitted for approval to the Board of Directors. These decisions are also described in section 4.1.3.2.1 entitled "Duties and powers of the Board of Directors".

Mrs Sophie Boissard has undertaken to request the opinion of the Board of Directors if she were to consider holding any new position or new corporate office in addition to her position as Chief Executive Officer of the Company, in accordance with Article 20.2 of the AFEP-MEDEF code.

## Profile of the Chief Executive Officer



**Born on:** 11 July 1970  
in Paris

**Nationality:** French

**Address:**

21-25, rue Balzac,  
75008 Paris

**Start of term of office as  
Chief Executive Officer:**  
26 January 2016

**Date of renewal of the term  
of office as Chief Executive  
Officer:** 1 January 2020

**End of term of office as  
Chief Executive Officer:**  
31 December 2024

**Date of appointment as  
Director:** General Meeting  
of 22 June 2020

**End of term of office as  
Director:** General Meeting  
voting on the financial  
statements for the 2022  
financial year

**Shareholding:**  
At the date of this  
document, Mrs Sophie  
Boissard held 67,495 Korian  
shares.

### MRS SOPHIE BOISSARD

CHIEF EXECUTIVE OFFICER OF KORIAN AND DIRECTOR

The diversified and multidisciplinary career path of Mrs Sophie Boissard in the healthcare sector contributes to the competencies of the Board of Directors with considerable industry expertise. Her operational experience, particularly internationally, development and growth, real-estate management, human resources and talent management, as well as her in-depth knowledge of regulations governing the health sector, in particular, are major assets for the Group. Her understanding and knowledge of all of the Group's stakeholders and best governance practices also enrich the Board of Directors.

### BIOGRAPHY

A graduate of the École Normale Supérieure and École Nationale d'Administration, and a former State Councillor, Mrs Sophie Boissard has held various positions in the public sphere, including the French Council of State, the Ministry of Labour and Social Affairs and the Ministry of the Economy and Finance. In 2008, she joined the Executive Committee of the SNCF group, to create and develop Gares & Connexions, the station management and value enhancement division, followed, in 2014, by SNCF Immobilier, a division dedicated to the value enhancement of real estate and land assets. Between 2012 and 2014, she was also in charge of the SNCF group's strategy and international development. Since 26 January 2016, Mrs Sophie Boissard has been Chief Executive Officer of the Korian Group. She is also a member of the Supervisory Board of Allianz.

### OTHER OFFICES IN THE GROUP

**Chairwoman of the Supervisory Board:**  
Korian Management (Germany)

**Deputy Chairwoman of the Board of Directors:**  
Segesta (Italy)

**Director:** Korian Belgium

### OFFICES OUTSIDE THE GROUP <sup>(1)</sup>

**Member of the Supervisory Board:** Allianz <sup>(2)</sup>

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS WITHIN THE GROUP

**Chairwoman of the Board of Directors:**  
Korian Deutschland (Germany)

**Director:** Over (Italy)

<sup>(1)</sup> Mrs Sophie Boissard is in compliance with the applicable laws and recommendations on the holding of multiple corporate offices.

<sup>(2)</sup> Listed company.

#### 4.1.2.2 Committees chaired by the Chief Executive Officer (1)

The Chief Executive Officer chairs various internal governance bodies.

##### 4.1.2.2.1 Group Management Board

The Group Management Board brings together, on the one hand, the managers of the main operational divisions and, on the other hand, the main functional managers of the Group.

At the date of this Universal Registration Document, the Group Management Board was composed as follows:

<b>For the Group's operational divisions</b>	Mr Dominiek Beelen (Executive Vice-President Benelux) Dr Bart Bots (International Development Advisor) Dr Marc-Alexander Burmeister (Executive Vice-President Germany) Mr Federico Guidoni (Executive Vice-President Italy) Mr Nicolas Mérigot (Executive Vice-President France) Mr Charles-Antoine Pinel (Group Executive Vice-President Business Development and New Countries)
<b>For the Group's functional divisions</b>	Dr Didier Armaingaud (Group Chief Medical, Ethics & Quality of Service Officer) Mr Rémi Boyer (Group Chief Human Resources Officer) Mrs Marion Cardon (Chief Brand and Engagement Officer) Mr Frédéric Durousseau (Group Chief Real Estate and Development Officer) Mrs Anne-Charlotte Dymny (Group Chief Information Systems and Digital Transformation Officer) Mr Philippe Garin (Group Chief Financial Officer) Mr Nicolas Pécourt (Group Communications Director)

The Group Management Board, whose executive secretariat is provided by Mr Sébastien Legrand, meets regularly to monitor the activity, the progress of the corporate project and the main policies deployed within the Group, particularly in terms of digital transformation, operational performance, CSR and risk prevention.

##### 4.1.2.2.2 Other committees

In addition to the Group Management Board, the Chief Executive Officer chairs standing internal committees as part of her duties:

- business reviews by country;
- the Group Commitments and Investment committee;
- the Group Risk, Ethics and Compliance committee;
- the Commitment and CSR committee;
- the Inside Information committee.

(1) At the date of this Universal Registration Document.

## 4.1.3 BOARD OF DIRECTORS

### 4.1.3.1 Composition of the Board of Directors

Article 11 of the Company's Articles of Association specifies the conditions and procedures governing the composition and operation of the Board of Directors.

#### ► SUMMARY OF CHANGES TO THE COMPOSITION OF THE BOARD OF DIRECTORS IN 2022

<b>Renewals</b>	Mr Jean-Pierre Duprieu (Chairman of the Board of Directors and Independent Director) <sup>(1)</sup> Dr Jean-François Brin (Independent Director) <sup>(1)</sup> Mrs Anne Lalou (Independent Director) <sup>(1)</sup> Mrs Marie-Christine Leroux (Director representing employees) <sup>(2)</sup>
<b>Appointments</b>	Mr Philippe Lévêque (Independent Director) <sup>(1)</sup> Mr Gilberto Nieddu (Director representing employees) <sup>(3)</sup>
<b>End of term of office</b>	Mr Markus Rückerl (Director representing employees) <sup>(4)</sup>

(1) At the Shareholders' General Meeting of 22 June 2022 (the "2022 General Meeting").

(2) On 18 July 2022, by the most representative trade union organisation in accordance with Article 11.4 of the Articles of Association.

(3) On 29 June 2022, by the European Works Council in accordance with Article 11.4 of the Articles of Association.

(4) Mr Markus Rückerl left the Group on 31 May 2022.

#### 4.1.3.1.1 Members of the Board of Directors

At the date of this Universal Registration Document, the Company's Board of Directors comprises the following 13 members:

<b>Chairman of the Board of Directors</b>	Mr Jean-Pierre Duprieu (Independent Director)
<b>Director and executive corporate officer</b>	Mrs Sophie Boissard (Chief Executive Officer)
<b>Institutional Directors</b>	Mr Philippe Dumont Predica, represented by Mrs Françoise Debrus, until 28 February 2022, then by Mrs Florence Barjou since 1 March 2022 Holding Malakoff Humanis, represented by Mrs Anne Ramon
<b>Independent Directors</b>	Mr Guillaume Bouhours Dr Jean-François Brin Mrs Anne Lalou Mr Philippe Lévêque Dr Markus Müschenich Mrs Catherine Soubie
<b>Directors representing employees</b>	Mrs Marie-Christine Leroux Mr Gilberto Nieddu

#### CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board of Directors does not have an employment contract with the Company or any other Group company.

In accordance with Article L. 225-51 of the French Commercial Code, Article 11.2.1 of the Company's Articles of Association provides that the Chairman of the Board of Directors organises and directs the work of the Board, reports thereon to the General Meeting, and carries out its decisions.

The Chairman convenes the Board of Directors as often as necessary, and at least once per quarter. He sets the agenda and chairs all meetings of the Board.

The Chairman ensures that the Company's governing bodies run smoothly and that best governance practices are implemented. He also ensures that the Directors are able to perform their duties, in particular by promoting a climate conducive to discussion and constructive decision-making.

In addition, under Article 1.6 of the Internal Regulations, on behalf of the Board of Directors and in close coordination with the Chief Executive Officer, he handles high-level national and international relations with stakeholders and, in particular, discusses corporate governance issues with shareholders. He reports thereon to the Board of Directors.

The Chief Executive Officer informs and consults him on all significant events in relation to the Company's activities.

Lastly, the Board of Directors may occasionally entrust the Chairman with specific missions concerning the monitoring of exceptional operations affecting the structure or scope of the Group. To fulfil these missions, he works closely with the Chief Executive Officer. No such assignment was assigned to him in 2022.

As an exception to Article L. 225-37 of the French Commercial Code, Article 11.2.4 of the Company's Articles of Association provides that "in the event of a tied vote, the Chairman does not have the casting vote".



**BORN ON:** 13 April 1952  
in Chartres (Eure-et-Loire)

**NATIONALITY:** French

**ADDRESS:**  
21-25, rue Balzac,  
75008 Paris

**DATE OF APPOINTMENT:**  
General Meeting  
of 23 June 2016

**DATE OF LAST RENEWAL:**  
General Meeting  
of 22 June 2022

**END OF TERM OF OFFICE:**  
General Meeting convened  
to approve the financial  
statements for the 2024  
financial year

**SHAREHOLDING:**  
At the date of this  
document, Mr Jean-Pierre  
Duprieu held 4,953 Korian  
shares.

## MR JEAN-PIERRE DUPRIEU

CHAIRMAN OF THE BOARD OF DIRECTORS AND MEMBER OF THE INVESTMENT COMMITTEE

The diversified and international career of Mr Jean-Pierre Duprieu in the healthcare sector brings to the Board of Directors the skills associated with his extensive industry expertise in development and growth, risk management – including in terms of cybersecurity, human capital and talent management, digital transformation and crisis management. His understanding and knowledge of investors, analysts and other stakeholders, as well as best governance practices also enriches the Board of Directors.

### BIOGRAPHY

An agricultural engineer and graduate of the Institut National Agronomique de Paris-Grignon (AgroParisTech), as well as the Institut de Contrôle de Gestion de Paris and International Forum (advanced management programme associated with Wharton University), Mr Jean-Pierre Duprieu joined the Air Liquide Group in 1976 and spent his entire career there. He held various positions at the company, with commercial, operational, strategic and General Management responsibilities. For nearly 10 years he headed the Europe, Africa and Middle East region, before taking over the Asia Pacific region in 2005 as a member of the group's Executive Committee based in Tokyo, Japan.

Appointed Deputy Chief Executive Officer in 2010 a role he fulfilled until his retirement in 2016, he oversaw industrial activities in Europe and global activities in the healthcare sector (hospital and home care, and strategy via World Business Line Santé). He also supervised the group Purchasing Department and Information Systems Department. As such, he was involved in the Air Liquide's digital transformation as well as the development of e-health services. Mr Jean-Pierre Duprieu served on the Risk Committee of Air Liquide.

He is currently:

- a member of the Supervisory Board of Michelin and Chairman of its Compensation and Appointments Committee;
- a member of the Board of Directors of the SEB group and Chairman of its Governance and Compensation Committee;
- a member of the Supervisory Board of Dehon;
- Chairman of Fondation Correspondances (as a volunteer).

### OFFICES OUTSIDE THE GROUP <sup>(1)</sup>

**Member of the Supervisory Board:** Michelin <sup>(2)</sup>

**Member of the Board of Directors:** SEB <sup>(2)</sup>

**Member of the Supervisory Board:** Dehon

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

None



**Healthcare sector:** Former Deputy Chief Executive Officer of Air Liquide, in charge of global activities in the field of healthcare and responsible for the development of e-health services.



**Executive function:** 20 years as Chief Executive Officer of subsidiaries and group, member of the Executive Committee of the Air Liquide group.



**International experience:** 20 years as Chief Executive Officer for international subsidiaries and group at Air Liquide, including 5 years based in Japan.



**Strategy / M&A:** Extensive experience of a group's strategy, notably in the course of his duties as Deputy Chief Executive Officer of the Air Liquide group.

(1) Mr Jean-Pierre Duprieu is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.

(2) Listed company.

**OTHER MEMBERS OF THE BOARD OF DIRECTORS (WITH THE EXCEPTION OF MRS SOPHIE BOISSARD, WHOSE PROFILE APPEARS IN SECTION 4.1.2.1 OF THIS UNIVERSAL REGISTRATION DOCUMENT)**



**BORN ON:** 17 May 1960  
in Lille (Nord)

**NATIONALITY:** French

**ADDRESS:**  
14, rue Gustave-Zédé,  
75016 Paris

**DATE OF APPOINTMENT:**  
General Meeting  
of 22 June 2020

**END OF TERM OF OFFICE:**  
General Meeting convened  
to approve the financial  
statements for the 2022  
financial year

**SHAREHOLDING:**  
At the date of this  
document, Mr Philippe  
Dumont held no Korian  
shares.

**MR PHILIPPE DUMONT**

DIRECTOR AND MEMBER OF THE COMPENSATION AND APPOINTMENTS COMMITTEE

**MAIN POSITION HELD**

**Deputy Chief Executive Officer of Crédit Agricole, in charge of Insurance, Chief Executive Officer of Crédit Agricole Assurances**

The diversified and multidisciplinary career of Mr Philippe Dumont strengthens the skills of the Board of Directors thanks to his economic, financial and risk management expertise; experience in public policy in the areas of the environment, innovation and science, in particular and his a solid background in the regions to better anticipate trends and meet the needs of residents, relatives and other stakeholders where the Group is present. The Board of Directors also benefits from the offices Mr Philippe Dumont holds in the healthcare sector (La Médicale de France), in innovation, venture capital and regional investment and development (F/I Venture, Crédit Agricole Innovations & Territoires, CA Group Infrastructure Platform), which are central to the Korian Group's activities and development strategy.

**BIOGRAPHY**

Mr Philippe Dumont spent the first part of his career in the civil service first at the Ministry of the Economy and Finance, then as a staff member for Mr Michel Barnier at the French Ministry of the Environment (1993-1995), prior to his appointment as Deputy Chief of Staff to Mr François Fillon at the French Ministry for Postal Services, Information Technologies and Space (1995-1996).

Mr Philippe Dumont joined the Crédit Agricole Group in 1997 as Head of the Economics, Finance and Tax Department at the Fédération Nationale du Crédit Agricole. He became Deputy Chief Executive Officer in 2004. In 2004, he was appointed Inspector General in charge of Internal Audits and a member of Crédit Lyonnais' Management Committee, before being appointed Crédit Agricole Group Inspector General in 2006. On 15 October 2008, he joined Crédit Agricole's Executive Committee and, in September 2011, became a member of Crédit Agricole's Management Committee. In July 2009, Mr Philippe Dumont became Chief Executive Officer of Crédit Agricole Consumer Finance. In August 2015, he was also appointed Deputy Chief Executive Officer of Crédit Agricole in charge of Specialised Services.

Mr Philippe Dumont is currently Deputy Chief Executive Officer of Crédit Agricole, in charge of Insurance, and Chief Executive Officer of Crédit Agricole Assurances.

Mr Philippe Dumont is a graduate of the École Nationale du Génie Rural, des Eaux et des Forêts and of the Institut National Agronomique Paris-Grignon (AgroParisTech). He also holds a PhD in economics. In addition, he is a member of MEDEF's General Meeting on behalf of France Assureurs.

**MR PHILIPPE DUMONT**

DIRECTOR AND MEMBER OF THE COMPENSATION AND APPOINTMENTS COMMITTEE

**OFFICES OUTSIDE THE GROUP<sup>(1)</sup>**

**Chairman of the Supervisory Board:** F/I Venture<sup>(2)</sup>  
**Chief Executive Officer:** Crédit Agricole Assurances<sup>(3)</sup>  
**Deputy Chief Executive Officer:** Crédit Agricole<sup>(2)</sup>  
**Vice-Chairman:** Crédit Agricole Vita (Italy)<sup>(3)</sup>  
**Director:** Spirica<sup>(3)</sup>, Pacifica<sup>(3)</sup>, Adicam<sup>(2)</sup>,  
 CA Group Infrastructure Platform<sup>(2)</sup>, CA Indosuez Wealth<sup>(2)</sup>,  
 LCL<sup>(2)</sup>

**Permanent representative of Crédit Agricole Assurances,**  
**Director:** Caci<sup>(3)</sup>

**Legal representative of Crédit Agricole Assurances,**  
**Chairman:** Crédit Agricole Assurances Solutions<sup>(3)</sup>

**Permanent representative of Predica:** Fonds stratégique  
 de participations

**Member of the Supervisory Board:** Crédit Agricole  
 Innovations & Territoires<sup>(2)</sup>, F/I Venture<sup>(2)</sup>

**Member of the Executive Board:** France Assureurs  
 (formerly FFA)

**OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL  
 YEARS**

**Chairman:** Agos Ducato (Italy), FCA Bank (Italy)  
**Chief Executive Officer:** CA Consumer Finance, Predica<sup>(3)</sup>  
**Director:** CA Payment services, CA Leasing & factoring,  
 Fireca, Caci, Fia-Net Europe (Luxembourg)  
**Observer:** La Médicale de France

 **Finance / Audit & Risks:** 25 years of experience in the finance and insurance sectors within the Crédit Agricole group.

 **Executive function:** Deputy Chief Executive Officer of Crédit Agricole, in charge of Insurance, member of the Executive Committee, Chief Executive Officer of Crédit Agricole Assurances.

 **Human capital:** 14 years of experience in executive functions involving strong team management.

 **Strategy / M&A:** 30 years of experience in corporate strategy and development through his executive functions.

(1) Mr Philippe Dumont is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.

(2) Crédit Agricole group.

(3) Crédit Agricole Assurances group.



**BORN ON:** 11 August 1972

**NATIONALITY:** French

**ADDRESS:**

Predica,  
16-18, boulevard  
de Vaugirard,  
75015 Paris

**REGISTERED OFFICE:**  
16-18, boulevard  
de Vaugirard,  
75015 Paris

**DATE OF APPOINTMENT:**  
General Meeting  
of 18 March 2014

**DATE OF LAST RENEWAL:**  
General Meeting  
of 27 May 2021

**END OF TERM OF OFFICE:**  
General Meeting convened  
to approve the financial  
statements for the 2023  
financial year

**SHAREHOLDING:**  
At the date of this  
document, Predica held  
26,358,073 Korian shares.  
At the date of this  
document, Mrs Florence  
Barjou held no Korian  
shares.

## PREDICA

DIRECTOR, CHAIRWOMAN OF THE INVESTMENT COMMITTEE AND MEMBER OF THE AUDIT COMMITTEE

**PERMANENT REPRESENTATIVE: MRS FLORENCE BARJOU**

### MAIN POSITION HELD

**Chief Investment Officer of Crédit Agricole Assurance**

Mrs Florence Barjou's diversified and multidisciplinary career in the financial sector strengthens the Board of Directors, in particular by providing expertise in the areas of investments, asset management, real estate management and mergers & acquisitions. In addition to her financial expertise, her CSR expertise, acquired at Lyxor, one of the leaders in responsible investment and ESG, is a major contribution to the Board of Directors, which places social, environmental and governance issues at the heart of the Group's strategy and business model. Her directorships in the health sector (La Médicale, Predicare, Ramsay Générale de Santé), real estate and hotels (Covivio Immobilier, Accor Invest, Covivio Hotels, Altarea) and finance (Fonds Nouvel Investissement, in particular) combined with her financial expertise, allow the Board of Directors to benefit from global experience aligned with the Group's strategic pillars.

### BIOGRAPHY

A graduate of the University of Paris Dauphine and holder of a doctorate in economics (2000) from the University of Nanterre, Mrs Florence Barjou began her career in the Economic Research Department of BNP's investment bank.

In 2006, she joined Lyxor, a leader in responsible investment and ESG, as a Global Macro Strategist and Portfolio Manager. She was then appointed Head of Diversified Management in 2013, Deputy Head of the Absolute Performance & Solutions division in 2014, and Managing Director, Deputy to the Chief Investments Officer, before being appointed to serve as Lyxor's Director of Investments in 2020. Mrs Florence Barjou was appointed Director of Investments for Crédit Agricole Assurances on 1 March 2022.

**PREDICA**

DIRECTOR, CHAIRWOMAN OF THE INVESTMENT COMMITTEE AND MEMBER OF THE AUDIT COMMITTEE

**PERMANENT REPRESENTATIVE: MRS FLORENCE BARJOU****OFFICES HELD BY PREDICA (1)****OFFICES OUTSIDE THE GROUP**

**Director:** Fonds Nouvel Investissement 1, Fonds Nouvel Investissement 2, Covivio (2), Aéroport de Paris (2), Argan (2), CAAM Mone Cash, Frey (2), Gecina (2), Patrimoine & Commerce (2), Carmila (2), SEMMARIS, Covivio Immobilier, Accor Invest, Fonds Stratégique des Participations, La Médicale, Previseo Obsèques, Lesica, La Française des jeux (2)

**Member of the Supervisory Board:** Effi-Invest II, Covivio Hotels (2), INTERFIMMO, Altarea (2), CA Grands Crus, PREIM Healthcare, SOPRESA

**Chairwoman:** Predi Rungis

**Co-manager:** Predicare

**Observer:** Siparex Associés, Tivana France Holding

**OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS**

**Member of the Supervisory Board:** Effi-Invest I, Immeo Wohnen GmbH

**Director:** Eurosic (2), Sanef (2), Louvresses Development I, Urbis Park, CA Life Greece, Ramsay Générale de Santé (2), Foncière Développement Logement (2), River Ouest

**Chairwoman:** Citadel, Citadel Holding



**Real estate:** Director at real estate and hotel companies (Covivio Immobilier, Accor Invest, Covivio Hotels, Altarea).



**Finance / Audit & Risks:** 25 years of experience in the insurance and finance sectors - Director of Investments at Crédit Agricole Assurances.



**CSR:** 15 years of experience at Lyxor, a leader in responsible investment and ESG.



**Strategy / M&A:** More than 15 years of experience in the areas of investments, asset management, real estate management and mergers & acquisitions - Director of Investments at Crédit Agricole Assurances.

(1) Predica is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.

(2) Listed company.

(3) Mrs Florence Barjou is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.



**BORN ON:** 6 September 1967 in Neuilly-sur-Seine (Hauts-de-Seine)

**NATIONALITY:** French

**ADDRESS:**

Holding Malakoff Humanis  
21, rue Laffitte, 75009 Paris

**REGISTERED OFFICE:**

21, rue Laffitte, 75009 Paris

**DATE OF APPOINTMENT<sup>(1)</sup>:**

General Meeting  
of 18 March 2014

**DATE OF LAST RENEWAL:**

General Meeting  
of 27 May 2021

**END OF TERM OF OFFICE:**

General Meeting convened  
to approve the financial  
statements for the 2023  
financial year

**SHAREHOLDING:**

At the date of this  
document, Holding  
Malakoff Humanis held  
8,048,260 Korian shares.

At the date of this  
document, Mrs Anne  
Ramon held no Korian  
shares.

## HOLDING MALAKOFF HUMANIS

**DIRECTOR, MEMBER OF THE ETHICS, QUALITY AND CSR COMMITTEE AND THE INVESTMENT COMMITTEE**

**PERMANENT REPRESENTATIVE: MRS ANNE RAMON**

### MAIN POSITION HELD

**Chief Communications and Brand Officer and Head of CSR at Malakoff Humanis**

Mrs Anne Ramon's diversified and multidisciplinary career path strengthens the Board of Directors' thanks to her expertise in communication, reputation and crisis management relating to public health issues. Her long experience with stakeholders, including patients, doctors and caregivers, researchers, as well as public bodies, foundations, and other public healthcare entities is very useful for the Board of Directors, as is her expertise on subjects related to CSR and non-financial reporting.

### BIOGRAPHY

Mrs Anne Ramon graduated from CELSA and holds a degree in political science from Université Paris 1. She began her career in a pharmaceutical laboratory, before joining the French Government's Information department, a department of the Prime Minister. She then joined the French Committee for Health Education (CFES), a body under the supervision of the Ministry of Health, where she was responsible for communications campaigns for the prevention of AIDS on behalf of the Ministry of Health, working closely with patient associations, researchers and the French Ministry of Health.

She extended her field of expertise to other major public health issues as Director of Communications at Santé Publique France. In 2005, she was appointed Patient Communications and Information Director at the Institut National du Cancer (INCA).

In 2016, she joined the Malakoff Humanis group as Chief Communications and Brand Officer and a member of the group's Executive Committee. She is also in charge of the CSR Department for the Malakoff Humanis group, and is a Director of the Fondation Malakoff Humanis Handicap and the Fondation Médéric Alzheimer.

### OFFICES HELD BY HOLDING MALAKOFF HUMANIS<sup>(2)</sup>

#### OFFICES OUTSIDE THE GROUP

**Director:** SCOR<sup>(3)</sup>, Développement Pleiade,  
Groupe IRD, La Banque Postale Asset  
Management Holding, Foncière Hospi Grand  
Ouest<sup>(3)</sup>

**Member of the Supervisory Board:**

La Banque Postale Asset Management

#### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

**Director:** Ignilife France

**Member of the Supervisory Board:** Quatrem,  
Sycamore Factory

### OFFICES HELD BY MRS ANNE RAMON<sup>(4)</sup>

#### OFFICES OUTSIDE THE GROUP

None

#### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

None



**Healthcare sector:** 30 years of experience in the healthcare sector through her duties on the French Committee for Health Education, Public Health France, the National Cancer Institute and the Malakoff Humanis group.



**Regulation / control:** Management of public healthcare issues through her functions within the healthcare sector.



**CSR:** CSR Director of Malakoff Humanis, Director of the Malakoff Humanis Handicap Foundation and the Médéric Alzheimer Foundation, former member of the Supervisory Board of Sycamore Factory.



**Communications:** Nearly 20 years of experience as Director of Communications, notably at Public Health France, the French National Cancer Institute and then the Malakoff Humanis group.

(1) Holding Malakoff Humanis was appointed by the General Meeting held on 21 March 2012 that adopted a single-tier governance system. In connection with Korian's merger with Medica (fusion-absorption de Medica par Korian), and subject to the condition that it be completed, the General Meeting of 18 March 2014 (i) acknowledged its resignation and (ii) immediately appointed it for an exceptional term of one year expiring at the conclusion of the General Meeting convened to vote on the financial statements for the 2014 financial year.

(2) Holding Malakoff Humanis is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.

(3) Listed company.

(4) Mrs Anne Ramon is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.



**BORN ON:** 3 July 1976  
in Neuilly-sur-Seine  
(Hauts-de-Seine)

**NATIONALITY:** French

**ADDRESS:**  
24, chemin de l'Aigas,  
69160 Tassin-la-Demi-Lune

**DATE OF APPOINTMENT:**  
Board of Directors  
of 11 January 2021  
(co-optation) and General  
Meeting of 27 May 2021  
(ratification)

**END OF TERM OF OFFICE:**  
General Meeting convened  
to approve the financial  
statements for the 2022  
financial year

**SHAREHOLDING:**  
At the date of this  
document, Mr Guillaume  
Bouhours held 1,178 Korian  
shares.

## MR GUILLAUME BOUHOURS

INDEPENDENT DIRECTOR AND MEMBER OF THE AUDIT COMMITTEE

### MAIN POSITION HELD

**Executive Vice President Finance, Purchasing and Information Systems at bioMérieux**

The diversified and multidisciplinary career of Mr Guillaume Bouhours enhances the competencies within the Board of Directors, in particular through his financial expertise, in the fields of investment, mergers & acquisitions and listed companies. He also brings to the Board of Directors knowledge of the healthcare sector, digital transformation, cybersecurity and purchasing.

### BIOGRAPHY

After graduating from the École Polytechnique and École des Mines de Paris in 2000, Mr Guillaume Bouhours began his career in the financial sector, first at Morgan Stanley Investment Banking (in London and Paris) and then, from 2004, at Sagard Private Equity Partners, where he became Investment Director in 2007.

From 2010 to 2017, he was Chief Financial Officer of Faiveley Transport, a company specialising in the rail transport sector, where he was also a member of the Management Board and Management Committee. From 2017 to 2018, he served as President of the Access and Mobility Division and President of the China Region at Wabtec Corporation.

He is currently Executive Vice President in charge of Finance, Purchasing and Information Systems at bioMérieux group, a world leader in *in vitro* diagnostics of infectious diseases, known for its research, development and innovation in the field of health, and listed on Euronext Paris.

### OFFICES OUTSIDE THE GROUP <sup>(1)</sup>

**Director:** Suzhou Hybiome Biomedical  
Engineering Co Ltd (China), BioFire Diagnostics  
LLC (USA)

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

None



**Finance / Audit & Risks:** 22 years of experience in finance. Executive Vice-President of the bioMérieux group, notably in charge of Finance.



**Executive function:** 12 years of experience in executive functions and currently Executive Director in charge of Finance, Purchasing and Information Systems of the bioMérieux group.



**Human capital:** 12 years of experience in executive functions involving significant team management.



**Strategy / M&A:** 10 years of experience in M&A (consulting and investment), 12 years of experience in executive functions involving substantial strategic challenges.

(1) Mr Guillaume Bouhours is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.



**BORN ON:** 5 April 1964  
in Angers (Maine-et-Loire)

**NATIONALITY:** French

**ADDRESS:**  
Résidences du Port,  
795 avenue du  
Général-de-Gaulle,  
06210  
Mandelieu-la-Napoule

**DATE OF APPOINTMENT:**  
General Meeting  
of 6 June 2019

**DATE OF LAST RENEWAL:**  
General Meeting  
of 22 June 2022

**END OF TERM OF OFFICE:**  
General Meeting convened  
to approve the financial  
statements for the 2024  
financial year

**SHAREHOLDING:**  
At the date of this  
document,  
Dr Jean-François Brin held  
208 Korian shares.

## DR JEAN-FRANÇOIS BRIN

INDEPENDENT DIRECTOR, MEMBER OF THE INVESTMENT COMMITTEE AND THE ETHICS,  
QUALITY AND CSR COMMITTEE

### MAIN POSITION HELD

**Founder & CEO of ES Consulting and ES Business Health**

The diversified and multidisciplinary career of Dr Jean-François Brin in the fields of medicine and pharmacology strengthens the Board of Directors by adding critical skills. Having worked in hospital geriatrics, he also has extensive international experience with large pharmaceutical laboratories and small innovative structures in the treatment of mental illnesses and diseases associated with elderly.

### BIOGRAPHY

A medical doctor qualified in clinical pharmacology (University of Dijon) and a graduate of the specialised master's degree in marketing intelligence from HEC, Dr Jean-François Brin began his career with an internship in Charolles (Saône-et-Loire), where he coordinated a geriatric, post-acute care and long-term care Department. He joined Rhône-Poulenc Rorer France in 1993 and went on to hold various positions in the fields of psychiatric, neurodegenerative and rheumatological diseases. He became Vice-President Global Marketing Thrombosis & Internal Medicine when Sanofi took over Aventis, and was appointed Senior Vice-President of the Cardiovascular Division in 2010. Having amassed considerable international expertise in commercial transactions, acquisitions and alliances in the pharmaceutical industry, he left the group at the end of 2015 to create ES Consulting, a healthcare consulting firm specialising in strategic marketing and mergers and acquisitions. He supports several start-ups in their development in this sector, as a shareholder.

### OFFICES OUTSIDE THE GROUP <sup>(1)</sup>

None

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

None

4

 **Healthcare sector:** Doctor of medicine qualified in clinical and internal pharmacology in hospital geriatrics, long-term care and follow-up care. 30 years of experience with major pharmaceutical companies including Rhône-Poulenc Rorer France, Aventis Europe and Sanofi Global.

 **Real estate:** Manager of two professional furnished lessor and real estate agent LLCs. Chairman of a 400-unit condominium association.

 **Strategy / M&A:** Member of the Task Force in Sanofi's takeover bid for Genzyme in 2011, Founding Chairman of ES Business Health, a healthcare consulting firm specialising in strategic marketing and mergers and acquisitions.

 **Quality management:** Extensive experience in managing the quality of care and the quality of production chains through his experience as a doctor and his duties at major pharmaceutical laboratories.

(1) Dr Jean-François Brin is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.



**BORN ON:** 6 December 1963 in Paris

**NATIONALITY:** French

**ADDRESS:**  
96, rue Didot, 75014 Paris

**DATE OF APPOINTMENT:**  
General Meeting of 18 March 2014

**DATE OF LAST RENEWAL:**  
General Meeting of 22 June 2022

**END OF TERM OF OFFICE:**  
General Meeting convened to approve the financial statements for the 2024 financial year

**SHAREHOLDING:**  
At the date of this document, Mrs Anne Lalou held 1,180 Korian shares.

## MRS ANNE LALOU

INDEPENDENT DIRECTOR, CHAIRWOMAN OF THE COMPENSATION AND APPOINTMENTS COMMITTEE AND MEMBER OF THE ETHICS, QUALITY AND CSR COMMITTEE

### MAIN POSITION HELD

**Chief Executive Officer of the Web School Factory and Chairwoman of the Innovation Factory**

Mrs Anne Lalou's diversified and multidisciplinary background reinforces the skills of the Board of Directors, in particular through her financial expertise, and her experience of mergers and acquisitions, real-estate management and financial markets. She also provides her societal expertise in the areas of talent training, gender equality and inclusion. Her experience as Chief Executive Officer and Director in the corporate bodies of companies in the fields of banking, investment, innovation and digital transformation strengthens these areas of expertise on the Board of Directors.

### BIOGRAPHY

A graduate of ESSEC, Mrs Anne Lalou has been Chief Executive Officer of the Web School Factory since 2012 (digital management school founded by Mrs Anne Lalou and offering an educational model based on collaborative work via the realisation of concrete projects carried out with companies and the acquisition of both managerial and technological skills) and the Innovation Factory (first digital innovation cluster) since 2013.

She started her career at Lazard's Mergers and Acquisitions Department in London and then Paris, before becoming Head of New Projects and Development at Havas.

She served as Chairwoman and Chief Executive Officer of Havas Édition Électronique before joining Rothschild & Cie as Manager. Mrs Anne Lalou joined Nexit (France's leading integrated real estate company) in 2002, where she held the positions of General Secretary and Director of Development. In 2006, she took on the General Management of Nexit-Franchises, followed by the duties as Deputy CEO of the Distribution division until 2011.

She is a member of the Board of Directors of Natixis, as well as a member of the Compensation and Appointments Committees and Chairwoman of the Strategy Committee and the CSR Committee. She has further served on Eurazeo's Supervisory Board, its Digital Committee and its Finance Committee, and chaired its CSR Committee until May 2022.

### OFFICES OUTSIDE THE GROUP <sup>(1)</sup>

**Director:** Natixis <sup>(2)</sup>

**Chief Executive Officer:** Web School Factory

**Chairwoman:** Innovation Factory

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

**Member of the Supervisory Board:** Eurazeo <sup>(2)</sup>, Foncia Holding, Foncia Groupe

 **Executive function:** 20 years in executive positions at Havas, Rothschild & Cie and Nexit. Chief Executive Officer of Web School Factory and Chairwoman of Innovation Factory.

 **Human capital:** Chief Executive Officer of Web School Factory (digital management school offering an educational model based on collaborative work).

 **CSR:** Former Chairwoman of the Ethics, Quality and CSR Committee of Korian, Chairwoman of the CSR Committee of Natixis and Eurazeo.

 **Strategy / M&A:** Significant expertise in strategy, M&A and development, notably through her roles as Director of Foresight and Development at Havas and Director of Development at Nexit.

(1) Mrs Anne Lalou is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.  
(2) Listed company.



**BORN ON:** 24 December 1959

**NATIONALITY:** French

**ADDRESS:** 34, rue des Boulangers, 75005 Paris

**DATE OF APPOINTMENT:**  
General Meeting of 22 June 2022

**END OF TERM OF OFFICE:**  
General Meeting convened to approve the financial statements for the 2024 financial year

**SHAREHOLDING:**  
At the date of this document, Mr Philippe Lévéque held 3,385 Korian shares.

## MR PHILIPPE LÉVÉQUE

INDEPENDENT DIRECTOR AND CHAIRMAN OF THE ETHICS, QUALITY AND CSR COMMITTEE

The diversified and multidisciplinary career of Mr Philippe Lévéque strengthens the Board of Directors thanks to his expertise in the areas of CSR, human capital management and crisis management. His extensive experience as relates to the management of numerous projects in France and abroad aimed in particular at combating extreme poverty, and his relations with stakeholders as well as with public bodies, foundations and other public health entities make him a valuable addition to the Board of Directors, as do his experience as a member of Stakeholder Committees of French industrial companies.

### BIOGRAPHY

A graduate of Hautes Études Commerciales (HEC), Mr Philippe Lévéque began his career at IBM in 1984, where he held marketing and sales roles. In 1989, he was appointed Marketing Director of Systar, a position he occupied until 1993.

After spending a year in Africa, he volunteered with the NGO Médecins du Monde in 1993, becoming its Director of Development in 1994 and Deputy CEO in 1998. During these years, he carried out various missions in France and abroad.

In 2000, he was appointed Chief Executive Officer of CARE France, one of the largest humanitarian aid networks in the world, where he led numerous projects aimed at combating extreme poverty and implementing sustainable development tools, fighting the effects of climate change, protecting the rights of children and women, and systematically responding to humanitarian emergencies. He held this position until his retirement in 2022.

Mr Philippe Lévéque is a member of the Supervisory Board of the CARE International Foundation, and the Board of Directors of Fondation Ensemble (Pierre et Vacances). He also sits on the ESG Committee of the IPDEV 2 investment fund.

He is a member of the Accreditation Commission of Don en Confiance, an organisation that issues a quality and transparency label to organisations that appeal to the generosity of the general public in France.

He has also been a member of the Stakeholder Committees of Lafarge, Veolia and EDF and a member of the Commitment Committees of the Fondation Financière de l'Échiquier and Fondation Cojean. He regularly speaks at conferences in Europe, Asia and the United States.

### OFFICES OUTSIDE THE GROUP <sup>(1)</sup>

None

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

None

 **Executive function:** More than 20 years of experience in executive functions, including former Deputy CEO of Médecins du Monde and former CEO of CARE France.

 **Human capital:** Former Chief Executive Officer of CARE France, speaker in Europe, Asia and the United States. Management of teams in situations of physical danger and skills development among low-skilled and multi-ethnic employees.

 **CSR:** Former Chief Executive Officer of CARE France, Director of CARE International and Fondation Ensemble (Pierre et Vacances), member of the ESG Committee of the IPDEV 2 investment fund, member of the Stakeholder Committees of Lafarge, Veolia and EDF, and member of the Commitment Committees of Fondation Financière de l'Échiquier and Fondation Cojean. Representative of CARE International during the negotiations of the Paris Agreement in 2015, and subsequently during negotiations with the French government and with CAC40 companies.

 **International experience:** Numerous humanitarian missions carried out abroad, particularly in Africa, former Deputy Chief Executive Officer of Médecins du Monde.

<sup>(1)</sup> Mr Philippe Lévéque is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.



**BORN ON:** 9 June 1961  
in Düsseldorf (Germany)

**NATIONALITY:** German

**ADDRESS:**  
Askaloner Weg 4,  
13465 Berlin, Germany

**DATE OF APPOINTMENT:**  
General Meeting  
of 22 June 2017

**DATE OF LAST RENEWAL:**  
General Meeting  
of 22 June 2020

**END OF TERM OF OFFICE:**  
General Meeting convened  
to approve the financial  
statements for the 2022  
financial year

**SHAREHOLDING:**  
At the date of this  
document, Dr Markus  
Müschenich held 78 Korian  
shares.

## DR MARKUS MÜSCHENICH

INDEPENDENT DIRECTOR AND MEMBER OF THE ETHICS, QUALITY AND CSR COMMITTEE

### MAIN POSITION HELD

Managing Partner of Eternity.Health

The diversified and multidisciplinary career of Dr Markus Müschenich, which brings together the practice of medicine, the management of hospital groups, expertise as a startup founder and partner in a venture capital fund, scientific research and technological innovation, strengthens the Board of Directors in areas at the heart of the Group's activities (healthcare sector, regulation, human capital, CSR, international experience and health and safety).

### BIOGRAPHY

A graduate of the universities of Düsseldorf (public health) and Münster (medicine), Dr Markus Müschenich began his career in 1987 as a consultant in the Department of Paediatrics at the University of Düsseldorf where he focused on general paediatrics as well as paediatric oncology, intensive care, neurology and radiology. In 1996, he became an independent management consultant, specialising in strategy, development and restructuring. In 1998, he became an expert in digital healthcare solutions and worked as an assistant to the Chief Executive Officer and the Medical Director of the Berlin Trauma Centre, one of Europe's digital hospitals providing global telemedicine services from 1999 to 2001. In 2002, he became a member of the Board of Directors and Chief Medical Officer of the Paul-Gerhardt-Diakonie Hospital. From 2009 to 2012, he was a member of the Board of Directors and, for the last six months, Chief Medical Officer within Sana Kliniken, which operates 60 hospitals providing integrated care services.

Dr Markus Müschenich is a medical doctor and Managing Partner of Eternity.Health, a holding company in the life sciences, which he created in 2012. Eternity.Health is the parent company of Flying Health, Heal Capital and Ababax. While Flying Health offers an ecosystem for the next generation of healthcare by guiding industry leaders and entrepreneurs to future markets, Heal Capital is a venture capital fund dedicated to investments in digital healthcare innovations. Ababax, for its part, develops and invests in brain stimulation technologies. In 2021, Dr Müschenich also created Green.Health, dedicated to sustainability in healthcare.

In addition, Dr Markus Müschenich is currently a member of the AOK-Bundesverband (regulatory health insurance) Scientific Institute's Quality Management Advisory Board, and a member of the Advisory Board of Apo Asset Management. Dr Müschenich was previously a member of the Telemedicine Working Group of the German Medical Association and is a member of the Health Innovation Hub of the German Ministry of Health and the Advisory Board of the European Master in Neuroscience Development (ABCD).

### OFFICES OUTSIDE THE GROUP <sup>(1)</sup>

**Chief Executive Officer:** Eternity.Health

**Member of the Executive Board:**  
Eternity.Health, Ababax, Green Health, L.M.  
Advisory

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

**Member of the Executive Board:** Flying Health,  
F.H. Incubator



**Healthcare sector:** 36 years of experience as a physician, in particular as a consultant at the Department of Paediatrics at the University of Düsseldorf, in the areas of general paediatrics, paediatric oncology, intensive care, neurology and radiology.



**CSR:** Founder of Green.Health (2021), a company dedicated to sustainability in healthcare strategies (particularly climate change).



**Cybersecurity / Digital:** Expert in digital healthcare solutions as Chief Medical Officer in two hospitals and Managing Partner of Eternity.Health.



**Quality management:** Responsible for quality management for 20 years in various management positions (Chief Medical Officer in two hospitals and Managing Partner of Eternity.Health).

(1) Dr Markus Müschenich is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.



**BORN ON:** 20 October 1965  
in Lyon (Rhône)

**NATIONALITY:** French

**ADDRESS:**  
137, rue de l'Université,  
75007 Paris

**DATE OF APPOINTMENT:**  
General Meeting  
of 18 March 2014

**DATE OF LAST RENEWAL:**  
General Meeting  
of 27 May 2021

**END OF TERM OF OFFICE:**  
General Meeting convened  
to approve the financial  
statements for the 2023  
financial year

**SHAREHOLDING:**  
At the date of this  
document, Mrs Catherine  
Soubie held 6,900 Korian  
shares.

## MRS CATHERINE SOUBIE

INDEPENDENT DIRECTOR, CHAIRWOMAN OF THE AUDIT COMMITTEE AND MEMBER OF THE COMPENSATION AND APPOINTMENTS COMMITTEE

### MAIN POSITION HELD

**Chief Executive Officer of Arfilia**

Mrs Catherine Soubie's diversified and multidisciplinary background strengthens the skills of the Board of Directors, notably through her experience in business consulting, but also in real estate, finance, banking and investment. Her experience as Chief Executive Officer and as a Director at listed companies enrich the Board of Directors' areas of expertise.

### BIOGRAPHY

A graduate of the École supérieure de commerce de Paris, Mrs Catherine Soubie has served as Chief Executive Officer of Arfilia since 2016. Arfilia brings together companies specialising in information, consulting and business services.

She began her career in 1989 at Lazard in London, followed by the Paris office, where she served as Director of Financial Affairs. She then held a variety of positions at Morgan Stanley in Paris, notably that of Managing Director. From 2005 to 2010, she was Deputy CEO of Rallye, a listed food and non-food retail company operating in France and internationally. In 2010, she joined Barclays as Managing Director, Head of Investment Banking for France, Belgium and Luxembourg. Mrs Catherine Soubie is also an independent Director of the listed companies Covivio, in the real estate sector, and Sofina, in the investment sector.

### OFFICES OUTSIDE THE GROUP<sup>(1)</sup>

**Chief Executive Officer:** Arfilia

**Director:** Covivio<sup>(2)</sup>, Sofina<sup>(2)</sup>

**Chairwoman:** Financière Verbateam  
(Arfilia group)

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

**Chief Executive Officer:** Alixio, Taddeo  
(Arfilia group)



**Real estate:** Director of Covivio. Financial consulting experience on real estate transactions at Morgan Stanley and Barclays.



**Finance / Audit & Risks:** 22 years of experience in the finance sector, notably as Director of Financial Affairs at Lazard, Managing Director at Morgan Stanley and Managing Director, Head of Investment Banking at Barclays France & Benelux.



**Executive function:** Chief Executive Officer of Arfilia and formerly Deputy Chief Executive Officer of Rallye and Head of Investment Banking at Barclays France and Benelux.



**Strategy / M&A:** 20 years of experience in investment banking.

(1) Mrs Catherine Soubie is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.

(2) Listed company.



**BORN ON:** 16 February 1961  
in Merville (Nord)

**NATIONALITY:** French

**ADDRESS:**  
12, chemin du Houga,  
32720 Barcelonne-du-Gers

**DATE OF APPOINTMENT:**  
1 September 2019 by UNSA,  
the most representative  
trade union organisation  
within the Group

**DATE OF LAST RENEWAL:**  
18 July 2022 by UNSA, the  
most representative trade  
union organisation within  
the Group

**END OF TERM OF OFFICE:**  
General Meeting convened  
to approve the financial  
statements for the 2024  
financial year

**SHAREHOLDING:**  
At the date of this  
document, Mrs  
Marie-Christine Leroux held  
274 Korian shares (2).

## MRS MARIE-CHRISTINE LEROUX

DIRECTOR REPRESENTING EMPLOYEES AND MEMBER OF THE COMPENSATION AND APPOINTMENTS COMMITTEE

### MAIN POSITION HELD

**HR Integration Officer**

Representing the Group's employees, Mrs Marie-Christine Leroux strengthens the Board of Directors with the skills she brings from her diversified and multidisciplinary career. Her experience in the Group's healthcare and facilities management as well as her expertise in healthcare and caregiver staff training provide an essential perspective to the discussions and decisions of the Board of Directors.

### BIOGRAPHY

Mrs Marie-Christine Leroux holds a management certificate from ESSEC, an MBA in Human Resources Management from the University of Paris Dauphine and a Master's degree from INSEEC Business School in Bordeaux. She began her career as a self-employed physiotherapist. From 1996 to 2006, she worked as a healthcare executive, training manager and financial controller at Assistance Publique – Hôpitaux de Paris (the teaching hospital in Paris).

She joined Korian in 2006 as Director of a post-acute and rehabilitation care clinic before becoming a long-term care nursing home manager in 2012.

From 2015 to 2021, she was Director of the long-term care nursing home Korian Villa Castera and managed Korian Le Clos d'Armagnac.

In 2021, she joined the Group's Human Resources Department as HR Missions Head before being appointed HR Integration Officer.

She has held several offices within the Group as an elected UNSA employee representative from April 2016 to July 2019.

### OFFICES OUTSIDE THE GROUP <sup>(1)</sup>

None

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

None



**Healthcare sector:** 26 years of experience in the healthcare sector as a freelance physiotherapist, then health manager, training manager and management controller at Assistance Publique - Hôpitaux de Paris and Director of medical care clinics and medicalised nursing homes.



**Human capital:** Head of training at Assistance Publique - Hôpitaux de Paris and Director of medical care clinics and medicalised nursing homes.



**Strategy / M&A:** 16 years of experience in the development of facilities and in the negotiation of new activities with healthcare and medico-social authorities to reposition the facilities in their competitive environment.



**Quality management:** 16 years of experience in healthcare quality management through her experience as director of medical care clinics and medicalised nursing homes.

(1) Mrs Marie-Christine Leroux is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.  
(2) The shares held by Mrs Marie-Christine Leroux are held indirectly via an employee investment fund (FCPE).



**BORN ON:** 5 June 1989  
in Bari (Italy)

**NATIONALITY:** Italian

**ADDRESS:**  
Via Bitetto 20,  
70020 Binetto (Italy)

**DATE OF APPOINTMENT:**  
29 June 2022 by the  
European Works Council

**END OF TERM OF OFFICE:**  
General Meeting convened  
to approve the financial  
statements for the 2024  
financial year

**SHAREHOLDING:**  
At the date of this  
document, Mr Gilberto  
Nieddu held 17 Korian  
shares.

## MR GILBERTO NIEDDU

DIRECTOR REPRESENTING EMPLOYEES AND MEMBER OF THE ETHICS, QUALITY AND CSR COMMITTEE

### MAIN POSITION HELD

**Head of Applications and Enterprise Support (IT Department)**

Representing the Group's employees, Mr Gilberto Nieddu strengthens the Board of Directors through the skills he brings from his diversified and multidisciplinary career. His experience in healthcare management and his expertise in the field of rehabilitation provide essential insight to the discussions and decisions of the Board of Directors.

### BIOGRAPHY

Holding a Bachelor of Science degree in Physiotherapy (University of Bari) and a Master of Science degree in Rehabilitation, Mr Gilberto Nieddu began his career in 2013 as a physiotherapist. He worked in various facilities, including the Korian rehabilitation centre in Bari, from 2017 to 2022.

In 2022, he was appointed coordinator of home rehabilitation services for the Aurea Salus and Elia Domus facilities of the Korian Group.

Mr Gilberto Nieddu has also completed advanced university courses in healthcare management (SDA Bocconi Management School in Milan).

From 2020 to 2022, he was a member of Korian's European Works Council. He also took part, within the Special Negotiation Group, in negotiations over the agreement reached on the terms and conditions of employee involvement within the European company.

### OFFICES OUTSIDE THE GROUP <sup>(1)</sup>

None

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

None



**Healthcare sector:** Bachelor of Science degree in physiotherapy and a Master's in rehabilitation sciences, physiotherapist and 10 years of experience in various roles at medico-social and healthcare facilities.



**Human capital:** Coordinator of home care rehabilitation operations and Italian member of Korian's European Works Council, involving the management of a team and human resources.



**International experience:** Experience in medico-social facilities in Italy.



**Quality management:** 10 years of experience in healthcare quality management through his experiences in medico-social and healthcare facilities.

<sup>(1)</sup> Mr Gilberto Nieddu is in compliance with applicable laws and recommendations on the holding of multiple corporate offices.

## EMPLOYEE REPRESENTATION

In accordance with Article L. 225-27-1 *et seq.* of the French Commercial Code, Article 11.4 of the Company's Articles of Association provides that the Board of Directors must have one (or two) Director(s) representing employees. Pursuant to Article L. 225-27-1 of the French Commercial Code, two Directors representing employees are members of the Company's Board of Directors:

- (i) the first Director is appointed by the trade union that received the highest number of votes in the first round of the elections referred to in Articles L. 2122-1 and L. 2122-4 of the French Labour Code within the Company and its direct or indirect subsidiaries whose headquarters are registered in France.

Accordingly, on 25 July 2019, the most representative trade union within the Group appointed Mrs Marie-Christine Leroux as Director representing employees with effect from 1 September 2019. This same organisation appointed Mrs Marie-Christine Leroux for a new term on 18 July 2022.

On 8 December 2022, the Board of Directors decided to appoint Mrs Marie-Christine Leroux as a member of the Compensation and Appointments Committee (in compliance with the AFEP-MEDEF code).

### 4.1.3.1.2 Diversity policy

The Board of Directors regularly reviews its own composition and the composition of its Committees in order to enhance and advance their diversity. Such diversity is essential to ensure objectivity, experience and independence for the Company's shareholders. The procedures governing the Board's organisation and operation are set out in its Internal Regulations, as well as in the ethics rules that its members must observe.

At its meeting of 28 March 2023 and in accordance with Article 7.2 of the AFEP-MEDEF code, the Board of Directors, on

- (ii) the second Director is appointed by the European Company Works Committee.

On 29 June 2022, the European Works Council appointed Mr Gilberto Nieddu to serve as Director representing employees. The European Company Works Committee, a body that replaced the European Works Council when Korian became a European company, was established on 18 November 2022. This body will be responsible for appointing the second Director representing employees when the current second Director representing employees' term ends.

On 8 December 2022, the Board of Directors decided to appoint Mr Gilberto Nieddu to the Ethics, Quality and CSR Committee.

If the Director representing employees is new to the duties, he or she receives 40 hours of training per year, beginning within four months of his or her appointment.

A training programme has been organised for Mrs Marie-Christine Leroux and Mr Gilberto Nieddu, particularly in the areas of corporate governance and CSR.

In addition, a representative of the Central Social and Economic Committee attends the meetings of the Board of Directors in an advisory capacity.

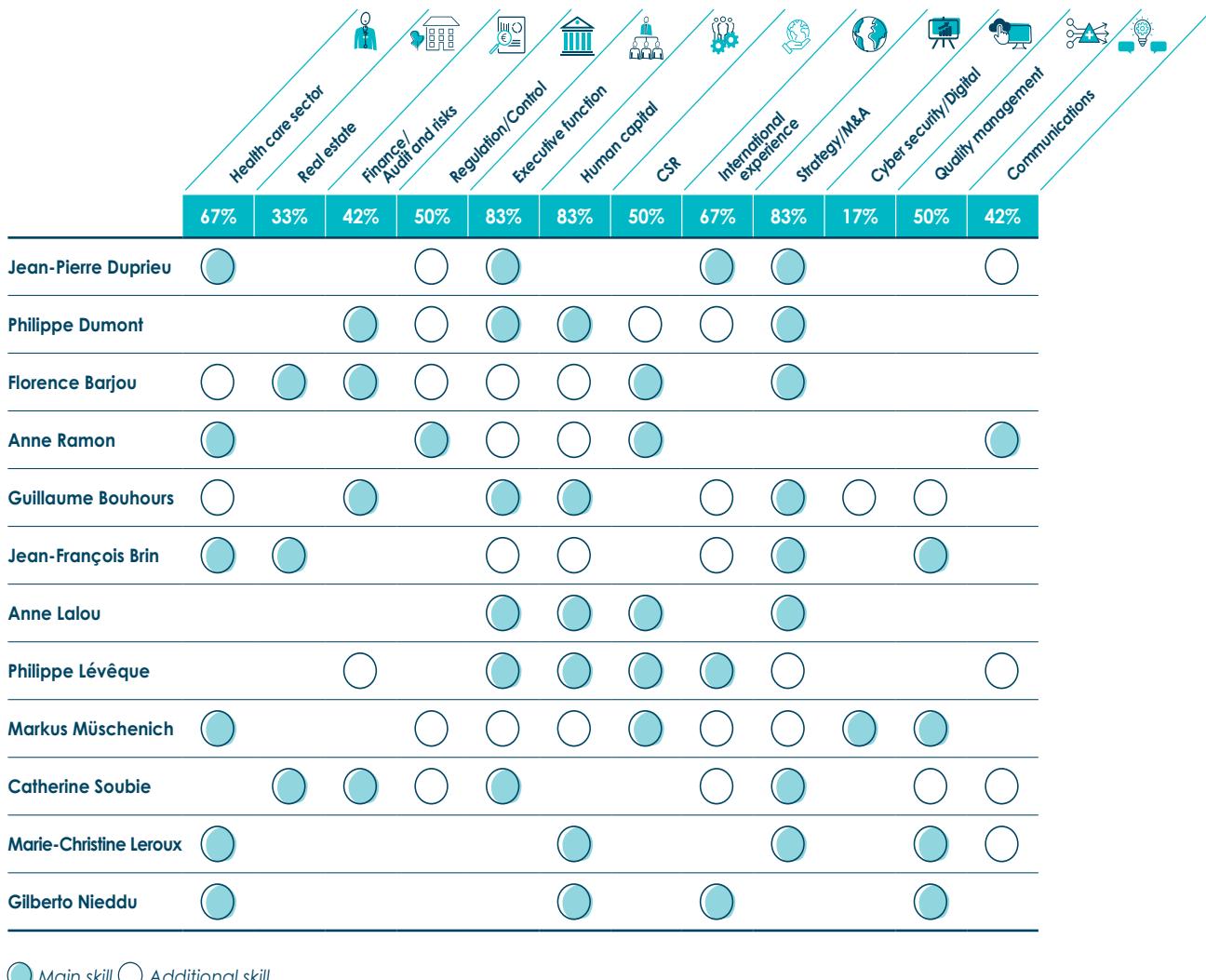
the recommendation of the Compensation and Appointments Committee, reviewed the balance of its composition. The balance was deemed satisfactory, notably with regard to the mix of genders, nationalities and ages as well as the diversity of skills and professional expertise. This multinational and balanced membership, which includes active and committed members with varied and complementary skills, ensures the quality of discussions and the appropriateness of the Board's decision-making.

## DIVERSITY POLICY APPLIED TO THE MEMBERS OF THE BOARD OF DIRECTORS

Criterion	Target	Implementation procedures and results obtained
<b>Equality</b>	The percentage of Directors of either gender may not be less than 40% at the end of the first Ordinary General Meeting (1). (Article L. 225-18-1 of the French Commercial Code)	45% women (5 women vs. 6 men) since the 2022 General Meeting held after 1 January 2017.
<b>Balanced representation of women and men on the Board of Directors' Committees</b>	Gender balance in the Committees.	Three of the four Committees are chaired by women (Audit Committee, Compensation and Appointments Committee and Investment Committee).
<b>Nationalities</b> <b>International experience</b>	Seeking a balance of national and foreign profiles and/or people with international experience to optimise the Board of Directors' composition, given the Company's international development.	The Board of Directors has three nationalities (French, German and Italian). The majority of the Directors have one or more international experiences.
<b>Areas of expertise and complementary nature of profiles</b>	Seeking profiles that are complementary in terms of expertise.	<p>Expertise represented:</p> <ul style="list-style-type: none"> <li>■ Healthcare sector;</li> <li>■ Real estate;</li> <li>■ Finance/Audit and Risks;</li> <li>■ Regulation/Control;</li> <li>■ Executive function;</li> <li>■ Human capital;</li> <li>■ CSR</li> <li>■ International experience;</li> <li>■ Strategy / M&amp;A;</li> <li>■ Cybersecurity / Digital;</li> <li>■ Quality management;</li> <li>■ Communications.</li> </ul> <p>The varied and complementary nature of the experience in these areas enables realistic and effective decision-making to meet Korian's challenges.</p>
<b>Independence of Directors</b>	At least 50% Independent Directors. (Article 10.3 of the AFEP-MEDEF code)	64% Independent Directors.
<b>Age of Directors</b>	At least two-thirds of the Board's members must be under the age of 70. (Article 11.1.1 of the Company's Articles of Association)	With the exception of one Director, all are under the age of 70. The average age is 56 years: ranging from 33 to 71 years.
<b>Length of service of Directors</b>	Seeking of a balanced representation on the Board of Directors in terms of length of service.	The Board of Directors considers its composition to be balanced: some Directors have historic knowledge of Korian; others who have joined the Board more recently bring their own experience and fresh insight.
<b>Employee representation</b>	At least two Directors representing employees. (Article L. 225-27-1 of the French Commercial Code and Article 11.4 of the Company's Articles of Association)	Two Directors representing employees.

(1) In accordance with Article L. 225-27-1 II of the French Commercial Code, Mrs Marie-Christine Leroux and Mr Gilberto Nieddu, Directors representing employees, are not included in this percentage.

## EXPERTISE REPRESENTED ON THE BOARD OF DIRECTORS

**Definitions:**

**Healthcare sector:** medico-social, pharmaceutical, laboratory, research and healthcare sectors.

**Real estate:** acquisition, management of real estate assets, disposal, hospitality, land, tourism.

**Finance/Audit and Risks:** financial sector, insurance sector, finance business lines, audit or risk management.

**Regulation/Control:** compliance with regulations, lawyers, legal advice.

**Executive function:** member of a Management Board or Executive Committee, senior management position or equivalent.

**Human capital:** team management, Human Resources, professional training.

**CSR:** corporate social responsibility (i.e. contribution to sustainable development issues and integration by the Company of social and environmental concerns into its commercial activities and relations with stakeholders), ethics.

**International experience:** operational functions outside France, executive or non-executive mandates within companies registered outside France.

**Strategy/M&A:** strategy consulting, corporate strategy, M&A and development.

**Cybersecurity/Digital:** IT, digital, innovation, cybersecurity, digital transformation.

**Quality management:** quality, prevention, production or supply chain.

**Communications:** communication, marketing, crisis management.

## TABLE SUMMARISING THE COMPOSITION OF THE BOARD OF DIRECTORS

Directors	Date of appointment	Seniority on the Board	Date(s) of renewal	Current term of office	Committees	Age	Gender	Nationality	Number of terms of office at listed companies <sup>(1)</sup>	International experience
<b>CHAIRMAN</b>										
<b>Jean-Pierre Duprieu</b>	GM of 23 June 2016	6 years	GM of 22 June 2022	GM voting on the financial statements for the 2024 financial year	Investment Committee	71 years	M	French	3	Europe Africa Middle East Asia
<b>DIRECTOR AND EXECUTIVE CORPORATE OFFICER</b>										
<b>Sophie Boissard</b>	GM of 22 June 2020	2 years	-	GM voting on the financial statements for the 2022 financial year	-	52 years	F	French	2	Europe
<b>INSTITUTIONAL DIRECTORS</b>										
<b>Philippe Dumont</b>	GM of 22 June 2020	2 years	-	GM voting on the financial statements for the 2022 financial year	Compensation and Appointments Committee	62 years	M	French	1	Italy
<b>Predica – represented by Florence Barjou</b>	GM of 18 March 2014	9 years	25 June 2015 14 June 2018 27 May 2021	GM voting on the financial statements for the 2023 financial year	Investment Committee (Chairwoman) Audit Committee	50 years	F	French	11 <sup>(2)</sup> 2 <sup>(3)</sup>	-
<b>Holding Malakoff Humanis – represented by Anne Ramon</b>	GM of 18 March 2014	9 years	25 June 2015 14 June 2018 27 May 2021	GM voting on the financial statements for the 2023 financial year	Ethics, Quality and CSR Committee Investment Committee	55 years	F	French	3 <sup>(4)</sup> 1 <sup>(5)</sup>	-
<b>INDEPENDENT DIRECTORS</b>										
<b>Guillaume Bouhours</b>	Board meeting of 11 January 2021 (co-optation)	2 years	-	GM voting on the financial statements for the 2022 financial year	Audit Committee	46 years	M	French	1	United Kingdom China United States
<b>Jean-François Brin</b>	GM of 6 June 2019	3 years	22 June 2022	GM voting on the financial statements for the 2024 financial year	Investment Committee Ethics, Quality and CSR Committee	59 years	M	French	1	
<b>Anne Lalou</b>	GM of 18 March 2014	9 years	23 June 2016 6 June 2019 22 June 2022	GM voting on the financial statements for the 2024 financial year	Appointments Committee (Chairwoman) Ethics, Quality and CSR Committee	59 years	F	French	2	United Kingdom
<b>Philippe Lévéque</b>	GM of 22 June 2022	1 year	-	GM voting on the financial statements for the 2024 financial year	Ethics, Quality and CSR Committee (Chairman)	63 years	M	French	1	United States
<b>Markus Müschenich</b>	GM of 22 June 2017	5 years	22 June 2020	GM voting on the financial statements for the 2022 financial year	Ethics, Quality and CSR Committee	61 years	M	German	1	Germany
<b>Catherine Soubie</b>	GM of 18 March 2014	9 years	25 June 2015 14 June 2018 27 May 2021	GM voting on the financial statements for the 2023 financial year	Audit Committee Compensation and Appointments Committee	57 years	F	French	3	United Kingdom Benelux

Directors	Date of appointment	Seniority on the Board	Date(s) of renewal	Current term of office	Committees	Age	Gender	Nationality	Number of terms of office at listed companies <sup>(1)</sup>	International experience
<b>DIRECTOR REPRESENTING EMPLOYEES</b>										
Marie-Christine Leroux	1 September 2019	3 years	18 July 2022	GM voting on the financial statements and for the 2021 financial year	Appointments Committee	62 years	F	French	1	-
Gilberto Nieddu	29 June 2022	1 year	-	GM voting on the financial statements for the 2024 financial year	Ethics, Quality and CSR Committee	33 years	M	Italian	1	Italy

(1) Including offices held within the Company.

(2) Number of offices in listed companies held by Predica.

(3) Number of offices in listed companies held by Predica, for which Mrs Florence Barjou acts as permanent representative.

(4) Number of offices in listed companies held by Holding Malakoff Humanis.

(5) Number of offices in listed companies held by Holding Malakoff Humanis, for which Mrs Anne Ramon acts as permanent representative.

#### 4.1.3.1.3 Independence of Directors

In accordance with Article 10.3 of the AFEP-MEDEF code, more than half of the members of the Board of Directors are independent. The Directors representing employees are not included in this percentage.

In accordance with Article 10.4 of the AFEP-MEDEF code, the Board of Directors examines the independence of the Directors at the time of their appointment, and then annually, on the recommendation of the Compensation and Appointments Committee.

The independence criteria applied by the Board of Directors, which are set out below, comply with Article 10.5 of the AFEP-MEDEF code in this area:

##### Criterion 1: Employee or corporate officer within the previous 5 years

The Director is not, and has not been, in the course of the previous five years:

- an employee or executive corporate officer of the Company;
- an employee, executive corporate officer or Director of a company consolidated within the Company;
- an employee, executive corporate officer or Director of the Company's parent company or a company consolidated within this parent company.

##### Criterion 2: Cross-directorships

The Director is not an executive corporate officer of a company in which the Company holds a Directorship, directly or indirectly, or in which an employee appointed for such purpose or an executive corporate officer of the Company (currently or within the past five years) is a Director.

##### Criterion 3: Significant business relationships

The Director is not a customer, supplier, investment banker, commercial banker or adviser that is:

- significant to the Company or its Group or;
- for which the Company or its Group represents a significant portion of its activity.

It is the Board's responsibility to assess the significance of the relationship with the Company or its Group. The quantitative and qualitative criteria for this assessment (continuity, economic dependence, exclusivity, etc.) are explained in the corporate governance report.

##### Criterion 4: Family ties

The Director does not have any close family ties with a corporate officer.

##### Criterion 5: Statutory Auditor

The Director has not been a Statutory Auditor of the Company within the past five years.

##### Criterion 6: Term of office greater than 12 years

The Director has not been a Director of the Company for more than 12 years. A person ceases to be an Independent Director on the twelfth anniversary of his/her appointment.

##### Criterion 7: Status of non-executive corporate officer

A non-executive corporate officer is not considered to be independent if he/she receives variable compensation in cash, in securities or any compensation linked to the Company's or the Group's performance.

##### Criterion 8: Status of major shareholder

Directors representing major shareholders in the Company or its parent company may be deemed independent if they are non-controlling shareholders. Where, however, the shareholding or voting rights exceed a threshold of 10%, the Board, based on a report prepared by the Appointments Committee, will systematically assess whether the independence criteria are met, taking into account the Company's shareholder structure and the existence of any potential conflict of interest.

Every year, the Directors complete, sign and submit to the Secretary of the Board of Directors a form declaring their offices and any existing or potential conflicts of interest. The Directors must inform the Secretary of the Board of Directors of any change in their situation occurring during the year. The Secretary informs the Chairman of the Board of Directors and the Chief Executive Officer thereof. With regard to criterion 3 "Significant business relationships", the Board of Directors adopted a multi-criteria approach at its meeting of 5 December 2019:

- from a **quantitative** perspective, with thresholds based on:
  - the Group's total cost for purchases and services provided to Korian and the Group's purchases as a proportion of the supplier's revenue,
  - the Group's total net indebtedness under loans subscribed by Korian and the Group's loans as a proportion of the bank's revenue,
  - the Group's total leasing expenditure under leases granted to Korian and the Group's leases as a proportion of the lessor's revenue;
- from a **qualitative** perspective, with the following criteria:
  - economic dependence,
  - the relevant Director's involvement and his/her decision-making power,
  - the length and the continuity of the business relationships,
  - market conditions.

The following procedure is followed in reviewing business relationships:

- the Chief Executive Officer reviews each business relationship upstream to assess its significance in terms of the criteria established by the Board of Directors;
- in the event of any doubt, the Chief Executive Officer refers the matter to the Chairwoman of the Compensation and Appointments Committee, who will decide whether to convene a meeting of the Committee;
- in addition, the Board of Directors reviews the independence of the Directors each year on the recommendation of the Compensation and Appointments Committee.

At its 8 December 2022 meeting, the Board of Directors, in accordance with the aforementioned recommendations of Article 10.4 of the AFEP-MEDEF code, and after obtaining the opinion of the Compensation and Appointments Committee, reviewed the independence of the Directors.

The Compensation and Appointments Committee reviewed the business relationships that may exist between the Company and the companies in which these Directors hold offices and concluded that the independent members either have no business relationships or no significant business relationships with the Company.

The Board of Directors, on the recommendation of the Compensation and Appointments Committee, considered that seven Directors were independent, namely Mr Jean-Pierre Duprieu, Mr Guillaume Bouhours, Dr Jean-François Brin, Mrs Anne Lalou, Mr Philippe Lévêque, Dr Markus Müschenich and Mrs Catherine Soubie, i.e., 64% of the Directors (the Directors representing employees are not included in this percentage).

