



**KORIAN**

*In caring hands*



2021

**2021**

# **UNIVERSAL REGISTRATION DOCUMENT**

Annual financial report and integrated report

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**2021**

# UNIVERSAL REGISTRATION DOCUMENT

Annual Financial Report and Integrated Report



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



The Universal Registration Document was filed on 28 April 2022 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 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 key figures on pages 8 and 9 as well as the consolidated financial statements for the financial year ended 31 December 2019, the notes to the financial statements, the Statutory Auditors' report presented on pages 223 to 280 of the 2019 Universal Registration Document filed with the AMF on 7 May 2020 under number D.20-0452.

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.

# Interview with the Chief Executive Officer

## SOPHIE BOISSARD

*In a demanding context, marked by two years of struggle against the Covid-19 pandemic, the Korian community has remained fully mobilised to serve elderly or fragile people as well as carers. In 2021, our 60,000 employees supported and provided care to 650,000 people in our network of more than 1,100 facilities, residences or home care agencies.*

*Sophie Boissard, Chief Executive Officer of Korian, provides an overview of the past year as well as the outlook for Korian. She also gives us her vision of the Elderly and Dependency sector in the face of the various challenges of the coming decade and Korian's essential role in serving the common good.*



### WHAT WERE THE KEY ASPECTS OF THE PAST YEAR?

First of all, I would like to express my warmest thanks to our employees across Europe for their courage, dedication and professionalism. I would also like to acknowledge the support of our stakeholders, in particular our residents, patients, carers and local authorities.

Throughout these months, during the ordeal of the Covid-19 pandemic, we have been guided by the deep sense of our **mission**:

**“Provide care and support to elderly or fragile people and their loved ones, respecting their dignity and contributing to their quality of life”**

We strive to fulfil this mission every day by building on our **values** of spirit of **Initiative**, sense of **Responsibility** and, above all, **Trust**, which is fundamental when tackling such unprecedented situations.

Our **culture** and **ethics** are the essential strengths of our Community because they bring us together and support us on a daily basis, all business lines and activities combined.

The warm testimonies of our residents, patients, and their families remind us that our responsibilities are essential. They involve supporting and caring for elderly and fragile people, having their dignity at heart and fighting alongside them to maintain or restore their autonomy.

We have also strengthened the dialogue within our local ecosystems, notably through the Stakeholder Councils present in four of the Group's seven countries.

### WHAT WERE THE HIGHLIGHTS OF THE GROUP'S BUSINESS?

The in-depth work undertaken since 2019 on our corporate project “In Caring Hands” continues to show results, in terms of the quality of our services, HR policies, particularly in terms of social dialogue and quality of life and working conditions, diversification and enhancement of care pathways as close as possible to the regions.

**€4.311 billion**  
GROUP REVENUE





The warm testimonies of our residents, patients, and their families remind us that our responsibilities are essential.

I would particularly like to commend the progress made on our 2019-2023 ESG roadmap. Enhanced quality standards were undoubtedly one of the major achievements of 2021. We have made great progress with the roll-out of our ISO 9001 certification programme launched in 2020. To date, nearly a third of our network of nursing homes in Europe is already fully ISO 9001 certified.

Furthermore, our efforts in terms of qualifying training, through our academies and apprenticeship centres, are paying off: we have nearly 6,000 employees, or almost 10% of the workforce, involved in a training course leading to qualifications.

Lastly, as regards environmental issues, we have set an ambitious low-carbon trajectory with a target of a 40% reduction by 2030 with a first step of -15% by 2025.

Our economic performance reflects the resilience of the Group and its diversified activities.

Our financial results are in line with our objectives, supported by a strong statement of financial position:

- organic revenue growth of 5.9% to €4.311 billion;
- an EBITDA margin of 13.9%;
- free cash flow of €230 million;
- a liquidity level of €1.7 billion;
- a real estate portfolio value increased to €3.2 billion with a stable loan to value ratio (LTV) of 55%;
- an extension of the average maturity of the debt to around six years, with an average financing rate reduced to 2% (compared to 2.3% in 2020).

At the same time, we continued our sustained investment in our networks and facilities and our information systems:

- €409 million invested in our healthcare facilities;
- in addition, we are continuing to accelerate the shift towards home care with the development of the outpatient care offer in our clinics (+50%) and the development of adapted housing solutions through our network of 200 shared housing and assisted living facilities, up by 20%.

## WHAT ARE KORIAN'S PROJECTS FOR 2022?

At the beginning of the year, yet again the sector found itself in the spotlight in France, following the publication of a book, *Les Fossoyeurs* (The gravediggers), depicting the practices of one of our competitors.

I had the opportunity to publicly express the extent to which the system described in this book, if confirmed, is at odds with the values and ethics of the profession as we understand them at Korian.

To prevent such practices from occurring, it is essential that reforms be undertaken for greater transparency and control. Naturally, Korian will fully participate in this process at the initiative of the authorities and the profession.

Furthermore, in line with our values, in 2022 we want to enable our employees to be more directly involved in the Company's progress. This is why we are launching Korus, the first European employee stock ownership plan in the sector.

Lastly, because we carry out an activity for the common good, and because the role we play in the heart of the regions is essential for society, we are going to formalise our commitments to all our stakeholders by adopting the status of a European mission-led company.

This is a major step in consolidating the relationship of trust we have with our stakeholders, foremost among them residents, patients, caregivers and local authorities. We are determined to continue to build with them the ways and means for dignified and caring support for elderly and fragile people and to place our innovative strength at the service of one of the major challenges of our societies on the European scale, namely the longevity challenge.

**Sophie BOISSARD**, Chief Executive Officer



# 1

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

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## 1.1 Presentation of the Korian Group





## OUR MISSION INSPIRES OUR DAILY ACTIONS and feeds into our corporate culture and values

We, the men and women of Korian, regardless of our profession, are all deeply committed to our mission of caring for and supporting elderly or fragile people.

This mission, which forms the basis of the professional commitment of each of us, feeds into our corporate culture through our Group's three values of Trust, Initiative and Responsibility.

These values are expressed on a daily basis, regardless of the business line, through our attitudes. They are our common good, the 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.

Our  
**ETHICS  
CHARTER**



Our  
**MISSION**

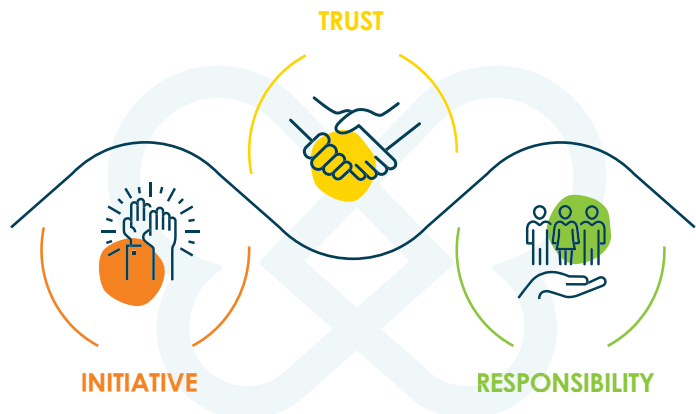


**Provide care and support to ageing or fragile people and their loved ones, respecting their dignity and contribute to their quality of life"**

Our **VALUES**



A "Let's Talk Values" game was created especially for Korian. It is based on situations frequently encountered on a daily basis to enable each employee to reflect on ethics in line with the Group's values in order to make the most appropriate decisions.

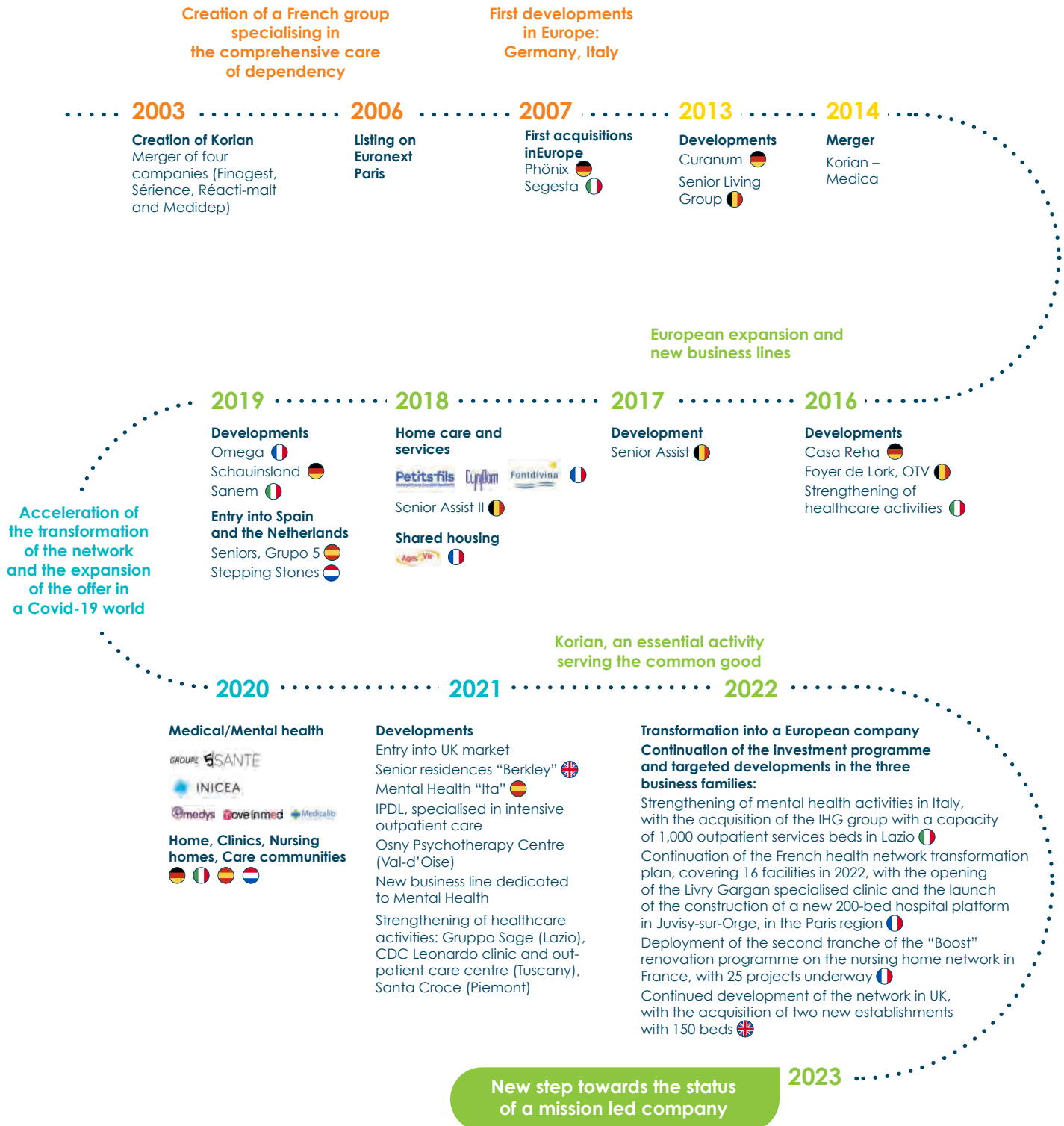


**Find**  
the values video

## HISTORY OF THE GROUP

### Key dates

*In two decades, Korian has become the leading European care services group for elderly and fragile people.*



# A SOCIALLY AND ENVIRONMENTALLY RESPONSIBLE COMPANY

## Our roadmap

1

2017 ..... 2018 ..... 2019 ..... 2020 ..... 2021 ..... 2022 .....



1<sup>st</sup> materiality matrix of ESG challenges with our stakeholders



1<sup>st</sup> agreement on the Quality of Life at Work



**Geriatric Passport**  
1<sup>st</sup> industry certification training



**Our corporate project**



*In caring hands*

**ESG strategy**  
5 pillars  
15 commitments  
2019-2023



**Apprenticeship training**



Creation of the 1<sup>st</sup> Stakeholder Council



**European Works Council**



**Covid Solidarity Fund** - Support for scientific research and solidarity actions in favour of women



**European training and skills development programme** for Facility Directors



**New Ethics Charter**



Drafting of our low-carbon roadmap



**Apprentice Training Centre (CFA) of care professions**



"Passerelles" Programme "Collective Transitions" system rolled out by the Public Authorities



Appointment of an **independent mediator**



1<sup>st</sup> company agreement in the sector in favour of **Occupational Health & Safety**



Signature of the Health & Safety Protocol with the European Works Council



1<sup>st</sup> **ESG Commitment Charter** with **12 suppliers** involved in renovation projects

Founding member of **BIG (Biodiversity Impulsion Group)**, applied research programme on the biodiversity footprint of real estate projects



S.Keys programme recognised at U Spring (le Printemps des Universités d'Entreprise)



1<sup>st</sup> Group employee stock ownership plan



Transformation into a **European Company**

Preparation for the transition to the status of a **mission led company**.  
Presentation to the 2023 General Meeting

## Key figures for 2021

### FINANCIAL RESILIENCE

Activity in line with announced objectives

**€4.311 billion**

GROUP REVENUE

**+5.9%** ORGANIC GROWTH  
vs. 2.0% in 2020

**+11.3%**

REPORTED GROWTH

**vs. 7.2%**  
in 2020

**13.9%**

EBITDA MARGIN

**+100 bps**  
vs. 2020\*

**+€94.6 million**

NET PROFIT ATTRIBUTABLE  
TO OWNERS OF THE GROUP

**€39.4 million**  
in 2020

**€0.35/share**

with share-based payment option  
DIVIDEND

**€0.30/share**  
with share-based payment option  
in 2020

**€230 million**

OPERATING FREE CASH FLOW

**€223 million**  
in 2020

**€1.7 billion**

LIQUIDITY

**of which €500 million**  
of undrawn RCF

**3.1 x**

FINANCIAL LEVERAGE

**vs. 3.0 x**  
in 2020

**€3.2 billion**

REAL ESTATE PORTFOLIO

**Loan To Value**  
**of 55%**

Figures excluding IFRS 16 except for Net profit (loss) attributable to owners of the Group.

\* Actual figures for 2020, not adjusted for the exceptional effect of Covid-19.

### SUSTAINABLE FINANCE SERVING OUR ESG AMBITIONS FOR €750 MILLION

 **JUNE**  
2021

1<sup>st</sup> non-convertible  
hybrid green bond

**£200 million**

Financing of the acquisition,  
modernisation or development  
of real estate assets, mainly  
in the United Kingdom

**3 eligible categories:**

Green buildings  
Energy efficiency  
Renewable energy

→ Aligned with the principles  
of the Green Bonds

 **OCTOBER**  
2021

1<sup>st</sup> public social  
bond issue

**€300 million**

Financing of the growing needs related  
to care in Europe, on the three families of  
activity, based on social criteria

**Eligible social categories:**

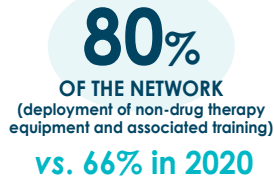
Access to essential services

→ Aligned with the principles  
of Social Bonds and Social Loans

## ESG ROADMAP 2019-2023

15 commitments promoting the quality of care and support, the quality of life and working conditions of employees and the presence in the regions of our stakeholders for a dialogue of trust and a responsible contribution

POSITIVE CARE



STAKEHOLDER COUNCIL



ISO 9001 CERTIFICATIONS



PHILANTHROPIC INITIATIVES



QUALIFYING TRAINING



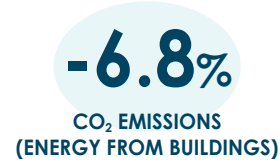
LOCAL PURCHASES



AVERAGE TENURE



CO<sub>2</sub> EMISSIONS



### Our ESG performance recognised by non-financial rating agencies



**#1**

**HEALTHCARE SECTOR**  
out of 47 peers

- Score: 57/100
- +20 points vs. 2020
- Active management of controversies



**#3**

**HEALTHCARE SECTOR**  
out of 47 peers

- Score: 83/100
- +7 points vs. 2020
- Quality relationships with stakeholders

### Our ESG initiatives awarded Quality, Inclusion & Diversity

Le Point-Statista/2021 ranking

**#1**

“SOCIALLY RESPONSIBLE COMPANY”  
Medico-social sector

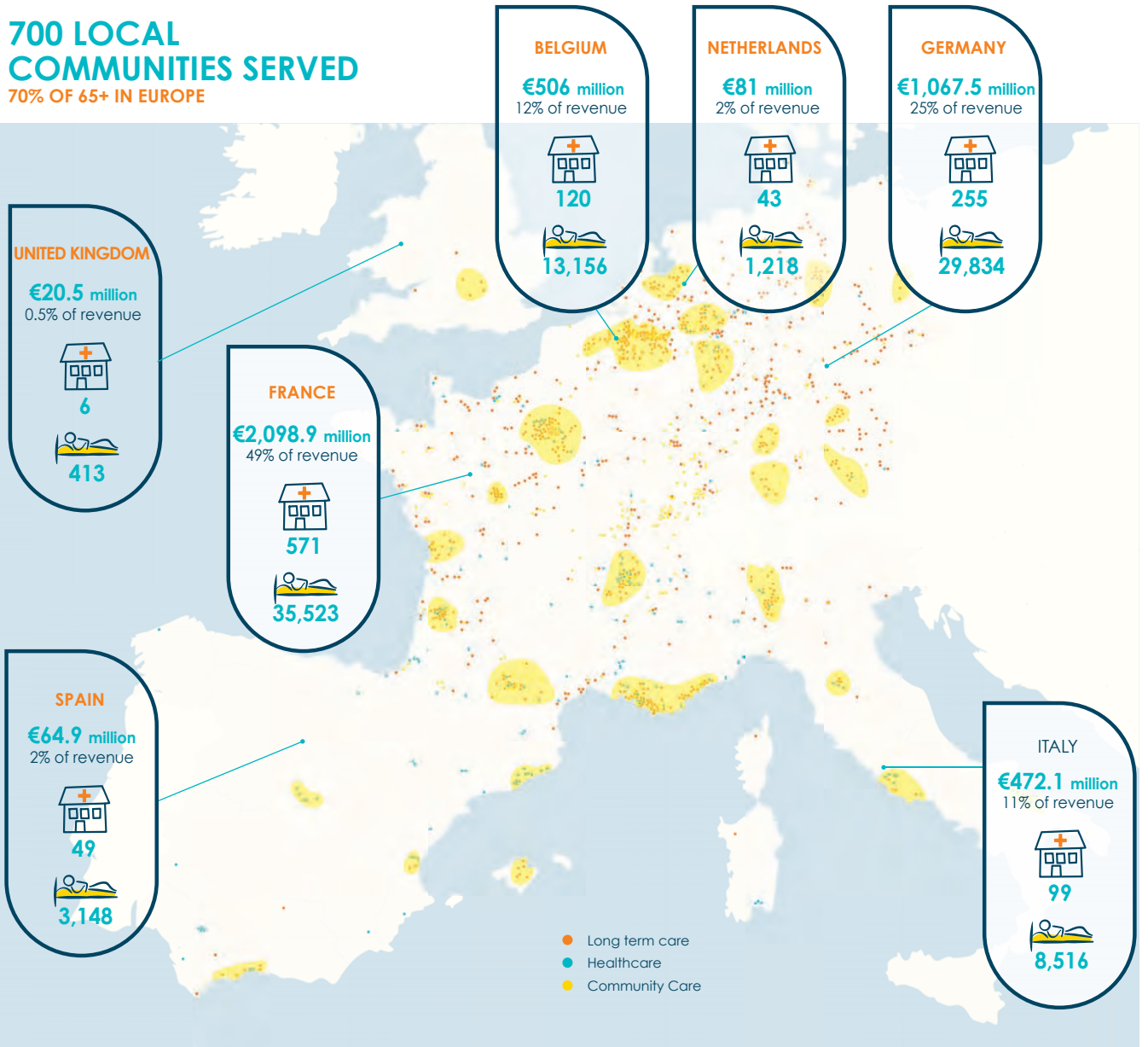
SBF 120/Awards 2021

**#13**

“INCREASE IN WOMEN WITHIN GOVERNING BODIES”

# The leading European care services group for elderly and fragile people

**700 LOCAL COMMUNITIES SERVED**  
70% OF 65+ IN EUROPE

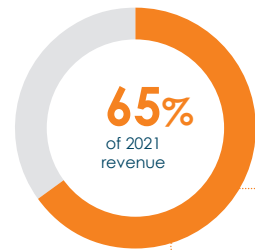


# Three activity families to offer personalised care pathways and find solutions for everyone



## LONG TERM CARE

**714** FACILITIES (specialised nursing homes)  
 approx. **65,369** BEDS

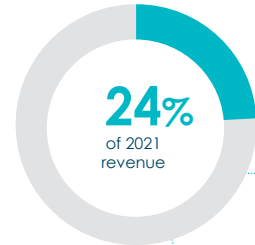


**+3%** capacity vs. 2020

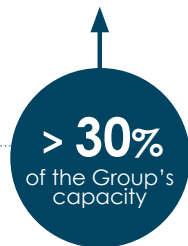


## HEALTHCARE

**167** FACILITIES (mental health, medical rehabilitation care)  
**10,199** BEDS  
**> 90,000** OUTPATIENT CAPACITY (monthly consultations)



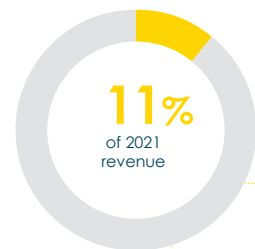
**+15%** capacity vs. 2020



## COMMUNITY CARE



**#1** HOME CARE IN FRANCE  
**273** HOME CARE AGENCIES  
**265** RESIDENCES AND CARE COMMUNITIES  
**16,240** BEDS



**+4%** capacity vs. 2020



# A company committed to the regions

Given its mission, Korian is in regular dialogue with all of its stakeholders.

This dialogue makes it possible to identify and incorporate their expectations and enhance practices. This momentum promotes the creation of long-term and shared value.

These discussions with the local communities around us, with whom we forge links on a daily basis, help to build a balanced development model for the benefit of the social and economic momentum of the regions.

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



**For more information**  
Chapter 3, §3.1.1





OUR TEAMS

**60,000**  
EMPLOYEES



2021 employee satisfaction survey

EMPLOYEE ENGAGEMENT

**77%**  
+2 pts  
vs. 2019

PROUD TO WORK AT KORIAN

**81%**  
vs. 75%  
Average Services B2C\*\*



OUR PATIENTS & RESIDENTS

**650,000**  
PEOPLE SUPPORTED  
IN 2021



European survey 2021\*

RECOMMENDATION (NET PROMOTER SCORE)

**34**  
vs. 23  
Average Services B2C\*\*\*

SATISFACTION (AVERAGE SCORE)

**7.7/10**  
vs. 7.5/10  
Average Services B2C\*\*



OUR LOCAL PARTNERS

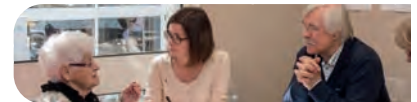
**700**  
LOCAL COMMUNITIES SERVED

LOCAL COMMITTEES

**89%**  
vs. 50%  
en 2019

STAKEHOLDER COUNCILS

**4 countries**  
All countries by 2023



\* 2021 IPSOS satisfaction survey.  
Scope: Europe – 52,368 people surveyed. Satisfaction (average score): Families & residents in nursing homes, assisted living facilities and clinics.  
Question: On a scale of 0 to 10, how satisfied are you with the facility as a whole? 0 = Not at all satisfied; 10 = Extremely satisfied.  
Recommendation (Net Promoter Score): Families, residents & patients in nursing homes, shared housing for seniors, clinics.  
Question: Would you recommend the facility to a friend, relative or family member?  
\*\* Ipsos benchmark: 121 surveys on B2C services 2016-2021

**99%**  
FACILITIES ARE ENGAGED IN AN ASSOCIATIVE OR COMMUNITY PROJECT

**89%**  
OF FACILITIES HAVE A SOCIAL LIFE COUNCIL OR EQUIVALENT

**88%**  
OF APPROVED SUPPLIERS IN EUROPE HAVING SIGNED ON TO THE RESPONSIBLE PURCHASING CHARTER

**40**  
CONTRIBUTIONS TO SCIENTIFIC PUBLICATIONS (PEER-REVIEWED JOURNALS)

## 1.2 Trends and challenges



# The three major trends for the 2020-2030 decade

The longevity challenge and the environmental challenge are the two major challenges of this century. In less than a generation, by 2030, Europe will transition to one retired person for every two working people, from one retiree for every three working people today.

This challenge is not only demographic; it is also a Public Health challenge linked to the rise in chronic pathologies. The digital transformation will be key to providing innovative solutions for

the management of these pathologies and for improving the quality of life of patients.

The Covid-19 pandemic and the recent crisis in the sector in France have confirmed our conviction that rethinking and adapting the support provided to elderly and fragile people are major challenges for European countries.

## THE LONGEVITY CHALLENGE: 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 18% of the population to 23% by 2030, whilst the 75-85 age bracket will increase by 5% and the 85 and over bracket by over 3%.

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.

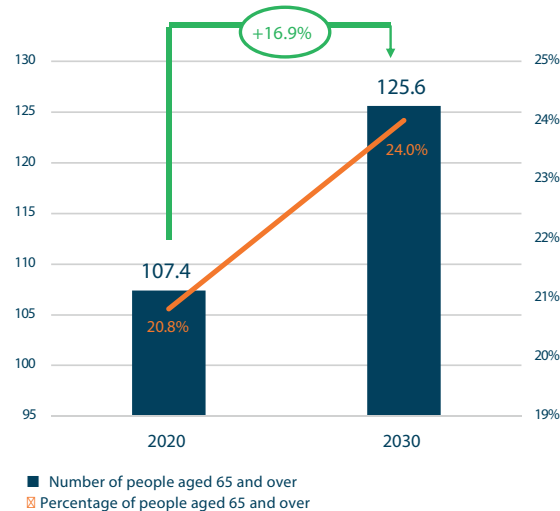
As a result, during the 2020-2030 decade, the number of people aged 85 or over will increase by 'only' 7.5% but it will explode by 58% between 2030 and 2040 and, to a lesser extent, by 19.2% between 2040 and 2050. In total, the population aged 85 or over will increase by 88% between 2030 and 2050.

Rapid ageing of the population in Europe

20% increase in the number of people aged 65 or over by 2030

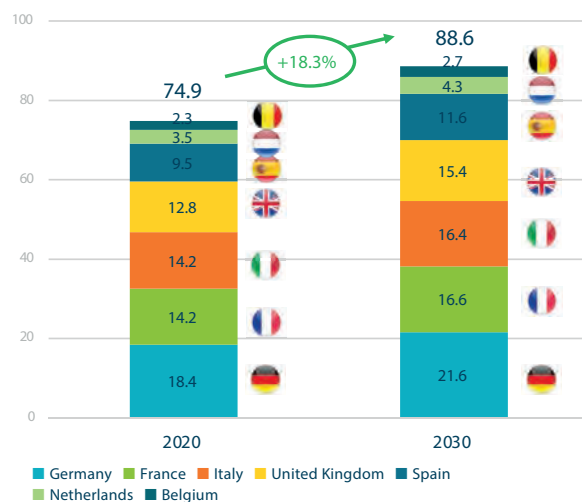


### ► CHANGE IN THE POPULATION AGED 65 OR OVER IN EUROPE (in millions and as a % of total population)



Sources: OECD

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



## PREVALENCE OF CHRONIC DISEASES

The other very strong trend concerns chronic diseases related to ageing or lifestyles, which require long-term care. Currently, more than 45 million people aged 65 or over in Europe live with at least two chronic diseases. 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 pathology and the best possible quality of life.

In Europe, the number of patients suffering from a chronic disease is rising sharply, in particular those suffering from neurodegenerative diseases:

- **80%** of people aged 65 or over suffer from at least one chronic disease;
- **50%** of people aged 65 or over suffer from at least two chronic diseases;
- **30 million** elderly people have one or two chronic diseases;
- chronic diseases are the cause of **75%** of deaths among the population aged 65 or over.



COPD pathway (Chronic Obstructive Pulmonary Disease) – Korian Les Trois Tours – La Destrousse (Bouches-du-Rhône)

**The global burden of chronic diseases**

**30 million elderly** suffer from one or two of the most common chronic diseases\*

\* Alzheimers, Parkinsons, Cancer, Stroke, Nephrology, Diabetes, Cardiology, Rheumatoid arthritis. Source: OECD, 2020 health data, focus on EU 28.

## DIGITAL TRANSFORMATION

The management and treatment of these pathologies are experiencing and will experience considerable progress, in particular thanks to digital and artificial intelligence. These tools will significantly improve the quality of life of the people concerned.

Overall, the growth in healthcare spending in Europe will exceed GDP growth over this period, reaching more than 10% on average, alongside a trend towards growing dependency on private sector players.



Multitasking Kampaï robot – Korian Solutions. Korian Grand Maison – L'Union (Côte-d'Or), France.

### Technological advances that improve the quality of life of patients

Health spending will rise from **8.8%** to **10.2%** of GDP by 2030



Ekso Exoskeleton – Gait rehabilitation Clinique Korian Marienia – Cambo-Les-Bains (Pays-Basque).

## THREE LEVERS to meet the existing needs and expectations of new generations

**INCREASE**  
investments in healthcare facilities and home care solutions

**ADAPT**  
living spaces

**INVEST**  
in skills

## 1.3 A continuum of care adapted to different situations of fragility



Promote a **local care ecosystem for elderly and fragile people, in conjunction with our stakeholders.**



The acceleration of trends related to the ageing of the population and the high prevalence of chronic diseases have confirmed the growing need for services dedicated to elderly and fragile people.

The Covid-19 health crisis has confirmed the importance of networking with all stakeholders.

**A diversified value proposition around three main families of activity**

Since 2017, the Group has been developing its activities in the main territories in which it operates to adapt to health needs around three divisions:

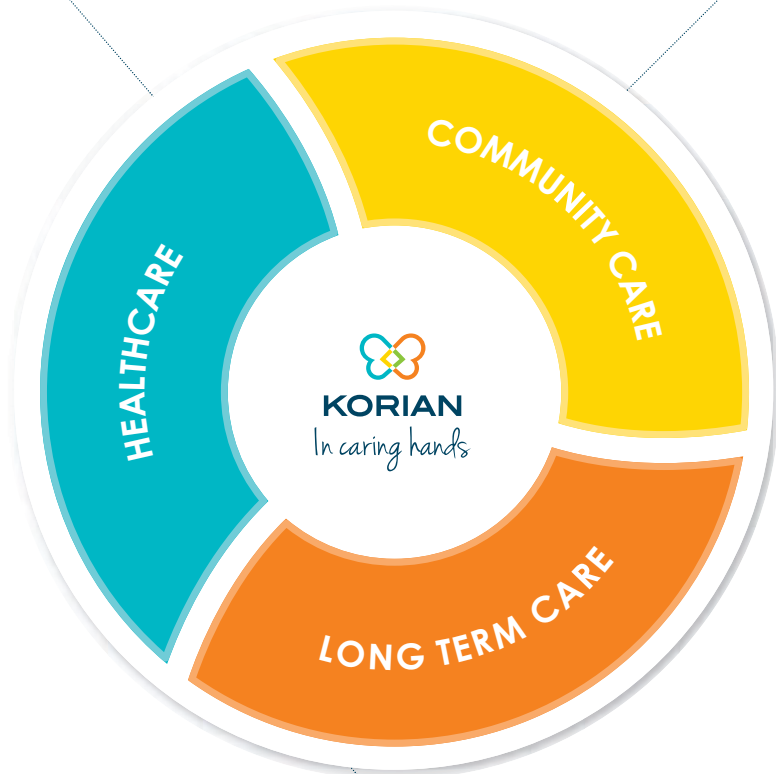
- prevention and monitoring of chronic patients;
- living spaces and home services for fragile and isolated people;
- management of situations of high dependency, particularly cognitive, in specialised facilities.

 **Consultations and diagnosis**  


 **Specialties, medical and rehabilitation care**  

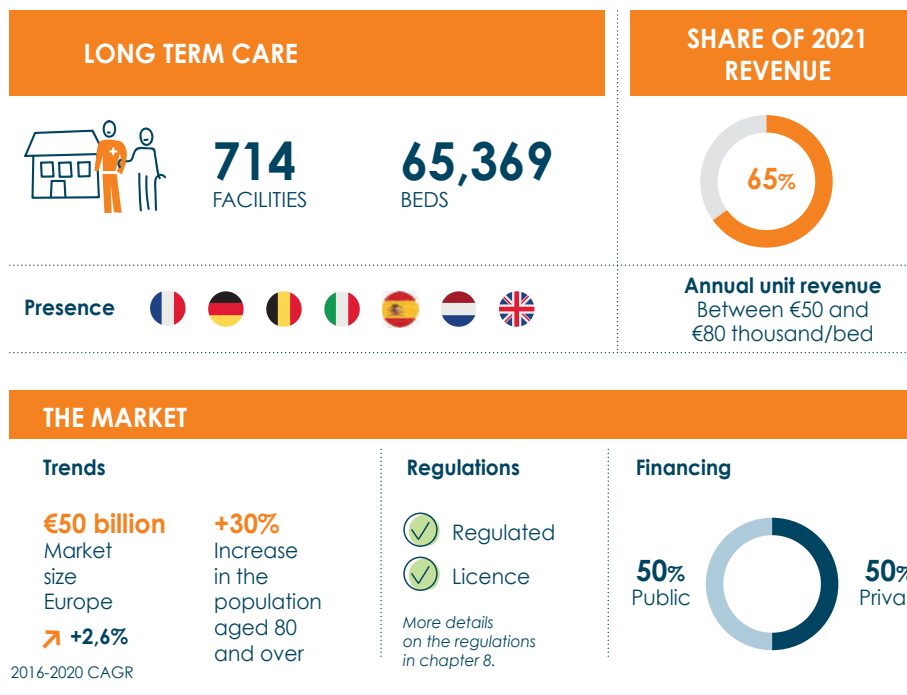

 **Home care services**  


 **Residential solutions** (residences, shared housing, care communities)  

 **Specialised nursing homes**  

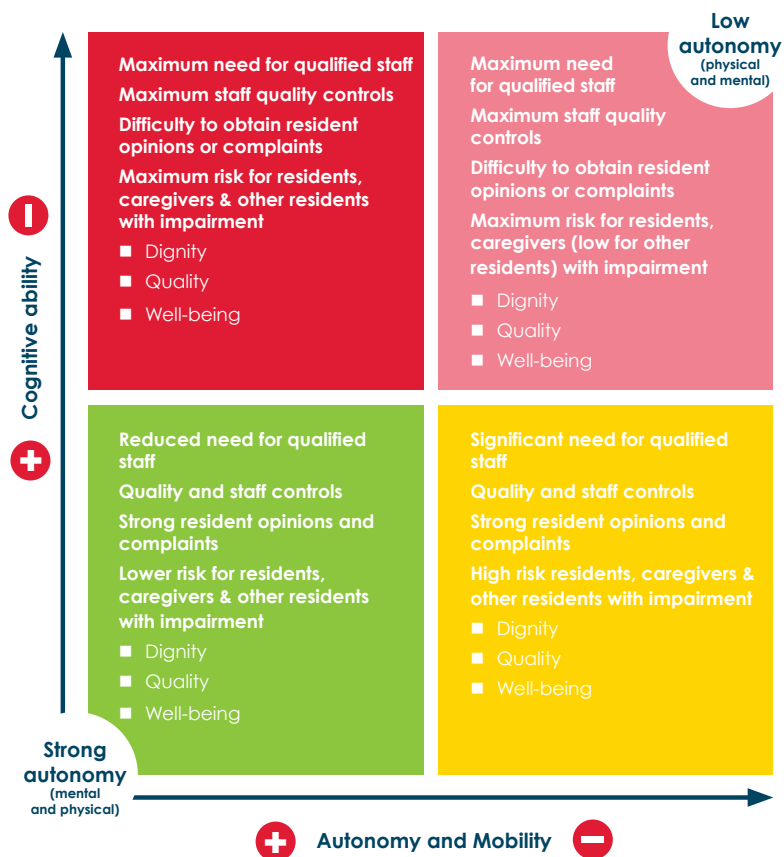

### LONG-TERM CARE (SPECIALISED NURSING HOMES)



**Long-term care**, the Group's principal activity, is organised around specialised residences for elderly people with permanent loss of autonomy, within the framework of respite stays or day care.

These homes and residences work in close collaboration with the local health and social ecosystem. They specialise in supporting dependent people. In particular, they provide care for people suffering from cognitive disorders such as Alzheimer's disease and related diseases.

### Issues and challenges



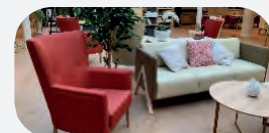
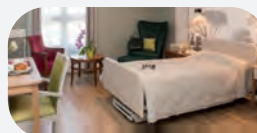
### Adapting our portfolio of nursing homes to the management of dementia and high dependency

2017      2020      2021      2025

**25%**  
Nursing homes renovated

**25%**  
Nursing homes to be renovated  
*(including a series of disposals)*

By 2025, **50%** of the existing portfolio will have been completely renovated in France, Germany, Belgium and Italy, including **80% of the French network**





**Our living spaces**

**Protected spaces adapted to each situation**



Gerland nursing home – Lyon (Rhône) – France.

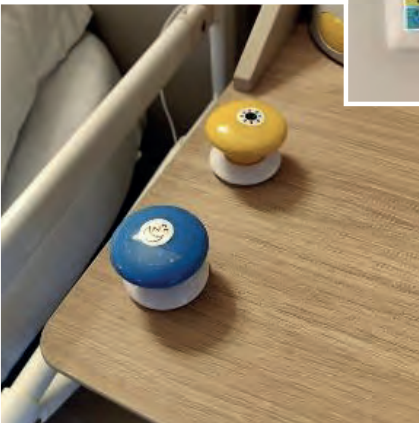


Georges Morchain nursing home – Neuville-Saint-Rémy (Nord) – France.



Les Oliviers nursing home – Le Puy Sainte Réparate (Bouches-du-Rhône) – France.

**Connected places**



Scalable wireless home automation system. Nursing homes in Castel-Voltaire, Les Catalaunes, Estela.






Korian Les Annaelles and Korian La Cotonnade nursing homes, equipped with the Kaspard device to prevent falls in bedrooms.

**Places of conviviality and sharing**



### HEALTHCARE (MEDICAL AND REHABILITATION CARE, MENTAL HEALTH, CONSULTATIONS AND DIAGNOSIS)

HEALTHCARE	SHARE OF 2021 REVENUE
 <p><b>167</b> FACILITIES</p> <p><b>10,199</b> BEDS</p> <p><b>&gt; 90,000</b> OUTPATIENT CAPACITY (MONTHLY CONSULTATIONS)</p>	 <p>24%</p>
<p>Presence</p> 	<p>Annual unit revenue Between €75 and €110 thousand/bed</p>

**Healthcare** covers three areas of activity: medical and rehabilitation care, mental health (in France, Italy and Spain), consultations (Italy). Our healthcare facilities work in partnership with local health players (doctors, paramedical professionals in cities, hospitals, clinics, etc.). They offer full hospitalisation and day hospitalisation services (outpatient services).

The Group recently accelerated its development in health activities, through an ambitious redevelopment plan for its facilities (50% of the French portfolio renovated or relocated) and targeted acquisitions enabling it to strengthen its position in the pulmonology, neurological and mental health specialities.

Healthcare will be a driver of the Group's growth in the coming years.

#### THE MARKET

Trends	Regulations	Financing
<p><b>€32 billion</b> Market size Europe</p> <p><b>+2,6%</b> post-acute and rehabilitation care</p> <p><b>+4,3%</b> Santé mentale</p> <p>2016-2020 CAGR</p>	<p><b>Regulations</b></p> <ul style="list-style-type: none"> <li>Regulated</li> <li>Licence</li> </ul> <p><i>More details on the regulations in chapter 8.</i></p>	<p><b>Financing</b></p>  <p>80% Public 20% Private</p>

### Issues and challenges

#### Developing medical rehabilitation and mental health services

**+15%**  
capacity  
in full  
hospitalisation

**+50%**  
outpatient  
activities





## Main medical services



### Post-acute and rehabilitation care clinics

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

Our facilities, mainly located in France and Italy, offer specialised care within appropriate technical platforms. In all of them, medical and paramedical teams provide all the necessary care and provide full hospitalisation to enable people to regain their autonomy, or to 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 – HAS*), which measures the level of quality and safety of the care.

### OUR SPECIALISATIONS

Musculoskeletal system, cardiology, neurology, respiratory diseases, geriatrics, treatment of severe burns.



### Day hospitals

#### Day hospitals: a solution adapted to returning home and maintaining autonomy

In day hospitals, each patient benefits from comprehensive and tailored care provided by a team of specialised doctors (geriatricians, cardiologists, pulmonologists, 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.



OUTPATIENT CAPACITY



**+90,000**  
sessions/month





### Mental health clinics

**“Psychiatry with a human face and the patient as an actor in his or her own care” is the founding principle of our psychiatric 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 into the heart 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 health players (healthcare professionals, psychiatric clinics, hospitals, French Regional Health Agencies (Agence régionale de santé – ARS) to integrate or develop new structures in response to regional health needs.



### OUR SPECIALISATIONS

Depression, mood disorders, addiction, eating disorders.

## Mental health: growing need for care

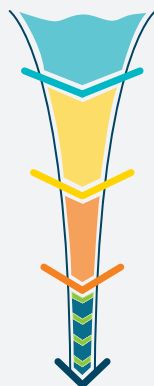
Mental health conditions, whether addictions, mood disorders, eating disorders or more severe mental health conditions, are one of the main causes of chronic diseases in Europe today.

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 meet 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 life. 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



- Occupational or emotional illnesses
- Addictions
- Ageing
- Mood disorders
- Sleep disorders
- Bipolar disorders
- Panic attacks
- Delusional disorders
- Schizophrénie
- Forced hospitalisation

**ONLY 1%**  
of the population treated with full hospitalisation



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

**1**

Growing demand for outpatient care

**2**

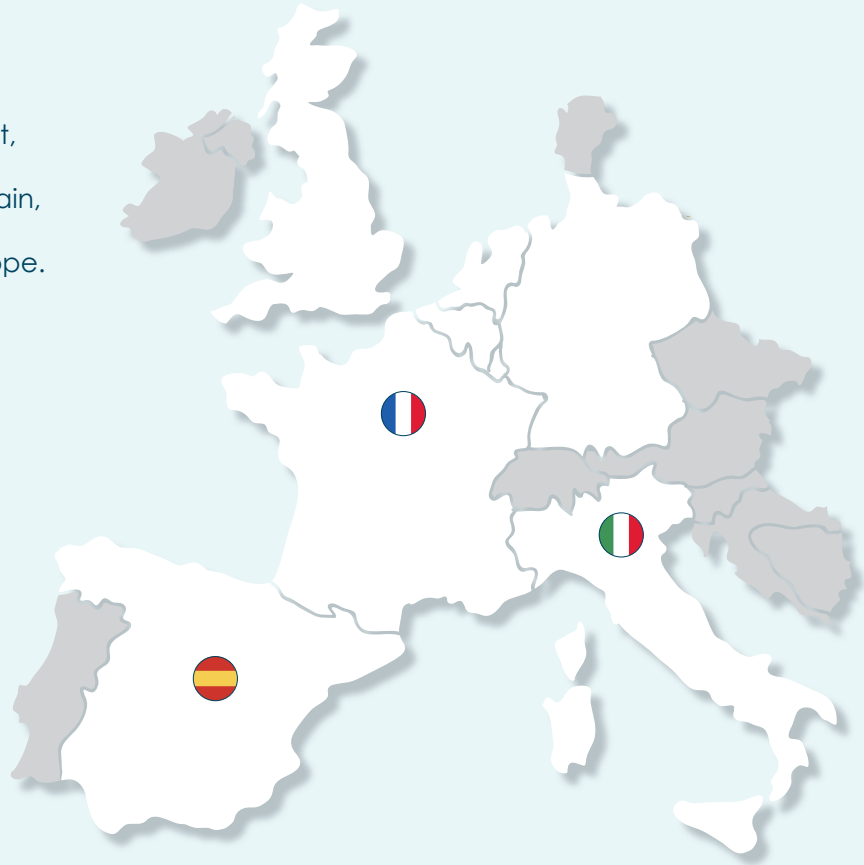
Development of innovative treatment methods  
(digital, rTMS, virtual reality)

**3**

Significant contribution of the private sector

The 3<sup>rd</sup> European mental health platform

Already present in mental health in France and Italy, the Group has chosen to accelerate its development, with the acquisition of two platforms in France and Spain, to position itself among the main private players in Europe.



3<sup>rd</sup> European player



Competitive landscape in Spain  
in number of beds

Competitive landscape in France  
in number of facilities

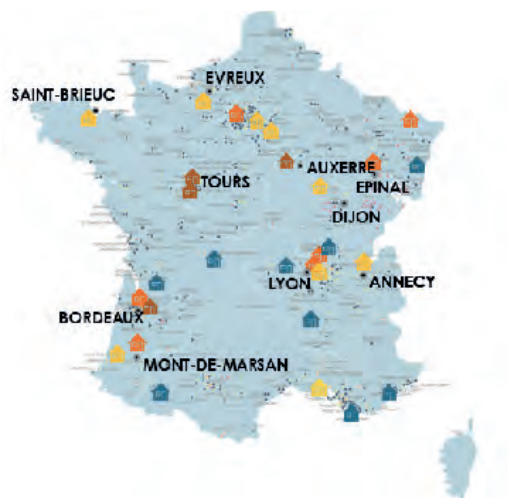


## OUR ACTIVITIES COMBINING FULL HOSPITALISATION AND OUTPATIENT SOLUTIONS

### FRANCE

#### Korian + INICEA

Mental health reference operator recognised in the management of mood disorders, schizophrenia, anxiety-depressive disorders and addictions.



- Inicea day hospitals only
- Inicea full hospitalisation only
- Inicea mixed clinics
- Lorian psychiatric clinics
- Korian specialised care facilities
- Korian facilities

- 32 specialised facilities
- Expertise serving healthcare regions to meet structural needs
- Operational excellence and high quality of services
- €170 million in revenue in 2021
- Average annual growth of at least 6%

### ITALY

- 10 specialist facilities
- €15 million in revenue in 2021

### SPAIN

#### Ita Salud Mental

A leading player in the management of eating disorders and mood disorders, in partnership with leading universities.



- Network of 42 clinics and consultation centres, present in the largest Spanish urban centres (Madrid, Barcelona and Valencia)
- 25 clinics and care facilities and 17 consultation and outpatient care centres
- Excellent quality of service (70% NPS)
- €50 million in revenue in 2021, with a positive contribution to the Group's margin
- High embedded growth potential (around 15% average annual growth until 2024)

**A European Korian mental health platform which should represent around €250 million in revenue in 2022 in France, Spain and Italy.**

## Developing telemedicine using expert solutions

In the context of Covid-19, the deployment of remote consultation solutions was accelerated with Omedys, a subsidiary specialising in telemedicine. This solution has made it possible to enhance the medical support provided in nursing homes in conjunction with the attending doctors.

Telemedicine/remote consultation guarantees access to specialised medical expertise seven days a week.

This system avoids:

- unnecessary use of emergency services;
- interruptions in the management of chronic pathologies.



### Telemedicine makes it possible to connect, remotely, a doctor and a patient using a technical solution (tablet or telemedicine cart) and with the support of a remote consultation healthcare professional (tele-assistant).

This remote consultation solution is accessible to all our residents in nursing homes.

The tele-assistant (IDE\*) makes an appointment on the web platform to book a time slot with a doctor, prepares the resident for the remote consultation and takes all of his or her usual vital parameters. During the remote consultation, the tele-assistant remotely assists the doctor by handling connected devices and following his or her instructions. At the end of the remote consultation, the nurse has all the necessary information (medical observations, prescription) directly in the resident's computerised file.



## COPD patient care pathways

Through **Move in Med**, a specialised subsidiary, Korian has developed the Patient Objective Pathway (POP), a new coordinated care pathway for patients with chronic obstructive pulmonary disease (COPD).

This solution improves the quality of life of patients when they return home. It aims, in particular, to reduce the intensity, duration and frequency of exacerbations during the decompensation episodes characteristic of COPD.

### A specific and personalised organisation, in line with the patient care at the clinic:

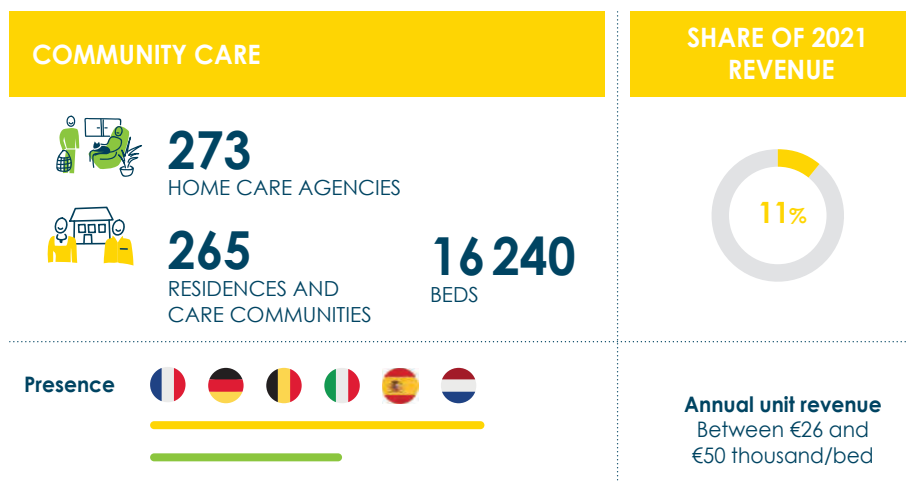
- a personalised daily physical and respiratory exercise programme is offered to the patient on the platform;
- a simple weekly questionnaire on the proper conduct of the patient's programme, and on his or her general condition, allows the nurse to adapt the programme as needed;
- each month, the nurse calls the patient to make a check-up and updates the platform with all this information;
- a respiratory rehabilitation check-up takes place at the clinic three to six months after the return home.

### The Patient Objective Pathway (POP), an innovative, simple and intuitive digital platform



\*IDE: Infirmiers diplômés d'état (state-accredited nurse).

## COMMUNITY CARE (ASSISTED LIVING FACILITIES, SHARED HOUSING, HOME CARE SERVICES)



**Community Care** enables isolated elderly and fragile people, particularly in rural areas, to continue to live at home, while being monitored and protected.

- **residential solutions** are alternative and inclusive housing services that provide an answer to people looking for intermediate solutions between home care and entry into nursing homes. Korian offers assisted living facilities, some of which are combined with specialised nursing homes, and shared residences for elderly people combined with home help services.

- **a new senior housing concept**, Casa Barbara, was recently created, developed in partnership with Serge and Jérémie Trigano and the Michelin-starred Chef Pierre Gagnaire.

- **home care services** offer multidisciplinary home assistance. The offer is based on networks of local agencies that are well established in their regions, such as the Petits-Fils network in France, which is present in more than 200 cities and local communities.

## THE MARKET

### Trends

**€34 billion**  
Market size Europe

**+10.3%**  
Residential solutions

2016-2020 CAGR

**+20%**

Increase in the population aged 65 and over by 2030

New needs and new expectations of baby boomers

### Regulations

 Regulated



 Licence



More details on the regulations in chapter 8

### Financing

**100%**  
Private

Often subsidised through tax breaks

## Issues and challenges

**Respond in a different and differentiated way to the aspirations of elderly people in terms of reception and support, regardless of the place of care and the situation of each individual.**

The new generations of elderly have different lifestyles and their expectations differ from those of their elders. These "baby boomers" want to maintain an active social life, stay healthy and preserve their autonomy.



**Korian has created innovative concepts on a human scale and offering social ties**

**Shared and inclusive housing**



Since 2018, Age & 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 maintain their habits. In particular, they facilitate the fight against loneliness and often offer shared apartments perfectly anchored in their territory. They provide a real living space where social and family ties can be maintained on a daily basis.

Age & Vie currently has 150 homes with a target of 300 homes by 2024, i.e. 3,000 accommodation places, which will create approximately 1,500 local caregiver jobs.



The concept will be adapted in Europe in 2022 under the Care-X brand, through 50 projects in Germany with the aim of developing 180 sites by 2027.

**Innovative residential concept**



Casa Barbara is an innovative concept, a new place to live designed for young active and independent elderly people, created in association with Serge and Jérémie Trigano.

These residences will operate as a guest house, with a caretaker couple and their children living on site, and will offer:

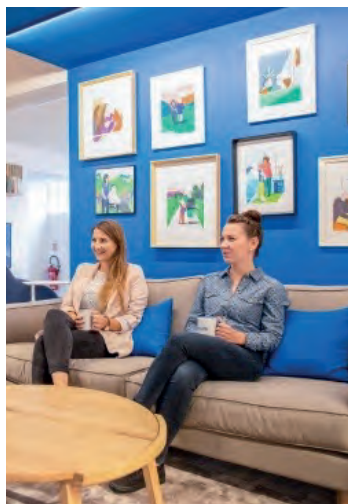
- cultural and sports activities;
- well-being areas, from saunas to cinema rooms and hairdressers;
- dishes signed by the Chef of Chefs Pierre Gagnaire, crowned the World's Greatest Chef in 2015.

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

**Home care service**



Petits-Fils is the leading French private home care network for elderly people with loss of autonomy. It has 260 agencies, including 54 created in 2021. Petits-Fils has created 6,700 jobs since 2017, including 6,000 caregivers, and aims to create 3,000 jobs in 2022. Petits-Fils is 36<sup>th</sup> in the ranking of companies that have recruited the most in France (2022 ranking published by Le Figaro).



▲ Partnership with the French Red Cross for the certification of caregivers. Objective of 1,000 auxiliaries certified by the French Red Cross in 2022.

▼ La Maison Petits-Fils, a friendly place to relax and exchange ideas for auxiliaries, family members and carers.

**KORIAN, THE LEADING EUROPEAN CARE SERVICES GROUP FOR ELDERLY AND FRAGILE PEOPLE**

A strategy built in close interaction with our stakeholders, to adapt to different situations of fragility and respond to Public Health challenges



## 1.4 A strategy built in close interaction with our stakeholders to adapt to different situations of fragility and respond to Public Health challenges

### “In Caring Hands”, a bond of trust with all stakeholders

Our corporate project, “In Caring Hands”, rolled out across Europe in September 2019, aims to meet the expectations and needs of our various stakeholders, fragile people and carers, employees and players in the regions.

It identifies six priorities in **two priority areas**:

- an ambition for excellence, in order to offer high-quality services to fragile people, family members and carers;
- an ambition for innovation, on the one hand through innovative digital solutions to better support and protect within both our structures and homes, and on the other hand through the development of new forms of local support, in particular inclusive housing, the main lever for development.



## KORIAN, THE LEADING EUROPEAN CARE SERVICES GROUP FOR ELDERLY AND FRAGILE PEOPLE

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# Excellence



## BEING THE EMPLOYER OF CHOICE

Support our teams and invest in the development of the skills of each employee

The quality of life and working conditions of our employees is a key element of the Human Resources policy; it is closely linked to the quality of the services provided to residents and patients.

To alleviate the staff shortage, a major challenge in our sector, Korian is actively involved in training by creating its own schools and qualifying training programmes. By 2023, our schools and training courses will cover 50% of our recruitment needs.

QUALITY OF LIFE AND WORKING CONDITIONS

ATTRACT-ENGAGE-RETAIN

	2019	2020	2021
<b>AVERAGE TENURE OF STAFF</b> in years	6.7	6.9	7.4
<b>QUALIFYING TRAINING</b>	4.1% 2,174	8.1% 4,348	9.7% 5,302



**Learning centres**  
Korian caregiver schools (France, Italy), CFA des Chefs (France), etc.



**Passerelles Programme**  
Innovate via retraining programmes for employees from other sectors in France

### PROMOTE

**577,310**  
TRAINING HOURS

**Korian Academy network in Europe** with e-learning platforms in France, Germany and Italy



1<sup>st</sup> European training programme for site managers with IFG Executive Education

### DEVELOP

**860**  
**SITE MANAGERS IN EUROPE** follow a dedicated 3-year training course

### INTEGRATE

**2,730**  
**APPRENTICES IN EUROPE**  
(+15% vs. 2020)



## KORIAN, THE LEADING EUROPEAN CARE SERVICES GROUP FOR ELDERLY AND FRAGILE PEOPLE

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### QUALITY OF SERVICES



#### Investing in the quality of care

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 2021, nearly a third of the 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).

1

#### QUALITY OF CARE

#### QUALITY CONTROL

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

**> 200 employees**  
DEDICATED TO QUALITY CONTROL

**> 4,000 audits**  
outsourced to independent third parties  
(I.E. AROUND 4 PER FACILITY IN EUROPE) IN 2020/2021 IN ADDITION TO REGULATORY CONTROLS

**1,092 internal audits**  
OVER THE SAME PERIOD



\* Year impacted by Covid-19.  
\*\* Scope: Nursing homes at 31.12.2019, representing 679 nursing homes in December 2021.  
\*\*\* Scope: 836 sites in 2019-2020 and 824 sites in 2021 (disposal of 12 facilities in December 2021).

### OPERATIONAL EXCELLENCE



#### Using information systems to ensure the reliability and quality of care

As a healthcare provider, Korian collects and produces a significant amount of data. Initially, these data were only considered for administrative and regulatory purposes. At present, Korian is working to put data at the service of our site managers to help them manage their activity for staff planning or quality monitoring.



## KORIAN, THE LEADING EUROPEAN CARE SERVICES GROUP FOR ELDERLY AND FRAGILE PEOPLE

A strategy built in close interaction with our stakeholders, to adapt to different situations of fragility and respond to Public Health challenges

## Innovation



### AGILE GROWTH IN THE REGIONS

#### Investing in the diversification of our activities

Korian is continually strengthening its networks and services by investing:

#### In the modernisation and specialisation of its medical and healthcare facilities

Boost Programme for nursing homes with 4,000 bedrooms renovated at 90 sites at the end of 2021, HDJ programme (day hospitals – outpatient centres) for clinics.



1<sup>st</sup> multi-purpose outpatient centre specialising in geriatrics – Paris, XX<sup>th</sup> district.



Boost programme – Korian les Tybilles – Meudon.

#### In the development of alternative offers

Inclusive shared-housing, Casa Barbara residences, Home care



Maison Âges&Vie – Beure – Franche-Comté.



Maison Casa Barbara – Levallois Perret (opening in May 2022).

#### In targeted acquisitions, mainly in healthcare

in response to the challenges of “medical deserts”



Ita Salud Mental - Spain.



Maison Petits-fils – Registered office Paris XV<sup>th</sup> district – Reception of auxiliaries.



Psychotherapy centre – Osny, France.

## KORIAN, THE LEADING EUROPEAN CARE SERVICES GROUP FOR ELDERLY AND FRAGILE PEOPLE

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### DIGITAL SOLUTIONS Investing in innovation

The Group is investing in digital and information systems in order to gradually connect all its facilities both internally and externally. This enables smoother communication with loved ones and increased safety for residents and patients.

The digitisation of the process also gives our teams more time for the quality of care and contributes to improving health and safety at work thanks to automated or digitised equipment bringing more comfort to everyday life.

The creation of integrated outpatient care pathways requires the ability to support interventions and patient monitoring through robust data exchange platforms. We have made targeted investments in this area to be capable of designing these pathways.



Digital solutions



Digital platform for home professionals



Telemedicine



Digital care pathways for chronic diseases



### INNOVATIVE BUILDINGS Investing in the improvement of our real estate portfolio

#### Real estate development

Over the years, we have developed and strengthened our recognised real estate expertise to develop new capacities, rebuild ageing facilities, develop our network to provide a solution adapted to each situation of fragility, and to meet healthcare needs.

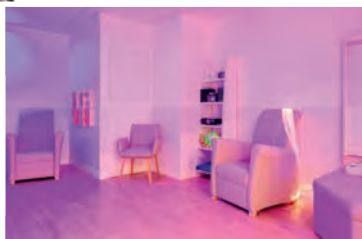
In 2021, 131 construction or renovation projects, representing more than 1,800 new beds, were delivered.

#### Design and construction

We have real technical skills in digital design using Building Information Modelling (BIM) thanks to the start-up Data Soluce. BIM enables us to plan, design, build and manage our buildings more efficiently (optimisation of deadlines, life cycle management, etc.) in order to optimise the quality of reception and economic performance.



**Renovations ("BOOST")**  
Boost programme  
Les Tybilles – 92 Meudon.



**Alzheimer Unit**  
Espace Snoezelen  
Monceau Paris – France.



**Rehabilitation platform**  
Physiotherapy area  
Monceau Paris, France.



**Day care/Outpatient**  
Creation of day care capacity  
10 places + 12 additional bedrooms  
Korian Brocéliande – France.



This initiative is in line with our commitment to reduce our environmental footprint (-40% of CO<sub>2</sub> emissions by 2030).



In addition, as at 31 December 2021, 95% of the portfolio of new projects (Greenfields) consisted of projects eligible for High Environmental Quality (HEQ) or equivalent certification.

53 HEQ-certified or equivalent sites were opened in 2021.

Modular construction also allows us to industrialise our methods and thereby accelerate our pace of organic development and the extension of our network through a family of well-defined concepts corresponding to our three business families.

## KORIAN, THE LEADING EUROPEAN CARE SERVICES GROUP FOR ELDERLY AND FRAGILE PEOPLE

A strategy built in close interaction with our stakeholders, to adapt to different situations of fragility and respond to Public Health challenges

# An ESG strategy in line with stakeholder expectations and fully integrated into the corporate project

As a committed and responsible player, Korian's ESG ambition is based on five strategic areas aligned with the six priorities of the "In Caring Hands" corporate project.



By including the ESG responsibility policy<sup>(1)</sup> at the heart of its corporate project, Korian wishes to involve its stakeholders in the creation of shared value, as reflected in the materiality matrix developed in 2020.

The issues identified constitute our compass, they allow the alignment of our common interests, namely excellence in the quality of care and respect for our

residents, patients and their families, the attention paid to our employees through our training programmes, innovation and research, inclusion and regional anchoring and finally the reduction of our environmental footprint.

In addition, Korian's ESG strategy was built in accordance with the 10 principles of the United Nations Global Compact, to which the Group has adhered

since 2019, and aims to facilitate the achievement of 8 of the 17 UN Sustainable Development Goals (SDG) for 2030.

A cross-reference table between the Group's 15 ESG commitments and the Global Compact's SDGs is presented in Chapter 3, Section 3.1.4 of this document.

(1) Environment - Social - Governance.