**SUMMARY OF EACH DIRECTOR'S SITUATION WITH REGARD TO THE INDEPENDENCE CRITERIA SET OUT IN ARTICLE 10 OF THE AFEP-MEDEF CODE<sup>(1)</sup>**

	1 Employee or corporate officer	2 Cross-directorships	3 Significant business relationships	4 Family ties	5 Statutory Auditors	6 Term of office > 12 years	7 Statut du DMS non-exécutif	8 Status of non-executive corporate officer	Classification
Jean-Pierre Dupieu	●	●	●	●	●	●	●	●	Independent
Sophie Boissard	● <sup>(2)</sup>	●	●	●	●	●	●	●	Non-independent
Philippe Dumont	●	●	●	●	●	●	●	● <sup>(3)</sup>	Non-independent
Predica (Florence Barjou)	●	●	●	●	●	●	●	● <sup>(4)</sup>	Non-independent
Holding Malakoff Humanis (Anne Ramon)	●	●	●	●	●	●	●	● <sup>(5)</sup>	Non-independent
Jean-François Brin	●	●	●	●	●	●	●	●	Independent
Guillaume Bouhours	●	●	●	●	●	●	●	●	Independent
Anne Lalou	●	●	●	●	●	●	●	●	Independent
Philippe Lévéque	●	●	●	●	●	●	●	●	Independent
Markus Müschenich	●	●	●	●	●	●	●	●	Independent
Catherine Soubie	●	●	●	●	●	●	●	●	Independent
Marie-Christine Leroux <sup>(4)</sup>					N/A				Employee representative
Gilberto Nieddu <sup>(4)</sup>					N/A				Employee representative

(1) In this summary table, ● means that an independence criterion has been met and ● means that an independence criterion has not been met.

(2) Mrs Sophie Boissard has been Chief Executive Officer of Korian since 26 January 2016.

(3) Mr Philippe Dumont is Deputy Chief Executive Officer of Crédit Agricole, in charge of insurance, the parent company of Predica, a shareholder that owns more than 10% of the Company, and Chief Executive Officer of Crédit Agricole Assurances.

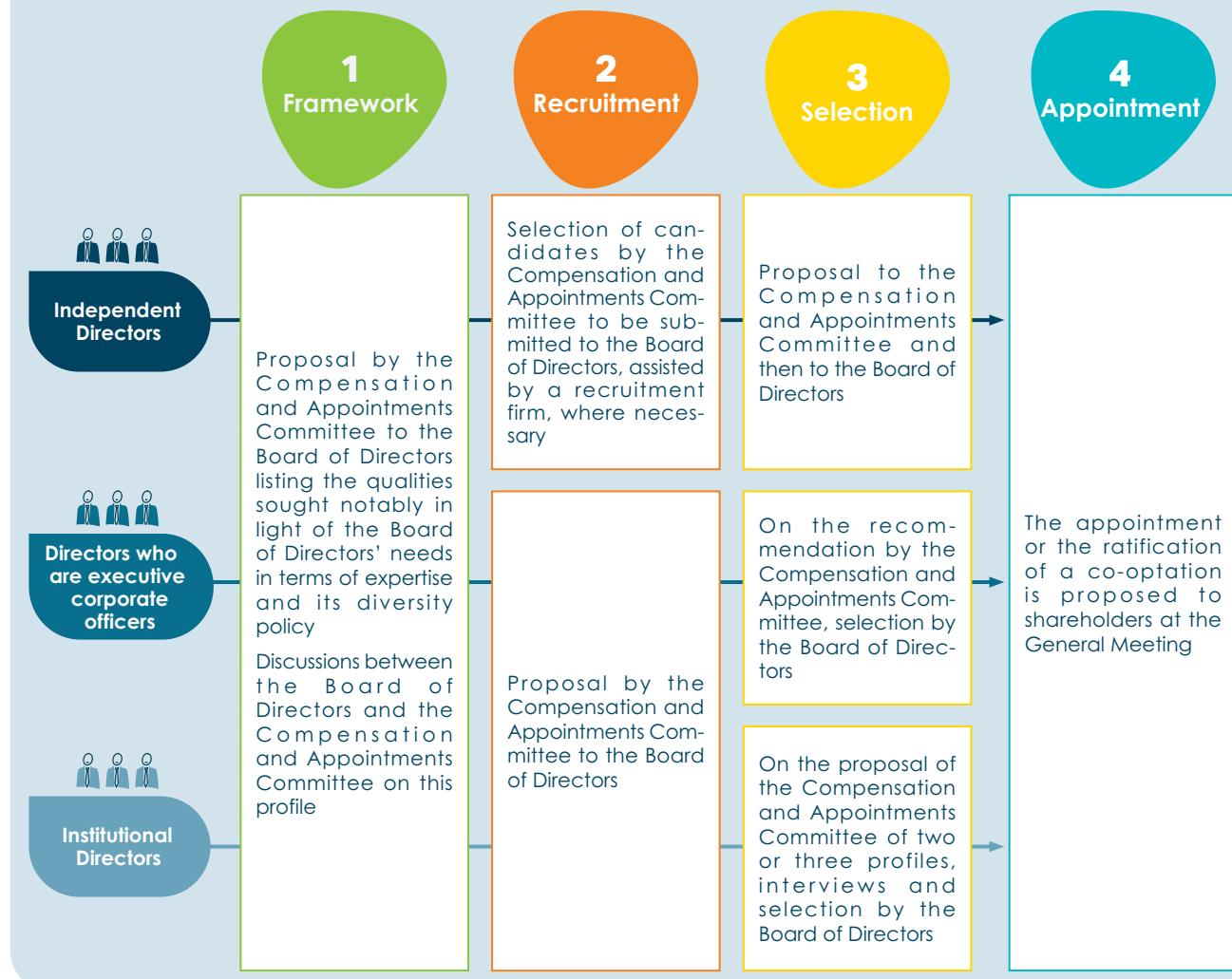
(4) In accordance with Article 10.3 of the AFEP-MEDEF code, the Directors representing employees are not included in calculations of the Board of Directors' independence.

It is also specified that Mrs Anne Lalou, Mr Philippe Lévéque and Mrs Catherine Soubie, Independent Directors, chair respectively the Compensation and Appointments Committee, the Ethics, Quality and CSR Committee and the Audit Committee.

#### 4.1.3.1.4 Appointment and onboarding process

##### PROCESS FOR APPOINTING A NEW DIRECTOR

There are four categories of Director on Korian's Board of Directors: Independent Directors, executive corporate officers, Institutional Directors and Directors representing employees. There is a specific appointment process for each category.



4

##### APPOINTMENT PROCESS FOR EMPLOYEE DIRECTORS



\* The most representative union organisation is the organisation that receives the highest number of votes in the first round of the elections referred to in Articles L. 2122-1 and L. 2122-4 of the French Labour Code within the Company and its direct or indirect subsidiaries whose headquarters are registered in France.

## ONBOARDING PROCESS

Directors follow a four-stage onboarding process:

- (i) the Secretary of the Board of Directors provides new Directors with the documents they need to assume their duties (Company's Articles of Association, Internal Regulations, Universal Registration Document, half-year financial report, stock market Ethics Charter, minutes of Board of Directors meetings and Committee(s) meetings of which they are members, Company press releases for the current year, risk mapping, Group organisation chart, Group ESG commitments, etc.) as part of a presentation of the functioning of the Board of Directors and its Committees;
- (ii) they meet with the Group's main executives and with the members of the Group Management Board;
- (iii) they visit sites in the countries in which the Group operates and attend a presentation on the business lines; and

- (iv) they receive dedicated training on the main points monitored by the Committee(s) of which they are members.

If he/she deems it necessary, each new Director may undertake additional training covering the Company's specific characteristics, its business lines and its activities.

## TERMS OF OFFICE

In accordance with the recommendations of the AFEP-MEDEF code that Directors' term of office should not exceed four years, the Articles of Association stipulate that the term of office of the Company's Directors is three years. In addition, the terms of office are staggered and one-third of the Directors are renewed each year. Furthermore, the term of office of the Director representing employees also lasts three years. Such terms expire at the conclusion of the Shareholders' General Meeting that votes on the financial statements for the previous year held during the year in which the Director's term expires.

The table below shows the duration of each Director's term of office:

Directors whose term of office expires after the General Meeting convened to vote on the financial statements for the 2022 financial year	Directors whose term of office expires after the General Meeting convened to vote on the financial statements for the 2023 financial year	Directors whose term of office expires after the General Meeting convened to vote on the financial statements for the 2024 financial year
Sophie Boissard	Predica, represented by Florence Barjou	Jean-Pierre Duprieu (Chairman of the Board of Directors)
Philippe Dumont	Holding Malakoff Humanis, represented by Anne Ramon	Jean-François Brin (Independent Director)
Guillaume Bouhours (Independent Director)	Catherine Soubie (Independent Director)	Anne Lalou (Independent Director)
Markus Müschenich (Independent Director)	-	Philippe Lévéque (Independent Director)
-	-	Marie-Christine Leroux (Director representing employees) <sup>(1)</sup>
-	-	Gilberto Nieddu (Director representing employees) <sup>(2)</sup>

(1) In accordance with the procedures described under "Employee representation" in Section 4.1.3.1 of this Universal Registration Document, Mrs Marie-Christine Leroux was appointed by the most representative union organisation, within the meaning of the applicable laws.

(2) Mr Gilberto Nieddu, in accordance with the procedures described in "Employee representation" in Section 4.1.3.1 of this Universal Registration Document, was appointed by the European Works Council.

## FOCUS: CHANGE IN THE COMPOSITION OF THE BOARD OF DIRECTORS PROPOSED TO THE 2023 GENERAL MEETING

The 2023 General Meeting will be asked to renew the term of office as Director of:

- Mrs Sophie Boissard (also Chief Executive Officer);
- Mr Philippe Dumont;
- Mr Guillaume Bouhours (Independent Director); and
- Dr Markus Müschenich (Independent Director);

for a three-year term expiring at the conclusion of the Shareholders' General Meeting convened to vote on the financial statements for the financial year ending 31 December 2025.

At the close of the 2023 General Meeting, and subject to approval by this Meeting of the renewal of the terms of office of Directors as proposed by the Board of Directors, the Board of Directors would therefore be composed of 45% women and 64% Independent Directors.

### 4.1.3.2 Organisation, operations and activities of the Board of Directors

#### 4.1.3.2.1 Duties and powers of the Board of Directors

##### ROLE OF THE BOARD OF DIRECTORS

The Board of Directors determines the Company's business strategy and ensures that it is carried out in accordance with the Company's interests. In doing so, the Board takes into consideration the social and environmental issues associated with the Company's business activity. Subject to the powers expressly granted to shareholders' General Meetings and within the limits of the corporate purpose, the Board studies all matters relating to the proper operation of the Company and through its decisions resolves issues concerning it. As such, the Board performs all checks it deems appropriate, at any time of the year. The Board may request from the General Management any documents that it considers useful in the performance of its duties. The Board of Directors reviews the Group's financial press releases and presentations made to the French Society of Financial Analysts (Société française des analystes financiers – SFAF).

In addition, the members of the Board of Directors are informed of changes in the markets, the competitive environment and the main challenges facing the Company and the Group, particularly in the areas of ethics, quality and CSR. They are also informed of the Company's financial position, cash position and commitments.

The Board of Directors is responsible for the quality of the information provided to shareholders and to the market. Guided by the strategy it has set, the Board regularly reviews the Group's financial, legal, operational, social and environmental opportunities and risks, and the steps taken as a consequence. Where appropriate, the Board ensures that a system is in place to prevent and detect corruption and influence peddling and that a non-discrimination and diversity policy is applied by the management bodies.

The financial delegations and authorisations granted to the Board of Directors, following the deliberations of the 2021 and 2022 General Meetings, are described in Section 7.2.3.1 of this Universal Registration Document.

##### STRONG SHAREHOLDER DIALOGUE

Over the past four years, the Group has been engaged in strong and proactive dialogue with its shareholders, with a view to continually improving its governance practices and its CSR commitments.

The financial community was invited to attend governance roadshows with the Chairman of the Board of Directors, the Investor Relations team and the General Secretary.

These valuable and instructive discussions provide the Board of Directors and the General Management with food for thought on a number of topics prior to the Annual General Meetings.

##### INTERNAL RULES GOVERNING OPERATIONS REQUIRING AUTHORISATION BY THE BOARD OF DIRECTORS

Article 11.3 of the Company's Articles of Association and Article 1.4.2 of the Internal Regulations list the matters that must be submitted for authorisation by the Board of Directors:

- a) approval of the Company's strategic business plan and subsequent amendments;
- b) approval of the annual budget of the Company;
- c) disposal of real-estate properties with a value exceeding €15 million by the Group;
- d) the total or partial sale by the Group of equity interests with a value exceeding €15 million by the Group;
- e) the raising of loans with a value exceeding €50 million by the Group;
- f) the acquisition of assets (including companies or equity interests) with an enterprise value exceeding €15 million by the Group;
- g) any investment by the Group outside the Group's pre-existing activities/business lines (considered at a local level) or in a new country;
- h) entering into any strategic partnership (including the acquisition of equity interests which do not give the Group control) that may have a structural impact on the Group;
- i) entering into any settlement agreement or compromise concerning a dispute of the Group for an amount exceeding €5 million for the Group.

By way of exception, the transactions referred to in points:

- c), d), e) and f) above do not require the Board of Directors' authorisation where they are carried out between Group companies save (i) where the transaction is carried out by Korian SE and/or (ii) where the transaction has a material impact on the Group;
- g), h) and i) above do not require the Board of Directors' authorisation where they are carried out between Group companies.

The Board of Directors also expresses its opinion on:

- sureties, endorsements and guarantees given by the Company, under the conditions provided for by Article L. 225-35 paragraph 4 of the French Commercial Code; and
- agreements within the scope of Article L. 225-38 et seq. of the French Commercial Code.

#### 4.1.3.2.2 Internal Regulations of the Board of Directors

The Internal Regulations both describe the operations of the Board of Directors and set out the rules of conduct its members are required to follow. The aim is to ensure a high level of transparency and good corporate governance, enabling the Board to perform its supervisory duties effectively and in accordance with generally accepted market practices. In particular, the Internal Regulations set out:

- the Directors' duties and the business ethics principles they are required to follow, especially with regard to preventing conflicts of interest, holding the Company's securities, fair practices, diligence, confidentiality and information;
- the frequency of meetings and practical aspects thereof (the use of telecommunications and videoconferencing in particular);
- the powers of the Board of Directors;
- the operating rules of the Committees of the Board of Directors.

The Board of Directors regularly updates its Internal Regulations. The latest update was made on 28 June 2022 in order to adapt it to the new corporate form of Korian, after the approval of the transformation into a European company by the 2022 General Meeting.

In accordance with the recommendations of the AFEP-MEDEF code, the Internal Regulations are available for download, without restriction, from the Company's website ([www.korian.com](http://www.korian.com)).

#### 4.1.3.2.3 Operation of the Board of Directors

The Board of Directors meets as often as necessary, and at least once per quarter. Directors are invited to attend these meetings by any means. The meetings of the Board of Directors are held at the registered office or at any other location specified in the notice of meeting. The meetings are chaired by the Chairman of the Board of Directors.

To facilitate Board of Directors meetings and increase their efficiency, the Internal Regulations also stipulate that Board meetings may, under certain conditions, be held using means of telecommunications or video conference. This allows one or more members who cannot travel to participate (with the exception of meetings devoted to the decisions for which the

French Commercial Code prohibits the use of these techniques).

In accordance with Article L. 225-37 of the French Commercial Code as amended by Law No. 2019-744 of 19 July 2019, the Company's Articles of Association provide for the possibility for the Board of Directors to take certain decisions by written consultation.

The Board of Directors may meet and decide under the conditions of quorum and majority provided by law. In the event that a vote is tied, the Chairman does not have the casting vote.

Minutes of the meetings of the Board of Directors are prepared and kept in accordance with the requirements of the applicable laws and regulations. Copies and excerpts thereof are certified in accordance with the law.

#### BOARD MEETINGS THAT ARE NOT ATTENDED BY EXECUTIVE CORPORATE OFFICERS (EXECUTIVE SESSIONS)

At least one meeting of the Board of Directors is held each year without the presence of the Chief Executive Officer, who is the sole executive corporate officer.

Such executive sessions were held on 31 March 2022 and on 3 March 2023.

#### FOCUS: STRATEGIC SEMINARS OF THE BOARD OF DIRECTORS

Each year, the Board of Directors holds two strategic seminars: one off-site and the other at the Company's registered office.

In January 2022, the Directors visited an Ages & Vie shared housing unit for a strategic seminar dedicated to the Group's new activities for the care of elderly people as well as to innovative digital tools for caregivers and residents. On this occasion, the Directors met the founders and managers of Ages & Vie in the Ages & Vie group's historical heartland of Besançon. They had the opportunity, in small groups and in strict compliance with current health restrictions, to visit two Ages & Vie establishments located around Besançon and talk with the managers of the facilities and some residents. This seminar also provided an opportunity to meet the Group Executive Vice President Development and New Countries, accompanied by a member of his team to discuss the Group's new activities relating to eldercare specifically, as well as the Group Chief Information Systems and Digital Transformation Officer and members of her team to discuss innovative digital tools for the Group's caregivers and residents.

In October 2022, the Directors met for a strategic seminar in Munich, at the head office of Korian Germany, the Group's second country in Europe. This strategic seminar, dedicated to the development of the Group's activities in Germany, was an opportunity for the Directors to speak with the managers of the Karlsfeld Haus nursing home about the care provided to residents. The Directors then discussed the local specificities of care provision for elderly people with the Chief Executive Officer of Korian Germany as well as the Group's strategy in Germany.

In January 2023, the strategic seminar enabled the Directors to focus on healthcare activities in France. The Directors met at the Inicea Clinic in Perreux-sur-Marne. Following discussions with the clinic's managers about their experiences as healthcare professionals and a visit of the clinic's facilities, the Directors met with the Chief Executive Officer of Korian France to discuss the strategy initiated in 2016, for transforming and repositioning the Group's healthcare activities. The Directors were also able to meet with the team in charge of the clinic's catering over a lunch prepared on site.

#### Discussions between the Board of Directors, the Group Management Board and Top Management

As part of the work of the Board of Directors and its Committees, its members liaise with the members of the Group Management Board and the main members of Top Management with expertise on the issues examined. The latter attend meetings of the Board of Directors and/or its Committees in order to present the subjects, alongside the Chief Executive Officer, and provide any useful clarifications

to the members of the Board of Directors and the Committees. The Chairman or Chairwoman of each Committee of the Board of Directors prepares for the Committee meeting in advance with the relevant member(s) of the Group Management Board, who is/are also invited to attend the committee meeting in question.

The Chief Executive Officer's presence on the Board of Directors offers the Board a closer working relationship with the management teams and improves the effectiveness of the Company's governance. The Chief Executive Officer also keeps the Board informed about the status of the Company's

business, including, where necessary, outside the framework of plenary meetings of the Board of Directors and its Committees. Lastly, these discussions are complemented by regular informal meetings: site visits or Board of Directors' strategic seminars.

#### 4.1.3.2.4 Attendance rate and main work of the Board of Directors

During the 2022 financial year, the Board of Directors met 13 times and the overall attendance rate at these meetings was 92%. This rate is very high despite a number of extraordinary meetings convened at short notice.

Directors	Member attendance rates at Board of Directors meetings
Jean-Pierre Duprieu (Chairman)	100%
Sophie Boissard	100%
Predica (represented by Florence Barjou) <sup>(1)</sup>	58% <sup>(1)</sup>
Philippe Dumont	83%
Holding Malakoff Humanis (represented by Anne Ramon)	92%
Guillaume Bouhours	92%
Jean-François Brin	100%
Anne Lalou	100%
Philippe Lévéque	100% <sup>(2)</sup>
Markus Müschenich	92%
Catherine Soubie	100%
Marie-Christine Leroux	100%
Gilberto Nieddu	100% <sup>(3)</sup>
Markus Rückerl	88% <sup>(4)</sup>

(1) This attendance rate is due to the transition period between Mrs Françoise Debrus, having exercised her pension rights, and Mrs Florence Barjou as permanent representative of Predica. Since her appointment in this capacity on 1 March 2022, Mrs Florence Barjou has missed one of the eight Board meetings held between 1 March 2022 and 31 December 2022.

(2) From the date of his appointment on 22 June 2022.

(3) From the date of his appointment on 29 June 2022.

(4) Until his departure from the Group on 31 May 2022.

During these meetings, the Board of Directors and its specialised Committees carried out all the work incumbent on them in respect of their duties, in accordance with the work plan set at the end of 2021 and adding topics of interest to the Board of Directors and its specialised Committees as dictated by changes in activity and current events. The diagram hereafter summarises the main areas of work of the Board of Directors and its Committees, as well as the interactions between the various Committees. The Directors have numerous informal exchanges prior to Committee meetings in order to discuss the topics raised by each

Committee. Some Directors are members of several Committees, which allows them to ensure smooth communication. In addition, Mr Jean-Pierre Duprieu, Chairman of the Board of Directors, attends all specialised Committees, ensuring a steady flow of information.

The specialised Committees report on their work to the Board of Directors, submit proposals to the Board and prepare its meetings. The quality of the work and recommendations of the specialised Committees meetings has helped to inform and streamline the decisions of the Board of Directors.

## The main work of the Board of Directors and its Committees\*

Board of Directors				
Audit Committee	Compensation and Appointments Committee	Investment Committee	Ethics, Quality and CSR Committee	
<p><b>The Company's results</b></p> <ul style="list-style-type: none"> <li>• The Company's results</li> <li>• Risk management, internal control and internal audit</li> <li>• Audits and relations with external auditors</li> <li>• Financial management</li> <li>• Governance</li> <li>• Appointments</li> <li>• Compensation</li> <li>• Investment</li> </ul> <p><b>Risk management, internal control and internal audit</b></p> <ul style="list-style-type: none"> <li>• Review and monitoring of internal audit and internal control</li> <li>• Purchasing policy information</li> <li>• Update of risk mapping</li> <li>• Cyber security</li> </ul> <p><b>Audits and relations with external auditors</b></p> <ul style="list-style-type: none"> <li>• Annual review of new and ongoing related-party agreements</li> <li>• Review of current agreements and commitments entered into on arm's length terms</li> <li>• Approval of non-audit services</li> </ul> <p><b>Financial management</b></p> <ul style="list-style-type: none"> <li>• Definition of the annual budget</li> <li>• Review of security interests granted by Korian SE in 2021</li> <li>• Authorisation of guarantees, pledges and security interests</li> <li>• Financing, indebtedness and liquidity strategy and monitoring of the market situation</li> <li>• Forecasts</li> <li>• 2022 schedule of closed periods</li> <li>• 2022/2023 financial communication schedule</li> </ul> <p><b>Monitoring of the market situation (inflation, war in Ukraine)</b></p> <ul style="list-style-type: none"> <li>• Monitoring of the market situation (inflation, war in Ukraine)</li> <li>• Issue of "Schuldschein" credit agreements for around €200 million</li> </ul>	<ul style="list-style-type: none"> <li>• Strategy</li> <li>• Ethics</li> <li>• Quality</li> <li>• ESG strategy and indicators</li> <li>• Public Health situation</li> <li>• Annual General Meeting: notice of meeting and approval of the agenda, draft resolutions and reports of the Board of Directors</li> </ul> <ul style="list-style-type: none"> <li>• Proposal for the appointment of a new Independent Director</li> <li>• Update on the objectives and forecasts and review of the "Beyond<sup>3</sup>" strategic plan</li> <li>• Issue of "Schuldschein" credit agreements for around €200 million</li> </ul>	<ul style="list-style-type: none"> <li>• Acquisition of IHG in Italy and Grupo 5 in Spain</li> <li>• Transformation of Korian's corporate form into a European company</li> <li>• Monitoring of work on the adoption of the quality of a purpose-driven company</li> <li>• Monitoring debates on the care model for the medicalised nursing homes</li> </ul>	<p><b>Governance</b></p> <ul style="list-style-type: none"> <li>• Annual assessment of the activities of the Board of Directors</li> <li>• Corporate governance report</li> <li>• Succession plan for executive corporate officers</li> <li>• Independence of Directors</li> <li>• Assessment of diversity and diversity policy of the Board of Directors and management bodies</li> <li>• Summary presentation at governance roadshows</li> </ul> <p><b>Appointments</b></p> <ul style="list-style-type: none"> <li>• Human resources policies</li> <li>• Review of the talent and high potential management policy</li> <li>• Review of the succession plan for key functions</li> <li>• Review of the term of offices of Directors expiring at the 2022 General Meeting and formulation of renewal proposals</li> <li>• Review of the Board's expertise matrix</li> </ul> <p><b>Compensation</b></p> <ul style="list-style-type: none"> <li>• Approval of the compensation of executive corporate officers</li> <li>• Approval of the compensation of Directors</li> <li>• Information on the compensation of the Group's main managers and employees</li> <li>• Implementation and monitoring of free share plans</li> <li>• Monitoring of the procedure for determining the materiality of a business relationship with Independent Directors</li> <li>• Proposal for the appointment of a new Director</li> <li>• Review of the composition of the Board of Directors' Committees</li> </ul> <p><b>Investment</b></p> <ul style="list-style-type: none"> <li>• Monitoring of acquisitions and real estate investments</li> <li>• Monitoring and feedback on the integration of acquisitions</li> <li>• Review of the investment pipeline, the main planned acquisitions and real estate investments</li> </ul> <p><b>Strategy</b></p> <ul style="list-style-type: none"> <li>• Review of the Group's strategic development outlook</li> <li>• Review of the portfolio management strategy</li> </ul> <ul style="list-style-type: none"> <li>• Review and monitoring of the acquisitions of IHG (Italy) and Grupo 5 (Spain)</li> <li>• Review of the real estate ownership strategy</li> <li>• Review of the Group's diversification strategies</li> </ul> <p><b>Ethics</b></p> <ul style="list-style-type: none"> <li>• Monitoring of ethics alerts and processes implemented</li> <li>• Monitoring of the ethics and compliance plan at Group level</li> </ul> <p><b>Quality</b></p> <ul style="list-style-type: none"> <li>• Monitoring of Group KPIs and SAEs</li> <li>• Results of the annual family satisfaction survey in 2022</li> <li>• Monitoring of so-called "360°" quality audits performed in 2021 and 2022</li> <li>• Monitoring of the roll-out of ISO 9001 certification for the Group's facilities</li> <li>• Monitoring of complaints</li> </ul> <p><b>CSR</b></p> <ul style="list-style-type: none"> <li>• Review of CSR KPIs</li> <li>• Monitoring of achievements for the 15 CSR commitments</li> <li>• Presentation of regulatory developments relating to the European taxonomy</li> <li>• Monitoring of the carbon roadmap and climate plan</li> </ul> <p><b>Public Health Situation</b></p> <ul style="list-style-type: none"> <li>• Monitoring of the Public Health situation</li> </ul>	<p><b>Recurring topics</b></p>  <p><b>One-off topics</b></p>  <p>* Non-exhaustive list</p> <p>Interactions between Committees</p> <ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Compensation and Appointments Committee</li> <li>• Investment Committee</li> <li>• Ethics, Quality and CSR Committee</li> </ul>

### FOCUS: GENDER EQUALITY IN TOP MANAGEMENT POSITIONS

Promoting diversity and gender equality is at the heart of the Group's Human Resources policies. It is reflected in numerous commitments and agreements within the Group. In 2022, the Group structured its diversity policy for the management bodies around six main targets, **with a view to achieving equality in the Group's Top Management positions by 2023. The Group:**

1. created, in 2019, a "Korian Executive Women's Club", tasked with promoting diversity in all company policies, which became the "Korian Women's Club" in 2021; this network works in particular on issues of women's leadership and empowerment;
2. makes the early and systematic detection of women with potential an integral part of the duties of the Company's career committees, with the aim of increasing female representation in succession plans, in particular in relation to positions with operational responsibility;
3. ensures the presence of at least one woman among the internal or external candidates shortlisted for managerial positions;
4. routinely uses internal and external salary surveys and studies to compare the compensation paid to women and men in equivalent managerial positions;

5. proactively participates in diversity monitoring groups in the countries where the Group operates and is actively involved in drives to encourage the promotion of women to positions with high levels of responsibility. As such, Korian joined the Women's Empowerment Principles (WEP) programme of the United Nations Organization (UN) in 2020. It selected three of the seven topics, namely: (i) health and safety of women in the workplace, (ii) qualifying training programmes for women and (iii) communicating about progress made in the area of gender equality. Similarly, the Council of the Group's European company is regularly informed of the application of the "WEP" programme;
6. includes a Top Management action plan for women as part of its ESG policy, in the form of programmes and solidarity initiatives led by the Korian Foundation and the Korian Foundation in Germany.

Gender equality in the management bodies is one of the two CSR targets included in the Company's free share plans. At the end of December 2022, Korian exceeded its target of 50% women in Top Management.

Management	% women
Group Management Board	21%
Top Management	56%
Facility Managers	69%

#### 4.1.3.2.5 Assessment of the Board of Directors

In accordance with the recommendations of Article 11 of the AFEP-MEDEF code, Article 1.8.5 of the Internal Regulations stipulates that the Board of Directors must evaluate its mode of operation annually. This is subsequently discussed at a Board meeting. In addition, the Compensation and Appointments Committee conducts an external evaluation at least every three years with the assistance of an independent consultant. For 2022, the Compensation and Appointments Committee conducted the assessment of the Board of Directors with the assistance of an independent consultant.

This assessment was deemed satisfactory in several respects:

- it showed very positive satisfaction with the mode of operation of the Board of Directors and its Committees; and
- the composition of the Board of Directors is considered to be very balanced and well structured within the framework of an overall governance system that has proven to be effective and dynamic.

The next assessment will be carried out for 2023 on the basis of an internal questionnaire, under the direction of the Compensation and Appointments Committee, with the support of the Secretariat of the Board of Directors.

## Assessment of the Board of Directors

Every year, the Board of Directors assesses its operations. This assessment is carried out with the assistance of an independent consultant firm at least every three years.

2020

Internal assessment

2021

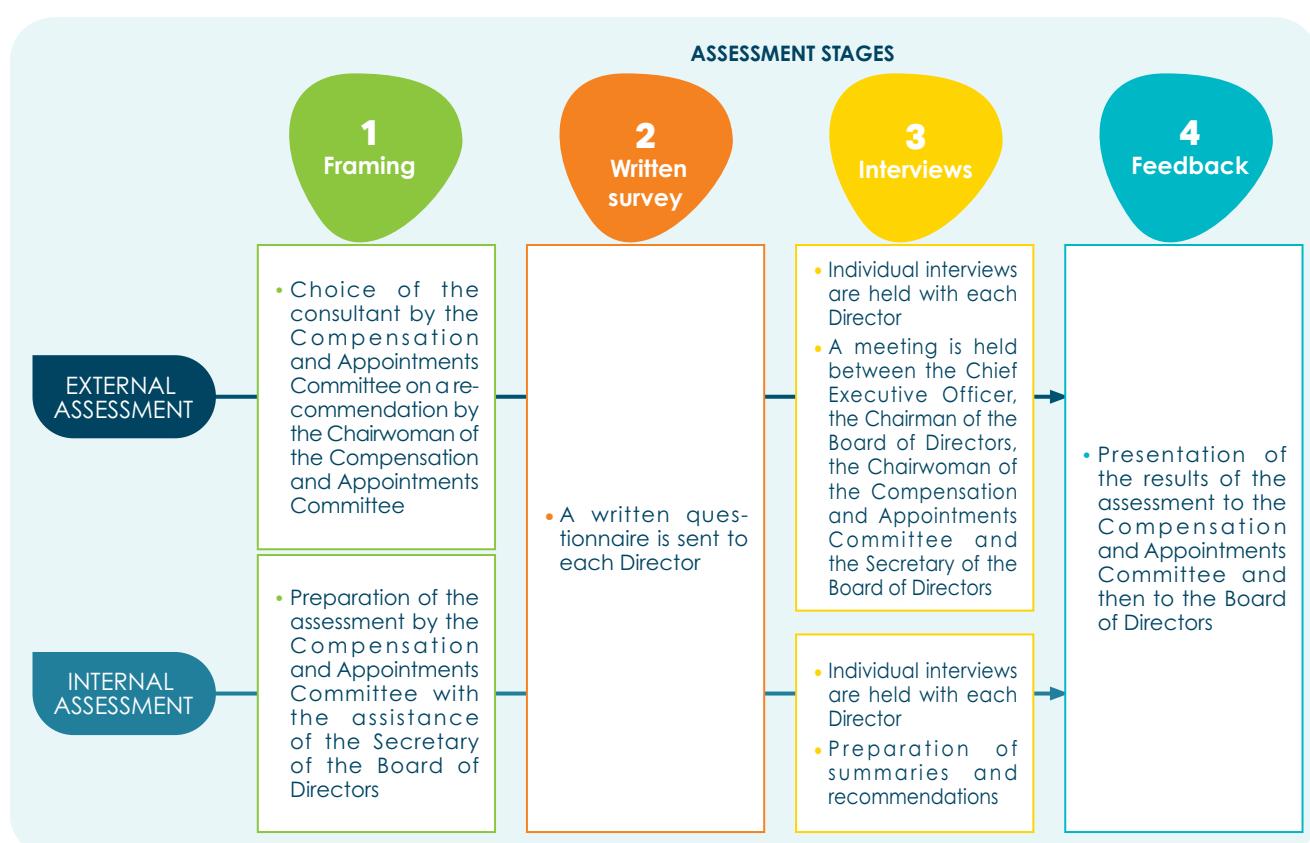
Internal assessment

2022

External assessment

2023

Internal assessment



### CONCLUSIONS OF THE 2021 AND 2022 ASSESSMENTS

#### 2021/2022 (for reference)

##### OBSERVATIONS

- Satisfaction with the Board's resoundingly positive dynamic
- Appreciation of the dynamics of meetings and discussions during strategic seminars

##### AREAS FOR IMPROVEMENT

- Desire to strengthen discussions on ESG topics
- Strengthening of the training system for Directors

##### ACTIONS TAKEN

- Strengthening of the ESG expertise of the Board and the Ethics, Quality and CSR Committee through the appointment of Mr Philippe Lévéque at the 2022 General Meeting
- Increase in the number of meetings of the Ethics, Quality and CSR Committee and implementation of a training plan for Directors on ESG and the Group Quality Standards
- Steady improvement in the dynamics of the Committees

#### 2022/2023

- Recognised effectiveness of the functioning and dynamics of the Board of Directors and its Committees
- Strong involvement of the Board and Committees and in-depth handling of the non-financial aspects of the Group's activity

- Strengthening of the internationalisation of the Board
- Long-term financial trajectory as part of the project to adopt the quality of a purpose-driven company

- In-depth work on the succession plans for Directors in view of the expiry of their terms of office in the coming years
- Regular updates at Board and Committees meetings on the long-term financial trajectory as part of the project to adopt the quality of a purpose-driven company
- Strengthening of training and presentations on ESG topics

#### 4.1.3.3 Committees of the Board of Directors

The Board of Directors has set up four specialised Committees: the Audit Committee, the Compensation and Appointments Committee, the Investment Committee and the Ethics, Quality and CSR Committee. The members of the Committees are, unless decided otherwise, appointed for the duration of their term of office as Director.

In the context of the debates relating to the long-term care nursing home sector in France, which followed the publication of Mr Victor Castanet's book *Les Fossoyeurs* in January 2022, the Board of Directors, at its meeting of 9 February 2022, decided to create an *ad hoc* Committee to facilitate the monitoring and follow-up of these debates. This Committee met five times between 14 February 2022 and 25 March 2022, then its activity was suspended on 25 March 2022 and the topics were included in the work of the Board of Directors and the various Committees, depending on their respective areas of expertise.

The Committees study and prepare the Board of Directors' deliberations and submit their opinions, proposals or recommendations in their area of expertise. The Committees are a creative force but, save where exceptions are provided for by law, have no decision-making authority.

The Committees may, in carrying out their duties, after first informing the Chairman of the Board of Directors, carry out or commission studies on matters within their remit, to be paid for by the Company, with a view to enabling the Board of Directors to make informed decisions. In the event that the Committees commission external experts, they must ensure that the experts in question carry out such work objectively and independently. The Committee reports back on the opinions received.

The Board of Directors designates, from among its members, the members of the Committees as well as their Chairmen or Chairwomen, and determines, where applicable, the terms of office of the members. The Board of Directors may remove a member of a Committee or its Chairman or Chairwoman from office at any time.

A Committee may not validly meet unless at least half of its members are present. Each member may be represented by another member. Committee decisions require a majority vote of the members present or represented.

The composition of the Committees complies with applicable laws and the recommendations of the AFEP-MEDEF code.

#### ► CHANGES MADE TO THE COMPOSITION OF THE COMMITTEES IN THE 2022 FINANCIAL YEAR AND AT THE BEGINNING OF THE 2023 FINANCIAL YEAR

##### CHANGES MADE BETWEEN 1 JANUARY AND 31 DECEMBER 2022

	End of term as member of a Committee	End of Directorship	Appointments	Renewals
<b>Audit Committee</b>	-	-	-	-
<b>Compensation and Appointments Committee</b>	-	-	Marie-Christine Leroux <sup>(1)</sup> (8 December 2022)	-
<b>Investment Committee</b>	-	Markus Rückerl <sup>(1)</sup> (31 May 2022 <sup>(2)</sup> )	-	-
<b>Ethics, Quality and CSR Committee</b>	-	-	Philippe Lévéque (Chairman) (22 June 2022) Gilberto Nieddu <sup>(1)</sup> (8 December 2022)	-
<b>Temporary <i>ad hoc</i> Committee (activities suspended on 25 March 2022)</b>	Jean-Pierre Duprieu (Chairman) Guillaume Bouhours Philippe Dumont Holding Malakoff Humanis, represented by Anne Ramon Catherine Soubie	-	-	-

(1) Director representing employees.

(2) Due to his departure from the Group.

##### CHANGES MADE BETWEEN 1 JANUARY 2023 AND THE DATE OF PUBLICATION OF THIS UNIVERSAL REGISTRATION DOCUMENT

There was no change in the composition of the Committees between 1 January 2023 and the date of publication of this Universal Registration Document.

## 4.1.3.3.1 Audit Committee



## ATTENDANCE OF THE MEMBERS OF THE AUDIT COMMITTEE IN 2022

During the 2022 financial year, the Audit Committee met nine times and the overall attendance rate at these meetings was 81%. This rate is very high despite a number of extraordinary meetings being convened at short notice.

## Members of the Audit Committee

Catherine Soubie (Chairwoman) (Independent Director)

100%

Predica (represented by Florence Barjou)

56%<sup>(1)</sup>

Guillaume Bouhours (Independent Director)

89%

## Member attendance rates at Audit Committee meetings

<sup>(1)</sup> This attendance rate is due to the transition period between Mrs Françoise Debrus, having exercised her pension rights, and Mrs Florence Barjou as permanent representative of Predica.

The members of the Audit Committee are appointed by the Board of Directors on the proposal of the Compensation and Appointments Committee. The Audit Committee does not include any executive corporate officers and is composed of two-thirds Independent Directors. The appointment of the Chairman or Chairwoman of the Audit Committee, who must be chosen from among the Independent Directors, is proposed by the Compensation and Appointments Committee and must be subject to a specific review by the Board of Directors. By virtue of their past and/or present positions, the members of the Audit Committee have financial or accounting expertise enabling them to carry out their duties. In this respect, the Company complies with the provisions of Article L. 823-19 of the French Commercial

Code, the recommendations of Article 17.1 of the AFEP-MEDEF code and Article 4.1 of the Internal Regulations.

In addition, the Group Chief Financial Officer, the Group Audit and Internal Control Director, the Group Management Control Director, the Group Finance and Investor Relations Director and the Corporate Secretary participate in Committee meetings according to the topics on the agenda. The Statutory Auditors are invited and participate in numerous Committee meetings.

The Chairman of the Board of Directors and the Chief Executive Officer attend all meetings of the Committee but are not members.

## DUTIES AND POWERS OF THE AUDIT COMMITTEE

The Audit Committee's duties include, in particular:

- reviewing the accounting methods and the valuation of assets of the Group and ensuring the proper implementation of procedures to monitor the preparation of financial reporting;
- examining the scope of the consolidated companies, and, where applicable, the reasons companies should not be included;
- examining the draft budget of the Company and the Group;
- reviewing the Company's draft individual and consolidated financial statements, as well as the interim management documents and related reports before they are presented to the Board of Directors;
- ensuring the implementation of the rotation rules of the firms and of the main signatories pursuant to the law, in particular by piloting the selection procedure of the Statutory Auditors of the Company and by submitting the outcome of this selection process to the Board of Directors;
- following the performance by the Statutory Auditors of their mission and reviewing the H3C's observations;
- reviewing the regulated agreements within the scope of Articles L. 225-38 et seq. of the French Commercial Code;
- preparing the decisions of the Board of Directors with respect to overseeing the internal audit;
- controlling the management and verification of the reliability and transparency of disclosures to be made to shareholders and the market;
- ensuring the effectiveness of internal control and risk management;
- examining the risks, risk levels and procedures for prevention as well as reviewing off-balance sheet commitments;
- examining the organisation and implementation of the compliance system, in particular with regard to the prevention of corruption;
- reviewing any settlement agreement or compromise concerning a dispute representing an amount exceeding €5 million for the Group.

The review of the financial statements by the Audit Committee is accompanied by a presentation by the Statutory Auditors on the essential points of the results of the statutory audit and on the accounting procedures followed for the Company. To assist in the review of the financial statements, the Group Chief Financial Officer also gives a presentation describing the Company's risk exposure, including risks of a social or environmental nature, and significant off-balance sheet commitments.

The Audit Committee ensures the existence of internal control and risk management systems, their deployment and the implementation of corrective actions in the case of shortcomings or significant anomalies. It must be informed of the internal audit schedule and receive internal audit reports or a periodic summary of those reports.

The Statutory Auditors bring to the attention of the Audit Committee the information required by law, in particular by Article L. 823-16 of the French Commercial Code.

The Audit Committee regularly receives information from the Statutory Auditors, including without the presence of the management team. This is the case, for example, at meetings convened to review the preparation of the financial information, as well as the review of the financial statements conducted in order to allow the Statutory Auditors to report on the execution of their task and the conclusions of their work. The Audit Committee is thereby informed of:

- the main areas of risk or uncertainty in the financial statements identified by the Statutory Auditors;
- their auditing procedure; and
- any difficulties they encountered in their task.

The Audit Committee must also receive information from the Group Chief Financial Officer, the Group Audit and Internal Control Director, the Group Management Control Director and the Group Finance and Investor Relations Director, including, where applicable, without the presence of the General Management.

The Audit Committee ensures that the Statutory Auditors comply with the rules governing their independence. In doing so, it considers, *inter alia*, the risks to that independence and the safeguards taken to mitigate those risks. It also approves services other than the certification of the financial statements performed by the Company's Statutory Auditors in accordance with the rules defined by the H3C. Finally, it ensures that the fees paid by the Company and its Group – or the proportion of the revenue of the firms and business networks represented by such fees – is not such as to undermine the Statutory Auditors' independence.

In addition, once a year, the Audit Committee reviews the auditing procedures based on a risk mapping, the audit plan and the resources and budget of the Internal Audit Department.

The Audit Committee is also regularly informed by the Group Audit and Internal Control Director of the degree of progress and results of the annual audit plan; it receives a periodic summary of internal audit reports.

Lastly, the Audit Committee has permanent direct access to the Group Audit and Internal Control Director and gives its opinion on the organisation of her services.

The timeframes for preparing and reviewing the financial statements are sufficient in accordance with the recommendation set out in Article 17.3 of the AFEP-MEDEF code.

The Audit Committee reports on its work to the Board of Directors, provides its opinions and suggestions and brings to the Board's attention any matters that require a Board of Directors' decision.

The Audit Committee approved 16 services other than the certification of the financial statements that were provided by the Statutory Auditors between November 2021 and December 2022 for a total amount of approximately €454,611.

#### 4.1.3.3.2 Compensation and Appointments Committee



(1) Mrs Marie-Christine Leroux was appointed as a member of the Compensation and Appointments Committee by decision of the Board of Directors taken on 8 December 2022.

(2) Mrs Marie-Christine Leroux, Director representing employees, is not included in this calculation, in accordance with Article 10.3 of the AFEP-MEDEF code.

(3) Mrs Marie-Christine Leroux, Director representing employees, is not included in this calculation, in accordance with Article L. 225-27-1, II of the French Commercial Code.

#### ATTENDANCE OF THE MEMBERS OF THE COMPENSATION AND APPOINTMENTS COMMITTEE IN 2022

##### Member of the Compensation and Appointments Committee

Anne Lalou (Chairwoman) (Independent Director)

100%

Philippe Dumont

100%

Catherine Soubie (Independent Director)

100%

Marie-Christine Leroux

N/A<sup>(1)</sup>

##### Member attendance rates at Compensation and Appointments Committee meetings

(1) Mrs Marie-Christine Leroux was appointed member of the Compensation and Appointments Committee by decision of the Board of Directors taken on 8 December 2022. No meeting of the Committee was held in 2022 after her appointment.

Chaired by an Independent Director, the Compensation and Appointments Committee does not include any executive corporate officers. Two thirds of the members are Independent Directors and one member is a Director representing employees. In this respect, the Company complies with the recommendations of the AFEP-MEDEF code and Article 3.1 of the Internal Regulations. In accordance with Articles 18.3 and 19.2 of the AFEP-MEDEF code, the Chief Executive Officer participates in the work of the Compensation and Appointments Committee, in particular on matters affecting key managers who are not corporate officers, except where its work concerns her personally.

The Chairman of the Board of Directors also participates in the Committee's work, particularly on matters relating to appointments and governance, except where its work concerns him personally.

The Group Human Resources Director also attends all Committee meetings.

#### DUTIES AND POWERS OF THE COMPENSATION AND APPOINTMENTS COMMITTEE

The Compensation and Appointments Committee's duties include, in particular:

- issuing proposals for candidates for appointment as Independent Directors and organising a procedure to select future Independent Directors, as well as carrying out its own research into potential candidates before approaching them;
- proposing the candidacies of Committee members, Chairmen or Chairwomen;
- issuing an opinion on proposals for the appointment of the Chief Executive Officer and, where applicable, Deputy Chief Executive Officers;
- issuing proposals on the renewal of mandates;
- making proposals to the Board of Directors on the compensation of corporate officers, including the Chief Executive Officer, and, where applicable, the Deputy Chief Executive Officers;

- making proposals to the Board of Directors regarding stock options and programmes awarding free shares or other benefit plans for the Group's employees and/or corporate officers and their regulations proposed by the Chief Executive Officer;
- issuing an opinion on the budget for and distribution of the Directors' annual compensation;
- deliberating on and making recommendations on corporate governance, changes to the duties of the Board of Directors and its Committees and any changes to be made to the Company's Articles of Association and/or the Internal Regulations;
- reviewing the corporate governance report; and
- staying informed of Human Resources policies as well as succession plans for key functions.

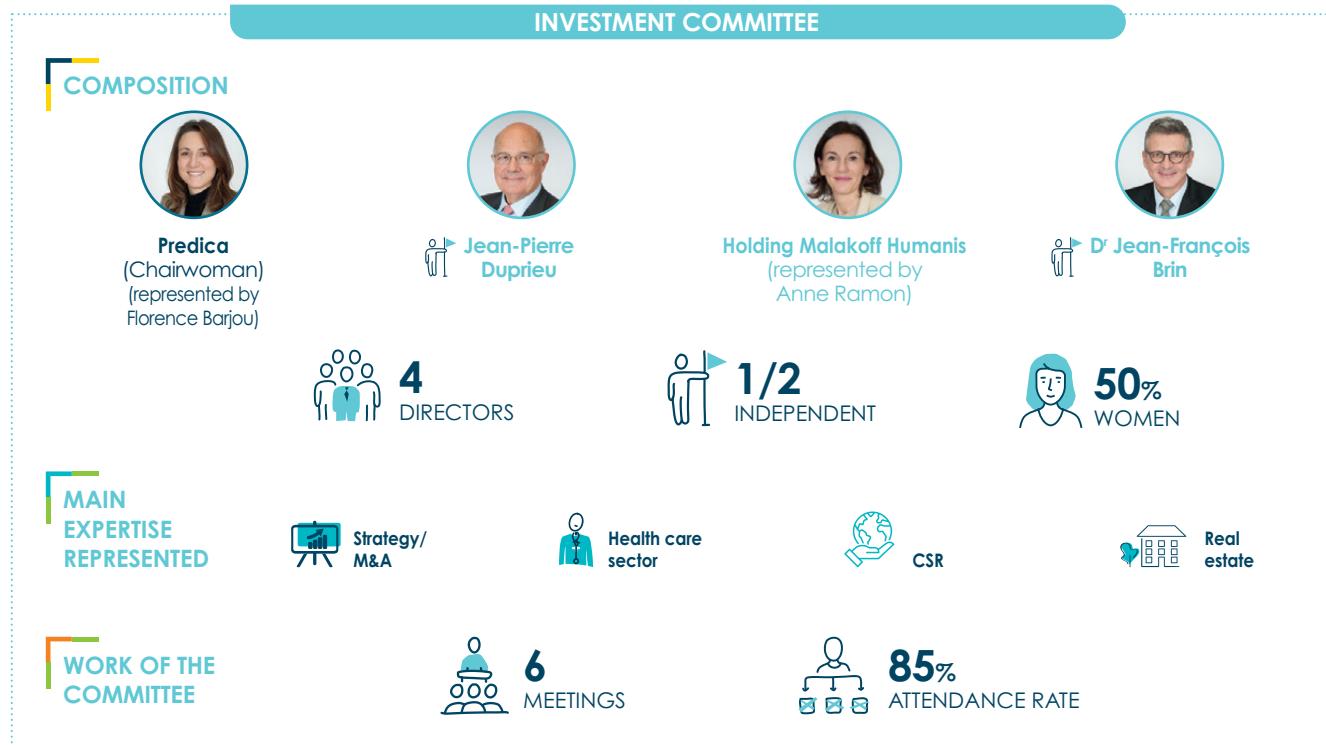
In addition, it periodically assesses the performance of the Board of Directors and is responsible for making proposals to the Board of Directors after reviewing in detail all the items that it must take into account in its deliberations: it seeks in particular the optimal balance of the membership of the Board of Directors given the composition and evolution in the Company's shareholding structure, the gender balance on the Board of Directors, the search for and evaluation of potential candidates in terms of nationality, international experience and expertise.

Every year, the Committee reviews the situation of each Director on a case-by-case basis in relation to the independence criteria of the AFEP-MEDEF code.

The Compensation and Appointments Committee is required to prepare a succession plan for executive corporate officers.

Lastly, the Committee is informed by the Chief Executive Officer of the compensation policy for managers reporting directly to her.

#### 4.1.3.3.3 Investment Committee



## ATTENDANCE OF THE MEMBERS OF THE INVESTMENT COMMITTEE IN 2022

## Members of the Investment Committee

Predica (Chairwoman) (represented by Florence Barjou) <sup>(1)</sup>	83% <sup>(1)</sup>
Jean-Pierre Duprieu (Independent Director)	100%
Holding Malakoff Humanis (represented by Anne Ramon)	67% <sup>(2)</sup>
Jean-François Brin (Independent Director)	83% <sup>(2)</sup>
Markus Rückerl <sup>(3)</sup>	100% <sup>(3)</sup>

(1) From 1 March 2022, date of her appointment as permanent representative of Predica to replace Mrs Françoise Debrus. Since this appointment, Mrs Florence Barjou has attended and chaired all the meetings of the Investment Committee.

(2) The rate of 83% corresponds to a missed meeting. The rate of 67% corresponds to two missed meetings.

(3) Until his departure from the Group on 31 May 2022.

## Member attendance rates at Investment Committee meetings

Predica (Chairwoman) (represented by Florence Barjou) <sup>(1)</sup>	83% <sup>(1)</sup>
Jean-Pierre Duprieu (Independent Director)	100%
Holding Malakoff Humanis (represented by Anne Ramon)	67% <sup>(2)</sup>
Jean-François Brin (Independent Director)	83% <sup>(2)</sup>
Markus Rückerl <sup>(3)</sup>	100% <sup>(3)</sup>

## DUTIES AND POWERS OF THE INVESTMENT COMMITTEE

The Investment Committee's duties include, in particular, the review of:

- acquisition and disposal transactions referred to in Article 11.3 of the Company's Articles of Association and Article 1.4.2 of the Internal Regulations;
- any investment by the Group outside the Group's pre-existing activities/business lines (considered at a local level) or in a new country; and
- entry into a strategic partnership (including the acquisition of equity interests that does not give the Group control) that may have a structural impact on the Group.

By way of exception, the transactions referred to above do not require the Board of Directors' authorisation where they are carried out between Group companies.

The Chief Executive Officer attends all meetings of the Committee.

The Chief Executive Officers of the countries, the Group Chief Real Estate and Development Officer, the Group Chief Financial Officer, the Group Executive Vice President Development and New Countries, and/or the Group M&A and International Business Development Officer may be called to attend the Investment Committee's meetings.

## 4.1.3.3.4 Ethics, Quality and CSR Committee

## ETHICS, QUALITY &amp; CSR COMMITTEE

## COMPOSITION

	<b>Philippe Léveque</b> Chairman		<b>Holding Malakoff Humanis</b> (represented by Anne Ramon)		<b>D' Jean-François Brin</b>		<b>Anne Lalou</b>		<b>D' Markus Müschenich</b>		<b>Gilberto Nieddu</b> (Director representing employees) <sup>(1)</sup>
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 **6** DIRECTORS

 **4/5** <sup>(2)</sup> INDEPENDENT

 **40%** <sup>(3)</sup> WOMEN

## MAIN EXPERTISE REPRESENTED

 Health care sector

 Quality management

 CSR Regulation/  
Control

## WORK OF THE COMMITTEE

 **5** MEETINGS

 **100%** ATTENDANCE RATE

(1) Mr Gilberto Nieddu was appointed as a member of the Ethics, Quality and CSR Committee by decision of the Board of Directors of 8 December 2022.

(2) Mr Gilberto Nieddu, Director representing employees, is not included in this calculation, in accordance with Article 10.3 of the Afep-Medef code.

(3) Mr Gilberto Nieddu, Director representing employees, is not included in this calculation, in accordance with Article L. 225-27-1, II of the French Commercial Code.

## ATTENDANCE OF THE MEMBERS OF THE ETHICS, QUALITY AND CSR COMMITTEE IN 2022

Members at meetings of the Ethics, Quality and CSR Committee	Member attendance rates at Ethics, Quality and CSR Committee meetings
Philippe Lévéque (Chairman)	100% <sup>(1)</sup>
Holding Malakoff Humanis (represented by Anne Ramon)	100%
Jean-François Brin (Independent Director)	100%
Anne Lalou (Independent Director)	100%
Markus Müschenich (Independent Director)	100%
Marie-Christine Leroux (Director representing employees)	100% <sup>(2)</sup>
Gilberto Nieddu (Director representing employees)	N/A <sup>(3)</sup>

(1) From 22 June 2022.

(2) Until 8 December 2022.

(3) Mr Gilberto Nieddu was appointed as a member of the Ethics, Quality and CSR Committee by decision of the Board of Directors of 8 December 2022. No meeting of the Committee was held in 2022 after his appointment.

DUTIES AND POWERS OF THE ETHICS, QUALITY  
AND CSR COMMITTEE

The Ethics, Quality and CSR Committee's duties include, in particular:

- approving and following-up the implementation of the Group's ethics and quality approach;
- evaluating crisis management and communication procedures and the follow-up of the treatment of serious events;
- approving the compliance risk mapping directly related to the Group's business, as consolidated by Internal Audit, as well as the quality approach within the subsidiaries of the Group;
- submitting proposals to the Board of Directors on the improvement or implementation of specific additional quality control procedures;

- examining the conclusions of the quality reviews conducted in the subsidiaries in order to evaluate the level of control of the Group's quality procedures; and
- reviewing, at least annually, the CSR actions carried out and the results achieved.

The Chairman of the Board of Directors and the Chief Executive Officer attend all meetings of the Committee but are not members.

The Chief Brand and Engagement Officer, the Group Chief Human Resources Officer, the Group Chief Medical, Ethics and Quality of Service Officer, the Group Quality Manager, the CSR Manager and the Group General Secretary also in charge of compliance within the Group attend the meetings of the Ethics, Quality and CSR Committee.

## 4.1.4 IMPLEMENTATION OF THE AFEP-MEDEF CODE'S RECOMMENDATIONS

In accordance with the "Comply or Explain" principle set out in section 4 of Article L. 22-10-10 of the French Commercial Code and Article 28.1 of the AFEP-MEDEF code, the Company deems that its practices comply with the recommendations of the AFEP-MEDEF code, unless otherwise stated in this report, in which case an explanation of the reasons for deviating from the code is provided.

AFEP MEDEF Recommendation dismissed	Korian's explanation
<b>SHARES HELD PERSONALLY BY DIRECTORS</b>	
<b>21</b> Directors should be shareholders in their own name	Twelve of the 13 members of the Board of Directors are shareholders in and, pursuant to the Company's Articles of Association Korian in their own name in an amount that is material in view of the or the Internal Regulations, should own a minimum compensation they are paid for their office.
number of shares that is material in view of the	One Director does not hold any Korian shares due to the internal rules that restrict him from holding shares as a result of his principal duties.

## 4.1.5 INFORMATION ON CONFLICT OF INTEREST ISSUES

### 4.1.5.1 Transactions carried out in 2022 on Korian securities and/or financial instruments by persons with executive responsibilities and closely related persons

To the Company's knowledge, the following transactions were carried out by corporate officers and closely related persons within the meaning of Article L. 621-18-2 of the French Monetary and Financial Code during the 2022 financial year:

First name, last name / company name	Position	Type of transaction	Financial instrument	Date of transaction	Price (in euros)	Transaction volume
<b>TRANSACTIONS IN SECURITIES CARRIED OUT BY EACH OFFICER</b>						
Predica	Director	Acquisition <sup>(1)</sup>	Shares	21.07.2022	16.1800	558,095
<b>TRANSACTIONS IN SECURITIES CARRIED OUT BY CLOSELY RELATED PERSONS</b>						
None						

(1) Resulting from exercise of the option for payment of the dividend in shares following the 2022 General Meeting.

### 4.1.5.2 Conflicts of interest - Family ties

All Directors must ensure that they remain independent in their judgement, decision-making and actions. They shall avoid any conflicts of interest that may exist between their direct or indirect interests and those of the Company.

Every year, the Directors complete and sign the form provided by the Secretary of the Board of Directors relating in particular to the list of their offices and any situations of existing or potential conflict of interest. Directors are required to report to the Secretary of the Board of Directors any changes made to the information on said form during the year. The Secretary informs the Chairman of the Board of Directors and the Chief Executive Officer thereof.

Article 1.8.3 of the Internal Regulations stipulates that, as a general principle, each person who takes part in the Board of Directors' work, whether as a Director or as a permanent representative of a legal entity that is a Director, has an obligation to do their utmost to determine in good faith whether a conflict of interest exists, and is required to inform the Board of Directors, on being appointed and his/her term of office, as soon as they become aware thereof, of any situation liable to constitute a conflict of interest between, on the one hand, themselves or the company for which they are the permanent representative, or any company of which they are an employee, shareholder and/or corporate officer, or any company within the same group and, on the other hand, the Company or any company within its Group.

A process to prevent conflicts of interest in relation to matters submitted to the Board of Directors and/or to the Committees is also in place. Upon receipt of the agenda, all members of the Board of Directors or Committee must, after doing their utmost to determine in good faith whether a conflict of interest exists, inform the Chairman of the Board of Directors or of the relevant Committee (who will immediately inform the Chairman of the Board of Directors) of any conflict of interest. If a member discloses a conflict of interest, the member concerned does not receive the corresponding presentation document(s) and is prohibited from attending the part of the meeting of the Board of Directors or the Committee devoted to the review of the corresponding item(s) on the agenda.

In the event that a conflict of interest comes to light during discussions on a particular matter, the member in question shall, upon becoming aware thereof, immediately notify the Chairman of the Board of Directors or of the relevant Committee, return the documents in his/her possession and is prohibited from participating further in the portion of the Board of Directors or Committee meeting devoted to the relevant matter(s).

Each year, when reviewing the financial statements, the Board considers any conflicts of interest that arose during the year on significant transactions.

To the Company's knowledge, at the date of this Universal Registration Document, there were no known or potential conflicts of interest between the duties the members of the management bodies owe to the Company and their private interests and/or any other duties that have triggered the aforementioned conflict of interest procedure provided for under the Internal Regulations.

To the Company's knowledge and at the date of this Universal Registration Document:

- the company officers have not accepted any restrictions on the sale of their stake in the Company's share capital, with the exception of the Chief Executive Officer, who is required to keep 25% of free shares allocated by the Company in registered form until the termination of her duties;
- no corporate officer has entered into any agreements with major shareholders, clients or suppliers with a view to becoming a member of an administrative, management or supervisory body;
- there are no family ties between members of the Board of Directors.

Similarly, over the last five years:

- no member of the Board of Directors has been convicted of fraud;
- no member of the Board of Directors has been involved in a bankruptcy, receivership, liquidation or placing of a company under administration;
- no member of the Board of Directors has been the subject of an accusation or official public sanction by the statutory or regulatory authorities; and
- no member of the Board of Directors has been stripped by a court of the right to serve as a member of an administrative, management or supervisory body of an issuer or to participate in the management or the conduct of the business of an issuer.

#### 4.1.5.3 **Agreements within the scope of Article L. 225-37-4 2° of the French Commercial Code entered into during the 2022 financial year**

None.

#### 4.1.5.4 **Agreements within the scope of Article L. 225-37-4 2° of the French Commercial Code authorised since the end of the 2022 financial year**

None.

#### 4.1.5.5 **Agreements within the scope of Article L. 22-10-12 of the French Commercial Code**

In accordance with Article L. 22-10-12 of the French Commercial Code, the Board of Directors, on the recommendation of the Audit Committee, established a procedure to regularly assess whether the agreements entered into in the ordinary course of business and on arm's length terms do indeed meet these conditions.

This procedure classifies the agreements by type (related party, entered into in the ordinary course of business and on arm's length terms, prohibited) and defines the concepts that enable them to be distinguished (indirect interest, transactions in the ordinary course of business, arm's length terms, etc.).

The Group General Secretary is notified, prior to any negotiations, of any agreements that may fall within one of these classifications. Jointly with the Finance Department, he/she assesses to which classification the project belongs based on the criteria and definitions set out in the procedure and informs the Chief Executive Officer of his/her assessment. In the event of doubt, the Statutory Auditors are asked to provide their opinion on the matter.

The Group General Secretary ensures that the agreement complies with the rules associated with its classification.

The Board of Directors is notified each year of the results of the assessments carried out as part of the procedure.

Under this procedure, the results of the review carried out in 2022 by the Group General Secretary and the Group Finance Department were shared with the Board of Directors at its meeting of 8 December 2022. The Chief Executive Officer was informed of these results. This review confirmed that all the agreements examined involved transactions in the ordinary course of business and were entered into on arm's length terms.

#### 4.1.5.6 **Service contracts with members of the administrative and management bodies**

There are no service contracts between members of the administrative and management bodies and the Company or any of its subsidiaries that grant benefits on the termination of such contracts.

## 4.2 Compensation



# Message from the Chairwoman of the Compensation and Appointments Committee

The year 2022 was marked by a crisis in the long-term care nursing home sector in France and serious questions about the model of care for elderly people, on behalf of the Committee, I want to salute the tremendous daily commitment of all teams. I would also like to thank the Chief Executive Officer, the Chairman of the Board of Directors and the Management teams for their unwavering involvement throughout this year.

The Compensation and Appointments Committee, two-thirds of whose members are independent, met six times to address numerous topics within its remit, in particular setting the CSR performance criteria applicable to the annual and long-term compensation of executive corporate officers and implementation of the employee shareholding plan.

On behalf of the Committee, I am pleased to present the compensation paid during or awarded in respect of the 2022 financial year to corporate officers as well as the proposed compensation policy for the latter for 2023, which will be submitted for approval by shareholders at the 2023 General Meeting.

### COMPENSATION PAID IN THE 2022 FINANCIAL YEAR OR AWARDED IN RESPECT OF SAID YEAR

The compensation policies for 2022 have been applied unchanged from those that received broad support from shareholders at the 2022 General Meeting.

With regard to the variable compensation of the Chief Executive Officer for 2022, the achievement of performance criteria stood at 98.5%. This takes into account the high level of achievement on qualitative criteria, in particular the creation of indices to measure quality of care and the care of patients and residents, as well as the creation of Korian care schools aimed at providing training in care professions to compensate for a general shortage of caregivers in the sector in France and in other countries where the Group operates, and a fulfilment of non-financial criteria that reflect efforts made by the Group towards all its stakeholders.

It is recalled that the payment of variable compensation is subject to approval at the 2023 General Meeting.

### 2023 COMPENSATION POLICY

As the fixed compensation of the Chief Executive Officer has not changed since her appointment in 2016, and in view of compensation levels awarded to the executive corporate officers of comparable companies, the Committee has proposed to increase the fixed compensation of the Chief Executive Officer for 2023. With regard to the annual variable compensation, it was proposed to once again increase the weighting of non-financial criteria, bringing them to 30% (compared to 25% in 2022). This choice is consistent with the Group's CSR commitments and the corporate project and attests their full adoption by management.

With regard to her long-term compensation, to be attributed after the 2023 General Meeting, the Committee proposed to the Board of Directors to maintain a similar structure of performance criteria, with 50% of the criteria based on the financial performance of the Company (20% on revenue growth and 30% on earnings per share) and 50% on non-financial criteria (20% on a composite indicator of quality of care, 15% on the carbon reduction trajectory and 15% on parity within the Group's management bodies).

In addition, the Committee decided to maintain the compensation policy for the Chairman of the Board of Directors unchanged.

Lastly, the Committee proposed to increase the total annual amount of compensation reserved for non-executive corporate officers, in order to take into account the increase in the number of Directors since 2016, and to simplify the rules for allocating this amount between the Directors.

The compensation policies for corporate officers are perfectly aligned with the corporate interest and are consistent with the Group's strategy and performance in the short and long term.

I would like to thank the Committee members for their commitment. I would also like to express my gratitude to all of the Group's stakeholders for their confidence in our work.

Mrs Anne Lalou,

Chairwoman of the Compensation and Appointments Committee.

## INTRODUCTION

Section 4.2 of this Universal Registration Document describes the policy and the compensation components for Korian's corporate officers, as required by law and regulations and in accordance with the recommendations of the AFEP-MEDEF code.

### Description of the compensation policy for corporate officers

In accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, the Board of Directors defines the compensation policy for Korian's corporate officers. It then submits this policy to the vote of shareholders at the Annual General Meeting.

If the policy is rejected, pending the proposal of a revised policy at the next General Meeting (stating how the new policy reflects the shareholders' vote and any opinions expressed at the General Meeting):

- the previously approved compensation policy will continue to apply;
- in the event that there is no previously approved compensation policy, compensation will be determined in accordance with the compensation awarded in respect of the previous financial year;
- in the event no compensation was awarded in respect of the previous financial year, the compensation will be determined in accordance with the Company's existing practices.

The Company may not determine, award or pay any compensation of any kind whatsoever that is not compliant with the approved compensation policy or, failing that, that is not compliant with prior compensation or practices. The Company may not make any commitments with respect to compensation, indemnities or benefits that may be due following the assumption, termination or change of duties of corporate officers, or subsequent to the exercise of said duties.

### Approval of the compensation paid during or awarded in respect of the 2022 financial year to corporate officers

In accordance with Article L. 22-10-34 of the French Commercial Code, the 2023 General Meeting is asked to approve, based on this Section 4.2, the report on compensation paid during or awarded in respect of the 2022 financial year to corporate officers, including the information referred to in Article L. 22-10-9 of the French Commercial Code.

If the report is not approved, the Board of Directors will submit a new compensation policy reflecting the shareholders' vote, to be approved at the next General Meeting. The payment of compensation to the members of the Board of Directors in respect of the financial year in progress will be suspended until the revised compensation policy is approved. When reinstated, the payment will include the arrears since the last General Meeting. If the General Meeting does not approve the new proposed resolution (a second negative vote), the suspended compensation may not ultimately be paid.

Furthermore, in accordance with Article L. 22-10-34 of the French Commercial Code, the 2023 General Meeting is also requested to approve, in separate resolutions, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during the past financial year or awarded in respect of said year to the Chairman of the Board of Directors and the Chief Executive Officer. If rejected, the variable and exceptional components of the compensation awarded in respect of the past financial year may not be paid.

## 4.2.1 COMPENSATION POLICY FOR CORPORATE OFFICERS (EX ANTE SAY-ON-PAY)

### COMPENSATION POLICY FOR THE CHIEF EXECUTIVE OFFICER FOR 2023

#### Characteristics of total compensation



#### Compensation components

ANNUAL FIXED COMPENSATION  
€520,000



##### ANNUAL VARIABLE COMPENSATION\*

###### FINANCIAL CRITERIA 50%

Organic growth	20%
EBITDA	15%
Financial leverage	15%

###### NON-FINANCIAL CRITERIA 30%

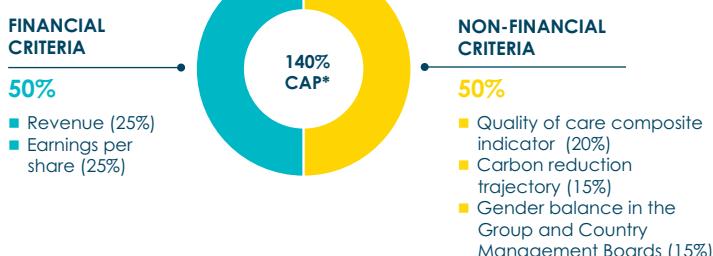
ISO 9001 certification of 100% of Korian's facilities	10%
Human Resources composite indicator	10%
Satisfaction of patients/residents/families (NPS)	5%
Reduction in energy consumption compared to 2021	5%

###### QUALITATIVE CRITERIA 20%

- Establishment of the new governance as part of the adoption of the quality of a purpose-driven company
- Continued implementation of the real estate strategy and of the diversification of financing sources

\* 100% of the annual fixed compensation in the event of achievement of the performance conditions and a maximum of 150% in the event of outperformance.