### SDGs monitored to position itself as a leader in the Sector

Pillars of the ESG strategy	ESG Issues	Significant SDGs and targets/KPIs	Other SDGs and priority targets
1 Providing care excellence whilst ensuring dignity and choice	Quality of life and human dignity • Family, relatives and stakeholder engagement • People safety and quality of care • Infectious diseases and pandemic • Ethical culture	3 Good health and Well-being 3.4 Recommendation rate for residents, patients and families 3.4	9.1
2 Being the employer of choice	Well-being • Social dialogue • Diversity and inclusion • Training, talent development and retention	4 Quality Education 4.4 9.7% Employees involved in a qualifying training course 4.4	5.1/5.2, 8.8, 10.2/10.3
3 Contributing to finding innovative solutions for a more inclusive society	Digital transformation • Personalised care and services • Research and innovation	9 Industry, Innovation and Infrastructure 9.5 40 Scientific publications 9.5	3.4, 8.6, 17.17
4 Being a committed and responsible local partner	Community relations and economic impact • Regulatory and health authority relations • Corruption and fraud • Personal data protection and cybersecurity	8 Decent Work and Economic Growth 8.3 78% Local purchases, 36% Purchases from SMEs 8.3	10.2, 12.6
5 Reducing our environmental footprint	Climate change and biodiversity • Environmental footprint	13 Climate Action 13.2 -6.8% (KgCO <sub>2</sub> e/m <sup>2</sup> ) Building energy 13.2	7.2/7.3, 9.4, 11.6, 12.3/12.4/12.5

18 material ESG challenges classified in 3 categories  
 ● Environment  
 ● Social/Societal  
 ● Governance

Key significant targets/No.  
 3.4 Good health and Well-being  
 4.4 Quality Education  
 8.3 Decent work and Economic growth  
 9.5 Industry, Innovation and Infrastructure  
 13.2 Climate action

Promote mental health and well-being.  
 Significantly increase the number of young people and adults with the skills, particularly technical and vocational, necessary for employment to obtain decent work.  
 Promote the creation of decent jobs and stimulate the creation of small and medium-sized enterprises.  
 Bolster scientific research, as well as public and private innovation.  
 Integrate climate change measures in policies and strategies.



## KORIAN, THE LEADING EUROPEAN CARE SERVICES GROUP FOR ELDERLY AND FRAGILE PEOPLE

A strategy built in close interaction with our stakeholders, to adapt to different situations of fragility and respond to Public Health challenges

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

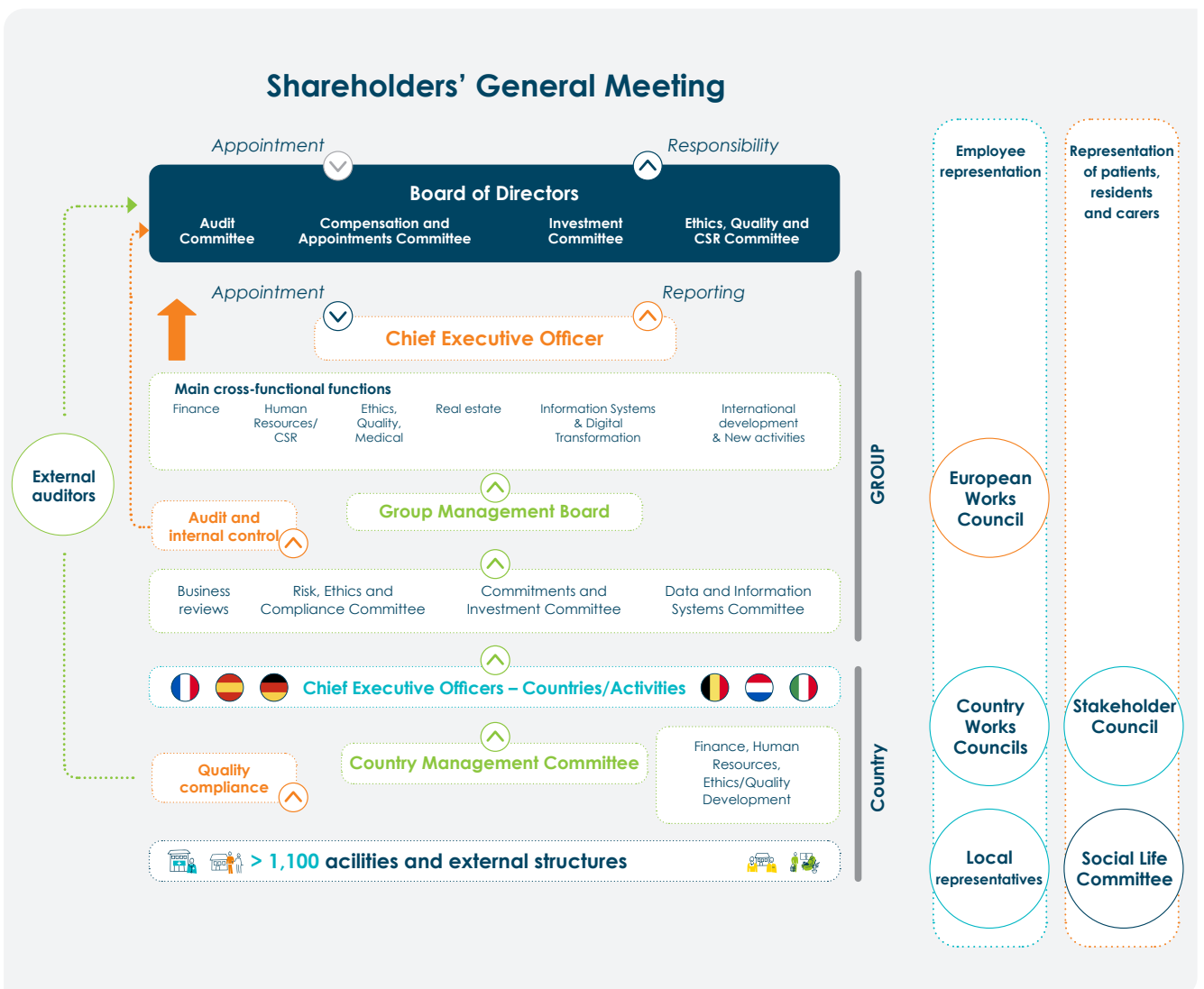
These macro-indicators, which are monitored by the Group's CSR Department in conjunction with the functional departments and all countries, are aligned with the main international non-financial reporting standards (SASB, GRI or the SDGs), and enable the progress made in terms of ESG performance to be measured while illustrating the progress of the strategy implemented.

### ESG results in 2021



# 1.5 Governance

The Group's governance aims to encourage the active contribution of 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

**12**  
MEMBERS

**50%**  
WOMEN

**17%**  
NON-FRENCH

**60%**  
INDEPENDENT  
DIRECTORS

**2**  
EMPLOYEE  
REPRESENTATIVES

**12**  
MEETINGS  
IN 2021

**56 years**  
AVERAGE  
AGE

**92%**  
ATTENDANCE  
RATE

### Main skills



### Independent Directors



**Jean-Pierre Duprieu**  
Chairman of the Board of Directors



**Guillaume Bouhours**



**Dr Jean-François Brin**



**Anne Lalou**



**Dr Markus Müschenich**



**Catherine Soubie**

### Directors representing employees



**Marie-Christine Leroux**



**Markus Rückerl**

### Other Directors



**Sophie Boissard**  
Chief Executive Officer



**Florence Barjou**  
Predica  
(Permanent representative)



**Philippe Dumont**



**Anne Ramon**  
Holding Malakoff Humanis  
(Permanent representative)

● Term of office expiring at the AGM of 22 June 2022

### 4 specialised Committee of the Board

**Audit Committee**  
**Catherine Soubie**

**6**  
RÉUNIONS  
EN 2021

**Compensation and Appointments Committee**  
**Anne Lalou**

**6**  
MEETINGS  
IN 2021

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

**8**  
MEETINGS  
IN 2021

**Ethics, Quality and CSR Committee**  
**Anne Ramon**  
Permanent representative  
of Holding Malakoff  
Humanis

**3**  
MEETINGS  
IN 2021

## An experienced and European Group Management Board

**13**  
MEMBERS

**23%**  
WOMEN

**38%**  
NON-FRENCH

**56 years**  
AVERAGE AGE

**12**  
MEETINGS  
IN 2021

**5**  
SPECIALISED  
COMMITTEES

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

### Operational Departments Countries/Activities



**Sophie Boissard**  
Chief Executive  
Officer



**D' Marc-Alexander  
Burmeister**  
Executive-Vice  
President Germany



**Dominiek Beelen**  
Executive-Vice  
President Belgique



**Nicolas Mérigot**  
Executive-Vice  
President France



**D' Mariuccia Rossini**  
Chairwoman  
of Korian Italy



**Federico Guidoni**  
Executive-Vice  
President Italy



**D' Bart Bots**  
Group Chief  
International  
Development  
Officer



**Charles-Antoine Pinel**  
Chief Strategic  
Marketing Officer  
and new service  
development

### Group's functional department heads



**D' Didier  
Armaingaud**  
Group Chief  
Medical, Ethics and  
Quality-of-Service  
Officer



**Rémi Boyer**  
Group Chief  
Human Resources  
and CSR Officer



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



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



**Philippe Garin**  
Group Chief  
Financial Officer

## 1.6 Quality control and risk management

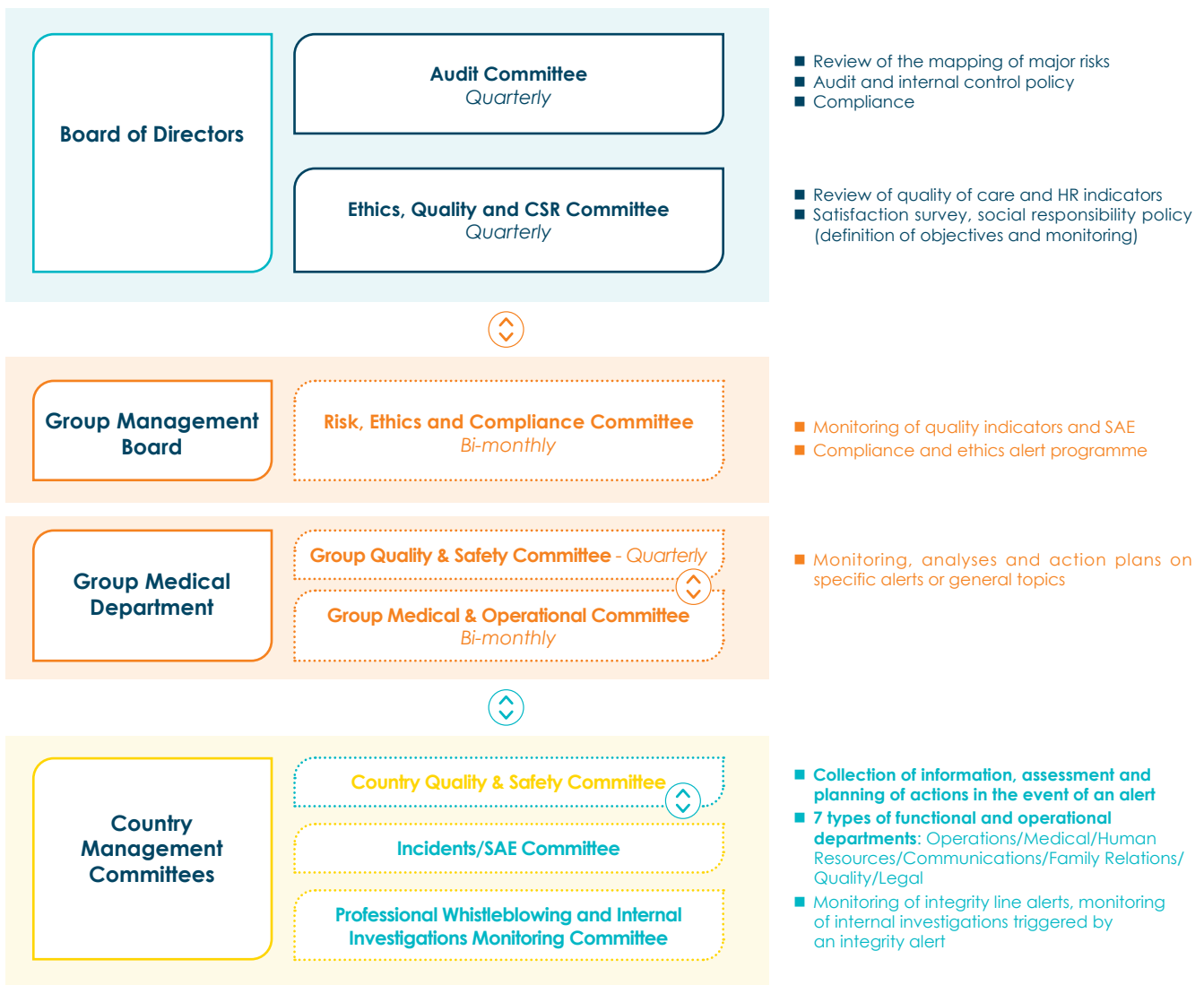
A clearly defined governance and process to ensure quality and compliance within the Group

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



## A system for managing alerts and reports accessible to all stakeholders

Korian works to ensure that all employees are aware of 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).

In France in 2021, 2,743 operational managers and experts within the facilities were trained on the importance of good treatment and on the procedures for managing alerts and reports.

The Group has established specific procedures for managing alerts and identifying Serious Adverse Events (SAE). The alert management procedure covers alerts from all the different reporting channels (SAEs, customer relations, mail, platform, INTEGRITY, etc.). Alerts received via any of these channels may be made anonymously.

The INTEGRITY whistleblowing system, made available via a secure external website, has been anonymous since 2021. It can be used internally, by Group employees, as well as externally, by residents and patients, as well as their families, and any external stakeholders. This tool is presented to the Group's suppliers when new contracts are signed or when contracts are renewed. The Group also requests access to its suppliers' whistleblowing systems.

### REPORTING OF ALERTS AND INCIDENTS



## Management of the main risks

Risk prevention and management are at the heart of the Group's concerns. 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.

Specific action plans aimed at improving risk management and prevention have been drawn up and are monitored.

Risk management is part of a decentralised management system. 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	■ Coronavirus pandemic (Covid-19)	● ● ●	
	■ Treatment and care	● ● ●	
	■ Reputation	● ● ●	
	■ Recruitment and employee retention	● ● ●	
	■ Information systems, cybersecurity and personal data protection	● ● ●	
	■ Safety of people	● ● ●	
Strategic risks	■ Business development and external growth	● ● ●	
	■ Digital transformation	● ● ●	
	■ Real estate development and construction	● ● ●	
Legal, ethical and regulatory risks	■ Regulations	● ● ●	
	■ Global warming and environmental damage	● ● ●	
	■ Business ethics	● ● ●	
Economic and financial risks	■ Ability to integrate acquisitions and deliver expected results	● ● ●	
	■ Interest rate and liquidity risk	● ● ●	
	■ Cost and inflation management	● ● ●	



**For more informations**  
See § 2.5.5 in chapter 2 of this document.

## 1.7 Business model

**A MODEL THAT CREATES**  
*for all stake*

### Our resources (31 December 2021)

#### Financial resources

**€4.3 million** in revenue  
**€230 million** operating free cash flow before investments  
**€94.6 million** net profit/(loss)  
**3.1x** leverage ratio

#### Real estate resources

**Real estate expertise** serving the care sector through **Korian concepts**  
**>1,100** facilities and **91,800** beds  
**25%** real estate asset ownership

#### Human resources

**A professional community** of **60,000** people  
**81%** of women, **47%** of whom in Top Management  
**2,723** apprentices, i.e. **5%** of the Group's FTEs  
**1** European Works Council

#### Corporate responsibility resources

**2** Foundations (France and Germany)  
**1** Stakeholder Council in **4** countries  
**1** Social Life Committee or equivalent in **89%** of facilities

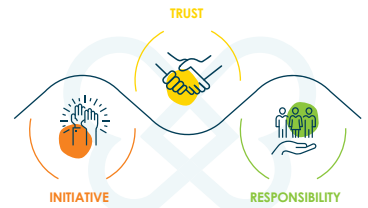
#### Environmental resources

**Low carbon roadmap -40%** by 2030 (energy from buildings)  
Buildings **certified** HQE or equivalent

### Our mission

**“Provide care and support to ageing or fragile people and their loved ones, respecting their dignity and contribute to their quality of life”**

### Our values



### Our corporate project



### Trends



**Demographic transition**

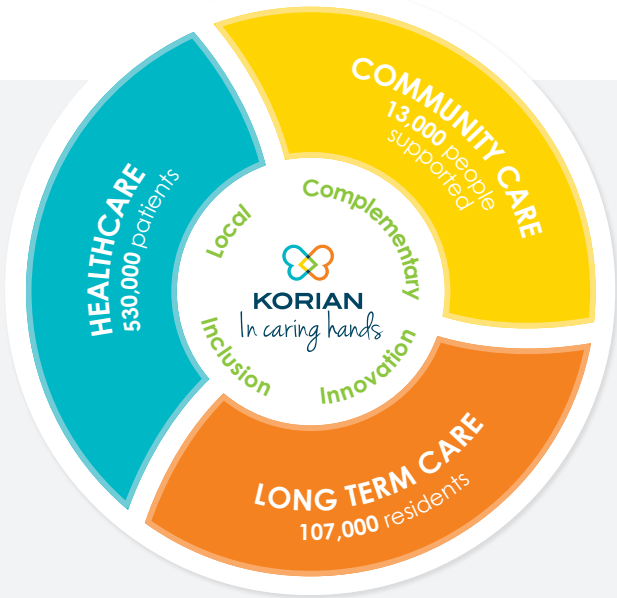




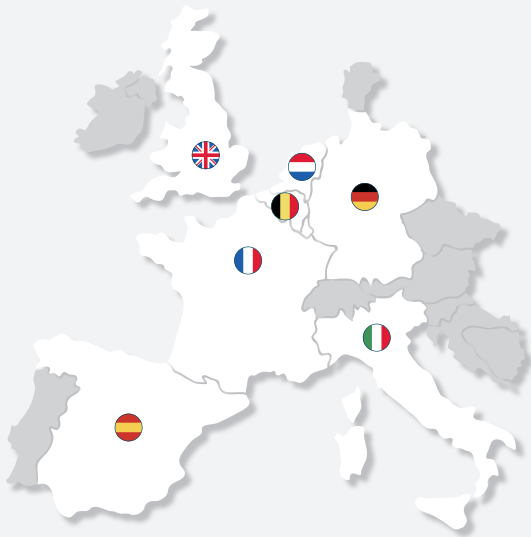
# SUSTAINABLE VALUE

holders

1



An essential care and healthcare activity, firmly embedded in regions across Europe, meeting the needs of the elderly or fragile and caregivers and helping them maintain their autonomy.



**Our value creation**  
(31 December 2021)

**Financial value**

**Payroll** of €2.5 billion representing 59% of revenue  
**€189 million** investments in the existing network  
**€220 million** financial investments  
**€13.5 million** paid in income tax  
**Dividend proposed:** €0.35/share

**Real Estate value**

**€3.2 billion** real estate portfolio value  
**€474 million** in investments and **€128 million** in value creation  
**131 buildings** delivered or renovated in 2021  
**1,800 beds** from greenfield projects

**Human and social value**

**650,000** patients, residents cared for  
 Net Promoter Score of **34** (vs. 23 in B2C sector)  
**29%** Sites **ISO 9001** certified  
 1<sup>st</sup> employee **share ownership plan Korus**  
 Average tenure of **7.4**  
**9.7% (5,302 people)** of people engaged in a Qualifying Training Programme

**Economic and societal value**

**700** local communities served  
**99%** of facilities involved in community projects  
**78%** of purchases sourced locally, **36%** from SMEs  
**€1.5 million**, i.e. **1.6%** of net profit (loss) attributable to owners of the Group, **dedicated to philanthropic endeavours**

**Environmental value**

**-6.8%** (KgCO<sub>2</sub>/m<sup>2</sup>) in CO<sub>2</sub> emissions (energy from buildings)  
**95%** real estate projects HQE-certified or equivalent

Chronic diseases



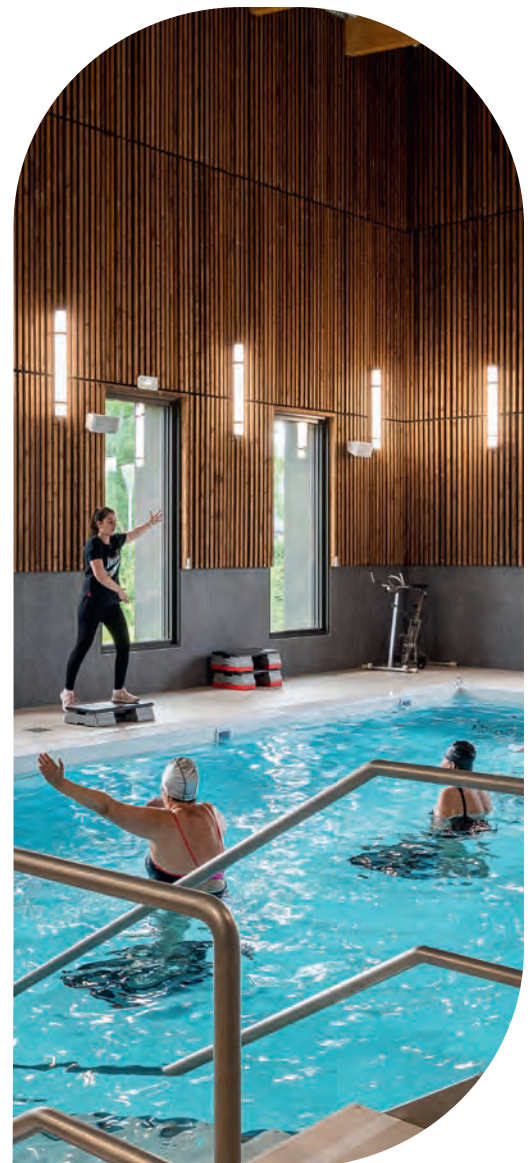
Digital transformation



# 2

## Risk factors

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# 2 RISK FACTORS

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 scale: low, medium or high. As this 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	■ Coronavirus pandemic (Covid-19)	High	
	■ Treatment and care	High	
	■ Reputational damage	High	
	■ Recruitment and employee retention	High	
	■ Information systems, cybersecurity and personal data protection	Medium	
	■ People safety	Medium	
Strategic risks	■ Business development and external growth	Medium	
	■ Digital transformation	Medium	
	■ Real estate development and construction	Medium	
Legal, ethical and regulatory risks	■ Regulations	High	
	■ Global warming and environmental damage	Medium	
	■ Business ethics	Medium	
Economic and financial risks	■ Ability to integrate acquisitions and deliver 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 COVID-19 PANDEMIC

#### 2.1.1.1 Description of the risk

The Covid-19 pandemic, ongoing since December 2019, has been going through a quieter period since the end of 2021. Vaccination and the maintenance of barrier measures have demonstrated their effectiveness.

At the date of publication of this Universal Registration Document, the peak of the Omicron wave had passed in all the countries where the Group operates. The number of new cases is declining and the number of severe cases is negligible. This reduction in pressure from the pandemic is reflected in the Group's network with a significant decrease in the number of people testing positive. Approximately 4% of employees, residents and patients are positive, of which 99% are asymptomatic.

#### 2.1.1.2 Risk management measures

As part of its vigilance plan against Covid-19 (Vigi-Covid), in May 2020 the Group defined a new European standard incorporating best practices in terms of the hygiene, traceability and prevention measures deployed during the first wave of the pandemic, for all of its facilities in all its countries of operation (specialised nursing homes and clinics). This standard was revised throughout the pandemic.

The Group also took care to ensure that its network always had a steady supply of protective equipment (masks, protective clothing, 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.

As at 31 December 2021, 83% of the audited facilities had demonstrated an excellent grasp of the standard. The Group also set up a systematic policy of screening its staff and people in its facilities, in accordance with the applicable local regulations. Since the end of December 2020, the Group has been rolling out a systematic policy of vaccination of people being cared for and of employees, as vaccines are made available by the public authorities in all countries where the Group operates. The vaccination coverage rate across the network is very high thanks to the obligations in force in most countries, with more than 90% of residents up-to-date with their vaccine boosters. With regard to employees, the coverage rate is close to or equal to 100% in France, Italy and Spain and 90% in Germany.

### 2.1.2 TREATMENT AND CARE

#### 2.1.2.1 Description of the risk

In 2021, Korian provided care for 650,000 residents and patients in either one of its 1,143 facilities or in their homes.

Given their cognitive or mobility fragilities, or the age of residents and patients, 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:

- formalising and circulating the Group's Medical, Ethics and Quality policies in accordance with ethical and regulatory requirements;
- regularly publishing recommended best practices for the directors and staff of the Group's 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 grids, adapted to every 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; and
- 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 and objective external

perspective, the implementation and effectiveness of the quality management system. By 2023, 100% of the specialised nursing homes and clinics 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.

Additional information on 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 the risk

Within the Group, 60,000 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 measures

As part of the "In Caring Hands" corporate project (described in section 3.2.1 of this Universal Registration Document), the Group has structured a recruitment and quality of life at work strategy focusing on four main pillars:

1. investment in working conditions and quality of life;
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 external recruitment.

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 since 2021 and in France since 2022.

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, "Kommunity PULSE", measures employee commitment. In 2021, the Company conducted the Kommunity PULSE survey among Group employees from May to June. The results are presented in section 3.3.2.7 of this Universal Registration Document.

The Human Resources policy, the Kommunity 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 the risk

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

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 on social networks concerning the care of elderly 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.

In light of the Covid-19 pandemic, the medico-social sector's increased exposure brings with it increased reputational risk.

This risk materialised in early 2022 with the publication of the book "Les Fossoyeurs" describing the practices of one of the Group's competitors in France. This book caused a crisis of confidence throughout the care sector for elderly and fragile people.

Although the Group does not recognise itself at all in the model described in this book, as it has publicly stated, it is actively working with professional organisations to propose a profound overhaul of the sector's regulatory model in order to prevent ill-intentioned actors from bringing discredit to an entire profession.

More effective regulation is essential to regain trust, one of the Group's fundamental values, together with initiative and responsibility. The same applies to greater transparency and dialogue with stakeholders.

### 2.1.4.2 Risk management measures

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 families as the main point of contact;
- scheduling meetings with families and informing them about events at the facility;
- being the guarantor of the quality of the care experience for residents and their families;
- 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 CVs 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.

Customer complaints management and 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.

In this context, Korian was pleased to note the opinion, dated 9 June 2021 and published on 30 September 2021, of France Télévisions' committee on the honesty, independence and pluralism of news and programmes concerning an investigative programme broadcast on French television. This opinion noted in particular a difference in treatment depending on whether the events took place in non-profit, public or private facilities. The programme did not make it clear to viewers that the items relating to the Group's facilities were merely illustrative of the type of difficulties encountered more broadly by facilities caring for dependent elderly people.

## 2.1.5 INFORMATION SYSTEMS, CYBERSECURITY AND PERSONAL DATA PROTECTION

### 2.1.5.1 Description of the risk

Information systems play an essential role in the management of the administrative and medical records of 650,000 residents and patients and in the administration of the Group's 60,000 employees (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.

With the sharp rise in the use of information systems during the pandemic, the number of cybersecurity attacks has multiplied, affecting all economic sectors indiscriminately. In this context, the Group's IT security teams have also observed a resurgence of 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 measures

In order to mitigate the impact of these risks, the Group relies on dedicated resources within each country's Information Systems Department. The Information Systems Security Officers are responsible for securing and preventing any management

tool failure, in order to ensure business continuity. The work of these departments is coordinated Group-wide.

A common standard is deployed to ensure a minimum level of security in every 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 PEOPLE SAFETY

### 2.1.6.1 Description of the risk

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

In addition to the risk of epidemics, the safety in the facilities involves the following risks:

- building safety (including fire safety and health safety);
- food safety for residents and patients;
- Legionella-type bacteria in the facilities' hot water systems, potentially causing legionellosis (respiratory infection) which proves fatal in approximately 11% of cases;
- 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;
- impose the suspension of its operations;
- impact its business, results or financial position; and
- damage its reputation.

The risk related to Covid-19 is described in section 2.1.1 of this Universal Registration Document.

### 2.1.6.2 Risk management measures

The Group ensures that each country defines and implements a maintenance policy for its facilities and buildings, together with an investment plan (2.1% of consolidated revenue). The Group entrusts independent professionals with the tasks of controlling and monitoring the maintenance and safety of installations (equipment, buildings, medical devices and systems, etc.).

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

In parallel, employees follow mandatory training courses and Korian's internal teams carry out 360° quality audits to ensure compliance with rules and Best Practices. In addition, sworn organisations periodically carry out external audits. The maintenance system is an integral part of the ISO 9001 certification processes.

The SAE reporting system applied by the Group's facilities includes all major technical malfunctions. The Group is organised in such a way as to manage any exceptional critical situations by applying crisis management procedures that are calibrated for each country and at Group level.

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## 2.2 Strategic risks

### 2.2.1 BUSINESS DEVELOPMENT AND EXTERNAL GROWTH

#### 2.2.1.1 Description of the risk

The Group has an active development policy aimed at branching out into new services and regions while continuing to strengthen its positions in its long-standing business lines. This development involves the acquisition of new facilities, groups of facilities or equity interests, in particular with a view to diversifying the Group's activities.

While the sector is experiencing a trend towards concentration in a competitive environment, 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 measures

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 in or divestment of equity interests and intangible assets 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 Investment Committee.

## 2.2.2 DIGITAL TRANSFORMATION

### 2.2.2.1 Description of the risk

Digital transformation represents an opportunity to:

1. improve the resident and patient experience;
2. improve the quality of life at work for staff;
3. automate and promote the transformation of buildings to make them more efficient.

The digital transformation therefore contributes to the quality of care and working conditions and promotes the personalisation of care.

However, this transformation involves the overhaul of the professional procedures and practices in the facilities and requires significant investments.

These solutions also involve developing specialised expertise in the areas of data analysis and digital technologies. They require significant efforts in terms of change management and support for the operational teams.

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 must be approved by the Board of Directors' Investment Committee and by the Board of Directors itself.

### 2.2.2.2 Risk management measures

Korian has launched several projects to transform its operations. They aim to meet the current and future needs of Korian's residents, patients and their families, as well as those of its employees and all other stakeholders.

To achieve this, the Group is supported by the expertise provided by the Information Systems and Digital Transformation Department and the targeted acquisitions it is making in this field.

The strategy defined by the Group aims to work on the three levers of the digital transformation:

- data;
- information systems;
- equipment (infrastructure).

Every structuring project for the Group is coordinated by a project manager who ensures that all the key stages of the project are coordinated as optimally as possible. All projects are co-constructed with their users in order to ensure their success and the achievement of the desired objectives. In some cases, technical partnerships are set up to benefit from complementary technical expertise and the most advanced technologies.

## 2.2.3 REAL ESTATE DEVELOPMENT AND CONSTRUCTION

### 2.2.3.1 Description of the risk

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.

### 2.2.3.2 Risk management measures

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.

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 the 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 and includes:

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

#### 2.3.1.2 Risk management measures

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.

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### 2.3.2 GLOBAL WARMING AND ENVIRONMENTAL DAMAGE

#### 2.3.2.1 Description of the 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 1,143 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 measures

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.

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 Environment 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.

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

### 2.3.3 BUSINESS ETHICS

#### 2.3.3.1 Description of the risk

Korian employs 60,000 people at more than 1,143 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. Despite the Group's vigilance, non-compliant individual practices could occur, such as:

- non-compliance with the Group's charters and policies (notably the Ethics Charter);
- non-compliance with the gifts and invitations policy;
- non-compliance with the Responsible Purchasing Charter.

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.

Korian 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.

#### 2.3.3.2 Risk management measures

The Group attaches the greatest importance to preventing and combating all forms of corruption, whether active or passive, private or public, 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 and stakeholders. It is given to each new employee, who must sign it;

- 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:
  - compliance governance,
  - reminders of the definitions of corruption and influence peddling,
  - sanctions incurred and potential impacts for the Group,
  - assessment of third parties, and
  - conduct of lobbying activities;
- the Responsible Purchasing Charter signed by the Group's preferred suppliers;
- procedures to assess third parties;
- online 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 by the departments in charge of compliance, including access to a secure external platform enabling employees in particular to ask questions of an ethical nature or raise an alert, anonymously or not; and
- the particularly close attention paid to the risk of corruption in internal audits.

Since November 2020, the Group has been supported by a Compliance Department. Under the supervision of the Chief Medical, Ethics & Quality of Service Officer, the Compliance Department is responsible for the deployment of this programme in conjunction with the departments in charge of compliance in each country.

## 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 2021, the Group's total net indebtedness amounted to €3,228 million (excluding lease commitments), and the average maturity of the Group's financial borrowing was 5.8 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 the risk

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

In 2021, 81 facilities were integrated or are in the process of being integrated. These included in particular the acquisitions of Inicea in France, Berkley Care in the United Kingdom and Ita Salud Mental in Spain.

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.

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 must be approved by the Board of Directors' Investment Committee and the Board of Directors itself.

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.

The progress of the integration of the main acquisitions is monitored by the Board of Directors' Investment Committee.

#### 2.4.1.2 Risk management measures

The Group has significant experience in the integration of acquisitions. Starting from the phase of identifying potential targets, the assets that the Group is considering to acquire 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 in or divestment of equity interests and intangible assets 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 Investment and Commitment Committee.

### 2.4.2 INTEREST RATE AND LIQUIDITY RISK

#### 2.4.2.1 Description of the risk

At 31 December 2021, the Group had a solid balance sheet and a very 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 its credit quality when new financing is raised.

The Group partly funds its growth and investments, including its real estate projects, through the issuance of debt, while ensuring that it maintains a solid balance sheet. It is therefore exposed to the risk of an increase in interest rates.

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.

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The Group is therefore exposed to euro zone 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 euro zone.

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

## 2.4.2.2 Risk management measures

Korian closely monitors its cash position and changes in its liquidity needs for both its operations and its growth. 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 international 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.

The Group has diversified access to the short-, medium- and long-term debt markets. In particular, Korian has a short-term negotiable debt securities programme (NEU CP) of €300 million and a medium-term negotiable debt securities programme (NEU MTN) of €200 million, which are regularly used. In 2021, the Group issued several bonds for maturities ranging from 3 to 15 years, in a variety of formats and some of which were linked to ESG commitments (green bonds, social bonds), aimed at targeting a large population of investors and improving the profile of its debt maturity schedule. The average debt maturity now stands at 5.8 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, which was undrawn at the date of this Universal Registration Document.

The Group's indebtedness as at 31 December 2021 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 5.6 years.

In addition, in 2021, the Group continued to increase the proportion of fixed-rate debt in its debt profile, notably through long-term issues, which act as natural hedges. At 31 December 2021, taking into account the fixed-rate debt and interest rate hedges in place, approximately 82% 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 2022. The profile of this hedge is declining over time.

In view of the existing hedges, at closing 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 decrease the Group's financial expense by €0.9 million;
- a 0.5% decrease (50 basis points) would decrease the Group's financial expense by €1.3 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 keep it aligned with its 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 the 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.

The rents paid for the operation of the non-owned portfolio represent approximately 11% of the Group's revenue and 13% of its expenses. Korian operates 1,143 facilities in seven European countries and is a tenant in 75% 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 commercial or residential rents. They may also depend on specific indices related to the business sector (e.g. the rent increase benchmark rate for specialised nursing homes in France).

Regarding the cost of investments and renovation of the facilities and 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.

The purchases related to operations represent approximately 16% of the Group's revenue and 23% of its expenses (excluding rents and reinvestments). They could be affected primarily by price inflation. It is worth noting that the supply of energy, whose prices have been under recent pressure, represents only 1% of the Group's total expenses. A significant portion is hedged for the coming year and the Group is implementing multi-year hedging policies.

### 2.4.3.2 Risk management measures

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 "In Caring Hands" 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 2022.

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

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

The Group's Real Estate & 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 in particular 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 (rent/EBITDAR), 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;
- the addition of contractual stipulations to signed leases (e.g. renewal clauses at the last indexed rent, possibility of renewing leases under the same conditions); and
- increasing the proportion of its portfolio that is fully owned (25% in 2021 compared with 24% at the end of 2020).

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
- alerts issued via the Group's 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 of internal control standards (including 175 key controls in 2021), 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 2021, these standards included 175 key controls on 12 processes.

### 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 at 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 the preparation of the consolidated financial information. Its duties include the following:

- distribution of accounting and financial principles in the form of a procedures manual, the Korean 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 operations. Foreign subsidiaries may occasionally take out local bilateral loans subject to the 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 Investment and Commitment committee. The Group Chief Executive Officer, the Group Chief Financial Officer, the Group Chief Real Estate and Development Officer, the Group Chief International Development Officer, and the Group M&A and International Business Development Director are permanent members of these committees.

Furthermore, the Investment Committee of the Board of Directors is responsible for reviewing and issuing an opinion, prior to the Board of Directors' decision, on all significant investment or divestment transactions (see details in section 4.1.3.3.3 of this Universal Registration Document).

#### 2.5.3.7 Internal control 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 Event" (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 conjunction 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 sector-specific risk

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 specialised nursing homes and clinics (excluding mental health clinics) will be certified by the end of 2023 and within two years following the integration of each facility.

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

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

## 2.5.5 INSURANCE AND RISK COVERAGE

### 2.5.5.1 Coverage of sector-specific risks

The insurance policy is managed at Group level with the aim of ensuring homogeneous and consistent coverage of risks (in particular, the type of risks covered, the level of deductibles, the level of caps). It consists of aligning its 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 all of the countries where it operates the Group has taken out insurance policies 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.

### 2.5.5.2 Directors' and officers' liability insurance

The Group has taken out civil liability and criminal defence insurance for its Directors and officers, who are therefore covered in the event of personal fault committed in the course of their activity within the Group. This insurance covers corporate officers, *de facto* managers and any individuals sued for professional fault committed in the course of administrative, managerial or supervisory activities carried out with or without a formal mandate or delegation of power within the Group.

# 3

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# 3

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

An ESG strategy integrated into the corporate project



### A WORD FROM RÉMI BOYER, GROUP CHIEF HUMAN RESOURCES & CSR OFFICER

Since 2020, we have engaged in collaborative and participatory work to redefine the Group's Ethics Charter and express what it means in practice to operate with Trust, Initiative and Responsibility on a daily basis at Korian. This work on our values aims to guide and shape the decision-

making and conduct of our employees, in their mission to serve elderly or fragile people. Our new Ethics Charter was published and deployed in 2021 with the implementation of ethical governance at Group and country level, and monitoring by the Board of Directors' Ethics, Quality & CSR Committee, in order to ensure the incorporation of ethics into the Group's HR and operational processes.

This reflection shapes our Company's culture and our "In Caring Hands" corporate project, which closely links the care and support we provide to our employees with the quality of care and services provided in our facilities. Our business, our leading position in the health and medico-social care sector, and the

context of demographic and environmental transition in which we operate, contribute to our commitment to developing innovative responses that meet our internal and external stakeholders' expectations.

Since 2019, in order to place Corporate Social Responsibility at the heart of the Group's strategy, we have formalised and rolled out our ESG roadmap, focusing on 5 pillars and 15 commitments. This strategy is fuelled by dialogue with our stakeholders and is steered by a dedicated cross-functional governance to ensure its operational roll-out. These commitments fully contribute to the Group's performance and are part of our employees' targets throughout the organisation, from the employees in our facilities to General Management.

In line with this ESG approach, which has been in place for several years, the Group has committed to adopt the status of a mission-led company, following its transformation into a European company, which will be proposed at the Annual General Meeting of 22 June 2022.

## 3.1 An ESG strategy integrated into the corporate project



2021 signalled an acceleration in the implementation of our ESG policies within the Group, with the completion of many projects, along with encouraging results from the action plans launched since 2019. Almost all non-financial indicators – which enable us to manage the Group's ESG commitments – improved in 2021.

The identification of the levers to be activated to significantly reduce the environmental impact of our real estate portfolio has made it possible to model our carbon trajectory for 2030, and to draft the associated roadmap, as well as set up annual monitoring of results. The ongoing effort in 2021 to develop qualifying training programmes resulted in the setting of a new target of 10% of employees enrolled in qualifying training programmes by 2023, the previous target of 8% having been achieved two years ahead of schedule. The Group is also ahead of schedule with the deployment of ISO 9001 certification in its facilities, with a current certification rate of 29%. These efforts were rewarded by a significant increase in our non-financial ratings.

We continued to work on the structuring of the governance of ESG matters in order to reach maturity in the management of information feedback and in the deployment of policies. We are continuing this work, both in terms of depth and across multiple disciplines. Our concrete objective is to achieve our mission but also to improve and monitor our positive impact on society.

Korian's ESG commitment, initially developed at Group level, is gradually being rolled out and communicated at the local level to facilities, which then reconcile this approach with their existing initiatives. All of the Group's facilities have strong regional roots and are involved in stakeholder dialogue within their local ecosystem. The dialogue with internal and external stakeholders, already strengthened since the start of the Covid-19 pandemic, is gradually being structured to enrich the progress of our strategy.

Virginie Masurel  
Group CSR Officer



### 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. It is backed by the heightened sense of responsibility felt by all the Company's staff to meet the major challenges of an ageing population in Europe.

#### A mission closely tied to societal challenges

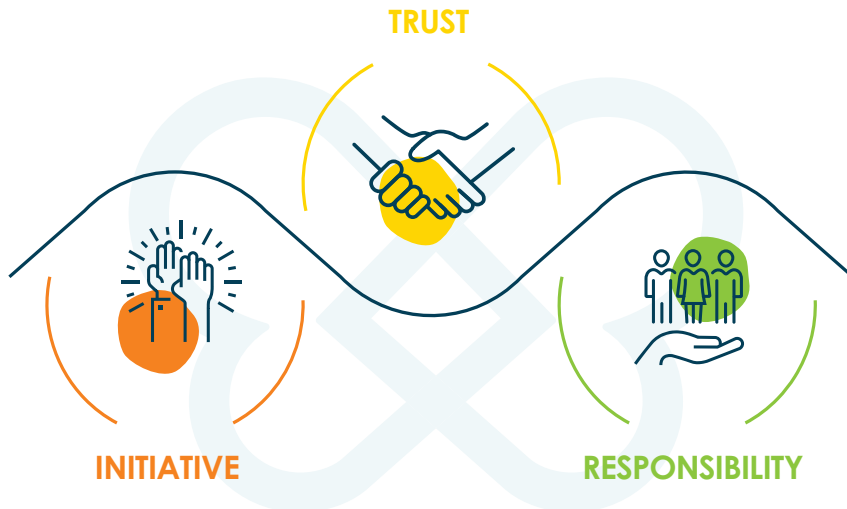
“  
Provide care and support to elderly or fragile people and their loved ones, respecting their dignity and contributing to their quality of life.  
”

This societal purpose, which inspires the Group's values, is the core tenet of the "In Caring Hand acilities in Europe, which are well rooted in their communities and in touch with the social and environmental realities of their countries. We are proud of our mission to serve elderly or fragile people.

As an extension of these commitments, we will submit to our shareholders, at the next General Meeting convened for 22 June 2022, the transformation of Korian into a European company and we will propose to initiate, in dialogue with our stakeholders, the transition to the status of a mission-led company by June 2023.

3

#### Values



#### THE THREE VALUES OF THE KORIAN CULTURE

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

These value can be seen in the behaviours and attitudes that reflect the Group's DNA and guide everyone's decisions when 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 the **sustainability of our decisions**.

## Stakeholder dialogue and materiality matrix

Korian's ESG strategy was built taking into consideration its stakeholders' expectations in order 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.

Through 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 the facilities, regions, countries or the Group, Korian is strengthening and structuring its model of stakeholder dialogue.

As a result, Stakeholder Councils are now in place in four of the Group's seven countries (France, 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 ECOSYSTEM OF STAKEHOLDERS

Stakeholders	Definition and scope	Dialogue methods
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: <i>Union Nationale des Missions Locales</i> partnership, local employment and integration, etc.</li> </ul>
Regulators	Regulators of the health and medico-social care sector: for example <i>Haute autorité de santé</i> , French regional health agencies.	
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, <i>Fondation pour la Recherche Médicale (FRM)</i> , <i>Institut Pasteur</i> , the <i>Toulouse Gérontopôle</i> (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 or 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 clinics</li> </ul>



Stakeholders	Definition and scope	Dialogue methods
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>
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 of the Group's stakeholders within its network in Europe, after the first wave of the Covid-19 pandemic.

Numerous discussion groups were organised in all of the Group's countries, in which nearly 2,000 people took part 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 to identify the priority objectives according to their ESG impact, in connection with:

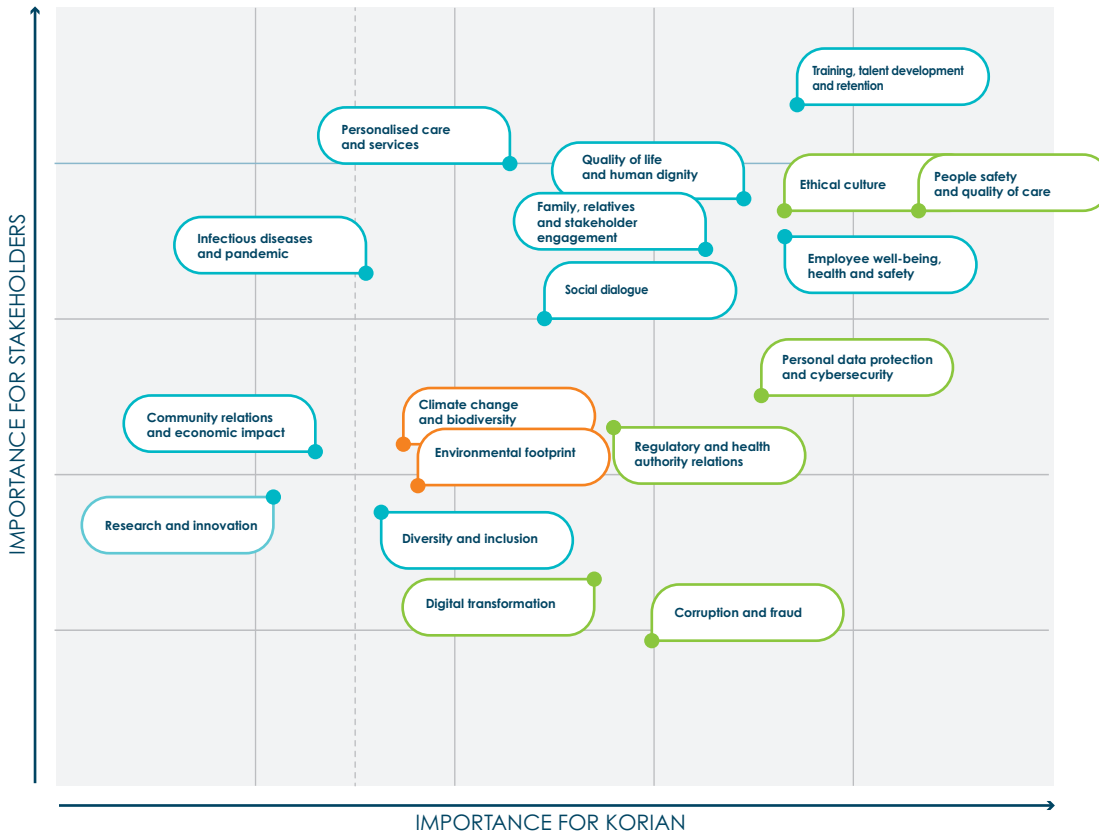
- Korian's mission;
- the ESG strategic pillars;
- the non-financial risks.

A weighted assessment of the priority issues was then carried out presenting both the perception of the stakeholders and that of Korian.

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



**Materiality matrix**



**18 MATERIAL ESG CHALLENGES CLASSIFIED IN 3 CATEGORIES**

- Environment
- Social/Societal
- Governance

# 3 ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

An ESG strategy integrated into the corporate project

This approach is integrated into the business model presented in Chapter 1 of this Universal Registration Document.

## ESG challenges

THE 5 PILLARS OF KORIAN'S ESG STRATEGY	OUR 18 MATERIAL ESG CHALLENGES
<b>1 Provide care excellence whilst ensuring dignity and choice</b>	<ul style="list-style-type: none"> <li>• Quality of life and human dignity</li> <li>• Dialogue and relations with stakeholders</li> <li>• Safety of people and quality of care</li> <li>• Infectious diseases and pandemic</li> <li>• Ethical culture</li> </ul>
<b>2 BE THE EMPLOYER OF CHOICE</b>	<ul style="list-style-type: none"> <li>• Employee well-being, health and safety</li> <li>• Social dialogue</li> <li>• Diversity and inclusion</li> <li>• Training, talent development and retention</li> </ul>
<b>3 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 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>• Fight against corruption and fraud</li> <li>• Personal data protection and cybersecurity</li> </ul>
<b>5 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 in line 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 areas stemming from our "In Caring Hands" corporate project, and is implemented operationally through action plans, investments and objectives at Group, country and facility level.

### OUR CORPORATE PROJECT

*In caring hands*



### OUR ESG STRATEGY IN 5 PILLARS



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

The Group has defined 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) or the Sustainable Development Goals (SDGs)). These indicators are used to measure the progress made in terms of ESG performance. The Group's CSR Department monitors this matter in conjunction with the countries and functional departments. These indicators are subject to reporting during monthly business reviews.

They are presented to the financial community with the publication of annual earnings, at conferences and in individual meetings with investors, including those focusing on SRI<sup>(1)</sup>.

A cross-reference table with the Healthcare Delivery industry standard from the SASB is presented 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 the business lines, distributed throughout the management chain, and are also incorporated into the long-term performance action plans for Top Management<sup>(2)</sup>.

#### ANNUAL OBJECTIVES

In line with the previous year, in 2022, four major non-financial criteria will be included in the objectives of managers, from the Chief Executive Officer to Facility Directors:

1. continuous improvement of the Net Promoter Score (NPS), demonstrating Korian's quality of service;

2. improvement of quality of life in the workplace, as measured by a "composite" HR indicator<sup>(3)</sup>;
3. 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. reduction in carbon emissions related to the energy consumption of our buildings.

#### 2021 PERFORMANCE SHARE PLAN

The long-term variable compensation awarded to the Chief Executive Officer, the members of the Group Management Board and the Top Management under the 2021 performance share plan includes up to 20% based on three ESG criteria: the percentage of women in Top Management, the percentage of staff enrolled in certification programmes, and compliance with the low-carbon trajectory.

#### ESG results in 2021

In 2021, significant progress was made on each of the pillars, including:

- the significant increase in ISO 9001 certification of the network, with 29% of facilities certified as of 31 December 2021 compared with 11% as of 31 December 2020;
- the increase in the average tenure of employees, by six months compared with 2020, which was already up by over two months compared with 2019;
- exceeding the target of 8% of the workforce involved in qualifying training programmes, with 9.7% of FTEs (permanent and non-permanent), mainly thanks to the strengthening of apprenticeships and continuous training in France and Germany;
- the 6.8% reduction in the carbon emissions coming from the energy consumption of our buildings per square metre.

3

(1) Socially Responsible Investment.

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

(3) Relates to the percentage of employees involved in a qualifying training programme, the reduction of workplace accidents and the retention of teams, measured in particular by the average tenure of the Group's employees.

# 3

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

An ESG strategy integrated into the corporate project

THE 5 PILLARS OF KORIAN'S ESG STRATEGY	OUR 15 COMMITMENTS BY 2023	2020	2021	2023 OBJECTIVES
1 Provide care excellence whilst ensuring dignity and choice	100% of "Positive Care" facilities in 2023	66%	80%	80%
	ISO certification of 100% of facilities in 2023	11%	29% target 15%	29%
	1 Mediator by 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	6.9 years	7.4 years	
	10% of employees in qualifying training programmes by 2023	8%	9.7%	
	50% of women in the Top Management by 2023 (+10%)	47%	47%	47%
3 Contribute to finding innovative solutions for a more inclusive society	1% of the Group's net profit dedicated to philanthropic initiatives	€1.4 M 4%	€1.5 M 1.6%	
	Stakeholder Council in every country by 2023			4/7 COUNTRIES
	5 scientific publications per year	18	40	
4 Be a committed and responsible local partner	70% of purchases made locally and 20% from SMEs	80% / SME 26%	78% / SME 36%	
	100% of sites involved in a project with local communities by 2023	97%	99%	99%
	Local and Family Committees in 100% of facilities by 2023	87%	89%	89%
5 Reduce our environmental footprint	Deployment of the low-carbon roadmap	-6.4% (MWh/bed)	-6.8% kgCO <sub>2</sub> e/m <sup>2</sup>	-40% in energy intensity for buildings by 2030
	5% reduction in residual waste production by 2023	39,500 metric tonnes	39,500 metric tonnes	Stable tonnage vs. 2019, despite an increase in scope
	All new buildings certified HQE or equivalent	70%	95%	95%

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 quarterly 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 with a maturity of eight years. An additional issue (top) 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 its facilities;

- as regards employees: double the proportion of staff members participating in qualifying training programmes to reach 8%;
- as regards society: reduce its direct and indirect CO<sub>2</sub> emissions.

Depending on the extent to which each of those targets are met, the interest rate on the notes 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), with the other half being paid to investors.

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

### "Sustainability Linked Euro PP" private placement

#### ➤ ATTAINMENT OF THE ESG OBJECTIVES FOR 2021

KPIs	Objectives for 2021	Results and notes	Achievement
ISO 9001 certifications	15% 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 2021, the Group had an ISO 9001 certification rate of 29% for all its certifiable facilities, compared with 8% in 2019 and 11% in 2020. Excluding the 12 facilities sold in 2021, 29% of the European network considered for financing purposes is ISO 9001 certified.	✓
Employees enrolled in qualifying training programmes	Have at least 6% of employees enrolled in qualifying training programmes during the year, with a minimum of 4,500 people.	In 2021, 5,302 people, or 9.7% of the workforce, were involved in a qualifying training programme.	✓
Reduction of CO <sub>2</sub> emissions	<p>Dual objective for 2021:</p> <ul style="list-style-type: none"> <li>■ no increase in CO<sub>2</sub> emissions at Group level compared with 2020;</li> <li>■ produce a CO<sub>2</sub> emissions reduction plan related to the Group's operations of 40% by 2030 established in coordination with a leading consulting company and detailing the annual CO<sub>2</sub> reduction targets to be achieved as part of the Euro PP financing until maturity. These annual objectives are reviewed by an external auditor to validate their consistency with the reduction trajectory, and were subject to a communication to investors before the end of 2021.</li> </ul>	<ul style="list-style-type: none"> <li>■ In 2020, the Group's energy consumption represented 8.1 MWh/bed, i.e. 1.8 tCO<sub>2</sub>e/bed and 37.8 kgCO<sub>2</sub>e/m<sup>2</sup>.</li> <li>■ In 2021, CO<sub>2</sub> emissions related to the Group's energy consumption amounted to 35.2 kgCO<sub>2</sub>e/m<sup>2</sup>, i.e. a decrease of 6.8% compared to 2020.</li> <li>■ A plan and trajectory for reducing CO<sub>2</sub> emissions related to the energy consumption of buildings were established in coordination with Carbone 4 aiming to reduce CO<sub>2</sub> emissions by 40% by 2030.</li> </ul> <p>The annual CO<sub>2</sub> emission reduction targets contained in this plan were reviewed and deemed appropriate and consistent with the trajectory by Mazars, an independent third party.</p> <p>In December 2021, Korian informed investors of the annual objectives to be used for the Euro PP financing until its maturity in 2028. This communication took the form of a conference call with investors and an official announcement via Euroclear.</p>	<p>✓</p> <p>✓</p>

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;

- a social bond in the amount of €300 million, based on social criteria, the proceeds of which will be used to finance the growing needs for care in Europe, in medico-social, healthcare facilities, as well as in co-living residence services or home care services provided by Petits-Fils.

### 3.1.2 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 2021 (KPI)	Chapter 3 section
1 Provide care excellence whilst ensuring dignity and choice	Coronavirus (Covid-19) pandemic (2.1.1)	<ul style="list-style-type: none"> <li>Vaccination policy</li> <li>Hygiene assessments and the Vigi-Covid plan (European standard) included in the 360° audits and in Korian's Standard, which includes ISO 9001 certification requirements in addition to Group requirements</li> </ul>	<ul style="list-style-type: none"> <li>Resident vaccination rate: <b>91%</b></li> <li>Vaccination rate of employees in long-term care nursing homes: <b>92%</b></li> <li>Vaccination rate of employees in clinics: <b>100%</b></li> </ul>	3.2.3 3.2.4.3
	Treatment and care (2.1.2)	<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>80%</b> of the network<sup>(1)</sup></li> <li>Frequency of serious adverse events: <b>0.32 per 10,000 days spent in a facility</b></li> </ul>	3.2.1 3.2.4.2
	Reputation risk (2.1.4)	<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 (specialised nursing homes, assisted living facilities): <b>7.7/10</b></li> <li>Group NPS (specialised nursing homes, assisted living facilities and clinics): <b>34</b></li> </ul>	3.2.3.2 3.2.3.3 3.2.3.4 3.2.4.3
	Safety of people (2.1.6)	<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>83% of facilities certified A or B</b></li> <li>Percentage of facilities with ISO 9001 certification: <b>29% of facilities certified<sup>(2)</sup></b></li> </ul>	3.2.3.1
	Recruitment and employee retention (2.1.3)	<ul style="list-style-type: none"> <li>Eight HR commitments of the "In Caring Hands" project, incorporated into the Korian Standard</li> <li>Definition of new recruitment strategies, measures taken to promote talent retention and loyalty</li> <li>Training organisations and skills development programmes, qualifying training programmes</li> </ul>	<ul style="list-style-type: none"> <li>Absenteeism rate: <b>12.4% (down)</b></li> <li>Turnover rate: <b>20.9%</b></li> <li>Average tenure: <b>7.4 years</b> (up)</li> <li>Number of hours of training given (face-to-face training and e-learning): <b>577,310 hours</b></li> <li>Employees enrolled in qualifying training programmes: <b>9.7%</b></li> </ul>	3.3.2 3.3.2.3 3.3.2.5 3.3.1 3.3.3.3 3.3.3.2

(1) This indicator is based on 679 specialised nursing homes (excluding Spain and the Netherlands) within the scope of 824 facilities monitored annually as part of the ESG objectives of the Sustainability Linked Euro PP placement.

(2) Scope of 836 facilities with 12 disposals in 2021 deducted, i.e. 824 facilities in 2021, 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.

2 Be the employer of choice	Recruitment and employee retention (2.1.3)	<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 Works Council</li> <li>Share of employees covered by a social dialogue or collective agreement system: <b>100%</b></li> <li>Frequency rate: <b>48</b> (down)</li> <li>Severity rate: <b>1.97</b> (down)</li> </ul>	3.3.2.6
		<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>47%</b></li> </ul>	3.3.2.5
3 Contribute to finding innovative solutions for a more inclusive society	Digital transformation (2.2.2)	<ul style="list-style-type: none"> <li>Transparent and attractive compensation policy</li> </ul>		
		<ul style="list-style-type: none"> <li>Group's digital transformation and innovation policy</li> </ul>	<ul style="list-style-type: none"> <li>Patient and resident files digitised at <b>100%</b></li> </ul>	3.4.3
4 Be a committed and responsible local partner	Business ethics (2.3.3)	<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> </ul>	<ul style="list-style-type: none"> <li>Deployment of the Ethics Charter across <b>100%</b> of Group sites and systematic communication to new employees</li> </ul>	3.2.2 3.5.6
		<ul style="list-style-type: none"> <li>Whistleblowing system: secure external platform open to all employees</li> </ul>	<ul style="list-style-type: none"> <li><b>97.8%</b> of Top Management has completed the anti-corruption training</li> </ul>	
5 Reduce our environmental footprint	Challenges associated with responsible purchasing	<ul style="list-style-type: none"> <li>Purchasing policy</li> <li>Responsible Purchasing Charter</li> </ul>	<ul style="list-style-type: none"> <li>% local purchases: <b>78%</b></li> <li>% preferred suppliers in Europe assessed by EcoVadis: <b>71%</b></li> <li>% preferred suppliers in Europe having signed on to the Responsible Purchasing Charter: <b>88%</b></li> </ul>	3.5.2
		<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>2018-2020: <b>390</b> officers trained</li> <li>2021: <b>318</b> officers trained</li> </ul>	3.2.4.1
5 Reduce our environmental footprint	Property development and construction (2.2.3)	<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: <b>95%</b></li> </ul>	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 &amp; 2): <b>35 kgCO<sub>2</sub>e/m<sup>2</sup></b></li> <li>Water consumption: <b>58.4 m<sup>3</sup>/bed</b></li> <li>Residual waste: <b>39,500 metric tonnes</b></li> </ul>	3.6.4.4



# 3 ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

An ESG strategy integrated into the corporate project

## 3.1.3 STRUCTURED AND ROBUST ESG GOVERNANCE

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

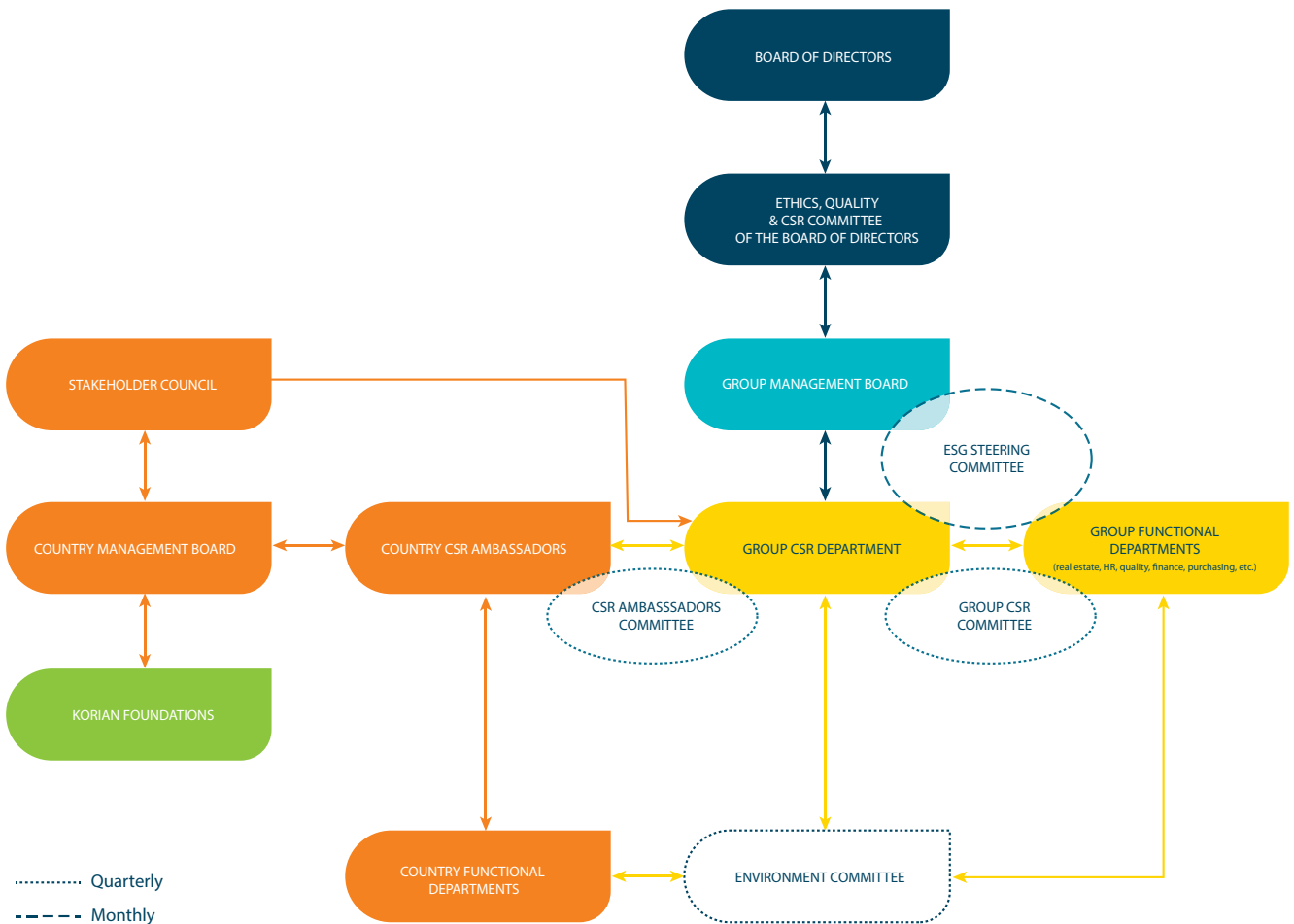
- **Board of Directors assisted by the Ethics, Quality & CSR Committee:** definition of the ESG strategy and monitoring of its execution.
- **Group Management Board:** execution of the ESG strategy and monitoring of the actions carried out in each of the pillars by the Group Chief Human Resources & CSR Officer, with support from a dedicated CSR Department.
- **Group CSR Department:** steering of sustainable development actions in connection 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.