#### LONG-TERM COMPENSATION



#### OTHER COMPONENTS OF THE CHIEF EXECUTIVE OFFICER'S COMPENSATION



Company vehicle



Unemployment insurance



Joint welfare and medical expenses scheme

\* Of the gross annual fixed compensation due in respect of the financial year during which the performance shares are granted.

## Governance of compensation

The governance of compensation is described in section 4.3 of this Universal Registration Document.

### 4.2.1.1 Compensation policy for executive corporate officers (ex ante Say-on-Pay)

#### General principles applicable to the compensation of executive corporate officers

The Board of Directors ensures that the compensation policy is adapted to the Company's strategy and the environment in which it operates. The Board also ensures that the policy promotes medium- and long-term performance and competitiveness.

The general principles governing the compensation policy for executive corporate officers are set in accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, it being specified that the Chairman of the Board of Directors receives only fixed compensation (1). As such, these principles take account of the following aspects:

<b>Inclusion in the Company's strategy</b>	The compensation policy for the Chief Executive Officer is directly linked to the business strategy. Her performance is assessed on the same basis as the Company's performance, using the same criteria, particularly in financial terms. The policy aims to promote the implementation of the strategy year after year.
<b>Consistency with the Company's interests</b>	The variable component of the compensation of the Chief Executive Officer largely integrates quantifiable non-financial criteria, in particular environmental, social and societal criteria that are assessed year after year with a long-term perspective.
<b>Contribution to the long-term business strategy</b>	<p>The Chief Executive Officer's compensation consists of long-term variable compensation, which is intended to promote the Group's long-term growth with stringent performance conditions.</p> <p>As part of her long-term compensation package, the Chief Executive Officer is also required to retain a significant proportion of the performance shares granted to her until the end of her term of office, which encourages a long-term vision and sustainable growth.</p>
<b>Description of all compensation components</b>	All of the components that make up the compensation of the Chief Executive Officer, and their method of determination, are set out in this Universal Registration Document.
<b>Explanation of the decision-making process used to determine, revise and implement the compensation policy</b>	The Board of Directors, on the recommendation of the Compensation and Appointments Committee, defines the compensation policy (all components) for executive corporate officers. This policy is subject to approval by the Annual General Meeting. The components of the compensation are in principle decided for the duration of the term of office and are revised at the time of renewals or in the event of significant changes in the Company's situation or in market circumstances.

The principles applicable to the compensation of executive corporate officers are also established in accordance with the recommendations of the AFEP-MEDEF code.

<b>Comprehensiveness</b>	All compensation components are taken into account so that compensation may be assessed in overall terms.
<b>Balance between the compensation components</b>	Each component of the compensation must be clearly substantiated and correspond to the corporate interest.
<b>Comparability</b>	Assessment of the compensation based on the Company's reference market, as well as on the responsibilities, results achieved and work performed.
<b>Consistency</b>	The compensation is calculated in a manner consistent with that of the Company's other officers and employees, and in line with the Company's interests and performance.
<b>Clarity of the rules</b>	Establishment of simple, stable and transparent rules. Definition of demanding and explicit performance criteria that are directly linked to the Company's strategy.
<b>Proportionality</b>	Market practices are taken into account in calculating the compensation components, together with the Company's interests and the compensation of the Company's employees.

(1) And possibly extraordinary compensation in the very specific circumstances indicated below.

## Compensation policy for executive corporate officers for 2023

On the recommendation of the Compensation and Appointments Committee, the Board of Directors, at its meeting of 21 February 2023, established the compensation policy for executive corporate officers as set out below. This policy will be submitted to the 2023 General Meeting for approval (ex-ante vote).

The Group's executive corporate officers are the Chairman of the Board of Directors and the Chief Executive Officer.

### COMPENSATION POLICY FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS FOR 2023

The compensation of the Chairman of the Board of Directors comprises:

- fixed compensation; and, where applicable
- extraordinary compensation in specific circumstances.

#### Fixed compensation

The fixed compensation of the Chairman of the Board of Directors is calculated based on the following factors:

- responsibilities and degree of involvement;
- skills and experience.

The gross fixed annual compensation of the Chairman of the Board of Directors is determined at the time of his/her appointment for the length of his/her term of office. It is not systematically reviewed each year. However, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, may re-examine it when a term of office is renewed or during the term of office. This may be the case, in particular, if the responsibilities attached to the office change or if there is significant deviation from the market practices of listed companies in similar business sectors and of comparable corporate purpose and size.

This gross annual fixed compensation amounts to €345,000, unchanged since the previous Chairman of the Board of Directors (Mr Christian Chautard) took office on 25 March 2015.

When Mr Jean-Pierre Duprieu was appointed as Chairman of the Board of Directors, to replace Mr Christian Chautard, on 1 October 2020, these provisions remained unchanged. The Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to renew these provisions on the occasion of the renewal of the term of office of Mr Jean-Pierre Duprieu as Chairman of the Board of Directors at the meeting of 22 June 2022, held following the 2022 General Meeting during which the term of office as Director of Mr Jean-Pierre Duprieu was renewed.

The Board of Directors, on the proposal of the Compensation and Appointments Committee, decided to leave the gross annual fixed compensation of the Chairman of the Board of Directors unchanged for the 2023 financial year.

### Extraordinary compensation

The Board of Directors reserves the right to grant extraordinary compensation to the Chairman of the Board of Directors in highly specific circumstances. These should be characterised by their importance for the Company, the involvement they demand, and the difficulties they present (for example, the monitoring of unusual transactions that impact the Group's structure or scope).

Any extraordinary compensation paid to the Chairman of the Board of Directors may not in any case exceed 100% of his gross fixed annual compensation and its payment would be subject to the approval of the shareholders General Meeting.

No extraordinary compensation is expected to be paid to the Chairman of the Board of Directors in 2023.

### No other compensation components

The Chairman of the Board of Directors does not receive any other compensation components (variable, long-term, benefits, severance payment or non-compete compensation) and does not receive any compensation for carrying out his Directorship.

### COMPENSATION POLICY FOR THE CHIEF EXECUTIVE OFFICER FOR 2023

The compensation policy for the Chief Executive Officer is determined on his/her appointment for the length of his/her term of office. The Board of Directors, on the recommendation of the Compensation and Appointments Committee, reviews this policy at each renewal. The compensation policy may also be reviewed if the responsibilities attached to the office change, in line with the evolution of the Company's managers compensations, or if there is a significant deviation from the market practices of listed companies in similar sectors of activity and of comparable size.

The compensation of the Chief Executive Officer comprises:

- an annual fixed compensation paid on a monthly basis;
- an annual variable compensation (paid after approval by the General Meeting);
- a long-term compensation in the form of an annual (in principle) grant of performance shares;
- other benefits (extraordinary compensation in certain specifically defined circumstances, non-compete compensation, severance payment and social benefits).

The Board of Directors, on the recommendation of the Compensation and Appointments Committee, ensures that the compensation structure is balanced, with the proportion of the annual variable compensation and long-term variable compensation being sufficiently significant when compared with the fixed compensation. The purpose is to align the compensation policy with the Company's short- and long-term strategy and performance.

In the context of anticipated renewal of the Chief Executive Officer's term of office, the Board of Directors, at its meeting held on 27 February 2020, on the recommendation of the Compensation and Appointments Committee, proposed to review the applicable compensation policy with effect as from 1<sup>st</sup> January 2021.

In view of the exceptional context created by the health crisis and on the proposal of the Chief Executive Officer, the Board of Directors, at its meeting held on 29 April 2020, on the recommendation of the Compensation and Appointments Committee, decided to defer the proposal for a new compensation policy for the Chief Executive Officer and to reduce by 25%, on an exceptional basis, the compensation that the Chief Executive Officer should have received in 2020.

Faced with the persistence of the Covid-19 pandemic and the resulting economic situation and on the proposal of the Chief Executive Officer, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided, in 2021 and then in 2022, to defer the implementation of the new compensation policy.

The fixed compensation, which also serves as the basis for setting the annual variable compensation and long-term variable compensation, has therefore remained unchanged since the Chief Executive Officer took office on 26 January 2016.

This fixed compensation is reviewed by the Board of Directors, on the recommendation of the Compensation and Appointments Committee, at the time of reappointment, or during the term of office, in the event of changes in the responsibilities attached to the function, in line with the evolution of the Company's executive compensation or if there is a significant difference compared to the market practices of listed companies in similar sectors of activity with a social purpose and of comparable size.

As regards Korian, which operates within the specific framework applicable to the healthcare sector, between 2016 and 2022, the compensation of manager and non-manager staff, excluding caregivers, increased by an average of at least 15% over the period in the Group's main geographies.

The compensation of caregivers has increased by an average of at least 30% over the same period in the main countries where the Group operates.

As the compensation of the Chief Executive Officer was not increased over the same period, a discrepancy has arisen between the compensation policy applicable to the Chief Executive Officer and the practices of other companies with similar staffing and revenue profiles in the health sector.

### Fixed compensation

In this context, the Board of Directors, at its meeting held on 21 February 2023, decided, on the recommendation of the Compensation and Appointments Committee, to submit to the 2023 General Meeting the increase of the fixed compensation already considered and successively deferred in 2020, 2021 and 2022. Thus, it was decided to propose to the 2023 General Meeting to increase the gross annual fixed compensation of the Chief Executive Officer to €520,000 (compared to €450,000 in previous financial years), i.e. an increase of 15.6%, as from 1<sup>st</sup> January 2023, which is still lower than the average salary increases observed over the same period in the main countries where the Group operates.

### Annual variable compensation

Annual variable compensation and long-term variable compensation are set as a percentage of gross annual fixed compensation subject to the achievement of performance criteria.

The objective of the annual variable compensation is to encourage the achievement of the various annual performance criteria set by the Board of Directors, on the recommendation of the Compensation and Appointments Committee, in line with the Group's strategic objectives.

Given the specific sector in which the Company operates, the variable compensation voluntarily gives a large place to non-financial criteria up to 30% for non-financial criteria (compared to 25% in 2022) and 20% for qualitative criteria (compared to 25% in 2022), which are representative of the expected overall performance and in line with the Group's corporate project in accordance with the recommendations of the High Committee on Corporate Governance and the AFEP-MEDEF code.

This variable compensation may represent up to 100% of the gross annual fixed compensation when the target levels of these criteria are reached, and may be increased up to 150% (compared to 120% in previous financial years) of the gross annual fixed compensation in the event of outperformance across all categories of criteria.

In the event that the Chief Executive Officer were to leave her position during the financial year, the same principles would be applied on a *pro rata* basis to the period during which the Chief Executive Officer held the office.

The payment of the annual variable compensation in respect of the 2023 financial year will be subject to a vote at the General Meeting convened to approve the financial statements for the financial year ending 31 December 2023.

## Long-term variable compensation

### Long-term compensation mechanism

The Chief Executive Officer also receives long-term compensation that takes the form of an annual (in principle) grant of performance shares. The long-term variable compensation policy for the Chief Executive Officer contributes to the Group's long-term outlook. In doing so, it aims to encourage the Chief Executive Officer to take long-term actions, but also to retain the Chief Executive Officer and promote the alignment of her interests with the corporate interest and the interests of shareholders.

### Vesting period

The length of the vesting period for the shares granted is fixed at three years.

### Performance conditions

The final vesting of the shares is subject to internal and external performance conditions. It is measured over three financial years. The Board of Directors, on the recommendation of the Compensation and Appointments Committee, reviews the level of achievement.

The performance criteria reflect the Group's strategy and aim to create long-term value with challenging performance conditions.

The weighting of each criterion may be reviewed for each new grant according to the Group's strategic priorities.

### Continued employment conditions

The ultimate vesting of the shares is conditional on the Chief Executive Officer continuing to work for the Group on the final vesting date of the shares.

However, in accordance with the long-term compensation plan regulations, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, has the right to decide to maintain the currently vesting long-term compensation plans in favour of the Chief Executive Officer and her right to the definitive allocation of the shares not yet vested at the time of her departure, where applicable *pro rata temporis*, subject to the achievement of performance conditions.

### Retention obligation

In accordance with Article L. 225-197-1 of the French Commercial Code, the Chief Executive Officer must retain, throughout her term of office, 25% of the shares ultimately granted to her at the end of the vesting period, after a review of the performance conditions.

The Chief Executive Officer also undertakes not to enter into hedging instruments covering any of the performance shares ultimately granted to her, at any point during her term of office.

### Cap

The amount of long-term compensation awarded to the Chief Executive Officer may not exceed, at the time of its grant (initial grant value), the equivalent of 140% of the gross annual fixed compensation due in respect of the financial year during which the performance shares are awarded (a reduction compared to the ceiling of the grant made in 2022, which was 150% of the cumulative maximum gross annual fixed and variable compensation for the previous financial year).

### Extraordinary compensation

There are currently no plans to pay any extraordinary compensation to the Chief Executive Officer in 2023. In accordance with the recommendations of the AFEP-MEDEF code, the Board of Directors may only award such compensation on an *ex-post* basis under highly specific circumstances. Such circumstances must be characterised by their importance for the Company, the involvement they demand, and the difficulties they present (for example, the monitoring of unusual transactions that impact the Group's structure or scope).

Any extraordinary compensation paid to the Chief Executive Officer may not in any case exceed 100% of her gross fixed annual compensation, and its payment is subject to approval by the Shareholders' General Meeting.

### Severance payment

#### Principle

In connection with the early reappointment of the Chief Executive Officer, on the recommendation of the Compensation and Appointments Committee, on 5 December 2019, the Board of Directors authorised the renewal of the severance payment arrangements on the conditions set out below (the "**Severance Payment**").

The Chief Executive Officer is entitled to a Severance Payment in the event of the termination or non-renewal of her corporate office due to a change of strategy or of control, excluding any serious or gross misconduct. The payment of the Severance Payment would be conditional on the achievement of performance criteria and would be capped at an amount equal to twice her Reference Annual Compensation (as defined below) (the "**Target Severance Payment**"), after deducting any amount due as non-compete compensation, as described below, if the Company has not waived the non-compete clause and subject to the performance conditions described below.

In accordance with the AFEP-MEDEF code, the payment of the Severance Payment is excluded if the Chief Executive Officer is able to claim her pension rights.

**Reference Annual Compensation**

Reference Annual Compensation is understood as the gross annual fixed and variable compensation received for the 12 months immediately prior to the date on which her office is terminated or not renewed, excluding compensation received under the medium- or long-term incentive plans arranged for the management teams, and the extraordinary compensation that may be awarded to her by the Board of Directors on a one-off and discretionary basis.

**Circumstances of forced departure**

A change of strategy is a change in the Company's strategy that is the subject of the last financial communication approved by the Chief Executive Officer, or a significant transaction for the Group that does not fall within the scope of the last medium-term plan approved by the Board of Directors in agreement with the Chief Executive Officer.

Rate of achievement of the criteria	Severance Payment
< 40%	No payment
≥ 40% and < 60%	50% of the Target Severance Payment (the Reference Annual Compensation)
≥ 60 and ≤ 100%	100% of the Target Severance Payment (twice the Reference Annual Compensation)

**Non-compete compensation**

In connection with the reappointment of the Chief Executive Officer to her role, on the recommendation of the Compensation and Appointments Committee, on 5 December 2019, the Board of Directors authorised the renewal of the non-compete compensation subject to the conditions set out below.

The Chief Executive Officer is bound by a non-compete commitment which prohibits her from:

- holding any corporate office;
- assuming any other executive position whatsoever; and
- providing any consultancy services.

This provision applies for two years from the termination of her duties, for any business or company which is in competition with the Company and that specialises in long-term and medium-stay care homes (clinics, long-term care nursing homes and assisted living facilities, etc.) in all of the countries in which Korian operates at the time of the termination.

In consideration, the Chief Executive Officer is entitled to non-compete compensation. This corresponds to 50% of the gross fixed annual compensation received for the 12 months preceding the date on which the event triggering her departure occurred (date of notice of resignation from the Company, date of termination or non-reappointment by the Board of Directors) (the "Termination Date"), payable monthly over the length of the non-compete commitment and combined, if applicable, with any Severance Payment. However, the sum of the two benefits may not exceed twice the amount of the Reference Annual Compensation, as defined above (in which case the Severance Payment will be reduced accordingly).

A change of control is an acquisition of a significant interest in the Company, accompanied by the appointment of a number of Directors that is likely to have a decisive influence on the Board of Directors' decisions.

**Performance conditions**

The payment of the Severance Payment is subject to performance conditions determined on the basis of the level of achievement of the criteria used to calculate the variable component of the annual compensation for the three financial years preceding the date of termination or non-reappointment.

The Company may waive the benefit of the non-compete commitment no later than 15 days from the Termination Date.

In accordance with the AFEP-MEDEF code, the payment of the non-compete compensation is excluded when the Chief Executive Officer asserts her pension rights. In any event, no compensation may be paid beyond the age of 65.

**Benefits****Supplementary pension plan**

The Chief Executive Officer does not benefit from a supplementary pension plan.

**Company vehicle**

The Chief Executive Officer has benefited from a company vehicle since 28 March 2020. The costs of insuring and maintaining the vehicle and any fuel costs (for business use) are met by the Company.

**Joint welfare and medical expenses scheme**

The Chief Executive Officer benefits from the same Group "healthcare" and "disability, invalidity and death" insurance plans as the Company's salaried managers, as well as from corporate officer civil liability insurance.

**Unemployment insurance**

As the Chief Executive Officer does not have an employment contract with the Company, the Company has taken out a private unemployment insurance policy with the Association pour la Garantie Sociale des Chefs et Dirigeants d'Entreprise (GSC) that provides coverage for the Chief Executive Officer in the event that her professional activity ceases.

For the 2023 financial year, the cost of the Chief Executive Officer's private unemployment insurance policy is €13,857.

## ► SUMMARY OF THE BENEFITS AWARDED TO THE CHIEF EXECUTIVE OFFICER AT THE END OF HER TERM OF OFFICE

	Voluntary departure / Termination for gross negligence or wilful misconduct	Non-reappointment / Termination associated with a change of strategy or control (excluding gross negligence or wilful misconduct)	Retirement
<b>Severance payment <sup>(1)</sup></b>	No benefits	Rate of achievement of the criteria <sup>(2)</sup> < 40%: ■ no compensation to be paid.	No benefits
		Rate of achievement of the criteria <sup>(2)</sup> between ≥ 40% and < 60%: ■ 100% of gross fixed and variable annual compensation <sup>(3)</sup> received for the last 12 months.	
		Rate of achievement of the criteria <sup>(2)</sup> between ≥ 60% and ≤ 100%: ■ 200% of gross fixed and variable annual compensation <sup>(3)</sup> received for the last 12 months.	
<b>Non-compete compensation <sup>(1) (4)</sup></b>	50% of the gross fixed annual compensation <sup>(3)</sup> received for the 12 months preceding the date on which the event triggering the departure occurred	50% of the gross fixed annual compensation <sup>(3)</sup> received for the last 12 months preceding the date on which the event triggering the departure occurred, payable monthly over the duration of the non-compete commitment.	No benefits
<b>Supplementary pension plan</b>	N/A	N/A	N/A
<b>Performance share plans that have not yet vested <sup>(5)</sup></b>	Presence condition deemed not met unless the Board of Directors decides to consider this condition as met and rights are maintained, where applicable on a pro rata basis, subject to the fulfilment of performance conditions.	Presence condition deemed not met unless the Board of Directors satisfied on the date of decides to consider this condition as met and rights are maintained, where applicable on a pro rata basis, subject to the fulfilment of performance conditions.	Presence condition deemed met unless the Board of Directors satisfied on the date of decides to consider this condition as met and rights are maintained, where applicable on a pro rata basis, subject to the fulfilment of performance conditions.

(1) The Severance Payment, combined, where applicable, with non-compete compensation, may not exceed twice the Reference Annual Compensation corresponding to the gross fixed and variable annual compensation received for the last 12 months prior to the date of termination or non-reappointment, and excludes any compensation received under medium- or long-term incentive plans granted to the management teams, and any extraordinary compensation that may be awarded to her by the Board of Directors on a one-off and discretionary basis, where applicable.

(2) Meaning the targets used to calculate the variable component of the annual compensation for the three financial years preceding the departure.

(3) Excluding any compensation received under medium- or long-term incentive plans granted to the management teams, and any extraordinary compensation that may be awarded to her by the Board of Directors on a one-off and discretionary basis, where applicable.

(4) The Company may waive the benefit of this compensation no later than 15 days after the termination date (date of notice of resignation from the Company, date of termination or non-reappointment by the Board).

(5) In accordance with the provisions of Article L. 225-197-3 of the French Commercial Code, in the event of death, the heirs or rightful claimants of the performance share beneficiary may, if they so desire, request the vesting of all the Korian shares within six months of the date of death, the performance criteria being deemed to have been fully satisfied. Furthermore, in accordance with Article L. 225-197-1 of the French Commercial Code, in the event of 2<sup>nd</sup> or 3<sup>rd</sup> degree disability within the meaning of Article L. 341-4 of the French Social Security Code, the Korian shares will be vested from the occurrence of the disability, subject to and within the limit of the extent to which the performance criteria have been satisfied.

#### 4.2.1.2 Compensation policy for non-executive corporate officers (ex ante Say-on-Pay)

The total annual amount of the compensation awarded to the Directors for carrying out their duties in accordance with Article L. 225-45 of the French Commercial Code is set at €400,000 since the Shareholders' General Meeting held on 23 June 2016 (10<sup>th</sup> resolution) and has not changed since.

In view of the increase from 10 to 13 in the number of Directors between 2016 and 2022, the Board of Directors, at its meeting of 21 February 2023, decided, on the recommendation of the Compensation and Appointments Committee, to propose an increase to €500,000 of the total annual amount allocated to Directors in consideration of their work at the 2023 Annual General Meeting.

In accordance with the proposal of the Chairman of the Board of Directors, made at the meeting of the Board of Directors of 1 October 2020, as well as that of his predecessor Mr Christian Chautard, made on 22 June 2017, the Board of Directors decided not to pay any compensation to the Chairman of the Board of Directors discharging his office as Director. Similarly, the Chief Executive Officer does not receive any compensation for carrying out her Directorship. Consequently, only the other Directors, including the Directors representing employees, are entitled to compensation for their Directorship in accordance with the rules set out above.

On 21 February 2023, the Board of Directors decided, on the recommendation of the Compensation and Appointments Committee, to propose to the 2023 General Meeting that the compensation policy for Directors be set as follows.

Components	Description
<b>Annual compensation</b>	<p>The amount of the annual budget allocated to the Directors as compensation for their activities in the amount of €500,000 is broken down according to the following rules:</p> <ul style="list-style-type: none"> <li>■ a maximum compensation set at €30,000 for the Independent Directors and €15,000 for the Non-Independent Directors;</li> <li>■ a maximum compensation set at €25,000 for Committee Chair who are Independent Directors and €12,500 for Committee Chair who are Non-Independent Directors;</li> <li>■ a maximum compensation set at €10,000 per participation in a Committee for the members of the Committee who are Independent Directors and €5,000 per participation in a Committee for the members of the Committee who are Non-Independent Directors,</li> </ul> <p>it being understood that the payment of 60% of the maximum compensation to be received will be subject to the member's attendance at meetings of the Board of Directors and the Committee(s) in which the member participates.</p> <p>The record of this attendance and the corresponding breakdown of the annual compensation for the financial year will be prepared by the Compensation and Appointments Committee and then approved by the Board of Directors at its last meeting of the financial year.</p> <p>Subject to approval by the General Meeting of the adoption by the Company of the quality of a purpose-driven company and the consequent establishment of the Mission Committee, the participation of the Chair of the Ethics, Quality and CSR Committee in said Mission Committee would be considered as participation in a Committee as a member and remunerated according to the same rules.</p>
<b>Exceptional duties</b>	<p>The Board of Directors may entrust exceptional duties to certain Directors (which are temporary and fall outside their duties as a Director) that entitle them to compensation.</p> <p>Any such compensation is subject to approval by the Shareholders' General Meeting in accordance with Article L. 225-38 et seq. of the French Commercial Code.</p>
<b>Reimbursement of expenses</b>	<p>The members of the Board of Directors are also entitled to reimbursement, upon presentation of receipts, of travel expenses incurred to attend the meetings of the Board of Directors and of the Committees, subject to compliance with the travel policy communicated to them by the Secretary of the Board of Directors.</p>

## 4.2.2 COMPENSATION COMPONENTS PAID DURING THE 2022 FINANCIAL YEAR OR AWARDED IN RESPECT OF SAID YEAR TO CORPORATE OFFICERS (EX POST SAY-ON-PAY)

### 4.2.2.1 Compensation components paid in the 2022 financial year or awarded in respect of said year to Mr Jean-Pierre Duprieu, Chairman of the Board of Directors (ex post Say-on-Pay)

The Board of Directors, at its meeting held on 1 October 2020 and on the recommendation of the Compensation and Appointments Committee, decided to award to Mr Jean-Pierre Duprieu the same gross annual fixed compensation as that awarded to the previous Chairman of the Board of Directors, Mr Christian Chautard, i.e., €345 thousand. The Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to renew these provisions on the occasion of the renewal of the term of office of Mr Jean-Pierre Duprieu as Chairman of the Board of Directors at the meeting of 22 June 2022, held following the 2022 General Meeting during which the term of office as Director of Mr Jean-Pierre Duprieu was renewed.

For 2022, the gross annual fixed compensation of Mr Jean-Pierre Duprieu in consideration of his office as Chairman of the Board of Directors therefore amounts to €345,000.

The compensation components paid in the 2022 financial year or awarded in respect of said year to Mr Jean-Pierre Duprieu in his capacity as Chairman of the Board of Directors and presented below comply with the compensation policy approved by the 2022 General Meeting.

#### ► SUMMARY OF THE COMPENSATION COMPONENTS PAID IN THE 2022 FINANCIAL YEAR OR AWARDED IN RESPECT OF SAID YEAR TO MR JEAN-PIERRE DUPRIEU, CHAIRMAN OF THE BOARD OF DIRECTORS, SUBMITTED TO THE VOTE OF THE SHAREHOLDERS

Compensation components put to the vote	Amounts awarded in respect of the previous financial year	Comments
Fixed compensation	€345,000 gross (amount paid)	The Board of Directors, which met on 1 October 2020, decided, on the proposal of the Compensation and Appointments Committee, to award Mr Jean-Pierre Duprieu the same gross annual fixed compensation as that awarded to the previous Chairman of the Board of Directors, Mr Christian Chautard, i.e. gross annual fixed compensation of €345,000. The Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to renew these provisions on the occasion of the renewal of the term of office of Mr Jean-Pierre Duprieu as Chairman of the Board of Directors at the meeting of 22 June 2022 held following the 2022 General Meeting during which the term of office as Director of Mr Jean-Pierre Duprieu was renewed. Accordingly, the gross fixed annual compensation of Mr Jean-Pierre Duprieu for his office as Chairman of the Board of Directors for 2022 is €345 thousand. This compensation was paid on a monthly basis.
Annual variable compensation	None	Mr Jean-Pierre Duprieu does not receive any annual variable compensation.
Multi-annual variable compensation	None	Mr Jean-Pierre Duprieu does not receive any multi-annual variable compensation.
Extraordinary compensation	None	Mr Jean-Pierre Duprieu does not receive any extraordinary compensation.
Stock options, performance shares and any other long-term benefits	None	Mr Jean-Pierre Duprieu is not entitled to any stock options or performance shares, or to any other long-term benefits.
Compensation for holding a Directorship	None	In accordance with Mr Jean-Pierre Duprieu's proposal at the Board of Directors meeting of 1 October 2020, the Board of Directors decided not to pay him compensation for his Directorship.
Value of benefits of all kinds	None	Mr Jean-Pierre Duprieu does not receive any benefits in kind.
Severance payment	None	No severance payment has been agreed for Mr Jean-Pierre Duprieu.
Non-compete compensation	None	No commitment has been made to pay non-compete compensation.
Supplementary pension plan	None	Mr Jean-Pierre Duprieu does not benefit from a supplementary pension plan.
Joint welfare and medical expenses scheme	None	Mr Jean-Pierre Duprieu is not covered by any social security plans.

#### 4.2.2.2 Compensation components paid during the 2022 financial year or awarded in respect of said year to the Chief Executive Officer (ex post Say-on-Pay)

##### ► SUMMARY OF THE COMPENSATION COMPONENTS PAID DURING THE 2022 FINANCIAL YEAR OR AWARDED IN RESPECT OF SAID YEAR TO MRS SOPHIE BOISSARD, CHIEF EXECUTIVE OFFICER, PUT TO A SHAREHOLDERS' VOTE

Compensation components put to the vote	Amounts paid in respect of the previous financial year	Maximum amounts awarded in respect of the previous financial year – Subsequent final allocation subject to continued employment and performance conditions	Comments
Fixed compensation	€450,000 gross (amount paid)	-	<p>At its 18 November 2015 meeting, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to set the gross fixed annual compensation payable to the Chief Executive Officer at €450,000.</p> <p>At its meeting of 23 February 2022, the Board of Directors decided to maintain the gross annual fixed compensation of the Chief Executive Officer unchanged for the 2022 financial year, i.e., €450,000.</p> <p>In accordance with the decision of the Board of Directors, Mrs Sophie Boissard thus received gross compensation of €450,000 in respect of the 2022 financial year.</p> <p>This compensation was paid on a monthly basis.</p>
Annual variable compensation	€443,250 subject to approval by the 2023 General Meeting	-	<p>At its 18 November 2015 meeting, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to set the Chief Executive Officer's annual variable compensation at a maximum of 100% of her gross fixed annual compensation, in the event that performance conditions are satisfied, and at a maximum of 120% of her gross fixed annual compensation in the event that these conditions are exceeded.</p> <p>For the 2022 financial year, the Board of Directors, at its meeting of 5 April 2022 and on the recommendation of the Compensation and Appointments Committee, set the following financial, non-financial and qualitative performance criteria:</p> <ul style="list-style-type: none"> <li>■ financial criteria (representing 50% of the annual variable compensation): <ul style="list-style-type: none"> <li>■ organic growth (20%),</li> <li>■ EBITDA margin (15%), and</li> <li>■ financial leverage (15%);</li> </ul> </li> <li>■ quantifiable non-financial criteria (representing 25% of the annual variable compensation): <ul style="list-style-type: none"> <li>■ carbon footprint of the facilities compared to 2019 (5%),</li> <li>■ satisfaction of patients, residents and relatives (Net Promoter Score, NPS) (10%),</li> <li>■ the quality of work, assessed via a composite Human Resources indicator (10%);</li> </ul> </li> <li>■ qualitative criteria (representing 25% of the annual variable compensation, assessed globally): <ul style="list-style-type: none"> <li>■ acceleration of the development of alternative care solutions at pan-European level,</li> <li>■ creation of indicators to measure the quality of care and management of patients and residents,</li> <li>■ creation of Korian healthcare schools to train people in health care professions.</li> </ul> </li> </ul> <p>On 21 February 2023, the Board of Directors, on the recommendation of the Compensation and Appointments Committee and after consulting the Audit Committee on the achievement of the financial criteria and the Ethics, Quality and CSR Committee on the achievement of the non-financial criteria, assessed the level of achievement of said performance criteria (as detailed in the summary table of the Chief Executive Officer's annual variable compensation shown below). Following this assessment, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to grant Mrs Sophie Boissard the sum of €443,250 in respect of her variable compensation for 2022 (corresponding to an achievement level of 98.5%).</p>

Compensation components put to the vote	Amounts paid in respect of the previous financial year	Maximum amounts awarded in respect of the previous financial year – Subsequent final allocation subject to continued employment and performance conditions	Comments
Annual variable compensation			In accordance with the law, the payment of the annual variable compensation is subject to the approval of the 2023 General Meeting.
Multi-annual variable compensation	None	-	Mrs Sophie Boissard did not receive any multi-annual variable compensation during the 2022 financial year.
Extraordinary compensation	None	-	Mrs Sophie Boissard did not receive any extraordinary compensation during the 2022 financial year.
Stock options, performance shares and any other long-term benefits		€511,512 total IFRS value of the 37,750 shares granted subject to continued employment and performance conditions	<p>During the 2022 financial year, on the recommendation of the Compensation and Appointments Committee, the Board of Directors decided at its meeting of 22 June 2022 to grant Mrs Sophie Boissard 37,750 performance shares (with a vesting date of 22 June 2025, subject to continued employment and performance conditions).</p> <p>This allocation complies with the allocation ceilings set by the 28<sup>th</sup> resolution of the 2022 General Meeting.</p> <p>The length of the vesting period for the shares granted was fixed at three years.</p> <p>The vesting of the shares granted is subject to internal and external performance conditions measured over three years.</p> <p>The Board of Directors, on the recommendation of the Compensation and Appointments Committee, set the following financial and non-financial performance criteria:</p> <ul style="list-style-type: none"> <li>■ financial criteria (representing 50% of the long-term compensation): <ul style="list-style-type: none"> <li>■ revenue growth (25%), and</li> <li>■ earnings per share (EPS) (25%).</li> </ul> </li> <li>■ non-financial criteria (representing 50% of the long-term compensation): <ul style="list-style-type: none"> <li>■ frequency rate of workplace accidents with lost time (new criterion in 2022) (25%),</li> <li>■ satisfaction of patients, residents and relatives (net promoter score, NPS) (25%).</li> </ul> </li> </ul> <p>The final vesting of the shares is also conditional on Mrs Sophie Boissard continuing to work for the Group on the final vesting date of the shares. However, in accordance with the long-term compensation plan regulations, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, has the right to decide to maintain the currently vesting long-term compensation plans in favour of the Chief Executive Officer and her right to the definitive allocation of the shares not yet vested at the time of her departure, where applicable <i>pro rata temporis</i>, subject to the achievement of performance conditions.</p> <p>Mrs Sophie Boissard is required to retain 25% of any shares that are definitively granted to her at the end of the vesting period, after application of the performance conditions, as registered shares throughout her term of office.</p> <p>Furthermore, Mrs Sophie Boissard undertakes not to enter into hedging instruments for any of the performance shares definitively granted to her at any point during her term of office.</p>
Compensation for holding a Directorship	None	-	Mrs Sophie Boissard did not receive any compensation for carrying out her Company Directorship.
Value of benefits of all kinds	€15,522	-	Since 28 March 2020, Mrs Sophie Boissard has benefited from a company vehicle and from payments of unemployment insurance contributions to an external organisation. The amount of the payments for the unemployment insurance and the benefit in kind represented by the vehicle were €15,522 for the 2022 financial year.

Compensation components put to the vote	Amounts paid in respect of the previous financial year	Maximum amounts awarded in respect of the previous financial year – Subsequent final allocation subject to continued employment and performance conditions	Comments
Severance payment	No payment	-	<p>In the event of dismissal or non-renewal of the corporate office due to a change of strategy or control (except for serious or gross misconduct), performance will be measured by the average achievement rate of the criteria used to calculate the variable part of the annual compensation of Mrs Sophie Boissard in respect of the three financial years preceding the date of dismissal or non-renewal, as follows:</p> <ul style="list-style-type: none"> <li>■ the achievement rate for criteria used to calculate the variable component of the annual compensation for the three financial years preceding the date of dismissal or non-renewal &lt; 40%: no severance payment will be due;</li> <li>■ 40% ≤ the achievement rate for criteria used to calculate the variable component of the annual compensation for the three financial years preceding the date of dismissal or non-renewal &lt; 60%: severance payment equal to 100% of the Reference Annual Compensation will be due;</li> <li>■ 60% ≤ the achievement rate for criteria used to calculate the variable component of the annual compensation for the three financial years preceding the date of dismissal or non-renewal &lt; 100%: severance payment equal to 200% of the Reference Annual Compensation will be due.</li> </ul>
Non-compete compensation	No payment	-	<p>In accordance with Article L. 225-42-1 of the French Commercial Code (now repealed), this severance payment for the Chief Executive Officer was approved by the adoption of the 9th resolution by the General Meeting of 23 June 2016.</p> <p>Mrs Sophie Boissard has entered into a non-compete agreement in favour of the Company. This non-compete compensation was renewed, on the recommendation of the Compensation and Appointments Committee, by the Board of Directors on 5 December 2019. Pursuant to this commitment, she is prohibited from holding a corporate office or executive position or providing any advisory services, for a period of two years as from the termination of her duties. This applies to any business or company in competition with the Company and specialising in long- and medium-term stays (clinics, long-term care nursing homes and assisted living facilities etc.), in all countries in which Korian is established at the time it applies.</p> <p>In consideration, Mrs Sophie Boissard is entitled to non-compete compensation equal to 50% of the gross fixed annual compensation received for the 12 months preceding the date on which the event triggering her departure occurred (date of notice of resignation from the Company, or date of termination or non-renewal by the Board of Directors) (the "Termination Date"), payable monthly throughout the duration of the commitment and combined, if applicable, with any severance payment. However, the sum of the two benefits may not exceed two times the annual fixed and variable compensation (in which case, the severance payment will be reduced accordingly). Compensation received pursuant to the medium- or long-term incentive plans for the management teams, and any extraordinary compensation that may be awarded by the Board of Directors on a one-off and discretionary basis, are not components of the annual fixed and variable compensation. They are therefore not included in the basis for calculating the non-compete compensation.</p> <p>The Company may waive the benefit of this compensation no later than 15 days after the Termination Date.</p> <p>In accordance with the AFEP-MEDEF code, the payment of the non-compete compensation is excluded when the Chief Executive Officer asserts her pension rights. In any event, no compensation may be paid beyond the age of 65.</p> <p>In accordance with the provisions of Article L. 225-42-1 of the French Commercial Code (now repealed), this non-compete compensation was approved by the adoption of the 9th resolution by the General Meeting of 23 June 2016.</p>

Compensation components put to the vote	Amounts paid in respect of the previous financial year	Maximum amounts awarded in respect of the previous financial year – Subsequent final allocation subject to continued employment and performance conditions	Comments
Supplementary pension plan	None	-	Mrs Sophie Boissard did not benefit from a supplementary pension plan.
Joint welfare and medical expenses scheme	Yes	-	Mrs Sophie Boissard was covered by social security schemes equivalent to those for salaried managers (illness and personal protection insurance), as well as by civil liability insurance and unemployment insurance policy.

► ACHIEVEMENT RATE OF THE CHIEF EXECUTIVE OFFICER'S ANNUAL VARIABLE COMPENSATION CRITERIA <sup>(1)</sup>

Criteria		Minimum	Target	Maximum	Actual <sup>(5)</sup>
Quantifiable criteria 50% of annual fixed compensation (target performance)	Organic growth <sup>(2)</sup>	Value of the indicator	3.8%	4.1%	6.0%
	As a % of fixed compensation	10%	20%	30%	30%
	EBITDA margin <sup>(3)</sup>	Value of the indicator	13.5%	14.0%	15.0%
	As a % of fixed compensation	7.5%	15%	22.5%	0%
	Financial leverage <sup>(4)</sup>	Value of the indicator	3.7	3.5	3.3
	As a % of fixed compensation	7.5%	15%	22.5%	7.8%
	<b>Total quantifiable criteria</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>37.8%</b>
	Carbon footprint of the facilities compared to 2019 (NSS)	Value of the indicator	-1.7%	-2%	-2.3%
	As a % of fixed compensation	0%	5%	7.5%	7.5%
	Satisfaction of patients, residents and relatives (net promoter score, NPS)	Value of the indicator	18	23	28
	As a % of fixed compensation	0%	10%	15%	15%
Non-financial criteria 25% of the annual fixed compensation (target performance)	Human Resources composite indicator				
	Frequency rate of workplace accidents with lost time (30%)	Value of the indicator	48	45	43
	Increase in the number of qualifying training programmes (40%)	Value of the indicator	4,500	5,300	6,000
	Increase in average seniority within the Group (30%)	Value of the indicator	6.5	7.4	7.9
	As a % of fixed compensation	0%	10%	15%	13.2%
	<b>Total non-financial criteria</b>	<b>0%</b>	<b>25%</b>	<b>37.5%</b>	<b>35.7%</b>
	Acceleration of the development of alternative care solutions at pan-European level				
	Creation of indicators to measure the quality of care and management of patients and residents	0%	25%	37.5%	25%
	Creation of Korian healthcare schools to train people in healthcare professions				
	<b>Total qualitative criteria</b>	<b>0%</b>	<b>25%</b>	<b>37.5%</b>	<b>25%</b>
<b>TOTAL VARIABLE COMPONENT (AS A % OF FIXED COMPENSATION)</b>		<b>0%</b>	<b>100%</b>	<b>120%</b>	<b>98.50%</b>

(1) The percentages in this table concern the annual fixed compensation; they are rounded to the nearest whole number.

(2) 100% is payable if the 2022 organic growth rate is at least 4.1%.

0% is payable if the 2022 organic growth rate is less than 3.8% (change on a straight-line basis between 3.8% and 4.1%).

The bonus is increased to 150% of the base if the 2022 organic growth rate reaches 6% (change on a straight-line basis between 4.1% and 6%).

(3) 100% is payable if the 2022 EBITDA margin is at least 14%.

0% is payable if the 2022 EBITDA margin is less than 13.5% (change on a straight-line basis between 13.5% and 14%).

The bonus is increased to 150% of the base if the 2022 EBITDA margin reaches 15% (change on a straight-line basis between 14% and 15%).

(4) 100% is payable if the 2022 financial leverage is equal to 3.5.

0% is payable if the 2022 financial leverage is greater than 3.7 (change on a straight-line basis between 3.7 and 3.5%).

The bonus is increased to 150% of the base if the 2022 financial leverage reaches 3.3 (change on a straight-line basis between 3.5 and 3.3).

(5) The payment of the annual variable compensation for the 2022 financial year is subject to prior approval by the 2023 General Meeting.

The Board of Directors' meeting held on 21 February 2023 noted, on the recommendation of the Compensation and Appointments Committee, that the qualitative criteria had been reached. In particular, the Board of Directors took into account the outperformance of the achievement of the criterion of creating indices to measure the quality of care and the care of patients and residents and the creation of Korian healthcare schools, aiming to train people in the healthcare professions (with more than 1,000 people trained through the Korian healthcare school programmes and 3,000 apprenticeship programmes initiated in 2022).

The Board of Directors decided to award Mrs Sophie Boissard variable compensation for 2022 of €443,250 (corresponding to an achievement rate equal to 98.50% of her gross fixed annual compensation). She will receive this amount subject to approval by the 2023 General Meeting.

### Long-term variable compensation

No performance shares granted to the Chief Executive Officer in previous financial years vested during the 2022 financial year, as she was not a beneficiary of the free share allocation plans for which the vesting period ended during said year.

For details concerning the allocation of performance shares to the Chief Executive Officer during the 2022 financial year, see the "Stock options, performance shares or other long-term benefits" section of the table above.

It is recalled that for the 2022 financial year, the long-term variable share-based compensation awarded to the Chief Executive Officer may not in any case exceed 150% of the aggregate amount of her maximum gross annual fixed and variable compensation payable for the previous financial year.

### SUMMARY OF THE COMPENSATION OF EXECUTIVE CORPORATE OFFICERS FOR THE 2022 FINANCIAL YEAR

► **TABLE 1 – SUMMARY TABLE OF COMPENSATION AND OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER (AMF NOMENCLATURE)**

	2021 financial year	2022 financial year
<b>Sophie Boissard, Chief Executive Officer since 26 January 2016</b>		
Compensation granted in respect of the financial year (detailed in Table 2)	€1,007,310	€908,772 <sup>(1)</sup>
Valuation of multi-annual variable compensation granted during the financial year	-	-
Valuation of options granted during the financial year (detailed in Table 4)	-	-
Valuation of performance shares granted in 2021 and 2022, vesting in 2024 and 2025 respectively subject to presence and performance conditions (detailed in Table 6)	€432,817	€511,512
Valuation of other long-term compensation plans	-	-
<b>Jean-Pierre Duprieu, Chairman of the Board of Directors since 1 October 2020</b>		
Compensation granted in respect of the financial year (detailed in Table 2)	€345,000	€345,000
Valuation of multi-annual variable compensation granted during the financial year	-	-
Valuation of options granted during the financial year (detailed in Table 4)	-	-
Valuation of free shares granted (detailed in Table 6)	-	-
Valuation of other long-term compensation plans	-	-

(1) It is recalled that the payment of the annual variable compensation remains subject to the approval of the 2023 General Meeting.

► **TABLE 2 – SUMMARY TABLE OF THE COMPENSATION OF EACH EXECUTIVE CORPORATE OFFICER (AMF NOMENCLATURE)**

	2021 financial year		2022 financial year	
	Amounts awarded	Amounts paid <sup>(1)</sup>	Amounts awarded	Amounts paid <sup>(1)</sup>
<b>Sophie Boissard, Chief Executive Officer since 26 January 2016</b>				
Fixed compensation	€450,000	€450,000	€450,000	€450,000
Annual variable compensation	€540,000	€278,480	€443,250 <sup>(2)</sup>	€540,000
Multi-annual variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Compensation awarded for holding a Directorship <sup>(3)</sup>	-	-	-	-
Benefits in kind <sup>(4)</sup>	€17,310	€17,310	€15,522	€15,522
<b>TOTAL</b>	<b>€1,007,310</b>	<b>€745,790</b>	<b>€908,772</b>	<b>€1,005,522</b>
<b>Jean-Pierre Duprieu, Chairman of the Board of Directors since 1 October 2020</b>				
Fixed compensation	€345,000	€345,000	€345,000	€345,000
Annual variable compensation	-	-	-	-
Multi-annual variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Compensation awarded for holding a Directorship <sup>(5)</sup>	-	-	-	-
Benefits in kind	-	-	-	-
<b>TOTAL</b>	<b>€345,000</b>	<b>€345,000</b>	<b>€345,000</b>	<b>€345,000</b>

(1) Except for the other compensation shown in this table, the annual variable compensation is paid for the previous financial year.

(2) The criteria used to calculate the compensation components of the Chief Executive Officer's annual variable compensation or the circumstances in which they were established (reasons for payment, criteria for granting, methods for determining the amount) are set out on page 251 of this Universal Registration Document. It is recalled that the payment of the annual variable compensation remains subject to the approval of the 2023 General Meeting.

(3) Mrs Sophie Boissard does not receive any compensation for carrying out her Directorship.

(4) This is the amount paid to an external organisation for the unemployment insurance taken out by the Company on behalf of the Chief Executive Officer and the benefit in kind represented by the company vehicle.

(5) In accordance with the latter's proposal at the Board of Directors' meeting of 1 October 2020, Mr Jean-Pierre Duprieu does not receive any compensation for his position as Director.

► **TABLE 4 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER BY THE COMPANY AND BY ANY GROUP COMPANY (AMF NOMENCLATURE)**

Executive corporate officers	Number and date of plan (purchase or subscription)	Type of options	Valuation of options according to the method used for the consolidated financial statements	Number of options granted during the year	Exercise price	Exercise period
Sophie Boissard, Chief Executive Officer	-	-	-	-	-	-
Jean-Pierre Duprieu, Chairman of the Board of Directors	N/A	N/A	N/A	N/A	N/A	N/A

► **TABLE 5 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE FINANCIAL YEAR BY EACH EXECUTIVE CORPORATE OFFICER (AMF NOMENCLATURE)**

Executive corporate officers	Number and date of plan	Number of options exercised during the financial year	Exercise price
Sophie Boissard, Chief Executive Officer	-	-	-
Jean-Pierre Duprieu, Chairman of the Board of Directors	N/A	N/A	N/A

## ► TABLE 6 – FREE SHARES GRANTED DURING THE FINANCIAL YEAR TO EACH CORPORATE OFFICER (AMF NOMENCLATURE)

Corporate officers	Plan date	Number of shares granted during the financial year	Valuation of shares according to the method used for the consolidated financial statements	Acquisition date	Availability date	Performance conditions
Sophie Boissard	22 June 2022	37,750	€511,512	22 June 2025	22 June 2025	(2)
Jean-Pierre Duprieu	-	-	-	-	-	-
Philippe Dumont	-	-	-	-	-	-
Predica	-	-	-	-	-	-
Holding Malakoff						
Humanis	-	-	-	-	-	-
Guillaume Bouhours	-	-	-	-	-	-
Jean-François Brin	-	-	-	-	-	-
Markus Müschenich	-	-	-	-	-	-
Anne Lalou	-	-	-	-	-	-
Philippe Lévêque	-	-	-	-	-	-
Catherine Soubie	-	-	-	-	-	-
Marie-Christine Leroux	-	-	-	-	-	-
Markus Rückerl	-	-	-	-	-	-
Gilberto Nieddu	-	-	-	-	-	-

(1) Mrs Sophie Boissard is required to retain 25% of any shares that are definitively granted to her at the end of the vesting period, after application of the performance conditions, as registered shares throughout her term of office.

(2) These performance conditions are described in Section 4.2.2.1 of this Universal Registration Document.

## ► TABLE 7 – FREE SHARES GRANTED THAT BECAME AVAILABLE DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER (AMF NOMENCLATURE)

	Number and date of plan	Number of shares that became available	Performance conditions
Sophie Boissard, Chief Executive Officer	-	-	-

No performance shares granted to the Chief Executive Officer in previous financial years vested during the 2022 financial year as Mrs Sophie Boissard was not a beneficiary of free share plans whose vesting period ended during this financial year.

**EMPLOYMENT CONTRACT/CORPORATE OFFICE**

The table below presents the information required in accordance with the recommendations of the AFEP-MEDEF code concerning the existence for the benefit of the executive corporate officers, where appropriate, of (i) an employment contract in addition to the corporate office held, (ii) supplementary pension plans, (iii) commitments by the Company in respect of benefits or payments due or liable to be due on account of the termination of, or change in, an executive corporate officer's duties, or thereafter, and (iv) non-compete compensation.

► **TABLE 11 – EMPLOYMENT CONTRACT, RETIREMENT INDEMNITIES AND INDEMNITIES OR BENEFITS IN THE EVENT OF TERMINATION OF THE DUTIES OF THE EXECUTIVE CORPORATE OFFICERS (AMF NOMENCLATURE)**

Executive corporate officers	Employment contract	Supplementary pension plan	Termination or change-in-role benefits	Non-compete compensation
Sophie Boissard, Chief Executive Officer (from 26 January 2016 through 31 December 2024)	NO	NO	YES	YES
Jean-Pierre Duprieu, Chairman of the Board of Directors (from 1 October 2020 through the 2025 General Meeting)	NO	NO	NO	NO

#### 4.2.2.3 Change in the compensation of executive corporate officers compared with the performance and compensation of employees

Pursuant to Article L. 22-10-9 I of the French Commercial Code, for the calculation of the average and median compensation, the scope used is that of Korian SE, which is representative of the head office functions of the Korian Group and includes in particular the Ethics, Medical and Quality of Service Department, the Human Resources Department, the Finance Department, the Brand and Engagement Department, the Communications Department, the Real Estate Department, the Information Systems and Digital Transformation Department and the Group Development and New Countries Department, i.e. 133 employees at 31 December 2022.

To ensure that data are comparable, the workforce considered in the calculation of average and median compensation is the full-time equivalent workforce from one year to the next and excludes the executive corporate officers.

Compensation is calculated based on all amounts paid and any performance shares that vest in the course of the relevant financial year.

The components of employees' and executive corporate officers' compensation included in the calculation are:

- annual fixed compensation paid during the relevant financial year;
- annual variable compensation paid during the relevant financial year in respect of the previous financial year;
- other components of annual compensation paid during the relevant financial year;
- performance shares that vest during the financial year, valued in accordance with the IFRS applied when drawing up the consolidated financial statements.

Changes in the average and median compensation as well as changes in the ratios, were contextualised using changes in the Group's economic performance, i.e. changes in revenue and EBITDA.

#### COMPENSATION RATIO BETWEEN THE LEVEL OF COMPENSATION OF EXECUTIVE CORPORATE OFFICERS AND THE AVERAGE AND MEDIAN COMPENSATION OF EMPLOYEES

► **TABLE OF RATIOS IN ACCORDANCE WITH AFEP'S GUIDELINES UPDATED IN FEBRUARY 2021**

The ratios below have been calculated on the basis of the fixed compensation, annual variable compensation and long-term compensation paid during the financial years mentioned and in accordance with AFEP's guidelines, updated in February 2021.

The scope of this information is based on the scope of Korian SE in accordance with the texts in force.

In accordance with the AFEP-MEDEF code, for the 2021 financial year only, the average compensation and ratios were calculated taking into account a more representative scope as regards the workforce, i.e., the entire scope of the Group: France, Germany, Italy, Benelux, Spain and the United Kingdom.

For the period, taking into account all compensation paid, including the annual and long-term variable compensation, this results in a ratio of less than 30. This ratio reflects a compensation structure in line with the nature of the Company's missions and consistent with the industry.

**EQUITY RATIO BETWEEN THE LEVEL OF THE COMPENSATION OF EXECUTIVE CORPORATE OFFICERS AND THE AVERAGE AND MEDIAN COMPENSATION OF KORIAN'S EMPLOYEES**

► **TABLE OF RATIOS IN ACCORDANCE WITH AFEP'S GUIDELINES UPDATED IN FEBRUARY 2021**

**EQUITY RATIO BETWEEN THE LEVEL OF THE COMPENSATION OF THE CHIEF EXECUTIVE OFFICER AND THE AVERAGE AND MEDIAN COMPENSATION OF KORIAN EMPLOYEES**

	2018	2019	2020	2021	2022
<b>FINANCIAL PERFORMANCE OF THE COMPANY</b>					
Revenue (in millions of euros)	3,336	3,611	3,874	4,311	4,534
Change as a % since the previous financial year	6.4%	8.2%	7.3%	11.3%	5.2%
EBITDA (in millions of euros)	477	535	525	597	607
Change as a % since the previous financial year	8.4%	12.2%	-1.9%	13.7%	1.7%
Change (as a %) in the fixed compensation of the Chief Executive Officer	0%	0%	-25%	0%	0%
Change (as a %) in the total compensation of the Chief Executive Officer <sup>(1)</sup>	-6%	48%	11%	-49%	+35% <sup>(2)</sup>
<b>KORIAN SE</b>					
Change (as a %) in the average compensation of employees	-2%	4%	2%	-1%	69% <sup>(3)</sup>
<b>Ratio compared to the average compensation of employees</b>	<b>12</b>	<b>18</b>	<b>19</b>	<b>10</b>	<b>8</b>
Change in the ratio (as a %) since the previous financial year	-4%	44%	8%	-47%	-20%
<b>Ratio compared to the median compensation of employees</b>	<b>17</b>	<b>24</b>	<b>25</b>	<b>13</b>	<b>12</b>
Change in the ratio (as a %) since the previous financial year	-8%	46%	6%	-48%	-7.7%
<b>KORIAN GROUP <sup>(4)</sup></b>					
<b>Average compensation of employees</b>	-	-	-	€35,533	€37,110
Change (as a %) in the average compensation of employees	-	-	-	-	+4.4%
<b>Ratio compared to the average compensation of employees</b>				<b>21</b>	<b>27</b>

(1) The Chief Executive Officer's total compensation for the purposes of the equity ratio includes compensation and benefits of any kind paid or awarded during the financial year.

(2) The Chief Executive Officer's total compensation for the purposes of the equity ratio includes compensation and benefits of any kind paid or awarded during the financial year. The change in compensation paid between 2021 and 2022 is solely explained by the amount of the variable compensation paid in 2021 for the 2020 financial year with a payout rate of 62% compared to a payout rate of 120% for the variable compensation for 2021 paid in 2022.

(3) The 69% change in the average compensation of Korian SE employees is due to the change in organisation within Korian SE. Following the partial contribution of assets carried out on 1 August 2021, the Korian SE entity only concerns the Group's head office functions, i.e. 133 employees at 31 December 2022, whereas in previous years the scope included all head office functions in France, i.e. 638 employees.

(4) In accordance with the AFEP-MEDEF code, for the 2021 and 2022 financial years only, the average compensation and ratios were calculated taking into account a more representative scope as regards the workforce, i.e. the entire scope of the Group: France, Germany, Italy, Benelux, Spain and the United Kingdom.

**EQUITY RATIO BETWEEN THE LEVEL OF THE COMPENSATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE AVERAGE AND MEDIAN COMPENSATION OF KORIAN EMPLOYEES**

	2018	2019	2020	2021	2022
Change (as a %) in the compensation of the Chairman of the Board of Directors	0%	0%	-25%	0%	0%
<b>KORIAN SE</b>					
Change (as a %) in the average compensation of employees	-2%	4%	2%	-1%	69% <sup>(1)</sup>
<b>Ratio compared to the average compensation of employees</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>3</b>
Change in the ratio (as a %) since the previous financial year	0%	0%	-21%	+25%	-40%
<b>Ratio compared to the median compensation of employees</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>4</b>
Change in the ratio (as a %) since the previous financial year	-14%	0%	-17%	+20%	-33%
<b>KORIAN GROUP <sup>(2)</sup></b>					
Average compensation of employees				€35,533	€37,110
<b>Ratio compared with the average compensation of Group employees</b>				<b>10</b>	<b>9</b>

(1) The 69% change in the average compensation of Korian SE employees is due to the change in organisation within Korian. Following the partial contribution of assets carried out on 1 August 2021 between Korian SE and Korian France, the legal entity Korian SE only concerns the Group's head office functions, i.e. 133 employees at 31 December 2022, whereas in previous years the scope included all head office functions in France, i.e. 638 employees.

(2) In accordance with the AFEP-MEDEF code, for the 2021 and 2022 financial years only, the average compensation and ratios were calculated taking into account a more representative scope as regards the workforce, i.e. the entire scope of the Group: France, Germany, Italy, Benelux, Spain and the United Kingdom.

#### 4.2.2.4 Compensation of Directors from 1 January 2022 to 31 December 2022

The compensation paid to Directors for the period from 1 January 2022 to 31 December 2022 complies with the 10<sup>th</sup> resolution adopted by the Shareholders' General Meeting of 23 June 2016, which set the total annual amount of said compensation at €400,000 from the date of said meeting and for subsequent financial years, until otherwise decided.

In accordance with the proposal made by the Chairman of the Board of Directors at the Board of Directors' meeting held on 1 October 2020, the Board of Directors decided not to pay the Chairman compensation for his Directorship. Similarly, the Chief Executive Officer does not receive any compensation for carrying out her Directorship. Consequently, the total annual amount of the compensation awarded to the Directors is divided among the other Directors, including the Directors representing employees.

For the 2022 financial year, Predica and Mr Philippe Dumont each requested that the sums to which they would normally have been entitled under the rules for allocating Directors' annual compensation be paid to the Korian Foundation.

#### Summary of the compensation components paid or awarded to Directors from 1 January 2022 to 31 December 2022

In respect of 2022, a gross amount of €331,613 was paid as compensation to the members of the Board of Directors.

The members of the Board of Directors are also entitled to reimbursement, upon presentation of receipts, of travel expenses incurred to attend the meetings of the Board of Directors and of the specialised Committees. The Directors, other than the Chairman of the Board of Directors and the Chief Executive Officer, did not receive any other compensation from the Company in respect of the 2022 financial year.

The applicable rules governing the distribution of the Directors' compensation for the 2022 financial year are as follows:

- of the total annual amount of €400,000 awarded to the Directors for carrying out their duties:
  - the sum of €300,000 is divided among the Directors as a fixed payment and on the basis of their actual attendance at Board of Directors and Committee meetings,
  - the sum of €70,000 is earmarked to pay, in the amounts determined by the Board of Directors at its meeting of 8 December 2022, (i) additional compensation to non-resident Independent Directors based on their physical attendance of Board and Committee meetings, and (ii) additional compensation to Directors for Board and/or Committee meetings that are not scheduled in the annual calendar drawn up by the Board of Directors,
  - the sum of €30,000 is divided among the Chairs of the Audit Committee, the Compensation and Appointments Committee and the Ethics, Quality and CSR Committee, who receive, respectively, one half (1/2), one third (1/3) and one sixth (1/6) of said sum;

- the amount of €300,000 is distributed among the Directors according to the following rules:
- 45% of the above amount is distributed equally between the members of the Board of Directors as a fixed compensation component, with Independent Directors receiving compensation six times greater than that of non-Independent Directors,
- 30% of the above amount is divided between the members of the Board of Directors *pro rata* to the number of meetings they attend,
- 25% of the above amount is divided between the members of the various Committees *pro rata* to the number of meetings they attend; the Chairman or Chairwoman of each Committee is entitled to double compensation.

The compensation is only payable if Directors attend at least half of the meeting of the Board of Directors scheduled in the annual calendar drawn up in advance by the Board of Directors.

A Director who participates in a Board or Committee meeting by videoconference and/or telecommunication will be entitled to only half this compensation. Attendance by any other means does not entitle a Director to compensation.

If, exceptionally, a Committee meeting is held (i) during a

suspension of a Board of Directors meeting, or (ii) immediately before, or (iii) immediately after a Board meeting, compensation will be paid only for the Board of Directors' meeting.

If more than one Board of Directors meeting is held on the same day, in particular on the day of the Annual General Meeting, Directors' attendance at such meetings will be counted as attendance at one meeting.

The amount of €70,000 is divided as follows, pursuant to the decision of the Board of Directors taken on 8 December 2022 on the recommendation of the Compensation and Appointments Committee, for 2022:

- allocation of €500 per meeting of the Board of Directors and Committees, which the non-resident Independent Director physically attends, i.e., €3,000; and
- allocation of the balance, i.e., €67,000, among the Directors in proportion to the number of meetings of the Board of Directors and/or Committees not provided for in the annual calendar set by the Board of Directors which they attend,

it being specified that in the event of a Director's participation in a meeting of the Board of Directors or a Committee by videoconference and/or telecommunication, only half of the compensation will be paid to him or her for said meeting and within the limit of €2,000 per meeting.

► TABLE 3 – TABLE OF COMPENSATION AWARDED FOR DIRECTORSHIPS AND OTHER COMPENSATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS (AMF NOMENCLATURE)

Non-executive corporate officers	Amounts awarded in respect of the 2021 financial year <sup>(1)</sup>	Amounts awarded in respect of the 2022 financial year <sup>(1)</sup>
Predica <sup>(2)</sup>	-	-
Holding Malakoff Humanis	- (3)	€30,370
Jean-Pierre Duprieu <sup>(4)</sup>	-	-
Anne Lalou	€61,582	€55,472
Catherine Soubie	€64,180	€65,384
Markus Müschenich	€38,596	€37,349
Jean-François Brin	€42,793	€39,537
Marie-Christine Leroux	€15,805	€18,946
Markus Rückerl <sup>(5)</sup>	€19,242	€11,235
Philippe Dumont <sup>(2)</sup>	-	-
Guillaume Bouhours <sup>(6)</sup>	€33,615	€37,275
Philippe Lévêque <sup>(7)</sup>	-	€29,521
Gilberto Nieddu <sup>(8)</sup>	-	€6,527
<b>TOTAL</b>	<b>€275,813</b>	<b>€331,616</b>

(1) Gross amount.

(2) In accordance with the proposal made, the sums that would normally have been paid for the 2021 and 2022 financial years in application of the usual rules for the distribution of the annual compensation of the Directors adopted by the Board of Directors were not due, nor were they reallocated to the other Directors, but remained available to the Company to top up the Korian Solidarity Fund with regard to the compensation received in respect of the 2021 financial year, and were paid to the Korian Foundation with regard to the compensation received in respect of the 2022 financial year.

(3) In accordance with the proposal made, the sum that would normally have been paid for the 2021 financial year in application of the usual rules for the distribution of the annual compensation of the Directors adopted by the Board of Directors was not due, nor was it reallocated to the other Directors, but remained available to the Company to top up the Korian Solidarity Fund.

(4) In accordance with Mr Jean-Pierre Duprieu's proposal made at the Board of Directors meeting held on 1 October 2020, the Board of Directors decided not to pay him compensation for his Directorship from this date.

(5) Director whose term of office expired with his departure from the Group on 31 May 2022.

(6) Director since 11 January 2021, replacing Mr Christian Chautard.

(7) Director since 22 June 2022.

(8) Director since 29 June 2022.

## 4.3 Governance of compensation

### PARTIES INVOLVED

#### Human Resources Department

The Group's Human Resources Department participates in the following aspects of the process of formulating and determining the compensation of corporate officers:

- it ensures that the compensation policy for corporate officers complies with the various laws and best practices, in particular Say-on-Pay, jointly with the Group General Secretary;
- it engages suitable experts to carry out external compensation benchmarking studies, which allow for an objective assessment of the compensation policy and determine whether it is competitive;
- it selects external compensation experts to provide input to the meetings of the Compensation and Appointments Committee;
- it makes recommendations to the Compensation and Appointments Committee;
- it ensures that the compensation offered is fair and consistent with internal and external policies;
- it ensures that the compensation policy complies with the Group's strategy using the associated performance criteria.

#### Ethics, Quality and CSR Committee

The Ethics, Quality and CSR Committee is consulted on the selection and achievement of the non-financial criteria relating to the annual variable compensation and the long-term variable compensation of the Chief Executive Officer and the members of the Group Management Board.

For further information:

- Section 4.1.3.3.4 "Ethics, Quality and CSR Committee" of the 2022 Universal Registration Document.

#### Audit Committee

The Audit Committee is consulted on the selection and achievement of financial criteria relating to the annual variable compensation and the long-term variable compensation of the Chief Executive Officer and the members of the Group Management Board.

For further information:

- Section 4.1.3.3.1 "Audit Committee" of the 2022 Universal Registration Document

#### Compensation and Appointments Committee

The Compensation and Appointments Committee makes recommendations to the Board of Directors on:

- the compensation policy for executive and non-executive corporate officers;
- the loyalty programmes for managers and principal senior managers;
- the selection of quantifiable and qualitative targets for the Chief Executive Officer's annual variable compensation;
- the determination of achievement thresholds for the performance criteria to be met for the variable compensation of the Chief Executive Officer and for the long-term compensation of the Chief Executive Officer and the relevant principal senior managers;
- the Group's policy on equality in the workplace and equal pay;
- projects associated with Group employee savings schemes proposed by the Chief Executive Officer.

In accordance with the AFEP-MEDEF code, the Compensation and Appointments Committee principally comprises Independent Directors and is chaired by an Independent Director.

For further information:

- Section 4.1.3.3.2 "Compensation and Appointments Committee" of the 2022 Universal Registration Document.

#### Board of Directors

On the recommendation of the Compensation and Appointments Committee, the Board of Directors determines a compensation policy for corporate officers that is consistent with the Company's interests, the long-term success of the business and its commercial strategy. The Board decides whether to award long-term compensation to the Chief Executive Officer and, on the proposal of the Chief Executive Officer, to the Group's principal senior managers.

It ensures, in particular, that the performance criteria, conditions and targets of the annual and long-term variable compensation components are consistent with the strategic plan.

It discusses the business's policy on equality in the workplace and equal pay.

The Chief Executive Officer and the Chairman of the Board of Directors do not participate in meetings that relate to their own situations.

For further information:

- Section 4.1.3.2.1 "Duties and powers of the Board of Directors" of the 2022 Universal Registration Document.

## Shareholders

In accordance with the applicable laws and regulations, Korian's shareholders are invited to vote on:

- the compensation policy for corporate officers;
- the total compensation and benefits of all kinds paid in respect of their office during the financial year ended or granted in respect of the same financial year to all corporate officers; and

- the total compensation and benefits of all kinds paid in respect of their office during the financial year ended or awarded in respect of that financial year to each executive corporate officer.

They are also periodically asked to vote on resolutions relating to the granting of free shares or capital increases restricted to employees in connection with the Group Savings Plan.

In order to maintain dialogue with its stakeholders, Korian regularly communicates with its shareholders and proxy voting agencies. The Group consults these stakeholders in advance on compensation policies. Thus, during the 12 months preceding the publication of this Universal Registration Document, the Group organised several meetings prior to its Annual General Meeting.

## Evolution of Say-on-Pay at the General Meeting

The high approval rate of resolutions relating to the compensation policy and the compensation components of executive corporate officers is testament to the quality, transparency and regularity of the dialogue between Korian and its stakeholders.

		General Meetings			
		2019	2020	2021	2022
<b>Chairman of the Board of Directors</b>	Compensation policy	99.3%	98.7%	97.1%	98.46%
	Compensation components	99.3%	98.7%	99.9% <sup>(1)</sup>	99.87%
<b>Chief Executive Officer</b>	Compensation policy	99.2%	98.8%	92.3%	90.07%
	Compensation components	99.6%	98.5%	91.5%	96.61%
<b>Directors</b>	Compensation policy	- <sup>(2)</sup>	98.7%	98.4%	99.82%

(1) At the 2021 General Meeting, the shareholders were asked to approve the compensation components paid or awarded to Mr Christian Chautard, in his capacity as Chairman of the Board of Directors from 1 January 2020 to 1 October 2020 (6<sup>th</sup> resolution) and to Mr Jean-Pierre Duprieu, in his capacity as Chairman of the Board of Directors from 1 October 2020 to 31 December 2020 (7<sup>th</sup> resolution). These two resolutions were approved by 99.9% of the votes.

(2) The compensation policy for Directors was submitted for the first time to the General Meeting of 22 June 2020 in accordance with Order No. 2019-1234 of 27 November 2019.

# 5

## Activities and performance analysis



<b>5.1</b>	<b>SIGNIFICANT EVENTS IN FINANCIAL YEAR 2022</b>	<b>262</b>	<b>5.5</b>	<b>LEGAL AND ARBITRATION PROCEEDINGS</b>	<b>271</b>
	ESG & SOCIAL PERFORMANCE	262	<b>5.6</b>	<b>SIGNIFICANT CHANGES IN THE GROUP'S FINANCIAL POSITION SINCE THE END OF THE LAST FINANCIAL YEAR</b>	<b>271</b>
<b>5.2</b>	<b>CHANGES IN BUSINESS ACTIVITIES</b>	<b>263</b>	<b>5.7</b>	<b>MATERIAL EVENTS SINCE THE YEAR-END</b>	<b>271</b>
<b>5.3</b>	<b>REVIEW OF CONSOLIDATED RESULTS AND THE FINANCIAL POSITION AT 31 DECEMBER 2022</b>	<b>264</b>		Completion of the acquisition of Grupo 5	271
5.3.1	Consolidated financial statements	264		Financing with the European Investment Bank	271
5.3.2	Financial position	265		Information on the first quarter of 2023	271
5.3.3	Korian SE Annual financial statements	266		Adoption of the status of a purpose driven company	272
<b>5.4</b>	<b>PROPOSED ALLOCATION OF PROFIT AND DIVIDEND PAYMENT</b>	<b>270</b>	<b>5.8</b>	<b>FORESEEABLE CHANGES – OUTLOOK</b>	<b>272</b>
5.4.1	Dividends paid over the past three years	270			
5.4.2	Appropriation of profit for 2022	270			

## 5.1 Significant events in financial year 2022

Over 2022 Korian has continued to develop its network to best respond to the expanding needs for care across Europe:

### Care Homes:

- acceleration in adapting the network to high dependency needs with 65 facilities refurbished over the year, and 56 facilities have been sold or closed over the last 24 months (around 8% of the network).