- **Network of CSR Ambassadors** appointed in all Group countries: deployment of the ESG strategy and monitoring of the achievement of objectives, while sharing best practices between countries.

The Group's ESG strategy is also nourished by the work and opinions of bodies that are linked to its external stakeholders:

- Korian Stakeholder Councils, which are being deployed gradually throughout the Group, as in France (since September 2019), the Netherlands and Belgium, and meet regularly;
- The Korian Foundation for Ageing Well in France (created in September 2017) and the Korian Foundation for Care and Ageing Well in Germany (created in February 2020).



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



### 3.1.4 OUR CONTRIBUTION TO THE SDGS

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

#### WE SUPPORT



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 2021, 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)

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#### THE 5 PILLARS OF KORIAN'S ESG STRATEGY

#### SUSTAINABLE DEVELOPMENT GOALS

	THE 5 PILLARS OF KORIAN'S ESG STRATEGY	SUSTAINABLE DEVELOPMENT GOALS
1	Provide care excellence whilst ensuring dignity and choice	 <b>Good health and well-being</b> 3.4 Promote mental health and well-being
		 <b>Industry, innovation and infrastructure</b> 9.1 Implement a high-quality infrastructure that is reliable, sustainable, and resilient
2	Be the employer of choice	 <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>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
3	Contribute to finding innovative solutions for a more inclusive society	 <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

# 3

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

An ESG strategy integrated into the corporate project

<p>4</p> <p><b>Be a committed and responsible local partner</b></p>		<p><b>Decent work and economic growth</b></p> <p><b>8.3</b> Promote the creation of decent jobs and stimulate the creation of small- and medium-sized enterprises</p>
		<p><b>Reduced inequalities</b></p> <p><b>10.2</b> Promote the social and economic integration of all people, regardless of their economic status</p>
		<p><b>Responsible consumption and production</b></p> <p><b>12.6</b> Encourage companies to adopt sustainable practices and to include information on sustainability in their reports</p>
<p>5</p> <p><b>Reduce our environmental footprint</b></p>		<p><b>Affordable and clean energy</b></p> <p><b>7.2</b> Significantly increase the share of renewable energy</p> <p><b>7.3</b> Improve energy efficiency</p>
		<p><b>Industry, innovation and infrastructure</b></p> <p><b>9.4</b> Modernise infrastructures to make them sustainable, through a more rational use of resources and increased use of clean and environmentally-friendly technologies and industrial processes</p>
		<p><b>Sustainable cities and communities</b></p> <p><b>11.6</b> Reduce the negative environmental impact of cities, by paying particular attention to air quality and waste management</p>
		<p><b>Responsible consumption and production</b></p> <p><b>12.3</b> Reduce food waste</p> <p><b>12.4</b> Establish rational ecological management of waste to reduce pollution</p> <p><b>12.5</b> Significantly reduce waste production through prevention, reduction, recycling and reuse</p>
		<p><b>Climate action</b></p> <p><b>13.2</b> Integrate climate change measures in policies and strategies</p>

## 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

### 2021 RESULTS

**80%**

versus **66%** in 2020

**29%**

versus **11%** in 2020

A mediator appointed in the  
**Netherlands, France and Spain**  
A mediator in the process of being  
appointed in **Italy**  
**Customer Care Charter** defined  
at **Group level**

3

### AS PER THE KORIAN ESG MANIFESTO – WHAT WE OFFER TO OUR RESIDENTS AND PATIENTS

“Our primary responsibility is to ensure care excellence, respecting the dignity and **freedom of choice of fragile people and their relatives**, while promoting the **reinforcement or maintenance of autonomy**. This is ensured by a care philosophy built around the person and their needs, whilst respecting their expectations. This is the meaning of the Positive Care approach:

- we guide care recipients and caregivers in choosing the appropriate care solution;
- we are gradually developing a diversified range of services and support in living areas;
- we are deploying a Customer Care Charter in our network, that formalises the Group's values, mission and commitments towards its residents and patients;
- the autonomy of our residents and patients is supported by **our Positive Care approach**. This promotes the capacities and desires of residents and patients, and includes a range of non-drug therapies. All the Group's

facilities are gradually being equipped with Positive Care equipment and trained in their use, with the objective of covering 100% of the medico-social facilities by the end of 2023;

- the quality of all our sites will be guaranteed by the ISO 9001 quality standard (objective of **100% of facilities certified in 2023**; first stage at the end of 2021 with 15% of facilities certified, then 50% of facilities at the end of 2022 and 100% at the end of 2023). The “360° quality vision” will be supplemented by the integration of resident/patient, family and employee quality procedures and measurements in a common approach that guarantees operational excellence;
- we aim to ensure that mediation procedures are proposed in each of the countries in which we operate in addition to the complaint identification and processing procedures, to settle any disputes that may arise within our facilities with the people hosted, in an ethical way and by promoting dialogue and listening”.

## 3.2 Provide care excellence whilst ensuring dignity and choice

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 IMPROVE THE AUTONOMY OF PATIENTS AND RESIDENTS WITH THE POSITIVE CARE APPROACH

Korian has developed a specific therapeutic approach for its residents 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 allowing 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 assess his or her capacities and needs. At the end of this assessment, an individualised non-drug therapy plan is defined, which takes into account the resident's interests and life history and which defines 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 that training of the brain can compensate for some of the loss of 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.



© Korian Le Home de Cortefredone.

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

- research by Pr Gerald Maurice Edelman – American biologist – 1972 Nobel Prize in Medicine, who demonstrated the fundamental role of residual brain plasticity in adaptive behaviour;
- research by Pr 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 definition of non-drug therapies 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 a tree diagram of available therapies;
- the 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 defined 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 according to national appetites and skills and by selecting only therapies that have been the subject of scientific publications;
- a set of training courses related to these therapies to enable both the appropriation of the therapeutic objectives and the proper use of the tools made available;
- a basic method encouraging the resident-centred approach and the understanding of the challenges of the pathology (Hoffman method, Montessori method, Böhm method, etc.).

The European Positive Care Committee also monitors the clinical implementation of this approach by analysing:

- the proper implementation of the holistic assessment of each resident, in particular as regards the cognitive, functional and behavioural aspects;
- the proper implementation of the non-drug therapeutic arsenal with regard to each resident's life project;
- the appropriate follow-up to adjust the therapeutic strategy to the resident's evolution.

A paramedical Positive Care officer is designated within each facility. This officer is responsible for the implementation of the Positive Care approach and for training new Group employees.

This implementation is an integral part of the Group's ESG strategy and objectives, with the aim of deploying Positive Care in all of the specialised nursing homes by the end of 2023.

At the end of 2021, Positive Care non-drug therapy equipment, and the associated training courses, had been rolled out in 80% of the Group's network.



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### 3.2.2 ADOPT EXEMPLARY CONDUCT AND ETHICAL PRACTICES IN OUR BUSINESSES

Our mission, to serve elderly or fragile people, requires us to 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, which embody the project and the corporate culture: "In Caring Hands". Understanding and putting into practice our three values – trust, initiative and responsibility – are the foundations of the Group's ethical reflection.

Since the end of 2020, work to overhaul the values has been carried out in a collective and participatory manner with the countries as well as various business lines and levels within the Group. Based on feedback from the deployment of previous values, this work enabled us to translate our three values into expected and desired attitudes within the Group, and to develop tools for appropriation and deployment by a Group Steering Committee on values.

In 2021, to give substance to these values on a daily basis, the Group carried out work aimed at defining, through practical cases, the attitudes to be favoured and those to be prohibited.

The new Ethics Charter, which is the result of this collaborative work, translates very tangibly our values into attitudes and guidelines, illustrated by practical cases.

This new Ethics Charter, which updates the one in place since 2017, is a reference for all Group employees. All the principles of the Ethics Charter are aligned with the laws and regulations in force in the countries where the Group operates. The Ethics 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, the Group's Ethics Charter and values were rolled

out during The Values Week. At the same time, 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. This document is co-signed by the new recruit and his or her manager;
- a virtual presentation of our values and our Charter is used 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 be able to discuss them as a team.

**For managers:**

- the "Eval Ethics" platform has been launched as a test, to enable managers to self-assess on ethics and to be confronted with practical cases, which will be regularly updated;
- 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 module on our values and our Charter is being prepared for 2022.

**For all employees:**

- videos and a specific graphic identity have been created. All content is made available to each country on their 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.



# 3 ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

Provide care excellence whilst ensuring dignity and choice

Ethics governance within the Group consists of:

**At Group level:**

- the Values Steering Committee, which meets quarterly;
- the monthly Values Steering Committee with country ambassadors;
- the subject is monitored by the Group's Risk, Ethics and Compliance Committee and, at the level of the Board of Directors, by the Ethics, Quality & CSR Committee.

At the facility level, the Korian Foundation for Ageing Well 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, philosopher-ethicist, forward-looking specialist, psychologist, 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 drafting of specifications made up of various modules started in 2021, in order to provide facilities with tools for the deployment of tailored systems, adapted to their respective contexts and operations.



© Korian Clinique Moreau.

## 3.2.3 DEPLOY A QUALITY CULTURE 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.

### 3.2.3.1 Be the first 100% ISO 9001-certified care network in Europe by 2023

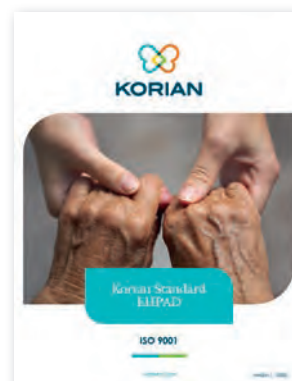
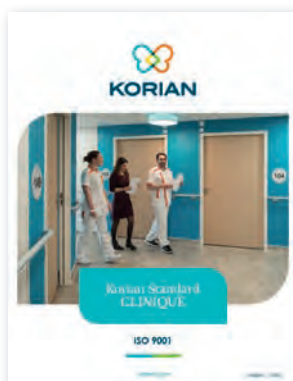
The context of strong growth and diversification of activities, coupled with an accelerated international expansion, in a highly regulated sector that varies from country to country and sometimes from region to region, has increased the need to share best practices, harmonise, and adopt a common language 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 specialised nursing homes and clinics 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.

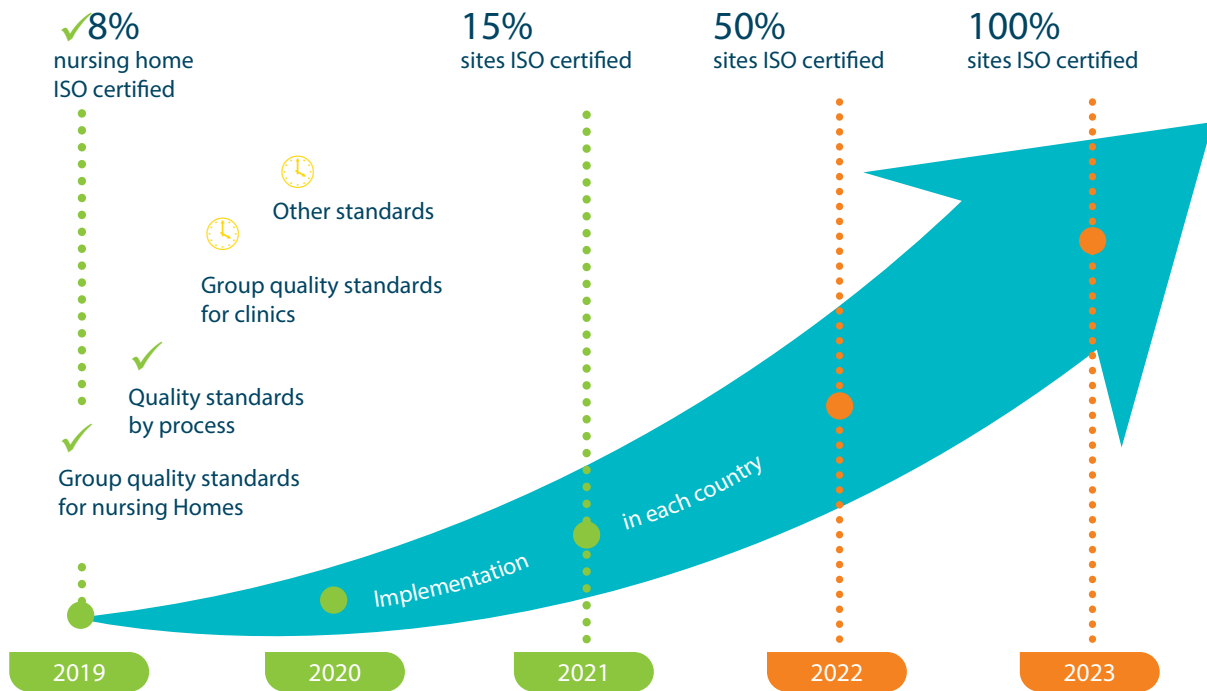
Work to define, harmonise and formalise processes has been carried out by the Group Quality Department over the last two years. This work has made it possible to draft the Korian Standard, including the requirements of the ISO 9001 standard, which are fully customised to the Group's activities and organisation, 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.



The Group Quality Management System is illustrated by a systemic and meticulous 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. Every year, a review of the processes is led by the Group Quality Department, in order to integrate the innovations implemented within the Group, as well as the feedback from facilities, residents and patients (expressed via the satisfaction survey and other channels).

**TIMELINE FOR ROLL-OUT OF ISO 9001 CERTIFICATION IN EUROPE**



On 31 December 2021, 29% 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. All new facilities integrating Korian are submitted for certification no later than the third year following their acquisition or opening.

**a) Internal audits and quality controls**

Every facility must regularly carry out a self-assessment. In addition, every facility is subject to an internal quality audit, known as a 360° audit, at least once every two years.

These 360° internal quality 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° internal quality 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;
- resident and patient expectations.

A new Group procedure was defined in 2020 and came into force in 2021. It harmonises practices and organises monitoring in accordance with the Korian standard defined in the context of the ISO 9001 certification. Following these assessments, the facilities are rated according to four levels, from A to D.

On 31 December 2021, 83% of the Group's facilities audited<sup>(2)</sup> were at level A or B.

For facilities that have been classified C or D, the Group requires a follow-up audit to verify that the issues raised during the first audit have been solved.

(1) Scope of 836 facilities, with 12 disposals deducted in 2021, i.e. 824 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.

(2) Audits completed for 641 facilities (long-term care nursing homes and specialised clinics), on 31 December 2021.

### b) Outsourced controls

Korian subcontracts certain specific controls to external organisations, for example on food safety (3,366 controls in 2020 and 2021).

Korian also mandated Bureau Veritas, in the context of the Covid-19 pandemic, to carry out hygiene assessments (955 inspections in 2020 and 2021).

### c) Audits and quality controls by the supervisory public authorities

Public authorities supervise healthcare and medico-social facilities. In France, all Korian clinics are certified by the French National Authority for Health (*Haute autorité de santé – HAS*), which awarded a level A certification (certification with zero breaches or recommendations) to 74% of facilities and a level A or B (with suggestions for improvement) certification to 100% of the facilities. In Germany, the medical service of the German Medical Service of the Health Insurance Funds (*Medizinischer Dienst der Krankenversicherung*) carries out similar audits and assessed 99% of Korian's specialised nursing homes at level A or B.

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. By obtaining a better understanding of what is most important to them, facilities can determine priorities and meet their needs more effectively.

A barometer, called "Ksatisfaction", is carried out every year. It collects the level of satisfaction of residents, patients and their relatives, in all countries where the Group operates<sup>(1)</sup>.



At the end of 2020, Korian selected a new service provider to carry out these surveys, in order to develop barometers adapted to each activity, the local context and the profile of residents and patients, while having a common Group basis for measuring overall satisfaction (average satisfaction score out of 10) and recommendation (via the Net Promoter Score (NPS) indicator<sup>(2)</sup>).

In 2021, the Group also invested in a new online and transcript analysis reporting tool.

The survey is conducted once a year within the medico-social network (specialised nursing homes and assisted living facilities), among families and residents for specialised nursing homes and among residents for assisted living facilities. It was carried out in October and November 2021 in France, Germany, Belgium, Italy, the Netherlands and Spain.

(1) Excluding sites being consolidated in the United Kingdom and Spain.

(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).

Since October 2021, surveys regarding short stays have been carried out on an ongoing basis.

In healthcare facilities in France and Italy, surveys are also carried out continuously when patients are discharged.

### The different types of barometer at Korian



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 clinics:

- reception and information;
- medical support and monitoring;
- accommodation;
- living conditions;
- catering;
- the Covid-19 pandemic.



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 levers for improvement and to be able to prioritise improvement projects.

For the Group, the barometer makes it possible to measure and monitor the level of satisfaction of residents, patients and their relatives over time, to identify areas for improvement across the network and to detect best practices to be disseminated across the network.

The analysis and consideration of results contribute to a culture of continuous improvement.

In 2021, the Group's average satisfaction score was 7.7/10 for the activities in the specialised nursing homes and assisted living facilities (short and long stays).

The Group's Net Promoter Score (NPS) for the activities in specialised nursing homes, assisted living facilities and clinics was 34.

No weighting is applied when calculating the results.

In 2021, more than 80,800 people responded to the Group's satisfaction surveys<sup>(1)</sup>, with a return rate for families of over 34% for specialised nursing homes. The management of the Covid-19 pandemic was highly rated, with an average of 8.8/10 from residents and 8.4/10 from families. The friendliness of the staff is also highlighted as a key strength of the Group, with an average score of 8.6 given by residents and 8.5 by families. On this criterion, 60% of respondents gave a score of 9 or 10 and only 9% of respondents gave a score below 6. Consideration is assessed at 8.1 by residents and at 8 by families. The point for improvement highlighted in these surveys is to increase staff availability.

From 2022, in addition to the annual survey, the Group is setting up a transactional analysis approach, i.e. dedicated to a specific stage of the resident journey. As their arrival at the facility is a key stage for our residents, Korian will specifically analyse the reception of new residents. The study will be carried out continuously, for families and residents, at the end of the first six weeks in a specialised nursing home.



### 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 dietitians, in accordance with the 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 the fact that meals are enjoyed, because better consumption is synonymous with better nutrition.

In Italy, a tool has been rolled out allowing residents and their relatives to choose the menus and place orders for ingredients accordingly. This system makes it possible to personalise the menu and ensure that the right proportions are ordered and cooked, which also reduces food waste.

3



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(1) 28,439 patients, 2,642 residents in assisted living facilities and 49,726 families and residents of specialised nursing homes.

### 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 must now be translated into all of the Group's languages, customised and rolled out in all facilities.

### 3.2.3.4 Manage customer complaints and proposing mediation procedures

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 organised in 2020 and aims at:

- identifying all complaints;
- ensuring that all complaints are monitored and responded to;
- 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 the analysis at all levels of the Company;
- identify areas of work at Group level.

In addition, the Group has set itself the ESG objective 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 in Europe and is in line with the development of European standards.

The objectives of mediation are as follows:

- understand and appease difficult relationship situations;
- express the various points of view and solve problems in a humane and equitable manner;
- restore a relationship of trust that is useful for the well-being of all.

In practice, the Group sets up mediation systems to settle disputes that may arise in its facilities with the people hosted, in an ethical manner and by favouring 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 the opportunity to reach a voluntary agreement aimed at facilitating their present and future relations.

Free and confidential mediation schemes are offered by Korian's facilities in France, Spain and the Netherlands. These systems comply with the regulatory framework of each country, the European Code of conduct and the Korian Customer Care Charter, and offer the required guarantees of independence.

In December 2020, the Group set up a Mediation Department in France. A Mediator was appointed in September 2021 by a joint committee made up of approved consumer associations and representatives of Korian, after consulting the Stakeholder Council.

A Mediation Charter has been drafted to set out the terms of application of the mediation process implemented by the Mediator, who is a qualified and impartial third party.

A dedicated website has been set up to allow referral to the Mediator, provide access to all information relating to the mediation process as well as to the annual report on the Mediator's activity, which includes the Mediator's recommendations on how to avoid problems, in view of the disputes dealt with during the year: <https://mediation.korian.fr/>

## 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 it 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;
- conducting 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, preferably face-to-face, 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 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 monthly to discuss the progress of the compliance programmes, as well as any new projects involving compliance or adaptation of existing documentation;

- the review of the 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 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

Weekly reporting on Serious Adverse Events (SAEs) is carried out in every country in order to analyse all SAEs and put in place remediation plans.

All events are classified in an identical manner according to their category (care, techniques, abuse, etc.) and their level of impact and severity, while also taking into account the precise specifications of the health authorities in each country.

In 2021, monthly Incident Committees were set up in every country, with the support of the Group, to analyse SAEs, and to identify causes and define appropriate action plans at local and national level. Quarterly discussions take place between the Group and these Incident Committees to monitor action plans and share best practices.

With the aim of preventing any undesirable event, joint awareness-raising and prevention campaigns at the European level are deployed around five major themes: proper medicine usage, patient safety, hygiene, infection risk prevention and good treatment. These campaigns are completed by specific actions at the level of each country.

The frequency of SAEs directly related to the safety of people remains low: in 2021, it represented a ratio of 0.32 per 10,000 billed days, compared to a ratio of 0.33 in 2019. The year 2020, with a ratio of 0.29 for 10,000 billed days, is not a representative year, in view of the particular business conditions caused by the pandemic: decrease in the number of visits, temporary closure of facilities, enhanced monitoring of access, etc.

The monitoring of SAEs is distinguished from the monitoring of the Covid-19 pandemic, which has a dedicated crisis management system (see Section 3.2.4.3 in this Universal Registration Document).

### 3.2.4.3 Crisis management procedures

Building on the experience acquired and the changes undertaken in the face of the Covid-19 pandemic, the Group was able to confirm a dedicated monitoring and alert system as well as controlled procedures for managing the health crisis throughout 2021 with the effect of limiting the risks of infection, detecting risky situations and protecting the teams both in the field and within the support functions.

Despite the still constraining global health instability, Korian has been able to ensure the safety and continuity of care for its residents and patients, in constant contact with families and relatives, and to protect its employees.

At the same time, it appeared essential to be able to capitalise on this ability to adapt and anticipate by strengthening the crisis management tools in order to unify them throughout the network as well as by initiating a crisis training and exercise programme aligned with the business risk mapping. Risks related to cyber threats, major climate events and safety of people will be scripted and tested in accordance with the roadmap rolled out in 2021.

The crisis management procedures have been reviewed and adapted accordingly in order to offer the Group's network a simplified global approach and a customised implementation in line with local specificities.



(1) This figure corresponds to the Group's permanent workforce, including those who joined the Group during the year following the acquisitions made in particular in the United Kingdom (Berkley Care) and in Spain (ITA Salud Mental).

## 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", in the service sector for dependent elderly and fragile people and those with loss of autonomy for whom the quality of care and support provided is essential.

This means providing elderly people, in harmony with their relatives, with care adapted to their situation and their condition, **by competent and trusted professionals**, operating according to high quality rules and standards, and capable of autonomy and initiative.

In a context of general demographic ageing in European countries, the need for long-term care, and more broadly support for the loss of autonomy, is set to increase considerably over the next 10 years in all countries.

The growth of Korian's activities across its various families (Long-Term Care, Health and Home Care) requires attracting and developing a wide variety of talent across different professions, in particular caregivers, nurses, doctors, cooks, and also in the new job roles related to the new personal services activities offered by Korian (home caregivers for elderly people, care providers, reception staff, etc.).

However, despite the growth in job creation in the sector, the number of long-term care 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 training has remained stable. 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 at hundreds of thousands per year by 2030.

Developing the attractiveness and appreciation of professions related to the elderly and autonomy is, therefore, an essential

priority for Korian, in order to be 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 professions, 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 guarantees the Group's values** and is based on a managerial model driven by our Facility Directors and their teams, the cornerstones of the network;

- **the anticipation of recruitment and skills development needs**, for our main activities as well as for our new 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:

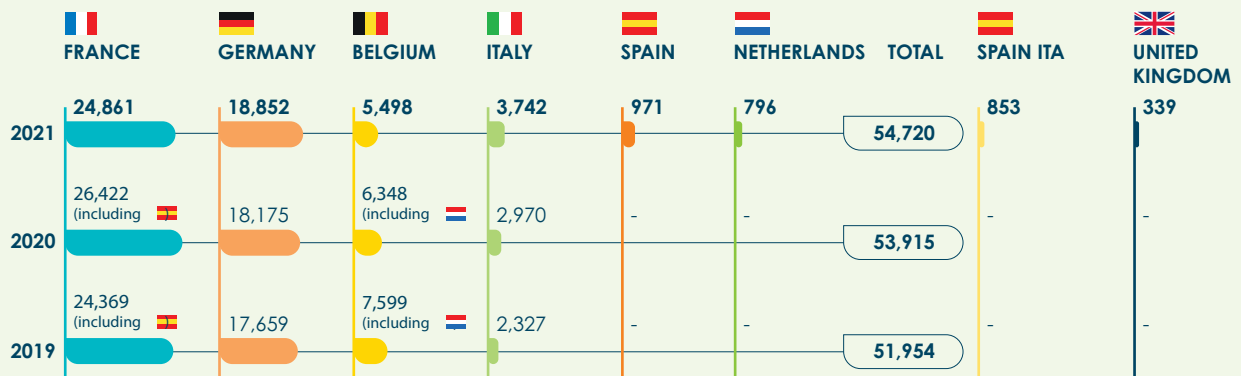
1. **engaging** Korian employees around an ambitious social foundation;
2. **developing** skills and talents to ensure quality of care;
3. **being a committed and responsible social player.**

### 2021 WORKFORCE DATA ON GROUP HEADCOUNT

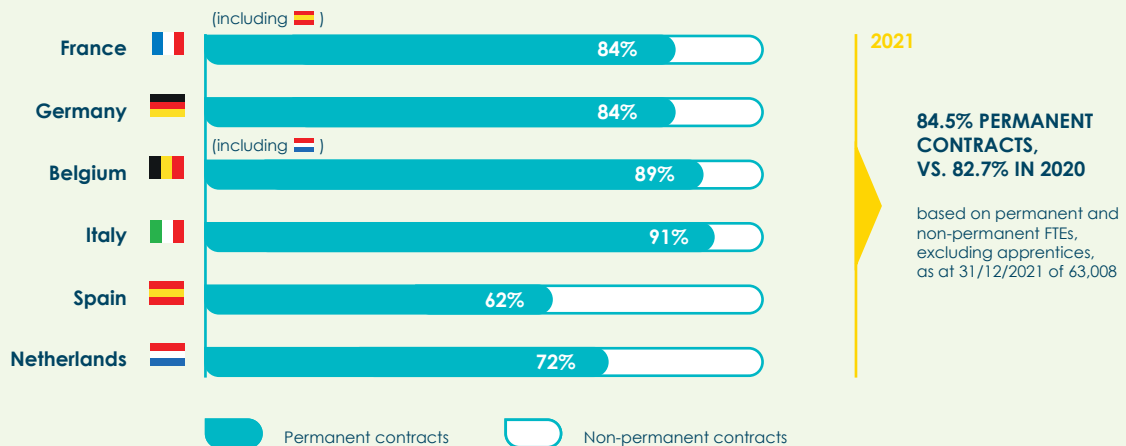
The total Group headcount for 2021 was 55,912 employees in Full-Time Equivalent (FTE), versus 53,915 in 2020.

The total number of employees on permanent contracts as at 31 December 2021 was 59,643<sup>(1)</sup> compared to 57,500 in 2020.

#### BREAKDOWN OF HEADCOUNT BY COUNTRY (FTE)



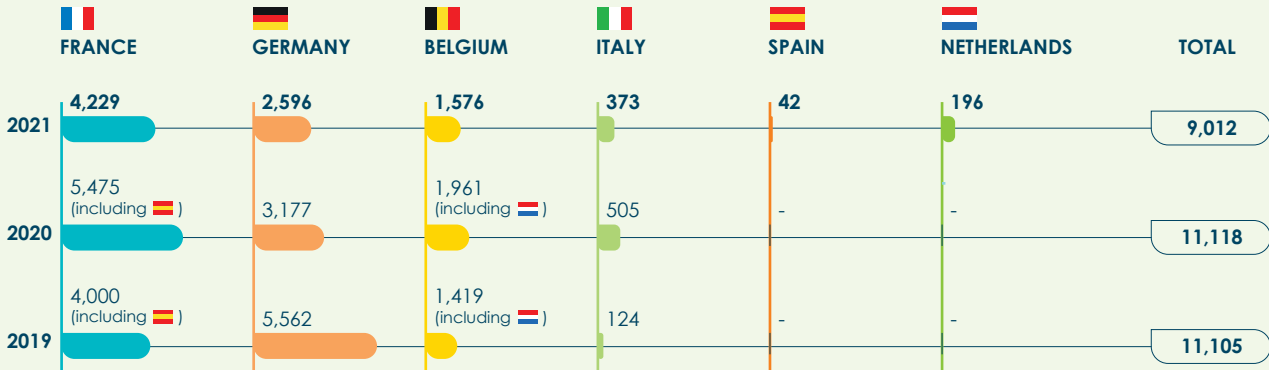
#### BREAKDOWN OF HEADCOUNT BY TYPE OF CONTRACT, BY COUNTRY (HEADCOUNT AS AT 31 DECEMBER 2021, PERMANENT AND NON-PERMANENT)



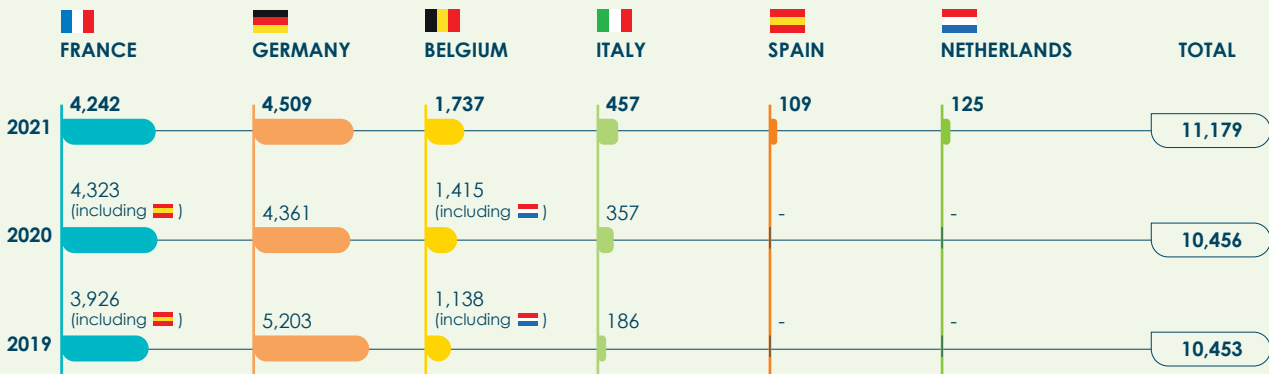
(1) Permanent contracts including, by agreement, non-permanent German contracts, treated as open-ended contracts, due to their long duration. In chapter 3, the indicators calculated based on permanent contracts, however, exclude these 5,511 German non-permanent long-term contracts, for the sake of transparency, and are therefore based on 52,952 permanent contracts.

It should be noted that the ratios and indicators in this chapter are calculated on the basis of headcount and FTE excluding ITA Salud Mental and Berkley Care.

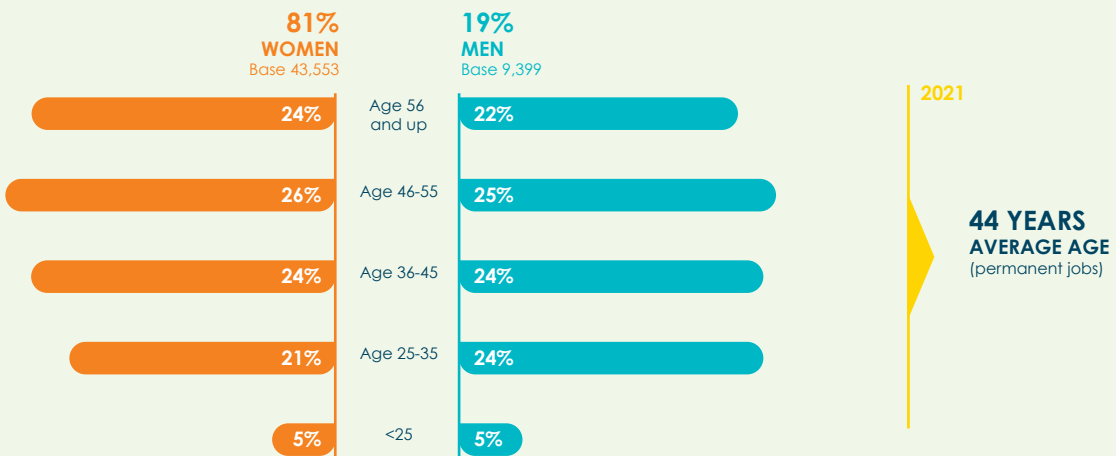
NUMBER OF HIRES (PERMANENT CONTRACTS)



NUMBER OF DEPARTURES (PERMANENT CONTRACTS)



AGE PYRAMID



The results obtained in 2021 are improving. Despite the health crisis and a stabilisation of the turnover rate, we observe:

- a continuous increase in average tenure, which now stands at 7.4 years compared to 6.9 in 2020, and 6.7 in 2019;
- a continuous increase in permanent contracts, which amounted to 84.5% of the workforce, compared to 82.7% in 2020 and 82% in 2019.

### 3.3.2 RALLY EMPLOYEES AROUND AN AMBITIOUS SOCIAL FOUNDATION

#### 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 the 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.

#### 3.3.2.2 An employer promise focused on eight commitments to employees

In line with the Group’s values, the Group’s Human Resources Department is pursuing the continuous deployment of the eight commitments of the social pact launched in September 2019.

Closely linked to the “In Caring Hands” corporate project, these eight concrete, motivating and engaging commitments aim to ensure a high-quality employee experience. At the heart of the employee promise, they are a guarantee of good onboarding, development and support for each employee throughout his or her 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 because 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, these eight commitments have been incorporated into the Korian Standard, and are therefore part of the ISO 9001 certification.

Korian France and Korian Germany, which together account for 75% of the Group’s workforce, have received Top Employer certification for 2022.



This distinction was obtained following audits carried out in 2021 by the "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.

Korian France obtained an overall score of 70.1%. Korian Germany, which received this distinction for the second consecutive year, obtained an overall score of 75.1%, up 3.69 points compared to the previous year's results of 71.4%. These scores far exceed the 60% required to be eligible for the Top Employer certification. In France, the results are particularly high in the areas of management and organisation of the human resources policy, as well as employer brand and inclusion. In Germany, the results are particularly high in terms of training, talent acquisition, integration of values and leadership.

Korian is the first company in the elderly care sector to receive this certification in France and Germany. This is recognition of the deployment of our eight HR commitments, in line with our corporate project, "In Caring Hands", as well as our investment to become the benchmark employer in our sector. These certifications also recognise the improvement of our HR processes, thanks in particular to our efforts to standardise with ISO 9001, which is gradually being rolled out in all Group facilities.

### 3.3.2.3 A strong commitment to prevention, health and safety at work

#### A demanding policy driven and embodied by the Group's General Management

Parallel to its policy of providing high-quality care to its residents and patients, Korian makes the 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 by relying on quality and continuous improvement policies. The aim is not only to work on the prevention of accidents and occupational illnesses, but also to establish a true culture of health and safety at work in every country.

Aware of its responsibility, the Group has placed this commitment at the heart of the "In Caring Hands" corporate project. Its commitment is summarised in an occupational health and safety Charter (the "**Health and Safety at Work Agreement**") 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.

#### 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 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 European Works Council level.

In France, the "Acciline" tool was introduced in 2020 to monitor workplace accidents. This tool provides all Facility Directors with indicators enabling them to monitor accidents within their facility's teams. In Germany, a similar platform exists called "Economed". 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 commissions dedicated to monitoring workplace accidents.

#### Health and safety results and objectives

The table below shows the frequency and severity rate of workplace accidents. We have observed a decrease in the frequency rate<sup>(1)</sup> within the Group, which amounted to **48 in 2021 compared to 57 in 2020**. In parallel with this decrease in the frequency rate, the severity rate<sup>(2)</sup> also improved to 1.97 in 2021 at Group level (compared to 2.16 in 2020).

This decrease is mainly due to the actions taken in France in support of 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.

(1) Number of workplace accidents with lost time multiplied by 1,000,000, divided by the number of hours worked.

(2) Total number of working days lost due to workplace accidents multiplied by 1,000, divided by the number of hours worked.

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:

- from 2022, the results in terms of health and safety are included in the variable portion of the compensation of

#### the Top Management within the HR composite indicator.

The frequency rate of accidents with lost time replaces absenteeism, which nevertheless continues to be monitored regularly. The objective for 2022 is to reach a frequency rate of 45.

### ► FREQUENCY AND SEVERITY RATE OF WORKPLACE ACCIDENTS BY COUNTRY

(EXCLUDING THE NETHERLANDS AND THE UNITED KINGDOM)

Frequency rate	France	Germany	Belgium	Italy	Spain	Total
2018	85	NC	29	68	NC	NC
2019	80	19	33	38	NC	52
2020	94	20	28	31	51	57
<b>2021</b>	<b>72</b>	<b>26</b>	<b>30</b>	<b>24</b>	<b>55</b>	<b>48</b>

Severity rate	France	Germany	Belgium	Italy	Spain	Total
2019	3.38	0.02	0.69	0.64	NC	1.81
2020	3.99	0.61	0.60	0.52	0.82	2.16
<b>2021</b>	<b>3.89</b>	<b>0.69</b>	<b>0.83</b>	<b>0.54</b>	<b>0.93</b>	<b>1.97</b>

#### Health and safety actions in all countries

In order to strengthen the health and safety culture at work in all its facilities in Europe, Korian has defined quantitative objectives in terms of accident prevention, with which the employee representation bodies are associated.

All Korian countries have committed to reducing the number of lost-time accidents by implementing targeted actions, depending on the type and nature of accidents recorded, and the risks encountered.

In Belgium, a health and safety at work day was organised in December 2021. Due to the pandemic, this event was organised remotely. More than 100 Facility Directors took part in the interactive webinars, which aimed to raise awareness about the health and safety of their teams, in particular on washing techniques, needle injuries, legionella, and the prevention of workplace accidents in general.

In France, a department dedicated to occupational health has existed since 2019. It comprises professional risk prevention specialists who support the facilities to ensure the implementation of preventive actions and to help facility staff be more effective when taking occupational health into consideration.

The prevention actions include raising the awareness of the teams as regards the actions and postures allowing to prevent the risk of accidents and occupational illnesses.

Specific courses are offered to all employees on how to improve comfort and safety when lifting and assisting patients and how to reduce musculoskeletal disorders (MSDs), as well as work-related stress caused by conflict situations, for example.

Throughout Europe, ergonomists are called upon in the planning phase of renovation and construction projects and in the definition of purchasing policies for equipment such as patient lifts and electric beds.

#### 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 was signed unanimously in May 2021 with all the Company's representative trade unions.

This agreement, signed unanimously by the social partners in May 2021, commits the parties for four years and covers four major areas:

- knowledge by 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 in consultation with teams in the field

In order to allow for better appropriation of the terms of the agreement by the Facility Directors, and taking into account the 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. This approach, called "Five Steps" facilitates coordination and management by the regional departments, the operations departments and the France Management Committee.

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, the roadmap has been rolled out to all facilities since December 2021 and is monitored facility by facility in a dedicated web application to measure the deployment of each of the measures in the agreement.

Among the main points of the agreement

- Korian undertakes that the Management Committee of each facility will organise monthly discussions with local representatives to address health and safety issues and participate in the update of the professional risk assessment document (*Document unique d'évaluation des risques professionnels – DUERP*), analyse work-related accidents, and draw up action plans.
- In addition, Occupational Health Officers will be 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 their health and the occupational risks they incur at work. To this end, they must follow the dedicated Housing and Care for Elderly (*Hébergement et accueil des personnes âgées – HAPA*) training, certified by INRS and provided by the Korian Academy.
- To reduce the risks related to musculoskeletal disorders (MSDs), 100% of the facility health officers will be trained in HAPA. A *vademecum* will be made available to them, consisting of reflex sheets aimed at raising awareness among employees in their facilities of recurring work situations that generate MSDs.
- In partnership with the Purchasing Department and the Health and Quality of Life at Work Department, a catalogue will be drawn up to offer referenced equipment and enable facilities to make the purchases necessary to reduce MSDs.

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.**

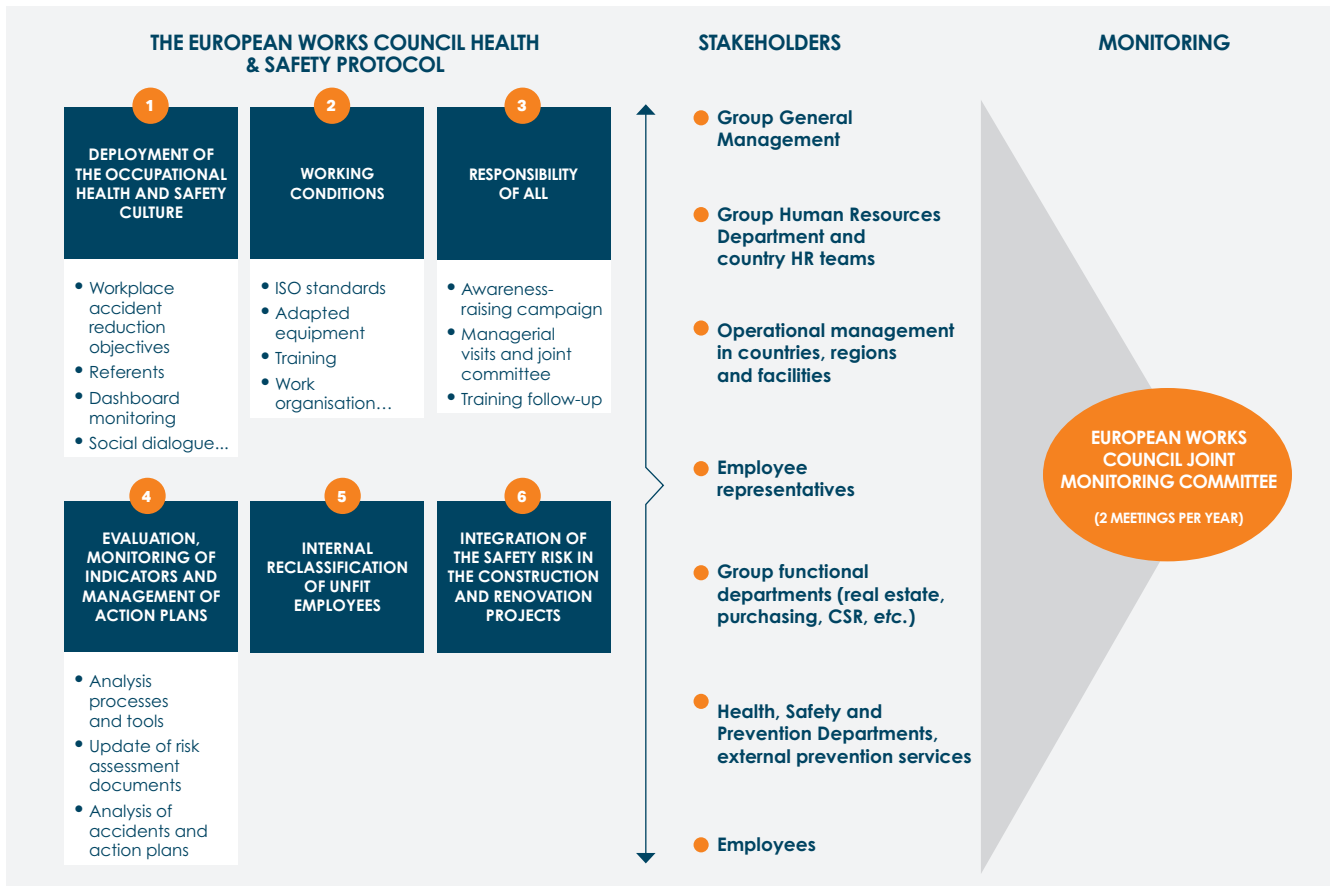
The protocol is based on the Group's Health and Safety at Work Charter and includes 25 measures intended to raise the Group's standards in all countries. Each of the measures refers to an existing best practice in a country, which was the subject of a detailed presentation at the meetings of the EWC's Health and Safety working group.

Among the measures, Korian is committed to having health and safety officers in all facilities within three years. The measure is based on the definition of the mission of the Health and Safety Officer in France, as defined in the France agreement.

Another commitment concerns the definition of targets for the reduction of workplace accidents at the level of each country, combined with the implementation of action plans.

In December 2021, posters and brochures were created and translated into all the languages of the countries where Korian operates, so that the adoption of this protocol and its content are made known to as many people as possible, thus helping to disseminate a culture of health and safety throughout the Group.

A joint monitoring committee has been set up and will meet every six months to monitor the progress of the approach. Results will also be monitored every two months by the Group's Risk, Ethics and Compliance Committee as well as in the monthly performance reviews carried out in each country.



### 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.

Lastly, the employee satisfaction survey, Kommunity Pulse, carried out in April-May 2021, confirmed the need to strengthen the psychological support provided to employees in a particularly troubled period for all: residents, patients, relatives, but also caregivers.

Guides dedicated to the health and safety of employees in the Covid-19 period have been made available to the teams.

In Belgium, in collaboration with occupational medicine, specific programmes dedicated to stress management (meditation, breathing, yoga, etc.) have been rolled out in all facilities. In addition, the "Coaching for Heroes" programme for employees, set up in 2020, was extended in 2021. This programme allows each employee to call on external experts or psychologists for individual or collective support.

In Germany, the Korian Academy organises precise monitoring of facilities affected by the Covid-19 pandemic and offers several forms of assistance by professionals in the treatment of psychosocial risks. 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. In 2021, 82 employees were supported as part of Stimulus.

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.

### Reducing absenteeism – a managerial priority

#### ► ABSENTEEISM RATE BY COUNTRY (PERMANENT WORKFORCE) (EXCLUDING UNITED KINGDOM)

	France	Germany	Belgium	Italy	Spain	Netherlands	Total
2019	10.0%	5.2%	11.6%	7.4%	NC	NC	8.3%
2020	12.3%	15.9%	18.9%	6.2%	8.4%	8.9%	13.9%
2021	11.6%	17.1%	19.9%	5%	7.1%	11.1%	13.9%

### 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.;
- lodging 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 2021, 330 employees in France benefited from social assistance.

In Belgium, the "PETRA" fund, backed by the Company, helps families facing a personal crisis to get through emergency situations. The Korian Solidarity Fund, set up in 2020 to help families or employees in difficulty, was able to contribute to the financing of the Belgian families of Korian who were victims of the serious floods that occurred in 2021.

In Germany, the Korian Foundation for Care and Ageing Well set up a First Aid Fund, which also supported the victims of the floods in Germany in 2021.

It should be noted that absenteeism covers several forms of absence: workplace accidents, commuting accidents, simple sick leave and occupational illnesses. The causes are therefore multiple and multifaceted.

In 2021, the absenteeism rate remained stable overall, but at a high level mainly due to the context of the Covid-19 pandemic. This rate can have a destabilising effect on the work organisation and day-to-day care services in facilities.

Consequently, the Group reaffirms its commitment to continue its efforts to reduce the absenteeism rate, despite the challenges related to the sector, through a proactive and multi-factor policy.

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.

Various measures have also been put in place in the countries to reduce the absenteeism rate and will be continued at all levels of the organisation.

In France, a profit-sharing agreement based on the reduction of absenteeism was signed in November 2020 for a three-year period. The objective of this agreement is to implement a value redistribution tool based on the achievement of absenteeism reduction targets calculated at the facility and/or regional level. To support this approach, each facility has direct access to its results, thus enabling it to take appropriate action.

In Italy, agreements are in place at national and local level to calculate annual bonuses according to the hours of presence of employees.

### 3.3.2.4 Internal social 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. Promoting internal promotion is therefore a win-win contract for all stakeholders.

This is why internal social promotion and career development are key areas of our human resources policy, and are among the eight human resources commitments which underline that every employee can "grow within the Company and be aware of development and career paths", including the qualifying training programmes.

#### Career development through training leading to qualifications 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 2019, Korian began to create 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 2021, nearly 1 in 10 Korian employees was enrolled in a qualifying professional development programme.

One of the levers strongly promoted at Korian is the Validation of Acquired Experience (VAE). For several years, Korian has encouraged and supported its employees in this process. It is a flexible and "win-win" system that allows our employees to evolve in the care professions that we structurally need.

#### Annual assessment and professional development interview

All Korian employees participate in an annual assessment and professional development interview every year. These interviews are a privileged moment of dialogue, which allows an open and constructive exchange about the missions and the achievement of the 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.

#### Structured talent management across all countries

Talent management is in place via Career Committees to identify in detail the Group's high-potential employees, incubators and emerging talents. The Career Committees also make it possible to propose development plans for high-potential employees, in order to prepare them for their next positions thanks to defined 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.

In 2021, more than 3,500 employees were part of the Career Committee scope.

### 3.3.2.5 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 strong values that are based on a strong sense of commitment.

Every day, Korian's men and women have a unique and difficult responsibility: provide care and support to elderly or fragile people and their relatives, at crucial moments in their lives. For this purpose, the Group must listen to its employees and support them in their mission.



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Korian pays particular attention to the well-being and quality of life at work of its teams in order to **strengthen 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.

### Well-being and quality of life at work

Well-being and quality of life at work are absolute priorities for Korian and are key factors in meeting the Group's HR commitments. Various systems have been put in place in every country to ensure and strengthen well-being at work.

In Germany, a digital application aimed at improving, through daily suggestions, the health of employees around well-being, nutrition and the promotion of physical and sports activities, called “Humanoo”, is widely distributed to the teams in the field and is very successful. Since its launch in 2020, nearly 4,000 employees have used it regularly. The number of users reached more than 4,600 at the end of 2021, demonstrating the relevance of the tool chosen and of the approach.

In Belgium, a digital application for employees, called “Korian Konnect”, was launched in 2021. Aiming to promote a sense of belonging and encourage open and reciprocal communication, the tool was made available to all employees

via their mobile phones. To date, more than 6,000 employees are registered. The application allows them to be informed in real time of Company news, to see their schedule or enter a leave request, to send private messages to other colleagues or participate in group discussions with colleagues in other Korian residences and in surveys. Korian Konnect also provides access to a Benefit@work platform where discounts are offered on many products.

This tool is particularly effective in the context of care professions where teams work daily alongside our residents and patients without a fixed workstation.

The 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.

Korian affirms its desire to cultivate and promote work-life balance. In 2021, the Human Resources Department decided to include in its international annual interview model a question on work-life balance adapted to each country. It is also an issue for women's career development, revealed in a survey initiated by the Korian Women's Club in 2021 with women managers on female leadership. The Korian Women's Club will propose an action plan on this topic from 2022, after having extended the scope of the survey to middle managers.

### Towards more agile work organisation models

Creating the conditions that encourage well-being and fulfilment at work also means taking into account the personal constraints of employees, many of whom have family responsibilities. The Group works in particular on the organisation of work and schedules.

In Germany, the High Five project, negotiated with the social partners, aims to improve the organisation and working conditions in all Korian facilities in the country. The project was rolled out in 2021. To date, this project has achieved, among other things:

- a new planning model, accompanied by in-house training – 209 facilities were trained in 2021;
- a working week calibrated to 5 days;
- 30 days of paid leave;
- the implementation of specific leave.

**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 81% of Korian's workforce. At the end of 2021, women accounted for 47% of Korian's Top Management and the objective is to achieve parity by 2023.

To achieve this objective, all candidate lists for strategic and senior management positions must include at least one woman. In addition, the succession plan carried out in 2021 for the Group Management Board's positions identified that 40% of potential replacements are women.

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 2021, Korian Facility Directors took part, as part of their European training programme s.Keys, in a competition which raised funds of €12,196, donated to UN Women on 15 November 2021 in support of the WEP.

**GENDER EQUALITY INDEX IN FRANCE**

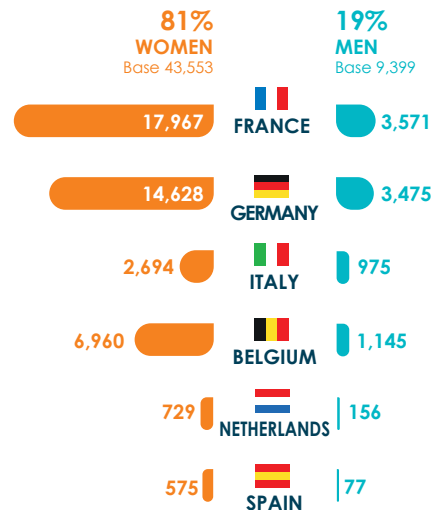
The gender equality index for 2021 at the level of the Korian French Economic and Social Unit (UES) was published on 1 March 2022 in accordance with the law. This index, complying with Act No. 2018-771 on the freedom to choose one's professional future of 5 September 2018 and applicable to companies 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 by indicator are as follows:

1. elimination of gender pay gaps: 38 points;
2. equal chance of getting a raise for women as for men: 20 points;
3. equal chance of being promoted for women as for men: 15 points;
4. all employees 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, Korian reached a score of 93 points out of 100. 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 31.12.2021**



**Percentage of women in Group management**

Group Management Board	23%
Korian Top Management	47%
Facility Directors	70%



### 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 committees currently bring together more than 50 women managers and plan to open the network to all managers, women and men, on a voluntary basis.

In 2021, the Korian Women's Club worked on the obstacles and difficulties that women in companies may encounter in accessing positions of responsibility. A questionnaire was submitted to a sample of female Korian managers, in order to collect their feelings on this topic, whether within Korian or throughout their career. The issues of work-life balance and gender stereotypes were highlighted in this survey, which will be extended in 2022 to all Group managers.

### Committing to promoting diversity and inclusion

The diversity of its teams, their career paths and their experiences constitutes Korian's social and human wealth. 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, Korian launched a specific programme dedicated to diversity in care in Brussels in 2020. In addition, in France, Korian is one of the signatory companies of the "Autre Cercle" Charter to promote the inclusion of LGBT people (Lesbian, Gay, Bisexual, Transgender).

### EMPLOYMENT AND INTEGRATION OF PEOPLE WITH DISABILITIES

At the end of 2021, the Group had 2,062 employees with a disability, or 4.5% 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 in cooperation with the Accor, Accor Invest, Sodexo and Adecco groups.

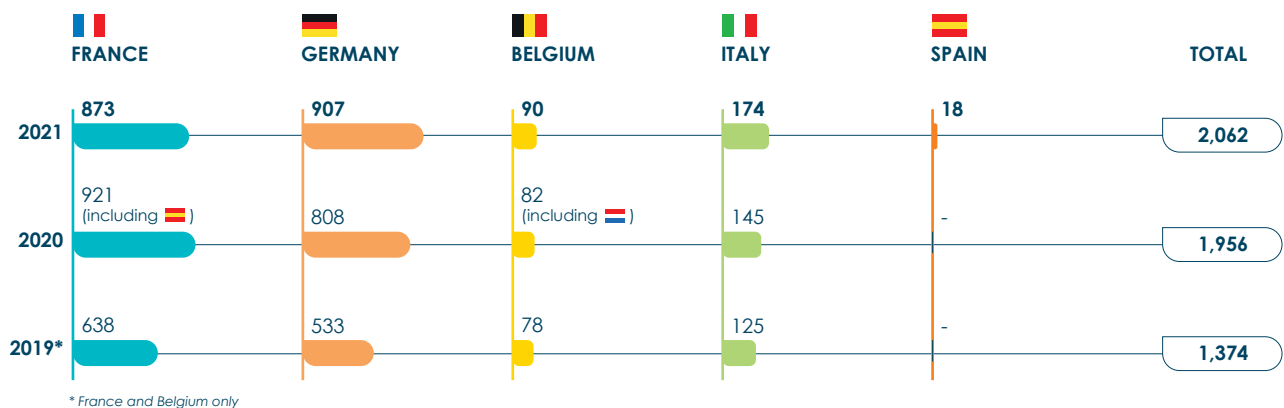
### MISSION HANDICAP IN FRANCE

In 2020, Korian renewed its agreement on the employment of disabled workers with its labour partners in France. Among the provisions of the agreement is the commitment to hire 300 people with a disability over the next three years, 60 of whom will be work-study participants. In addition, the agreement pledges to support at least 200 workers with job retention or retraining plans. In 2021, 115 direct hires were made and 119 people were supported in a career retraining path, and 30 work-study students were recruited.

Korian partners with several vocational rehabilitation centres and works to include interns with a disability as part of their certification programmes. Job meetings are organised every year to meet potential candidates.

Italy has some regional agreements for the employment of disabled workers. In Spain, at least 2% of our employees are employees with disabilities, in accordance with the applicable legislation.

### EMPLOYEES WITH A DISABILITY (FTE)





**An attractive and fair compensation system that reinforces the Korean employment contract**

The Korean compensation scheme is a key element in deploying the Company's strategy. It addresses several challenges:

1. attracting and retaining talented employees;
2. involving them in the results of 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 shortage of healthcare workers.

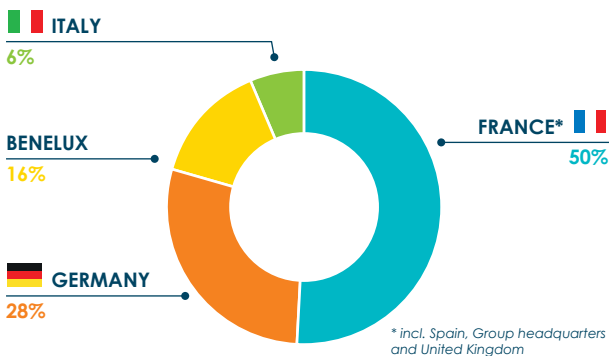
The compensation system is therefore supported by the commitments made to employees included in the "In Caring Hands" project and the Company's social contract (co-optation bonus, tutoring bonus, compensation scales at or above the local market level). It is part of a global approach of transparency and employee recognition, taking into account compensation components and social benefits.

The compensation package in every country consists of a base salary defined according to 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 in line with national laws and practices.

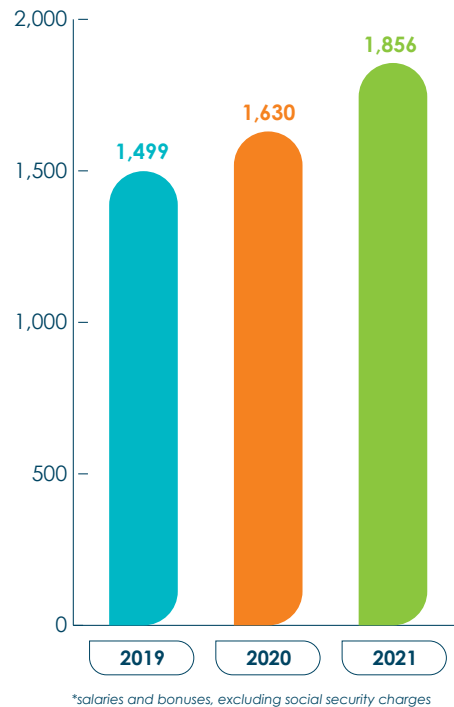
In all countries where the Group operates, gender equality systems and objectives are applied.

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\***



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). Korian offers a compensation package adapted to each local situation, particularly in relation to local refinancing systems. It is reviewed regularly with the labour partners.

During the health crisis linked to the Covid-19 pandemic, the French State granted an exceptional increase in the fixed salaries of caregivers. Called "Ségur de la santé", this scheme represented 8.22% of the total payroll in France for 2021.

For the sake of illustration, the “Ségur santé” effect as applied to the French salary tables (resulting from mandatory annual negotiations) gives the following average salary for a French caregiver in 2021:

#### ► SALARY TABLE FOR CAREGIVERS IN FRANCE

UES tenure <sup>(1)</sup>	Basic monthly salary	2021 average monthly compensation <sup>(3)</sup>
< 2 years tenure	€1,906 <sup>(2)</sup>	
≥ 2 and < 3 years tenure	€1,956 <sup>(2)</sup>	€2,124 <sup>(3)</sup> (+11.5% vs 2020)
≥ 3 years tenure	€2,006 <sup>(2)</sup>	

(1) UES: French Economic and Social Unit to which Korian France employees belong, excluding new activities (Age & Vie, Petits-Fils, etc.).

(2) Including the Ségur bonus.

(3) The average salary includes the basic salary, tenure and the Ségur 1.

#### ► SALARY TABLE FOR NURSES IN FRANCE

ESU tenure <sup>(1)</sup>	Basic monthly salary	2021 average monthly compensation <sup>(3)</sup>
< 2 years tenure	€2,376 <sup>(2)</sup>	
≥ 2 and < 3 years tenure	€2,436 <sup>(2)</sup>	€2,749 <sup>(3)</sup> (+8% vs 2020)
≥ 3 years tenure	€2,506 <sup>(2)</sup>	

(1) UES: French Economic and Social Unit to which Korian France employees belong, excluding new activities (Age & Vie, Petits-Fils, etc.).

(2) Including the Ségur bonus.

(3) The average salary includes the basic salary, tenure and the Ségur 1.

In France, the compensation mechanism is supplemented by an employee savings scheme that is pegged to certain Group objectives.

In Germany, a new compensation model, called “Worx”, was set up on 1 June 2021 in consultation with the representative trade unions.

This new “Worx” compensation model is applicable to any new hiring of accredited nurses, in all Korian Germany facilities or home care services. For accredited nurses already on staff (full-time), with more than six years of service and below the new scale, Worx resulted in a base increase of €100 per month. As a result, the salaries of accredited nurses at Korian Germany increased by 6% in 2021.

The Worx compensation model was also implemented in 2021 for caregivers and facilitators, following negotiations on care prices, in more than 30 facilities.

In 2022, Korian will offer its employees in the French UES (Economic and Social Unit), and in all the countries where Korian operates, a stock ownership plan reserved for employees.

This employee stock ownership plan, otherwise known as KORUS, will enable employees to indirectly become shareholders of the Group with preferential conditions. 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. At Korian, each employee is recognised as an actor 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.

### 3.3.2.6 Social dialogue included in employees’ day-to-day lives and integrated into governance

The 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 European level**, in 2021, Korian continued to set up active social dialogue, in accordance with and beyond the terms of the agreement establishing the European Works Council signed in 2019.

The agreement, through its favourable provisions, made it possible to continue an intense activity in European social dialogue in 2021: two ordinary plenary meetings and two extraordinary meetings, four meetings of the Bureau, six meetings of the working groups and one plenary meeting of training.

Information on the economic, social and financial situation was regularly provided during plenary and Bureau meetings, with the systematic participation of the Group’s Directors and in particular its Chief Executive Officer.

In order to involve delegates in the Company's ESG strategy, an information and training day for all European Works Council delegates was dedicated to the theme of gender equality and gender-based violence, with contributions from experts from the International Labour Organization (ILO) and the OECD. Joint work on ESG will continue in 2022, particularly on the theme of the environment.