### Healthcare facilities:

- pursuit of the modernisation of Korian network with notably 13 healthcare facilities built or extended in France, bringing the number of facilities restructured to c.50% of the network at the end of 2022. All French healthcare facilities now operating under the Inicea brand;
- acquisition of highly specialized healthcare facilities (including Mental Health) in Italy, with strong outpatient capacity: Italian Hospital Group (IHG) in Lazio and Borghi in Lombardia;
- development of the European mental health platform with the integration in Spain of ITA Salud and the acquisition of Grupo 5 (closed in January 2023), a high quality and complementary network with embedded growth.

### Alternative living solutions:

- Ages & Vie now has 243 co-living facilities in France, after completing 79 this year, compared to 44 in 2018;
- signature of a second Ages & Vie equity partnership with Banque des Territoires and Credit Agricole;
- strong growth of home care activities with 330 agencies (+60 in 2022), including 253 in France where the Petits-Fils franchise has become the largest private network, with more than 15,000 clients at the end of 2022.

At end December 2022, Group's network is composed of 87,994 beds, after the disposals and closings of 69 facilities in the last 24 months. During this period of 2 years the Group has also delivered around 3,500 beds through greenfield development.

## ESG & SOCIAL PERFORMANCE

Korian set out an ambitious ESG roadmap in 2019 with the majority of the targets set for 2023. At the end of the 2022 financial year a large number of these targets are already achieved.

Regarding the quality of care provided, 68% of Korian facilities have achieved ISO 9001 certification under the quality programme launched in 2019, and Korian's own Positive Care medical standards have been deployed at 97% of facilities, vs 72% in 2019.

The Group's Human Resources policy paying off handsomely, with 11.8% of staff now participating in training programmes that lead to professional certification, vs 4% in 2019. The number of work-related accidents fell by 15%. The number of women in the top 150 executives of the Company has now reached 56%.

2022 has also been marked by an active social dialogue and a new milestone in employee's engagement with the Group's first employee shareholding scheme:

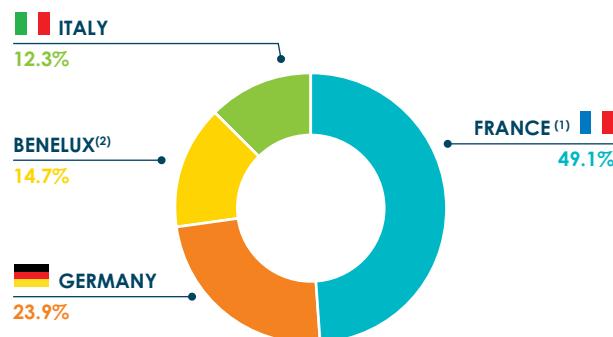
- Korus: a successful pan European shareholding plan with 15% of employees subscribing (25% in France) and now representing 3% of shareholding;
- following the transformation into a European company, the signature of an agreement to establish a European Company Works Council.

Finally, the Group supports local communities and plays an active role in protecting the environment. In 2022:

- 80% of purchasing was done locally in the countries of the Group and 99% of our facilities are involved in local projects;
- the Group's CO<sub>2</sub> emissions have been reduced by 24% compared to 2019.

## 5.2 Changes in business activities

### CHANGES IN BUSINESS ACTIVITIES



In millions of euros	Group		France (1)		Germany		Benelux (2)		Italy	
	2022	2021 (3)	2022	2021 (3)	2022	2021 (3)	2022	2021 (3)	2022	2021 (3)
Revenue	4,534.1	4,294.8	2,226.1	2,168.3	1,082.0	1,067.5	667.0	587.0	559.0	472.1
EBITDAR	1,090.7	1,071.1	577.5	536.9	253.9	298.7	142.0	138.6	117.2	96.9
Margin/Revenue	24.1%	24.9%	25.9%	24.8%	23.5%	28.0%	21.3%	23.6%	21.0%	20.5%

Korian uses EBITDAR and EBITDA as its benchmark indicators.

EBITDAR makes it possible to assess operating performance independently of the real estate policy (the ownership or rental of the facilities' premises has an impact on operating income). EBITDAR is operating income before the deduction of rental expenses that do not qualify as IFRS 16 leases, depreciation, amortisation and provisions and other income and expenses (see note 3.1 of paragraph 6.1 of this Universal Registration Document).

(1) Including Spain and the UK.

(2) Including the Netherlands.

(3) 2021 was restated to account for the effects of the final IFRIC ruling on the costs of the configuration and customisation of software used for SaaS type contracts, and of discontinued operations under IFRS 5, as described in note 1.3 of paragraph 6.1 of this Universal Registration Document.

In 2022, revenue totalled €4,534 million, up 5.6%, with a -3.6% impact from disposals and closings in the last 24 months, part of Korian efforts to streamline its asset portfolio in the long-term Care activities.

The overall organic growth of 6.2% reflects positive dynamics in the Group's three activities:

- care homes: the 7.2% organic growth was driven by the Group-wide recovery of occupancy rates and the ramping-up of new facilities in the Netherlands, Spain and the United Kingdom;
- healthcare facilities: organic growth is 3.1%, in an activity environment which has normalised, driven by continued enhancement of the network, with notably ambulatory activities growing by 18% at c. €152 million revenue, i.e. c.14% of healthcare revenue;
- alternative living solutions: organic growth is 7.5%, with a high growth trajectory fuelled by strong demand pressure in home care as well as assisted living facilities development.

The Group's EBITDAR in 2022 is €1,090.7 million and the EBITDAR margin is 24.1% reduced by 80 basis points on 2021 reflecting the impact of higher costs passed through in the revenue, notably due to the salary reset in Germany, time lag between tariff increase and costs inflation, and energy costs increase, which represent €20 million.

#### By country:

- In France, Spain and the United Kingdom (1), revenue growth is +2.7%, and 4.4% organically. The EBITDAR margin is recovering by 110 basis points from 24.8% to 25.9% mainly as a consequence of higher occupancy offsetting staff costs continued increase.

(1) Including €98 million for Spain and €47 million for the UK in 2022.

- In **Germany**, reported revenue rose by 1.4%, with 5.6% organic growth. Limited reported growth is the effect of the disposals of 30 facilities during the last two years.
- In the **Benelux** <sup>(1)</sup> region the reported growth remained high at 13.6% driven by the organic expansion in the Netherlands, as well as dynamic occupancy progress in Belgium. Organic growth stood at 14.0%. The EBITDAR margin decreased to 21.3% (versus 23.6% in 2021) following important pass-through effects, notably in relation salaries increase.
- In **Italy**, revenue was up by +18.4% driven by acquisitions with a continued focus on healthcare services with a training and local cluster approach in key regions. Organic growth was very resilient as well at 6.4% due to high nursing homes occupancy rate and dynamic healthcare activities, notably in outpatient care which register a 17% growth. The EBITDAR margin showed resiliency at 21.0% (versus 20.5% in 2021) in spite of a year marked by costs inflation.

## 5.3 Review of consolidated results and the financial position at 31 December 2022

### 5.3.1 CONSOLIDATED FINANCIAL STATEMENTS

It should be noted that the financial indicators Korian uses to monitor its performance exclude IFRS 16.

#### 5.3.1.1 Simplified consolidated income statement

EBITDAR is Korian's preferred indicator for measuring operational performance independently of its real estate strategy. EBITDAR is operating income before rental expenses that do not qualify as IFRS 16 leases, depreciation, amortisation and provisions and other income and expenses.

EBITDA is the aforementioned EBITDAR after rental expenses and thus reflects the performance of the Group's real estate strategy.

	FY 2022 Excluding IFRS 16 adjustments	IFRS 16	FY 2022 IFRS 16	FY 2021* Excluding IFRS 16 adjustments	IFRS 16	FY 2021* IFRS 16	Change 2022/2021
Revenues & other income	4,534.1	-	4,534.1	4,294.8	-	4,294.8	5.6%
EBITDAR	1,090.7	-18.4	1,072.3	1071.1	-7.9	1,063.2	1.8%
as % of revenue	24.1%	-	23.6%	24.9%	-	24.8%	-80 bps
External rents	-483.5	414.5	-69.0	-473.9	410.0	-64.0	2.0%
EBITDA	607.1	-396.1	1,003.2	597.2	-402.1	999.3	1.7%
as % of revenue	13.4%	-	22.1%	13.9%	-	23.3%	-50 bps
Operating income	239.5	33.0	272.5	302.8	39.0	341.8	-20.9%
Net financial income	-144.2	-70.4	-214.6	-140.0	-68.5	-208.5	3.0%
<b>PROFIT (LOSS) BEFORE TAX</b>	<b>95.4</b>	<b>-37.4</b>	<b>57.9</b>	<b>162.8</b>	<b>-29.5</b>	<b>133.3</b>	<b>-41.4%</b>
<b>NET PROFIT GROUP SHARE</b>	<b>52.0</b>	<b>-30.0</b>	<b>22.1</b>	<b>113.8</b>	<b>-22.7</b>	<b>91.1</b>	<b>-54.3%</b>

\* 2021 was restated to account for the impact of the final IFRIC ruling on the configuration and customisation costs of software used for SaaS type contracts, and of discontinued operations under IFRS 5, as described in note 1.3 of paragraph 6.1 of this Universal Registration Document.

Korian's **EBITDA** totalled €607.1 million in 2022, up 1.7% on 2021 (-50 bps in margin from 13.9% to 13.4%), a resilient performance on the back of a stability of rental costs, reflecting Korian active rent management and past

investments in Real Estate. Including IFRS 16 impact, EBITDA is €1,003.2 million reflecting a 22.1% margin, down 120 bps vs 2021 in line with EBITDAR margin evolution.

(1) Including the Netherlands for €104 million.

Korian Real Estate portfolio has grown by c.€300 million to €3.5 billion. The capitalisation rate retained by independent expert has increased from 5.3% to 5.4%, reflecting the resilience of the Healthcare asset class in countries where Korian is present. Owned properties represent c.28% of Korian's network.

**Current Earnings before interest and taxes (EBIT)** amounted to €315.3 million, i.e. 7.0% of revenue (versus 8.0% in 2021).

**The Group's share of net profit** of €52.0 million (vs €113.8 million in 2021) was notably impacted by the exceptionally high level of non-recurring expenses incurred in 2022 for the transformation of the network in France, Germany and Belgium, which required the closing and sale of various facilities.

### 5.3.1.2 Simplified consolidated balance sheet

In millions of euros	31.12.2022	31.12.2021
<b>Non-current assets</b>	12,655.8	12,102.7
<b>Current assets</b>	1,788.1	2,128.2
Assets held for sale	129.7	77.2
<b>TOTAL ASSETS</b>	<b>14,573.6</b>	<b>14,308.1</b>

In millions of euros	31.12.2022	31.12.2021
<b>Total shareholder equity</b>	3,867.9	3,764.4
<b>Non-current liabilities</b>	7,743.4	8,093.1
<b>Current liabilities</b>	2,822.9	2,406.5
Liabilities associated with assets held for sale	139.4	44.0
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>14,573.6</b>	<b>14,308.1</b>

#### Assets

Non-current assets break down as follows:

- goodwill of €3,237.3 million, up by €23.4 million, mainly due to acquisitions in the United Kingdom and Italy and the reclassification, in accordance with IFRS 5, of goodwill allocated to discontinued operations as assets held for sale;
- intangible assets with a value of €2,256.7 million;
- property, plant and equipment, totalling €3,552.5 million, for an annual increase of €474.4 million;
- right-use-assets amounting to €3,451.9 million, vs €3,469.4 million in 2021. This decrease is attributable to the reclassification, in accordance with IFRS 5, of rights of use relating to discontinued operations as assets held for sale, and to disposals in Germany.

Current assets mainly comprise:

- trade receivables stood at €440.4 million;
- other receivables and current assets totalled €422.9 million, and thus declined by €30.4 million;
- cash and cash equivalents came to €733.7 million, down €480.9 million from 2021.

#### Shareholder's equity and liabilities

- Consolidated equity totalled €3,867.9 million, up €103.5 million versus 2021.
- Financial liabilities amounted to €4,508.3 million, up €66.1 million.
- Lease liabilities and commitments totalled €3,762.2 million, vs €3,785.3 million in 2021, this decrease being attributable to the reclassification, in accordance with IFRS 5, of lease liabilities relating to discontinued operations as assets held for sale, and to disposals in Germany.

5

### 5.3.2 FINANCIAL POSITION

The Group has generated €371 million of operating free cash flow in 2022 reflecting a catch-up effect after 2021 and 2020 levels impacted by the Covid-19 crisis. Maintenance or operating capex, included in the free cash flow, represent 2.2% of revenue in 2022.

Korian has maintained abundant liquidity with €734 million in cash and an undrawn RCF of €500 million. During the year Korian successfully raised €620 million in debt financing, including €215 million in the second half of the year.

At €181 million, growth investments were stable relative to 2021, as the Korian Group pursued its strategy of transforming its network to offer more specialised services and medical equipment and increase outpatient capacity. Acquisitions, which represented an investment of €190 million vs €220 million in 2021, targeted Healthcare, with acquisitions in Italy and of five facilities in the United Kingdom. Real estate investments totalled €460 million (near their 2021 level), with the construction of new facilities (greenfield projects) accounting for €224 million.

The balance sheet of Korian remains strong with a LTV of 55% and an operational leverage of 3.7x, leaving ample headroom compared to the Group's covenants of 4.5x and showing relative stability of the ratios despite an EBITDA under pressure from inflation effects and the absence of monetisation transaction on the real estate portfolio during the year.

The Group's net financial liabilities increased to €3,775 million at 31 December 2022 from €3,228 million at 31 December 2021. The real estate debt represents €1,914 million compared to a real estate portfolio value of €3,455 million (55% LTV).

In millions of euros	31.12.2022	31.12.2021
Borrowings from credit institutions and financial markets	2,571.6	2,659.4
Real estate debt owed to financial counterparties (excluding IFRS 16)	1,914.0	1,736.3
Other various financial liabilities	22.0	29.6
Bank overdraft facilities	0.7	17.0
<b>Borrowings and financial liabilities (A)</b>	<b>4,508.3</b>	<b>4,442.3</b>
Marketable securities	11.9	142.3
Cash and cash equivalents	721.8	1,072.2
<b>Cash (B)</b>	<b>733.7</b>	<b>1,214.6</b>
<b>NET DEBT (A) - (B)</b>	<b>3,774.6</b>	<b>3,227.7</b>
Lease liabilities and commitments	3,762.2	3,785.3
<b>NET DEBT AND LEASE LIABILITIES AND COMMITMENTS</b>	<b>7,536.8</b>	<b>7,013.0</b>

### 5.3.3 KORIAN SE ANNUAL FINANCIAL STATEMENTS

#### 5.3.3.1 Korian SE's individual income statement

In millions of euros	31.12.2022	31.12.2021
Revenue	32.3	23.5
Other operating income, reversals of provisions and expense transfers	6.2	3.4
<b>Total operating income</b>	<b>38.6</b>	<b>27.0</b>
Change in inventories	0.0	0.0
Other external purchases and expenses	-55.1	-38.1
Taxes and contributions	-1.2	-1.1
Staff costs	-48.6	-25.5
Depreciation/amortisation and provisions	-7.9	-7.5
Other expenses	-0.4	-1.1
<b>Total operating expenses</b>	<b>-113.2</b>	<b>-73.4</b>
<b>Operating results</b>	<b>-74.6</b>	<b>-46.5</b>
Group share of profit/loss	-0.3	0.1
<b>Net financial income</b>	<b>93.9</b>	<b>7.0</b>
<b>Non-recurring income</b>	<b>2.2</b>	<b>-17.3</b>
Income tax (consolidation gains)	-33.9	-31.0
<b>NET PROFIT (LOSS)</b>	<b>55.0</b>	<b>-25.6</b>

### 5.3.3.2 Income statement analysis

#### Operating results

Korian obtains its revenue from the invoicing of the corporate services it provides to its French and foreign subsidiaries (invoicing of corporate expenses, head office rental and staff expenses).

In 2022, staff costs included €19.9 million for the employee share ownership plan, attributable to the matching employer contribution and losses on the treasury shares that were sold for the plan.

#### Net financial income

As the Group's holding company, Korian receives dividends from its subsidiaries. These dividends increased from €78.2 million in 2021 to €116.0 million in 2022.

Korian carries most of the Group's debt and financial instruments. Financial expenses on financial liabilities totalled €77.0 million in 2022, which is €13.8 million more than in 2021. This increase is explained by the €121 million increase in long-term borrowings and in interest rates. Korian recognised net financial income from financial instruments of €8.4 million in 2022 and made a net provision of €5 million for a foreign exchange loss on a GBP loan.

As the head company of the Group's cash pool, Korian paid €2.3 million in current account interest in 2022 (vs. €0.6 million in 2021) and received €16.3 million in current account interest from its subsidiaries (vs. €8.9 million in 2021).

#### Non-recurring income

Non-recurring income totalled €2.2 million in 2022. The non-recurring income of -€17.3 million in 2021 is attributable to the redemption of a bond and proceeds from securities transactions in connection with the creation of Korian France.

### 5.3.3.3 Korian SE balance sheet

	31.12.2022	31.12.2021
<b>ASSETS</b>		
Intangible assets	29.8	16.8
Property, plant and equipment	1.2	1.3
Financial assets	4,857.2	4,532.2
<b>Total non-current assets</b>	<b>4,888.1</b>	<b>4,550.3</b>
Raw materials and supplies		
Advances and deposits paid on orders		
Trade receivables	22.8	26.2
Other receivables	1,401.1	2,134.1
Cash and cash equivalent	418.4	717.2
Prepaid expenses	14.6	15.1
<b>Total current assets</b>	<b>1,856.8</b>	<b>2,892.6</b>
Debt issuance costs and bond redemption premiums	27.5	26.7
<b>TOTAL ASSETS</b>	<b>6,772.5</b>	<b>7,469.6</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Share capital	532.5	528.0
Reserves and premiums	1,473.7	1,464.3
Retained earnings	12.0	73.9
Result	55.0	-25.6
Regulated provisions	1.9	1.8
<b>Net financial situation</b>	<b>2,075.0</b>	<b>2,042.3</b>
Provisions for risks and expenses	11.8	6.8
Financial liabilities	4,594.6	5,371.2
Suppliers	8.4	15.4
Tax and social security liabilities	11.2	11.6
Other debts	61.2	12.9
<b>Total operating liabilities</b>	<b>4,687.1</b>	<b>5,417.9</b>
Deferred income	0.0	0.0
Unrealised foreign exchange gains	10.4	9.4
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>6,772.5</b>	<b>7,469.6</b>

Korian SE balance sheet totalled €6,772 million. This figure is essentially comprised of the following:

### Assets

- Non-current assets totalled €4,888 million, which account for nearly 72% of the balance sheet. They consist of:
  - €3,760 million in equity interests and related receivables;
  - €1,097 million in other non-current financial assets;
  - €31 million in tangible and intangible non-current assets.
- The other main items on the assets side of the balance sheet position break down as follows:
  - current accounts with subsidiaries in the amount of €1,373 million;
  - €418 million in cash and cash equivalents;
  - prepaid expenses of €15 million, for bond issuance costs spread over time.

### Liabilities and shareholders' equity

- The net financial position amounted to €2,075 million, up €33 million from 2021. This increase is mainly due to the annual net income and the payment of dividends.
- Financial liabilities, which totalled €4,595 million at 31 December 2022, consisted of €2,824 million in bonds, €1,108 million in loans and other debt to credit institutions, and €662 million in current accounts with subsidiaries.
- Trade payables amounted to €8.4 million, and broke down as follows: of which €3.3 million in provisions for invoices to be received and €5.1 in trade payables.

#### 5.3.3.4 Customer and supplier payment times

In accordance with articles L. 441-6-1 and D. 4441-4 of the French Commercial Code, information on payment periods on debts owed to suppliers and debts owed by customers are shown in the table below.

##### ► PAYMENT TIMES – IN ACCORDANCE WITH SECTION I OF ARTICLE D. 441-4 OF THE FRENCH COMMERCIAL CODE.

	Article D. 441-I 1°: Invoices received, unpaid at year-end and past due						Article D. 441-I 2°: Invoices issued, unpaid at year-end and past due					
	0 days (for information)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day or more)	0 days (for information)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day or more)
<b>(A) PAYMENTS IN ARREARS BY TIME PERIOD</b>												
Number of invoices	84	142	123	34	110	409	0	1	8	1	53	63
Total amount of invoices, incl. VAT	1,285,848	1,739,389	1,206,393	216,026	678,474	3,840,281				23,485	143,721	27,363 1,205,405 1,399,975
Percentage of total purchases, incl. VAT, in the year	1.68%	2.28%	1.58%	0.28%	0.89%	5.03%						
Percentage of revenue, incl. VAT, in the year							0.00%	0.09%	0.56%	0.11%	4.69%	5.44%
<b>(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED PAYABLES AND RECEIVABLES OR NOT IN THE ACCOUNTS</b>												
Number of invoices excluded												
Total amount of invoices excluded												
<b>(C) REFERENCE PAYMENT TERMS USED (CONTRACTUAL OR STATUTORY PAYMENT TIME – ARTICLE L. 441-6 OR ARTICLE L. 443-1 OF THE FRENCH COMMERCIAL CODE)</b>												
Payment deadlines used to assess late payments	Contractual payment time: the invoice due date less the document date						Contractual payment time: the invoice due date less the document date					
	Statutory deadlines: 45 days from the invoice date						Statutory deadlines: 45 days from the invoice date					

### 5.3.3.5 Sumptuary expenses and overhead to be reintegrated

Sumptuary expenses subject to article 39-4 of the French General Tax Code amounted to €188,461 for the financial year ending 31 December 2022.

### 5.3.3.6 Information on existing branches (article L. 232-1 of the French Commercial Code)

In accordance with article L. 232-1 of the French Commercial Code, the Company reports that at 31 December 2022 it maintained five branches located at:

- Parc de la Duranne 3, 165 avenue Galilée – 13857 Aix-en-Provence;
- Allée de Roncevaux, 31420 L'Union;
- 2, rue du Chemin de Femmes – 91300 Massy;
- Zone Industrielle, 25870 Devecey;
- 59, rue Denuzière, 69002 Lyon.

### 5.3.3.7 Key financial figures over the past five years

Type of indications/Periods	31.12.2022	31.12.2021	31.12.2020	31.12.2019	31.12.2018
Duration of the period	12 months				
<b>FINANCIAL POSITION FOR THE PERIOD</b>					
a) Share capital	€532,526,030	€527,968,290	€525,190,790	€413,641,350	€409,882,125
b) Number of shares issued	106,505,206	105,593,658	105,038,158	82,728,270	81,976,425
<b>COMPREHENSIVE INCOME OF ACTUAL OPERATIONS</b>					
a) Revenue excluding taxes	€32,340,053	€23,543,623	€139,053,371	€130,980,560	€83,774,203
b) Profit before taxes, profit-sharing and share plans, amortisation/depreciation and provisions	€29,041,815	-€48,299,365	-€3,863,364	€71,657,468	€55,610,984
c) Corporate income tax	-€33,855,527	-€31,010,733	-€27,313,116	-€10,173,504	-€25,882,269
d) Profits after taxes, but before amortisation/ depreciation and provisions	€62,897,342	-€17,288,632	€23,449,752	€81,830,972	€81,493,253
e) Profits after taxes, profit-sharing and share plans, amortisation/depreciation and provisions	€55,004,898	-€25,638,960	€4,980,816	€66,961,178	€69,629,923
f) Amount of profit distributed	-	€36,957,780	€31,511,447	-	€49,191,338
g) Employee profit-sharing	-	-	-	-	-
<b>EARNINGS PER SHARE</b>					
a) Earnings after taxes, but before amortisation/depreciation	€0.59	-€0.16	€0.22	€0.99	€0.99
b) Earnings after taxes, amortisation/ depreciation and provisions	€0.52	-€0.24	€0.05	€0.81	€0.85
c) Dividend per share	-	€0.35	€0.30	-	€0.60
d) Other distributions	-	-	-	-	-
<b>EMPLOYEES</b>					
a) Headcount	150	443	623	513	446
b) Total payroll	€19,803,572	€17,741,064	€47,972,614	€39,413,810	€33,548,145
c) Sums paid as social benefits	€28,828,197	€7,802,087	€22,683,494	€17,188,802	€14,782,372

### 5.3.3.8 Research and development

Korian established its Foundation for Ageing Well to facilitate research and studies in the human and social sciences at its facilities in partnership with university research centres. This work has not resulted in any applications for patents of any business significance for Korian.

The various projects conducted enable the development and evaluation of new therapies, which may involve

non-drug therapies or the improvement of existing drug prescriptions. Research is also underway to determine the potential impact of robotics and artificial intelligence on quality of life for facility residents, and work for caregivers.

Korian provided €701,100 in funding and 3 FTEs to its Foundation for Ageing Well in 2022.

## 5.4 Proposed allocation of profit and dividend payment

### 5.4.1 DIVIDENDS PAID OVER THE PAST THREE YEARS

The payment of dividends or any other distribution depends on the Group's financial results, notably its net profit and its investment policy.

The dividend payment policy is explained in section 7.3.6 of this document. The table below shows the amounts of the dividends and distributed income eligible for the 40% allowance provided for in Article 158, par. 3-2, of the French General Tax Code in respect of the three previous financial years:

Financial year in question (financial year distributed)	Number of shares comprising the share capital	Number of shares receiving dividends	Dividend paid per share	Revenue distributed per share	
				Eligible for the 40% tax credit provided for in article 158, par. 3-2, of the French General Tax Code	Ineligible for the 40% tax credit provided for in article 158, par. 3-2, of the French General Tax Code
2021 (2022)	105,618,550	103,280,392	€0.35	€0.35 <sup>(1)</sup>	€0
2020 (2021)	105,038,158	104,943,487	€0.30	€0.30 <sup>(2)</sup>	€0
2019 (2020) <sup>(3)</sup>	-	-	-	-	-

(1) The Combined General Meeting of 22 June 2022 granted each shareholder of the Company the option of receiving payment of the dividend in cash or in shares.

(2) The Combined General Meeting of 27 May 2021 granted each shareholder of the Company the option of receiving payment of the dividend in cash or in shares.

(3) In view of the magnitude of the health crisis and in solidarity with its stakeholders, the Annual General Meeting of 22 June 2020 decided to allocate the entire profit for the 2019 financial year to retained earnings and therefore did not pay a dividend.

### 5.4.2 APPROPRIATION OF PROFIT FOR 2022

At its meeting of 21 February 2023, the Board of Directors noted that the net profit for 2022 was €55,004,897.85 and decided to make the following proposals at the 2023 General Meeting called to approve the annual accounts for the 2022 financial year:

- appropriate €2,750,244.90 from this profit and allocate it to the legal reserve, in accordance with the provisions set out in Article L. 232-10 of the French Commercial Code;
- recognise that the balance of profit for the year ended 31 December 2022 after allocation to the legal reserve, combined with the previous year's retained earnings of €11,950,027.70 enables distributable earnings of €64,204,680.65; and
- allocate these distributable earnings as follows:
  - to the payment of dividends of: €26,626,301.50,
  - to the "retained earnings" account: €37,578,379.15.

It should be noted that the total dividend payment of €26,626,301.50 is based on the number of Korian shares at 24 April 2023, i.e. 106,505,206 shares, and that the final dividend payment will take into account the number of shares held by the Company on the dividend payment date. Accordingly, when the dividend is paid, the portion corresponding to the Company's treasury shares will be allocated to the retained earnings account. A dividend of €0.25 will thus be paid for each of the Company's shares that is entitled to receive dividends, and shareholders will have the option to receive their dividends in the form of shares. The ex-dividend date on the regulated Euronext Paris exchange will be 21 June 2023, and the dividend payment date is set for 13 July 2023.

## 5.5 Legal and arbitration proceedings

There are currently no governmental, court or arbitration proceedings involving the Company, including any pending or threatened proceedings of which the Company is aware, which may have, or have had over the past 12 months, a material impact on the financial position or profitability of the Company and/or the Group.

## 5.6 Significant changes in the Group's financial position since the end of the last financial year

We are unaware of any significant change in the Group's financial position since the end of the last financial year for which audited financial statements have been issued.

## 5.7 Material events since the year-end

### COMPLETION OF THE ACQUISITION OF GRUPO 5

On 11 January 2023, Korian announced the closing of its acquisition of the Spanish mental health operator Grupo 5 (about 3,000 employees) after obtaining the necessary approvals from regulatory and competition authorities. This acquisition, which should generate revenue of around €120 million in 2023, is in keeping with the Group's strategy to develop its Healthcare activities and marks a further step in building a leading platform of mental health services in Europe.

### FINANCING WITH THE EUROPEAN INVESTMENT BANK

On 9 February 2023, Korian announced a €150 million financing agreement with the European Investment Bank, to fund the adaptation and development in Germany of the Group's co-living facilities concept for the elderly. Korian already operates 243 Ages & Vie co-living facilities in France, for which the EIB provided €135 million in co-financing in 2020 and 2021. Korian has now decided to deploy this new housing concept to Germany, with an affordable offering that has been adapted to the country's social system.

### INFORMATION ON THE FIRST QUARTER OF 2023

In the first quarter of 2023, Korian posted revenue growth of 11.8% to €1,218.2 million, of which 8.8% from strong organic growth:

- increase in the occupancy rate in the Long-term care nursing homes segment (+1.7 point since the first quarter of 2022);
- high level of activity for the Healthcare segment, benefiting from an increase in outpatient care;
- ramp-up of recently delivered facilities (Greenfield), particularly in the Netherlands;
- impact of rate increases.

The reported growth was supported by solid organic growth, with reported growth being impacted by the acquisition of Grupo 5 and the disposals and closures completed in 2022, particularly in Germany.

All countries posted dynamic organic growth:

- revenue in **France** reached €534.8 million, with organic growth of 4.5%, driven by rate adjustments and the dynamic development of the Community Care segment;
- **Germany** generated revenue of €282.6 million, with organic growth of 12.1% driven by rate increases reflecting higher salary costs from September 2022. The reported growth was 4.9% due to the sale and closure of facilities in 2022;

- the activity in **Benelux** was particularly dynamic with 18.0% organic growth, reflecting the upward trend in occupancy rates in Belgium and the continued ramp-up of recent facilities in the Netherlands. Total revenue amounted to €180.6 million, i.e. a reported growth of 17.9%;
- Italy** continued to grow with reported growth of 19.0% to reach €152.7 million in revenue, reflecting in particular the recent acquisitions (notably Italian Hospital Group acquired in the first half of 2022), as well as strong organic growth of 8.9% driven by the ramp-up of acquired assets and the continued strengthening of outpatient care;
- in **Spain** and the **United Kingdom**, revenue increased by 106.9%, notably reflecting the integration in January 2023 of the Grupo 5 mental health operator. The organic growth of 7.1% reflects the recovery in occupancy in both countries and the ramp-up of recent facilities.

## ADOPTION OF THE STATUS OF A PURPOSE DRIVEN COMPANY

As announced and following the work undertaken by the Group Management Board and the Board of Directors, work in which all stakeholders were involved, it will be proposed, at the 2023 General Meeting, to adopt the status of a purpose driven company within the meaning of Article L. 210-10 of the French Commercial Code. In this context, the General Meeting will be asked to define a new purpose for the Group, common to all business activities, both at home and in facilities: "take care of each person's humanity in times of vulnerability".

It will also be proposed to integrate five commitments inherent to the achievement of the mission into the Articles of Association: consideration, equity, innovation, the primacy of local roots and sustainability in the use of natural resources.

In the event of the adoption of the status of a purpose driven company, a Mission Committee, in charge of monitoring the execution of the mission via the implementation of the related operational objectives, will be set up.

## 5.8 Foreseeable changes – Outlook

Korian's medium-term financial outlook reflects the evolution of the Group's strategic priorities and is marked by sustained and essentially organic growth, a rebound in margin amounts after 2023, and prioritisation of investments to reduce the Group's debt leverage and thus strengthen its statement of financial position.

The significant investments made in the Group's network in recent years, including the development of outpatient services and the opening of new facilities (around 3,500 beds over the last two years), the normalisation of occupancy rates and activity, as well as price increases reflecting cost increases, currently enable Korian to benefit from strong embedded growth.

The growth prospects are also supported by Korian's strategic priorities, as part of the "At your side" corporate project, including:

- the strengthening of fundamentals, supporting our overall level of activity, beyond the effects of "normalisation";
- the focus on the development of solutions in the alternative living solutions business, in response to a strong acceleration in demand in all the countries where the Group operates.

Korian therefore expects organic growth of more than 8% in 2023, and more than 5% in 2024-2025.

In the short term, margins will grow less quickly than revenue and are expected to be stable in amount in 2023 compared to 2022, reflecting the cost inflation and the repercussions of salary expenses in regulated rates.

From 2024, the evolution of margins should follow the growth in revenue, under the effect of the increase in occupancy rates, the development of outpatient services and home care services.

The Group has invested heavily in the transformation of its network and the diversification of its activities since 2018. The gradual slowdown in investments from 2023 is expected to enable the Group to reduce its debt leverage to below 3.5x in 2023, and to approximately 3x in 2024 and 2025.

# 6

## Financial statements for the year ended 31 December 2022



<b>6.1</b>	<b>CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2022</b>	<b>274</b>	<b>6.3</b>	<b>ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2022</b>	<b>336</b>
	Consolidated income statement	274		Balance Sheet	336
	Consolidated balance sheet	275		Income statement	337
	Consolidated statement of cash flows	276		Notes to the Company financial statements	338
	Changes in consolidated equity	277	<b>6.4</b>	<b>STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS</b>	<b>353</b>
	Notes to the consolidated financial statements	278			
<b>6.2</b>	<b>STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS</b>	<b>332</b>			

# 6.1 Consolidated financial statements at 31 December 2022

## CONSOLIDATED INCOME STATEMENT

In thousands of euros	Notes	31.12.2022	31.12.2021 restated**
<b>Revenue</b>	3.2	<b>4,438,296</b>	<b>4,137,309</b>
Other income	3.2	95,779	157,500
<b>Revenue and other income</b>		<b>4,534,075</b>	<b>4,294,809</b>
Purchases used in the business	3.3	-351,936	-309,313
Payroll expenses	4	-2,718,482	-2,525,554
External expenses	3.3	-457,828	-429,845
Taxes		-39,225	-43,669
Other operating income and expenses		36,626	12,829
<b>Earnings before interest, taxes, depreciation and amortisation</b>		<b>1,003,230</b>	<b>999,257</b>
Depreciation/amortisation and impairment	3.3	-654,882	-615,757
Other income and expenses	3.4	-75,820	-41,708
<b>Operating income</b>	3.1	<b>272,528</b>	<b>341,792</b>
Cost of net debt	8.1	-95,147	-87,770
Other financial income	8.1	-119,446	-120,710
<b>Financial income</b>	8.1	<b>-214,593</b>	<b>-208,480</b>
<b>Pre-tax income</b>		<b>57,935</b>	<b>133,312</b>
Income tax	10	-12,162	-11,419
<b>Profit/(loss) of consolidated companies</b>		<b>45,773</b>	<b>121,893</b>
Profit/(loss) from equity-accounted companies		-754	-238
<b>Net income from continued operations</b>		<b>45,019</b>	<b>121,655</b>
Net income from discontinued operations		-13,681	-8,768
<b>Net income</b>		<b>31,338</b>	<b>112,887</b>
Non-controlling interests		-9,278	-21,772
<b>Group share of net income</b>		<b>22,060</b>	<b>91,115</b>
Group share of net income per share (in euros)	7	0.21	0.87
Group share of diluted net income per share (in euros)	7	0.13	0.70
Group share of net income per share of continuing operations (in euros)	7	0.34	0.95
Group share of diluted net income from continuing operations per share (in euros)	7	0.25	0.78
<b>GROUP SHARE OF NET INCOME</b>		<b>22,060</b>	<b>91,115</b>
Recyclable items: impact of IFRS 9 and IFRS 2 (measurement of hedging instruments and free share plans) net of tax	*	124,374	18,075
Non-recyclable items: impact of IAS 19 (actuarial gains and losses)	*	7,373	4,282
<b>Gains and losses recognised directly in equity (Group share)</b>	*	<b>131,747</b>	<b>22,357</b>
<b>Gains and losses recognised directly in equity (non-controlling interests)</b>	*	<b>3,120</b>	<b>0</b>
Net income and gains and losses recognised directly in equity (Group share)	*	153,807	113,472
Net income and gains and losses recognised directly in equity (non-controlling interests)	*	12,398	21,772

\* See Changes in shareholders' equity.

\*\* Includes the impact of IFRIC's final decision on the configuration and customisation costs of software used for an SaaS type contract and the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

## CONSOLIDATED BALANCE SHEET

## ASSET

In thousands of euros	Notes	31.12.2022	31.12.2021 restated*
Goodwill	5.1	3,237,256	3,213,838
Intangible assets	5.2	2,256,714	2,180,718
Property, plant and equipment	5.3	3,552,538	3,078,162
Right-of-use assets	5.5	3,451,897	3,469,383
Non-current financial assets		50,973	42,679
Equity-accounted investments		19,501	19,460
Deferred tax assets	10.3	86,934	98,482
<b>Non-current assets</b>		<b>12,655,813</b>	<b>12,102,722</b>
Inventories	3.5	28,623	28,236
Trade receivables and related accounts	3.5	440,368	364,674
Other receivables and currents assets	3.5	422,888	453,285
Current tax receivables		27,777	60,088
Financial instruments – assets	8.2	134,717	7,343
Cash and cash equivalents	8.3	733,710	1,214,564
<b>Current assets</b>		<b>1,788,083</b>	<b>2,128,190</b>
Assets held for sale	2	129,666	77,161
<b>TOTAL ASSETS</b>		<b>14,573,562</b>	<b>14,308,073</b>

## SHAREHOLDERS' EQUITY &amp; LIABILITIES

In thousands of euros	Notes	31.12.2022	31.12.2021 restated*
Share capital		532,526	527,968
Premiums		1,205,655	1,196,252
Reserves and consolidated net income		1,801,041	1,769,067
<b>Group share of equity</b>		<b>3,539,222</b>	<b>3,493,287</b>
Non-controlling interests		328,655	271,131
<b>Total shareholders' equity</b>		<b>3,867,877</b>	<b>3,764,418</b>
Provisions for pensions		87,620	98,942
Deferred tax liabilities	10.3	603,680	584,317
Other provisions	9	46,528	50,024
Borrowings and other financial liabilities	8.2	3,560,264	3,761,482
Non-current lease liabilities	5.5	3,371,411	3,425,247
Other non-current liabilities		73,941	173,104
<b>Non-current liabilities</b>		<b>7,743,444</b>	<b>8,093,116</b>
Provisions for current liabilities	9	15,786	15,565
Trade payables and related accounts	3.5	570,717	499,717
Other payables and accruals	3.5	865,883	760,527
Current tax payables		31,540	69,166
Borrowings due within one year and bank overdrafts	8.2	948,077	680,808
Current lease liabilities	5.5	390,793	360,030
Financial instruments – Liabilities	8.2	86	20,693
<b>Current liabilities</b>		<b>2,822,882</b>	<b>2,406,506</b>
Liabilities associated with assets held for sale	2	139,359	44,033
<b>TOTAL SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>		<b>14,573,562</b>	<b>14,308,073</b>

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under an SaaS type contract, as described in note 1.3.

## CONSOLIDATED STATEMENT OF CASH FLOWS

In thousands of euros	Notes	31.12.2022	31.12.2021 restated*
<b>Net income from continuing operations</b>		<b>45,019</b>	<b>121,655</b>
Income tax expense		12,162	11,419
Net depreciation/amortisation and provisions		617,158	612,719
Net income of equity-accounted companies		753	237
Gain (loss) due to changes in fair value and non-cash items		-141	-131
Elimination of dividend income		-183	-581
Gains on disposal of assets		19,346	10,622
Elimination of acquisition costs of securities		5,070	17,615
Elimination of cost of net financial debt		214,364	209,092
<b>Cash flow before cost of net debt</b>		<b>913,548</b>	<b>982,647</b>
Change in inventories	3.5	-828	-2,165
Change in trade receivables	3.5	-58,207	-23,974
Change in trade payables	3.5	4,598	49,948
Change in other items	3.5	89,958	-121,736
<b>Change in working capital requirements</b>		<b>35,521</b>	<b>-97,927</b>
<b>Income taxes paid</b>		<b>-87,368</b>	<b>-44,755</b>
<b>Net cash flow from operations</b>		<b>861,701</b>	<b>839,965</b>
Impact of changes in scope (acquisitions)	2	-285,945	-394,101
Impact of changes in scope (disposals)	2	40,282	86,499
Investments expenditures in property, plant and equipment and intangible assets	5.4	-622,201	-528,911
Other financial investments		1,695	3,597
Income from disposals of non-current assets (excluding securities)		95,905	7,632
<b>Net cash flow from investment transactions</b>		<b>-770,264</b>	<b>-825,284</b>
<b>Net cash flow</b>		<b>91,437</b>	<b>14,681</b>
Capital increase and related premiums		36,310	95,514
Treasury shares charged to equity		-6,474	-2,568
Bond issuance	8.2	811,055	1,832,456
Bond redemption and repayment of financial liabilities	8.2	-725,780	-1,477,085
Repayment of lease liabilities	5.5	-392,791	-387,202
Other cash flow from financing activities		-34,586	197,041
Net interest paid		-180,039	-190,336
Dividends		-57,826	-36,436
<b>Net cash flow from financing activities</b>		<b>-550,131</b>	<b>31,384</b>
Impact of discontinued operations		-125	71
Impact of exchange rate fluctuations		-5,906	4,169
<b>CHANGES IN CASH POSITION</b>		<b>-464,725</b>	<b>50,305</b>
<b>Cash position at start of period</b>		<b>1,197,566</b>	<b>1,147,261</b>
<b>Cash position at end of period</b>		<b>732,841</b>	<b>1,197,566</b>
<b>Including</b>			
Cash position of discontinued operations		-129	-4
Marketable securities	8.3	11,918	142,337
Cash	8.3	721,792	1,072,231
Bank overdrafts	8.2	-740	-16,998

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under an SaaS type contract and the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

## CHANGES IN CONSOLIDATED EQUITY

In thousands of euros	Capital		Premiums and equity instruments		Investments and financial placements of hedging		Cash flow hedges and cost of hedging		Employee benefits	Reserves and consolidated results	Equity attributable to the Group's owners		Non-controlling interests	Total share-holders' equity
	Shares	Investments	and equity instruments	and financial placements	of hedging	hedges and cost	Employee	consolidated			to the	Group's	Non-controlling	
<b>As at 31 December 2020</b>	<b>525,190</b>	<b>1,182,777</b>		<b>2,358</b>	<b>300,305</b>	<b>-25,256</b>	<b>-37,480</b>	<b>1,209,083</b>		<b>3,156,980</b>	<b>165,566</b>	<b>3,322,546</b>		
Application of IFRIC interpretations – IAS 38										-3,545	-3,545			-3,545
<b>As of 1 January 2021 restated*</b>	<b>525,190</b>	<b>1,182,777</b>		<b>2,358</b>	<b>300,305</b>	<b>-25,256</b>	<b>-37,480</b>	<b>1,205,538</b>		<b>3,153,435</b>	<b>165,566</b>	<b>3,319,001</b>		
Dividends distributed										-31,511	-31,511	-19,496		-51,007
Capital increase	2,778	13,475								-96	16,156			16,156
Business combinations														
Treasury shares				-12,569							-12,569			-12,569
Equity instruments						233,770					233,770			233,770
Acquisition of non-controlling interests and other changes										20,534	20,534	103,289		123,823
<b>Net income for the period restated*</b>										<b>91,115</b>	<b>91,115</b>	<b>21,772</b>	<b>21,772</b>	<b>112,887</b>
Impact of IAS 19 (actuarial gains & losses)							4,282				4,282			4,282
Measurement of hedging derivatives and free share plans			2,363			15,712					18,075			18,075
<b>Comprehensive income</b>		<b>2,363</b>			<b>15,712</b>		<b>4,282</b>		<b>91,115</b>		<b>113,472</b>	<b>21,772</b>		<b>135,244</b>
<b>As at 31 December 2021 restated*</b>	<b>527,968</b>	<b>1,196,252</b>		<b>-7,848</b>	<b>534,075</b>	<b>-9,544</b>	<b>-33,198</b>	<b>1,285,582</b>		<b>3,493,287</b>	<b>271,131</b>	<b>3,764,418</b>		
Dividends distributed										-36,958	-36,958	-15,609		-52,567
Capital increase	4,558	9,403								-4,895	9,066	56,556		65,622
Business combinations														
Treasury shares			-10,397								-10,397			-10,397
Equity instruments					-532					-30,203	-30,735			-30,735
Acquisition of non-controlling interests and other changes										-38,848	-38,848	4,179		-34,669
<b>Net income for the period</b>										<b>22,060</b>	<b>22,060</b>	<b>9,278</b>	<b>9,278</b>	<b>31,338</b>
Impact of IAS 19 (actuarial gains & losses)							7,373				7,373	-14		7,359
Measurement of hedging derivatives and free share plans			3,715			120,659					124,374	3,134		127,508
<b>Comprehensive income</b>		<b>3,715</b>			<b>120,659</b>		<b>7,373</b>		<b>22,060</b>		<b>153,807</b>	<b>12,398</b>		<b>166,205</b>
<b>AS AT 31 DECEMBER 2022</b>	<b>532,526</b>	<b>1,205,655</b>		<b>-14,530</b>	<b>533,543</b>	<b>111,115</b>	<b>-25,825</b>	<b>1,196,738</b>		<b>3,539,222</b>	<b>328,655</b>	<b>3,867,877</b>		

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under an SaaS type contract, as described in note 1.3.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

<b>NOTE 1</b> Accounting policies	279	<b>NOTE 8</b> Financing and financial instruments	304
<b>NOTE 2</b> Significant events	284	<b>NOTE 9</b> Provisions	312
<b>NOTE 3</b> Segment reporting – EBITDAR – WCR	288	<b>NOTE 10</b> Income taxes	313
<b>NOTE 4</b> Employee expenses and benefits	292	<b>NOTE 11</b> Contingent obligations and liabilities	315
<b>NOTE 5</b> Goodwill, intangible assets and property, plant and equipment	297	<b>NOTE 12</b> Post-balance sheet events	315
<b>NOTE 6</b> Shareholders' equity	303	<b>NOTE 13</b> Other information	315
<b>NOTE 7</b> Earnings per share	304		

The consolidated financial statements for the year ended 31 December 2022 were approved by the Board of Directors on 21 February 2023 and were reviewed by the Audit Committee on 20 February 2023.

The Group and its subsidiaries are:

- companies operating specialised nursing homes for elderly people who, due to their dependency, can no longer live at home. Their mission is to provide such people with dignified support and care, irrespective of their level of dependency, until the end of their lives;
- companies operating specialised clinics, for patients who are disabled or convalescent following a stay in an acute

care facility. Their mission is to reduce the physical and/or psychological disabilities of these patients and restore their autonomy so that they will be able to return to their home, family, friends and work;

- companies operating assisted living facilities that offer independent seniors an environment that suits their lifestyle, while facilitating social interaction;
- companies that operate home-care networks, which provide an alternative to hospitalisation;
- companies which own and manage the real estate of the Group's facilities.

## NOTE 1 ACCOUNTING POLICIES

### 1.1 Declaration of compliance

The consolidated financial statements have been prepared in accordance with the international accounting standards and interpretations issued by the International Accounting Standards Board (IASB) and adopted by the European Union at the balance sheet date. These standards include IFRS (International Financial Reporting Standards) and IAS (International Accounting Standards), as well as their interpretations, available at the following European Union website: [https://ec.europa.eu/info/law/international-accounting-standards-regulation-ec-no-1606-2002\\_en](https://ec.europa.eu/info/law/international-accounting-standards-regulation-ec-no-1606-2002_en)

### 1.2 IFRS standards, amendments and interpretations observed by the Group

The consolidated financial statements were prepared using the same accounting policies and methods that were used to prepare the consolidated financial statements for the year ended 31 December 2021, with the exception of standards, amendments and interpretations of compulsory application as from 1 January 2022 that the Group did not adopt early and which were still being examined:

- amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" – Onerous Contracts, concept of costs that relate directly to the contract Amendments applicable as from 1 January 2022;
- amendment to IAS 16 "Property, Plant and Equipment" – Proceeds before Intended Use;
- annual improvements to IFRS's 2018-2020 – various provisions;
- amendment to IFRS 3 "Reference to the Conceptual Framework";
- IFRIC Interpretation on accounting for configuration or customisation costs under a SaaS contract (IAS 38 "Intangible Assets").

These amendments do not have a material impact on the 2022 financial statements.

### ► IMPACT ON THE MAIN ITEMS OF THE CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2021

In thousands of euros	31.12.2021 IFRIC Recommendation published	Impact	31.12.2021 restated*
Intangible assets	2,190,845	-10,127	2,180,718
Deferred tax assets	95,385	3,097	98,482
<b>Non-current assets</b>	<b>12,109,751</b>	<b>-7,029</b>	<b>12,102,722</b>
<b>TOTAL ASSETS</b>	<b>14,315,103</b>	<b>-7,030</b>	<b>14,308,073</b>
<b>Group share of equity</b>	<b>3,500,348</b>	<b>-7,061</b>	<b>3,493,287</b>
<b>Total shareholder's equity</b>	<b>3,771,479</b>	<b>-7,061</b>	<b>3,764,418</b>
Deferred tax liabilities	584,286	31	584,317
<b>TOTAL SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>	<b>14,315,103</b>	<b>-7,030</b>	<b>14,308,073</b>

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under a SaaS contract, as described in note 1.3.

## ► IMPACT ON THE MAIN LINE ITEMS OF THE CONSOLIDATED INCOME STATEMENT AT 31 DECEMBER 2021

In thousands of euros	31.12.2021 published	IFRS 5 restatement	IFRIC Recommendation Impact	31.12.2021 restated*
<b>Revenue</b>	<b>4,153,348</b>	<b>-16,039</b>	-	<b>4,137,309</b>
Other income	157,500	-	-	157,500
<b>Revenue and other income</b>	<b>4,310,848</b>	<b>-16,039</b>	-	<b>4,294,809</b>
Purchases used in the business	-312,164	2,851	-	-309,313
Payroll expenses	-2,532,766	7,212	-	-2,525,554
External expenses	-426,544	2,544	-5,845	-429,845
Taxes	-44,545	876	-	-43,669
Other operating income and expenses	15,018	-2,189	-	12,829
<b>Earnings before interest, taxes, depreciation and amortisation</b>	<b>1,009,847</b>	<b>-4,745</b>	<b>-5,845</b>	<b>999,257</b>
Depreciation/amortisation and impairment	-626,301	9,599	945	-615,757
Other income and expenses	-41,673	-35	-	-41,708
<b>Operating income</b>	<b>341,873</b>	<b>4,819</b>	<b>-4,900</b>	<b>341,792</b>
Cost of net debt	-87,770	-	0	-87,770
Other financial income	-122,212	1,502	-	-120,710
<b>Financial income</b>	<b>-209,981</b>	<b>1,501</b>	-	<b>-208,480</b>
<b>Pre-tax income</b>	<b>131,892</b>	<b>6,320</b>	<b>-4,900</b>	<b>133,312</b>
Income tax	-13,500	689	1,392	-11,419
<b>Profit/(loss) of consolidated companies</b>	<b>118,392</b>	<b>7,009</b>	<b>-3,508</b>	<b>121,893</b>
Profit/(loss) from equity-accounted companies	-1,997	1,759	-	-238
<b>Net income from continuing operations</b>	<b>116,395</b>	<b>8,767</b>	<b>-3,508</b>	<b>121,655</b>
Net income from discontinued operations	-	-8,768	-	-8,768
<b>Net income</b>	<b>116,395</b>	<b>-1</b>	<b>-3,508</b>	<b>112,887</b>
Non-controlling interests	-21,772	-	-	-21,772
<b>Group share of net income</b>	<b>94,623</b>	<b>-1</b>	<b>-3,508</b>	<b>91,115</b>
Group share of net income per share (in euros)	0.90	-	-0.03	0.87
Group share of diluted net income per share (in euros)	0.73	-	-0.03	0.70
<b>GROUP SHARE OF NET INCOME</b>	<b>94,623</b>	<b>-</b>	<b>-3,508</b>	<b>91,115</b>

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under an SaaS contract and the impact of the restatement of discontinued operations under IFRS 5.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Consolidated financial statements at 31 December 2022

► IMPACT ON THE MAIN LINE ITEMS OF THE CONSOLIDATED STATEMENT OF CASH FLOWS AT 31 DECEMBER 2021

In thousands of euros	31.12.2021 published	IFRS 5 restatement	IFRIC Recommendation Impact	31.12.2021 restated*
<b>Net income</b>	<b>116,395</b>	<b>8,768</b>	<b>-3,508</b>	<b>121,655</b>
Income tax expense	13,500	-689	-1,392	11,419
Net depreciation/amortisation and provisions	622,825	-9,161	-945	612,719
Net income of equity-accounted companies	1,997	-1,760	-	237
Gain (loss) due to changes in fair value and non-cash items	-131	-	-	-131
Elimination of dividend income	-581	-	-	-581
Gains on disposal of assets	10,349	273	-	10,622
Elimination of acquisition costs of securities	17,615	-	-	17,615
Elimination of cost of net financial debt	210,593	-1,501	-	209,092
<b>Cash flow before cost of net debt</b>	<b>992,562</b>	<b>-4,070</b>	<b>-5,845</b>	<b>982,647</b>
Change in inventories	-2,258	93	-	-2,165
Change in trade receivables	-24,757	783	-	-23,974
Change in trade payables	54,232	-4,284	-	49,948
Change in other items	-121,143	-593	-	-121,736
<b>Change in the working capital requirement</b>	<b>-93,926</b>	<b>-4,001</b>	<b>-</b>	<b>-97,927</b>
<b>Income taxes paid</b>	<b>-44,769</b>	<b>14</b>	<b>-</b>	<b>-44,755</b>
<b>Net cash flow from operations</b>	<b>853,867</b>	<b>-8,057</b>	<b>-5,845</b>	<b>839,965</b>
Impact of changes in scope (acquisitions)	-394,101	-	-	-394,101
Impact of changes in scope (disposals)	86,173	326	-	86,499
Investment expenditures in property, plant and equipment and intangible assets	-538,624	3,868	5,845	-528,911
Other financial investments	3,790	-193	-	3,597
Income from disposals of non-current assets (excluding securities)	7,632	-	-	7,632
<b>Net cash flow from investment activities</b>	<b>-835,130</b>	<b>4,001</b>	<b>5,845</b>	<b>-825,284</b>
<b>Net cash flow</b>	<b>18,737</b>	<b>-4,056</b>	<b>-</b>	<b>14,681</b>
Capital increase and related premiums	92,510	3,004	-	95,514
Treasury shares charged to equity	-2,568	-	-	-2,568
Bond issuance	1,832,456	-	-	1,832,456
Redemption of bonds and repayment of financial liabilities	-1,477,085	-	-	-1,477,085
Repayment of lease liabilities	-397,397	10,195	-	-387,202
Other cash flow from financing activities	208,144	-11,103	-	197,041
Net interest paid	-192,225	1,889	-	-190,336
Dividends	-36,436	-	-	-36,436
<b>Net cash flow from financing activities</b>	<b>27,399</b>	<b>3,985</b>	<b>-</b>	<b>31,384</b>
Impact of discontinued activities		71	-	71
Impact of exchange rate fluctuations	4,169	-	-	4,169
<b>CHANGES IN CASH POSITION</b>	<b>50,305</b>	<b>-</b>	<b>-</b>	<b>50,305</b>
<b>Cash position at start of period</b>	<b>1,147,261</b>	<b>-</b>	<b>-</b>	<b>1,147,261</b>
<b>Cash position at end of period</b>	<b>1,197,566</b>	<b>-</b>	<b>-</b>	<b>1,197,566</b>
<b>Including:</b>				
Cash from discontinued operations		-4	-	-4
Marketable securities	142,337	-	-	142,337
Cash and cash equivalents	1,072,227	4	-	1,072,231
Bank overdrafts	-16,998	-	-	-16,998

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under a SaaS contract and the impact of the restatement of discontinued operations under IFRS 5.

## 1.4 IFRS standards, amendments and interpretations applicable after 2022 and not adopted early by the Group

- IFRS 17 "Insurance Contracts" (effective 1 January 2023).
- Amendments to IAS 1 – Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (effective 1 January 2023).
- Amendment to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" (effective 1 January 2023).
- Amendments to IAS 12 "Income Taxes: Deferred tax related to Assets and Liabilities arising from a Single Transaction" (effective 1 January 2023).

Analyses of the impact of the application of these standards and amendments are in progress.

## Critical accounting estimates and judgements

To prepare the consolidated financial statements, the Group applies estimates and judgements that are regularly updated and which are based on historical experience and other factors, including expectations of future events deemed reasonable in view of the circumstances. For items on which assumptions and estimates are used, the results of tests on the sensitivity of accounting values to the main assumptions are provided in the relevant notes.

In preparing the financial statements, the Group made significant estimates and judgements on the following items:

### a) Business combinations (Notes 2 and 5.1)

For its acquisition, pursuant to IFRS 3 – "Business Combinations", the Group measures at fair value the assets acquired (in particular operating licences) and the liabilities assumed.

Liabilities, price adjustments and options related to commitments to purchase non-controlling interests are measured on the basis of information or situations existing at the date the financial statements are prepared (medium-term business plan), which may prove to be different from actual outcomes.

Changes in the fair value of liabilities on options (put on minority interests) are recognised in equity.

### b) Goodwill, intangible and tangible assets (note 5)

At the level of each CGU, the value in use of intangible assets and property, plant and equipment is derived from the Company's internal valuations, based on the medium-term business plans. The main assumptions used in this measurement (medium-term growth rate, discount rate, margin and perpetuity growth rate) are estimated by the Group.

## 1.5 Presentation of the financial statements

The Group's consolidated financial statements are prepared on a historical cost basis except for assets and liabilities, which are recognised at fair value in accordance with IFRS 9 (Note 8.5). Current assets and liabilities are those held for use or sale during the normal operating cycle, i.e., less than one year.

The consolidated financial statements are presented in thousands of euros.

The carrying amounts of assets are reviewed at least annually and when events or circumstances indicate that they may be impaired. Such events and circumstances may be the result of material adverse changes of a lasting nature that affect either the business environment or the assumptions or objectives used at the date of the last closing.

### c) Leases (Note 5.5)

Pursuant to IFRS 16, lease liabilities are determined using a lease term on property leases that corresponds to the non-cancellable period, plus any renewal options the Group is reasonably certain to exercise.

As from 1 January 2021, leased vehicles have been restated under IFRS 16 (non-material impact in prior periods). The Group has also elected to cease applying the low-value exemption to the new contract signed in France and Germany for identifiable work clothing and to cease applying the short-term exemption for medical equipment in these two countries.

### d) Employee benefits (Note 4)

The present value of the employee benefit obligations is calculated based on various actuarial assumptions such as discount rate, salary growth rate, and employee turnover or retirement age. Any change in these assumptions has an impact on the carrying amount of the employee benefit obligations. Further information is provided in Note 4 "Employee benefits and expenses".

### e) CVAE classification (Note 10.2)

The Group has reviewed the accounting treatment of the "French tax on corporate added value contribution" (CVAE) under IFRS. According to its analysis, the CVAE meets the definition of an income tax as set out in IAS 12.2 "Income taxes based on taxable profits".

## Impairment of property, plant and equipment, intangible assets and goodwill

The carrying amounts of assets are reviewed periodically as follows:

- for non-amortisable intangible non-current assets (operating licences) and goodwill at each closing date, or more frequently if there are indications of impairment;
- for all other assets: whenever indications of impairment are identified.

Two types of impairment indicators may trigger impairment testing:

- external indicators (market value, significant changes in the Company's business environment, etc.);
- internal indicators (decrease in occupancy rate, regulations change, asset obsolescence, weaker-than-expected performance, etc.).

Depending on the type of asset, impairment testing is performed either on cash-generating units (CGUs) or on a group of CGUs (goodwill).

CGUs are homogeneous groups of assets whose continuing use generates cash inflows independently of other CGUs.

The recoverable amount of the CGU is the higher of the fair value net of disposal costs and the value in use.

The value in use applied by the Group is the value of the future economic benefits expected from the use of the CGU. It is determined from future cash flows, which are based on economic assumptions and on the business conditions foreseen by the Group's management, in accordance with the following principles:

- the pre-tax cash flows are derived from the Group's 2023 budget and four-year business plan, as approved by the Board of Directors;
- the discount rate is determined by reference to the Group's weighted average cost of capital;
- the discount rates used are 6.25% for France, 6.15% for Germany, 6.5% for Belgium, 6.15% for Netherlands, 7.3% for Spain, 7.5% for Italy and 7.4% for the United Kingdom;

the long-term growth rates used are 1.8% for France, 2.3% for Germany, 1.8% for Belgium, 2.3% for Netherlands, 2.3% for Spain, 2.2% for Italy and 2.4% for the United Kingdom.

### FIRST-LEVEL IMPAIRMENT TESTING

Intangible and tangible assets (see Note 5.2) are tested at the level of the CGUs to which they are attached. Until 31 December 2017, CGUs were determined at the level of the nursing home or clinic.

In response to changes in its regulatory environment, markets and business activities, in late 2018, the Group revised its organisation and managerial procedures to take advantage of potential synergies between its facilities and the possibility of leveraging its operating authorisations at the departmental and regional levels, in conjunction with the regional health authorities (ARS). The Group therefore reorganised its CGUs, for each business activity (nursing home, clinic or mental health facility) and by geographic market, with CGUs in France corresponding to an administrative "department", and in Italy and Belgium to an administrative region.

The purpose of first-level testing is to check that the recoverable amount of the CGU (which is the higher of its value of use and fair value) is at least equal to its net carrying amount.

### SECOND-LEVEL IMPAIRMENT TESTING

The second-level of impairment testing, which includes goodwill, is conducted on all of the CGUs of a given country. The purpose of this test is to ensure that the recoverable amount of each sector is at least equal to the Group's consolidated net assets (including net goodwill) for each country.

If any impairment is identified, it is recognised and first allocated to goodwill (as this impairment is irreversible) and, if goodwill is insufficient, is then charged to the value of licences and tangible assets.

## NOTE 2 SIGNIFICANT EVENTS

### 2.1 Conversion to a European Company

On 22 June 2022, Korian's shareholders approved its conversion from a French public limited company (SA) to a European company (SE). This change better reflects the European dimension of Korian, which is present in six countries of the European Union. This will give the Company a legal form that is more consistent with its business and cultural environment, a more unified identity and greater visibility in Europe.

### 2.2 Employee share ownership plan

In June 2022, Korian announced the successful completion of its first employee share ownership plan, which is available to employees in all of the Group's seven countries: France, Germany, Italy, Belgium, Spain, the Netherlands and the UK. This plan gives employees the opportunity to become shareholders under exclusive and highly secure terms, to ensure their commitment to Korian's ambitious transformation and innovation project, and enable them to benefit from its long-term growth. The impact on the financial statements is described in Note 4.

### 2.3 Financing transactions

On 18 January 2022, Korian announced the successful issuance of its €377 million *Schuldschein* debt, of which €222 million was settled in 2021 and €155 million in 2022. The debt financing was issued with long maturities of between five and eight years, and mostly at fixed rates. The coupons are lower than the Group's previous *Schuldschein* issues, at 1.30%, 1.55% and 1.70% for 5, 7 and 8 year maturities respectively.

### 2.5 Material information on significant changes in scope

#### Impact on cash of acquisitions and disposals of subsidiaries and joint ventures

In thousands of euros	31.12.2022	31.12.2021 restated*
<b>Purchase price of subsidiaries [A]</b>	<b>268,012</b>	<b>464,531</b>
Cash out/cash in [B]	302,397	411,351
<b>Debt incurred/repaid [C] = [A] - [B]</b>	<b>-34,385</b>	<b>53,180</b>
Disposal price [D]	54,163	99,411
Cash acquired [E]	16,452	17,250
Cash disposed of [F]	-13,881	-12,912
<b>IMPACT OF CHANGES IN SCOPE [G] = [E] - [F] - [B] + [D]</b>	<b>-245,663</b>	<b>-307,602</b>

\* Includes the impact of the restatement of discontinued operations under IFRS 5.

The individual impacts of the subsidiaries acquired during the year are immaterial. This is why the opening IFRS balance sheets at the acquisition date are presented on an aggregate basis.

### 2.4 Changes in the consolidation scope

At 31 December 2022, the consolidation scope included, in addition to the parent company Korian SE, 714 fully consolidated and equity-accounted companies (708 at 31 December 2021).

The year ended 31 December 2022 was marked by the following events:

#### Changes in the scope of consolidation – United Kingdom

Acquisition of two facilities with a total of 150 beds in the first half of the year and three high-end nursing homes in the third quarter.

#### Changes in the scope of consolidation – Germany

Legal restructuring in Germany resulted in the merger of a number of companies and the sale of several facilities.

#### Changes in the scope of consolidation – Spain

Legal restructuring in Spain resulted in the mergers of a number of companies.

#### Changes in the scope of consolidation – Italy

Acquisition of the IHG Group, comprising 1,000 beds and outpatient services in the Lazio region.

#### Changes in the scope of consolidation – France

Completion in October 2022 of the sale of 27 long-term care facilities to Vivalto Vie and Colisée.

The table below shows the impact on the consolidated balance sheet of the subsidiaries acquired and of the provisional allocation of their acquisition prices over the period:

In thousands of euros	Assets acquired	Liabilities assumed
Goodwill	40,003	
Intangible assets	56,842	
Property, plant and equipment	178,545	
Right-of-use assets	16,902	
Equity-accounted investments	3,891	
Non-current financial assets	-3,178	
Deferred tax assets	1,217	
<b>Non-current assets</b>	<b>294,222</b>	
Inventories	1,571	
Trade receivables and related accounts	16,658	
Other receivables and current assets	21,693	
<b>Current assets</b>	<b>39,922</b>	
<b>Non-controlling interests</b>		<b>-34,171</b>
Provisions for pensions	24	
Deferred tax liabilities	38,362	
Other provisions	2,496	
Borrowings and other financial liabilities	11,773	
Non-current liabilities	15,660	
Other non-current liabilities	258	
<b>Non-current liabilities</b>		<b>68,573</b>
Provisions for current liabilities	1,829	
Trade payables and related accounts	33,517	
Other liabilities and accruals	15,224	
Borrowings due within one year	4,385	
Current lease commitments	1,317	
Financial instruments – liabilities	4	
<b>Current liabilities</b>		<b>56,276</b>
<b>ASSETS ACQUIRED</b>	<b>334,144</b>	
<b>LIABILITIES ASSUMED</b>		<b>90,678</b>
<b>Net contribution</b>		<b>243,466</b>

## 2.6 Assets held for sales

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, assets or groups of assets held for sale are presented on a separate line in the balance sheet.

Non-current assets and groups of assets to be disposed of and classified as "held for sale" are measured at the lower of their carrying amount or fair value less costs to sell. These assets are classified as "held for sale" only if their sale is highly probable within 12 months, if they are available for immediate sale and if management has implemented a sale plan and sufficient progress has been made. In assessing whether a sale is highly probable, the Group takes into account, in particular, indications of interest and offers received from potential buyers, as well as the performance risks specific to certain transactions.

In addition, if assets or groups of assets held for sale represent a separate major line of business within the meaning of IFRS 5, they are presented as discontinued operations. When a business activity is classified as a discontinued operation, the comparative income statement and cash flow statement are restated as if the activity had met the criteria of a discontinued operation as of the start of the comparative period. Discontinued operations are presented on a single line in the Group income statement. This line item, "Net profit from discontinued operations", includes the net profit after tax of operations sold or being sold up to the date of disposal.

In response to medium-term changes in its markets and corporate project, the Group has revised its strategy for its assisted living facilities dedicated to seniors and has decided to sell this activity. In 2022, this resulted in particular in the termination of its partnership in this business in Italy and the conversion of its Come facility into a long-term care nursing home.

This activity was not classified as held for sale or discontinued at 31 December 2021. Accordingly, the comparative 2021

income statement and cash flow statement have been restated to present the impact of this business as a discontinued operation.

The net income of this activity is presented on the "discontinued operation" line of the income statement.

The assets and liabilities of activities sold or held for sales are presented on separate lines on the Group's balance sheet, without restatement of prior periods.

The net income after tax of discontinued operations is composed of the following:

In thousands of euros	31.12.2022	31.12.2021
<b>Revenue</b>	<b>20,045</b>	<b>16,038</b>
Other income		
<b>Revenue and other income</b>	<b>20,045</b>	<b>16,038</b>
Purchases used in the business	-3,725	-2,850
Payroll expenses	-11,201	-7,212
External expenses	-8,839	-2,544
Taxes	-1,121	-876
Other operating income and expenses	5,694	2,189
<b>Earnings before interest, taxes, depreciation and amortisation</b>	<b>853</b>	<b>4,745</b>
Depreciation/amortisation and impairment	-12,300	-9,600
Other income and expenses	-158	36
<b>Operating income</b>	<b>-11,605</b>	<b>-4,819</b>
<b>Financial income</b>	<b>-2,084</b>	<b>-1,501</b>
<b>Pre-tax income</b>	<b>-13,689</b>	<b>-6,320</b>
Income tax	873	-688
<b>Profit/(loss) of consolidated companies</b>	<b>-12,816</b>	<b>-7,008</b>
Profit/(loss) from equity-accounted companies	-865	-1,760
<b>Net income from continuing operations</b>	<b>-13,681</b>	<b>-8,768</b>

Cash flow of discontinued operations is composed of the following:

In thousands of euros	31.12.2022	31.12.2021
<b>Net income from discontinued operations</b>	<b>-13,681</b>	<b>-8,768</b>
Net cash generated from/(used in) operating activities	13,363	16,825
Net cash used in investing activities	3,303	-3,985
Net cash generated from/(used in) in financing activities	-3,110	-4,001
<b>CHANGE IN CASH POSITION</b>	<b>-125</b>	<b>71</b>
Cash position at start of period	-4	
Cash position at end of period	-129	

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

Consolidated financial statements at 31 December 2022

Assets and liabilities held for sale break down as follows:

► **ASSETS**

<i>In thousands of euros</i>	<b>31.12.2022</b>
Goodwill	15,000
Intangible assets	36
Property, plant and equipment	10,250
Right-of-use assets	90,681
Financial assets	11
Equity-accounted investments	
Deferred tax assets	5,569
<b>Non-current assets</b>	<b>121,547</b>
Inventories	114
Trade receivables and related accounts	2,804
Other receivables and currents assets	5,131
Current tax receivables	
Financial instruments – assets	
Cash and cash equivalents	70
<b>Current assets</b>	<b>8,119</b>
<b>ASSETS HELD FOR SALE</b>	<b>129,666</b>

► **LIABILITIES**

<i>In thousands of euros</i>	<b>31.12.2022</b>
Provisions for pensions	97
Deferred tax liabilities	-4,277
Other provisions	226
Borrowings and other financial liabilities	
Non-current lease liabilities	110,514
Other non-current liabilities	
<b>Non-current liabilities</b>	<b>106,560</b>
Provisions for current liabilities	
Trade payables and related accounts	12,624
Other payables and accruals	4,649
Current tax payables	362
Borrowings due within one year and bank overdrafts	199
Current lease liabilities	14,965
Financial instruments – Liabilities	
<b>Current liabilities</b>	<b>32,799</b>
<b>LIABILITIES RELATED TO ASSETS HELD FOR SALE</b>	<b>139,359</b>

## NOTE 3 SEGMENT REPORTING – EBITDAR – WCR

### 3.1 Operating segments

IFRS 8 requires the disclosure of segment-based information on the Group's various components that has been monitored and measured by the Group's management. These components (operating segments) are identified on

the basis of internal reports that are regularly reviewed by the Group's operational management when deciding to allocate resources to these sectors and when assessing their results.

The Korian Group is organised into four operating segments: France, Germany, Benelux and Italy.

The Group's operational management chiefly monitors revenue and EBITDAR (Earnings Before Interest, Taxes, Depreciation, Amortisation and Rent), as shown in the table below.

EBITDAR, which is calculated from the Company's ordinary income and expenses, measures the Group's operating performance. This indicator is used in Korian's profession to exclude the impact of real estate policies when assessing operational performance.

The Group's current revenue for each segment have similar profiles in terms of types of services, customers and contracts. There are no long-term contracts or contracts with multiple elements that would justify spreading revenue recognition over time.

#### ► OPERATING SEGMENTS AT 31 DECEMBER 2022

In thousands of euros	Total	France <sup>(1)</sup>	Germany	Benelux <sup>(2)</sup>	Italy
Revenue and other income	4,534,075	2,226,079	1,081,971	666,992	559,033
EBITDAR	1,072,264	563,705	249,371	142,002	117,186
	23.6%	25.3%	23.0%	21.3%	21.0%
<b>Bridge from EBITDAR to operating income as at 31.12.2022</b>					
<b>EBITDAR</b>	<b>1,072,264</b>				
Lease expenses	-69,034				
<b>EBITDA</b>	<b>1,003,230</b>				
Depreciation/amortisation, impairment and provisions	-654,882				
Other income and expenses	-75,820				
<b>Operating income</b>	<b>272,528</b>				

(1) Includes €98.1 million of revenue in Spain and €47.1 million of revenue in the UK.

(2) Includes €104.1 million of revenue in the Netherlands.

#### ► OPERATING SEGMENTS AT 31 DECEMBER 2021\*

In thousands of euros	Total	France <sup>(1)</sup>	Germany	Benelux <sup>(2)</sup>	Italy
Revenue and other income	4,294,809	2,168,250	1,067,456	586,989	472,114
EBITDAR	1,063,236	528,522	298,661	139,179	96,874
	24.8%	24.4%	28.0%	23.7%	20.5%
<b>Bridge from EBITDAR to operating income as at 31.12.2021</b>					
<b>EBITDAR</b>	<b>1,063,236</b>				
Lease expenses	-63,979				
<b>EBITDA</b>	<b>999,257</b>				
Depreciation/amortisation, impairment and provisions	-615,757				
Other income and expenses	-41,708				
<b>Operating income</b>	<b>341,792</b>				

(1) Includes €64.9 million of revenue in Spain and €20.5 million in the UK.

(2) Includes €81.0 million of revenue in the Netherlands.

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under a SaaS contract and the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

### 3.2 Revenue and other income

Korian is organised around three main business units: long-term care, healthcare and community care services. The main sources of revenue are accommodation, medical care and dependency care services. The revenue from these services is recognised when they are completed, regardless of the source of payment.

Revenue and other income totalled €4,534 million for the period ended 31 December 2022, an increase of €239 million compared to the previous period.

Other income includes €56.1 million in compensation for revenue loss recognised in connection with the loss of business in France, Belgium, Italy and Germany, as well as €39.6 million in *Ségur de la Santé* financing for the consultation, medical care and rehabilitation business (whereas *Ségur de la Santé* applicable to long-term care is included in revenue).

The revenue and other income from each business activity is shown below:

In thousands of euros	31.12.2022	31.12.2021 restated*
Long term care	2,949,048	2,808,690
Healthcare	1,092,417	1,026,638
Community care	492,610	459,481
<b>TOTAL</b>	<b>4,534,075</b>	<b>4,294,809</b>

\* Includes the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

### 3.3 Other information on current performance

Purchases used in the business correspond mainly to purchases of raw materials, energy and various supplies. These purchases increased by -€42.6 million in 2022, of which approximately -€20 million are due to higher energy costs.

External expenses consist mainly of fees and other remuneration paid to various intermediaries of -€87.5 million, rental expenses excluded from IFRS 16 -€69.0 million, upkeep

and maintenance costs -€35.4 million, and subcontracting costs -€55.1 million.

"Depreciation, amortisation and impairment" includes -€614.5 million of depreciation and amortisation, of which right of use accounted for -€401.1 million and -€40.2 million of impairment and provisions.

### 3.4 Other income and expenses

These items represent the impact of major events during the accounting period that could skew the interpretation of the Group's performance, particularly on EBITDAR (Earnings Before Interest, Taxes, Depreciation, Amortisation and Rent), which is the Group's preferred indicator for financial communication.

To facilitate the interpretation of operational performance, these income and expense items, which are relatively few and infrequent, are presented separately in the income statement.

They mainly consist of:

- capital gains and losses on the disposal of investments, and significant and unusual impairments of tangible and intangible non-current assets;

- transaction costs for the period;
- certain restructuring or merger expenses, consisting solely of restructuring costs that, because of their unusual nature and size, would distort ordinary operating income, namely the impact of real estate asset refinancing transactions and disposals carried out in connection with M&A transactions;
- other income and expenses such as provisions for material litigation.

In thousands of euros	31.12.2022	31.12.2021 restated*
Reorganisation costs	-32,991	-31,589
Acquisition and growth project costs	-28,948	-29,901
Other	-13,881	19,782
<b>TOTAL OTHER INCOME AND EXPENSES</b>	<b>-75,820</b>	<b>-41,708</b>

\* Includes the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

Other income and expenses consist mainly of "reorganisation" costs -€33.0 million, essentially in France and Germany, acquisition and development project costs -€28.9 million, of which M&A costs accounted for

-€15.9 million, while fees for external consultants working on non-recurring projects accounted for -€13.0 million. Other items mainly include the capital loss on the disposal of 22 facilities in France in 2022.

### 3.5 Working capital requirement

#### Current assets

##### A) INVENTORIES

Inventories are valued at the lower of cost or net realisable value. The cost of inventories of raw materials, goods, personal protective equipment and other supplies consists of the purchase price excluding taxes, less discounts,

rebates and other deductions obtained, plus incidental purchasing costs (transport, unloading charges, customs duties, purchasing commissions, etc.). These inventories are measured using the first-in first-out (FIFO) method.

In thousands of euros

	31.12.2022	31.12.2021
Gross value	31,884	29,437
Impairment	-3,261	-1,201
<b>NET VALUE</b>	<b>28,623</b>	<b>28,236</b>

##### B) RECEIVABLES

Trade and other receivables are recognised at their nominal value, i.e. the fair value on the date of initial recognition.

An impairment loss is recognised from the date of initial recognition of the receivable as required by IFRS 9. The level of provisioning depends both on the level of loss experienced in previous years and on the risk assessment performed on the receivables in each of the countries in which the Group operates.

The impairment of trade receivables at 31 December 2022:

In thousands of euros	Receivables not due at end of period	0 to 6 months	6 to 12 months	1 to 2 years	2 to 4 years	Over 4 years	Total at end of period
Trade receivables	252,589	119,807	33,267	37,524	21,321	18,085	482,593
Impairment	-5,869	-5,495	-4,857	-7,465	-7,422	-11,117	-42,225
<b>NET VALUE</b>	<b>246,720</b>	<b>114,312</b>	<b>28,410</b>	<b>30,059</b>	<b>13,899</b>	<b>6,968</b>	<b>440,368</b>

The impairment of trade receivables at 31 December 2021:

In thousands of euros	Receivables not due at end of period	0 to 6 months	6 to 12 months	1 to 2 years	2 to 4 years	Over 4 years	Total at end of period
Trade receivables	211,646	95,555	26,617	28,559	22,515	17,370	402,262
Impairment	-4,446	-2,183	-1,878	-9,917	-9,037	-10,127	-37,588
<b>NET VALUE</b>	<b>207,200</b>	<b>93,372</b>	<b>24,739</b>	<b>18,642</b>	<b>13,478</b>	<b>7,243</b>	<b>364,674</b>

In accordance with IFRS 9, the Group's impairment rules for trade receivables depend on the sector, country and nature of the receivable.

Some debts in certain countries, such as Italy and Germany, are more than four years old. In these countries, the collection of debts on residents is effected through dunning

and court-ordered enforcement. An execution order is valid for several years, and in many cases we must wait until a residents' former home is sold. This explains why receivables that are more than four years overdue have not been written off.

## Transfer and use of financial assets

As part of its financing policy, the Group has factoring agreements that allow a group of financial institutions to sell part of the trade receivables of certain subsidiaries with a transfer of almost all the risks and rewards attached to the sold outstandings. This strategy has been implemented in Italy with pro soluto factoring and in France with Natixis Factoring.

The risks and rewards test required under IFRS 9 has led the Group to derecognise almost all of the receivables assigned under these factoring contracts.

The receivables assigned by the Italian subsidiaries are sold at their nominal value less an initial charge of 0.3% to 0.6%, which is recognised in "Other expenses", to which interest at the EURIBOR rate plus a margin is added and recorded as a financial expense. Receivables assigned by French subsidiaries are assigned at their nominal value less an initial fee of 0.6%, which is recorded in other expenses, and interest at the zero-coupon rate, which is recorded in financial expenses.

At 31 December 2022, receivables assigned, derecognised and not yet collected by the factoring company totalled €56.6 million, which is 20% of the receivables assigned and derecognised over the past twelve months for France and Italy. At 31 December 2021, this amount totalled €40.5 million, i.e. 19% of the current flows assigned and derecognised during the financial year for Italy.

Breakdown of PRO SOLUTO receivables assigned over the year (in thousands of euros)	31.12.2022	1 <sup>st</sup> quarter 2022*	2 <sup>nd</sup> quarter 2022*	3 <sup>rd</sup> quarter 2022	4 <sup>th</sup> quarter 2022
Receivables assigned	263,220	45,492	68,714	62,263	86,751
Receivables collected	266,925	47,883	65,760	61,390	91,891
Fees for the management and collection of assigned receivables	-1,029	-218	-221	-226	-363
Corresponding financial expense	-1,040	-148	-276	-220	-395
<b>Profit/(loss) on assignment</b>	<b>-2,069</b>	<b>-366</b>	<b>-498</b>	<b>-446</b>	<b>-758</b>
<b>NET CASH RECEIVED</b>	<b>264,856</b>	<b>47,517</b>	<b>65,263</b>	<b>60,944</b>	<b>91,133</b>

\* Data updated from the June publication following additional information on the most recent acquisitions.

### C) OTHER RECEIVABLES AND CURRENT ASSETS

Other receivables and current assets consist of the following:

In thousands of euros	31.12.2022	31.12.2021
Tax receivables, excluding current taxes	99,628	94,926
Social security receivables	7,308	5,555
Advances and down payments	35,099	27,678
Prepaid expenses	60,521	66,096
Other debtors	241,862	245,691
<b>Other receivables and current assets in WCR</b>	<b>444,418</b>	<b>439,946</b>
Receivables on disposal and acquisition of non-current assets	-9,127	15,662
Impairment of other receivables	-15,260	-5,294
<b>VALUE OF OTHER RECEIVABLES</b>	<b>420,031</b>	<b>450,314</b>

In thousands of euros	31.12.2022	31.12.2021
Deposits and guarantees	2,221	1,271
Other non-current financial assets	636	1,700
<b>VALUE OF OTHER CURRENT FINANCIAL ASSETS</b>	<b>2,857</b>	<b>2,971</b>
<b>TOTAL OTHER RECEIVABLES AND CURRENT ASSETS</b>	<b>422,888</b>	<b>453,285</b>

## D) TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

Trade and other payables are recognised at historical cost (which is the amortised cost).

In thousands of euros	31.12.2022	31.12.2021
Trade payables	570,717	499,717
<b>TOTAL TRADE PAYABLES AND RELATED ACCOUNTS</b>	<b>570,717</b>	<b>499,717</b>
In thousands of euros	31.12.2022	31.12.2021
Residents' deposits	62,287	59,088
Advances and down payments made on orders	44,648	36,859
Non-corporate income tax liabilities	95,935	70,934
Social security liabilities	356,817	335,526
Other liabilities	117,648	119,258
Deferred income	25,473	27,685
<b>TOTAL PAYABLES AND ACCRUALS IN THE WCR</b>	<b>702,808</b>	<b>649,350</b>
Non-current asset suppliers	162,637	109,449
Dividends payable	438	1,728
<b>TOTAL OTHER PAYABLES AND ACCRUALS</b>	<b>865,883</b>	<b>760,527</b>

## Change in the working capital requirement

The working capital requirement is composed of the following items:

In thousands of euros	31.12.2021	Change in consolidation scope	Change in WCR	Other changes	31.12.2022
Inventories [A]	29,437	1,468	828	151	31,884
Trade receivables and related accounts [B]	402,262	14,857	58,207	7,267	482,593
Other receivables and current assets [C]	439,946	15,620	-50,695	39,547	444,418
Trade payables and related accounts [D]	499,717	27,958	4,598	38,444	570,717
Other payables and accruals [E]	649,350	10,769	39,263	3,426	702,808
<b>WORKING CAPITAL REQUIREMENT [F] = [D] + [E] - [A] - [B] - [C]</b>	<b>277,422</b>	<b>6,782</b>	<b>35,521</b>	<b>-5,095</b>	<b>314,630</b>

The Group excludes tax receivables and payables and investment-related receivables and payables from its WCR calculation. WCR is based on the gross value of inventories and receivables.

## NOTE 4 EMPLOYEE EXPENSES AND BENEFITS

## 4.1 Employee expenses

In thousands of euros	31.12.2022	31.12.2021 restated*
Wages and salaries	1,924,079	1,807,931
Social contributions	605,000	573,747
Employee profit sharing	8,636	7,869
Free share awards	4,611	4,437
Other personnel expenses	176,156	131,570
<b>TOTAL</b>	<b>2,718,482</b>	<b>2,525,554</b>

\* Includes the impact of the restatement of discontinued operations under IFRS 5.

## 4.2 Employee share ownership plan

The Group has set up a leveraged employee share ownership plan that offers employees the possibility to purchase the Group's shares at a discounted price. To calculate the IFRS 2 expense used to measure the employee benefit, the Group adjusts the amount of the discount granted to employees on the share subscription price in accordance with the following two factors:

- the cost of the five-year "lock-in" period that applies to the shares granted to employees. This cost takes into account the five years during which the shares may not be sold or otherwise transferred, and is equivalent to the cost of a two-step investment strategy in which a market participant sells the shares at the end of the five-year period and borrows the amount necessary to buy an equivalent number of immediately transferable share, this loan being financed with the forward sale of the shares and the dividends paid during the lock-in period. This cost is calculated on the basis of the following factors:

- the share subscription price is the volume-weighted average price of Korian shares over the twenty previous trading days, less a discount;
- the award date of the rights under the plan is the date on which employees are informed of its specific terms and conditions, and of the share subscription price in particular;
- the loan rate offered to employees, which is used to determine the non-transferability cost of the shares, is the rate that a bank would offer to an individual with an average risk profile for a balloon-payment consumer loan with a term equal to the duration of the plan;
- the opportunity gain offering employees the possibility of benefiting from the same market conditions as the Group.

An expense of €0.7 million is recognised for this plan.

## 4.3 Employee benefits

Employee benefits are accounted for in accordance with IAS 19 and are composed of post-employment benefits (lump-sum retirement benefits) and long-term benefits such as anniversary bonuses and long-service awards.

The Group's obligation in respect of defined benefit plans is limited to the contributions it pays into the plan. These contributions are expensed in the period in which they are incurred. Where applicable, a provision is recorded for contributions that remain to be paid for the period.

In the case of a defined benefit plan (post-employment benefits and other long-term benefits), the Group makes a provision on the balance sheet that represents its obligation at the date the financial statements were

issued. This is the case for IDR (*indemnités de départ à la retraite*) in France and TFR (*Trattamento di Fine Rapporto*) in Italy.

Except for the discount rate, the actuarial assumptions (i.e. employee turnover, mortality, wage and salary growth, and retirement age) vary in accordance with the demographic and economic conditions of the country of the relevant plan.

Since the countries in which the Group operates are all in the eurozone, the Group uses a single discount rate at each balance sheet date. This rate is based on the rate paid by AA-rated corporate bonds with a maturity of at least 10 years (source: iBoxx index).

### IN FRANCE

#### a) Lump-sum retirement benefits

Lump-sum retirement benefits (IDR) are defined post-employment benefits and are subject to the national collective bargaining agreement for the sectors of private hospitals, real estate and personal services. When employees retire, the Company pays them a lump-sum benefit, the amount of which depends on their final salary and the number of years they have worked for the Company.

#### b) Long-service awards and bonuses

In some cases, the collective bargaining agreements of the Group's French companies may provide for the payment of a bonus when a long-service award is granted or simply the payment of a long-service bonus. These benefits are treated as long-term benefits under IAS 19.

Some of the Korian Group's facilities in France grant anniversary bonuses to their employees when they have been employed for a certain number of years. Korian has five anniversary bonus schemes. Facilities with anniversary bonus schemes do not benefit from the long-service award scheme described below.

When the French government awards a long-service medal to an employee, some Korian Group facilities will pay the employee a bonus at the employee's request. The amount paid varies along the same scale that is used for long-service bonuses.

#### c) Supplementary pension plans

The Group has not granted employees any supplementary pension plans in addition to the minimum statutory pension.

**IN GERMANY**

Company collective bargaining agreements provide for the granting of long-service bonuses. These benefits are treated as long-term benefits under IAS 19.

**IN BELGIUM**

A supplementary pension plan for certain members of management has been arranged with an insurance group.

**IN ITALY**

The TFR (Trattamento di Fine Rapporto) plan is a defined benefit plan that is subject to article 2120 of the Italian Civil Code. Under this plan, each period of work entitles the employee to a benefit that is not directly available to the employee except under certain circumstances, namely when leaving their employer, making certain property purchases, or death. Depending on the situation, the plan may be outsourced to a third party (in which case it becomes a defined contribution plan) or retained by the employer, in which case it continues to be a post-employment defined benefits plan.

In thousands of euros	Lump-sum retirement benefits	Anniversary bonuses	Long- service awards	Total France	Total Italy	Total Germany	Total Benelux	Total
<b>1   CHANGE IN THE PROVISION FOR 2022</b>								
<b>Provision at 31 December 2021</b>	<b>62,975</b>	<b>1,704</b>	<b>543</b>	<b>65,222</b>	<b>24,662</b>	<b>8,564</b>	<b>494</b>	<b>98,942</b>
Interest expense	449	14	3	466	179	65		710
Cost of services	6,899	193	140	7,232	1,317	2,213		10,762
Curtailment gain	2,296			-2,296	- 129			-2,425
Benefits paid including social contributions	-3,088	-48	-71	-3,207	- 2,394	-4,010	-591	-10,202
<b>Change in consolidation scope excl. benefits paid</b>	<b>1,963</b>	<b>159</b>	<b>72</b>	<b>2,194</b>	<b>- 1,027</b>	<b>-1,731</b>	<b>-591</b>	<b>-1,155</b>
Actuarial gains/(losses) on long-term benefit schemes		-285	-20	-305	1,027	1,000		695
<b>Expenses for 2022</b>	<b>1,963</b>	<b>-126</b>	<b>52</b>	<b>1,889</b>	<b>- 1,995</b>	<b>-731</b>	<b>-591</b>	<b>-460</b>
OCI actuarial gains/(losses)	-8,029			-8,029		-361		-10,385
Change in scope	8			8		-485		-477
<b>Provision at 31 December 2022</b>	<b>56,917</b>	<b>1,578</b>	<b>595</b>	<b>59,090</b>	<b>21,640</b>	<b>6,987</b>	<b>-97</b>	<b>87,620</b>
<b>2   DISCOUNT RATE SENSITIVITY</b>								
Effect of an increase in the discount rate of 0.5%	56,763	1,525	588	58,876	20,558	6,638	-92	85,979
Effect of a decrease in the discount rate of 0.5%	62,156	1,600	607	64,363	22,722	7,337	-102	94,319
<b>3   SENSITIVITY TO AN INCREASE IN SALARIES</b>								
Effect of an increase in salaries of 0.5%	59,836	NA	NA	59,836	NA	7,022	NA	66,858
Effect of a decrease in salaries of 0.5%	54,590	NA	NA	54,590	NA	6,952	NA	61,542

	Lump-sum retirement benefits – France	Long-service awards & bonuses – France	TFR – Italy	Long-service bonuses & pensions – Germany	Belgium
<b>MAIN ASSUMPTIONS</b>					
Discount rate	3.27%	3.27%	3.27%	3.93%	3.70%
Salary growth rate	3.00%	NA	NA	NA	NA
Mortality table	TGHF05	TGHF05	ISTAT 2013	HEUBECK -RICHTTAFELN 2018G	MR-5/FR-5
Retirement age of "cadres"	<ul style="list-style-type: none"> <li>■ Born in 1950 and before</li> <li>■ Born between 1951 and 1952</li> <li>■ Born in 1953 and after</li> </ul>	<ul style="list-style-type: none"> <li>63.0</li> <li>64.0</li> <li>64.0</li> </ul>	<ul style="list-style-type: none"> <li>63.0</li> <li>64.0</li> <li>64.0</li> </ul>	<ul style="list-style-type: none"> <li>66.7</li> <li>66.7</li> <li>66.7</li> </ul>	<ul style="list-style-type: none"> <li>65.0</li> <li>65.0</li> <li>65.0</li> </ul>
Retirement age of "non-cadres"	<ul style="list-style-type: none"> <li>■ Born in 1950 and before</li> <li>■ Born between 1951 and 1952</li> <li>■ Born in 1953 and after</li> </ul>	<ul style="list-style-type: none"> <li>60.0</li> <li>61.0</li> <li>62.0</li> </ul>	<ul style="list-style-type: none"> <li>60.0</li> <li>61.0</li> <li>62.0</li> </ul>	<ul style="list-style-type: none"> <li>66.7</li> <li>66.7</li> <li>66.7</li> </ul>	<ul style="list-style-type: none"> <li>65.0</li> <li>65.0</li> <li>65.0</li> </ul>
Type of retirement	voluntary	voluntary	voluntary	voluntary	voluntary

#### 4.4 Share-based payments

In accordance with IFRS 2, share-based payments – such as free share and performance unit plans granted to employees and officers – are expensed over the vesting period.

The Korian Group has set up two types of plans:

- a performance unit plan, which is both cash-settled and equity-settled within the meaning of IFRS 2 (this plan expired in 2019);
- free share plans, which are considered to be equity-settled within the meaning of IFRS 2;
- equity-settled plans are settled with the delivery of Korian shares, for which an expense and an increase

in equity are recognised. For these plans, the fair value of the equity instruments granted is the Korian share price at the grant date less the expected dividends over the vesting period. The number of equity instruments granted may be reviewed during the vesting period to account for anticipated non-compliance with "non-market related" performance conditions or the turnover rate of the beneficiaries,

- cash-settled plans, for which an expense and a liability of the same amount are recorded. These plans are revalued at their fair value at each balance sheet date.

In thousands of euros	2019 Free share plan	2020 Free share plan #1	2020 Free share plan #2	2021 Free share plan #1	2021 Free share plan #2	2021 Free share plan #3	2022 free share plan #1	2022 Free share plan #2	Total
<b>A. PLAN CHARACTERISTICS</b>									
Terms of allocation	Free	Free	Free	Free	Free	Free	Free	Free	
Subject to continued employment	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Subject to performance requirement	Yes	No	Yes	No	Yes	Yes	No	Yes	
Vesting date	06.06.2022	31.07.2023	31.07.2023	15.03.2024	15.03.2024	15.03.2024	22.06.2025	22.06.2025	
Number of shares outstanding	24,892	11,572	264,753	55,226	299,261	132,000	114,972	624,047	1,526,723
Accounting expense for 2019 excluding social contributions	0.16	Na	0.16						
Accounting expense for 2020 excluding social contributions	0.12	0.04	0.64	Na	Na	Na	Na	Na	0.79
Accounting expense for 2021 excluding social contributions	0.66	0.11	1.27	0.36	1.22	0.22	Na	Na	3.85
Accounting expense for 2022 excluding social contributions	0.23	0.12	1.35	0.52	1.06	-0.07	0.21	0.85	4.26
<b>B. CHANGE IN NUMBER OF SHARES OUTSTANDING</b>									
Number of shares initially allocated	162,914	13,150	320,025	61,478	348,247	132,000	114,972	639,438	1,792,224
Number of shares cancelled in 2019	8,119	0	0	0	0	0	0	0	8,119
Number of shares cancelled in 2020	8,660	0	3,685	0	0	0	0	0	12,345
Number of shares cancelled in 2021	4,330	526	24,741	3,126	21,367	0	0	0	54,090
Number of shares cancelled in 2022	116,913	1,052	26,846	3,126	27,619	0	0	15,391	190,947
<b>NUMBER OF SHARES VESTED</b>	<b>24,892</b>	<b>0</b>	<b>24,892</b>						
<b>NUMBER OF SHARES OUTSTANDING</b>	<b>0</b>	<b>11,572</b>	<b>264,753</b>	<b>55,226</b>	<b>299,261</b>	<b>132,000</b>	<b>114,972</b>	<b>624,047</b>	<b>1,501,831</b>
<b>C. IFRS 2 VALUATION</b>									
Share price at the allocation date	31.13*	32.21*	32.21*	30.5	30.5	30.5	14.83	14.83	
Expected volatility	27.50%	Na	32.40%	Na	33.50%	Na	Na	Na	
				€0.30 in FY22 and FY23	€0.30 in FY22 and FY23	€0.30 in FY22 and FY23	€0.35 in FY22	€0.35 in FY22	
				€0.60 in FY24	€0.60 in FY24	€0.60 in FY24	€0.42 in FY23	€0.42 in FY23	
Annual dividend	0.6	0.6**	0.6**				€0.51 in FY24	€0.51 in FY24	
Risk-free interest rate	-0.80%	Na	-0.80%	Na	-0.71%	Na	Na	Na	
<b>IFRS 2 FAIR VALUE OF THE PLAN EXCLUDING SOCIAL CONTRIBUTIONS</b>	<b>1.17</b>	<b>0.34</b>	<b>4.03</b>	<b>1.44</b>	<b>3.77</b>	<b>0.33</b>	<b>1.21</b>	<b>4.83</b>	<b>17.14</b>
Equity-settled component	1.17	0.34	4.03	1.44	3.77	0.33	1.21	4.83	17.14
Cash-settled component	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

\* Adjusted to account for Korian's share issue with preferential subscription rights at the end of 2020.

\*\* Dividends FY21 and FY22.

The fair value of options and rights was determined by an external expert using valuation models that take into account the plan's specific characteristics, market data observed at the allocation date and certain assumptions by the Group's management.

## Free share plans implemented since 2019

For all free share plans granted to certain employees who are members of General Management and corporate officers, the vesting of free shares is subject to the conditions that the beneficiary remain employed by the Group throughout the vesting period and that the following performance targets be achieved:

- for the 2019 plan: 2021 revenue, 2021 EBITDA per share and Korian's share price compared to the performance of the SBF 120 index over the vesting period;
- for the 2020 plan: 2022 revenue, Korian's share price compared to the performance of the SBF 120 index over the vesting period, 2022 operating free cash flow and CSR Criteria. These performance requirements were waived for some high-potential employees;
- for the 2021 plan: 2023 revenue, Korian's total shareholder return compared to that of the SBF 120 index over two reference periods, 2023 earnings per share, and CSR criteria.

In 2020 and 2021, two plans without performance requirements were granted to several employees identified as high potential and key resources for the Group, and to specific medical functions.

Finally, a third growth-oriented free share plan was set up in 2021 for the managers of new business activities, subject to the achievement of specific revenue and EBITDA targets for these new activities.

Vested shares may be freely transferred, except for those of Korian SE's corporate officers, who must retain 25% of the shares granted.

## 2022 FREE SHARE PLANS

Two plans were implemented in 2022:

1. a plan with no performance requirements for employees identified as high potential and key resources for the Group, and for specific medical functions;
2. a plan for certain salaried employees of General Management and corporate officers, which are subject to the following performance criteria:
  - 2024 revenue,
  - 2024 earnings per share,
  - CSR criteria.

Vested shares may be freely transferred, except for those of Korian SE's corporate officers, who must retain 25% of the shares granted.

## NOTE 5 GOODWILL, INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

### 5.1 Goodwill

In compliance with IFRS 3, business combinations are accounted for as follows at the date of acquisition:

- the identifiable assets acquired and the liabilities assumed are measured at fair value at the date of acquisition;
- non-controlling interests are measured either at fair value (i.e. with goodwill allocated to the non-controlling interests: the "full goodwill method") or at the proportionate share of the fair value of the acquired entity's identifiable net assets (i.e. with no goodwill allocated to non-controlling interests: the "partial goodwill method"). This option is available on a case-by-case basis for each business combination transaction;
- acquisition costs are expensed when incurred and are recorded under "Gain/(loss) on acquisition and disposal of consolidated entities" in the consolidated income statement;
- any earn-out payments on business combinations are recognised at fair value at the acquisition date. After the acquisition date, earn-outs are recognised at fair value at each balance sheet date. Beyond one year after the acquisition date, any change in this fair value is

recognised in income. During this one-year period, any changes in this fair value that is explicitly linked to events subsequent to the acquisition date will also be recognised in income. Other changes will be recognised against goodwill.

At the date of acquisition, goodwill is the difference between:

- fair value of the consideration transferred, plus the amount of non-controlling interests in the acquiree and, where a business combination takes place in several stages, the fair value at the acquisition date of the acquirer's previously held equity interest in the acquiree, which is remeasured in the income statement;
- the net fair value of identifiable assets acquired and liabilities assumed at the acquisition date, measured at fair value.

Goodwill is not amortised. In accordance with IAS 36 "Impairment of Assets", goodwill is tested for impairment annually, and more frequently if there is evidence of impairment. The impairment test procedures are described in Note 1 "Impairment of property, plant and equipment, intangible assets and goodwill".

In thousands of euros	31.12.2022	31.12.2021
<b>Gross goodwill at start of period</b>	<b>3,213,838</b>	<b>2,905,604</b>
Change in scope	97,739	346,100
Final allocation of goodwill	-58,104	-38,940
Valuation of promise to purchase non-controlling interests		
Disposals	-749	
Reclassifications and other impacts	-3,010	1,074
Assets held for sale	-12,458	
<b>Gross goodwill at end of period</b>	<b>3,237,256</b>	<b>3,213,838</b>
Impairment at start of period		
Impairment during the period		
Impairment at end of period		
<b>Net goodwill at start of period</b>	<b>3,213,838</b>	<b>2,905,604</b>
<b>NET GOODWILL AT END OF PERIOD</b>	<b>3,237,256</b>	<b>3,213,838</b>

## Changes in goodwill

The changes in goodwill for the year ended 31 December 2022 are as follows:

In thousands of euros	Group	France <sup>(1)</sup>	Germany	Benelux <sup>(2)</sup>	Italy
<b>Net goodwill at start of period</b>	<b>3,213,838</b>	<b>1,795,340</b>	<b>721,672</b>	<b>266,102</b>	<b>430,724</b>
Change in scope	93,980	33,618		2,858	57,504
Final allocation of goodwill	-58,104	-24,548			-33,556
Assets held for sale	-12,458	-12,458			
<b>NET GOODWILL AT END OF PERIOD</b>	<b>3,237,256</b>	<b>1,791,952</b>	<b>721,672</b>	<b>268,960</b>	<b>454,672</b>

(1) Includes €167.6 million of goodwill in Spain and €53.2 million in the United Kingdom.

(2) Includes €75.4 million of goodwill in the Netherlands.

Most of the goodwill arose from the recognition of licences, property developments and leases. Most of the changes in goodwill in 2022 are attributable to:

- in France: the impact of the final allocation of the purchase price of Centre de Psychothérapie d'Osny (acquired in July 2021);
- in the United Kingdom (goodwill recognised in France): the impact of the provisional allocation of the 2022

acquisitions (5 new facilities), and the final allocation of the goodwill of the Berkley Care Group (acquired in March 2021);

- in Italy: the impact of the final allocation of the purchase price of "Sage" and "Vietti" (acquired in 2021) and the provisional allocation of the purchase price of Italian Hospital Group, Borghi Group and Maleo Group.

In 2022, the Group tested the goodwill of the following countries. The main assumptions of the goodwill impairment test are shown below:

Country	WACC		Long-term growth rate	
	2022	2021	2022	2021
France	6.25%	5.5%	1.8%	1.75%
Germany	6.15%	5.5%	2.3%	1.75%
Belgium	6.5%	6.0%	1.8%	1.75%
Netherlands	6.15%	5.0%	2.3%	1.75%
Italy	7.5%	6.5%	2.2%	1.75%
Spain	7.3%	6.5%	2.3%	1.75%
United Kingdom	7.4%	Not tested	2.4%	Not tested

The change in discount rates in 2022 is mainly due to the increase in the risk-free rate, market risk premiums and spreads. The long-term growth rate has been updated for each country to account for their macroeconomic environment, and in particular their average inflation rate projected over the next 20 years.

The operational assumptions that underpin the business plan include a compounded annual growth rate (CAGR) of organic revenue of over 5% until 2025, with EBITDAR stable in 2023 compared to 2022 and increasing in line with revenue growth from 2024 onwards.

These tests revealed no impairment losses.

At 31 December 2022, an unfavourable change of +0.5% in the national discount rates of Spain and Italy would have resulted in goodwill impairment of approximately €22 million for Spain and €31 million for Italy, assuming no change in their long-term growth rates.

An unfavourable change in the long-term growth rate of -0.5% of Spain and Italy would have resulted in goodwill impairment of €19 million for Spain and €21 million for Italy, assuming no change in their discount rates.

Regarding the sensitivity of goodwill to operating assumptions, a 5% decrease in the terminal value of EBITDAR would impair the Spanish goodwill by approximately €12 million and the Italian goodwill by about €11 million.

## 5.2 Intangible assets

### MEASUREMENT OF INTANGIBLE ASSETS

In accordance with IFRS 3, at the date the control of a subsidiary is acquired, the identifiable assets acquired and liabilities assumed are measured at fair value.

The operating licences acquired (intangible assets) are measured at the acquisition date at their fair value, which is determined using a multi-criteria approach that takes into account the characteristics of the facility, such as its revenue multiple, and the cash flow forecast of the acquisition business plan.

In France, although licences are granted for a period of 15 years and tripartite and Multi-year Targets and Resource agreements are signed for five years, licences are considered to have an indefinite term and no amortisation is recognised in the consolidated financial statements. This market position in the sector stems from the fact that operating licences can only effectively be withdrawn if the Group fails to comply with the conditions imposed by regulators for the operation of this type of facility, including compliance with minimum standards of care, which are verified through compliance inspections.

In Germany, a licence granted by the government is not required to operate facilities, which are essentially subject to technical standards. Therefore, operating rights do not meet the definition of an identifiable intangible asset, and therefore are not recognised and included in goodwill.

In Belgium, the specialised nursing home market is subject to substantial regulatory barriers to entry, with regulation at the regional level, the requirement of an operating licence, and price controls on accommodation rates. Licences are therefore recognised as intangible assets.

In Italy, national regulations impose minimum structural requirements. Each region transposes these regulations at its level. Italian institutions are subject to supervision by the regulating authorities under agreements concluded with these authorities.

In Spain, no administrative authorisation is required to operate long-term care facilities, which are essentially subject to technical standards. Operating rights therefore do not meet the definition of an identifiable intangible asset. However, facilities may share beds with other facilities under a regional funding programme. The licence required for this may be classified as an intangible asset and subsequently amortised over the duration of the concession granted by the region.

In the Netherlands, there are operating licences but they are not particularly difficult to obtain. However, when a facility has been opened, it may enter into a contract with a private health insurer and provide home care under the VPT regime. These contracts make it possible to charge higher rates and provide more services to residents. These contracts are therefore measured in existence at the acquisition date and recognised as intangible assets.

In the United Kingdom, government licences are required to operate facilities but there are not particularly difficult to obtain. Once a facility has opened, the Care Quality Commission ensures that it complies with quality and safety standards. Operating rights therefore do not meet the definition of an identifiable intangible asset.

Impairment testing is conducted annually in accordance with the method described in the section of Note 1.5 entitled "Goodwill, intangible assets and property, plant and equipment".

Intangible assets are shown in the table below:

In thousands of euros	Licences	Other	Total
<b>Gross value at start of period restated*</b>	<b>2,040,962</b>	<b>296,969</b>	<b>2,337,931</b>
Change in scope	53,215	6,410	59,625
Disposals	-27,082	-4,284	-31,366
Acquisitions	0	61,694	61,694
Transfers	28,742	-14,040	14,702
<b>Gross value at end of period</b>	<b>2,095,837</b>	<b>346,749</b>	<b>2,442,586</b>
<b>Amortisation and impairment at start of period restated*</b>	<b>14,888</b>	<b>142,325</b>	<b>157,213</b>
Change in scope	-624	3,473	2,849
Disposals	0	-470	-470
Amortisation and impairment	1,244	24,310	25,554
Transfers	1,466	-740	726
<b>Amortisation and impairment at end of period</b>	<b>16,974</b>	<b>168,898</b>	<b>185,872</b>
<b>Net carrying amount at start of period restated *</b>	<b>2,026,074</b>	<b>154,644</b>	<b>2,180,718</b>
<b>NET CARRYING AMOUNT AT END OF PERIOD</b>	<b>2,078,863</b>	<b>177,851</b>	<b>2,256,714</b>

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under an SaaS type contract, as described in note 1.3.

Transfers mainly have to do with reclassification as "assets held for sale" (see Note 2).

Licences are broken down as follows for each operating segment:

In thousands of euros	France <sup>(1)</sup>	Benelux <sup>(2)</sup>	Italy	Total
Gross value at start of period	1,468,851	228,100	344,011	2,040,962
Impairment	14,888			14,888
<b>Net carrying amount at start of period</b>	<b>1,453,963</b>	<b>228,100</b>	<b>344,011</b>	<b>2,026,074</b>
Gross value at the end of period	1,470,760	228,297	396,780	2,095,837
Impairment	16,777	197		16,974
<b>NET CARRYING AMOUNT AT END OF PERIOD</b>	<b>1,453,983</b>	<b>228,100</b>	<b>396,780</b>	<b>2,078,863</b>

(1) Includes €44 million for Spain (the only amount amortised over the period).

(2) Includes €9 million for Netherlands.

No single licence represents a material amount for the Group.

For the year ended 31 December 2022, tests on CGUs resulted in no recognition of impairment.

These impairment tests were performed using the method described in Note 1, in the paragraph entitled "Impairment of intangible assets, property, plant and equipment and goodwill".

### 5.3 Property, plant and equipment

Property, plant and equipment are reported at their acquisition cost, less any investment subsidies. Property, plant and equipment acquired as part of a business combination are measured at fair value at the acquisition date.

Key components of a non-current asset that have a useful life that is shorter than that of the asset itself are identified so that they may be depreciated over their own useful life.

At each balance sheet date, the historical cost is reduced by accumulated depreciation and any provisions for impairment determined as described in Note 1 on the "Impairment of property, plant and equipment, intangible assets and goodwill".

#### LEASES

Since 1 January 2019, the Group has applied IFRS 16, which results in:

- the recognition of right-of-use (operating leases under IAS 17) and lease liabilities;
- the reclassification of assets and liabilities recognised on existing finance leases;
- the reclassification of lease incentives as a reduction in right-of-use.

#### DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT

Depreciation of property, plant and equipment is calculated using the straight-line method over the useful lives set out below:

Class	Useful life	Method
Structure	60 years	Straight line
Construction components	between 7 and 30 years	Straight line
Machinery and equipment	between 5 and 15 years	Straight line
Other improvements, fixtures and fittings	between 3 and 5 years	Straight line
Medical equipment	between 2 and 10 years	Straight line
Other equipment and furniture	between 2 and 10 years	Straight line
Software	between 1 and 7 years	Straight line
Transport equipment	5 years	Straight line

In thousands of euros	Land	Buildings	Plant and machinery and other tangible assets	In progress and advance payments	Total
<b>Gross value at start of period</b>	<b>379,413</b>	<b>2,595,888</b>	<b>1,389,481</b>	<b>368,857</b>	<b>4,733,639</b>
Change in scope	28,102	99,679	20,319	224	148,324
Disposals	-17,464	-100,674	-53,774	-23,453	-195,365
Acquisitions	377	133,385	101,758	346,688	582,208
Transfers	15,374	221,121	122,067	-290,661	67,901
Other	-3,520	-9,417	-1,241	0	-14,178
<b>Gross value at end of period</b>	<b>402,282</b>	<b>2,939,982</b>	<b>1,578,610</b>	<b>401,655</b>	<b>5,322,529</b>
<b>Total depreciation at start of period</b>	<b>789</b>	<b>762,634</b>	<b>890,153</b>	<b>1,903</b>	<b>1,655,479</b>
Change in scope	0	-9,302	11,416	0	2,114
Allowances	474	91,989	97,843	0	190,306
Disposals	-474	-71,828	-34,304	-764	-107,370
Other	0	26,828	2,634	0	29,462
<b>Total depreciation at end of period</b>	<b>789</b>	<b>800,321</b>	<b>967,742</b>	<b>1,139</b>	<b>1,769,991</b>
<b>Net carrying amount at start of period</b>	<b>378,624</b>	<b>1,833,254</b>	<b>499,328</b>	<b>366,954</b>	<b>3,078,162</b>
<b>NET CARRYING AMOUNT AT END OF PERIOD</b>	<b>401,493</b>	<b>2,139,661</b>	<b>610,868</b>	<b>400,516</b>	<b>3,552,538</b>

### BORROWING COSTS

Pursuant to IAS 23, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (buildings in particular) are included in the cost of that asset.

The borrowing rate that may be used is the average cost of the Group's debt after hedging.

Borrowing costs for 2022 totalled €4,396 thousand. In 2021, they were €2,534 thousand.

### 5.4 Changes in cash flows in relation to acquisitions of non-current assets

The cash flows associated with the purpose of property, plant and equipment and intangible assets are shown below:

In thousands of euros	31.12.2022	31.12.2021*
Acquisitions of intangible assets	-59,368	-48,959
Change in debt on acquisitions of intangible assets	-6,176	-1,257
Acquisitions of property, plant and equipment	-565,299	-476,723
Change in debt on acquisitions of property, plant and equipment and other assets	8,642	-1,972
<b>INVESTMENTS EXPENDITURES IN PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS</b>	<b>-622,201</b>	<b>-528,911</b>

\* Includes the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

## 5.5 Lease commitments

The amount of the right-of-use that is recognised includes the value of the associated lease liability, to which the following may be added where appropriate:

- rents paid before the asset is made available;
- the initial direct costs incurred to obtain the lease, less any incentives received.

Right-of-use assets are amortised on a straight-line basis over the term.

The lease liability comprises the present value of:

- future rental payments (these include payments that are fixed or fixed in substance and those pegged to an index or rate);
- the incentives to be received;
- amounts that Korian expects to pay under residual value guarantees;
- the exercise price of asset purchase options that the Group is reasonably certain to exercise;
- as well as any penalties that may be required for lease termination.

The lease liability under IFRS 16 was calculated using a lease term for property leases that corresponds to the non-cancellable period plus any renewal options the Group is reasonably certain to exercise. The Group recognises an average lease term of 12 years.

The discount rates used are reviewed for each country at the end of each year and more frequently if necessary. These discounts rates depend on the average marginal debt rate and average maturity of each country's sovereign and corporate bonds, and on the characteristics of recent local and corporate financing. The Group's average rate as of June 2022 is 1.83%

Real estate accounts for 98.8% of leases and rental contracts. The remaining contracts are for the leasing or rental of vehicles, power equipment, work clothes and low-value medical equipment.

The Group applies a single accounting method for all of its leases, except for those of 12 months or less, or which involve low-value assets.

Payments on the exempted leases/contracts and variable payments are still recognised directly in operating expenses.

In thousands of euros	31.12.2022	31.12.2021 *
Short-term leases	-15,904	-12,715
Low value leases	-19,923	-18,108
Others lease expenses (fees and taxes)	-33,207	-33,156
<b>TOTAL</b>	<b>-69,034</b>	<b>-63,979</b>

\* Includes the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

### ► CHANGE IN RIGHT OF USE BY CATEGORY OF UNDERLYING ASSETS

In thousands of euros	
<b>Right-of-use assets as at 31.12.2021</b>	<b>3,469,383</b>
Inflows of assets, net of renegotiations	586,308
Depreciation and amortisation	-415,055
Lease terminations	-8,405
Change in consolidation scope	-49,734
Other changes	-130,600
<b>RIGHT-OF-USE ASSETS AS AT 31.12.2022</b>	<b>3,451,897</b>
■ of which right-of-use of real estate assets	3,411,111
■ of which right-of-use of non-real estate assets	40,786

## ► CHANGE IN LEASE COMMITMENTS

In thousands of euros

Lease liabilities as at 31.12.2021	3,785,277
Present value of debt and new leases	587,187
Debt repayment	-392,791
Change in lease duration/rent	-17,669
Change in consolidation scope	-58,206
Other changes	-141,594
<b>LEASE LIABILITIES AS AT 31.12.2022</b>	<b>3,762,204</b>

## ► CHANGE IN CASH OUTFLOW ON LEASES

In thousands of euros	31.12.2022	31.12.2021*
Rental debts repayment	-392,791	-387,202
Interest on lease liabilities	-108,684	-109,572
<b>RENTAL INCOME FROM LEASES</b>	<b>-501,475</b>	<b>-496,774</b>

\* Includes the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

## ► MATURITY OF LEASE COMMITMENTS AT 31 DECEMBER 2022

In thousands of euros	Total	< 1 year	1 to 5 years	> 5 years
<b>LEASE LIABILITIES</b>	<b>3,762,204</b>	<b>390,793</b>	<b>1,293,072</b>	<b>2,078,339</b>

## NOTE 6 SHAREHOLDERS' EQUITY

There are no rights, privileges or restrictions attached to the shares that comprise the share capital. Nor are there any shares reserved for issue under share sale agreements or options.

Share capital totalled €532,526,030 at 31 December 2022. It consists of 106,505,206 fully paid-up shares, all of the same class and having a par value of €5 each.

After shareholder approval of the allocation of net profit at the 2022 General Meeting, the Group distributed a dividend of €0.35 per share, with an option for payment in new shares at an issue price of €16.18. The exercise of this option resulted in the issuance of 625,608 new shares on 21 July 2022. They have since been incorporated in the body of ordinary shares that constitutes the Company's share capital. A cash dividend of €26 million was paid.

### Hybrid Bonds

On 1 September 2021, the Group issued new undated unsubordinated bonds optionally redeemable in cash and/or in new and/or existing shares (ODIRNANE bonds), with cancellation of preferential subscription rights, for a nominal amount of €332.5 million. These bonds were issued with the following characteristics:

- a nominal value of €44.28 each, representing a conversion premium of 30.0% over the reference share price;

- bearing interest until 8 September 2026 at a fixed nominal annual rate of 1.875% paid half-yearly and initially on 8 March 2022;
- and as of 8 September 2026, interest at an annual rate equal to the six-month Euribor rate plus 900 basis points, payable half-yearly in arrears on each interest payment date, and initially, if applicable, on 8 March 2027, unless interest payments are suspended.

At the date of this document, the applicable conversion ratio is 1,024 Korian shares for 1 ODIRNANE bond.

In accordance with IAS 32, these hybrid financial instruments were recognised as equity instruments for an amount net of interest and issue expenses of €329.4 million at 31 December 2022 (€326.5 million at 31 December 2021).

### Placement of a £200 million non-convertible green hybrid bond

On 8 June 2021, Korian, announced the successful placement of a £200 million non-convertible hybrid green perpetual bond paying a 4.125% coupon and with an initial optional redemption at par in March 2024. The proceeds of this green bond will be used to upgrade, purchase and develop real estate assets, primarily in the UK, with currency matching. The entire issue was recognised in equity.

## OCEANE bonds

On 3 March 2020, Korian announced the successful placement of its issue of bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE) maturing in 2027 for a nominal amount of approximately €400 million.

The bonds were issued at par and their nominal value was set at €61.53 each, resulting in a conversion premium at the outset of 55% over the Company's reference share price.

The cancellation of 640,000 OCEANE bonds in the first half of 2022 reduced the nominal value to €360 million.

At the date of this document, the applicable conversion ratio is 1.129 Korian shares for 1 OCEANE bond.

In accordance with IAS 32, the cancellation of these OCEANE bonds reduced the fair value of the redemption option sold to holders to €30 million.

## NOTE 7 EARNINGS PER SHARE

Net earnings per share are calculated by dividing the Group's consolidated net income by the weighted average number of shares outstanding during the period.

Diluted earnings per share are calculated assuming the exercise of all existing dilutive options and using the "share buyback" method defined in IAS 33 "Earnings per share".

	31.12.2022	31.12.2021 restated*
Group share of net income (in thousands of euros)	22,060	91,115
Group share of net income from continuing operations (in thousands of euros)	35,741	99,883
Weighted average number of shares outstanding (in thousands)	104,821	105,294
<b>EARNINGS PER SHARE (in euros)</b>	<b>0.21</b>	<b>0.87</b>
<b>EARNINGS PER SHARE OF CONTINUING OPERATIONS (in euros)</b>	<b>0.34</b>	<b>0.95</b>
Group share of net income (in thousands of euros)	22,060	91,115
Impact of remuneration of equity items	-6,215	-5,127
Weighted average number of shares outstanding (in thousands)	104,821	105,294
Average number of shares in relation to stock options and free share adjustments	1,152	836
Average number of shares in relation to hybrid and OCEANE bond adjustments	14,483	16,061
Average number of shares used to calculate diluted earnings per share	120,457	122,191
<b>DILUTED EARNINGS PER SHARE (in euros)</b>	<b>0.13</b>	<b>0.70</b>
<b>DILUTED EARNINGS PER SHARE OF CONTINUING OPERATIONS (in euros)</b>	<b>0.25</b>	<b>0.78</b>

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under an SaaS type contract and the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

## NOTE 8 FINANCING AND FINANCIAL INSTRUMENTS

### 8.1 Net financial income

Net financial income consists of net borrowing costs and other financial income items.

Net borrowing costs consist of interest charges on bank and bond debt, costs related to hedging, capitalised interest in accordance with IAS 23, the amortisation effect of capitalised issuance costs and the amortisation effects

related to the renegotiation and restructuring of debt and hedging instruments.

Other financial income items are primarily bank fees and charges paid (including factoring expenses), the financial cost of employee benefits and the financial expense in relation to the recognition of right-of-use under leases.

In thousands of euros	31.12.2022	31.12.2021 *
<b>Cost of gross debt</b>	<b>-86,393</b>	<b>-80,604</b>
Cost of hedging	-8,742	-7,165
Income from cash & cash equivalents	-12	0
<b>Cost of net debt</b>	<b>-95,147</b>	<b>-87,770</b>
Bank fees and commissions	-7,048	-7,382
Financial expenses on lease liabilities	-109,495	-109,703
Other financial expenses and income	-2,903	-3,625
<b>Other financial income items</b>	<b>-119,446</b>	<b>-120,710</b>
<b>FINANCIAL INCOME</b>	<b>-214,593</b>	<b>-208,480</b>

\* Includes the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

### Sensitivity of financial expenses

Taking into account the hedges put in place, the sensitivity of financial expenses to a change in market rates over one year was as follows at the end of 2021 and 2022:

- a 0.5% increase (50 basis points) would increase the Group's financial expenses by less than €0.2 million;
- a 0.5% decrease (50 basis points) would decrease the Group's financial expenses by less than €0.2 million.

## 8.2 Net debt

Net debt consists of gross debt less liquid financial assets, i.e., marketable securities and cash.

In thousands euros	31.12.2022	31.12.2021
Borrowings from credit institutions and financial markets	2,571,598	2,659,350
Real estate debt owed to financial counterparties (non-IFRS 16)	1,914,046	1,736,344
Other financial liabilities	21,957	29,598
Bank overdrafts	740	16,998
<b>Borrowings and financial debt (A)</b>	<b>4,508,341</b>	<b>4,442,290</b>
Marketable securities	11,918	142,337
Cash	721,792	1,072,227
<b>Cash and cash equivalents (B)</b>	<b>733,710</b>	<b>1,214,564</b>
<b>NET DEBT (A) - (B)</b>	<b>3,774,631</b>	<b>3,227,726</b>

### Change in the Group's indebtedness at 31 December 2022

The Group's gross debt at 31 December 2022 breaks down as follows:

- a €500 million term tranche of a syndicated bank loan;
- bonds placed with private investors and debts placed with credit institutions for a total amount of €2,094 million;
- bank overdraft facilities totalling €0.7 million;
- real estate debt of €1,914 million, consisting mainly of leases and bank loans, including €194 million of NEU CP & NEU MTN used for bridge financing.

Moreover, at the end of the period, the Group's net cash position stood at €734 million, excluding bank overdraft facilities.

At 31 December 2022, debts secured by *in rem* security interests, such as pledges, mortgages and finance leases, accounted for 21.7% of gross debt.

### Change in borrowings (1)

In thousands euros	31.12.2021	New borrowings	Borrowing repayments	Changes in scope	Other	31.12.2022	Current	Non-current
Borrowings	4,395,694	908,659	-828,451	7,606	2,691	4,486,199	927,033	3,559,166
Employee profit sharing	75					75	75	75
Other loans and similar liabilities	29,523	-61,195	69,593	1,380	-17,974	21,327	20,498	829
<b>TOTAL BORROWINGS AND FINANCIAL LIABILITIES</b>	<b>4,425,292</b>	<b>847,464</b>	<b>-758,858</b>	<b>8,986</b>	<b>-15,283</b>	<b>4,507,601</b>	<b>947,531</b>	<b>3,560,070</b>

In thousands euros	New borrowings 2022	Borrowing repayments in 2022			
		Cash	Non Cash	Cash	Non-Cash
Borrowings	908,659	899,619	9,040	-828,451	-828,451
Other loans and similar liabilities	-61,195	-88,564	27,369	69,593	102,671
<b>TOTAL BORROWINGS AND FINANCIAL LIABILITIES</b>	<b>847,464</b>	<b>811,055</b>	<b>36,409</b>	<b>-758,858</b>	<b>-725,780</b>
					<b>-33,078</b>

### Variable and fixed rate debt

At 31 December 2022, the share of the Group's indebtedness at variable interest rates totalled 40% of gross financial liabilities.

In thousands of euros	31.12.2022	31.12.2021
Fixed rate	60%	2,722,737
Variable rate	40%	1,785,604
<b>TOTAL</b>	<b>4,508,341</b>	<b>4,442,290</b>

### Debt by maturity

In thousands of euros	31.12.2022	31.12.2021
< 1 year	948,271	680,808
<b>Short-term financial liabilities</b>	<b>948,271</b>	<b>680,808</b>
1 to 5 years	1,850,241	1,942,034
> 5 years	1,709,829	1,819,448
<b>Non-current financial liabilities</b>	<b>3,560,070</b>	<b>3,761,482</b>
<b>TOTAL</b>	<b>4,508,341</b>	<b>4,442,290</b>

### Interest rate risk management

The Group uses derivative financial instruments (swaps and caps) to hedge against the interest rate risk arising from its variable-rate financing policy. The Group applies cash flow hedge accounting when the IFRS 9 hedging criteria are met.

The Group's strategy for several years now is to hedge its future exposures and to increase the share of fixed-rate debt in its portfolio of liabilities (current at 60%), thereby locking in historically low rates. After hedging is taken into account, 84% of gross debt and 100% of net debt is fixed-rate debt.

The market value of instruments purchased to hedge interest rate risk at 31 December 2022 was €134.6 million, after adjustment for counterparty default risk.

At the balance sheet date, the sensitivity of the market value of derivatives to a change in market interest rates, before adjustment for counterparty default risk, was as follows:

- a 0.5% (50 basis points) increase in interest rates would increase the market value by €23.6 million;
- a 0.5% (50 basis points) decrease in interest rates would decrease the market value by €24.2 million.

(1) Excluding bank overdrafts of €740 thousand.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Consolidated financial statements at 31 December 2022

The table below presents the items of income, expenses, gains and losses recognised in income and in equity before deferred taxes at 31 December 2022 for each type of financial instrument.

In thousands of euros	Impact on equity	Impact of hedging on net income	"Non-documented" on net income	Impact of counterparty default risk
Financial instruments eligible for hedge accounting	150,301	1,740		
Financial instruments ineligible for hedge accounting			719	
<b>TOTAL</b>	<b>150,301</b>	<b>1,740</b>	<b>719</b>	<b>-4,794</b>

Assets	31.12.2021	Newly consolidated companies	Deconsolidated companies	Change	31.12.2022
Interest rate swaps	3,282			86,912	90,194
Hedging options					
Options	4,478			44,031	48,509
<b>Total hedging instruments – Assets</b>	<b>7,760</b>		<b>130,943</b>		<b>138,703</b>
Interest rate swaps				99	99
Options					
<b>Total ineligible financial instruments – Assets</b>				<b>99</b>	<b>99</b>
<b>Total impact of counterparty default risk – Credit Value Adjustment</b>	<b>-417</b>			<b>-3,668</b>	<b>-4,085</b>
<b>TOTAL FINANCIAL INSTRUMENTS – ASSETS</b>	<b>7,343</b>		<b>127,374</b>		<b>134,717</b>

Liabilities	31.12.2021	Newly consolidated companies	Deconsolidated companies	Change	31.12.2022
Interest rate swaps	21,630	4	-19	-21,536	79
Hedging options	1,037			-1,037	
Options	-1,476			1,476	
<b>Total hedging instruments – Liabilities</b>	<b>21,191</b>	<b>4</b>	<b>-19</b>	<b>-21,097</b>	<b>79</b>
Swap de taux	629			-621	8
Options					
<b>Total ineligible financial instruments – Liabilities</b>	<b>629</b>			<b>-621</b>	<b>8</b>
<b>Total impact of counterparty default risk – Debit Value Adjustment</b>	<b>-1,127</b>			<b>1,126</b>	<b>-1</b>
<b>TOTAL FINANCIAL INSTRUMENTS – LIABILITIES</b>	<b>20,693</b>	<b>4</b>	<b>-19</b>	<b>-20,592</b>	<b>86</b>
<b>TOTAL NET</b>	<b>-13,350</b>	<b>-4</b>	<b>19</b>	<b>147,966</b>	<b>134,631</b>

### Currency risk

The Group is exposed to currency risk by intra-group financing flows, (mainly at the parent company level) and by future investments in a foreign currency.

These financial flows are essentially hedged where appropriate, with the exception of those that are an integral part of the net investment in subsidiaries.

The Group uses "plain vanilla" hedging instruments (currency swaps, forward sales/purchases and options) to hedge its currency risk, and applies net investment hedge accounting or fair value hedge accounting when the IFRS 9 hedging criteria are met.

At 31 December 2022, the Group had no currency hedging instruments in its portfolio.

### Liquidity risk

Korian closely monitors its cash position and the liquidity it will require for its current operations and growth. It then strategically diversifies its sources of financing while optimising its cost of debt. To optimise the use of its international cash resources, Korian has centralised cash management through a cash pooling arrangement. The Group's central services manage the raising of funding through bank loans or financial markets. The Group's subsidiaries may sometimes obtain financing from outside the Group, particularly for real estate purchases.

### Bank covenants at 31 December 2022

The Group's €1 billion syndicated loan (comprising a €500 million term tranche and a €500 million RCF) is subject to a financial covenant. Other bank loan agreements have similar covenants. Banks are notified of changes in covenants twice yearly.

	Korian Ratio	Maximum ratio authorised as at 31 December
Contractual leverage*	3.7x	<4.5x

\* This ratio is calculated using a consistent accounting method subsequent to the first application of the IFRIC interpretation on the configuration and customisation costs of software used under an SaaS type contract (IAS 38 "Intangible Assets").

### Bond covenants at 31 December 2022

EURO PP, Schuldschein and Namensschuldverschreibung bonds are also subject to covenants. Investors are notified annually of any changes to covenants.

For all bond issues subject to covenants since 2021, the leverage ratio formula has been aligned with the new formula used for the syndicated loan.

	Korian Ratio	Maximum ratio authorised as at 31 December
Contractual leverage ratio for bonds issued before 2021*	3.8x	<4.5x
Contractual leverage ratio for bonds issued since 2021*	3.7x	<4.5x
Secured debt ratio	2.3x	>1.5x

\* This ratio is calculated using a consistent accounting method subsequent to the first application of the IFRIC interpretation on the configuration and customisation costs of software used under an SaaS type contract (IAS 38 "Intangible Assets").

### Counterparty risk

For the purposes of its financial activities (in particular, cash management and interest rate hedging derivatives), the Group has set up risk management procedures and works with leading financial institutions.

## 8.3 Financial assets

#### Financial assets comprise:

- non-current financial assets: equity interests in non-consolidated companies, related receivables, and guarantees and collateral granted;
- current financial assets, including short-term financial derivative instruments, cash and cash equivalents (marketable securities).

In accordance with IFRS 9, financial assets are classified into one of the following three categories:

- financial assets carried at amortised cost;
- financial assets carried at fair value through other comprehensive income;
- financial assets carried at fair value through income.

#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of immediately available liquidities (cash at bank and in hand) and short-term, highly liquid investments that are readily convertible into known amounts of cash and are exposed to an immaterial risk of change in value (short-term deposits with an initial term of less than three months and euro-denominated money market funds classified in the AMF's "short-term money market fund" category).

The carrying amount of financial assets is representative of their fair value.

## 8.4 Cash and cash equivalents

In thousands of euros	31.12.2022	31.12.2021
Marketable securities	11,918	142,337
Cash	721,792	1,072,227
<b>TOTAL</b>	<b>733,710</b>	<b>1,214,564</b>

Marketable securities comprise term deposits and euro-denominated SICAV money market funds classified in the AMF category of "short-term money market funds" and compliant with IAS 7. They are highly liquid, readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

## 8.5 Fair value of financial assets and liabilities

This table breaks down financial instruments recognised at fair value by measurement method. The following measurement methods have been defined:

- level 1: prices are quoted on an active market;
- level 2: there are observable inputs other than a quoted price on an active market (a financial model is used);
- level 3: unobservable inputs.

The carrying amount of financial liabilities (except for derivatives) is equal to their fair value.

In thousands of euros	As at 31.12.2022	Financial liabilities at fair value through profit or loss			Impact of Derivatives ineligible for hedge accounting	Financial liabilities at fair value through other comprehensive income	Financial liabilities at fair value through other comprehensive income		
		Financial liabilities at amortised cost	Fair value hedging derivatives	counterparty default risk - Debit value adjustment			Level 1	Level 2	Level 3
<b>Non-current liabilities</b>									
Loans from credit institutions	2,101,247	2,101,247							2,101,247
Funding of real estate debt	1,457,919	1,457,919							1,457,919
Employee profit sharing	75	75							75
Other financial liabilities	1,023	1,023							1,023
<b>Borrowings and other financial liabilities</b>	<b>3,560,264</b>	<b>3,560,264</b>							<b>3,560,264</b>
Commitment to buy out non-controlling interests	19,728	19,728							19,728
<b>Other non-current debt</b>	<b>54,213</b>	<b>54,213</b>							<b>54,213</b>

In thousands of euros	As at 31.12.2022	Financial liabilities at fair value through profit or loss				Financial liabilities at fair value through other comprehensive income	Financial liabilities at fair value through other comprehensive income			
		Financial liabilities at amortised cost	Fair value hedging derivatives	Derivatives ineligible for hedge accounting	Impact of counterparty default risk - Debit value adjustment		Level 1	Level 2	Level 3	
							Cash-flow hedging derivatives	Active markets	Observable inputs	
<b>Current liabilities</b>										
Loans from credit institutions	470,351	470,351							470,351	
Funding of real estate debt	456,127	456,127								
Bank overdrafts	740	740							740	
Other financial liabilities	20,859	20,859							20,859	
<b>Borrowings due within one year and bank overdrafts</b>	<b>948,077</b>	<b>948,077</b>							<b>491,950</b>	
<b>Derivative instruments – liabilities</b>	<b>86</b>			8	- 1	<b>79</b>		<b>86</b>		
<b>Trade payables and related accounts</b>	<b>570,717</b>	<b>570,717</b>							<b>570,717</b>	
Residents' deposits	62,287	62,287							62,287	
Other liabilities	803,596	803,596							803,596	
<b>Other liabilities and accruals</b>	<b>865,883</b>	<b>865,883</b>							<b>865,883</b>	

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

Consolidated financial statements at 31 December 2022

The carrying amount of financial assets (except for derivatives) is equal to their fair value.

In thousands of euros	31.12.2022	Financial assets at fair value through profit or loss					Financial assets at fair value through other comprehensive income	Fair value measurement			
		Financial assets at amortised cost	Cash and cash equivalents	Non- consolidated equity investments	Derivatives ineligible for hedge accounting	Impact of counterparty default risk - Credit value adjustment		Level 1	Level 2	Level 3	
								Cash-flow hedging derivatives	Active markets	Observable inputs	
<b>Non-current assets</b>											
Non-consolidated equity investments	2,699				2,699					2,699	
Security deposits	46,205	46,205								46,205	
Other long-term investments	2,069	2,069								2,069	
<b>Non-current financial assets</b>	<b>50,973</b>	<b>48,274</b>			<b>2,699</b>					<b>50,973</b>	
<b>Current assets</b>											
Trade receivables and related accounts	440,368	440,368								440,368	
Other receivables	420,031	420,031								420,031	
Deposits and guarantees	2,857	2,857								2,857	
Other receivables and current financial assets	422,888	422,888								422,888	
<b>Derivative instruments – assets</b>	<b>134,717</b>				<b>99</b>	<b>-4,085</b>	<b>138,703</b>			<b>134,717</b>	
Marketable securities	11,918	11,918						11,918			
Cash	721,792	721,792							721,792		
<b>Cash and cash equivalents</b>	<b>733,710</b>				<b>733,710</b>			<b>11,918</b>	<b>721,792</b>		

## NOTE 9 PROVISIONS

A provision is recognised at the end of an accounting period, when the Group has a present legal or constructive obligation and it is probable that an outflow of resources from which no future economic benefits may be expected will be required to settle this obligation.

Provisions are discounted if the effect of time is material. Increases in provisions due to the passage of time are recognised as financial expenses.

A provision for restructuring can only be recognised if the restructuring was publicly announced and a detailed restructuring plan has been drawn up or restructuring is underway at the balance sheet date.

A provision is recognised for disputes (e.g. employee disputes, tax audits, commercial disputes, etc.) if the Group has a liability towards a third party at the closing date. The amount of the provision reflects the best estimate of future expenditures.

### Non-current provisions

In thousands of euros	Tax	Social contributions	Other	Total
<b>Opening balance</b>	<b>5,748</b>	<b>11,519</b>	<b>32,757</b>	<b>50,024</b>
Allowances	982	6,128	8,317	15,427
Uses	-1,015	-3,894	-14,063	-18,972
Reversals		-2,485	-3,023	-5,508
Change in scope		102	2,354	2,456
Reclassifications	134	220	2,747	3,101
<b>CLOSING BALANCE</b>	<b>5,849</b>	<b>11,590</b>	<b>29,089</b>	<b>46,528</b>

### Current provisions

In thousands of euros	Tax	Social contributions	Other	Total
<b>Opening balance</b>	<b>3,681</b>	<b>2,752</b>	<b>9,132</b>	<b>15,565</b>
Allowances	600	1,618	5,758	7,976
Uses	-857	-273	-3,599	-4,729
Reversals			-3,322	-3,322
Change in scope		-1	1,329	1,328
Reclassifications		1	-1,033	-1,032
<b>CLOSING BALANCE</b>	<b>3,424</b>	<b>4,097</b>	<b>8,265</b>	<b>15,786</b>

#### Tax disputes excluding IAS 12

Provisions for non-IAS 12 tax disputes (e.g. VAT disputes) are recognised for tax adjustments and tax disputes the amounts of which are contested. No individual dispute represents a material amount as at 31 December 2022.