European social dialogue has been conducted for two years:

- **on the issue of absenteeism** and the improvement of the Korian social contract thanks to the meetings of the social working group;
- **on occupational health and safety:** the holding of several meetings of the dedicated Health and Safety working group, bringing together representatives from all countries and all trade unions, led to the adoption in 2021 of the European protocol on health and safety, signed on 16 November 2021 by the Group's Chief Executive Officer and the Secretary of the European Works Council, representing all members.

In addition, the Company's Board of Directors decided in July 2021 to change the Group's legal form to a European company. Negotiations have therefore begun with the Group's European delegates, meeting within a special negotiating body (SNB) with a view to negotiating an agreement on employee involvement in the European company. The SNB contributes to the Group's social dialogue.

At the European sector level, in 2021 Korian actively contributed to the work of UNI Care on the attractiveness and retention of employees in the care sector by responding to several surveys at the initiative of UNI Care. Discussions are continuing with UNI Care to contribute to a better response of the sector to the challenges of healthcare in Europe thanks to an ongoing and strengthened dialogue with the European trade union federations, in particular with the EPSU, the expert appointed to the EWC.

In 2020, Korian also joined the international Global Deal initiative, 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. Thus, in 2021 Korian took part in two inter-company working groups of the Global Deal, including one on the prevention of domestic violence, and the other, which was co-chaired by Dr Didier Armaingaud, on the prevention of health and safety risks in times of epidemiological crisis.

In January 2021, Korian took part in the conference organised by the European Trade Union Institute (ETUI) on the subject of ESG and its integration into European social dialogue.

**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 the applicable laws and take a proactive stance to further strengthen the Korian social contract. In addition, it is recalled that 100% of employees are covered by a social dialogue system or collective agreement.

In 2020, Germany set up its first central coordination body to harmonise working conditions at the national level.

In France, social dialogue goes well beyond the legal and regulatory requirements. The elected representatives represent 7% of permanent employees, *i.e.* 1,276 elected representatives. In 2020, six agreements were signed with the representative trade unions, and four were signed in 2021.

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.

In addition to the Central Social and Economic Committee, there are seven Social and Economic Committees in France: four within the Elderly business, two within the Healthcare business and one for the Head office and Directors scope.













A national seminar on social dialogue bringing together Regional Directors and union representatives is organised every year.

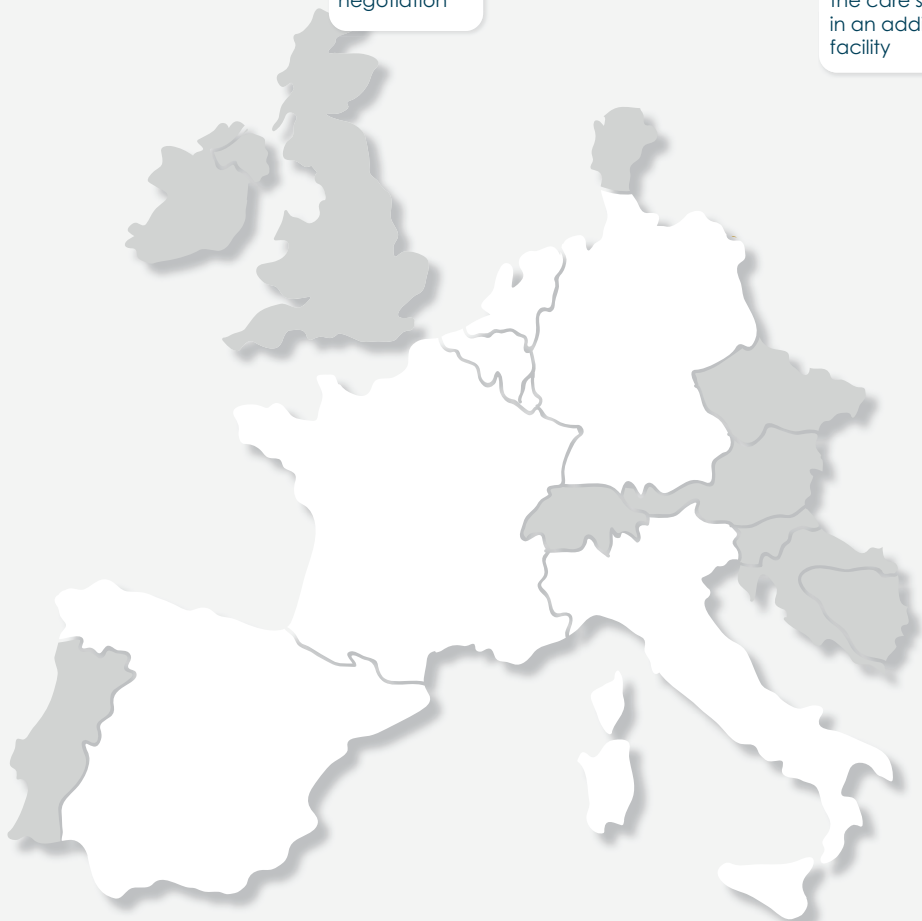
# 3

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

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### Organisation of social dialogue by country

	 SPAIN	 ITALY	 NETHERLANDS	 BELGIUM	 GERMANY	 FRANCE
<b>Existence of a collective agreement on compensation</b>						
<b>Type of agreement: sector-wide and/or company-wide agreement</b>	Sector-wide	Healthcare sector	Sector-wide	Sector-wide	Sector-wide	National, Sector-wide and company-wide
<b>% of employees affected by a collective agreement</b>	100%	100%	100%	100%	~ 100%	100%
<b>Trade unions</b>	CC.OO	CGIL, CISL, UIL	All	All	Ver.di (for some local agreements)	UNSA, CFDT, CGT, FO
<b>Other collective agreements</b>	No	Company-wide agreement on social benefits under negotiation	No	No	Negotiations in progress with Ver.di on a rates agreement for the care sector in an additional facility	Other existing agreements: <ul style="list-style-type: none"> <li>• Collective performance agreement on internal mobility as part of the relocation of Korian Mornay</li> <li>- Collective agreement on the content of the Job Protection Plan (PSE) following the cessation of the activity of Les Fontaines</li> <li>- Regulations of the UES Korian France Savings Plan</li> <li>- Agreement on occupational health and safety and occupational risk prevention</li> <li>• UES Korian France agreement on gender equality</li> </ul>



### 3.3.2.7 **Kommunity PULSE: Korian's internal social barometer**

Since 2021, the Group employee satisfaction survey, Kommunity Pulse, is carried out once a year instead of every second year. The survey concerns all Korian employees. The results of the 2019 survey were presented in the Universal Registration Document in 2020 and were monitored on a country-by-country basis.

For this first yearly Kommunity Pulse, organised in April 2021, the goal was to "take the pulse" of employees in the post-Covid period in May 2021. Questions were asked to measure job satisfaction, commitment and motivation, as well as their feelings about Korian's management of the Covid-19 pandemic. Furthermore, for the first time ever the survey included an indicator expressed as a Net Promoter Score.

Conducted in partnership with IPSOS, the Kommunity Pulse survey revealed a still high employee commitment rate, at 77.4%, up 2 points compared to 2019. The motivation rate was 79%, i.e. more than 11 points higher than the European care sector benchmark.

Employees rated Korian's way of managing the Covid crisis at 8 out of 10, both at Group and facility level.

These results gave rise to a detailed analysis at Group, country, regional and facility level in order to visualise the points of satisfaction and improvement as closely as possible. The results were communicated during the summer of 2021 to all Department and Regional Directors and then to Facility Directors. Action plans are now underway at Group, country and facility level.

Two strong expectations were expressed during this survey:

- gain visibility on professional development pathways;
- benefit from psychological support, a new – but probably lasting – expectation in the unprecedented context of the Covid-19 pandemic.

To answer the first expectation, a vast project to overhaul the training offer was launched in 2021 with the aim of simplifying access to training and qualifying training programmes, resulting in an increase in these qualifying training programmes, which today concern 1 in 10 employees.

As regards the second expectation, working groups have been set up in the countries and at Group level to monitor and support teams requiring special psychological support. This work aims to develop a country standard to deliver psychological support adapted to employees' needs. The first step is the provision of a helpline as it exists in France in partnership with Stimulus. The second component concerns the service offering, such as coaching for managers, on-site discussion groups or a supervision approach, such as those set up by the Korian Academy in Germany.

The analysis of the quantitative results and the verbatim statements by each Facility Director entailed initiatives adapted to the expectations, sometimes with an immediate effect on the working atmosphere such as the celebration of birthdays, informal meetings around coffee or snacks, and the refurbishment of the break room.

3

## 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 the demographic evolution of companies, to the tension on the labour market – aggravated by the Covid-19 pandemic health crisis – and to the fact that these business lines are subject to the acquisition of State diplomas, the number of which is regulated. The training institutes, subject to the approval of the authorities, do not have enough available capacity and are not numerous enough to train the number of staff required in the medium term.

According to the OECD, the number of recruitments of nurses and caregivers in Western Europe is estimated at 1.2 million by 2025: 720,000 positions are to be filled in the event of a replacement and 480,000 new jobs will be created to meet the increase in demand for care, given the ageing of the population. However, existing training systems would cover only 60% of needs, entailing a deficit of around 100,000 caregivers per year by 2025. This assessment does not include 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 anticipating this change in the sector by relying on its professional communities to develop the skills required for its current activities, and also to anticipate and develop the skills related to its new activities.

Belonging to a profession and benefiting from the strong expertise of one's professional community to develop and perform one's job better are one of the eight commitments of the "In Caring Hands" corporate project. The Group is gradually setting up professional and learning communities in every country where it operates.

Each professional learning community aims to:

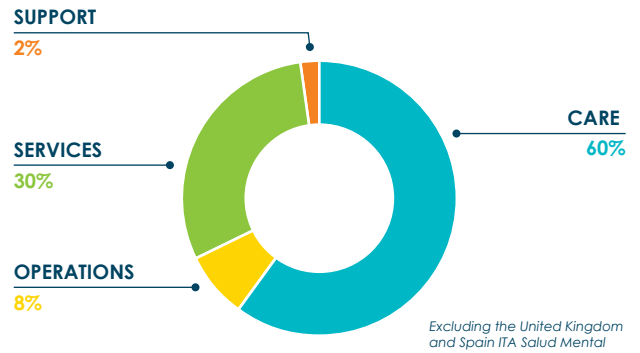
1. reflect on changes to their jobs and the new skills that will be required for each profession;
2. describe the qualifying training programmes specific to each occupation;
3. define the resulting training needs;
4. work closely with schools and the training ecosystem in connection with the occupations;
5. conduct an annual talent review in the profession in question, in order to identify potential talent and improve career paths within the profession;
6. promote best practices specific to each profession to help improve the skills of employees in the profession in question.

In 2019, the Group defined four main sectors (care, operations, services, support functions) which encompass 30 main professions. This professional reference framework also serves as the foundation for the information system for employee and career development, called "TalentK".

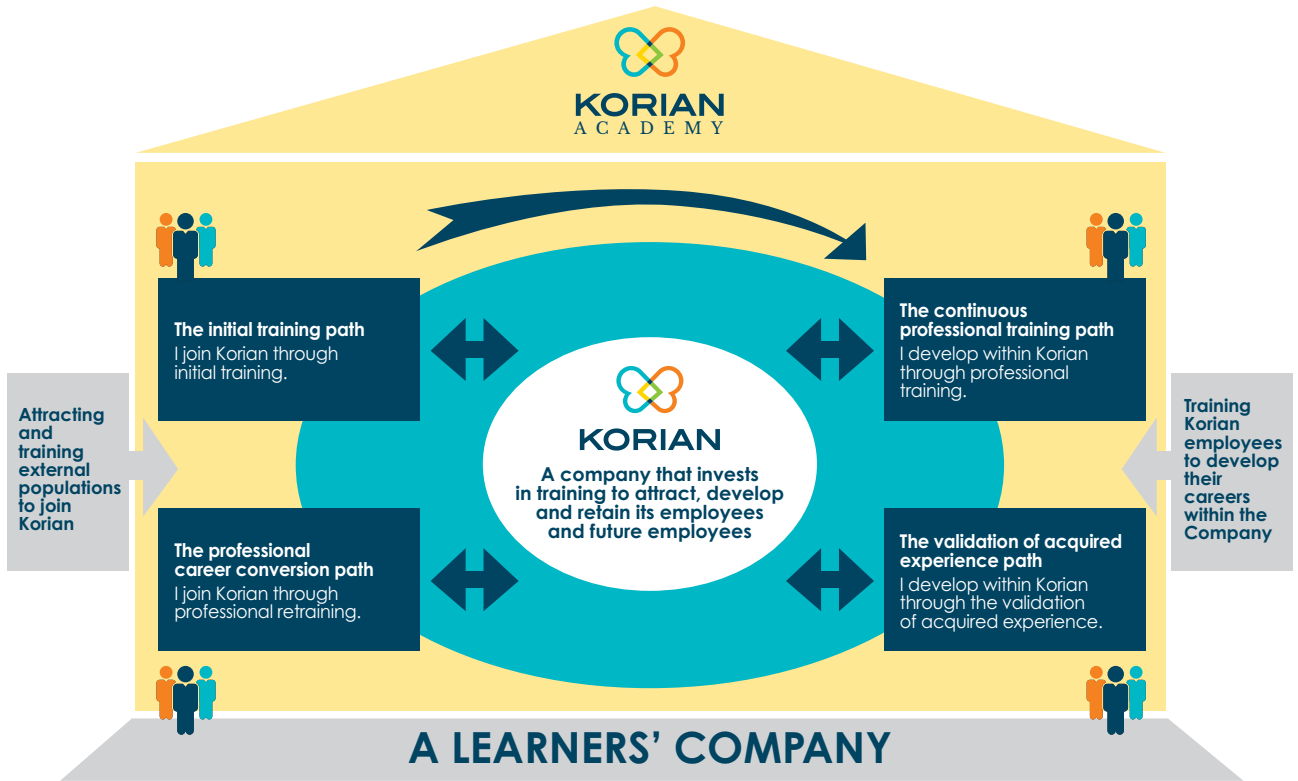
In 2021, the focus was on four major professional communities: Facility Directors, with the three-year "s.Keys" training programme (skills for change), nurses, who already benefit from nursing committees in every country, caregivers, and chefs, who work, particularly in France, as a professional community to coordinate best practices.

In addition, Technical Business Line Committees meet quarterly at the European level, convening the Company's main functions, such as Quality, Human Resources, Real Estate and Development, Finance, and Medical.

### BREAKDOWN BY FUNCTION



### Korian is mobilised through training to attract, develop and retain its employees and future employees



Training as a vector of attractiveness, development and loyalty of its employees and future employees is one of the Group's strategic priorities and one of the pillars of the "In Caring Hands" corporate project. It is fundamental to ensure the quality of care and be able to meet the evolving needs of 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,

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 follow a development path leading to qualifications, while remaining employed;
- **the professional career conversion retraining path:** to diversify the Group's recruitment channels, focusing on social innovation and 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 the recruitment challenges through internal mobility and social promotion, while meeting the increasing requirements for quality of care and the satisfaction of residents and families.

In 2021, 5,302 Korian employees in Europe were involved in a qualifying training programme, i.e. 9.7% of FTEs, marking a significant increase compared to 2020 (8.1%) and more than twice as many as in 2019 (4%).

The training courses run by the Korian Academy are numerous and diverse. A large portion is dedicated to the care professions, but also to hospitality and catering.

#### 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 2021, 44,497 employees completed at least one training course and 577,310 hours of training were completed.

#### Evolution of the role of the Korian Academies

The Group wishes to continue strengthening 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 strengthened 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 for business lines and operations for mandatory training on the Group's fundamentals: values, care policies, safety of residents, patients and employees;
- definition, monitoring and maintenance of qualifying training programmes within each business line;
- production of innovative educational content on the fundamentals of Korian's healthcare offering;
- management of partnerships with schools and educational institutions;
- organisation of the onboarding of all new employees;
- implementation, on request, of coaching and psychological support.

In addition, the Korian Academies play a real 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, under the responsibility of the Facility Directors, will be responsible for developing training plans and ensuring their follow-up.

#### 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 four main areas:

- onboarding programmes;
- the 10 mandatory Korian training courses;
- on-site training;
- development of qualifying training programmes.

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 2021, the Group had 2,723 apprentices, including 1,979 in Germany (i.e. 10% of the workforce) and 739 in France. In total, the number of apprentices within the Group represented 5% of FTEs at the end of December 2021.

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 in France for caregivers 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.

#### 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 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 Apprenticeship Training Centre for Chefs (*Centre de formation des apprentis – CFA*) with four other companies in 2019, Korian was the first Group in France to launch its own Apprenticeship Training Centre for the care professions, led by Korian Academy.

The CFA for care professions provides apprenticeship training for the state caregiver diploma. The first cohort of 19 apprentice caregivers started on 4 January 2021. Their 18-month training includes theoretical teaching time with on-the-job training, half of which is carried out in a specialised 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 to enter into 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 initial position. At the end of 2021, the CFA had 130 apprentice caregivers.

### Promoting the validation of acquired experience

One of the strong levers of social promotion within Korian, the Validation of Acquired Experience, 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 having to return to school. In 2021, 400 employees (including 300 caregivers) committed to obtaining a diploma (ASDE, AES, Chef, etc.) and were supported throughout the course by the Korian Academy.

The success rate for obtaining these diplomas is 78% and specifically 68% for the caregiver diploma, i.e. double the national average (30%). This rate is achieved thanks to the individualised support and the role of Korian's training tutors.

In Germany, the equivalent of the VAE, called *Wegebau*, is handled by the federal employment agency and allows the same type of qualification path. In 2021, 375 apprentices took part in the *Wegebau* programme.

In Belgium, the "600 project" also makes it possible to train, on an ongoing basis, employees who wish to direct their careers towards care professions. In 2021, 73 employees took part in this programme.

### 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 "*Transition Collectives*" system. It 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 in 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. Upon completion of their training and graduation, they will be hired by Korian on open-ended contracts. To date, 50 people have joined the *Passerelles* programme, with the aim of 150 people benefiting from it by 2023. This project also enabled the teams of *Korian Académie France* to review the qualifying training programme to become 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.

This retraining project towards care professions, including for non-caregivers, illustrates Korian's desire to work in a committed and responsible manner for employment in France. This 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 (*Operatore Socio Sanitario – OSS*) are also offered by Korian in Italy, in collaboration with Adecco in the Milan region and in connection with the reintegration association *DiRe*, a long-standing partner of Korian, making it possible to develop inclusive training. Some of the open positions are reserved for women who are victims of domestic violence. The first classes of Korian caregivers, of around 20 students, were able to start in December 2021, following preparatory work and educational and digital innovation.

### Continuous training for Facility Directors with s.Keys



In 2020, the Group updated the 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. It includes 135 hours of “blended” training including e-learning modules, **coaching** sessions, virtual workshops and co-development group sessions.

A quarterly newsletter, Driving with s.Keys, is distributed to all Facility Directors in Europe, making it possible to monitor the programme’s progress and connect the Directors’ community, including through 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 five countries. To date, nearly 400 participants have obtained the first year certificate. A second cohort was launched in September 2021 with 165 participants.

**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 “In Caring Hands” corporate project, is a priority objective of the Group, as a responsible social player, which bases its success on the commitment, cohesion and retention of 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 bring to life 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 was co-developed by 700 Facility Directors, as part of the s.Keys training programme. It will serve as a managerial foundation and commitment towards the teams, and translate the Company’s three values into practice on the ground, in terms of tangible attitudes and behaviours.



*Dur Goal is to give life to the Korian Management Way.*

This European Management Charter aims to support managers and teams together, to embody the Korian values and attitudes in our daily practice. It should empower us, thanks to mutual engagements and support, to achieve our daily missions and goals. These 10 points, written by 1.400 site managers’ hands, demonstrate our management practices and institute our rituals in line with the genuine needs of every Korian Home: Clinic, Nursing Home or any other Korian team.

<p><b>As a collective Leadership Group, we:</b></p> <ol style="list-style-type: none"> <li>1 <b>Adhere</b> to the Company’s project “In Caring Hands” and it’s corollary care philosophy “Positive Care”.</li> <li>2 <b>Share passion:</b> values, convictions and celebrate our successes together.</li> <li>3 <b>Perform</b> with tenacity and commitment to implement continuous improvement and quality of service.</li> <li>4 <b>Create</b> value thanks to all-inclusive sustainability: social, ecological, and economic, by keeping a long-term vision and outlook.</li> <li>5 <b>Are open</b> to encourage, innovate and promote new ideas and share best practices throughout our European network.</li> </ol>	<p><b>As a Leader, I will:</b></p> <ol style="list-style-type: none"> <li>1 <b>Communicate</b> in a clear, precise and honest way, explaining decisions and giving them meaning.</li> <li>2 <b>Act</b> as a role model and create an environment where we can grow.</li> <li>3 <b>Listen</b> to all stakeholders alike: teams, residents, patients, families, customers, social partners, service providers... to understand their needs and engage a dialogue of mutual respect and cooperation.</li> <li>4 Without judging, <b>step into the others shoes</b> and show understanding for their emotions.</li> <li>5 <b>Take initiative</b> and accompany and manage change.</li> </ol>
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Korian’s values and attitudes lead the way:



**3.3.4 BE A COMMITTED AND RESPONSIBLE LOCAL PARTNER**

Anchored in the regions in all the countries where it operates, the Group plays an essential role in local cohesion and inclusion. The growth of Korian’s activities is closely linked to its regional reach and its social involvement benefiting 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 part of the Korian signature wherever the Group is present.

**3.3.4.1 An actor committed to combatting violence against women**

True to its mission, the Group is committed to the inclusion of the most fragile individuals.

The Group is particularly sensitive to the prevention of violence against women, insofar as 81% of our employees are women.

Korian is a co-founding member with *Fondation agir contre l’exclusion (FACE)* of the first network of European companies committed to combatting violence against women. Called “One in Three Women”, this network includes Kering, Carrefour, SNCF, OuiCare and L’Oréal. Information campaigns were continued in 2021 as part of this network, in order to prevent violence and support women who are victims of violence.

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. In 2021, this module was translated into all of the Group’s languages and distributed to the teams as part of the Orange the World campaign.

In 2021, at the end of International Women’s Day, Korian signed a manifesto in France alongside the “One in Three Women” network, to support the rehousing of women who are victims of domestic violence, in line with the actions of the network and its “housing” working group. In November 2021, the Group also signed the Manifesto of economic players in France committed

# 3

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

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to the fight against violence, at the initiative of the French Minister responsible for gender equality, diversity and equal opportunities.

Also in France, part of the Korian Solidarity Fund was allocated to combatting violence against women. In this context, in 2021 Korian continued and strengthened its partnership with *La Maison des femmes de Saint-Denis*, in the Paris suburbs. 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.). A communication on the role of *La Maison des femmes de Saint-Denis* in the Paris suburbs was carried out to facilities, and solidarity workshops were organised by the Korian Foundation for Ageing Well. Free access to the advice of a lawyer in the "Lawyer4Women" network is available to employees who wish to receive legal advice.

In Italy, a partnership was established with the reintegration association DiRE in Milan, to test prevention measures with specialist associations. In 2021, Korian Italy launched a qualifying training programme to become a caregiver, some of the places of which are reserved for women who are victims of domestic violence, in conjunction with DiRE.

In Spain, the Group is also working to provide apartments in one of its residences to women who are victims of violence.

### Orange the World

Under the leadership of the Korian Women's Club, Korian mobilised its teams in favour of the "Orange the World" campaign. Supported by the UN since 1991, the campaign began on 25 November 2021, 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.

Orange masks were 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 was widely distributed.

Lastly, a webinar with the participation of the Group Chief Executive Officer, Dr Ghada Hatem of *La Maison des femmes* and Mrs Fanny Benedetti, Executive Director of UN Women France was organised with the Group and France managers.

In Belgium, facilities organised a relay walk in which employees, residents, relatives and neighbours were invited to participate, with funds raised for each kilometre completed, for the benefit of the *Aidants Proches* association.



© Orange the World campaign in Belgium.



© Orange the World campaign in Germany.



© Headquarters teams in Kontich, Belgium.

### 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 created at the initiative of several major French companies to better contribute to the collective effort for a larger contribution of companies to the inclusive economy. Three working groups were created on apprenticeship and training, the offer of goods and services for disadvantaged persons and inclusive purchasing. In 2021, Mrs Sophie Boissard took over the duties as co-chairwoman of this group with Mr Thomas Buberl, Chief Executive Officer of AXA. Three years after its creation, the collective body has shown good results for the three working groups that aim to reinforce apprenticeship in France and accelerate inclusion in all company action areas.



## 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

#### 2021 RESULTS

**1.62%**  
i.e. €1.5 million vs. €1.4 million in 2020

**1 Stakeholder Council**  
in 4 countries:  
France, Belgium, Italy and  
the Netherlands (same as in 2020)

**40**  
**scientific publications**  
vs. 18 publications in 2020

#### 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 in Germany and its Medical and Research Departments in the countries**, carries out clinical research projects and societal studies, in conjunction with a network of university partners and scientists, around **four work focuses**:

- age-related diseases and management of loss of autonomy;
- **prevention** and care for chronic diseases;
- **the working conditions of caregivers**;
- **the usefulness and social role of seniors**.

In each country, solidarity actions are also carried out for young people in professional integration, and disadvantaged women. In this context, Korian is actively involved in various programmes and initiatives:

- the “collective of 35” companies for a more inclusive economy in France, committed within 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 paragraph 3.3.4.1 “Committing to promoting 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 Foundation network;
- we commit to setting up a **Stakeholder Council** in each country;
- 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 CHANGE THE PERCEPTION OF OLD AGE IN OUR SOCIETIES THANKS TO THE FOUNDATIONS SUPPORTED BY THE GROUP



In order to multiply the avenues of exploration that will make it possible to face the ageing revolution, Korian has created two legally independent foundations:

- the Korian Foundation for Ageing Well, 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 have three objectives:

- 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 support for the most fragile, including to promote 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.

#### 3.4.1.1 Multidisciplinary governance

The Boards of Directors of the foundations are composed of personalities that are internal and external to Korian, divided into three colleges: representatives of 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 clinical research sector and in human and social sciences, along with industrialists and actors of the social and solidarity economy, in order to implement genuine scientific cooperation.

In 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 their expertise and needs.

The research also involves residents and patients of Korian facilities (specialised nursing homes and clinics) who volunteer to participate.

#### 3.4.1.2 Societal projects of the foundations supported by Korian

##### Societal projects in 2021

##### PRIZES AWARDED IN 2021 BY THE FOUNDATIONS SUPPORTED BY KORIAN

Echoing their mission to promote change in the perception of ageing and of professionals working with the elderly, the Korian foundations have created an award that aims to promote projects with high potential for both geographical and social outreach.

It is awarded every year to a local association, a solidarity organisation or a cooperative company, selected by an independent jury.

The award-winning project must be original, participatory and take into account the respect and dignity of people.

In 2021, the German foundation awarded its first award, dedicated to diversity and respect in care, on the occasion of German Nursing Day. The winner was the *Immanuel Seniorenzentrum Schöneberg* facility, for its commitment to LGBT-sensitive care.

The French foundation awarded its fourth award to the *Se Canto* association, which fights against the isolation of elderly people through singing. One Sunday a month, around 30 teams of 800 volunteers visit more than 2,000 elderly people, to sing in retirement homes and geriatric hospitals.



**"Territoires et mémoires de vie" (Territories and Memories of Life):** One of the missions of the Korian Foundation for Ageing Well is to give a voice to elderly people and to carry their voices, their life stories, and to transmit and promote 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 the regions and the impact that living spaces can have on our history. The city of Marseille is in the spotlight here! Residents of the Korian La Loubière, Périer, Les Parents and Mistral homes in Marseille were delighted to take part in this project, which pays tribute to them.



The Korian foundation in France launched the **third edition of the "The Voice of the Elders" (La Voix des Aînés) podcast** entitled "Once upon a time, the forgotten professions". Disappeared, unusual or rare professions, we find them in old films, the pages of history books or through the stories of our great-grandparents and grandparents. The Korian foundation wanted to (re) discover them through its podcast "The Voice of the Elders", in order to share them with others.



**Third White Paper of the Korian foundation in France: "Being elderly and feeling at home: a white paper on how elderly people perceive their homes"**: This Third White Paper brings together all the work carried out since 2015 by the Korian Foundation for Ageing Well on the theme of "home". By exploring this notion of "home", the Korian foundation wants to better understand the desires of elderly people beyond their needs,

encourage all those who work for their well-being to deploy the most appropriate solutions and encourage them to create the conditions for an informed choice, rather than an involuntary one.

The foundation also actively contributes to changing the perception of old age in society through the organisation of events and debates. Health constraints did not allow for the organisation of the Foundation's Mornings in 2021, however, five platforms brought together speakers to discuss and debate on themes such as the place of nursing homes in the regions, the usefulness of elderly people, or nutrition and the pleasure of eating when supporting elderly. These platforms totalled more than 7,900 views in replay.

### Solidarity actions in 2021

The foundations in France and Germany carry out solidarity actions for four target audiences:

- isolated elderly people;
- caregivers;
- women in difficulty;
- young people in priority education areas.
- **The Korian foundation in France, partner of the "Ehpadons-Nous!" festival**: organised by the I2ML Foundation, the Occitanie Regional Health Agency, Malakoff Humanis and the city of Nîmes, the "Ehpadons-Nous!" festival launched 50 shows, including 3 in Korian facilities from 25 May to 2 July 2021 in the Occitanie region. All these shows were broadcast live on the Internet so that all interested parties could attend.

- **The Korian foundation in France, partner of the Alliance for Education** to introduce middle school and high school students in priority education areas to the professions involving caring for the elderly: 275 students encountered in six schools (Île-de-France, Toulouse, Orléans) and seven specialised nursing homes involved to welcome students.

#### ■ Solidarity actions for caregivers:

- the German foundation co-organised a week dedicated to nutrition at a vocational school in Würzburg, with the University of Coburg. During this week on gastronomy and Ayurvedic culture, nursing students were able to discover recipes from the "Care of the Palate" project. A project that highlights balanced nutrition compatible with the busy schedules of medical staff, thanks to the expertise of Chef Volker Mehr;
- the French 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 service and organised by the Korian foundation, they are led by FACE clubs and structures in the regions. In 2021 and 2022, 50 facilities will benefit from these workshops;
- online stress management and self-care programme set up by the German foundation: interested caregivers receive important information on stress, stress reduction and instructions and advice on how to increase well-being and cope with the often stressful daily life of healthcare;
- the German foundation is a partner of the Care Champions programme: participating companies allow refugees to start their careers directly in healthcare, while alleviating their staffing needs. In 2021, Korian Germany supported the training of three refugees, two of whom later joined the facility where they had completed this training, as caregiver interns.

#### ■ Solidarity actions for women:

- **Bus du Cœur operation**: the French foundation supports this operation led by *Fondation agir pour le cœur des femmes*. The *Bus du Cœur* officially launched its trip on 29 September 2021 in Lille, on the World Heart Day. It continued its journey to Marseille, Avignon, La Rochelle and Saint-Étienne, three days per city, so that women in vulnerable situations could benefit from free screening for cardiovascular diseases and from prevention advice. More than 1,000 women were screened in 2021 thanks to these buses;
- combatting violence against women: partnerships have been set up with the L4W lawyer association and *La Maison des femmes* to offer Korian employees and all women who so wish:
  - **free and confidential legal aid with a volunteer lawyer from the L4W association,**
  - **social, medical and legal support from La Maison des femmes de Saint-Denis (Seine-Saint-Denis).**



### 3.4.2 SUPPORT RESEARCH AND INNOVATION FOR CARE PRACTICES









#### Scientific work carried out by the foundations supported by the Group in 2021

In order to contribute to public debate and to advance ideas and knowledge, the foundations conduct scientific research or support programmes implemented as part of scientific collaborations with their academic partners.

The results of the foundations' work are accessible and available to the greatest number of people.