#### Business-related disputes ("Other" column)

The provisions recognised cover contractual disputes involving suppliers and real estate transactions, and disputes over medical liability. No individual dispute represents a material amount as at 31 December 2022.

#### Employee disputes

The provisions recognised cover labour court disputes and employment termination benefits. No individual dispute represents a material amount as at 31 December 2022.

## NOTE 10 INCOME TAXES

### 10.1 Income tax

In thousands of euros	31.12.2022	31.12.2021 restated*
Current taxes	-72,273	-75,711
Deferred taxes	60,111	64,292
<b>INCOME TAX</b>	<b>-12,162</b>	<b>-11,419</b>

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under an SaaS type contract and the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

### 10.2 Reconciliation of actual with theoretical income tax expense

Since the Group considers that the French corporate value added tax (CVAE) component of the economic territorial contribution (CET) meets the definition of an income tax under IAS 12, it recognises it as such in the consolidated financial statements in respect of the French subsidiaries.

In thousands of euros	31.12.2022	31.12.2021 *
Group share of net income	22,060	91,115
Non-controlling interests	9,278	21,772
Net income from equity-accounted companies	754	238
Net income from discontinued operations	13,681	8,768
Income tax	-12,162	-11,419
<b>Pre-tax income</b>	<b>57,935</b>	<b>133,312</b>
Theoretical tax rate	25.82%	28.41%
<b>Theoretical income tax</b>	<b>-14,961</b>	<b>-37,874</b>
Permanent differences	10,752	9,030
Impact of non-deductible financial expenses	-1,383	1,166
Tax losses for the year not activated	-9,460	-6,945
Use of tax losses not activated	870	1,823
Adjustment of prior deferred taxes	12,928	26,879
Adjustments of prior taxes	493	1,872
Tax at reduced rate	-1,400	1,795
Impact of CVAE net of tax in France	-10,013	-9,725
Impact of tax credit	450	
Impact of IRAP in Italy	-2,507	-1,760
Impact of tax-exempt earnings		549
Difference between parent Group and subsidiary tax rates	1,879	1,771
Impact of equity-accounted companies	190	
<b>ACTUAL TAX EXPENSE</b>	<b>-12,162</b>	<b>-11,419</b>
Effective tax rate	20.99%	8.57%

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under an SaaS type contract and the impact of the restatement of discontinued operations under IFRS 5, as described in note 1.3.

The change in the tax rate between 2021 (8.57%) and 2022 (21%) is explained by the exceptional deferred tax asset recognised in 2021 for Italy following the revaluation of assets in that country.

As the 2022 tax does not include any exceptional items of this kind, the effective tax rate is naturally closer to the theoretical tax rate.

## 10.3 Deferred taxes

Deferred taxes are recorded, using the balance sheet liability method, on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount, and on tax losses.

Deferred tax assets are recorded when it is likely that the Group will generate future taxable income against which unused tax losses can be offset.

For deferred tax assets on tax loss carryforwards, the Group uses a multi-criteria approach that takes into account the recovery horizon based on financial forecasts, and also the long-term tax loss recovery strategy for each country.

Deferred taxes are calculated for each entity. They are offset when the tax is payable to the same tax authority and relate to the same taxable entity, i.e. the tax consolidation group in France and Germany.

Deferred tax assets and liabilities are measured at the income tax rate that is expected in the year when the asset is to be realised or the liability is to be settled, on the basis of the applicable tax regulations and using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred taxes are presented on the balance sheet under specific headings under non-current assets and non-current liabilities.

Accordingly, the temporary differences of French, Belgian and Italian entities recorded at 31 December 2022 are recorded at the most recently voted rates, which are:

- for France: 25.83%;
- for Italy: 27.90% since 1 January 2017, consisting of a basic rate (IRES) of 24%, plus an additional contribution of

between 3.9% and 4.82% depending on the region;

- for Belgium: 25.00%;
- for Germany: 15.83% or 30.44% depending on the Company.

### 10.3.1 Deferred taxes

In thousands of euros	31.12.2022	31.12.2021 restated*
Intangible assets	485,182	505,601
Plant, property and equipment	118,700	124,014
Temporary differences on CVAE	839	5,455
Financial instruments	31,497	-3,556
Tax loss carry-forwards	-51,687	-24,404
Pension provisions	-14,003	-16,496
Other provisions	-1,611	3,514
Other temporary differences	-19,769	-29,032
Other assets/liabilities	-42,252	-79,262
Assets and liabilities held for sale	9,850	
<b>NET DEFERRED TAXES (LIABILITIES)</b>	<b>516,746</b>	<b>485,835</b>

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under an SaaS type contract, as described in note 1.3.

### 10.3.2 Net change in deferred taxes

In thousands of euros	31.12.2022	31.12.2021 restated*
Opening balance	485,835	526,027
Expense (income)	-60,111	-65,313
Change in consolidation scope	38,073	22,710
Charged to equity	43,319	7,977
Other changes	9,630	-5,566
<b>CLOSING BALANCE</b>	<b>516,746</b>	<b>485,835</b>

\* Includes the impact of the IFRIC's final decision on the configuration and customisation costs of software used under an SaaS type contract, as described in note 1.3.

The Group recognised deferred tax assets on tax loss carryforwards of €51.7 million at 31 December 2022, vs €24.4 million at 31 December 2021. This mainly concerns France, Germany, Belgium, the United Kingdom and Netherlands, where tax losses may be carried forward indefinitely. However, the Group may decide not to recognise a deferred tax asset on a case-by-case basis.

At 31 December 2022, deferred tax assets on tax loss carryforwards for which there is little chance of recovery totalled €30.6 million (vs €21.1 million at 31 December 2021). These unrecognised deferred tax assets at 31 December 2022 mainly concerned the following countries:

- France €12.7 million, from losses arising before the tax consolidation and the use of which is subject to strict constraints;
- Germany €9.1 million, arising from the losses of entities outside of the tax consolidation group and which are not capitalised given the unlikelihood of their use;
- Italy €3.6 million, arising from losses by entities outside of the tax consolidation group; and
- Belgium €4.3 million arising from the losses of non-profit associations (ASBL) which cannot be used for tax purposes.

## NOTE 11 CONTINGENT OBLIGATIONS AND LIABILITIES

At the publication date of this document, to the best knowledge of the Company and its legal advisors, there are no disputes that are liable to have a material impact on the Group's business, results or financial position for which provisions have not been made

## NOTE 12 POST-BALANCE SHEET EVENTS

On 1 January 2023, Korian announced the completion of the acquisition of the Spanish mental health group Grupo 5 after obtaining the necessary approvals from regulatory and competition authorities. This acquisition is consistent with the Group's strategy of developing its Healthcare activities and marks a further step in becoming a European leader in Mental Health services.

On 9 February 2023, Korian announced a €150 million financing agreement with the European Investment Bank, to fund the adaptation and development in Germany of the Group's co-living concept for the elderly. Korian already operates 242 Ages & Vie co-living facilities in France, for which the EIB provided €135 million in co-financing in 2020 and 2021. Korian has now decided to deploy this new housing concept to Germany, with an affordable offering that has been adapted to the country's social system.

## NOTE 13 OTHER INFORMATION

### 13.1 Related-party transactions

Korian's policy for the compensation of its Executive Directors is compliant with the AFEP-MEDEF Corporate Governance Code for Listed Companies (November 2016 version) (the "AFEP-MEDEF Code"). In accordance with the

recommendations of the AFEP-MEDEF Code, the remuneration of Executive Directors and officers is set by the Board of Directors on the recommendation of the Compensation and Appointments Committee.

In euros	31.12.2022		31.12.2021	
	Amounts Paid	Amounts Paid	Amounts Paid	Amounts Paid
<b>Chief Executive Officer since 26 January 2016</b>				
Annual fixed compensation		450,000		450,000
Annual variable compensation		540,000		278,480
Benefits in kind		15,522		17,310
<b>TOTAL</b>		<b>1,005,522</b>		<b>745,790</b>
<b>Chairman of the Board since 1 October 2020</b>				
Annual fixed compensation		345,000		345,000
<b>TOTAL</b>		<b>345,000</b>		<b>345,000</b>

## 13.2 Statutory Auditors' fees

Pursuant to Decree No. 2008-1487, the Statutory Auditor fees for all Group companies in 2022 are shown in the table below.

In thousands of euros	Mazars 2022	EY 2022	Mazars 2021	EY 2021
<b>Statutory Auditors</b>				
Issuer	314	329	276	276
Fully consolidated companies	1,770	1,688	1,748	1,441
<b>Sub-total</b>	<b>2,084</b>	<b>2,017</b>	<b>2,024</b>	<b>1,717</b>
Other services	364	148	248	178
<b>Sub-total</b>	<b>364</b>	<b>148</b>	<b>248</b>	<b>178</b>
<b>TOTAL</b>	<b>2,448</b>	<b>2,165</b>	<b>2,272</b>	<b>1,895</b>

The "Other services" are mainly due diligence engagements during the year in connection with acquisitions and other share capital transactions, and expense certifications.

## 13.3 The Group's consolidated entities

### Subsidiaries

Subsidiaries are entities controlled directly or indirectly by the Group. A subsidiary is considered to be controlled if the Group when the latter:

- has the power to determine, directly or indirectly, its business and financial policies;
- obtains variable returns from the subsidiary's business activities;
- may use its power to affect the amount of the returns it obtains.

Controlled companies are generally those in which Korian directly or indirectly holds more than 50% of the voting rights.

### PARTNERSHIPS AND ASSOCIATES

Group partnerships considered to be joint business activities are proportionately consolidated, while associates are accounted for using the equity method.

Partnerships classified as joint business activities are

consolidated on a line-by-line basis, in proportion to the Group's equity interest.

All the German subsidiaries listed below (with the exception of SENIORENPFLEGEHEIM GmbH BAD NEUSTADT AD SAALE Bad Neustadt a.d. Saale, Korian MANAGEMENT GRUNDBESITZ GmbH, Munich and Korian MANAGEMENT AG, Salzburg) on the consolidated balance sheet are exempted – pursuant to articles 264, 264b and 291 of the German Commercial Code (Handelsgesetzbuch – HGB) – from the obligation to publish consolidated and individual financial statements and Group management reports, pursuant to article 325 of the above Code, for the 2022 financial year.

The Group's parent company is Korian SE.

The percentages shown below are the percentages of equity interest held:

- FC: fully consolidated;
- EM: equity method.

### Legal entity

#### BELGIUM

Cleaning At Home	100	IG
Cleaning For You	100	IG
Cordia Holding	100	IG
Cura Family Services	100	IG
De Nootelaer	100	IG
Fdl Berckenbosch	100	IG
Finecare Thuisverplegingsteam Bv	100	IG
Gérisart	100	IG
Golden Morgen	100	IG
Heydeveld WZC-HVB	100	IG
Home Eksterveld	100	IG
Home Ingendael	100	IG
Home Résidence Du Plateau	100	IG
Houba Pharmacy	100	IG
Huyse Elckerlyc	100	IG

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

Consolidated financial statements at 31 December 2022

**Legal entity**

Johan Vrijdaghs	100	IG
Korian HQ	100	IG
Le Domaine Des Amaryllis	100	IG
Les Sittelles	100	IG
Maasmeander	100	IG
Maison De Repos Du XX Août	100	IG
Manoir De La Quiétude	100	IG
Mrs Le Richemont	100	IG
Psychogeriatrisch Centrum	100	IG
Nouvelle Résidence Le Saule	100	IG
Otv Home Care	100	IG
Otv Onafhankelijke Thuiszorg Vlaanderen	100	IG
Otv Residentie Seniorplaza	100	IG
Otv Seniorplaza Concept	100	IG
Otv Seniorplaza Invest	100	IG
Plaza Catering	100	IG
Résidence 3	100	IG
Résidence Au Bon Vieux Temps	100	IG
Résidence Aux Deux Parcs	100	IG
Résidence Béthanie	100	IG
Résidence Claire De Vie	100	IG
Résidence Du Parc	100	IG
Résidence La Passerinette	100	IG
Résidence L'Air Du Temps	100	IG
Résidence Le Progrès	100	IG
Résidence Les Buissons	100	IG
Résidence Les Charmilles	100	IG
Résidence Les Cheveux D'argent	100	IG
Résidence Les Récollets	100	IG
Résidence Mélopée	100	IG
Résidence Reine Astrid	100	IG
Résidence Ry Du Chevreuil	100	IG
Résidence Seigneurie Du Val	100	IG
Residentie Boneput	100	IG
Residentie De Laek	100	IG
Residentie 'De Oude Melkerij' Bv	100	IG
Residentie Edelweis	100	IG
Residentie Karen	100	IG
Residentie Kasteelhof	100	IG
Residentie Milsenhof	100	IG
Residentie Paloke	100	IG
Residentie Prinsenpark	100	IG
Residentie Sporenpark	100	IG
Residentie Vaerenhof	100	IG
Rustoord De Vlaamse Ardennen	100	IG
Rvt Dellebron	100	IG
Senior Housing	51	IG
Seniorenresidentie Aurora	100	IG
Seniorie De Maretak	100	IG
Séniservices	100	IG
SI Finance	100	IG

**Legal entity**

SI Immo	100	IG
SI Invest	100	IG
Ten Prins	100	IG
Thuisverpleging Ronald Dielkens	100	IG
Valdami	100	IG
Welfare Estates Nv	52,2	IG
Wielant – Futuro	100	IG
Woon & Zorg Exploitatie Ichtegem	100	IG
Woon & Zorg Exploitatie Lummen	100	IG
Woonzorgcampus Sint-Lenaartshof	100	IG

**GERMANY**

Afaria Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Lollar KG, Mainz	94	IG
Alphei- Seniorenzentrum GmbH, Munich	100	IG
Alten- Pflegeheim Veitsbronn GmbH, Munich	100	IG
Altenheim Betriebsgesellschaft West GmbH, Munich	100	IG
ALTER EGO Siebenundvierzigste Beteiligungsgesellschaft mbH, Munich	100	IG
Ambulante Pflege NINO Allee GmbH, Munich	100	IG
Ambulante Pflege QV GmbH, Munich	100	IG
Ambulante Pflege Schauinsland GmbH, Munich	100	IG
Bad Schwartauer AVG Altenheim-Vermietung GmbH & Co. KG, Munich	100	IG
Blitz 07-712 GmbH, Munich	100	IG
BuP Betreuung und Pflege GmbH, Munich	100	IG
CASA REHA Altenpflegeheim GmbH, Munich	100	IG
CASA REHA Betriebs- und Beteiligungsgesellschaft mbH, Munich	100	IG
CASA REHA Heimbetriebsgesellschaft mbH, Munich	100	IG
CASA REHA IX Immobilien Beteiligungsgesellschaft Objekt Lollar mbH, Munich	100	IG
CASA REHA Seniorenpflegeheim GmbH, Munich	100	IG
CASA REHA VIII Immobilien Verwaltungsgesellschaft Objekt Lollar mbH, Munich	100	IG
CASA REHA VIII Immobiliengegesellschaft Objekt Lollar mbH & Co. KG, Munich	100	IG
CR Korian Holding GmbH, Munich	100	IG
CURANUM Betriebs GmbH Mitte, Munich	100	IG
CURANUM Betriebs GmbH West, Munich	100	IG
CURANUM Betriebs GmbH, Munich	100	IG
CURANUM Franziskushaus GmbH, Munich	100	IG
CURANUM Liesborn GmbH & Co. KG, Munich	100	IG
CURANUM Verwaltungs GmbH, Munich	100	IG
Evergreen Holding GmbH, Munich	100	IG
Evergreen Pflege- und Betreuungszentrum Bergneustadt GmbH, Munich	100	IG
evergreen Pflege- und Betreuungszentrum Butzbach GmbH, Munich	100	IG
evergreen Pflege- und Betreuungszentrum Landscheid GmbH, Munich	100	IG
evergreen Pflege- und Betreuungszentrum Paderborn GmbH, Munich	100	IG
evergreen Pflege- und Betreuungszentrum Recklinghausen GmbH, Munich	100	IG
Evergreen Pflege- und Betreuungszentrum Saarburg GmbH, Munich	100	IG
Evergreen Pflegezentrum Am Alten Poststadion GmbH, Munich	100	IG
GAP Media Service GmbH, Munich	100	IG
Go Drachenfelssee 506. VV GmbH, Munich	100	IG
Go Drachenfelssee 510. VV GmbH, Munich	100	IG
Haus Altkönig Heimbetriebsgesellschaft mbH, Munich	100	IG
Haus Arnselhof Seniorenresidenz GmbH, Munich	100	IG
Häusliche Krankenpflege Charlotte König GmbH & Co KG, Munich	100	IG

**Legal entity**

Helvita Seniorenzentren GmbH, Munich	100	IG
Intensivpflegedienst Lebenswert GmbH, Ellwangen Jagst	100	IG
Johannes Seniorendienste GmbH, Munich	100	IG
Klinik am Stein Projektentwicklungsgesellschaft mbH & Co. KG, Munich	100	IG
Klinik am Stein Verwaltungs GmbH, Munich	100	IG
König Beteiligungs-Verwaltungs-GmbH, Munich	100	IG
Korian Akademie GmbH, Munich	100	IG
Korian Care X Betriebs-GmbH, Munich	100	IG
Korian Care X Vermietungs-GmbH, Munich	100	IG
Korian COMO Betriebs GmbH, Munich	100	IG
Korian Deutschland GmbH, Munich	100	IG
Korian Häusliche Krankenpflege Beteiligungs-GmbH, Munich	100	IG
Korian Holding GmbH, Munich	100	IG
Korian Immobilien GmbH, Munich	100	IG
Korian Management AG, Munich	100	IG
Korian Management AG, Salzburg	100	IG
Korian Management Grundbesitz GmbH, Munich	53.5	IG
Korian Personaldienstleistung GmbH, Munich	100	IG
Korian Services GmbH, Munich	100	IG
Korian Textilservice GmbH, Munich	100	IG
Korian Wäschесervice GmbH, Munich	100	IG
Lebenswert Immobilienverwaltungs- und Beteiligungs- GmbH, Ellwangen Jagst	100	IG
Lebenswert Wohnen GmbH & Co. KG, Ellwangen Jagst	100	IG
Mobile Krankenpflege Maier GmbH & Co. KG, Munich	100	IG
Pflege aus einer Hand GmbH, Munich	100	IG
PflegeExperten GmbH, Munich	100	IG
PHÖNIX – Haus Roggenberg – Pflegeheim GmbH, Munich	100	IG
PHÖNIX – Haus Silberdistel – Alten u. Pflegeheim GmbH, Munich	100	IG
PHÖNIX – Haus Sonnengarten Wohn- und Pflegezentrum GmbH, Munich	100	IG
PHÖNIX – Seniorenzentrum Ulmenhof GmbH, Munich	100	IG
PHÖNIX Sozialzentrum Im Lerchenfeld GmbH, Munich	100	IG
PHÖNIX Sozialzentrum Windsbach GmbH, Munich	100	IG
PHÖNIX-ambulante intensive Pflege GmbH, Munich	100	IG
PHÖNIX-Haus Am Steinsgraben Senioren- und Pflegezentrum GmbH, Munich	100	IG
PHÖNIX-Haus Rosmarin Senioren- und Pflegezentrum GmbH, Munich	100	IG
PHÖNIX-Lebenszentren GmbH, Munich	100	IG
PHÖNIX-Seniorenresidenz Am Teichberg GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Ahornhof GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Am Bodenseering GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Am Muppberg GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Am Schlossteich GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Evergreen GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Evergreen Maxhütte GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Fronmüllerstraße GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Gartenstadt GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Graf Tilly GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Herzog Albrecht GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Hessenallee GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum im Brühl GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Mainparksee GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Neuperlach GmbH, Munich	100	IG

**Legal entity**

PHÖNIX-Seniorenzentrum St. Hedwig GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Weidenpesch GmbH, Munich	100	IG
PHÖNIX-Seniorenzentrum Zwei Linden GmbH, Munich	100	IG
ProVITA Heimbetriebsgesellschaft mbH, Munich	100	IG
QV Beteiligungs GmbH, Munich	100	IG
QV Service Wohnen GmbH, Munich	100	IG
RIAG Seniorenzentrum "Ennepetal" GmbH & Co. KG, Munich	100	IG
RIAG Seniorenzentrum "Erste" GmbH & Co. KG, Munich	100	IG
RIAG Seniorenzentrum "Zweite" GmbH & Co. KG, Munich	100	IG
Schauinsland Pflegebetriebs-GmbH, Munich	100	IG
Senioren- und Fachpflegezentrum GmbH (Gretel-Egner-Haus), Munich	100	IG
Senioren- und Pflegeheim Ilsede Am Markt GmbH, Munich	100	IG
Seniorenbetreuungsgesellschaft Stelle GmbH & Co. KG, Munich	100	IG
Senioren-Domizil Familie Wohnsiedler GmbH, Munich	100	IG
Seniorenheim an der Paar GmbH, Munich	100	IG
Seniorenpflege Haßloch GmbH, Munich	100	IG
Seniorenpflegeheim GmbH Bad Neustadt a.d. Saale, Bad Neustadt a.d. Saale	75	IG
Seniorenresidenz am Erlenhofsee Betriebsgesellschaft mit beschränkter Haftung, Munich	100	IG
Seniorenresidenz Dettelbach GmbH, Munich	100	IG
Seniorenwohnanlage Oettingen GmbH, Munich	100	IG
Seniorenzentrum Am Pfarrgarten GmbH, Munich	100	IG
Senioren-Zentrum Am See GmbH & Co. KG, Munich	100	IG
Senioren-Zentrum Am See Verwaltungs-GmbH, Munich	100	IG
Seniorenzentrum Langenkamp GmbH, Munich	100	IG
Seniorenzentrum Lübbecke GmbH, Munich	100	IG
Seniorenzentrum Nienhagen QV GmbH, Munich	100	IG
Seniorenzentrum Peine Am Herzberg GmbH, Munich	100	IG
Sentivo Eitorf GmbH, Munich	100	IG
Sentivo GmbH, Munich	100	IG
Sentivo Mönchengladbach GmbH, Munich	100	IG
Sentivo Rhöndorf GmbH, Munich	100	IG
Sentivo Solingen GmbH, Munich	100	IG
Service Gesellschaft West GmbH, Munich	100	IG
SOLIDARIA Seniorenresidenzen gGmbH, Munich	100	IG
SOTERIA Managementgesellschaft mit beschränkter Haftung, Munich	100	IG
Sozialkonzept Barbarahof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Betriebs- und Beteiligungs GmbH, Munich	100	IG
Sozialkonzept Cäcilienhof Betriebsgesellschaft sozialer Einrichtungen mbH, Munich	100	IG
Sozialkonzept Charlottenhof Betriebsgesellschaft sozialer Einrichtungen mbH, Munich	100	IG
Sozialkonzept Christinenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Dorotheenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Friederikenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Helenenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Herminenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Im Rosenpark GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Katharinenhof Betriebsgesellschaft sozialer Einrichtungen mbH, Munich	100	IG
Sozialkonzept Loretahof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Luisenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Magdalenenhof Betriebsgesellschaft sozialer Einrichtungen mbH, Munich	100	IG
Sozialkonzept Marienhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

Consolidated financial statements at 31 December 2022

**Legal entity**

Sozialkonzept Mariettenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Schulze-Kathrinhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Sozialkonzept Sophienhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	IG
Tagespflege QV GmbH, Munich	100	IG
WBW GmbH, Munich	100	IG
XX. Casa Reha Verwaltungs- und Immobilienerwerbs GmbH & Co. KG, Munich	100	IG
XXIV. CASA REHA Immobilienverwaltungsgesellschaft mbH, Munich	100	IG
XXVIII. CASA REHA Immobilienverwaltungsgesellschaft mbH, Munich	100	IG

**SPAIN**

Benort Social S.L.	100	IG
Consulting Asistencial Sociosanitario S.L.	100	IG
Groupe Omega Espana S.L.	100	IG
Ita Clinic Bcn S.L.	100	IG
Itacare Asistencial S.L.	100	IG
Korian Activos 2021 S.L.	51	IG
Korian Activos 2023 S.L.	100	IG
Korian Concesiones 2022	100	IG
Korian Inmobiliaria 2022 S.L.	100	IG
Korian Residencias Spain 2018 Slu	100	IG
Manacor Senior Sa	100	IG
Picafort Seniors Sau	100	IG
Residencia Geriátrica El Parque	100	IG
Residencias Familiares Para Mayores S.L.	100	IG
Servicios Gériatricos De La Alpujarra S.L.	100	IG

**FRANCE**

Abilone	100	IG
Accueil Meunieres	100	IG
Ages & Vie Gestion	100	IG
Ages & Vie Habitat	100	IG
Alexmar	100	IG
Antin Infrastructure Partners Luxembourg	100	IG
Atria	100	IG
Avant'âge 44	51	IG
Avant'âge 85	51	IG
Avs Besancon	100	IG
Bazeille Developpement	100	IG
Bel Age A Dom	51	IG
Bellecombe	100	IG
Bois Long	100	IG
Care-X Immobilier	100	IG
Carloup Sante	100	IG
Cent Reeduc Fonction Siouville	99.8	IG
Centre Aubergenville De Psychiatrie Ambulatoire	100	IG
Centre Benessois De Psychiatrie Ambulatoire	100	IG
Centre Caladois De Psychiatrie Ambulatoire	100	IG
Centre De Psychiatrie Ambulatoire De Cenon	100	IG
Centre De Readaptation Fonctionnelle De Caen	100	IG
Centre De Readaptation Fonctionnelle Et De Soins	100	IG

**Legal entity**

Centre De Soins De Suite De Sartrouville	100	IG
Centre Lyonnais De Psychiatrie Ambulatoire En Abrege Clpa-Inicea	100	IG
Centre Medical Dietetique Les Palmiers	100	IG
Centre Medical Infantile Montpribat	100	IG
Centre Montois De Psychiatrie Ambulatoire	100	IG
Centre Naborien De Psychiatrie Ambulatoire	100	IG
Centre Psychiatrique Livryen Ambulatoire	100	IG
Centre Spinalien De Psychiatrie Ambulatoire	100	IG
Centre William Harvey	100	IG
Chambery Jorcin	100	IG
Chamtou	100	IG
Chateau De La Vernede	100	IG
Clinidev	100	IG
Clinidom	100	IG
Clinique Alma Sante	100	IG
Clinique Cardiologique De Gasville	100	IG
Clinique De Convalescence Du Chateau De Clavette	100	IG
Clinique De Livry-Sully	100	IG
Clinique De Regennes	100	IG
Clinique De Saclas	100	IG
Clinique De Sante Mentale De Pietat	100	IG
Clinique De Sante Mentale Du Golfe	100	IG
Clinique De Sante Mentale Saint Maurice	100	IG
Clinique De Sante Mentale Solisana	100	IG
Clinique De Sante Mentale Villa Bleue	100	IG
Clinique De Soins De Suite Et Readaptation Chateau De Gleteins	100	IG
Clinique De Souffle La Vallonie	100	IG
Clinique De Vontes	100	IG
Clinique Des Vallees	100	IG
Clinique Du Canal De L'ourcq	100	IG
Clinique Du Mont Ventoux	100	IG
Clinique Du Pays De Seine	100	IG
Clinique Du Souffle La Solane	100	IG
Clinique Du Souffle Le Pontet	100	IG
Clinique Du Souffle Les Clarines	100	IG
Clinique Du Val De Seine	99.9	IG
Clinique Jeanne D'arc	100	IG
Clinique La Mare Ô Dans	100	IG
Clinique Le Clos De Beauregard	100	IG
Clinique Les Bruyeres	100	IG
Clinique Les Horizons	100	IG
Clinique Maylis	100	IG
Clinique Med Phy Readap Fonct Les Chenes	100	IG
Clinique Montjoy	100	IG
Clinique Napoleon	100	IG
Clinique Villa Des Roses	100	IG
Clos D'armagnac	100	IG
Compagnie Fonciere Vermeille	51	IG
Cpa Tourangeau	100	IG
Dls Gestion	100	IG
Domaine Des Trois Chemins	100	IG

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

Consolidated financial statements at 31 December 2022

**Legal entity**

Domi 33	51	IG
Fonciere A&V	30	IG
Fonciere A&V 2	30	IG
Fonciere Jouvence Nutrition	100	IG
Fonciere Val Josselin	100	IG
Gcs Sips	95.7	IG
Gcs Soins De Suite Et De Readaptation Du Nord Cotentin	50	IG
Gem Vie	100	IG
Generation Bienveillante	51	IG
Generation Cc	51	IG
Grand'maison	100	IG
Gv Services 79	51	IG
H.Eco	51	IG
Had Yvelines Sud	100	IG
Henriade	100	IG
Holding Austruy Burel	99.2	IG
Holding Avant'âge	51	IG
Holding Hospitaliere De Touraine	100	IG
Hotellerie Medicalisee Retraite	100	IG
Immo 2	51	IG
Immobiliere Des Roses	100	IG
Immobiliere Des Vallees	100	IG
Inicea Fonciere 1	100	IG
Inicea Holding	100	IG
Inicea Immo Auxerre	51	IG
Inicea Immo Bordeaux	51	IG
Inicea Immo Epinal	51	IG
Inicea Immo Holding	51	IG
Inicea Immo Saint-Avold	51	IG
Inicea Immo Saint-Brieuc	51	IG
Inicea Jouvence Nutrition	100	IG
Inicea Val Josselin	96	IG
Invamurs	100	IG
Isere Sante	100	IG
Jmell Services	51	IG
Jongkind	100	IG
Kd H	100	IG
Kd Santé Sécurité	100	IG
Kd Sap	100	IG
Korian	100	IG
Korian & Partenaires Immobilier 1	51	IG
Korian & Partenaires Immobilier 2	51	IG
Korian & Partenaires Immobilier 3	51	IG
Korian & Partenaires Immobilier 4	100	IG
Korian & Partenaires Immobilier 5	100	IG
Korian & Partenaires Immobilier 6	100	IG
Korian & Partenaires Immobilier 7	100	IG
Korian & Partenaires Immobilier 8	100	IG
Korian & Partenaires Immobilier 9	100	IG
Korian Au Fil Du Temps	100	IG
Korian Bollee Chanzy	100	IG

**Legal entity**

Korian Brune	100	IG
Korian Clos Des Vignes	100	IG
Korian Domiciles	100	IG
Korian Florian Carnot	100	IG
Korian France	100	IG
Korian Georges Morchain	100	IG
Korian Gerland	100	IG
Korian Glanum	100	IG
Korian Immobilier Allemagne	51	IG
Korian Immobilier Allemagne 1	51	IG
Korian Immobilier Allemagne 2	51	IG
Korian Immobilier Allemagne 3	51	IG
Korian Immobilier Allemagne 4	51	IG
Korian Immobilier Allemagne 5	51	IG
Korian Immobilier Allemagne 6	51	IG
Korian Immobilier Allemagne 7	51	IG
Korian Immobilier Allemagne 8	51	IG
Korian Immobilier Allemagne 9	100	IG
Korian Immobilier Allemagne 10	100	IG
Korian Immobilier Allemagne 11	100	IG
Korian Immobilier Allemagne 12	100	IG
Korian Jardins D'hugo	100	IG
Korian La Bressane	100	IG
Korian La Cote Pavée	100	IG
Korian La Fontaniere	100	IG
Korian La Riviere Bleue	100	IG
Korian La Saulx	100	IG
Korian La Seillonne	100	IG
Korian La Villa Papyri	100	IG
Korian L'astree	100	IG
Korian Le Bourgenay	100	IG
Korian Le Cap Sicie	100	IG
Korian Le Diamant	100	IG
Korian Le Gatinais	100	IG
Korian Le Haut Lignon	100	IG
Korian Le Mas Blanc	100	IG
Korian Le Tinailler	100	IG
Korian Les Arcades	100	IG
Korian Les Arcades Immobilier	100	IG
Korian Les Cassissines	100	IG
Korian Les Clematies	100	IG
Korian Les Oliviers	100	IG
Korian Les Pins Verts	100	IG
Korian Les Restanques Immobilier	51	IG
Korian Les Roses	91.8	IG
Korian L'esconda	100	IG
Korian Maison Des Aulnes	100	IG
Korian Mas De Lauze	100	IG
Korian Parc Des Dames Immobilier	51	IG
Korian Pastoria	100	IG
Korian Plaisance	100	IG

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

Consolidated financial statements at 31 December 2022

**Legal entity**

Korian Saint Bruno	100	IG
Korian Sante	100	IG
Korian Saverne	100	IG
Korian Solutions	100	IG
Korian Val Aux Fleurs	100	IG
Korian Val Des Sources	100	IG
Korian Villa Amarelli Immobilier	51	IG
Korian Villa D'albon	100	IG
Korian Villa Spinale	100	IG
Korian Vill'alize	100	IG
L Air Du Temps Resid Strasb Robertsau	100	IG
La Bastide De La Tourne	100	IG
La Colombe	100	IG
La Detente	100	IG
La Fontaine Bazeille	100	IG
La Louisiane	100	IG
La Mouliniere	100	IG
La Reine Blanche	100	IG
La Reine Mathilde	100	IG
La Roseraie	100	IG
La Saison Doree	100	IG
La Vallee Bleue	100	IG
Laffitte Sante	100	IG
Lasidom	100	IG
Le Belvedere	100	IG
Le Belvedere-Plage	100	IG
Le Bois Du Chevreuil	100	IG
Le Clos Clement 77	100	IG
Le Clos De L'orchidee	100	IG
Le Hameau De Prayssas	100	IG
Le Mail Sante	100	IG
Le Mont Blanc	99.2	IG
Le Mont Soleil	100	IG
Le Nord-Cotentin	100	IG
Le Petit Castel	100	IG
Le Val D'essonne	100	IG
Les Acacias	100	IG
Les Acacias Centre Des Maladies Respiratoires Et Allergiques	100	IG
Les Allee De Pourtales	100	IG
Les Begonias	100	IG
Les Bles D'or	100	IG
Les Domaines De Cestas	99.8	IG
Les Essentielles	100	IG
Les Essentielles Compiegne	100	IG
Les Essentielles Flaubert	100	IG
Les Essentielles Le Raincy	100	IG
Les Essentielles Le Vesinet	100	IG
Les Essentielles Levallois	100	IG
Les Essentielles Livry Gargan	100	IG
Les Essentielles Montreuil	100	IG
Les Essentielles Poitiers	100	IG

**Legal entity**

Les Flots	100	IG
Les Fontaines	100	IG
Les Hauts D'andilly	100	IG
Les Issambres	100	IG
Les Jardins D'hestia	99.9	IG
Les Lierres Gestion	100	IG
Les Omegades	100	IG
Les Pins Bleus	100	IG
Les Roses Du Bassin	100	IG
Les Services D'emilie	53.6	IG
Les Tamaris	100	IG
Les Temps Bleus	100	IG
Les Terrasses Du XXeme	100	IG
Les Trois Chemins	100	IG
Les Trois Tours	100	IG
Limeil Residence Senior	100	IG
Luberon Sante	100	IG
Mad94	51	IG
Maison De Retraite Le Chalet	100	IG
Maison De Retraite Les Alysses	100	IG
Maison De Retraite Les Gardioles	100	IG
Maison Retraite Les Jardins D Epargnes	100	IG
Marienia	100	IG
Massenet Sante	100	IG
Medica France	100	IG
Medi'dep Foncier	100	IG
Medotels	100	IG
Meudon Tybilles	100	IG
Mimh	71.5	IG
Move In Med	100	IG
Newco Bezons	100	IG
Omedys	70	IG
Omega & Co	51	IG
Omega 81	51	IG
Omega Autonomie	51	IG
Oppci Korian Immobilier	100	IG
Oregon	100	IG
Pasthier Promotion	100	IG
Pb Expansion	100	IG
Perier Retraite	51	IG
Perou Snc	100	IG
Petits-fils	100	IG
Petits-fils Developpement	100	IG
Pole De Sante Mentale La Confluence	100	IG
Premiadom	51	IG
Privatel	100	IG
Psystors	100	IG
Qualiversap	51	IG
Reanotel	100	IG
Residenc Pour Personnes Agees La Chencie	100	IG
Residence Adamoise Senior	100	IG

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

Consolidated financial statements at 31 December 2022

**Legal entity**

Residence Agapanthe	100	IG
Residence Bellevue	100	IG
Residence De Chaintreaville	100	IG
Residence Foch Senior	100	IG
Residence Frederic Mistral	100	IG
Residence Frontenac	100	IG
Residence La Grande Prairie	100	IG
Residence Les Ajoncs	100	IG
Residence Les Essentielles Suresnes	100	IG
Residence Les Essentielles Vincennes	100	IG
Residence Les Mathurins	100	IG
Residence Magenta	100	IG
Residence Perier	100	IG
Residence Scamaroni Senior	100	IG
Rosa Bella	100	IG
Sa La Pinede	100	IG
Saint Cyr Gestion	100	IG
Saint Francois Du Las	100	IG
Sarl De Bioux Sante	100	IG
Sarl De Soulle	100	IG
Sarl Du Chateau	100	IG
Sarl Gaston De Foix	100	IG
Sarl La Corne De L'abondance	90	IG
Sarl La Galicia	99.3	IG
Sarl Le Castelli	100	IG
Sarl Residence Les Aines Du Lauragais	100	IG
Sas Entre Deux Mers	100	IG
Sas Korian Asset & Property Management	100	IG
Sas La Cheneraie	100	IG
Sas La Villa Du Chene D'or	100	IG
Sas Ms France	60	IG
Sas Omega	100	IG
Sas Residence De Pontlieue	100	IG
Sccv Henriade	100	IG
Sci Alma Sante	100	IG
Sci Badera	51	IG
Sci Beausejour	100	IG
Sci De La Rue Bichat	100	IG
Sci De Saint Malo	100	IG
Sci Des Sables	100	IG
Sci Du Centre Medical Des Alpilles	100	IG
Sci Du Mans	100	IG
Sci F P M	100	IG
Sci Falca	51	IG
Sci Garibaldi Sierroz	51	IG
Sci Korian Bezons Immobilier	51	IG
Sci Korian Developpements Immobiliers	100	IG
Sci Korian Etoile Immobilier	100	IG
Sci Korian Etoile Immobilier 2	100	IG
Sci Korian Immobilier	51	IG
Sci Korian La Cotonnade Immobilier	51	IG

**Legal entity**

Sci Korian Les Catalaunes Immobilier	51	IG
Sci Korian Livry Sully Immobilier	51	IG
Sci Korian Mornay Immobilier	51	IG
Sci Korian Oncopole Toulouse Immobilier	51	IG
Sci Korian Oullins Immobilier	51	IG
Sci Korian Rss Immobilier	100	IG
Sci Korian Sante Immobilier	51	IG
Sci Korian Saverne Immobilier	51	IG
Sci La Confluence Saint-Cyr	100	IG
Sci La Croix Du Marechal	100	IG
Sci La Palomere	100	IG
Sci La Varenne	100	IG
Sci Laxou Maxeville	51	IG
Sci Le Mail Immobilier	100	IG
Sci Le Teilleul	100	IG
Sci Le Zander	51	IG
Sci Lyon Gerland	100	IG
Sci Napoleon	51	IG
Sci Saint Georges De Didonne	100	IG
Sci Saint Maurice	100	IG
Sci Valmas	100	IG
Scpr	100	IG
Serience Soins De Suite Et De Readaptation	100	IG
Snc St Francois De Sales	100	IG
Soc Études Realisations Nouvel Age	100	IG
Soc Europeenne Fonciere D'investissement	100	IG
Soc Gerontologique Du Centre Ouest	100	IG
Soc Immobiliere Janin	100	IG
Soc Nouvelle De La Clinique Du Mesnil	100	IG
Societe Aixoise D'expansion Medicale	100	IG
Societe Civile Immobiliere De Montvert	100	IG
Societe D'exploitation De La Clinique Medicale Saint Come A Juvisy	100	IG
Societe D'exploitation Home Saint Gabriel	99.2	IG
Societe Du Château De Lormoy	100	IG
Societe Holding Les Acacias	100	IG
Societe Hospitaliere De Touraine	100	IG
Korian Usld Psy St-Cyr	100	IG
Societe Immobiliere De Dinard	100	IG
Ste Exploitation Clinique Perreux	100	IG
Syr Immobilier	100	IG
Technosens Évolution	70	IG
Thalatta	100	IG
Val Pyrene	100	IG
Vepeza	100	IG
Villa Bontemps Sarl	100	IG
Villa Saint Dominique	100	IG
Villandieres Nimes	100	IG
Vivason	49.7	MEE

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

Consolidated financial statements at 31 December 2022

**Legal entity**

**ITALY**

Assisi Project S.P.A.	60	IG
Aurea Salus S.R.L.	100	IG
Care Service S.P.A.	100	IG
Casa Di Cura Fondazione G&P Borghi S.R.L.	100	IG
Casa Di Cura Leonardo S.R.L.	95	IG
Casa Di Cura San Camillo S.R.L.	94	IG
Centro Diagnostico Medicina Nucleare S.R.L.	90	IG
Centro Fisioterapico Tarantini S.R.L.	100	IG
Centro Medico Sanitario S.R.L.S.	100	IG
Centro Medico Specialistico S.R.L.	90	IG
Centro Radiologico Laertino S.R.L.	90	IG
Centro Specialistico Per La Cura Del Diabete S.R.L.	90	IG
Crct Il Gbbiano S.R.L.	100	IG
Croce Di Malta S.R.L.	100	IG
Domus S.R.L.	100	IG
Elia Domus S.R.L.	100	IG
Elide S.R.L.	95	IG
Famast 3 S.R.L.	100	IG
Fiogeri Sanità S.R.L.	100	IG
Fortis S.R.L.	94	IG
Fratesole S.R.L.	100	IG
Geress S.R.L.	50	*
Gieffe Agricola S.R.L.	30	MEE
Gilar S.P.A.	100	IG
Ideass S.P.A.	90	IG
Il Chiosco S.R.L.	100	IG
Il Faggio S.R.L.	100	IG
Il Focolare S.R.L.	90	IG
Immobiliare Marina Di Sorso S.R.L.	100	IG
Isav S.P.A.	100	IG
Italian Hospital Group 3 S.P.A.	100	IG
Italian Hospital Group S.P.A.	100	IG
Kinetika Sardegna S.R.L.	100	IG
Leonardo Da Vinci – Cdm S.P.A.	100	IG
Lob S.R.L.	100	IG
Medica Sud S.R.L.	90	IG
Monte Buriasco S.R.L.	51	IG
Mosaico Home Care S.R.L.	100	IG
Msh S.R.L.	100	IG
Nativitas S.R.L.	51	IG
Over Sondrio S.R.L.	100	IG
Parco Delle Rose 92 S.R.L.	100	IG
Platinum S.P.A.	100	IG
Residenza Challant S.R.L.	100	IG
Residenze Assistite Maleo S.R.L.	100	IG
Rsa Berzo Inferiore S.R.L.	100	IG
Rsa Borno Societa Di Progetto S.P.A.	100	IG
Sanem 2001 S.R.L.	100	IG

**Legal entity**

Santa Chiara S.R.L.	94	IG
Santa Croce S.R.L.	100	IG
Segesta Gestioni S.R.L.	100	IG
Segesta Latina S.P.A.	100	IG
Segesta Mediterranea S.R.L.	100	IG
Segesta S.P.A.	100	IG
Segesta2000 S.R.L.	100	IG
Servizi Assistenziali Domiciliari S.R.L.	100	IG
Silver Immobiliare S.R.L.	100	IG
Smeralda Rsa Di Padru S.R.L.	100	IG
Sogemi S.R.L.	100	IG
Sondrio Rinnova S.R.L.	100	IG
Villa Delle Terme S.P.A.	100	IG
Villa San Clemente S.R.L.	100	IG
Villa Silvana S.P.A.	100	IG
Vittoria S.R.L.	70	IG

**NETHERLANDS**

AK JV NL	50	(1)
Korian Facilities B.V.	100	IG
Korian Holding Nederland B.V.	100	IG
Korian Hospitality B.V.	100	IG
Korian Management Services B.V.	100	IG
Korian Zorg B.V.	100	IG
Korian Zorg Holding B.V.	100	IG
Senior Living B.V.	100	IG
Stepping Stones Home & Care Vastgoed B.V.	100	IG

**UK**

Active Lives Care Ltd	100	IG
Berkley Care (Badminton) Ltd	100	IG
Berkley Care (Bristol) Limited	100	IG
Berkley Care (Chesham) Limited	100	IG
Berkley Care (Portobello Place) Limited	100	IG
Berkley Care (Tournament Fields Holdco) Limited	100	IG
Berkley Care (Tournament Fields Parent) Limited	100	IG
Berkley Care (Tournament Fields) Limited	100	IG
Berkley Care 3 Limited	100	IG
Berkley Care Blenheim Limited	100	IG
Berkley Care Fernhill Limited	100	IG
Birstall Care Holdings Limited	100	IG
Birstall Care Homes Limited	100	IG
Birstall Care Services Limited	100	IG
Burcot Grange Care Home Limited	100	IG
Burcot Holdings Limited	100	IG
Burcot Limited	100	IG
Fernhill House Limited	100	IG
Korian Real Estate UK Limited	100	IG

(1) Joint business operations are recognised up to the limit of Korian's interest.

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

Consolidated financial statements at 31 December 2022

**Legal entity**

Korian Real Estate UK Midco 1 Limited	100	IG
Korian UK Limited	100	IG
Reflections Care Home Limited	100	IG
Reflections Care Limited	100	IG
Ryefield Court Care Limited	100	IG
Shinfield Lodge Care Limited	100	IG

## 6.2 Statutory Auditors' report on the consolidated financial statements

### Financial year ended 31 December 2022

To Korian's General Meeting of shareholders:

#### Opinion

In performance of the assignment for which we have been appointed by your General Meetings of shareholders, we have audited Korian's consolidated financial statements for the financial year ended 31 December 2022, as appended to this report.

We certify that, in light of the IFRS accounting framework as adopted in the European Union, the consolidated financial statements are true and accurate and give a fair view of the transactions during the past financial year, as well as of the financial position and assets at the end of the financial year, of the whole comprised of the persons and entities within the consolidation scope.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

#### Basis for the opinion

##### Audit framework

We have performed our audit in accordance with the accounting standards applicable in France. We consider that the information that we have collected is sufficient and appropriate as a basis for our opinion.

Our responsibilities under these standards are described in the section of this report entitled "Responsibilities of Statutory Auditors in relation to the audit of consolidated financial statements".

##### Independence

We have conducted our audit, which covers the period from 1 January 2022 to the date of issue of this report, in accordance with the rules that govern the independence of auditors as set forth in the French code of commerce and in the code of ethics for Statutory Auditors, and have provided none of the services prohibited under Article 5 (1) of EU Regulation No. 537/2014.

#### Observation

Without qualifying the opinion expressed above, we draw your attention to Note 1.2. "IFRS standards, amendments and interpretations applied by the Group" in the notes to the consolidated financial statements, which describes the change in accounting policy as a result of the IFRIC interpretation on accounting for configuration or customisation costs in a cloud computing arrangement (IAS 38 Intangible Assets).

#### Justification for our assessments - Key audit matters

Pursuant to the provisions of articles L. 823-9 and R. 823-7 of the French Commercial Code regarding the justification for our assessments, we draw your attention to the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most significant for the audit of the consolidated financial statements for the period, as well as the responses we provided to these risks.

These assessments were made in the context of the audit of the consolidated financial statements taken as a whole and the opinion we formed, as expressed above. We do not express an opinion on any items in these consolidated financial statements considered separately.

## Measurement of goodwill and operating licences

### Identified risk

At 31 December 2022, the net value of goodwill and operating licences totalled €5,313m.

- The net value of goodwill—which is determined as explained in Note 5.1 to the consolidated financial statements—recognised Balance Sheet is €3,237m.
- Operating licences acquired in business combinations are non-amortisable intangible assets and have a net book value of €2,076m, which is the value attributed to the operating licences granted by the supervisory authorities in France, Belgium and Italy. They are valued at their fair value at the merger date, as described in Note 5.2 to the consolidated financial statements, on intangible assets.

At the close of each financial reporting period, or more frequently if there is any indication of impairment, management ensures that the net carrying amount of goodwill and operating licences does not exceed their recoverable amount. The recoverable amount of operating licences is the higher of value net of exit costs and value in use. Impairment tests are performed either on cash-generating units (CGU) or on a group of CGU (goodwill).

- For goodwill, the CGU corresponds to a grouping of CGUs for a given country: France, Germany, Belgium, Netherlands, Italy, Spain and the UK.
- For operating licences, the CGU corresponds to a department in France and to a region in Italy and Belgium and to a specific type of business activity (nursing homes, clinics or mental health). Details of the assumptions used for these tests are presented in the section entitled "Impairment of property, plant and equipment, intangible assets and goodwill" of Note 1 to the consolidated financial statements.

The determination of the value in use of these assets is based on the discounted future cash flows of the CGUs or CGU groups and on the assumptions and estimates made by management, and in particular the cash flow projections taken from the four-year business plans that constitute the group's strategic plan, the average growth rate used to forecast these flows, and the discount rate applied to them.

The assessments of the recoverable value of goodwill and of the operating licences are key audit matters due to their weight in the group's accounts and the importance of management's judgment in determining the assumptions on which the value in use estimates are based.

### Our response

We have reviewed the impairment testing methodology to verify its compliance with the applicable accounting standards.

We also conducted a critical review of the manner in which these impairment tests are applied. In particular, we:

- checked whether management had tested all goodwill and operating licences by comparing the accounting information in databases with the figures presented in the consolidated accounts;
- examined the methods used to calculate value in use from the discounted future cash flows, for which we:
  - reviewed the budget process and key controls associated with this process;
  - reviewed management's criteria for determining the CGUs for a given geographic department or region, and for each type of business activity;
  - examined, on a test basis, the consistency of the cash flow forecasts with the 2023 budgets prepared by management and with the strategic plan approved by the Board of Directors;
  - compared, on a test basis, the cash flow forecasts used during previous impairment tests with the actual cash flows to assess how well the previous targets were achieved;
  - examined the perpetual growth rate and discount rates management used to calculate the value in use and compared these rates to the estimates of our own financial valuation experts;
  - verified, on a test basis, the arithmetical accuracy of the calculations of value in use applied.

We have also assessed the appropriateness of the information provided in the section entitled "Impairment of property, plant and equipment, intangible assets and goodwill" of Note 1 to the consolidated financial statements and have verified the arithmetical accuracy of the sensitivity analysis presented.

## Specific verifications

In accordance with French professional standards, we have also carried out the specific statutory and regulatory verifications of the information pertaining to the group provided in the Board of Directors' management report.

We have no observation to make as to its accuracy or consistency with the consolidated financial statements.

We certify that the consolidated statement of nonfinancial performance provided for in Article L. 225-102-1 of the French Commercial Code is included in the information pertaining to the group provided in the management report, it being understood that, in accordance with the provisions of Article L. 823-10 of the aforesaid code, we have not verified the fair presentation of the information provided in said statement nor its consistency with the consolidated financial statements, for which a report by an independent third party is necessary.

## Other verifications or information required by statutes or regulations

### Presentation format of the consolidated financial statements to be included in the annual financial report

In accordance with the professional standards that apply to the statutory auditing of annual and consolidated financial statements presented in the single European electronic reporting format, we have also checked that the presentation of the consolidated financial statements to be included in the annual financial report referred to in Section I of Article L. 451-1-2 of the French Monetary and Financial Code, and which are prepared under the responsibility of the chief executive officer, complies with said format, as set forth in European Delegated Regulation No. 2019/815 of 17 December 2018. In the case of consolidated financial statements, our work includes verifying that the tagging of account items conforms to the format specified in the above-mentioned regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

Due to the technical limitations inherent in the macro-tagging of consolidated accounts in the single European electronic reporting format, some of the tags in the notes may not correspond exactly to the consolidated financial statements attached to this report.

It should be noted that we are not responsible for ensuring that the consolidated financial statements the Company includes in the annual financial report filed with the AMF are identical to those we have audited.

### Appointment of Statutory Auditors

Mazars was appointed as Korian's Statutory Auditor in its constitutional articles of association of 2003, while Ernst & Young et Autres was so appointed at its annual general meeting of 23 June 2011.

At 31 December 2022, MAZARS was in the twentieth uninterrupted year of its assignment (including seventeen years since the Company's shares were admitted to trading on a regulated market) and ERNST & YOUNG et Autres was in its twelfth year.

Prior to this, ERNST & YOUNG Audit was a Statutory Auditor as of 2006.

### Responsibilities of management and corporate governance officers in relation to the consolidated financial statements

Management is responsible for preparing consolidated financial statements that present a true and fair view in accordance with the IFRS framework as adopted in the European Union, as well as for setting up the internal controls it deems necessary to prepare consolidated financial statements that are free of material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, for presenting necessary information in the financial statements, if appropriate, relating to the continuity of operations, and for applying the going concern accounting principle, unless it intends to dissolve the Company or cease doing business.

The Audit Committee is responsible for overseeing the process used to prepare financial information and for monitoring the effectiveness of the internal control and risk management systems, as well as, if applicable, the internal audit system, with respect to procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements have been approved by the Board of Directors.

### Responsibilities of the Statutory Auditors in relation to the audit of the consolidated financial statements

#### Audit objective and approach

It is our responsibility to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements taken as a whole do not contain any material misstatements. Reasonable assurance is a high level of assurance, but does not guarantee that an audit performed in accordance with the standards of professional practice can systematically detect all material misstatements. Misstatements may be due to fraud or error and are considered material if it can reasonably be expected that, taken individually or cumulatively, they may influence the economic decisions that users of the financial statements take based thereon.

As specified by article L. 823-10-1 of the French Commercial Code, our assignment to certify the financial statements does not consist of guaranteeing the viability or the quality of the Company's management.

As part of an audit conducted in accordance with the professional standards applicable in France, the Statutory Auditor exercises its professional judgment throughout such audit. It also:

- identifies and assesses the risks that the consolidated financial statements contain material misstatements, whether due to fraud or error, defines and implements audit procedures to address these risks, and collects evidence that it deems sufficient and appropriate to form the basis for its opinion. The risk of not detecting a material misstatement due to fraud is higher than that of a material misstatement due to error, because fraud may involve collusion, falsification, voluntary omissions, misrepresentations or circumventing internal controls;
- reviews the internal controls relevant to the audit in order to define appropriate audit procedures under the circumstances, and not to express an opinion on the effectiveness of the internal control system;
- assesses the appropriateness of the accounting methods selected by management, the reasonableness of its accounting estimates, and all related information provided in the consolidated financial statements;
- assesses whether management's application of the going concern accounting principle is appropriate and, depending on the information collected, whether or not there exists significant uncertainty about events or circumstances that may jeopardise the Company's ability to continue its business. This assessment must be based on the evidence obtained up to the date of the auditor's report, it being understood, however, that subsequent events or situations may compromise the Company's ability to continue as a going concern. If it concludes that there is significant uncertainty, it draws the attention of those reading its report to the information provided in the consolidated financial statements about such uncertainty or, if this information is not provided or is not relevant, it issues a qualified certification or refuses certification;

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Statutory Auditors' report on the consolidated financial statements

- assesses the overall presentation of the consolidated financial statements and whether the consolidated financial statements reflect the underlying transactions and events in a manner that gives a true and fair view thereof;
- collects information concerning the financial information about the persons or entities included in the consolidation scope, that it deems sufficient and appropriate to express an opinion on the consolidated financial statements. It is responsible for managing, supervising and performing the audit of the consolidated financial statements, as well as for the opinion expressed about the financial statements.

### Report to the Audit Committee

We submit a report to the Audit Committee that, in particular, outlines the scope of the audit work and the work programme implemented, as well as the conclusions based

on our work. If applicable, we also draw the Committee's attention to significant internal control weaknesses we have identified with respect to the procedures for preparing and processing accounting and financial information.

The information provided in the report to the Audit Committee includes the risks of material misstatement that we consider to have been the most significant for the audit of the consolidated financial statements for the period and that, therefore, constitute key points of the audit that we are required to describe in this report.

We also provide the Audit Committee with the statement required by article 6 of regulation (EU) No. 537-2014 confirming our independence within the meaning of legislation applicable in France as laid down, in particular, by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the code of ethics for the Statutory Auditor profession. If applicable, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Paris-La Défense, 1 March 2023

The Statutory Auditors

**MAZARS**  
Anne Veautre



**ERNST & YOUNG et Autres**  
Anne Herbein



## 6.3 Annual financial statements at 31 December 2022

Company financial statements (unless otherwise indicated, all amounts are expressed in thousands of euros).

### BALANCE SHEET

#### Assets

		31.12.2022	31.12.2021
Intangible assets	Note 4.1	29,776	16,807
Property, plant and equipment	Note 4.1	1,170	1,313
Non-current financial assets	Note 4.1	4,857,176	4,532,208
Of which equity interests and related receivables		3,760,276	3,423,426
<b>Total non-current assets</b>		<b>4,888,122</b>	<b>4,550,328</b>
Trade receivables	Note 4.3	22,840	26,246
Other receivables	Note 4.3	1,401,055	2,134,057
Cash and cash equivalents		404,814	573,296
Marketable securities	Note 4.4	13,551	143,877
Prepaid expenses	Note 4.5	14,569	15,108
<b>Total current assets</b>		<b>1,856,829</b>	<b>2,892,584</b>
Debt issuance costs/Bond redemption premiums		27,546	26,683
<b>TOTAL ASSETS</b>		<b>6,772,498</b>	<b>7,469,595</b>

#### Liabilities and shareholders' equity

		31.12.2022	31.12.2021
Share capital		532,526	527,968
Share premium		1,306,655	1,297,253
Legal reserve		38,521	38,520
Retained earnings		11,950	73,862
Other reserves		128,516	128,516
Net income		55,005	-25,639
Regulated provisions		1,853	1,840
<b>Net financial position</b>	<b>Note 4.7</b>	<b>2,075,026</b>	<b>2,042,320</b>
Provisions for risks and expenses	Note 4.8	11,800	6,774
Other bond debt	Note 4.9	2,824,558	2,797,501
Loans from credit institutions	Note 4.10	1,107,824	1,118,964
Sundry loans and other liabilities		662,177	1,454,734
Trade payables		8,392	15,356
Tax and social security liabilities		11,165	11,621
Suppliers of non-current assets		194	583
Other liabilities		60,958	12,330
<b>Total operating liabilities</b>		<b>4,687,067</b>	<b>5,417,863</b>
Unrealised foreign exchange gains		10,405	9,412
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>6,772,498</b>	<b>7,469,595</b>

## INCOME STATEMENT

	31.12.2022	31.12.2021
Operating income	32,340	23,544
Sale of goods purchased for resale	0	-
Revenue	32,340	23,544
Capitalised production	5,220	3,085
Operating subsidies	0	
Reversals of provisions and charges transferred	978	328
Other income	22	0
<b>Total</b>	<b>38,559</b>	<b>26,957</b>
Change in inventory	0	
Goods purchased for resale	9	3
Other purchases and external expenses	55,066	38,065
Income and other taxes	1,186	1,134
Wages	19,804	17,741
Social securities charges	28,828	7,802
Depreciation, amortisation and provisions		
■ depreciation and amortisation on non-current assets	7,892	7,534
■ on current assets	0	-
■ provisions for risks and expenses	0	816
Other expenses	378	332
<b>TOTAL OPERATING EXPENSES</b>	<b>113,163</b>	<b>73,427</b>
<b>Operating income</b>	<b>-74,604</b>	<b>-46,471</b>
<b>Share of profit or loss</b>	<b>-336</b>	<b>81</b>
Financial income	196,790	109,824
Financial expenses	102,899	102,781
<b>Net financial income</b>	<b>93,891</b>	<b>7,043</b>
<b>Ordinary income</b>	<b>18,950</b>	<b>-39,348</b>
Non-recurring income	21,574	117,687
Non-recurring expenses	19,375	134,989
<b>Non-recurring profit/loss</b>	<b>2,199</b>	<b>-17,302</b>
Income tax	-33,856	-31,011
<b>NET BOOK PROFIT/LOSS</b>	<b>55,005</b>	<b>-25,639</b>

## NOTES TO THE COMPANY FINANCIAL STATEMENTS

<b>NOTE 1</b> Accounting rules and methods	338	<b>NOTE 6</b> Main balance-sheet and income items of the affiliated companies	349
<b>NOTE 2</b> Main accounting methods	339	<b>NOTE 7</b> Off-balance-sheet commitments	349
<b>NOTE 3</b> Key events during the year	340	<b>NOTE 8</b> Other information	351
<b>NOTE 4</b> Main balance sheet items	341	<b>NOTE 9</b> Tax consolidation	351
<b>NOTE 5</b> Main income statement items	347		

As the ultimate controlling party, Korian SE, which has its registered office in Paris, France at 21-25 rue Balzac – 75008, prepares the consolidated financial statements.

### NOTE 1 ACCOUNTING RULES AND METHODS

The financial statements were prepared in compliance with Regulation No. 2014-03 of the French Accounting Standards Authority (ANC), the French General Chart of Accounts and any subsequent rules and regulations in effect. The general accounting conventions of the French General Chart of Accounts were observed, in accordance with the principle of conservatism and on the basis of the following assumptions:

- going concern;
- accruals principle;

- consistency of accounting methods between accounting periods; and
- in compliance with the rules that generally apply to the preparation and presentation of annual accounts.

The basic valuation method used is the historical cost method. The main accounting methods used are described below.

## NOTE 2 MAIN ACCOUNTING METHODS

### 2.1 Intangible assets

Non-current assets are carried at their historical cost, which is the purchase price plus any costs directly related to the purchase. Software licenses are capitalised and amortised over a period of five years. Purchased software is capitalised and amortised over a period of three years, while stand-alone applications developed internally are capitalised and amortised over a period of five years. When the useful life of an IT development is particularly long, IT project costs may be amortised for up to seven years.

### 2.2 Property, plant and equipment

Property, plant and equipment are carried at historical cost, which includes the purchase price and any directly attributable costs.

Depreciation of all Group PPE is calculated on a straight-line basis over the following expected useful lives.

- building fixtures (varies with type): 7 to 50 years;
- industrial equipment: 5 to 15 years;
- furniture and office equipment: 10 years;
- IT equipment: 3 years.

### 2.3 Equity interests and other long-term investments

Equity interests are measured at their acquisition cost plus any incidental expenses, which are depreciated at an accelerated rate over five years. If this value exceeds their value in use or their market value, a provision for impairment is recognised for the difference.

The market value is based on the recent market prices observed.

The value in use of each subsidiary's equity is the difference between the subsidiary's enterprise value and its net debt on the balance sheet date.

A subsidiary's enterprise value is calculated from expected future cash flows, which are based on the economic and business forecasts of the Group's management, in accordance with the following principles:

- the pre-tax cash flows are based on the Group's 2023 budget and four-year business plan, both of which were approved by the Board of Directors;
- the discount rate is determined using the Group's weighted average cost of capital;
- the discount rates used are 6.25% for France, 6.15% for Germany, 6.5% for Belgium, 6.15% for the Netherlands, 7.3% for Spain, 7.5% for Italy and 7.4% for the United Kingdom;
- the long-term growth rates used are 1.8% for France, 2.3% for Germany, 1.8% for Belgium, 2.3% for Netherlands, 2.3% for Spain, 2.2% for Italy and 2.4% for the United Kingdom.

The valuation of equity interests at 31 December 2022 resulted in the recognition of a provision of €13,779.

### 2.4 Receivables

Receivables are measured at their nominal value. Where necessary, a provision for impairment is recorded to account for past or potential collection difficulties.

### 2.5 Financial instruments and hedge accounting

The rules for hedge accounting are specified in the French Chart of Accounts, in articles 628-6 to 628-17, which were added subsequent to ANC Regulation No. 2015-05 on derivatives and hedging transactions. They apply to all hedges regardless of type.

### 2.6 Marketable securities

Marketable securities are valued at the lower of their acquisition cost or market value. Treasury shares are recognised at their acquisition cost. An impairment provision is recognised when the market value is less than the acquisition cost.

### 2.7 Cash

Cash consists of bank balances.

A cash pooling agreement with the Company was signed in 2018 by most of the Group's French and foreign companies. Other Group companies obtain financing from Korian through loans or current accounts.

### 2.8 Currency risk

Since the acquisition of Berkley Care in 2021, Korian SE has conducted business in the UK as well as in the eurozone.

### 2.9 Interest rate risk

Approximately half of the Company's debt is subject to variable interest rates and is hedged by derivative instruments.

### 2.10 Bond issuance and borrowing costs

Bond issuance and borrowing costs are recorded under external expenses and are amortised over the life of the bond.

## NOTE 3 KEY EVENTS DURING THE YEAR

### 3.1 Conversion into a European Company

On 22 June 2022, Korian's shareholders approved its conversion into a European Company. Given Korian's presence in six countries of the European Union, its conversion from a French *société anonyme* to a European Company aligns its legal form with its European dimension. This gives the Company a legal form that is more consistent with its business and cultural environment, a more unified identity and greater visibility in Europe.

### 3.2 Main financing activities

On 18 January 2022, Korian announced the successful issue of its €377 million *Schuldschein* debt, of which €222 million was settled in 2021 and €155 million in 2022. This debt was issued with long maturities of five to eight years and mostly at a fixed rate. The coupons are lower than the Group's previous *Schuldschein* issues, at 1.30%, 1.55% and 1.70% for 5, 7 and 8 year maturities respectively.

### 3.3 Share buyback programme

As authorised by the Combined General Meeting of 27 May 2021, on 9 December 2021, Korian announced a programme to buy back ESG-impact shares, for a maximum amount of €50 million.

The buy-back period began on 10 December 2021 and ended on 13 July 2022. At 31 December 2022, Korian held 119,664 of its own shares.

### 3.4 Employee share ownership plan

In June 2022, Korian announced the successful completion of its first employee share ownership plan, which is available to employees in all of the Group's seven countries: France, Germany, Italy, Belgium, Spain, the Netherlands and the UK. This plan gives employees the opportunity to become shareholders under exclusive and highly secure terms, to ensure their engagement in Korian's ambitious transformation and innovation project and enable them to benefit from the Company's long-term growth.

### 3.5 Capital increase and stock dividend

After shareholder approval at the 2022 General Meeting, the Company distributed a dividend of €0.35 per share, with an option for payment in new shares (based on an issue share price of €16.18). The exercise of this option resulted in the issuance of 625,608 new shares on 21 July 2022. These have since been incorporated in the body of ordinary shares that constitutes the Company's share capital. A cash dividend of €26 million was paid.

At 31 December 2022, the Company's share capital stood at €532,526,030 (vs. €527,968,290 at 31 December 2021) and consisted of 106,505,206 shares (vs. 105,593,658 at 31 December 2021).

### 3.6 Non-current financial assets

Equity interests rose €335 million, mainly due to:

- forgiveness of debt in exchange for shares in Korian & Partenaires Immobilier 5 (€82 million) and Korian UK LTD (€3 million);
- share issues to strengthen the balance sheets of the following subsidiaries: Segesta (€200 million), Korian Residencias Spain (€3 million), Korian & Partenaires Immobilier 3 (€6 million), Korian & Partenaires Immobilier 2 (€31 million) and Foncière A&V (€4 million);
- the creation of a new subsidiary: Foncière A&V 2 (€4 million).

## NOTE 4 MAIN BALANCE SHEET ITEMS

### 4.1 Non-current assets, depreciation and amortisation

Non-current assets	31.12.2021	Acquisitions	Disposals	31.12.2022
Concessions, patents and similar rights	11,575	3,176		14,751
Non-current assets in progress	8,202	11,951		20,153
Business goodwill (technical merger loss)	0			0
Building fixtures	1,066	174		1,240
Office and IT equipment	1,485	8	5	1,487
Equity interests and related loans and receivables	3,428,852	336,909	100	3,765,662
Other non-current financial assets	1,108,782	261,546	273,428	1,096,900
<b>TOTAL</b>	<b>4,559,962</b>	<b>613,764</b>	<b>273,533</b>	<b>4,900,194</b>

Depreciation/amortisation	31.12.2021	Am./Dep.	Reversals	31.12.2022
Concessions, patents and similar rights	2,970	2,158	0	5,128
Building fixtures	309	98	0	407
Office and IT equipment	929	224	2	1,151
<b>TOTAL</b>	<b>4,208</b>	<b>2,481</b>	<b>2</b>	<b>6,686</b>

Provisions	31.12.2021	Am./Dep.	Reversals	31.12.2022
On equity interests	5,426	14	54	5,386
On the technical merger loss	0			0
On borrowings	0			0
<b>TOTAL</b>	<b>5,426</b>	<b>14</b>	<b>54</b>	<b>5,386</b>

Depreciation and amortisation expenses were recognised under operating expenses. Adjustments to provisions on equity interests were recognised under financial income.

"Other plant, property and equipment in progress" consists mainly of capitalised production and service provider costs for developing and deploying internal software packages, applications and IT hardware (€20,153 thousand).

### 4.2 Equity interests

Korian is the Group's consolidating entity. It holds the shares of the companies listed in the table below (amounts are in euros).

## ► TABLE OF KORIAN SUBSIDIARIES AND EQUITY INTERESTS IN 2022

Subsidiaries	Gross value of securities	Net value of securities	% of share capital held by Korian SE	Share capital	Net income of last fiscal year	Equity (other than share capital)	Dividends recognised during the year	Loans and advances granted but not repaid
<b>FRENCH SUBSIDIARIES</b>								
MEDICA France	858,535,773	858,535,773	100%	50,976,012	21,808,084	129,603,764	0	206,310,558
KORIAN SOLUTIONS	1,000	1,000	100%	1,000	-1,083,197	-4,815,015	0	15,593,356
SAS LA MOULINIÈRE	149,357,420	147,442,138	100%	21,045,828	-1,978,574	19,798,613	0	11,427,650
MEDIDEP FONCIER	2,875,031	2,875,031	100%	7,500	2,192,986	537,840	2,246,683	1,806,887
SCI LE TEILLEUL	3,547,651	1,740,141	100%	2,750,000	2,728	149,938	0	0
OPPCI KORIAN IMMOBILIER	14,510,000	14,510,000	100%	14,510,000	695,323	21,582,243	120,000	0
KORIAN ASSET ET PROPERTY MANAGEMENT	1,000	1,000	100%	1,000	10,764	461,819	0	0
KORIAN FRANCE	772,755,109	772,755,109	100%	219,548,335	2,332,604	457,560,593	100,000,000	140,169,934
KORIAN & PARTENAIRE IMMOBILIER 5	82,355,083	82,355,083	100%	1,010	-8,064,151	82,347,993	0	161,241,892
KORIAN & PARTENAIRE IMMOBILIER 6	10,000	10,000	100%	10,000	40,392	19,156	0	4,190,537
KORIAN & PARTENAIRE IMMOBILIER 7	10	10	100%	10	520,703	39,991	0	26,782,753
KORIAN & PARTENAIRE IMMOBILIER 8	10,000	0	100%	10,000	-6,078	0	0	78
KORIAN & PARTENAIRE IMMOBILIER 9	10,000	10,000	100%	10,000	-261,914	0	0	78,688,675
KORIAN & PARTENAIRE IMMOBILIER 10	10,000	10,000	100%	0	0	0	0	0
SCI KORIAN DÉVELOPPEMENTS IMMOBILIERS	213,162	213,162	98%	760	-343,138	2	0	30,320,755
KORIAN & PARTENAIRE IMMOBILIER 2	118,349,943	118,349,943	51%	57,911	6,186,425	287,300,332	13,268,509	11,643
<b>FOREIGN SUBSIDIARIES</b>								
KORIAN BELGIUM	142,848,576	142,848,576	100%	25,595,679	-683,182	58,078,007	0	258,187,901
KORIAN DEUTSCHLAND	469,727,701	469,727,701	100%	121,478	-34,299,329	326,413,902	0	0
Korian MANAGEMENT	800,275	415,416	100%	120,000	31,606	8,644,777	0	0
KORIAN RESIDENCIAS SPAIN	161,712,440	161,712,440	100%	161,715,439	-2,632,707	-5,336,646	0	96,417,033
SEGESTA	585,511,361	585,511,361	100%	10,863,304	22,818,760	478,175,760	0	44,900,000
KORIAN HOLDING NEDERLAND	53,913,116	53,913,116	100%	18,000	6,984,579	64,149,160	0	60,228,669
KORIAN UK	2,642,148	2,642,148	100%	80,059,231	-9,319,670	-2,504,749	0	56,819,506
KSL	288,321,233	288,321,233	100%	1,000,000	-68,728	146,306,173	0	0
<b>EQUITY INTERESTS</b>								
FONCIÈRE AGES & VIE	25,135,160	25,135,160	30%	3,301,000	-2,521,842	75,778,927	0	98,039,486
FONCIÈRE AGES & VIE 2	4,151,496	4,151,496	30%	101,000	-215,570	13,737,320	0	6,232,616
KORIAN IMMOBILIER Allemagne	618,530	618,530	11%	10,000	3,018,119	1,000	317,333	0
KORIAN & PARTENAIRE IMMOBILIER 3	20,377,502	20,377,502	19%	59,906	1,635,938	119,680,418	0	25,632
KORIAN & PARTENAIRE IMMOBILIER 4	10	10	1%	1,000	-2,915	-12,993	0	263,985
SCI KORIAN RSS IMMOB	1	1	0%	1,000	-706,500	-15,330	0	10,558,115
INICEA HOLDING	5,520,528	5,520,528	6%	103,671,623	-3,078,026	71,619,081	0	38,007,067
LA MÉNARDIÈRE	34,139	34,139	5%	38,112	-317,313	-105,855	0	0
LES FLOTS	967,416	399,318	4%	16,172	-180,581	2,098,922	0	0
L'ESTRAN	537,749	85,555	1%	96,000	78,001	-2,015,804	0	4,980,281
FURTADO GESTION	248,200	N.C.	0%	N.C.	N.C.	N.C.	N.C.	N.C.
LE MONT VEYRIER	1,906	1,906	0%	960,000	15,536,849	-10,038,029	0	0
SCI PERREUX	60,980	60,980	22%	N.C.	N.C.	N.C.	N.C.	N.C.

### 4.3 Receivables maturity schedule

Status of receivables in 2022	Total	Due in ≤ 1 year	Due in > 1 year
Loans and receivables related to equity interests	1,068,390	-	1,068,390
Other non-current financial assets	2,377	-	2,377
Other trade receivables	22,840	22,840	-
Employees and related accounts	55	55	-
Social Security taxes and other social contributions	145	145	-
Government and local authorities			
■ Corporate income tax	8,527	8,527	-
■ Value-added tax	12,542	12,542	-
■ Other taxes and similar payments	26	26	-
Group and associates	1,373,292	1,373,292	-
Sundry debtors	7,785	7,785	-
Prepaid expenses	14,569	14,569	-
<b>TOTAL</b>	<b>2,510,548</b>	<b>1,439,782</b>	<b>1,070,767</b>

Status of receivables in 2021	Total	Due in ≤ 1 year	Due in > 1 year
Loans and receivables related to equity interests	1,087,675	-	1,087,675
Other non-current financial assets	2,441	-	2,441
Other trade receivables	26,246	26,245	-
Employees and related accounts	44	44	-
Social Security taxes and other social contributions	158	158	-
Government and local authorities	383	383	-
■ Corporate income tax			-
■ Value-added tax	8,155	8,155	-
■ Sundry	47	47	-
Group and associates	2,120,008	2,120,008	-
Sundry debtors	6,577	6,577	-
Prepaid expenses	15,108	15,108	-
<b>TOTAL</b>	<b>3,266,842</b>	<b>2,176,725</b>	<b>1,090,116</b>

### 4.4 Marketable securities and cash

Cash at bank is valued at nominal value.

Korian's treasury shares are valued at their weighted average price. The table below shows the change in treasury shares over the year.

In euros	Number	Amount
<b>Balance at 31.12.2021</b>	<b>509,639</b>	<b>13,941</b>
Purchases in 2022	3,315,202	61,912
Sales in 2022	3,523,372	72,154
Net gain/(loss) in 2022		-20,639
<b>BALANCE AT 31.12.2022</b>	<b>301,469</b>	<b>3,699</b>

## 4.5 Prepaid expenses

Prepaid expenses consisted of the following:

Prepaid expenses	2022	2021
Maintenance	827	97
Swap cash payments and interest expense on derivative instruments	13,318	13,572
Other	391	453
Rent	33	986
<b>TOTAL</b>	<b>14,569</b>	<b>15,108</b>

## 4.6 Accrued income and expenses

Income or expense item	Income	Expense
Accrued interest on loans	25,134	2,401
Accrued interest on bonds		23,978
Accrued interest on swaps	784	0
Trade payables, invoices not received	0	3,293
Non-Group trade receivables, invoices to be issued	723	0
Group trade receivables, invoices to be issued	21,382	0
Social security liabilities	0	4,452
Social security taxes on social security liabilities	0	3,070
Accrued income/expenses – Government	0	113
Accrued interest on current accounts	16,278	2,317
Accrued bank interest	0	116
<b>TOTAL</b>	<b>64,301</b>	<b>39,740</b>

## 4.7 Changes in shareholders' equity

### ► STATEMENT OF CHANGES IN EQUITY

#### Changes in equity (In thousands of euros)

<b>At start of year</b>	<b>2,042,320</b>
Capital increase	4,558
Additional paid-in capital	9,402
Legal reserve	1
Other reserves	0
Retained earnings	-61,912
Allocation of 2021 net income	25,639
2022 net income	55,005
Regulated provisions	13
<b>AT YEAR END</b>	<b>2,075,026</b>

The 'Regulated provisions' were made for accelerated depreciation on share buyback costs.

## 4.8 Provisions for risks and expenses

Provisions for risks and expenses consisted of the following:

	31.12.2021	Provisions	Reversals		31.12.2022
			Used	Not used	
Other provisions for risks and expenses	101	820	0	1	921
Provision for foreign exchange loss	5,857	10,879	0	5,857	10,879
Provision for wage-related disputes	816	0	816	0	0
<b>TOTAL</b>	<b>6,774</b>	<b>11,699</b>	<b>816</b>	<b>5,858</b>	<b>11,800</b>

The provision for wage-related disputes involves mainly labour court proceedings. The other provisions cover sundry disputes. The provision for foreign exchange loss covers a loan in GBP.

## 4.9 Other bonds

These mainly comprise:

- convertible bonds (OCEANE and ODIRNANE) totalling €693 million excluding accrued interest;
- public non-convertible bonds and private placements (EuroPP) totalling €933 million excluding accrued interest.

## 4.10 Financial debts

Amounts owed to credit institutions	2022	2021
Bank overdrafts		
Bond redemption premium	258	305
<b>Total</b>	<b>258</b>	<b>305</b>
Bank loans		
< 1 year	243,750	53,750
> 1 year	663,815	758,190
Accrued interest	2,401	1,290
<b>Total bank loans</b>	<b>909,966</b>	<b>813,230</b>
Issuance of marketable securities	197,600	305,429
<b>TOTAL BANK DEBT</b>	<b>1,107,824</b>	<b>1,118,964</b>

On 31 December 2022, Korian's gross bank debt consisted of:

- borrowings under a €500 million syndicated loan;
- short-term loans totalling €244 million;
- other medium- and long-term loans (notably real estate bridging loans) totalling €164 million;
- accrued interest totalling €2.4 million;
- short-term marketable securities (formerly *billets de trésorerie*) and medium-term marketable securities for a nominal amount of €198 million.

#### 4.11 Debt maturity schedule

Debt maturities at 31 December 2022	Total	≤ 1 year	> 1 year and ≤ 5 years	> 5 years
Other bond debt	2,824,558	324,478	1,574,080	926,000
Loans and other borrowings	1,107,824	443,798	585,404	78,622
Sundry loans and other financial liabilities	-725	-725	0	0
Trade payables and related accounts	8,392	8,392	0	0
Employees and related accounts	4,569	4,569	0	0
Social Security taxes and other social contributions	3,511	3,511	0	0
Gov.: Income tax	0	0	0	0
State: VAT	2,308	2,308	0	0
State: other taxes	778	778	0	0
Suppliers of non-current assets	194	194	0	0
Group and associates	662,901	662,901	0	0
Other liabilities	60,958	60,958	0	0
Deferred income	0	0	0	0
<b>TOTAL</b>	<b>4,675,268</b>	<b>1,511,162</b>	<b>2,159,484</b>	<b>1,004,622</b>

Debts and liabilities at 31 December 2022	Total	≤ 1 year	> 1 year and ≤ 5 years	> 5 years
Other bond debt	2,797,501	140,036	1,282,465	1,375,000
Loans and other borrowings	1,118,964	219,599	838,463	60,902
Sundry loans and other financial liabilities	1,243	1,184	-	59
Trade payables and related accounts	15,356	15,356	-	-
Employees and related accounts	4,211	4,211	-	-
Social Security taxes and other social contributions	3,093	3,093	-	-
State: Income tax	1,123	1,123	-	-
State: VAT	2,699	2,699	-	-
State: other taxes	494	494	-	-
Suppliers of non-current assets	583	583	-	-
Group and associates	1,453,550	1,453,550	-	-
Other liabilities	12,330	12,330	-	-
Deferred income	-	-	-	-
<b>TOTAL</b>	<b>5,411,147</b>	<b>1,854,258</b>	<b>2,120,928</b>	<b>1,435,961</b>

## NOTE 5 MAIN INCOME STATEMENT ITEMS

### 5.1 Revenue

Most of the 2022 revenue – of which France accounted for €25,435 thousand (€16,009 thousand in 2021) and the Group's other countries for €6,905 thousand (€7,535 thousand in 2021) – was obtained from rebilling of the following services and expenses to subsidiaries:

	2022	2021
Corporate expenses rebilled to subsidiaries	28,338	19,909
Service agreements	566	706
Employee expenses	481	115
Property rental expenses	2,956	2,813
<b>TOTAL</b>	<b>32,340</b>	<b>23,543</b>

### 5.2 Operating expenses

#### Purchases and external charges

The most significant purchases and external charges are shown below:

Item	2022	2021
Professional fees	29,591	22,244
Maintenance	1,637	1,006
Other expenses	4,771	4,003
Subcontracting	266	89
Real estate leasing	3,794	3,789
Banking services	5,297	3,529
Telecommunications	193	64
Travel expenses	1,407	1,057
Purchases to be rebilled to subsidiaries	6,947	1,918
Equipment rental expenses	204	221
Temporary employee expenses	719	40
Recruitment costs	249	105
<b>TOTAL</b>	<b>55,075</b>	<b>38,065</b>

#### Taxes and similar levies

See the table below:

Item	2022	2021
Income and remuneration-based taxes	759	613
Corporate value-added tax/Corporate real-estate contribution	122	132
Real estate tax	126	252
Non-recoverable VAT	0	0
Vehicle tax	16	21
Organic tax	84	35
Other taxes	79	80
<b>TOTAL</b>	<b>1,186</b>	<b>1,133</b>

## Wages and social security charges

See the table below:

Item	2022	2021
Salaries and wages	19,804	17,741
Social contributions	28,828	7,802
<b>TOTAL</b>	<b>48,632</b>	<b>25,543</b>

Social contributions include €19.9 million of costs related to the employee share ownership plan (€1.5 million top-up and €18.4 million loss on treasury shares sold for the plan).

## 5.3 Average workforce

The average workforce over the year was 150 employees. The difference in the average workforce with respect to 2021 is due to the creation of Korian France, for which 566 people were transferred from Korian SE to Korian France on 1 August 2021, mainly in the finance, Human Resources, IT and Legal Departments.

Type of employee	2022	2021
Managerial staff	135	382
Other employees	15	61
<b>TOTAL</b>	<b>150</b>	<b>443</b>

## 5.4 Financial income and expenses

See the table below:

Item	2022		2021	
	Income	Expense	Income	Expense
Financial income from equity interests	115,962		78,222	
Interest on current accounts	16,278	2,317	8,916	595
Interest on borrowings	0	77,041		63,250
Cost of financial instruments	13,879	5,443		8,102
Income from loans	27,712	0	15,545	
Provisions	6,023	11,541	530	28,584
Sundry	16,935	6,556	6,610	2,250
<b>TOTAL</b>	<b>196,790</b>	<b>102,899</b>	<b>109,823</b>	<b>102,781</b>

Sundry income includes €5.3 million of gains on the sale of OCEANES bonds, €6.1 million from the granting of guarantees, and €4.4 million of foreign exchange gains.

Sundry expenses include €4.3 million of foreign exchange losses and €2.3 million for the disposal of marketable securities.

## 5.5 Non-recurring income and expenses

See the table below:

Item	2022		2021	
	Income	Expense	Income	Expense
Disposal of PPE and intangible assets	2	2	82,804	82,802
Excess tax depreciation	0	13	2,531	13
Corporate action	8	100	26,814	17,633
Sundry non-recurring income and expenses	21,564	18,940	959	34,541
Provisions and reversals	0	320	4,579	
<b>TOTAL</b>	<b>21,574</b>	<b>19,375</b>	<b>117,687</b>	<b>134,989</b>

The non-recurring income is the transfer of charges from the loss on the shares sold under the KORUS employee share ownership plan, to reclassify this as an operating expense.

## NOTE 6 MAIN BALANCE-SHEET AND INCOME ITEMS OF THE AFFILIATED COMPANIES

Main items at 31 December 2021	Affiliated companies	Equity interests
Loans	1,107,341	
Gross equity interests	3,428,543	
Debtor current accounts	2,126,073	
Creditor current accounts	1,459,614	
Financial expenses	595	
Financial income	109,696	

Main items at 31 December 2022	Affiliated companies	Equity interests
Loans	1,095,524	
Gross equity interests	3,765,352	
Debtor current accounts	1,418,512	
Creditor current accounts	-709,426	
Financial expenses	2,317	
Financial income	-166,351	

## NOTE 7 OFF-BALANCE-SHEET COMMITMENTS

### Joint and several guarantees on rental payments

Korian has always provided security for leases between its subsidiaries and institutional lessors, in the form of a surety or rental guarantee. Since December 2009, Korian has also stood guarantee on the real estate lease-purchase agreements of its subsidiaries.

### Commitments granted

To relieve subsidiaries Curanum AG and Korian Management AG from their obligation to publish their corporate accounts in Germany, Korian provides them with an annual "letter of support".

### Disputes

To the best knowledge of the Company and its legal advisors, there are no legal disputes which are likely to have a material impact on its business, profits or financial position that are not covered by provision.

### Pension commitments

The present value of the Company's lump-sum retirement benefit obligations to all employees was determined on the following basis:

- the projected credit unit method is used;
- women's mortality table: TGF05;
- men's mortality table: TGH0;
- discount rate: 3.27%;
- collective bargaining agreement: CCU;
- retirement age: 60 to 64 years;
- retirement is at the employee's initiative.

At €370 thousand, total lump-sum retirement benefits at 31 December 2022 were stable relative to the previous year. No provision was made for this amount in the Company accounts.

## Derivative financial instruments (at fair value)

The Company uses derivative financial instruments (swaps, swaptions and caps) to hedge against the interest rate risk arising from the variable-rate component of its financing policy.

The fair value of these instruments is shown in the table below.

In millions of euros	Value at 31 December 2022	Nominal
Swap	85	757
Options	50	635

## Asset and liability guarantees received

In accordance with the Group's policy, guarantees were obtained on the liabilities of its acquisitions.

## Asset and liability guarantees given

When disposing of companies outside of the Group, Korian has granted liability guarantees in accordance with current market practices.

## Financial covenants

On 21 July 2016, Korian entered into a syndicated credit agreement, which was amended and extended in May 2019. The drawn portion will mature in May 2024 and the revolving credit facility in May 2026. Under the terms of this agreement, compliance with the leverage ratio (net debt – real estate debt)/(EBITDA – 5.8% of real estate debt) must be tested at Group level every six months. The leverage ratio, which is calculated each year on 30 June and 31 December, must not exceed 4.5x over the term of the loan.

EURO PP, Schuldschein and Namensschuldverschreibung bonds are also subject to covenants. Investors are notified annually of any changes to covenants.

The leverage ratio formula on all covenanted bonds issued since 2021 has been aligned with that used for the syndicated credit agreement, i.e. (net debt – real estate debt)/(EBITDA – 5.8% of real estate debt). Older bond issues use the previous formula, i.e. (net debt – real estate debt)/(EBITDA – 6.5% of real estate debt).

## Bank guarantees received

Korian has been granted a €1,633 thousand independent first demand bank guarantee.

## Share-based remuneration

### Free share plans implemented since 2019

For all free share plans granted to certain employees belonging to General Management and corporate officers, the vesting of free shares is subject to the conditions that the beneficiary remain employed by the Group throughout the vesting period and that the following performance targets be achieved:

- for the 2019 plan: 2021 revenue, 2021 EBITDA per share and Korian's share price compared to the performance of the SBF 120 index over the vesting period;
- for the 2020 plan: 2022 revenue, Korian's share price compared to the performance of the SBF 120 index over the vesting period, 2022 operating free cash flow and CSR Criteria. These performance requirements were waived for some high-potential employees;
- for the 2021 plan: 2023 revenue, Korian's total shareholder return compared to that of the SBF 120 index over two reference periods, 2023 earnings per share, and CSR criteria.

In 2020 and 2021, two plans without performance requirements were granted to several employees identified as high potential and key resources for the Group, and to specific medical functions.

Finally, a third growth-oriented free share plan was set up in 2021 for the managers of new business activities, subject to the achievement of specific revenue and EBITDA targets for these new activities.

Vested shares may be freely transferred, except for those of Korian SE's corporate officers, who must retain 25% of the shares granted.

### 2022 free shares plans

Two plans were implemented in 2022:

1. a plan with no performance requirements for employees identified as high potential and key resources for the Group, and for specific medical functions;
2. a plan for certain salaried employees of General Management and corporate officers, which are subject to the following performance criteria:
  - 2024 revenue,
  - 2024 earnings per share,
  - CSR criteria.

Vested shares may be freely transferred, except for those of Korian SE's corporate officers, who must retain 25% of the shares granted.

## NOTE 8 OTHER INFORMATION

### Compensation paid to executive officers

Executive officers received the following remuneration in 2022:

- fixed compensation: €2,595 thousand;
- variable compensation: €1,559 thousand;
- other benefits including company car: €83 thousand.

### Compensation paid to Board and Committee members

Board members were paid a gross amount of €377,000 in 2022.

Board members are also entitled to reimbursement of substantiated travel expenses incurred in attending Board and specialised Committee meetings.

The 2022 budget of €400,000 for remunerating Board member was allocated as follows:

- €300,000 in fixed compensation was allocated among Board members on the basis of their participation in Board and Committee meetings;

- €70,000, paid, as determined by the Board of Directors, (i) in additional compensation to non-resident Independent Directors on the basis of their physical attendance at Board and Committee meetings, and (ii) in additional compensation to Directors attending Board and/or Committee meetings not initially scheduled in the annual meeting calendar approved by the Board of Directors, to a maximum of €2,000 per meeting;

- €30,000 to be divided among the Chairs of the Audit Committee, the Compensation and Appointments Committee and the Ethics, Quality and CSR Committee, who respectively receive 1/2, 1/3 and 1/6 of this amount.

The amount of €300,000 was allocated amongst Directors as follows:

- 45% of this amount was allocated among Board members as fixed compensation, with the Independent Directors receiving six times the amount granted other Directors;
- 30% of this amount was allocated among the Board members *pro rata* the number of Board meetings attended;
- 25% of the above amount was allocated among the members of the various Committees *pro rata* the number of Committee meetings attended, with the Chair of each Committee receiving twice the compensation of the other members.

## NOTE 9 TAX CONSOLIDATION

In the absence of a written tax consolidation agreement, the principle of neutrality governs the relationships between the tax-consolidated companies. This means that these companies bear their tax expense as if they were taxed separately. Any tax savings realised by the tax consolidation group from tax deficits, adjustments and credits are kept by the parent company, Korian, and are recognised as an immediate tax gain for the year.

The parent company, Korian, will bear any tax expense resulting from the Group's taxable profit.

The consolidated tax group of which Korian is the parent comprised 232 companies in 2022, including Korian. If no tax consolidation agreement had applied, the Group's net

income tax expense for 2022 would have been €58,314 thousand. Tax consolidation enabled tax savings of €33,359 thousand, which sum was recognised by the parent company.

The consolidated tax group's ordinary taxable income for 2022, after adjustment for dividends not eligible for the parent-subsidiary regime, is €96,732 thousand;

Korian was also entitled to €799 thousand in tax credits for its corporate philanthropy initiatives.

Korian SE alone generated tax income of €33,856 thousand, the main components of which were the tax consolidation gain of €33,359 thousand and philanthropy tax credits of €799 thousand.

### 2021 net income before and after tax

	Before tax	Taxes	After tax
Ordinary income	-39,347	-	-39,347
Non-recurring profit/loss	-17,302	-	-17,302
Impact of tax consolidation and tax credits	-	-31,010	-31,010
Accounting profit/(loss)	-56,649	-31,010	-25,639

## Increases and reductions in future tax liabilities in 2021

### Increases

■ Reallocation of subsidiary tax deficits to subsidiaries	€60,904
■ For a future tax expense of	€15,732

### Reductions

■ Organic tax	€35
■ For a future tax reduction of	€9

## 2022 net income before and after tax

	Before tax	Taxes	After tax
Ordinary income	18,950	-	18,950
Non-recurring profit/loss	2,199	-	2,199
Impact of tax consolidation and tax credits	-	-33,856	-33,856
Accounting profit/(loss)	21,149	-33,856	55,005

## Increases and reductions in future tax liabilities in 2022

### Increases

■ Reallocation of subsidiary tax deficits to subsidiaries	€75,283
■ For a future tax expense of	€19,445

### Reductions

■ Organic tax	€84
■ For a future tax reduction of	€22

## 6.4 Statutory Auditors' report on the financial statements

### Financial year ended 31 December 2022

To Korian's General Meeting of shareholders:

In performance of the assignment for which we have been appointed by your General Meetings of shareholders, we have audited Korian's annual financial statements for the financial year ended 31 December 2022, as appended to this report.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company and of the results of its operations for the financial year then ended in accordance with French accounting principles.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

### Audit framework

We have performed our audit in accordance with the accounting standards applicable in France. We consider that the information that we have collected is sufficient and appropriate as a basis for our opinion.

Our responsibilities under these standards are described in the section of this report entitled "Responsibilities of the Statutory Auditors in relation to the audit of the annual financial statements".

### Independence

We have conducted our audit, which covers the period from 1 January 2022 to the date of issue of this report, in accordance with the rules that govern the independence of auditors as set forth in the French Code of Commerce and in the code of ethics for Statutory Auditors, and have provided none of the services prohibited under Article 5 (1) of EU Regulation No. 537/2014.

Pursuant to the provisions of article L. 823-9 of the French Commercial Code regarding the justification for our assessments, we draw your attention to the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most significant for the audit of the annual financial statements for the period, as well as the responses we provided to these risks.

These assessments were made in the context of the audit of the annual financial statements taken as a whole and the opinion we formed, as expressed above. We do not express an opinion on any items in these annual financial statements considered separately.

### Measurement of equity interests

#### Identified risk

At 31 December 2022, equity interests recognised as assets have a net carrying amount of €3,760 million. They are recognised for their acquisition cost, including ancillary costs, and impairment is recognised if this value exceeds their value in use and their market value.

As stated in Note 2.3 to the annual statement of accounts, *Equity investments and other long-term investments*, the value in use is the difference between the Company's enterprise value and its net financial debt. The enterprise value is determined on the basis of assumptions and estimates made by the Group's management for the relevant business unit (France Seniors, France Healthcare or France Mental Health), and in particular on its projected cash flows, which are taken from the 2023 budget and discounted over four years.

The market value is based on the most recent market data observed.

Due to the weight of equity interests on the balance sheet and the importance of management's judgment in determining the assumptions on which the value in use estimates are based, we deemed the measurement of equity interests to be a key audit matter.

#### Our response

To assess whether the estimate of the value in use of equity interests is reasonable, on the basis of the information provided to us, our work consisted primarily of:

- reviewing the budget process and key controls associated with this process;
- assessing the methods used to calculate the value in use, in particular Cash Flow and operating forecasts for the facilities operated by the entities representative of these equity interests, in order to:
  - assess the consistency thereof with the 2023 budgets established by management and approved by the Board of Directors;
  - assess the assumptions used to forecast cash flows from 2024 to 2026 inclusive;
  - compare the cash flow forecasts used for previous impairment tests with the actual cash flows to determine how fully previous targets were achieved;
  - verifying, on a test basis, the arithmetical accuracy of the calculations of the values in use applied by the Company.

Finally, we examined the appropriateness of the market data that management used to determine market value.

We have also performed the specific verifications required by the applicable laws and regulations, in accordance with the professional standards observed in France.

## Information provided in the management report or other documents sent to shareholders regarding the Company's financial position and annual accounts

We have no comments regarding the fair presentation of the information in the Board of Directors' management report or the other documents provided to shareholders that pertain to the Company's annual accounts or financial position, nor regarding the consistency of this information with that presented in the annual accounts.

We confirm that the information on payment terms provided pursuant to Article D. 441-6 of the French Commercial Code is presented fairly and is consistent with the annual accounts.

## Report on corporate governance

We confirm that the Board of Directors' report on corporate governance contains the information required under articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information provided pursuant to Article 22-10-9 of the French Commercial Code on the compensation and benefits paid or attributed to corporate officers, as well as commitments made to them, we have verified its consistency with the financial statements, or with the figures used to prepare the financial statements and, where applicable, with the information obtained by the Company from companies controlled by it and included in the consolidation scope. Based on this work, we certify the accuracy and truthfulness of this information.

With respect to the information relating to factors that your Company has deemed likely to have an impact in the event of a takeover or an exchange offer, provided pursuant to the provisions of article L. 22-10-11 of the French Commercial Code, we have verified its consistency with the documents from which it was taken that were furnished to us. On the basis of this work, we have no observations to make concerning this information.

## Other information

In accordance with the law, we have verified that the required information concerning the acquisition of equity investments and controlling interests, as well as the identities of the holders of equity rights and voting rights, have been disclosed in the management report.

## Format of annual accounts for inclusion in the annual financial report

In accordance with the professional standards that apply to the statutory auditing of annual and consolidated financial statements presented in the single European electronic reporting format, we have verified that the presentation of the annual financial statements to be included in the annual financial report referred to in Section I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer, complies with said format, as set forth in European Delegated Regulation

No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the presentation of the annual financial statements to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It should be noted that we are not responsible for ensuring that the annual financial statements the Company includes in the annual financial report filed with the AMF are identical to those we have audited.

## Appointment of Statutory Auditors

Mazars was appointed as Korian's Statutory Auditor in its constitutive Articles of Association of 2003, while ERNST & YOUNG et Autres was so appointed at the annual General Meeting of 23 June 2011.

At 31 December 2022, Mazars was in the twentieth uninterrupted year of its engagement (including seventeen since the Company's shares were admitted for trading on a regulated market), while ERNST & YOUNG et Autres was in its twelfth year.

Prior to this, ERNST & YOUNG Audit was a Statutory Auditor of the company as of 2006.

Management is responsible for preparing annual financial statements that present a true and fair view in accordance with French accounting principles, as well as for setting up the internal controls it deems necessary to prepare annual financial statements that are free of material misstatements, whether due to fraud or error.

In preparing annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern, for presenting in the financial statements, if appropriate any necessary information relating to the continuity of operations, and for applying the going concern accounting principle, unless it intends to dissolve the Company or cease doing business.

The Audit Committee is responsible for overseeing the process used to prepare financial information and for monitoring the effectiveness of the internal control and risk management systems, as well as, if applicable, the internal audit system, with respect to procedures relating to the preparation and processing of accounting and financial information.

The annual financial statements have been approved by the Board of Directors.

## Audit objective and approach

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements taken as a whole do not contain any material misstatements. Reasonable assurance is a high level of assurance, but does not guarantee that an audit performed in accordance with the standards of professional practice can systematically detect all material misstatements. Misstatements may be due to fraud or error and are considered material if it can reasonably be expected that, taken individually or cumulatively, they may influence the economic decisions that users of the financial statements take based thereon.

As specified by article L. 823-10-1 of the French Commercial Code, our assignment to certify the financial statements does not extend to guaranteeing the viability or the quality of the Company's management.

As part of an audit conducted in accordance with the professional standards applicable in France, the Statutory Auditor exercises its professional judgment throughout such audit. It also:

- identifies and assesses any risk that the annual statements contain material misstatements, whether due to fraud or error, defines and implements audit procedures to address these risks, and collects evidence that it deems sufficient and appropriate to form the basis for its opinion. The risk of not detecting a material misstatement due to fraud is higher than that of a material misstatement due to error, as fraud may involve collusion, falsification, voluntary omissions, misrepresentations or circumventing internal controls;
- reviews the internal controls relevant to the audit in order to establish appropriate audit procedures under the circumstances, and not to express an opinion on the effectiveness of the internal control system;
- assesses the appropriateness of the accounting methods selected by management, the reasonableness of its accounting estimates, and all related information provided in the annual financial statements;
- assesses whether management's application of the going concern accounting principle is appropriate and, depending on the information collected, whether or not there exists significant uncertainty about events or circumstances that may jeopardise the Company's ability to continue its business. This assessment is based on the information collected up to the date of the report, but it should be noted that subsequent circumstances or events

could jeopardise the continuity of operations. If the Statutory Auditor concludes that there is significant uncertainty, it draws the attention of the reader of its report to the information provided in the annual financial statements about such uncertainty or, if this information is not provided or is not relevant, it issues a qualified certification or refuses certification;

- assesses the overall presentation of the annual financial statements and assesses whether the annual financial statements reflect the underlying transactions and events in a manner that gives a true and fair view thereof.

## Report to the Audit Committee

We submit a report to the Audit Committee that, in particular, outlines the scope of the audit work and the work programme implemented, as well as the conclusions based on our work. If applicable, we also draw the Committee's attention to any significant internal control weaknesses we have identified with respect to the procedures for preparing and processing accounting and financial information.

The information provided in the report to the Audit Committee includes the risks of material misstatement that we consider to have been the most significant for the audit of the annual financial statements for the period and that, therefore, constitute key points of the audit that we are required to describe in this report.

We also provide the Audit Committee with the statement required by article 6 of regulation (EU) No. 537-2014 confirming our independence within the meaning of the rules applicable in France as laid down, in particular, by articles L. 822-10 to L. 822-14 of the French Commercial Code and in the code of ethics for the Statutory Auditor profession. If applicable, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

The Statutory Auditors

**Mazars**  
Paris-La Défense, 1 March 2023  
Anne VEAUTE



**ERNST & YOUNG et Autres**  
Paris-La Défense, 1 March 2023  
Anne HERBEIN





# 7

## Information on the Company, share capital and shareholding structure



<b>7.1 INFORMATION ON THE COMPANY</b>	<b>358</b>	<b>7.3 SHAREHOLDING STRUCTURE</b>	<b>375</b>
7.1.1 Legal information	358	7.3.1 Changes in the share capital over the last three years	375
7.1.2 Memorandum and Articles of Association	358	7.3.2 Treasury shares	375
7.1.3 Legal organisation charts	360	7.3.3 Employee share ownership	378
<b>7.2 INFORMATION ON THE SHARE CAPITAL</b>	<b>362</b>	7.3.4 Shareholders' agreement on the securities composing the Company's share capital	378
7.2.1 Share capital of the Company	362	7.3.5 Individuals or legal entities acting in concert	378
7.2.2 Changes in the Company's share capital over the last three years	363	7.3.6 Dividend distribution policy	378
7.2.3 Authorised capital (issued and unissued)	365	7.3.7 Threshold-crossing disclosures during the financial year	379
7.2.4 Potential share capital	371		
7.2.5 Factors which may have an impact in the event of a takeover bid	374	<b>7.4 MARKET FOR KORIAN SECURITIES</b>	<b>379</b>
7.2.6 Significant acquisitions of equity interests or controlling interests	374	7.4.1 Listing market and indices	379
		7.4.2 Korian share price and transaction volumes	380
		7.4.3 Shareholder information policy	380
		<b>7.5 CONDITIONS FOR SHAREHOLDER PARTICIPATION IN GENERAL MEETINGS</b>	<b>381</b>

Korian is a French European company listed on the Paris stock market.

This chapter presents the main elements of its legal form and its Articles of Association, as well as its share capital.

Information on Korian shares and the security's market is also provided in this chapter.

## 7.1 Information on the Company

### 7.1.1 LEGAL INFORMATION

#### Registered office, legal form and applicable legislation

Company name	Korian
Registered office	21-25, rue Balzac – 75008 Paris
Telephone number and website	+33 (0)1 55 37 52 00 <a href="http://www.korian.com">www.korian.com</a>
Legal form	European company (société européenne) with a Board of Directors
Applicable legislation	French law
Date of incorporation and term of the Company	The Company was registered for a period of 99 years as of its date of registration on 25 March 2003
Trade and Companies Register (RCS) number	Paris Trade and Companies Register No. 447 800 475
Identification number	SIRET 447 800 475 00124
Business identifier code (APE)	7022 Z
Legal entity identifier (LEI)	969500WEPS61H6TJM037
Financial year	The Company's financial year begins on 1 January and ends on 31 December. The duration of the financial year is 12 months.

### 7.1.2 MEMORANDUM AND ARTICLES OF ASSOCIATION

The Articles of Association are available in full in the Governance section on the Company's website [www.korian.com](http://www.korian.com).

#### 7.1.2.1 Changes to the Company's Articles of Association

The Company's Articles of Association are up to date with the following resolutions approved by the shareholders at the 2022 General Meeting:

- the 17<sup>th</sup> resolution relating to the change of the Company's name and the adoption of the Articles of Association as a European company,
- the 32<sup>nd</sup> resolution relating to the amendment of Article 8 of the Company's Articles of Association in order to specify the rules disclosure triggered by ownership thresholds,
- the 33<sup>rd</sup> resolution relating to the amendment of Article 11.3 with a view to granting power to the Board of Directors to amend the Company's Articles of Association to bring them into compliance with legal and regulatory provisions.

Article 6 of the Company's Articles of Association, "Amount of capital", has also been updated to include the decisions of the Chief Executive Officer, recording the capital increases

following the creation of new shares granted under free performance share plans for beneficiaries, recording the capital increases following the creation of new shares issued under an employee share ownership plan, and recording the exercise, by certain shareholders, of the option for payment of the dividend in newly issued shares.

#### 7.1.2.2 Corporate purpose

Article 3 of the Company's Articles of Association states that its corporate purpose involves:

- "all management, management consultancy and ownership activities relating to companies specialised in the healthcare and elderly care sector, specifically in nursing homes for dependent elderly people, post-acute and rehabilitation care facilities, psychiatric clinics, home care for dependent elderly persons and, more generally, dependency care and services for elderly people; and

- more generally, the acquisition of equity interests, by any means, in all existing or future companies, businesses or enterprises, and all financial, commercial, industrial, real and personal property transactions that may be directly or indirectly related to one of the purposes specified above or any similar or related purpose that may favour the development of the Company's assets."

### 7.1.2.3 Rights attached to each share

Articles 7 and 9 of the Company's Articles of Association set out the rights attaching to each share.

#### Article 7. Shares

"Shares may be held in registered or bearer form at the discretion of the shareholder. Whether in registered or bearer form, shares shall be entered in an account under the conditions and in the manner prescribed by applicable legal and regulatory provisions.

However, any shareholder, whether an individual or a legal entity, that owns, directly or via entities it controls within the meaning of Article L. 233-3 of the French Commercial Code ("Code de commerce"), a percentage of the shares or voting rights of the Company at least equal to one-twentieth (5%) of the share capital or voting rights (a "**Concerned Shareholder**") must register all shares held in its own name and ensure that the entities it controls within the meaning of Article L. 233-3 of the French Commercial Code also register all shares held in their own name.

Any Concerned Shareholder who fails to comply with this requirement may be penalised under the conditions laid down by the law and regulations.

The Company is authorised to invoke, at any time, the legal and regulatory provisions in force with respect to the identification of the owners of its shares and securities that grant immediate or future voting rights at the Company's shareholders' meetings and to the communication of all information relating to those owners. Failure of the owners of its shares and securities or their intermediaries to comply with their obligation to communicate the information mentioned above may, subject to any relevant legal and regulatory constraints, cause the suspension or withdrawal of the right to vote and any right to dividend payments related to the shares, bonds or securities conferring access to the Company's share capital, immediately or at some future time."

#### Article 9. Rights attached to shares

"Each share confers the right to ownership of the Company's assets, to a share of the profits and to the liquidation surplus due to the shareholders in proportion to the number of existing shares.

All shares comprising or that may comprise the share capital will always be treated equally as regards tax liabilities. Consequently, all taxes and duties that may, for any reason, as a result of repayment of the principal amount of these shares, become payable for certain shares only, either during the Company's existence or on its liquidation, will be divided among all of the shares comprising the capital at the time of these repayments, so that all current and future shares confer on their owners, while taking into account, where necessary, the nominal amount rather than the written-down amount of

the shares and the rights of the shares of various categories, the same effective benefits and the entitlement to receive the same net amount.

Voting rights attached to capital shares are proportional to the percentage of the share capital that they represent, with the same par value. Each share entitles the holder to one (1) vote, it being specified that this ratio of one (1) vote per share will prevail notwithstanding any non-imperative legislative or regulatory change to the contrary (such as the automatic conferring of double voting rights in certain situations). No double voting rights are granted as per Article L. 22-10-46 of the French Commercial Code.

The subscription right attached to shares belongs to the bare owner, unless otherwise agreed by the parties.

Ownership of a share automatically assumes acceptance of the Company's Articles of Association and the decisions of its General Meetings and the Board of Directors acting as delegated by the General Meetings.

Whenever it is necessary to possess several shares in order to exercise a right, single shares or shares held in a number below the requisite number of shares do not entitle their holders to any right against the Company, it being up to the shareholder in such a case to personally seek to group together the requisite number of shares."

### 7.1.2.4 Threshold crossing disclosures

Article 8 of the Company's Articles of Association concerns threshold crossing disclosures.

"Shares shall be freely traded and transferred.

Any individual or legal entity acting alone or in concert with others, who acquires or relinquishes, directly or indirectly, at least two-hundredths (0.5%) of the share capital or voting rights of the Company, or a multiple of this percentage, is required to notify the Company by registered letter with acknowledgement of receipt, addressed to the Company's registered office, within four (4) trading days of each threshold being crossed, and to state the number of shares and voting rights held (alone, directly or indirectly, or in concert with others), together with (a) the number of shares held giving future access to share capital and the number of voting rights attached to them, (b) the shares and voting rights already issued that this person may acquire, pursuant to an agreement or a financial instrument and (c) all information set forth in Article L. 233-7 of the French Commercial Code. Investment fund management companies are required to provide this information for all shares in the Company held by the funds they manage.

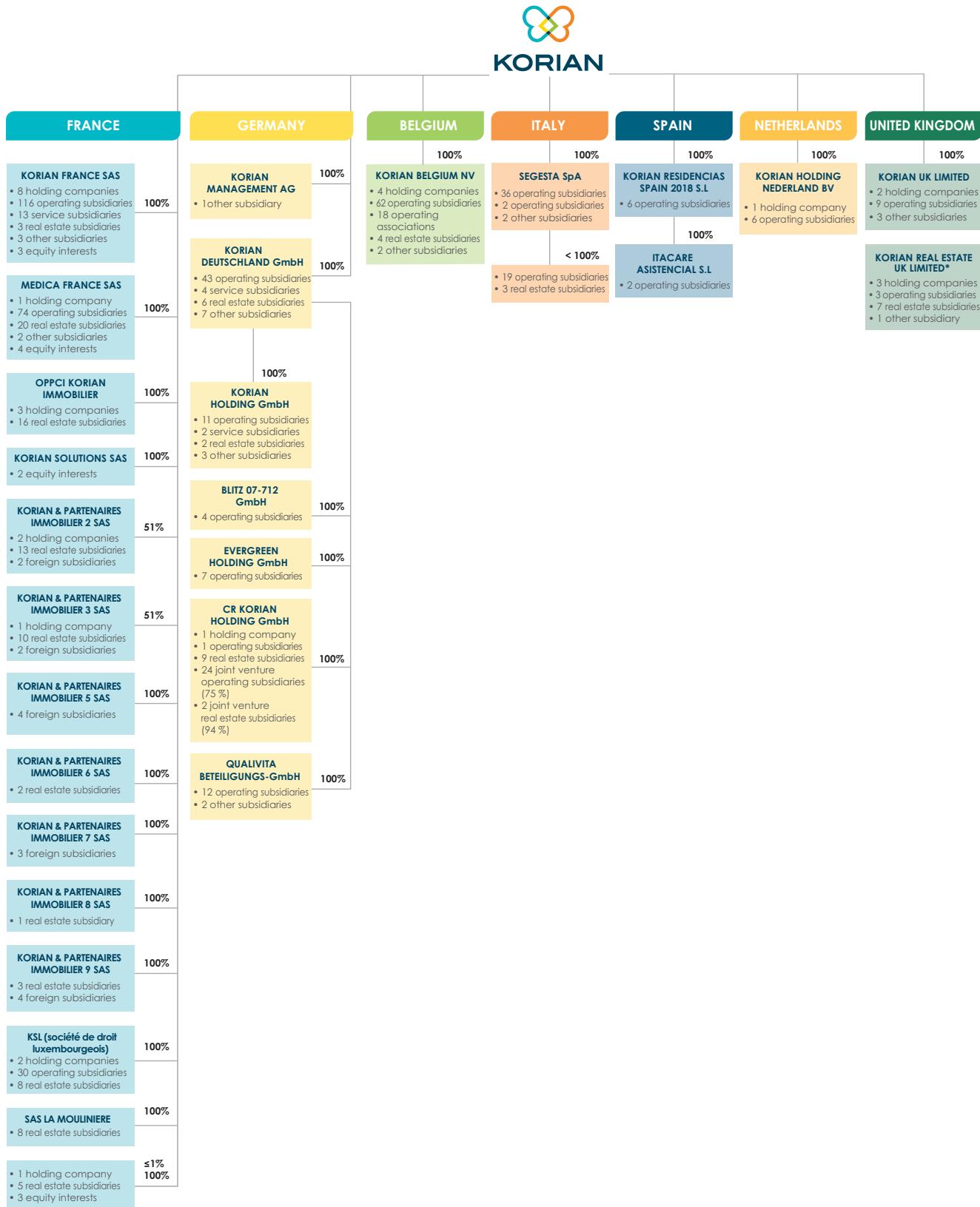
In determining the thresholds set in the previous paragraph, shares that are fungible with shares held and attached voting rights are taken into account in accordance with Articles L. 233-7 and L. 233-9 of the French Commercial Code.

If they are not regularly disclosed in accordance with the conditions set forth above, any shares in excess of the fraction that should have been disclosed are, within the conditions and limits laid down by law, deprived of voting rights in all shareholders' meetings for a period of two (2) years following the date on which proper disclosure is made.

This penalty will only be applied at the request of one or more shareholders holding at least two-hundredths (0.5%) of the Company's share capital or voting rights, such request being included in the minutes of the General Meeting."

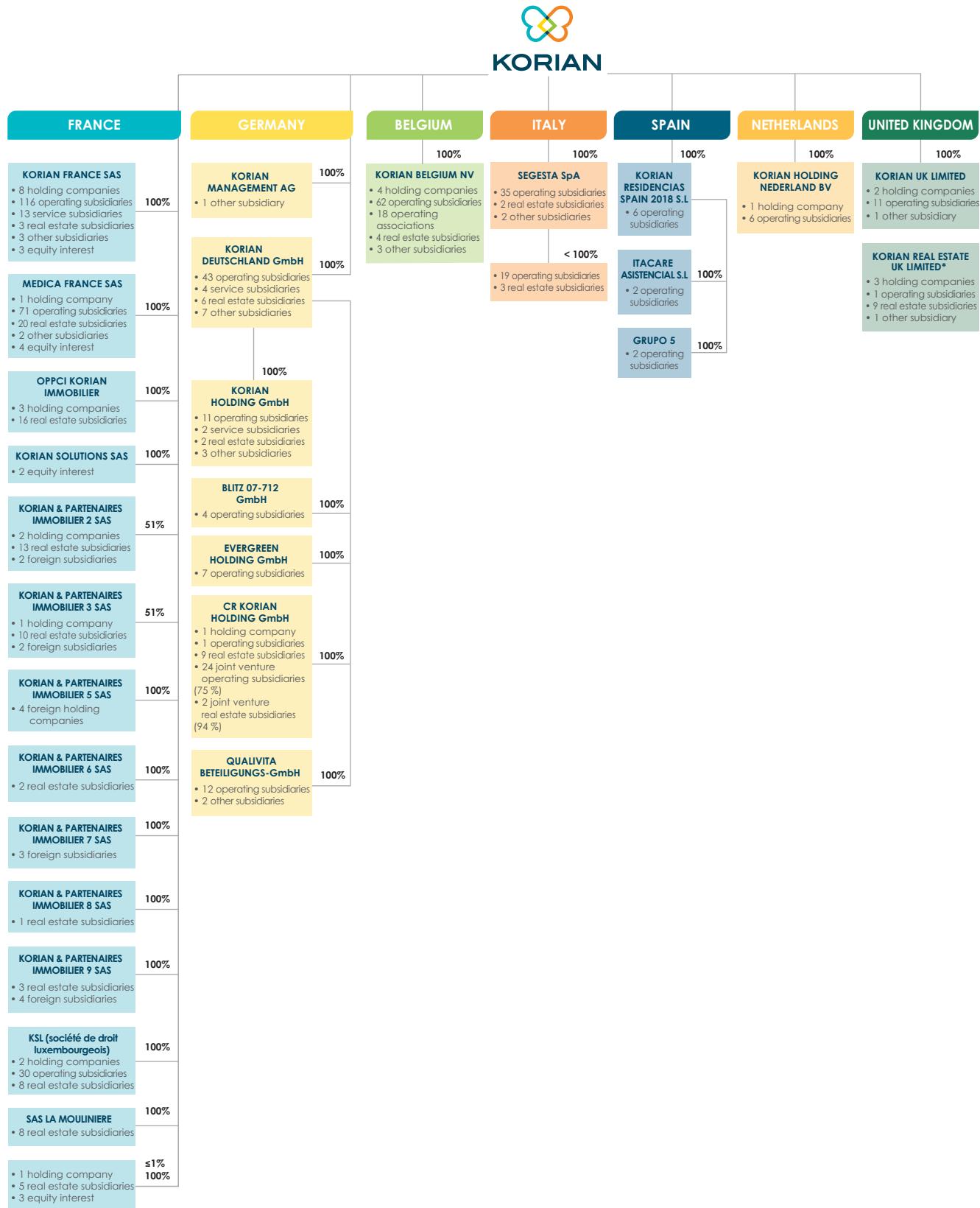
## 7.1.3 LEGAL ORGANISATION CHARTS

### 7.1.3.1 Simplified legal organisation chart of the Group as at 31 December 2022



\* Wholly-owned by Korian & Partenaires Immobilier 5.

## 7.1.3.2 Simplified legal organisation chart of the Group at 28 March 2023



\* Wholly-owned by Korian &amp; Partenaires Immobilier 5.

## 7.2 Information on the share capital

### 7.2.1 SHARE CAPITAL OF THE COMPANY

At 31 December 2022, Korian's share capital was divided into 106,505,206 shares with a par value of €5 each, for a total of €532,526,030. All shares are fully paid up.

Each share carries one vote at shareholders' General Meetings.

In accordance with Article 9 of the Company's Articles of Association, no shares carry double voting rights.

The Company successively increased its share capital:

- on 6 June 2022, for an amount of €124,460, through the issue of 24,892 new shares with a par value of €5 each, following the issuance of fully vested shares to certain employees and corporate officers (see Section 7.2.4.3 of this Universal Registration Document);
- on 21 July 2022, for an amount of €544,065, through the issue of 108,813 new shares with a par value of €5 each, following the subscription to the employee shareholding plan pursuant to the 19th resolution of the General Meeting of 27 May 2021;
- on 21 July 2022, for an amount of €761,175, through the issue of 152,235 new shares with a par value of €5 each, following the subscription to the employee shareholding plan pursuant to the 20th resolution of the General Meeting of 27 May 2021;
- on 21 July 2022, for an amount of €3,128,040, through the issue of 625,608 new shares with a par value of €5 each, following the payment of the dividend in new shares;

## 7.2.2 CHANGES IN THE COMPANY'S SHARE CAPITAL OVER THE LAST THREE YEARS

Date	Type of transaction	Number of shares issued	Capital increase	Issue premium	Nominal value	Number of shares	Amount of share capital
31 March 2020	Confirmation by the Chief Executive Officer of the creation of new shares allocated to certain employees and corporate officers in respect of the 2015 free performance shares plan	2,637	€13,185		€5	82,730,907	€413,654,535
4 August 2020	Confirmation by the Chief Executive Officer of the creation of new shares allocated to certain employees and corporate officers in respect of the 2017 free performance shares plan	189,833	€949,165		€5	82,920,740	€414,603,700
13 September 2020	Confirmation by the Chief Executive Officer of the creation of new shares allocated to certain employees and corporate officers in respect of the 2017 free performance shares plan	4,122	€20,610		€5	82,924,862	€414,624,310
2 November 2020	Confirmation by the Chief Executive Officer of the completion of the capital increase	22,113,296	€110,566,480	€289,684,177.60	€5	105,038,158	€525,190,790
29 June 2021	Confirmation by the Chief Executive Officer of the creation of shares allocated in respect of dividend payments in new shares	536,224	€2,681,120		€5	105,574,382	€527,871,910
30 June 2021	Confirmation by the Chief Executive Officer of the creation of new shares allocated to certain employees and corporate officers in respect of the 2018 free performance shares plan	17,971	€89,855		€5	105,592,353	€527,961,765
12 September 2021	Confirmation by the Chief Executive Officer of the creation of new shares allocated to certain employees and corporate officers in respect of the 2018 free performance shares plan	946	€4,730		€5	105,593,299	€527,966,495

## INFORMATION ON THE COMPANY, SHARE CAPITAL AND SHAREHOLDING STRUCTURE

Information on the share capital

Date	Type of transaction	Number of shares issued	Capital increase	Issue premium	Nominal value	Number of shares	Amount of share capital
22 October 2021	Confirmation by the Chief Executive Officer of the creation of new shares allocated to certain employees and corporate officers in respect of the 2018 free performance shares plan	359	€1,795		€5	105,593,658	€527,968,290
6 June 2022	Confirmation by the Chief Executive Officer of the creation of new shares allocated to certain employees and corporate officers in respect of the 2019 free performance shares plan	24,892	€124,460		€5	105,618,550	€528,092,750
21 July 2022	Confirmation by the Chief Executive Officer of the completion of the capital increase pursuant to the 19th resolution of the General Meeting of 27 May 2021 in respect of the employee shareholding plan	108,813	€544,065		€5	105,727,363	€528,636,815
21 July 2022	Confirmation by the Chief Executive Officer of the completion of the capital increase pursuant to the 20th resolution of the General Meeting of 27 May 2021 in respect of the employee shareholding plan	152,235	€761,175		€5	105,879,598	€529,397,990
21 July 2022	Confirmation by the Chief Executive Officer of the creation of shares allocated in respect of dividend payments in new shares	625,608	€3,128,040		€5	106,505,206	€532,526,030

## 7.2.3 AUTHORISED CAPITAL (ISSUED AND UNISSUED)

### 7.2.3.1 Financial delegations and authorisations valid and used during the 2022 financial year

The following table shows the delegations and authorisations granted to the Board of Directors by the Shareholders' General Meeting and currently valid in respect of capital increases and the extent to which these were used during the 2022 financial year.

Nature of the authorisation/ delegation	Date of the General Meeting (resolution number)	Maximum authorisation granted	Duration (Expiry date)	Use of authorisation in 2022	Residual authorised capital increase amount as at 31 December 2022
Authorisation to trade in the Company's shares	27 May 2021 (18 <sup>th</sup> )	10% of the share capital (and (the maximum number resolution of the treasury shares 2022 General agreement (188,239 capped at 10% of Meeting having shares) and share the share capital) cancelled this buyback Maximum total delegation) amount for the purposes of the share buyback programme: <b>€787,786,125</b>	22 June 2022 15th shares held under liquidity agreement (188,239 shares) and share buyback programme (2,150,679 shares), representing 2.21% of the share capital as at 22 June 2022	2,338,918 treasury N/A	
Authorisation to trade in the Company's shares	22 June 2022 (15 <sup>th</sup> )	10% of the share capital (and (22 Dec. 2023) number of treasury shares maximum of 10% of the share capital) Maximum total amount of the programme buyback: <b>€791,952,375</b>	18 months 301,469 treasury - shares held under the liquidity agreement (181,805 shares) and share buybacks (119,664 shares), representing 0.28% of the share capital as at 31 December 2022	-	
Authorisation to reduce the share capital by cancelling treasury shares (currently held by the Company or as part of the share buyback programme)	22 June 2022 (18 <sup>th</sup> )	10% of the share capital per (22 August 2024) 24-month period	26 months None	-	
Delegation of authority to issue, outside takeover bid periods, ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital and/or the right to receive debt securities, with preferential subscription rights	22 June 2022 (19 <sup>th</sup> )	€263,984,000 for the equity securities <sup>1)</sup> (22 August 2024) €1,000,000,000 for the transferable securities representing debt securities conferring access to the share capital <sup>(1)</sup>	26 months None	-	
Delegation of authority to issue, outside takeover bid periods, by way of an offer to the public, excluding the offers referred to in Article L. 411-2 of the French Monetary and Financial Code, ordinary shares of the Company and/or transferable securities giving access to the Company's share capital and/or debt securities, without preferential subscription rights	22 June 2022 (20 <sup>th</sup> )	€52,796,800 for the equity securities <sup>(1)(2)</sup> (22 August 2024) €1,000,000,000 for the transferable securities representing debt securities conferring access to the share capital <sup>(1)</sup>	26 months None	-	

Nature of the authorisation/ delegation	Date of the General Meeting (resolution number)	Maximum authorisation granted	Duration (Expiry date)	Use of authorisation in 2022	Residual authorised capital increase amount as at 31 December 2022
Delegation of authority to issue, 22 June 2022 (21 <sup>st</sup> ) outside takeover bid periods, by way of a public offering pursuant to Article L. 411-2 1o of the French Monetary and Financial Code, ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital and/or the right to receive debt securities, without preferential subscription rights	22 June 2022 (21 <sup>st</sup> )	10% of the share capital <sup>(1)(2)</sup> €1,000,000,000 for the transferable securities representing debt securities conferring access to the share capital <sup>(1)</sup>	26 months (22 August 2024)	None	-
Authorisation to increase, outside 22 June 2022 (22 <sup>nd</sup> ) takeover bid periods, the number of securities to be issued in the event of issuance of shares, with or without preferential subscription rights, outside takeover bid periods	22 June 2022 (22 <sup>nd</sup> )	15% of the initial issue <sup>(1)(2)</sup>	26 months (22 August 2024)	None	-
Authorisation in the event of an issuance, outside takeover bid periods, of ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital and/or the right to receive debt securities, without preferential subscription rights, in order to set the issue price in accordance with the terms and conditions decided by the General Meeting	22 June 2022 (23 <sup>rd</sup> )	10% of the share capital per (22 August 2024) 12-month period, in any case up to the limit set by the resolution pursuant to which the issue is decided (i.e. the 20th or 21st resolution adopted by the 2022 General Meeting) and from which it is deducted <sup>(1)(2)</sup>	26 months (22 August 2024)	None	-
Authorisation to issue, outside 22 June 2022 (24 <sup>th</sup> ) takeover bid periods, ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital and/or the right to receive debt securities, without preferential subscription rights, in consideration of contributions in kind granted to the Company and which consist of equity securities and/or transferable securities conferring access to share capital	22 June 2022 (24 <sup>th</sup> )	€52,796,800 for the equity securities <sup>(1)(2)</sup> €1,000,000,000 for the transferable securities representing debt securities conferring access to the share capital <sup>(1)</sup>	26 months (22 August 2024)	None	-
Delegation of authority to issue, 22 June 2022 (25 <sup>th</sup> ) outside takeover bid periods, ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital, in the event of a public exchange offer initiated by the Company, without preferential subscription rights	22 June 2022 (25 <sup>th</sup> )	€52,796,800 for the equity securities <sup>(1)(2)</sup> €1,000,000,000 for the transferable securities representing debt securities conferring access to the share capital <sup>(1)</sup>	26 months (22 August 2024)	None	-

## INFORMATION ON THE COMPANY, SHARE CAPITAL AND SHAREHOLDING STRUCTURE

Information on the share capital

Nature of the authorisation/ delegation	Date of the General Meeting (resolution number)	Maximum authorisation granted	Duration (Expiry date)	Use of authorisation in 2022	Residual authorised capital increase amount as at 31 December 2022
Delegation of authority to increase, outside takeover bid periods, the share capital by issuing ordinary shares or any transferable securities conferring access to the capital without preferential subscription rights for the benefit of a category of persons in accordance with the provisions of Article L. 225-138 of the French Commercial Code	22 June 2022 (26 <sup>th</sup> )	€52,796,800 for the equity securities <sup>(1)(2)</sup> €1,000,000,000 for the transferable securities representing debt securities conferring access to the share capital <sup>(1)</sup>	18 months (22 Dec. 2023)	None	-
Delegation of authority to decide, outside takeover bid periods, on the capital increase by incorporation of reserves, profits, premiums or other funds	22 June 2022 (27 <sup>th</sup> )	€20,000,000	26 months (22 August 2024)	None	-
Authorisation to grant free shares in the Company, either existing and/or to be issued, to employees and/or corporate officers of the Company and its subsidiaries	22 June 2020 (27 <sup>th</sup> )	1% of the share capital (and 0.1% of the share capital for the Company's executive corporate officers)	22 June 2022	Grant of 541,725 shares on 24 February 2021 (including 21,175 shares to the Chief Executive Officer)	N/A
Authorisation to grant free shares in the Company, either existing and/or to be issued, to employees and/or corporate officers of the Company and its subsidiaries	22 June 2020 (27 <sup>th</sup> )	1% of the share capital (and 0.1% of the share capital for the Company's executive corporate officers)	22 June 2022	Grant of 541,725 shares on 24 February 2021 (including 21,175 shares to the Chief Executive Officer)	N/A
Authorisation to grant free shares in the Company, either existing and/or to be issued, to employees and/or corporate officers of the Company and its subsidiaries	22 June 2022 (28 <sup>th</sup> )	1% of the share capital (and 0.1% of the share capital for the executive corporate officers of the Company)	38 months (22 August 2025)	Grant of 754,410 shares on 22 June 2022 (including 37,750 shares to the Chief Executive Officer) 0.29% of the share capital (and 0.06% of the share capital for the executive corporate officers)	0.29% of the share capital (and 0.06% of the share capital for the executive corporate officers)
Delegation of authority to issue ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital, immediately or at some future time, for members of a company or group savings plan, without preferential subscription rights	27 May 2021 (19 <sup>th</sup> )	2.5% of the share capital	21 July 2022 <sup>(3)</sup>	Issue of 108,813 shares on 21 July 2022	N/A
Delegation of authority to issue ordinary shares of the Company and/or transferable securities conferring access to the Company's share capital, immediately or at some future time, for members of a Company or Group savings plan, without preferential subscription rights	22 June 2022 (29 <sup>th</sup> )	2.5% of the share capital	26 months (22 August 2024)	None	-

Nature of the authorisation/ delegation	Date of the General Meeting (resolution number)	Maximum authorisation granted	Duration (Expiry date)	Use of authorisation in 2022	Residual authorised capital increase amount as at 31 December 2022	
Delegation of authority to issue ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital, immediately or at some future time, without preferential subscription rights, for certain categories of beneficiary for the purpose of an employee shareholding scheme	27 May 2021 (20 <sup>th</sup> )	<b>0.15% of the share capital</b> , this ceiling being subtracted from the overall ceiling of 2.5% of the share capital as provided for in the 19th resolution of the 2021 General Meeting	21 July 2022 <sup>(3)</sup>	Issue of shares on 21 July 2022	152,235	N/A
Delegation of authority to issue ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital, immediately or at some future time, without preferential subscription rights, to certain categories of beneficiary for the purpose of an employee shareholding scheme	22 June 2022 (30 <sup>th</sup> )	<b>0.15% of the share capital</b> , this ceiling being subtracted from the overall ceiling of 2.5% of the share capital as provided for in the 29th resolution of the 2022 General Meeting	18 months (22 Dec. 2023)	None	-	

(1) Ceiling common to resolutions 19, 20, 21, 22, 24, 25 and 26 of the 2022 General Meeting as described in this table.

(2) Ceiling common to resolutions 20, 21, 22, 24, 25 and 26 of the 2022 General Meeting as described in this table.

(3) Date of final completion of the Company's capital increase as part of the Korus 2022 employee shareholding offer, which was the subject of an implementation decision taken on 2 December 2021 by the Board of Directors.

### 7.2.3.2 Financial delegations and authorisations proposed to the 2023 General Meeting

It is essential that the Board of Directors has the necessary flexibility when selecting the various types of securities it may issue and the opportunities available in financial markets. This provides the Company with the flexibility to conduct transactions according to its requirements and context. The

2023 General Meeting will therefore be asked to approve the following financial delegations. They would cancel and replace all financial delegations described in the table above.

Nature of authorisation/delegation	Resolution number	Maximum authorisation granted	Duration
Authorisation to reduce the share capital by 18 <sup>th</sup> cancelling treasury shares (currently held by the Company or as part of the share buyback programme)		<b>10% of the share capital per 24-month period</b>	26 months
Delegation of authority to issue, outside takeover bid periods, ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital and/or the right to receive debt securities, with preferential subscription rights	19 <sup>th</sup>	<b>€266,263,000</b> for the equity securities <sup>(1)</sup> <b>€1,000,000,000</b> for the transferable securities months representing debt securities conferring access to the share capital <sup>(1)</sup>	26 months
Delegation of authority to issue, outside takeover bid periods, by way of a public offering (other than those offerings referred to in Article L. 411-2 of the French Monetary and Financial Code), ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital and/or the right to receive debt securities, without preferential subscription rights	20 <sup>th</sup>	<b>€53,252,600</b> for the equity securities <sup>(1) (2)</sup> <b>€1,000,000,000</b> for the transferable securities months representing debt securities conferring access to the share capital <sup>(1)</sup>	26 months
Delegation of authority to issue, outside takeover bid periods, by way of a public offering pursuant to Article L. 411-2 1o of the French Monetary and Financial Code, ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital and/or the right to receive debt securities, without preferential subscription rights	21 <sup>st</sup>	<b>10% of the share capital</b> <sup>(1) (2)</sup> <b>€1,000,000,000</b> for the transferable securities months representing debt securities conferring access to the share capital <sup>(1)</sup>	26 months
Authorisation to increase, outside takeover bid periods, the number of securities to be issued in the event of issuance of shares, with or without preferential subscription rights, outside takeover bid periods	22 <sup>nd</sup>	<b>15% of the initial issue</b> <sup>(1) (2)</sup>	26 months
Authorisation in the event of an issuance, outside takeover bid periods, of ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital and/or the right to receive debt securities, without preferential subscription rights, in order to set the issue price in accordance with the terms and conditions decided by the General Meeting	23 <sup>rd</sup>	<b>10% of the share capital per 12-month period</b> , 26 subject, in all cases, to the ceiling set by the months resolution pursuant to which the issue is implemented (i.e. the 20th or 21st resolution proposed to the 2023 General Meeting), and deducted from said ceiling <sup>(1) (2)</sup>	26 months
Authorisation to issue, outside takeover bid periods, ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital and/or the right to receive debt securities, without preferential subscription rights, in consideration of contributions in kind granted to the Company and which consist of equity securities and/or transferable securities conferring access to share capital	24 <sup>th</sup>	<b>€53,252,600</b> for the equity securities <sup>(1) (2)</sup> <b>€1,000,000,000</b> for the transferable securities months representing debt securities conferring access to the share capital <sup>(1)</sup>	26 months
Delegation of authority to issue, outside takeover bid periods, ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital, in the event of a public exchange offer initiated by the Company, without preferential subscription rights	25 <sup>th</sup>	<b>€53,252,600</b> for the equity securities <sup>(1) (2)</sup> <b>€1,000,000,000</b> for the transferable securities months representing debt securities conferring access to the share capital <sup>(1)</sup>	26 months

Nature of authorisation/delegation	Resolution number	Maximum authorisation granted	Duration
Delegation of authority to increase, outside 26 <sup>th</sup> takeover bid periods, the share capital by issuing ordinary shares or any transferable securities conferring access to the capital without preferential subscription rights for the benefit of a category of persons in accordance with the provisions of Article L. 225-138 of the French Commercial Code		€53,252,600 for the equity securities <sup>(1)</sup> <sup>(2)</sup> €1,000,000,000 for the transferable securities representing debt securities conferring access to the share capital <sup>(1)</sup>	18 months
Delegation of authority to decide, outside takeover 27 <sup>th</sup> bid periods, on the capital increase by incorporation of reserves, profits, premiums or other funds		€20,000,000	26 months
Authorisation to grant free shares in the Company, 28 <sup>th</sup> either existing and/or to be issued, to employees and/or corporate officers of the Company and its subsidiaries		1% of the share capital (and 0.1% of the share capital for the Company's executive corporate officers)	38 months
Delegation of authority to issue ordinary shares in 29 <sup>th</sup> the Company and/or transferable securities conferring access to the Company's share capital, immediately or at some future time, for members of a company or group savings plan, without preferential subscription rights		5% of the share capital	26 months
Delegation of authority to issue ordinary shares in 30 <sup>th</sup> the Company and/or transferable securities conferring access to the Company's share capital, immediately or at some future time, without preferential subscription rights, to certain categories of beneficiary for the purpose of an employee shareholding scheme		1% of the share capital, this ceiling being subtracted from the overall ceiling of 5% of the share capital as provided for in the 29th resolution of the 2023 General Meeting	18 months
Delegation of authority to the Board of Directors to 31 <sup>st</sup> decide on any merger-absorption, demerger or partial contribution of assets		10% of the share capital	26 months

(1) Ceiling common to resolutions 19, 20, 21, 22, 24, 25 and 26 as described in this table.

(2) Ceiling common to resolutions 20, 21, 22, 24, 25 and 26 as described in this table.

### 7.2.3.3 Securities not representing share capital

There are no securities not representing capital.

## 7.2.4 POTENTIAL SHARE CAPITAL

### 7.2.4.1 Purchase and new issue of ODIRNANE

On 1 September 2021, Korian announced that it had successfully placed a new issue of 7,508,009 undated, unsubordinated and unsecured bonds with an option for redemption in cash and/or new and/or existing shares (the "**ODIRNANE**"), without preferential subscription rights, for a nominal amount of approximately €332.5 million.

The purpose of the ODIRNANE issuance was to finance the buyback of 100% of the pre-existing ODIRNANE bonds issued in June 2017 and September 2018 as well as to fund the Company's general requirements.

The ODIRNANE were issued at a nominal value of €44.28 each and an issue price of 100% of the nominal unitary value of the ODIRNANE. The ODIRNANE will bear interest at a fixed rate of 1.875% until the first optional redemption date scheduled at the end of a period of approximately five years, then from this first optional redemption date at an annual rate equal to the six-month EURIBOR rate plus 900 basis points. The ODIRNANE were settled and delivered on 8 September 2021.

The ODIRNANE were proposed via an accelerated book-building process through a private placement arranged exclusively with investors in France and/or outside France (excluding the United States of America, Canada, Australia and Japan). The placement was conducted in accordance with Article L. 411-2-1 of the French Monetary and Financial Code, as per the 20th resolution approved by the General Meeting of 22 June 2020 (the "**2020 General Meeting**"). An application was made for admission of the ODIRNANE to trading on Euronext in Paris with effect one month after the issue date.

The maximum potential dilution of all the ODIRNANE represents 7.2% of the share capital as at 31 December 2022, corresponding to a parity of 1.024 Korian share for 1 ODIRNANE.

### 7.2.4.2 OCEANE issued in 2020

On 3 March 2020, Korian announced that it had successfully completed the placement of bonds convertible into and/or exchangeable for new and/or existing shares (the "**OCEANE**") in the nominal amount of approximately €400 million.

The net proceeds from this issue are to be used to fund the Company's general requirements and growth, including investments in real estate and acquisitions and the refinancing of acquisitions in the first quarter of 2020. The OCEANE were issued at par and their nominal unitary value was set at €61.53, corresponding to a conversion premium of 55% relative to the Company's reference share price. As at the issue date of 6 March 2020, and until they mature on 6 March 2027, the OCEANE will bear a nominal annual coupon of 0.875%, to be paid annually in arrears on 6 March of each year.

The holders of OCEANE will have the right to grant/exchange new and/or existing Company shares at an initial conversion/exchange ratio of one share per OCEANE, subject to any subsequent adjustments. The OCEANE were settled and delivered on 6 March 2020.

The placement was arranged with accredited investors in France and/or other countries (except the United States of America, Canada, Australia and Japan). This placement was conducted in accordance with Article L. 411-2 of the French Monetary and Financial Code, as per the 17th resolution approved at the General Meeting held on 14 June 2018. An application was made for admission of the OCEANE to trading on Euronext in Paris with effect as from the issue date.

As a result of the capital increase on 2 November 2020, the conversion/exchange ratio increased from 1 Korian share per OCEANE bond to 1.091 Korian shares per OCEANE bond (calculated to three decimal places by rounding up to the nearest thousandth).

In addition, with respect to this capital increase, the ability to exercise OCEANE conversion rights was suspended from 12 October 2020 to 12 January 2021, as per the Chief Executive Officer's decisions of 2 October 2020.

During 2022, a nominal amount of approximately €39.4 million, corresponding to 640,000 OCEANE, was repurchased by Korian. The shares purchased were cancelled on Euronext on 20 June 2022.

After adjustments to the conversion ratio, the maximum potential dilution of all outstanding OCEANE represented 6.2% of the share capital as at 31 December 2022, corresponding to a parity of 1.129 Korian shares for 1 OCEANE.

### 7.2.4.3 Long-term compensation plans

#### Share subscription or stock option plans

At 31 December 2022, there were no Company share subscription or stock option plans underway.

#### ► TABLE 8 – HISTORY OF SHARE SUBSCRIPTION OR STOCK OPTIONS GRANTED (AMF NOMENCLATURE)

Information on subscription or purchase options	Plan
Date of the General Meeting	-
Date of the Board of Directors meeting	-
Total number of shares that may be subscribed or purchased	-
Corporate officers	-
Starting point for exercising options	-
Expiration date	-
Subscription or purchase price	-
Exercise procedures	-
Number of shares subscribed	-
Cumulative number of cancelled or lapsed share subscription or stock options	-
Share subscription or stock options remaining at year-end	-

In accordance with Article L. 225-184 of the French Commercial Code, the Company confirms that it has not granted any stock option and/or share buyback plans in respect of the ten main non-corporate officer employees who were allocated the highest number of shares, nor are any such plans currently being exercised by them.

#### ► TABLE 9 – SHARE SUBSCRIPTION OR STOCK OPTIONS GRANTED TO THE TEN MAIN NON-CORPORATE OFFICER EMPLOYEES AND OPTIONS EXERCISED BY THEM (AMF NOMENCLATURE)

Share subscription or stock options granted to the ten main non-corporate officer employees and options exercised by them	Total number of options granted/ shares subscribed or purchased	Weighted average price	Plan
Options granted, during the financial year, by the Company and any company included in the scope of stock option grants, to the ten main employees of the Company and of any company included in this scope, for which the number of options thus granted is highest (aggregate information)	-	-	-
Options held on the Company and the aforementioned companies, exercised during the financial year by the ten main employees of the Company and of these companies, for which the number of options thus purchased or subscribed is the highest (aggregate information)	-	-	-

#### Free shares and performance shares plans

The 2022 General Meeting authorised the Board of Directors, for a period of 38 months, to allocate free existing and/or new shares to employees, or certain categories thereof of the Company and/or companies or groups directly or indirectly related to it under the conditions provided for by Article L. 225-197-2 of the French Commercial Code, on the one hand, and to corporate officers, or some of them, of the Company and/or companies or groups directly or indirectly related to it under the conditions provided for by Article L. 225-197-1 II of the French Commercial Code, on the other hand.

In accordance with the provisions of Article L. 225-197-1, II of the French Commercial Code, the Board of Directors set the retention requirement for holding these shares in registered form at 25% for executive corporate officers of the Company and 5% for executive corporate officers of the Company's subsidiaries, until such time as their term of office expires.

Details of the allocation plans and the outstanding shares are provided in the following table.

## INFORMATION ON THE COMPANY, SHARE CAPITAL AND SHAREHOLDING STRUCTURE

Information on the share capital

### ► TABLE 10 – HISTORY OF FREE SHARES ALLOCATIONS AS AT 31 DECEMBER 2022 (AMF NOMENCLATURE)

Information on allocations of performance shares	2019 plan <sup>(1)</sup>	2020 plan <sup>(1)</sup>	2020 plan <sup>(1)</sup>	2021 plan	2021 plan	2021 plan	2022 plan	2022 plan
Date of the General Meeting	14 June 2018	22 June 2020	22 June 2020	22 June 2020	22 June 2020	22 June 2020	22 June 2022	22 June 2022
Date of the Board of Directors meeting	6 June 2019	30 July 2020	30 July 2020	24 Feb. 2021	24 Feb. 2021	24 Feb. 2021	22 June 2022	22 June 2022
Total number of free shares and performance shares allocated	162,914	320,025	13,150	348,247	132,000	61,478	639,438	114,972
of which the number allocated to Mrs Sophie Boissard, Chief Executive Officer	0	21,384	0	21,175	N/A	N/A	37,750	N/A
Vesting date of shares and performance shares <sup>(2)</sup>	6 June 2022	31 July 2023	31 July 2023	15 March 2024 1 Sept. 2024	14 March 2025	15 March 2024	22 June 2025	22 June 2025
Performance conditions	EBITDA per share, revenue and performance of the Korian share price relative to the SBF 120 performance	Revenue, operating free cash flow, performance of the Korian share price relative to the SBF 120 performance and CSR criteria	N/A	Revenue and CSR criteria	Revenue and EBITDA	N/A	Revenue, earnings per share and CSR criteria	N/A
Number of shares and performance shares vested as at 28 March 2023	24,892	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total number of shares and performance shares cancelled or lapsed as at 28 March 2023 <sup>(3)</sup>	138,022	62,551	2,104	56,371	0	7,294	24,974	0
Total number of shares and performance shares outstanding as at 28 March 2023	N/A	257,474	11,046	291,876	132,000	54,184	614,464	114,972

(1) Following the capital increase with preferential subscription rights, the number of shares allocated was adjusted pursuant to the Board of Directors' decision of 3 December 2020 (see French legal gazette (BALO) notice No. 2004744). This adjustment was made for the purpose of preserving the rights of free share beneficiaries by ensuring the aforementioned capital increase had a neutral impact, in accordance with the regulations governing the related share plans and applicable laws. The number of shares in the process of vesting and the number of shares cancelled or lapsed were also adjusted.

(2) The Company's executive corporate officers must keep 25% of the Company's shares they hold in registered form until the end of their term of office. Executive corporate officers of companies related to the Company within the meaning of Article L. 225-197-1, II of the French Commercial Code must keep 5% of the Company shares they hold in registered form until the end of their term of office.

(3) Due to the departure of the beneficiary.

In accordance with the provisions of Article L. 225-197-1 paragraph 5 of the French Commercial Code, following the definitive allocation of 24,892 shares to certain employees and corporate officers on 6 June 2022 (free share allocation plan approved by the Board of Directors on 6 June 2019), the Chief Executive Officer noted, on 6 June 2022, the increase in the Company's share capital in the amount of €124,460, through the issue of 24,892 new shares with a par value of €5 each, thereby increasing share capital from €527,968,290 to €528,092,750 (divided into 105,618,550 shares).

The ten Group executive and non-executive corporate officer beneficiaries to whom the highest number of shares were allocated in 2022 were granted 164,936 performance shares, valued at €17.2185 per share, based on the average of the closing price of the Korian share on the Euronext Paris regulated market for the 20 trading sessions preceding the meeting of the Board of Directors of 22 June 2022 that decided the allocations. In 2022, these 164,936 performance shares represented a total value (according to IFRS standards), at the time of their allocation, of approximately €2,234,883.

## 7.2.5 FACTORS WHICH MAY HAVE AN IMPACT IN THE EVENT OF A TAKEOVER BID

In accordance with Article L. 22-10-11 of the French Commercial Code, the following factors may have an impact in the event of a takeover bid:

- the capital structure and direct or indirect investments in the Company's capital of which the Company is aware in accordance with Articles L. 233-7 and L. 233-12 of the French Commercial Code are described in sections 7.2.1, 7.2.3 and 7.3.1 of this Universal Registration Document;
- the restrictions imposed on the exercise of voting rights and share transfers or contractual clauses brought to the Company's attention in accordance with Article L. 233-11 of the French Commercial Code are described in the Company's Articles of Association;
- the rules governing the appointment and replacement of the members of the Board of Directors are outlined in the Company's Articles of Association. The Company's Articles of Association may be amended in accordance with Articles L. 225-96 et seq. of the French Commercial Code;
- the powers of the Board of Directors are described in Section 4.1.3.2.1 "Duties and powers of the Board of

Directors" and in Section 7.3.2.3 of this Universal Registration Document concerning the implementation of the share buyback programme and the liquidity agreement;

- the agreements providing for benefits for executive corporate officers in the event their positions are terminated, notably due to a takeover bid, are discussed in section 4.2.1.1 "Severance payment" of this Universal Registration Document;
- the financing contracts entitling the Company's creditors to accelerate the repayment of loans made to the Company in the event of a change of control of the Company are described in section 5.3.2.2 and Note 8 of section 6.1 of this Universal Registration Document;
- in accordance with Article L. 214-165 of the French Monetary and Financial Code, the Supervisory Boards of the mutual funds managing the Company's employee shareholding plans ("Korian Actionnariat" et "Korus") decide on the contribution of shares to be made to tender or exchange offers.

## 7.2.6 SIGNIFICANT ACQUISITIONS OF EQUITY INTERESTS OR CONTROLLING INTERESTS

In accordance with Article L. 233-6 of the French Commercial Code, all acquisitions completed during the financial year ended on 31 December 2022 of significant equity interests and controlling interests in other companies having their registered offices in France are presented in Notes 2 and 13.3 of Section 6.1 of this Universal Registration Document.

## 7.3 Shareholding structure

### 7.3.1 CHANGES IN THE SHARE CAPITAL OVER THE LAST THREE YEARS

The changes in the allocation of the Company's share capital between 31 December 2020 and 31 December 2022 are shown in the table below.

Shareholders	31.12.2022			31.12.2021			31.12.2020		
	Number of shares	% of share capital	% of voting rights (1)	Number of shares	% of share capital	% of voting rights (1)	Number of shares	% of share capital	% of voting rights (1)
Predica	26,358,073	24.75%	24.75%	25,799,978	24.43%	24.43%	25,545,708	24.32%	24.32%
Holding Malakoff Humanis	8,048,260	7.56%	7.56%	8,048,260	7.62%	7.62%	8,048,260	7.66%	7.66%
Investissements PSP <sup>(2)</sup>	6,839,996	6.42%	6.42%	6,839,996	6.48%	6.48%	6,839,996	6.51%	6.51%
Korian <sup>(3)</sup>	301,469	0.28%	0.28%	562,217	0.53%	0.53%	47,440	0.05%	0.05%
Free float	64,957,408	60.99%	60.99%	64,343,207	60.94%	60.94%	64,556,754	61.46%	61.46%
<b>TOTAL</b>	<b>106,505,206</b>	<b>100%</b>	<b>100%</b>	<b>105,593,658</b>	<b>100%</b>	<b>100%</b>	<b>105,038,158</b>	<b>100%</b>	<b>100%</b>

(1) Percentage of the voting rights = gross voting rights, including rights attaching to treasury shares. Treasury shares do not carry rights to vote at General Meetings. Number of exercisable voting rights as at 31 December 2022: 106,203,737.

(2) It should be noted that the term of office of Investissements PSP as a Director ended at the close of the 2020 General Meeting.

(3) Treasury shares held under the liquidity agreement (181,805 shares as at 31 December 2022) and the share buyback programme (119,664 shares as at 31 December 2022).

To the Company's knowledge, no other shareholder held more than 5% of the share capital or voting rights during the period from 31 December 2021 to 31 December 2022.

In addition, at 31 December 2022, the employee mutual funds "Korian Actionnariat" and "Korus" held 118,232 and 2,590,391 Korian shares, respectively.

### 7.3.2 TREASURY SHARES

#### 7.3.2.1 Treasury shares owned by Company subsidiaries

None of the Company's subsidiaries own treasury shares.

#### 7.3.2.2 Treasury shares owned by the Company

**At 31 December 2022, the Company held 301,469 treasury shares representing 0.28% of the share capital, broken down as follows:**

- 181,805 treasury shares held under the liquidity agreement signed with ODDO BHF and Natixis, i.e. 0.17% of the share capital; and
- 119,664 shares under the share buyback programme, i.e. 0.11% of the share capital.

These shares do not carry voting rights and are not entitled to dividends or redemption of share premiums.

#### Liquidity agreement

The liquidity agreement entrusts responsibility for the share buyback programme to the financial market specialist Natixis and to the investment services provider (ISP) ODDO BHF, to buy back shares in the name and on behalf of the Company, in accordance with Articles 5 and 13 of Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, and pursuant to the Code of Ethics and Professional Conduct issued by the French Financial Markets Association (Association française des marchés financiers – AMAFI) on 8 March 2011, as recognised by the French Financial Markets Authority (Autorité des marchés financiers – AMF) in its decision of 21 March 2011.

The Company provides the AMF with monthly notifications of the purchases and sales of securities made in respect of the liquidity agreement, issues half-yearly statements on the liquidity agreement and publishes these last on its website.

Pursuant to the liquidity agreement with ODDO BHF and Natixis concerning Korian's shares, the following assets were booked in the liquidity account at the trading date of 31 December 2022:

- 181,805 Korian shares;
- €574,361.

As a reminder, when the agreement was set up, the following assets were included in the dedicated liquidity account:

- 21,394 Korian shares;
- €3,929,067.95.

Over the period from 1 January 2022 to 31 December 2022, the following trades were carried out:

- 2,509 purchases;
- 3,628 sales.

Over the same period, the volumes traded represented:

- 1,087,688 shares and €16,882,247.13 for purchase;
- 1,009,272 shares and €15,569,525.28 for sale.

### Launch and implementation of a share buyback programme with an ESG impact

On 9 December 2021, Korian announced the launch of a share buyback programme for ESG impact in a maximum amount of €50 million, as part of the authorisation granted by the General Meeting of 27 May 2021 (the "**2021 General Meeting**").

To this end, an execution mandate has been entrusted to EXANE, which acts as an intermediary to purchase securities in the name and on behalf of the Company in accordance with the provisions of Regulation (EU) No. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse.

The buyback period began on 10 December 2021 and ended on 2 June 2022.

This programme is part of Korian's capital allocation policy aimed at financing profitable growth and creating sustainable value for all stakeholders.

The shares acquired will be granted within the framework of the objectives set in the description of the share buyback programme, with priority given to employee shareholding programmes and performance share plans.

In line with Korian's mission and values and its commitment as a responsible corporate citizen, this programme includes an ESG component. Thus, any outperformance achieved will be mostly allocated to the projects carried out by the Korian Foundation for Ageing Well to promote the caregiving professions, and the inclusion and professional integration of young people.

### Transactions carried out by the Company on its own shares during the 2022 financial year

The 2021 and 2022 General Meetings authorised the Board of Directors to purchase, or arrange for purchase of Company shares, up to a limit of 10% of the Company's share capital.

In addition, the 2021 and 2022 General Meetings authorised the Board of Directors to reduce the share capital by cancelling shares purchased, up to a limit of 10% of the share capital per 24-month period.

The characteristics of these authorisations in force are detailed in section 7.2.3.1 of this Universal Registration Document.

The table below, prepared in accordance with Article L. 225-211 of the French Commercial Code, summarises the transactions carried out by the Company on its own shares during the 2022 financial year.

In number of shares unless otherwise indicated	Liquidity agreement	Objective: Employee shareholding programmes and free performance share plans	Total
<b>Balance as at 31 December 2021</b>	<b>103,389</b>	<b>458,828</b>	<b>562,217</b>
Percentage of the share capital held by the Company as at 31 December 2021	0.10%	0.43%	0.53%
<b>From 1 January 2022 to 31 December 2022</b>			
Purchase	1,087,688	2,191,851	3,279,539
Average price (in euros)	15.52	19.93	18.47
Amount of trading costs (in euros)	-	-	-
Sale	1,009,272	2,531,015	3,540,287
Average price (in euros)	15.43	14.25	14.59
Amount of trading costs (in euros)	-	-	-
Cancellations	-	-	-
<b>Balance as at 31 December 2022</b>	<b>181,805</b>	<b>119,664</b>	<b>301,469</b>
Percentage of the share capital held by the Company as at 31 December 2022	0.17%	0.11%	0.28%
Value measured at purchase price (in euros)	2,821,836	2,385,418	5,568,333
Nominal value (in euros) <sup>(1)</sup>	909,025	598,320	1,507,345

(1) Based on a par value of €5 per Korian share.

No shares allocated to a planned objective of the share buyback programme were reallocated to another objective of this programme during the 2022 financial year.



### 7.3.2.3 Description of the share buyback programme

At the 2023 General Meeting, the Company will request the renewal of the 15th resolution of the 2022 General Meeting authorising the Board of Directors to purchase or arrange for the purchase of the Company's shares over an 18-month period (including as part of a liquidity agreement).

This authorisation, which is included in the 16th resolution, will replace the authorisation granted by the 15th resolution approved at the 2022 General Meeting.

The programme was established in accordance with Article

241-1 *et seq.* of the AMF's General Regulations and Commission Delegated Regulation (EU) 2016/1052, supplementing Regulation (EU) 596/2014 with regard to regulatory technical standards for the conditions applicable to buyback programmes, as well as market practices approved by the French Financial Markets Authority. The table below shows the terms and conditions of the programme for the Company to buy back its own shares to be submitted to the vote at the 2023 General Meeting.

Securities concerned	Ordinary shares
Maximum amount of the capital for which the purchase has been authorised by the General Meeting	<p>The number of shares purchased in respect of this delegation will be subject to a dual limitation, such that:</p> <p>a) the number of shares purchased by the Company in the course of the buyback programme may not exceed 10% of Company's capital, at any given time. This percentage applies to share capital adjusted to take into account any equity transactions that may be conducted subsequent to the 2023 General Meeting, it being specified that: (i) when the Company's shares are purchased to promote liquidity in accordance with the requirements of the AMF's General Regulations, the number of shares taken into account to calculate the aforementioned 10% limit is the number of shares purchased, less the number of shares resold during the term of the authorisation, and (ii) the number of shares purchased with a view to retaining them and subsequently delivering them for the purpose of payment or exchange during a merger, demerger or transaction involving the contribution of assets may not exceed 5% of its share capital;</p> <p>b) the number of shares held by the Company at any given time does not exceed 10% of the shares constituting the capital of the Company on the date in question.</p>
Maximum purchase price	€45 (excluding acquisition costs) (or the equivalent amount on the same date in any other currency or monetary unit established by reference to several currencies).
Maximum amount of funds available for the purposes of this programme	€479,273,400 (or the equivalent amount on the same date in any other currency or monetary unit established by reference to several currencies).
Objectives	<ul style="list-style-type: none"> <li>■ award or sell shares to employees under the company's profit-sharing scheme or any statutory profit-sharing scheme as provided for by law, in particular Articles L. 3332-1 <i>et seq.</i> of the French Labour Code; and/or</li> <li>■ award free shares to employees and/or corporate officers of the Company and/or the Group; and/or</li> <li>■ deliver shares to cover commitments under share option plans and/or similar plans to employees and/or corporate officers of the Company and/or the Group, and/or any other forms of grants of shares to employees and/or corporate officers of the Company and/or the Group; and/or</li> <li>■ deliver shares in connection with the exercise of rights attached to transferable securities conferring access to the Company's share capital by the redemption, conversion, exchange or presentation of a warrant or in any other manner; and/or</li> <li>■ cancel all or some of the securities thus repurchased; and/or</li> <li>■ retain and deliver shares as part of an exchange during mergers, demergers, or transactions involving the contribution of assets, or in exchange, in payment, or otherwise as part of external growth transactions; and/or</li> <li>■ purchase shares following a reverse stock split of the Company's shares, in order to facilitate reverse stock split transactions and the management of fractional shares; and/or</li> <li>■ stimulate the secondary market and/or promote the liquidity of the Company's shares by an investment services provider acting under the terms of a liquidity agreement that complies with practices permitted by law; and/or</li> </ul> <p>allow the Company to trade in the Company's shares for any other purpose authorised or that may come to be authorised by the law or regulations in force, including any market practice that is or may be accepted by the French Financial Markets Authority (Autorité des marchés financiers – AMF) after the 2023 General Meeting. In such cases, the Company would inform its shareholders in a press release.</p>
Buyback terms and conditions	Shares may be acquired, sold, transferred or exchanged at any time except during periods when a takeover bid for the Company has been launched, within the limits set by law and the regulations currently in force or that may become effective in future, on one or more occasions, by any means and on any market, including trading on regulated markets, a multilateral trading system, a systematic internaliser, or OTC markets, including block share purchases or sales (with no limit on how much of the buyback programme can be carried out in this manner), by public offerings, or through the use of option mechanisms or other financial futures or forward contracts, or by delivering shares in connection with an issue of securities conferring rights to acquire the Company's share capital, directly or indirectly via an investment service provider, and at the times when the Board of Directors, or the person acting on a delegation of authority from the Board of Directors, so decides.
Duration of programme	18 months starting from the date of the 2023 General Meeting.

In accordance with Articles L. 22-10-62 et seq. of the French Commercial Code, the Company is authorised to trade in or otherwise conduct transactions involving its own shares within the limits and for the purposes laid down by the authorisations granted to it by the General Meeting.

The Company confirms that it has, in the course of the 2022 financial year, repurchased shares under the liquidity agreement entered into with ODDO BHF and Natixis (see

Section 7.3.2.2 of this Universal Registration Document) as well as under an execution mandate entrusted to EXANE (see Section 7.3.2.2 of this Universal Registration Document). In June 2022, the Company also bought back 500,000 shares.

At 31 December 2022, the Company had not used any derivatives in connection with its share buyback programme and had no open positions (buy or sell).

### 7.3.3 EMPLOYEE SHARE OWNERSHIP

At 31 December 2022, the portion of Korian's share capital owned by its employees and former employees was 2.82%, i.e. 3,003,326 shares, within the framework of collective employee mutual investment funds, of which 118,232 shares within the "Korian Actionnariat" fund and 2,590,391 shares within the "Korus" fund.

On 28 June 2022, Korian announced the success of Korus 2022, its first employee shareholding plan open to employees in the Group's seven countries (France, Germany, Italy, Belgium, Spain, the Netherlands and the United Kingdom).

This plan aimed to offer employees the opportunity to become shareholders under reserved and fully secured conditions in order to involve them in the ambitious transformation and innovation project led by Korian and to benefit from its long-term growth.

More than 9,250 employees, or 15% of the eligible employees, took part in the offer, at a price per share of €14.25. In France, the plan was very successful, with a subscription of nearly 24%, or more than 5,600 French employees.

### 7.3.4 SHAREHOLDERS' AGREEMENT ON THE SECURITIES COMPOSING THE COMPANY'S SHARE CAPITAL

To the Company's knowledge, there is no shareholders' agreement or shareholders' pact in place with respect to the securities composing the Company's share capital.

### 7.3.5 INDIVIDUALS OR LEGAL ENTITIES ACTING IN CONCERT

To the Company's knowledge, there are no individuals or legal entities acting in concert.

### 7.3.6 DIVIDEND DISTRIBUTION POLICY

The payment of dividends or any other distribution depends on the general environment and on the Group's financial situation, notably its net profit and investment policy.

For several years and until 2019, the Company paid a dividend of €0.60 per share, with an option for payment in new shares.

Faced with the scale of the health crisis, and in solidarity with all of the Group's stakeholders, the Board of Directors, at its meeting of 29 April 2020, decided to submit a motion to the 2020 General Meeting that all distributable income be allocated to the "Retained earnings" account. There was therefore no distribution of dividends in respect of the 2019 financial year.

On 24 February 2021, the Board of Directors proposed to the 2021 General Meeting to distribute a dividend of €0.30 per share, with an option for payment in new shares.

On 25 April 2022, the Board of Directors proposed to the 2022 General Meeting to distribute a dividend of €0.35 per share, with an option for payment in new shares.

For the financial year ended 31 December 2022, the Board of Directors will propose to the 2023 General Meeting the distribution of a dividend of €0.25 per share, with an option for payment in new shares.

The table in Section 5.4.1 of this Universal Registration Document summarises the distribution of dividends over the last three financial years.

### 7.3.7 THRESHOLD-CROSSING DISCLOSURES DURING THE FINANCIAL YEAR

Any individual or legal entity, acting alone or in concert with others, who acquires shares or voting rights in excess of the regulatory thresholds in force (Article L. 233-7 of the French Commercial Code), must disclose all the information required by said regulations. The same disclosure rules apply when holdings of shares or voting rights fall below the regulatory thresholds in force.

Threshold-crossing disclosures filed by the Company's

shareholders and disclosures filed by corporate officers in connection with their transactions involving the Company's shares are available on the AMF's website ([www.amf-france.org](http://www.amf-france.org)).

The following legal threshold crossing was notified by a shareholder to the Company and the AMF during the 2022 financial year:

Declarer	Date of threshold crossing	Date of declaration	Direction	Threshold crossed	Number of shares <sup>(1)</sup>	% of share capital <sup>(2)</sup>	% of voting rights <sup>(3)</sup>	Reference of the AMF publication
<b>Helikon Investments Limited</b> acting on behalf of Helikon Long Short Equity Fund Master ICAV	Long 28 March 2022	Short 31 March 2022	Increase	5%	5,318,270	5.04%	5.04%	222C0747

(1) Number of shares held by the reporting shareholder following the declaration.

(2) Percentage of share capital held by the reporting shareholder following the declaration.

(3) Percentage of voting rights held by the reporting shareholder following the declaration.

## 7.4 Market for Korian securities

### 7.4.1 LISTING MARKET AND INDICES

Korian is listed on the Euronext Paris stock exchange (Compartment A) and is eligible for the deferred settlement system (SRD).

#### Share profile – Korian

<b>KORI</b> LISTED EURONEXT	<b>ISIN code</b>	FR0010386334
	<b>Stock markets</b>	Ongoing trading on Euronext – Compartment A of the Euronext Paris stock exchange Ticker KORI (Euronext), KORI. PA (Reuters), KORI. FP (Bloomberg)
	<b>Present on main indices</b>	SBF 120, CAC Healthcare, CAC Mid 60, CAC Mid & Small and MSCI Global Small Cap
	<b>Share eligibility</b>	SRD (deferred settlement system) and PEA (share savings plan)
	<b>Nominal value</b>	€5
	<b>Number of outstanding shares as at 31 December 2022</b>	106,505,206
	<b>Share price as at 31 December 2022</b>	€10.12
	<b>Market capitalisation as at 31 December 2022</b>	€1,077,832,685

## 7.4.2 KORIAN SHARE PRICE AND TRANSACTION VOLUMES

### Change in adjusted share price

Month	Share price (in euros)	Number of shares traded		Share capital (in millions of euros)	
		Average (closing)	High		Monthly total
January 2022	26.11	28.76	18.57	10,699,139	236.31
February 2022	18.39	21.54	16.12	15,675,532	286.68
March 2022	19.52	21.54	16.49	7,232,185	139.70
April 2022	20.19	21.00	19.33	3,145,071	63.30
May 2022	19.83	20.80	18.85	4,138,067	82.02
June 2022	15.84	19.68	13.80	6,810,501	107.96
July 2022	14.39	15.09	13.64	3,874,269	55.73
August 2022	14.33	15.41	12.64	4,066,604	58.10
September 2022	11.66	12.81	9.96	5,268,840	60.87
October 2022	10.31	12.12	8.45	9,583,567	97.77
November 2022	10.25	11.32	9.54	6,373,092	65.17
December 2022	9.32	10.24	8.44	8,337,112	78.80
<b>High, low and average for the period</b>	<b>15.80</b>	<b>28.76</b>	<b>8.44</b>	<b>7,100,332</b>	<b>111.03</b>
<b>TOTAL</b>				<b>85,203,979</b>	<b>1,332.41</b>

Source: Euronext Paris (monthly information, high, low and average for the period).

#### MANAGEMENT OF THE REGISTER OF REGISTERED SECURITIES

The register of securities entered on a pure registered basis is managed by the following institution:

UPTEVIA

89-91, rue Gabriel Péri - 92120 Montrouge.

#### MANAGEMENT OF THE LIQUIDITY AGREEMENT

The liquidity agreement is managed by ODDO BHF and Natixis.

#### ANALYST COVERAGE

Alpha Value

Berenberg

CIC Market Solutions

Equita

Exane-BNP Paribas

Gilbert Dupont

Jefferies

Kepler Cheuvreux

MidCap Partner

ODDO BHF

Portzamparc

Société Générale

Stifel

## 7.4.3 SHAREHOLDER INFORMATION POLICY

### 7.4.3.1 2023 financial communication schedule

21 February 2023: 2022 annual earnings.

25 April 2023: Q1 2023 revenue.

15 June 2023: 2023 General Meeting.

27 July 2023: Revenue and results for H1 2023.

24 October 2023: Q3 2023 revenue.

*This schedule is purely indicative and subject to change.*

*Publications will be issued after the close of trading on Euronext Paris.*

### 7.4.3.2 Information for individual shareholders and institutional investors

Since its listing on the stock market, Korian has maintained a trusting relationship, founded on dialogue and transparency, with both its individual and institutional investors.

Korian is committed to informing its shareholders about its business activity, strategy and growth prospects in a transparent and accurate manner and on a lasting basis.

#### Information media

To this end, Korian ensures that all of its reported financial information (press releases, Universal Registration Document, financial presentations, etc.) is available to the public, in French and English, on its website [www.korian.com](http://www.korian.com).

**UNIVERSAL REGISTRATION DOCUMENT, ANNUAL FINANCIAL REPORT AND INTEGRATED REPORT**

These documents are available for download on the Korian website and may be obtained from the Company in printed form, free of charge, upon request.

**Shareholder meetings**

Korian takes active steps to engage its individual and institutional shareholders in an ongoing dialogue by taking part in a host of events throughout the year.

**ANNUAL GENERAL MEETING**

Korian's General Meeting is one of the recurring highlights of the Company's relationship with shareholders, providing an opportunity for listening and discussion with the Board of Directors. It is also an opportunity to discuss the key

developments and the strategy implemented over the course of the past financial year. Every shareholder can thus take part in important decisions concerning the Group and express his or her opinion via the resolutions put to the vote.

**INVESTOR MEETINGS**

Korian takes part in numerous one-to-one investor meetings, sector conferences and roadshows, in France and abroad.

**INFORMATION MEETINGS AND SITE VISITS**

Two meetings with the French Society of Financial Analysts (*Société française des analystes financiers – SFAF*) are held every year to present the Company's annual and interim results to the financial community (investors, analysts, financial press, etc.).

Korian also organises visits to its care homes in France for small groups of investors.

## 7.5 Conditions for shareholder participation in General Meetings

Shareholder participation in General Meetings is governed by the legislation and regulations in force applicable to companies whose shares are admitted to trading on a regulated market, and by Article 15 of the Company's Articles of Association.

In accordance with Article 15 of the Articles of Association, all shareholders may, subject to the Board of Directors' approval upon convening the General Meeting, take part by

videoconference and vote by any means of telecommunication or remote transmission, including the Internet, in accordance with the regulations applicable to its usage in force at that time. This decision must be indicated in the notice of meeting and in the convening notice.

The Company's latest General Meeting was held on 22 June 2022 on first call.



# 8

## Further information



<b>8.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT</b>	<b>384</b>	<b>8.3 HIGHLY REGULATED ACTIVITIES</b>	<b>385</b>
8.1.1 Person responsible for the Universal Registration Document	384	<b>8.4 GLOSSARY</b>	<b>393</b>
8.1.2 Statement by the person responsible	384	<b>8.5 CROSS-REFERENCE TABLES</b>	<b>395</b>
<b>8.2 PERSON RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS</b>	<b>385</b>		
8.2.1 Principal Statutory Auditors	385		
8.2.2 Alternate Statutory Auditor	385		

## 8.1 Person responsible for the Universal Registration Document

### 8.1.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Person responsible for the Universal Registration Document: Mrs Sophie Boissard, Chief Executive Officer.

### 8.1.2 STATEMENT BY THE PERSON RESPONSIBLE

I hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and of all the companies included in the scope of consolidation, and that the management report included in this Universal Registration Document presents a true and fair view of the development of the business, results and financial position of the Company and of all the companies included in the scope of consolidation and that it describes the main risks and uncertainties they face.

Paris, 27 April 2023

Mrs Sophie Boissard  
Chief Executive Officer

## 8.2 Person responsible for auditing the financial statements

The Statutory Auditors are selected by the Board of Directors on the recommendation of the Audit Committee, which is responsible for ensuring compliance with the rules requiring the rotation of firms and key signatory partners, in accordance with legal and regulatory provisions and appointed by the Shareholders' General Meeting.

### 8.2.1 PRINCIPAL STATUTORY AUDITORS

Name	Date of reappointment	End of term of office
<b>Mazars</b> Tour Exaltis 61, rue Henri-Regnault 92400 Courbevoie	27 May 2021	Annual General Meeting voting on the financial statements for the financial year ending 31 December 2026
<b>Ernst &amp; Young et Autres</b> Tour First 1, place des Saisons 92037 Paris La Défense	22 June 2017	Annual General Meeting voting on the financial statements for the financial year ended 31 December 2022

Mazars and Ernst & Young et Autres are in compliance with the regulations on the rotation of signatory partners (Article L. 822-14 of the French Commercial Code and Article 17 of Regulation (EU) No. 537/2014) as:

- Mrs Anne Veaute, the signatory partner of Mazars, certified the Company's financial statements for the first time for the financial year ended 31 December 2019;

- Mrs Anne Herbein, the signatory partner of Ernst & Young et Autres, certified the Company's financial statements for the first time for the financial year ended 31 December 2022.

### 8.2.2 ALTERNATE STATUTORY AUDITOR

Article L. 823-1 paragraph 2 of the French Commercial Code, resulting from the Sapin 2 law, having removed the obligation to appoint an Alternate Statutory Auditor when the Principal Statutory Auditor is not a natural person or a sole

proprietorship, the Board of Directors decided, at its meeting of 24 February 2021, not to renew the term of office of the Alternate Statutory Auditor, which expired at the end of the 2021 General Meeting, nor to replace Mr Jérôme de Pastors.

## 8.3 Highly regulated activities

Activities relating to the support of fragile people are highly regulated and supervised.

The processes for obtaining operating authorisations, as well as the regulatory framework, vary between countries and sometimes even within regions of the same country.

The pricing of dependency care facilities is regulated in all European countries. The regulatory framework distinguishes between care and medical expenses, on the one hand,

financed by health insurance schemes, and accommodations and catering, on the other hand, payable by the resident or patient or covered by social welfare.

The tables below set out the regulations and provisions governing the pricing and financing of healthcare activities and medico-social activities in the seven countries where the Group operates.

 **FRANCE**
**Business activity**

Medicalized nursing homes

**Regulations**

Authorisation issued jointly by the Regional Health Agency (ARS – *Agence Régionale de Santé*) and the Departmental Council, valid for 15 years (renewable by tacit agreement).

**Pricing**

**The price has three components:**

- a care allowance set by the ARS;
- a global dependency fee set by the Departmental Council;
- accommodation and ancillary services, which can be set freely on admission, with annual revaluation set by ministerial decree.

**Financing aid**

Care: financed by the French Health Insurance system.  
Dependency: partially covered through the personal independence allowance (APA - *Allocation Personnalisée d'Autonomie*).

Accommodation: may be covered by means-tested social assistance or the personal housing assistance (APL)



Assisted living facilities

**The price has two components:**

- rent, rental expenses and services that cannot be individually identified through a residential lease;
- services that can be individually identified through a service contract.

Possibility of benefiting from means-tested social assistance or personal housing assistance.



Shared housing

For the home assistance and support service (HASS): authorisation issued by the Departmental Council in the location where the services will be delivered.

**The price has two components:**

- rents and charges;
- home assistance and support services.

Partially covered through the personal independence allowance (APA).  
Tax credit for Shared housing units services to individuals.



Post-acute and rehabilitation care facilities

Authorisation issued by the ARS, valid for 7 years (renewable).

**The price has three components:**

- care, set by the Regional Health Agency and/or the Ministry of Health;
- allocations set by the Regional Health Agency and/or the Ministry of Health;
- ancillary services, which are set freely.

Hospital expenses 80% reimbursed by the mandatory French Health Insurance system.  
The user fee and daily flat rate (20%) are covered by private health insurance or by the patient unless exempted.



Mental health clinics

Authorisation issued by the ARS, valid for 7 years (renewable).

**The price has three components:**

- care, set by the Regional Health Agency and/or the Ministry of Health;
- allocations set by the Regional Health Agency and/or the Ministry of Health;
- ancillary services, which are set freely.

Hospital expenses 80% reimbursed by the mandatory French Health Insurance system.  
The user fee and daily flat rate (20%) are covered by private health insurance or by the patient unless exempted.



Home nursing services (HNS)

Authorisation issued by the ARS, valid for 15 years (renewable by tacit agreement).

Covered entirely by the French Health Insurance system via a global allocation of care according to the number of places.

Financed through the French Health Insurance system on medical prescription.



Hospital Home Care (HHC)

Authorisation issued by the ARS, valid for 7 years (renewable).

National rates set by the Ministry of Health.

Hospital expenses 80% reimbursed by the mandatory French Health Insurance system.  
The user fee and daily flat rate (20%) are covered by private health insurance or by the patient unless exempted.



## GERMANY

## Business activity



## Long-term care nursing homes

## Regulations

An administrative authorisation is sufficient to open a medicalized nursing home.

To obtain financing from the dependency care funds, prior agreement with the organisation on the nature, content and volume of the services is necessary.

There are specific regulations in certain *Länder* on the rate of single rooms in medicalised nursing homes, with compliance deadlines between 2018 and 2036.

## Pricing

Operators negotiate certain components of their tariffs independently with social assistance bodies and/or the Health Insurance funds:

- care: all expenses other than accommodation and catering;
- services: all expenses related to accommodation and catering;
- investment: rent and related charges;
- training: financing of apprentice training.

## Financing aid

Distinction between three types of aid:

- **medico-social coverage** (dependency care benefits, medical care, social support): paid by Health Insurance funds, depending on the degree of dependency. Cover is capped; social assistance may cover the remaining charges for which the patient is liable;
- **capital expenditure** (expenditure on construction or renovation of buildings, purchases of capital goods, etc.): partly financed by public funds from the *Länder* or the municipalities. The balance is paid by the residents, who may be eligible for social assistance to cover this;
- **accommodation and food**: paid by the resident, who may be eligible for social assistance to cover accommodation costs.

Facilities may also offer ancillary services that are the responsibility of the resident.



## Assisted living facilities/shared housing for seniors

Regulated by the *Landesheimgesetz* of each *Bundesland* in an autonomous way.

Pricing is set freely by operators, taking market prices into consideration. If the resident needs social assistance, the Social Welfare Authority may cap the prices.



## Home care

An administrative authorisation is sufficient to carry out a home care activity.

Prior approval is required to obtain financing from the Dependency funds and from the French Health Insurance system.

The rates for home care are negotiated with the Health Insurance funds, at the level of the *Länder*, on the basis of a catalogue of standard services.

Any additional services are determined freely by the operator.

Financing by the Health Insurance system, depending on the degree of dependency. Coverage is capped.



## BELGIUM

## Business activity



**Care homes**  
(including MRPA and MRS)

## Regulations

An operating licence is mandatory to open a care home. These are issued according to a schedule (quotas calculated at regional level, and subject to the agreement of the region).

Special approval is required to open a nursing and care home (MRS - *Maison de Repos et de Soins*). This is the responsibility of the regions, which also monitor and control the facilities under their authority.

## Pricing

Meals and accommodation: the daily price paid by residents is set freely at the opening of a nursing home. It is then indexed to the consumer price index with annual increase ceilings.

It should be noted that a significant increase in the daily price is subject to the approval of the regional authorities following the submission of a specific and reasoned application.

## Financing aid

Dependency care was funded by a federal institution (Inami) until 2019. Since 2019, reimbursements have been managed by the three regions.

Around 44% of the daily cost is reimbursed by social security.

Reimbursement of care is made according to the degree of dependency and the pathology of the residents (*Katz Index*)



**Assisted living facilities**

In Flanders, the construction of assisted living facilities is no longer governed by a "schedule". Simple registration is now sufficient.

In Wallonia, construction is not governed by a schedule either. However, approval from the public authorities remains essential.

The daily price is determined freely when a home opens, but any change in price thereafter is subject to strict regulations.



**Home care**

A caregiver diploma is required.

Home care is regulated by the three regions and can be divided into two groups:

- interventions subsidised by the regional government, on the basis of a limited number of hours allocated to caregivers;
- material interventions paid for by service vouchers.

Medical care provided at the request of a doctor is almost free for patients. They are reimbursed by Inami according to the specific nature of the medical intervention.

 **ITALY**
**Business activity**

Long-term care nursing homes

**Regulations**

The opening of a medicalised nursing home is subject to an authorisation and accreditation system, the minimum framework of which has been set at federal level.

However, the regions may set their own quality standards (which may exceed the minimum threshold).

**Pricing**

Care services are provided free of charge by the ASLs (local care units) in facilities.

The medicalised nursing home fee breaks down as follows:

- care price: 30 to 50% of the overall price;
- accommodation rate: represents 50 to 70% of the overall price. It is determined by the regional supervisory authorities. However some regions give operators the freedom to set it (Lombardy, Veneto);
- supplements: related to comfort services and paid by residents who request them.

**Financing aid**

Funding by regional authorities is subject to obtaining accreditation.

The regions have introduced a system of budgeting for the expenses of long-term care nursing homes, which must be set annually in some regions and every three years in others.

Care services are fully covered by the ASLs.

Depending on the resident's situation, accommodation services may be covered by municipalities or mutual insurance companies.



Specialised clinics

The opening of a specialised clinic is subject to an authorisation and accreditation system, the framework of which has been set at federal level.

However, the regions may set their own quality standards (which may exceed the minimum threshold).

The prices are set by the regional authorities, but comfort services are set freely by operators.

They are subject to a supplemental fee that is paid by the resident who requests them.

The financing of specialised clinics is based on the "Diagnosis Related Group" methodology, which is set by national law (with slightly different economic values depending on the regions)

Comfort services are the responsibility of the patients who request them.



Assisted living facilities

Activity requiring authorisation, however there are no specific regulations related to this service.

Prices are set freely by operators.

Financing may only be obtained in certain specific situations, in particular for trial projects.



Home care

Activity subject to an authorisation and accreditation system, the minimum framework of which has been set at the national level.

Prices are set by each region according to the procedures performed.

Fully funded by the ASLs.



## SPAIN

## Business activity



Long-term care nursing homes

## Regulations

Opening permit issued by the municipality (indefinite period). Operating licence issued by each regional government (indefinite duration) and accreditation (for additional beds) issued by the regional government (renewable every five years).

## Pricing

The prices of private beds are set by the operator. All prices for subsidised beds, including all services, care, accommodation and catering, are set by the autonomous communities.

## Financing aid

Three financing methods:

- private: paid by the resident;
- subsidised: the autonomous government pays a price regulated by the regional government (social services) and the resident pays 75% of his or her pension. The prices are generally updated annually by decree;
- service-related: the government pays residents an amount to help pay for accommodation.

## Mental health clinics



Opening permit issued by the municipality (indefinite period). Activity licence issued by the municipality (indefinite period). Approval for healthcare centres, hospitals, day hospitals and any other healthcare activity approved by the autonomous government, the duration of which is set by each autonomous community.

The prices of private beds are set by the operator. All prices for subsidised beds, including all services, care, accommodation and catering, are set by the autonomous communities.

The financing may be covered by the private health insurance with which the patient is affiliated.

## Day centres



Specific licences and accreditations granted by the autonomous communities.

The prices of private places are set by the operator. All prices for subsidised places, including all services, care, accommodation and catering, are set by the autonomous communities.

Part of the financing of subsidised places is covered by the autonomous government.



## NETHERLANDS

### Business activity



#### Long-term care nursing homes

### Regulations

Operating licence issued by the Ministry of Health.

### Pricing

The prices of care, including accommodation and catering, are determined by the Ministry of Health and health insurance companies.

The prices of ancillary services are freely set and are indexed annually on the basis of contractual agreements.

### Financing aid

Part of the financing is provided by the Ministry of Health. Anyone with a healthcare card may benefit from it. The remainder is the responsibility of the insurance company with which the resident is affiliated.



#### Assisted living facilities

Operating licence issued by the Ministry of Health.

The prices of care, including accommodation and catering, are determined by the Ministry of Health and health insurance companies.

The prices of ancillary services are freely set and are indexed annually on the basis of contractual agreements.

Part of the financing is provided by the Ministry of Health. Anyone with a healthcare card may benefit from it. The remainder is the responsibility of the insurance company with which the resident is affiliated.



#### Medical and rehabilitation care

Operating licence issued by the Ministry of Health.

The prices of care, including accommodation and catering, are determined by the Ministry of Health and health insurance companies.

The prices of ancillary services are freely set and are indexed annually on the basis of contractual agreements.

Part of the financing is provided by the Ministry of Health. Anyone with a healthcare card may benefit from it. The remainder is the responsibility of the insurance company with which the patient is affiliated.



## UNITED KINGDOM

## Business activity

Long-term care  
nursing homes

## Regulations

Authorisation issued by the  
Care Quality Commission.

## Pricing

In principle, prices are set freely by the operator. The local authorities set the prices only when the resident is eligible for financing by the local authorities. This financing covers all costs of the long-term care nursing home.

## Financing aid

**Medical care:**  
means-tested financing by  
the local authority.

**Nursing care:** financing  
by the National Health  
Service The eligibility for  
the financing is subject  
to an assessment by a  
qualified nurse.

**Continuing healthcare:**  
financing paid by the  
National Health Service.

The eligibility depends on  
the patient's state of health.

## 8.4 Glossary

The table below contains a definition of the terms and acronyms used in this Universal Registration Document.

Term or acronym	Definition
<b>Regional Health Agency</b>	A public administrative body of the French government responsible for implementing health policy in a given region.
<b>Personal independence allowance (APA)</b>	An allowance granted in France to persons aged 60 and above who are losing their autonomy and require help in performing essential daily functions.
<b>Welfare, Ethics and Care for All (BEST)</b>	Method of care combining soothing gestures and words to improve the care and quality of daily life of people affected by illness, which is taught to Korian staff in France as part of a specific training course, developed and launched in January 2011.
<b>Medical and rehabilitation care clinics</b>	Clinics in which patients are hospitalised for the medium or long term and that provide physical therapy, rehabilitation and reinsertion assistance for patients following an acute episode of chronic disease, an accident or post-operative trauma.
<b>User Relations Commission (CDU)</b>	Formerly the User Relations and Dependency Care Quality Commission (CRUQPC). A French body whose main purpose is to ensure that users' rights are observed and to make processes easier for them to express any difficulties they may have.
<b>Social Life Committee (CVS)</b>	Framework within which residents and families are invited to participate in the life of the facility.
<b>Organic growth</b>	The Group's organic growth is calculated as follows: <ul style="list-style-type: none"> <li>■ change in revenue from one year to the next for facilities that are already operating;</li> <li>■ revenue generated from facilities opened in the current year or in the previous year;</li> <li>■ change in revenue from one year to the next for facilities that have been renovated or whose capacity was increased in the current year or in the previous year;</li> <li>■ change in revenue for acquired facilities between the equivalent period the previous year and the current year.</li> </ul>
<b>Infectious medical waste</b>	Refers to waste from healthcare activities that may present infectious, chemical, toxic or radioactive risks, which must necessarily be controlled to protect hospitalised patients, healthcare staff, waste disposal workers and the environment.
<b>Professional Risk Assessment Document (DUPERP)</b>	In France, this document is mandatory in all companies, regardless of their workforce and the sector of activity, and is prepared by the employer. It draws up an inventory of the risks present in the company and must be updated each year and whenever working conditions change. This document must be made available to the CHSCT (Committee for Health, Security and Working Conditions), staff representatives and company employees, as well as health and safety inspectors.
<b>EBITDA</b>	Earnings before interest, taxes, depreciation and amortisation. Corresponds to EBITDAR, net of rental expenses.
<b>EBITDAR</b>	Earnings before interest, taxes, depreciation, amortisation and rent, the Group's preferred performance indicator, enabling it to monitor the operating performance of its entities. EBITDAR corresponds to operating income before rental expenses not eligible for IFRS 16 "Leases", allowances for depreciation and provisions, other operating income and expenses, and gains and losses on the acquisition and disposal of consolidated entities of operating sectors.

Term or acronym	Definition
<b>Full-Time Equivalent (FTE)</b>	A unit to measure the employment of employed persons or students in a way that makes them comparable even if they work or study a different number of hours per week. FTE is obtained by comparing the number of hours an individual devotes to work or studies with the average number of hours of a full-time worker or student.
<b>ESG</b>	Environmental, Social and Governance Criteria.
<b>Serious Adverse Events (SAE)</b>	Events liable to cause dysfunctions or undermine the principle of best care practices. They are classified as "serious" when they are the cause of hospitalisation or when they result in an extension of hospitalisation, incapacity on discharge from the unit or a life-threatening risk.
<b>Iso-Resources Groups (IRG)</b>	A French national indicator developed to ascertain a person's level of dependency. It classifies individuals into six groups according to their level of dependency.
<b>French National Authority for Health</b>	An independent public scientific organisation tasked with improving medical quality in France.
<b>Hospital Home Care (HHC)</b>	Full-time hospitalisation where treatment is provided in the patient's home.
<b>INAMI</b>	In Belgium, <i>Institut National d'Assurance Maladie-Invalidité</i> (National Institute for Health and Disability Insurance) is a public social security body that organises, manages and monitors mandatory healthcare insurance and payments.
<b>Coordinating state-accredited nurses (IDEC)</b>	In France, state-accredited nurses handling hands-on management duties.
<b>Nursing and care home (MRS)</b>	Term designating, in Belgium, the beds (care) integrated in nursing homes. These beds are reserved for highly dependent people who do not require acute care but for whom a guarantee of superior supervision is provided.
<b>Medicalised nursing homes</b>	A medicalised facility authorised by the French government to host dependent ageing persons and with a medical care team responsible for providing the required medical care to each resident according to their personal circumstances.
<b>Medicine-Surgery-Obstetrics (MCO)</b>	This acronym is used to define acute care facilities.
<b>Pflegeheime</b>	Term used in Germany for specialised nursing homes.
<b>Residenze sanitarie per anziani (RSA)</b>	Term used in Italy for specialised nursing homes.
<b>Corporate social responsibility (CSR)</b>	The incorporation of labour, environmental, societal and corporate governance issues into the Company's policies, activities and interactions with all stakeholders.
<b>Korian Standard</b>	The Korian Standard incorporates the requirements of the ISO 9001 standard, which are fully customised to the activities and organisation, in addition to the Group's requirements.
<b>Musculoskeletal disorders (MSD)</b>	Conditions that affect structures in the area of the joints (muscles, tendons, nerves, ligaments, synovial bursa, joint capsules, blood vessels, etc.).
<b>Validation of Acquired Experience (VAE)</b>	A French system that allows a person to obtain all or part of a certification (diploma, professional credential or certificate of professional qualification) based on salaried or non-salaried work experience (retailer, employee of a retailer, freelancer, farmer or craftsman, etc.) and/or unpaid experience (union, community work) and/or volunteer experience. This experience, which must be related to the certification sought, is approved by a Board of examiners.

## 8.5 Cross-reference tables

### CROSS-REFERENCE TABLE WITH SECTIONS OF ANNEXES 1 AND 2 OF EUROPEAN REGULATION NO. 2019/980

The cross-reference table below identifies the information in this Universal Registration Document that is referred to in the different sections of Annexes 1 and 2 of Commission Regulation (EC) No. 2019/980 of 14 March 2019.

Information	Chapters	Pages
<b>1 Persons responsible, third-party information, experts' reports and competent authority approval</b>	<b>8.1</b>	<b>384</b>
1.1 Persons responsible for the information given	8.1.1	384
1.2 Responsibility statement	8.1.2	384
1.3 Experts' statement or report	N/A	
1.4 Third-party information	N/A	
1.5 Statement without prior approval of the competent authority	N/A	
<b>2 Statutory Auditors</b>	<b>8.2</b>	<b>385</b>
2.1 Information about the Company's Statutory Auditors	8.2.1	385
2.2 Information about any auditors that have resigned or not been re-appointed	8.2.2	385
<b>3 Risk factors</b>	<b>2</b>	<b>59</b>
<b>4 Information about the Company</b>	<b>7.1</b>	<b>358</b>
4.1 Legal and commercial name of the Company	7.1.1	358
4.2 Place of registration of the Company and its registration number	7.1.1	358
4.3 Date of incorporation and length of life of the Company	7.1.1	358
4.4 Domicile and legal form of the Company and legislation under which it operates	7.1.1	358
<b>5 Business overview</b>		
5.1 Principal activities	1	7
5.1.1 Description of the nature of the Company's operations and its principal activities	1	7
5.1.2 New products and/or services	1	7
5.2 Principal markets	1	7
5.3 Important events in the development of the Company's business	1	7
5.4 The Company's business strategy and objectives	1	7
5.5 The extent to which the Company is dependent on patents or licences, industrial, commercial or financial contracts, or new manufacturing processes	N/A	
5.6 Competitive position	N/A	
5.7 Investments	1	7
5.7.1 Description of the Company's material investments	1, 5.7, 6.1, Note 2	7, 271, 274, 284
5.7.2 Description of any material investments in progress or for which firm commitments have already been made	N/A	
5.7.3 Significant joint ventures and undertakings	6.1, Note 2, Note 13	274, 284, 315
5.7.4 Environmental issues that may affect the Company's use of its property, plant and equipment	3.6.2	154
<b>6 Organisational structure</b>		
6.1 Description and organisational structure of the Group	7.1.3	360
6.2 List of the Company's significant subsidiaries	13.3	316

Information	Chapters	Pages
<b>7 Operating and financial review</b>		
7.1 Financial condition	5.3.2	265
7.1.1 Review of the development and performance of the Company's business	5.2, 5.3, 6	263, 264, 273
7.1.2 The Company's likely future development and activities in the field of research and development	5.3.3.8	269
7.2 Operating result	5.2, 5.3, 6.1, Note 3	263, 264, 274, 288
7.2.1 Factors materially affecting the income from operations	5.1, 5.2	262, 263
7.2.2 Narrative discussion of material changes in revenues	5.2	263
<b>8 Liquidity and capital resources</b>		
8.1 Information on capital resources	5.3.2, 6.1, 6.3	265, 274, 336
8.2 Sources and amounts of the Company's cash flows, and a narrative description of these	5.3.2, 6.1	265, 274
8.3 Information on the borrowing requirements and funding structure of the Company	5.3.2, 6.1, Note 8	265, 274, 304
8.4 Information regarding any restrictions on the use of capital resources that have affected, or could affect, the Company's operations	6.1, Note 8	274, 304
8.5 Anticipated sources of funds needed to fulfil the Company's commitments	5.3.2, 6.1, Note 8	265, 274, 304
<b>9 Regulatory environment</b>	<b>1, 8.3</b>	<b>7, 385</b>
<b>10 Trend information</b>		
10.1 Most significant trends and any significant change in financial performance since the end of the last financial year	5.7	271
10.2 Known trends or uncertainties that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year	5.7, 5.8	271, 272
<b>11 Profit forecasts or estimates</b>		
11.1 Profit forecasts or estimates published	N/A	
11.2 Principal assumptions	N/A	
11.3 Statement of comparability with historical financial information and consistency with accounting policies	N/A	
<b>12 Administrative, management and supervisory bodies, and general management</b>		
12.1 Information about the members of the administrative and management bodies	4.1.1 - 4.1.4	194 - 233
12.2 Conflicts of interest in the administrative, management and supervisory bodies and general management	4.1.5	234
<b>13 Compensation and benefits</b>		
13.1 Amount of compensation paid and benefits in kind granted to members of the administrative and management bodies	4.2	236
13.2 Total amounts set aside or accrued by the Company or its subsidiaries to provide for pension, retirement or similar benefits	6.1, Note 4	274, 292
<b>14 Operation of administrative and management bodies</b>		
14.1 Date of expiration of current terms of office	4.1.2.1, 4.1.3.1.2	194, 212
14.2 Service contracts with members of the administrative and management bodies	4.1.5.6	235
14.3 Information about the Audit Committee and Compensation Committee	4.1.3.2.4, 4.1.3.3.1 - 4.1.3.3.2	223, 228, 230
14.4 Statement as to whether the Company complies with the corporate governance regime	4.1	193
14.5 Potential material impacts on corporate governance	4.1.3.1.4	219
<b>15 Employees</b>		
15.1 Number of employees	3.3.2	108
15.2 Shareholdings and stock options	6.1, Note 4	274, 292
15.3 Arrangements for involving employees in the capital of the Company	7.2.4.3	372

Information	Chapters	Pages
<b>16 Major shareholders</b>		
16.1 Shareholders with more than 5% of the capital	7.3.1	375
16.2 Whether shareholders have different voting rights	7.1.2.3	359
16.3 Whether the Company is owned or controlled	7.3.2	375
16.4 Arrangements which may result in a change in control	7.2.5	374
<b>17 Related party transactions</b>	<b>6.1, Note 13</b>	<b>274, 315</b>
<b>18 Financial information concerning the Company's assets and liabilities, financial position and profits and losses</b>		
18.1 Historical financial information		
18.1.1 Audited historical financial information	6.1, 6.3	274, 336
18.1.2 Change of accounting reference date	N/A	
18.1.3 Accounting standards	6.1	274
18.1.4 Change of accounting framework	N/A	
18.1.5 Minimal content that must be included in the audited financial information	N/A	
18.1.6 Consolidated financial statements	6.1	274
18.1.7 Age of financial information	6	273
18.2 Interim and other financial information	N/A	
18.3 Auditing of historical annual financial information		
18.3.1 Audit report	6.2, 6.4	332, 353
18.3.2 Other audited information	N/A	
18.3.3 Unaudited financial information	N/A	
18.4 Pro forma financial information	N/A	
18.5 Dividend policy		
18.5.1 Description	7.3.6	378
18.5.2 Amount of the dividend per share	7.3.6, 5.4	378, 270
18.6 Legal and arbitration proceedings	5.5	271
18.7 Significant change in the Company's financial position	5.6	271
<b>19 Additional information</b>		
19.1 Share capital		
19.1.1 Amount of issued capital and information about each class of share capital	7.2.1	362
19.1.2 Number and characteristics of shares not representing share capital	7.2.3.3	370
19.1.3 Number, book value and face value of shares held by or on behalf of the Company itself or by subsidiaries of the Company	7.3.2.1, 7.3.2.2	375
19.1.4 The amount of any convertible or exchangeable securities or securities with warrants	7.2.4	371
19.1.5 Information about and terms of any acquisition rights and/or obligations over authorised but unissued capital or an undertaking to increase the capital	7.2.3	365
19.1.6 Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option	N/A	
19.1.7 A history of the share capital for the period covered by the historical financial information	7.2.2	363
19.2 Memorandum and Articles of Association		
19.2.1 Corporate purpose	7.1.2.2	358
19.2.2 A description of the rights, preferences and restrictions attaching to each class of existing shares	7.1.2.3	359
19.2.3 Any provision that would delay, defer or prevent a change in control of the Company	7.2.5	374
<b>20 Material contracts</b>	<b>N/A</b>	
<b>21 Documents available</b>	<b>7.4.3.2</b>	<b>380</b>

## CROSS-REFERENCE TABLE WITH INFORMATION REQUIRED IN THE MANAGEMENT REPORT

The cross-reference table below identifies the information in this Universal Registration Document that constitutes the management report in accordance with the applicable legal and regulatory provisions and in particular with Articles L. 225-100 et seq. of the French Commercial Code.

Themes		Chapters	Pages
<b>1</b>	<b>Information about the Company's business</b>		
1.1	Presentation of the business activity (particularly progress and difficulties) and results of the Company, each subsidiary and the Group	5.1, 5.2	262, 263
1.2	Analysis of changes in the revenues, earnings, financial position and especially the debt of the Company and the Group	5.3	264
1.3	Foreseeable development of the Company and/or Group	5.8	272
1.4	Key financial and non-financial indicators of the Company and the Group	1, 3.1.4, 5.2, 5.3	9, 91, 263, 264
1.5	Material events since the Company's and Group's year-end	5.7	271
1.6	Indications about its objectives and policy with respect to hedging each main category of planned transactions for which hedge accounting is used, and about its exposure to price, credit, liquidity and cash risks. These indications include the use by the Company of financial instruments	6.1, Note 8	274, 304
1.7	Description of the Company's and Group's main risks and uncertainties	2.1, 2.2, 2.3, 2.4	61, 66, 67, 69
1.8	Indicators on the financial risks related to the effects of climate change and presentation of the measures taken by the Company to reduce them by implementing a low-carbon strategy in all aspects of its business	2.3.2, 3.6	67, 144
1.9	Information about the Company's and Group's R&D	5.3.3.8	269
1.10	Main features of the internal control and risk management procedures implemented by the Company for the purposes of preparing and processing accounting and financial information	2	59
1.11	References to existing branches	5.3.3.6	269
1.12	Activity and results of the consolidated Company, its subsidiaries and the companies that it controls, by business segment	5.2	263
<b>2</b>	<b>Legal, financial and fiscal information about the Company</b>		
2.1	Breakdown, identity and changes in the shareholding structure	7.3.1	375
2.2	Names of controlled companies participating in the Company's treasury stock and the share of the capital they hold	7.3.2.1	375
2.3	Significant equity investments made during the year in companies incorporated in France	7.2.6	374
2.4	Disclosure of more than 10% ownership of the capital of another joint stock company; disposal of cross-shareholdings	N/A	
2.5	Share buybacks	7.3.2.3	377
2.6	Acquisition and disposal by the Company of its own shares with a view to allocating them to its employees (share buybacks)	7.3.2.3	377
2.7	Employee ownership of the share capital	7.3.3	378
2.8	Opinion of the Works Council on changes in the Company's economic or legal organisation	N/A	
2.9	Five-year financial summary	5.3.3.7	269
2.10	Results for the financial year and proposed allocation of profit	5.4.2	270
2.11	Issue of securities conferring rights to capital: ■ information on the data used to calculate adjustments; and the results of these adjustments	7.2.4	371
2.12	Amount of dividends paid out for the previous three financial years	5.4.1, 7.3.6	270, 378
2.13	Non-deductible expenses and charges	5.3.3.5	269
2.14	Payment deadlines and breakdown of remaining trade payables and trade receivables by due date	5.3.3.4	268
2.15	Payment orders or financial sanctions for anti-competitive practices	N/A	
2.16	Information about regulated agreements the effects of which lasted through the financial year	N/A	
2.17	Shares acquired by employees during a buyout of a company by its employees	N/A	

Themes		Chapters	Pages
<b>3</b>	<b>Information about corporate officers</b>		
3.1	If stock options are granted, references to the information on which basis the Board of Directors decided to either: ■ prohibit corporate officers from exercising their stock options before leaving office; or ■ oblige them to keep some or all of the shares resulting from options already exercised as registered until they leave office (specifying the proportion)	N/A	
3.2	Summary of transactions in the Company's shares carried out by corporate officers and persons linked to them	4.1.5.1	234
3.3	If free shares are granted, references to the information on which basis the Board of Directors decided to either: ■ prohibit corporate officers from selling the free shares granted to them before leaving office; or ■ impose a lower limit on the proportion of shares they must keep registered until they leave office (specifying the proportion).	7.2.4.3, 4.2.1.1, 6.1, Note 4	372, 239, 274, 292
<b>4</b>	<b>The Company's CSR information</b>		
4.1	Statement of non-financial performance	3	77
4.2	Information on installations classified as risky	N/A	
<b>5</b>	<b>Other information</b>		
5.1	Amount of loans of less than two years granted by the Company, as an ancillary occupation to its main occupation, to micro-enterprises, SMEs or intermediate-sized enterprises with which it has economic links justifying such a loan	N/A	
5.2	Information about payments made to the authorities of each of the states or territories where the Company carries out the following operations: exploration, prospecting, discovery, mining or extraction of hydrocarbons, coal and lignite, metal ores, stone, sand and clay, chemical minerals and mineral fertilisers, peat, salt and other mineral resources or resources mined from primary forests	N/A	
5.3	Information relating to the use of the CICE tax credit	N/A	
5.4	Special report on share subscriptions or stock options with respect to the share subscriptions or stock options granted to corporate officers and employees	N/A	
5.5	Special report on free shares granted to corporate officers and employees during the financial year	N/A	
5.6	Vigilance plan: ■ risk mapping to identify, analyse and classify risks; ■ procedures to regularly assess the financial position of subsidiaries, subcontractors and suppliers with which the Company has long-standing commercial ties, based on a mapping of risks; ■ suitable measures to mitigate risk or prevent serious violations; ■ a whistleblowing procedure and a mechanism to record reports received of the existence or occurrence of risks, established in cooperation with the labour unions in the Company; ■ a system to monitor measures that have been implemented and to assess how effective they are.	2.5.5, 3.7 3.5.2, 3.7 2.5 3.7 3.7	76, 164 137, 164 72 164 164

## CROSS-REFERENCE TABLE WITH INFORMATION REQUIRED IN THE ANNUAL FINANCIAL REPORT

The cross-reference table below identifies the information in this Universal Registration Document that constitutes the annual financial report in accordance with Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulations of the French Financial Markets Authority (Autorité des marchés financiers – AMF).

Themes	Chapters	Pages
1 Statement made by the natural persons taking responsibility for the annual financial report	8.1	384
2 Management report	See cross-reference table of the management report	398
3 Financial statements and reports		
3.1 Individual financial statements	6.3	336
3.2 Statutory Auditors' report on the individual financial statements	6.4	353
3.3 Consolidated financial statements	6.1	274
3.4 ,	6.2	332

## CROSS-REFERENCE TABLE WITH THE INFORMATION REQUIRED IN THE CORPORATE GOVERNANCE REPORT

The cross-reference table below identifies the information in this Universal Registration Document that constitutes the corporate governance report in accordance with the applicable legislative and regulatory provisions and in particular with Article L. 225-37 of the French Commercial Code.

Themes	Chapters	Pages
1 List of terms of office and duties exercised by each corporate officer in any company during the financial year	4.1.2.1, 4.1.3.1.1	194, 197
2 Agreements entered into, either directly or through an intermediary, between a corporate officer or shareholder holding more than 10% of the share capital and another company in which the former directly or indirectly holds more than half of the share capital	4.1.5.3, 4.1.5.4	235, 235
3 Summary of currently valid delegations of authority granted by the General Meeting in respect of capital increases and describing the use made of these delegations during the financial year	7.2.3.1	365
4 Choice of methods for performing general management functions	4.1.1	194
5 Policy applicable to the compensation of corporate officers	4.2.1.1, 4.2.1.2	239, 245
6 Compensation components of corporate officers	4.2.1.1, 4.2.2	239, 246
7 Information to provide relating to pension commitments	4.2.1.1, 4.2.2.1 - 4.2.2.3, 6.1, Note 4, 6.3	239, 246 - 255, 274, 292, 336
8 Composition of the Board of Directors and conditions for preparing and organising the work of the Board	4.1.3	197
9 Any limitations that the Board of Directors imposes on the powers of the Chief Executive Officer	4.1.2.1	194
10 Corporate Governance code selected and any of the code's provisions that were excluded	4, 4.1.4	191, 233
11 Special procedures for participating in General Meetings	7.5	381
12 Information about factors which may have an impact in the event of a takeover bid	7.2.5	374
13 Application of the principle of balanced representation of men and women on the Board of Directors and Supervisory Board	4.1.3.1.2	212
14 Fair pay ratio and information on the compensation gap between corporate officers/employees	4.2.2.3	255

## CROSS-REFERENCE TABLE OF SOCIAL, ENVIRONMENTAL AND CORPORATE RESPONSIBILITY INFORMATION

### Statement of non-financial performance

Themes	Chapters	Pages
1 Presentation of the Company's or Group's business model	1.6	56
2 Description of the main risks relating to the activities of the Company or of all the companies with respect to social issues, environmental issues, human rights, corruption and tax evasion, including, where relevant and proportionate, the risks resulting from its business relations, products and services	2, 3.1.3	59, 89
3 Description of the policies applied by the Company or by all the companies including, where applicable, reasonable due diligence procedures to prevent, identify and mitigate risks	2, 3	59, 77
4 The outcome of these policies, including key performance indicators	2, 3	59, 77
5 The report must cover the following topics: <ul style="list-style-type: none"> <li>■ the impact of the Company's operations on climate change and the use made of the goods and services it produces;</li> <li>■ the Company's societal commitment towards:               <ul style="list-style-type: none"> <li>■ sustainable development,</li> <li>■ the circular economy,</li> <li>■ preventing food waste,</li> <li>■ preventing food insecurity,</li> <li>■ respect for animal welfare,</li> <li>■ responsible, fair and sustainable food;</li> </ul> </li> <li>■ collective agreements signed by the Company and their impact on its financial performance and on the working conditions of its employees;</li> <li>■ measures aimed at tackling discrimination and promoting diversity;</li> <li>■ measures taken in support of people with disabilities.</li> </ul>	3	77
6 References to standards adhered to and indication of the recommendations set out in said standard	3.8.3	181









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