To this end, the foundations disseminate their work in various ways:

- study reports;
- scientific communications (articles, posters);
- scientific summaries;
- practical guides and publications for professional and non-professional caregivers.

 <p style="text-align: center;"><b>COVID-19 EPIDEMIC</b></p> <ul style="list-style-type: none"> <li>• Screening, immunity, and vaccination tests</li> <li>• Decision to vaccinate caregivers in nursing homes against SARS-CoV 2</li> <li>• The impact of the lockdowns linked to Covid-19 on the institutionalised elderly population suffering from sarcopenia</li> </ul>	 <p style="text-align: center;"><b>USEFULNESS AND SOCIAL ROLE OF ELDERLY PEOPLE</b></p> <ul style="list-style-type: none"> <li>• Social representations of elderly people</li> </ul>
 <p style="text-align: center;"><b>ROBOTICS AND NEW TECHNOLOGIES</b></p> <ul style="list-style-type: none"> <li>• Artificial intelligence(s) and vulnerability(ies)</li> <li>• Social robotics</li> <li>• The law relating to the processing of health data</li> </ul>	 <p style="text-align: center;"><b>MANAGEMENT OF AUTONOMY LOSS AND CHRONIC DISEASES</b></p> <ul style="list-style-type: none"> <li>• The perception of doctors in specialised nursing homes on the implementation of drug prescription indicators for residents</li> <li>• Health professionals' perception of remote consultation in psychiatry</li> <li>• Health behaviours</li> <li>• Relevance of drug and non-drug therapies</li> <li>• Muscles as a risk factor and therapeutic issue</li> <li>• Innovation in care pathways, particularly in terms of respiratory rehabilitation</li> </ul>
 <p style="text-align: center;"><b>IMPROVING DRUG PRESCRIPTIONS FOR ELDERLY PEOPLE</b></p>	 <p style="text-align: center;"><b>MORAL DISTRESS OF CAREGIVERS</b></p>
 <p style="text-align: center;"><b>MANAGEMENT OF SKIN CONDITIONS</b></p>	 <p style="text-align: center;"><b>NEW MODELS OF CARE FOR ELDERLY PEOPLE</b></p>

## The work of the Group's Research and Medical Departments

Korian, through its Research and Medical Departments in every country, directly supports and develops research work in its facilities to tangibly improve the relevance and quality of care.

**In France**, the Health Research and Innovation Department, continued to implement 22 experimental study projects in 2021 on chronic diseases, organised around four priority areas related to chronic diseases:

- health behaviours;
- the relevance of drug and non-drug therapies;
- muscles as a risk factor and therapeutic issue;
- innovation in care pathways, particularly in terms of respiratory rehabilitation.

**In Italy**, the Medical Department participated in numerous research projects in the following areas:

- improvement of drug prescriptions for the elderly;
- the moral distress of caregivers;
- management of skin conditions;
- new models of care for the elderly.

**In Spain**, the Korian facilities took part in a pilot study on the impact of the lockdown linked to the Covid-19 pandemic, on the institutionalised elderly population suffering from sarcopenia.

**In Belgium**, the Medical Department coordinated the participation of numerous facilities in research programmes dedicated to the Covid-19 pandemic, each involving two Belgian universities (KULeuven and UGent) and Sciensano, the official Belgian Institute for Epidemiology and Research on Health.

### Key figures: 40 scientific communications

- 16 scientific papers.
- 13 oral communications (presentations in Congresses, face-to-face or online).
- 11 posters.

## 3.4.3 INVEST IN DIGITAL INNOVATION

Digital innovation is a major focus of the Group's transformation, sitting at the heart of its strategy, aiming to improve how elderly or fragile people, and their relatives, are served in our facilities, the quality of care, the well-being of residents, patients and employees and the relationship with their relatives, as well as to support medical staff in their missions and to reinvent business processes, in particular for Korian's new activities.

### The Group's innovation strategy

The Group's Transformation Department researches, designs and develops technological solutions adapted to the needs of the Group's business lines, its residents and patients, as well as their relatives.

## Korian's other research areas

The Group also conducts research projects in its various countries 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 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.

### In France, the Korian Foundation for Ageing Well and the Group Digital Transformation Department are co-supervising a thesis project on social robotics in specialised nursing homes

The objective of this first year of research was to collect free feedback on impressions and expectations as regards social robotics and the co-construction of the first usage scenarios, carried out with the professionals in the facilities, robotics manufacturers and designers.

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This department identifies new solutions that meet the needs expressed by the business line communities and that can be tested within the Group. The study and development of projects is based on a transparent selection and decision-making framework, which involves employees in the field in the assessment of the solution. The objective is to be able to systematically validate the effectiveness, pragmatism and operational added value of the new product or service. The solutions are first tested in the framework of pilot studies, and are the subject of feedback with the business lines, and can later be industrialised if they meet the need.

A webpage has been developed, allowing the submission of applications – by employees or external stakeholders – for innovation projects that improve services and quality of life for elderly people in facilities or at home.

This department contributes to the development of a culture of innovation within the Group, via the regular sharing of news related to the development of innovations, both internally, via a newsletter, and externally, on social networks.

In 2021, the Group's Digital Transformation Department was reorganised to deal with the Group scope, and no longer only France.

### Innovative tools for the care and management of residents and patients

- The "K'IoT" Korian (Internet of Things) project carries on with the installation of home automation systems in new facilities and in certain existing facilities, such as centralised bedroom controls, or securing access to the facilities.
- Korian draws on the resources of Omedys, a start-up acquired in 2019, to speed up the deployment of telemedicine in all its French facilities. More than 3,600 remote consultations were carried out in 2021 within the Korian network.



### Innovation for Positive Care

As part of the Group's research on non-drug therapies, an experiment was carried out on the creation of an immersive environment, which can soothe residents with severe or moderate cognitive disorders. Content created by the Group's Digital Transformation Department is adapted to residents and broadcast at specific times of the day to provide residents with space-time landmarks.

### Innovations facilitating interactions between residents and their relatives and between relatives and the facility

- Korian has acquired a majority stake in Technosens, a leading company in digital solutions for specialised nursing homes. Korian wants to leverage the e-lio ecosystem from Technosens to offer all its residents a video-conferencing system that runs on their television and that can also be used to send messages and photos.
- The Korian Families app is a communication tool developed in France for families to facilitate and strengthen exchanges

with their loved one and with the facility. Family members can send messages and photos to the resident from the mobile app. They can also make and receive video calls and have access to the facility's news and publications through the app.

- The RistoCloud app in Italy allows families to find out the week's menu, and to report their loved one's food allergies or intolerances. The application is used in facilities to allow residents to choose their menu and to place food orders, which also allows facilities to have appropriate stocks and to limit food waste.
- Korian Kconnect is a corporate social network accessible via an app – by computer or smartphone – for Group employees in Belgium. It was set up to facilitate communication, and is used within facilities, between facilities, as well as by headquarters employees.

The application allows both official communication by the Group and each facility, in particular to disseminate news, but also more informal communication. The ergonomics and functionalities are similar to those of existing social networks, with the possibility of publishing articles, sharing photos and videos, exchanging messages, and creating groups, events or even surveys. Employees can also access their schedules from Korian Kconnect, request leave or overtime, and access benefits reserved to employees.

Training sessions were carried out in 2021 for the deployment of the application, and workshops will continue in 2022 to promote its adoption. In December 2021, Korian Kconnect was also made accessible to home care employees.



### Innovations in terms of warning systems to prevent adverse events

Concerning buildings:

- to supplement the existing fire detection system – with the triggering of an alarm only in the apartment concerned – by a connected building management system. The objective is to inform the facility's staff in real time, by showing the number of the apartment concerned, so that they can intervene immediately.



Concerning residents:

- to prevent the risk of falls in the rooms, as well as in common areas, and to be able to react quickly in the event of a fall or disorientation of a resident, including between staff rounds:
  - in Germany, the Linder application has been introduced in 100 facilities since July 2020. It provides an accurate assessment of the risk of falling for each resident and offers recommendations about the ability to prevent and avoid falls by constantly enriching health data and 3D modelling systems,
  - in 2021, a pilot experiment in France made it possible to test a non-intrusive system that alerts medical staff in the event of a fall, and in the event of an abnormally long exit from bed, with a time limit that can be tailored according to the bedrooms.

The physical and psychological consequences of falls can be very significant and generate apprehension, thus limiting activity following an accident. The objective is therefore to promote the mobility of the elderly in a secure environment.

### The digitisation of home care

- An e-path for some care pathways: this digital tool enables patients to continue their care and rehabilitation pathway at home with support from the digital service provided by MoveInMed, an e-health start-up in which Korian became a majority shareholder in 2020. Today, this digital pathway solution is available in Korian clinics in France, in particular for

the rehabilitation of chronic obstructive pulmonary diseases (COPD) or e-HDJ (day hospital) remote rehabilitation.

- The Group's post-acute and rehabilitation care facilities and specialised nursing homes in France work with the start-up Medicalib, which aims to facilitate the monitoring of people receiving care at home or when leaving the clinic and to enable effective coordination of the healthcare professionals working with them. Korian has taken a stake in the capital of this start-up. Relying on an extensive network of self-employed nurses in 1,200 communities, Korian wants to strengthen its local presence and to offer local solutions to streamline care pathways.



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## 3.4.4 STAKEHOLDER COUNCILS PROVIDE THE GROUP WITH INSIGHTS ON THE SOCIETAL CHALLENGES OF AGEING

### 3.4.4.1 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.

#### France

On 17 October 2019, Korian created a Stakeholder Council in France, the first in its sector of activity. It is composed of around 10 members from the Group's main stakeholders (associations of elderly people and retirees, patient representatives, healthcare professionals, qualified individuals, experts on ageing, etc.), and chaired by Dr Françoise Weber, former Deputy Chief Executive Officer of the French National Agency for Food, Environmental and Occupational Health & Safety (*Agence nationale de sécurité sanitaire de l'alimentation, de l'environnement et du travail* – ANSES), now retired.

The French Stakeholder Council issued several opinions, in particular in connection with the Covid-19 pandemic,

on the lockdown and visits of relatives, the treatment of patients, communication with the general public and the ISO 9001 standard.

In 2021, the French Stakeholder Council met five times to work on the Mediation Charter and the appointment of the Mediator, the design and architectural integration of healthcare and medico-social facilities in the urban fabric, the evolution of the Group's catering offer, the proposals from the working group on the evolution of the Social Life Committee and the Customer Care Charter. The Stakeholder Council has also begun to broaden its scope of expertise to include new Group activities, such as home care services, shared housing and mental health.

#### Belgium

In 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 2021, the Belgian

Stakeholder Council met three times and addressed topics such as the Covid-19 pandemic, local anchoring, ISO 9001 certification, quality of life and the experience of residents, in particular residents suffering from dementia, and the values and mission of the Group.

### Netherlands

In the Netherlands, in accordance with the applicable legislation, the Stakeholder Council (National Customer Council) is composed of members of the families 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 Facility Directors, or issues advisory opinions. Each facility also has a customer council, which is made up of residents or their relatives.


The subjects discussed by the National Customer Council in 2021 focused on activities in the facilities, the quality of the catering, the design of outdoor spaces, the involvement of volunteers and family members in the life of the facilities, quality and hygiene,

the complaints procedure, the implementation and monitoring of the mediation service, as well as the appointment of the new Chief Executive Officer for the Netherlands. The National Customer Council is also part of the national crisis management team for the Covid-19 pandemic.

In Italy, the Group is very active in professional organisations and specific technical committees dealing with specialised nursing homes, post-acute and rehabilitation care and integrated care approaches. During these meetings, Korian's representatives have the opportunity to interact with stakeholders.

Furthermore, in Germany and Spain, the Group works with foundations whose governance bodies include representatives of the main stakeholders.

The Group's ESG objective is to have a Stakeholder Council in place in all its countries of operation by 2023. Governance and the exchanges between the Group's entities and these Stakeholder Councils are being reviewed to be more structured, in particular in line with the Group's desire to move towards the status of a mission-led company.



## PILLAR 4 OF THE ESG STRATEGY

### BE A COMMITTED AND RESPONSIBLE LOCAL PARTNER

COMMITMENT 10	COMMITMENT 11	COMMITMENT 12
<p><b>70% of purchases</b> carried out in the country of the facility + <b>20% from SMEs</b></p>	<p>100% of sites engaged in an <b>associative or community project</b> by 2023</p>	<p><b>Social Life Council or equivalent in each facility</b> by 2023</p>
<p><b>2021 RESULTS</b></p>		
<p><b>78%</b> of local purchases vs. <b>80% in 2020</b></p> <p>36% of Group purchases with SMEs</p>	<p><b>99%</b> of engaged facilities vs. <b>97% in 2020</b></p>	<p><b>89%</b> of facilities vs. <b>87% in 2020</b></p>

### 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 the regions, both as creators of stable, long-term and inclusive jobs and also as active contributors to local public health policies.

Our facilities are part of a broad societal field 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 community through associations and tangible projects and also through the

Social Life Councils set up to promote dialogue between the community, the facility and the 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 Council 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 1,100 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 specialised nursing home and 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 the 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).

The Age & Vie shared housing units, 92 of which were opened in 2021, also contribute 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 their 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 Age & 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.

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### 3.5.2 A PURCHASING POLICY THAT SUPPORTS AND 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, by 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 the commercial relationship 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 within 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.

### 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 the achievement of 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% of local purchases (made in France): +8 points compared to 2021;
- 29% of 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.

#### The compliance of the suppliers 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 sign this Charter. At the end of 2021, 88% of the preferred suppliers (excluding Spain and the United Kingdom) were signatories of the Responsible Purchasing Charter.

#### 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% of 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 suppliers are assessed by the independent organisation EcoVadis in order to monitor the effective implementation of Korian's ESG requirements

At the end of December 2021, 305 strategic suppliers (excluding Spain and the United Kingdom) had been assessed through the EcoVadis platform, representing 71% of the suppliers invited to be rated. The average score of suppliers assessed in 2021 was 51.9 out of 100.

#### The Group 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 player supporting the social and economic development of the regions where the Group operates, Korian is committed to:

##### MAKING 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 dynamism 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 2021, Korian made 78% of its purchases (excluding Spain and the United Kingdom) from companies based in the country of the purchasing facility, thus exceeding its target of 70%.

In 2021, for the Group's French facilities, 74% of food purchases from preferred suppliers were made in France, and 36% of fruit and vegetable purchases were made within a radius of

less than 150 km (200 km in the Île-de-France region) from the fruit and vegetable warehouse responsible for supplying the facility. At the end of 2021, Korian committed to purchasing volumes from potato and wine producers in order to support local producers. By way of illustration, a partnership between all facilities in the Paris region and La Ferme de Gally has enabled the delivery of apples and strawberries to residents, depending on the season, for consumption as part of the menus or for activities such as jam making.



© Korian facility in Italy.

**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 expenses from small- and medium-sized enterprises (SMEs). In 2021, 36% of purchases were made from SMEs at Group level.

Some of these SMEs are also part of the Social and Solidarity Economy (SSE) sector, which accounts for 6.5% of the purchases made in France.

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:

- the introduction of an inclusive purchasing clause in all calls for tenders and, where possible, a selection criterion based on the supplier's commitment;
- 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 tenders.

The Group participates in professional events in order to meet and establish contact with these suppliers, such as the third session of the TOP AFEF, 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 took place on 3 June 2021 and 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.

**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, representing 68 renovation sites for 2021, 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 (particularly for their local presence);
- packaging of furniture with recycled and recyclable materials;
- recycling of all replaced furniture;
- 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 the 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.).



### 3.5.3 TIES WITH ASSOCIATIONS AND LOCAL COMMUNITIES

Numerous associations work in the Group's specialised nursing homes. They provide assistance, offer activities and provide entertainment, thus making them highly appreciated by both residents and their families. They 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 conducted at the end of 2021 by the Group of more than 900 facilities, 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, 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.

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, such as card games, chess, dance, music or singing. More than one in three 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 RELATIVES 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 user representatives of the projects and the activities within the structure, to provide them with an occasion to express their opinion on the projects and to participate therein. 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

even relating to the buildings. These bodies thus contribute to the quality of care provided to residents and patients by taking into account their opinions and proposals.

In some countries where the Group operates, these bodies – which in France are called Social Life Committees (*Conseil de vie sociale – CVS*) for specialised nursing homes and User Commissions (*Commission des usagers – CDU*) for clinics – are mandatory.

In 2021, **89%** of Korian's facilities in Europe had such bodies, compared with **87%** in 2020.

### 3.5.5 A LOCAL EMPLOYER COMMITTED TO SOCIAL INCLUSION

Korian has more than 1,100 facilities located as close as possible to local communities and employment areas, 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 committed to support participants of local job integration programmes and also carries out healthcare job discovery initiatives, as well as supports initiatives to finding employment.

In 2017, Korian France set up a structured partnership with local missions 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 companies' 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, the Group's Chief Executive Officer took over the duties as co-chairwoman with Thomas Buberl, AXA's Chief Executive Officer. Three years after its creation, the collective body has shown good results for the three working groups that aim to reinforce apprenticeships in France and accelerate inclusion in all company action areas.

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 30 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 and welcomes 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.

In 2021, a secure pathway led by the Île-de-France Regional Council made it possible to support around 20 young people monitored by local missions encouraging them towards apprenticeships. This system will be extended in 2022.

It should be noted that out of the 716 apprentices recruited in France in 2021, 28% lived in priority city neighbourhoods.

In France, Operational Preparations for Collective Employment have also made it possible to support around 30 job seekers coming from the French National Employment Agency (*Pôle Emploi*).

### 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" Act 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 the criticality in terms of impact and probability of occurrence was assessed, after taking into account the control systems in place. It was updated in 2021;
- **Ethics Charter:** the Group's Ethics Charter (see Section 3.2.2) sets out guidelines for gifts and influence, conflicts of interest, strategic and sensitive information and free competition. The Ethics Charter and the set of values deployed within the Group present concrete cases with which employees may be confronted and give concrete examples of appropriate behaviours;
- **corruption prevention guide:** distributed in 2022, it brings together the Group's compliance policies and procedures;
- **whistleblowing system:** the Group has set up a warning system common to all Group entities allowing any employee to ask a question or submit an alert, in their native language. The purpose is to report any violation – suspected or proven – of the principles set out in the Ethics Charter, including corruption, influence peddling or fraud. All alerts are strictly confidential. This system fulfils the requirements of Articles 6 and 17 of the Sapin 2 Act and the Duty of Vigilance Act. In

2021, this system became anonymous and 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:** specific training courses on anti-corruption for people exposed to such risks have also been rolled out. At the end of 2021, 97.8% of the 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;
- **third party assessment:** the preferred suppliers sign the Responsible Purchasing Charter, which specifically mentions the supplier's commitment to combating corruption. Their non-financial performance is also assessed by the independent rating agency EcoVadis and their score is monitored by the Group Purchasing Department, with reassessment obligations at a frequency aligned with their ESG performance (see Section 3.5.2). As regards sponsorship and philanthropy operations, the Group has a procedure specifying the upstream assessment of the entity or partner on the basis of research and documentation collection. In the context of mergers and acquisitions, compliance and reputation due diligence is also systematically carried out;
- **assessment of the programme:** the annual internal audit plan covers all Group entities and includes subjects relating to corruption and fraud.

### 3.5.7 TAX POLICY

The Group has a central tax function within the Group Finance team. This department coordinates the tax policy 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>Earnings before tax</b>	<b>114.0</b>	<b>19.4</b>	<b>-10.1</b>	<b>19.8</b>	<b>-0.2</b>	<b>-6.1</b>	<b>-4.9</b>	<b>131.9</b>
Theoretical rate	28.4%	30.5%	25.0%	27.9%	25.0%	25.0%	19.0%	29.4%
Theoretical tax (TT)	-32.4	-5.9	2.5	-5.5	-	1.5	0.9	-38.8
Effective tax (ET)	-30.2	-4.3	2.8	17.6	-0.9	1.4	0.2	-13.5
Difference ET - TT	2.1	1.6	0.3	23.1	-1.0	-0.1	-0.8	25.3
<b>Effective tax rate (ETR)</b>	<b>26.5%</b>	<b>22.0%</b>	<b>27.6%</b>	<b>-88.8%</b>	<b>-563.6%</b>	<b>23.8%</b>	<b>3.4%</b>	<b>10.2%</b>
Cash out	-26.1	-2.0	-5.4	-11.3	0.1	-	-0.1	-44.8

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, in particular for Italy in 2021;
- the legal time lag between the recording of the tax expense in the accounts and its final payment.



## PILLAR 5 OF THE ESG STRATEGY

### REDUCE OUR ENVIRONMENTAL FOOTPRINT



#### AS PER THE KORIAN ESG MANIFESTO – REDUCE OUR ENVIRONMENTAL FOOTPRINT

We operate over 1,100 facilities in Europe, with a very dense regional network in urban and rural areas. It is therefore essential to 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 we set ourselves the following three main objectives in 2019:

- reduce our carbon footprint related to energy by 40% for the Group's real estate portfolio 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 transportation. The Group has also joined an initiative to preserve and restore biodiversity in urban environments (the Biodiversity Impulsion Group).

3

(1) New buildings (Greenfields) eligible for certification, which have been submitted and reviewed during the first Investment Committee.

## 3.6 Reduce our environmental footprint

### 3.6.1 ELIGIBILITY OF THE GROUP'S ACTIVITIES FOR THE 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 expenditure (CapEx) and operating expenses (OpEx) for the 2021 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. 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 Group has identified among its various activities (see Section 1.1 of this Universal Registration Document for the presentation of the Group's activities) those covered by the European Taxonomy Regulation with regard to the two objectives relating to the climate: climate change mitigation and 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 (Age & Vie)	Eligible	Eligible	Eligible
	7.7 Acquisition and ownership of buildings	Residential solutions (assisted living facilities & shared housing)	Eligible (rent only)	Eligible	Eligible
2- Adaptation to climate change	12.1 Residential care activities	Specialised nursing homes	Ineligible	Eligible	Eligible
		Post-acute and rehabilitation care facilities and mental health clinics (excluding out-patient solutions)	Ineligible	Eligible	Eligible

The Group's 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 facilities and mental health clinics (excluding out-patient 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 2021 (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 specialised nursing homes and clinical 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 2% for the 2021 financial year.

Business activity	Revenue in millions of euros as at 31 December 2021	Share of revenue
A. Revenue from eligible activities	64.1	2%
B. Revenue from ineligible activities	4,089.2	98%
<b>TOTAL A + B</b>	<b>4,153.3</b>	

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 activity, Korian's main activity, as qualifying for the adaptation activity. This figure does not in any way reflect the Group's commitment to reducing its carbon emissions. However, these activities were included in the basis for calculating the eligibility ratios for CapEx.

**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 acquisitions 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. As summarised in the previous analysis table, all of the Group's activities, excluding home care and out-patient care activities, are considered eligible. No "individually eligible" CapEx was recognised. It should be noted that the analyses were carried out in accordance with the texts published as at 31 December 2021. The clarifications provided by the FAQ published by the European Commission on 2 February 2022 are being examined and will be taken into account in the taxonomy note for 2022.

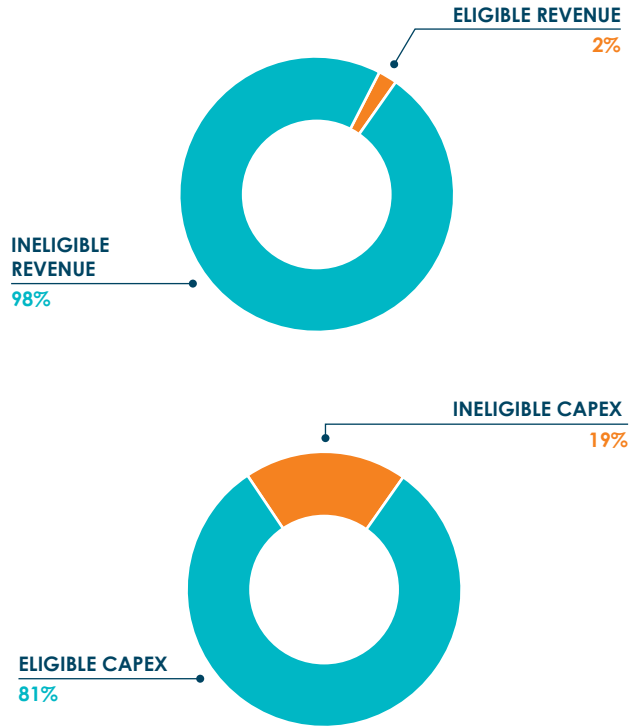
The CapEx segmentation by activity was carried out on the basis of the right-of-use assets broken down by entity and the Group's capital expenditure reporting and reconciled to the consolidated financial statements as at 31 December 2021 (see Chapter 6, Note 5 "Goodwill, intangible assets and property, plant and equipment"). Capital expenditures that are not material or that cannot be allocated to a single activity were excluded (for example, head office CapEx, IT, maintenance CapEx that is not itemised).

The share of eligible CapEx amounted to 81%.

**c) Share of operating expenses (OpEx) associated with taxonomy eligible activities**

As the Group's operating expenses base meeting the definition of the Taxonomy represents 2.9% of total consolidated operating expenses for the 2021 financial year, i.e. €96 million for a total of operating expenses of €3,271 million, the Group chose to use the materiality exemption allowed by Section 1.1.3.2 of Appendix I of the Delegated Regulation of July 2021.

**Summary: Share of revenue and CAPEX associated with taxonomy eligible and ineligible activities for the 2021 financial year**



The Group's eligible revenue comes mainly from the accommodation portion of its residential solutions activities associated with Activity 7.7 of the climate change mitigation objective.

The capital expenditures relating to the Group's specialised nursing homes, clinics and residential solutions were deemed 100% eligible. These CapEx are included in the 81% of eligible CapEx.

As the Group's operating expenses base meeting the definition of the Taxonomy represents less than 5% of total consolidated operating expenses for the 2021 financial year, the Group chose to use the materiality exemption allowed by Section 1.1.3.2 of Appendix I of the Delegated Regulation of July 2021.



### 3.6.2 COMMITTING TO A LOW-CARBON TRAJECTORY BY 2030

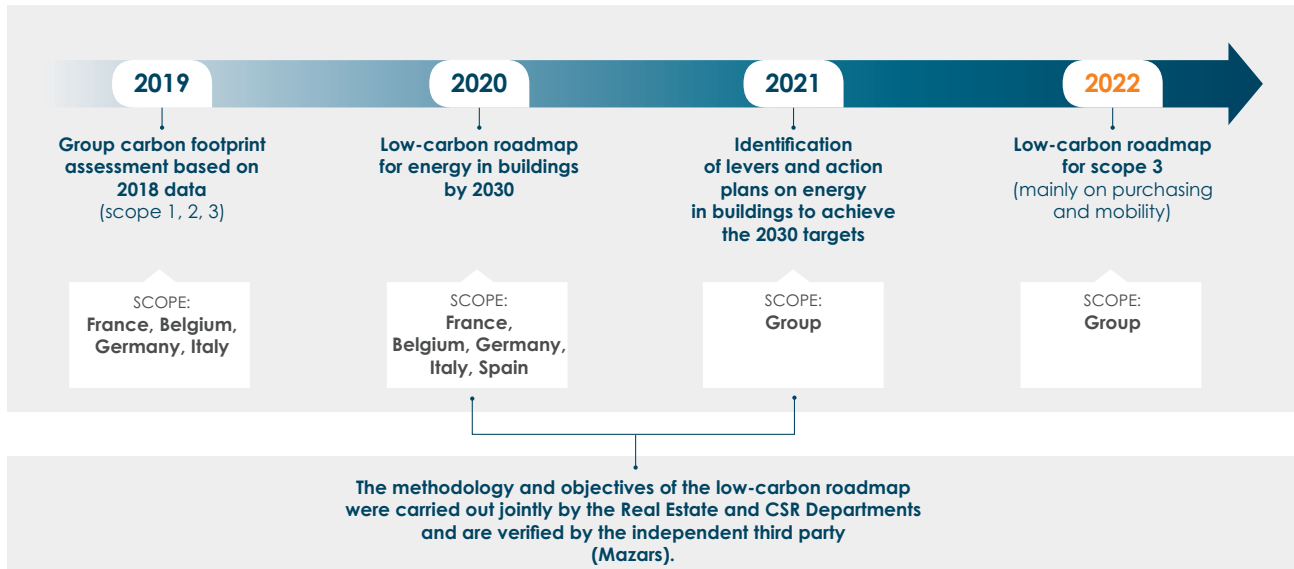
Korian has committed to a low-carbon roadmap, in particular through improving the energy performance of its buildings and reducing the environmental footprint of its activities and of its entire value chain, in order to:

- ensure compliance with European regulatory requirements;

- contribute as an economic actor committed against global warming, by adapting its activities, and for the preservation of the environment.

The chronology of the studies and actions carried out by Korian over the last few years is summarised in the diagram below:

#### 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 & CSR Committee, which met three times in 2021.

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.

The Group's Head of Human Resources and CSR is responsible for environmental issues within the Group Management Board. The CSR Department is in charge of implementing the Group's environmental strategy, together with the Group's Real Estate Technical 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 meets every quarter 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. The European Environment Committee shares on the progress made on the Group's objectives and enables the sharing of best practices between countries, some of which are detailed below.

Thematic workshops are also set up to identify what already exists and to define ambitions around dedicated topics such as waste, catering and mobility.

#### 3.6.2.2 Identifying Korian's priority environmental challenges

##### The carbon footprint assessment as a starting point

In 2019, in order to identify the most impacting sources of CO<sub>2</sub> emissions from its activity, Korian assessed the carbon footprint of its entire value chain, with the assistance of an independent consultancy. Through this work, all sources of greenhouse gas (GHG) emissions generated directly or indirectly by the Group,

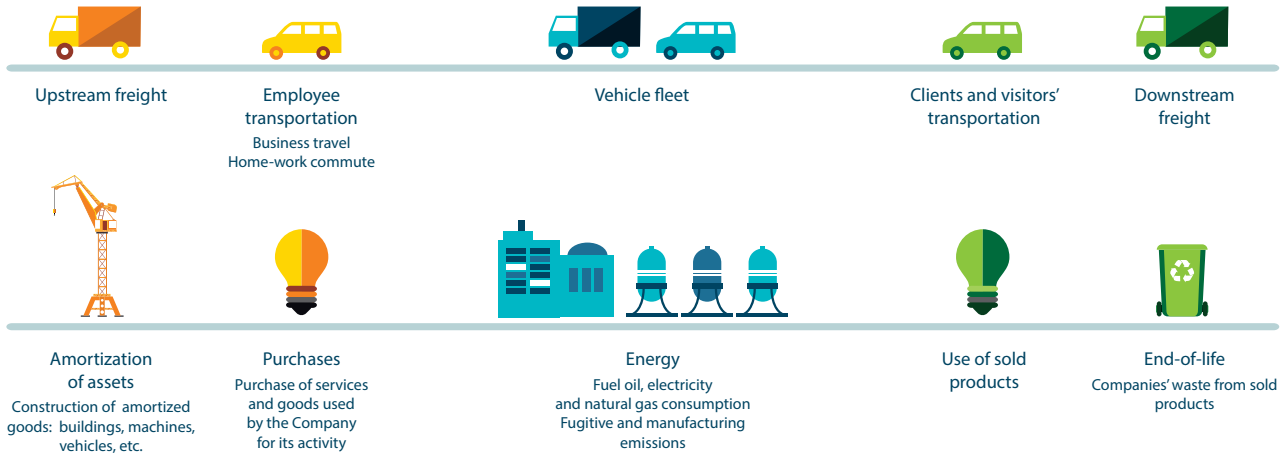
upstream or downstream of the activity (Scopes 1, 2 and 3, according to the GHG Protocol)<sup>(1)</sup>, were analysed in order to determine the most relevant external and internal issues for the Group.

The Group then developed a roadmap with the aim of reducing its greenhouse gas emissions related to the energy consumption of buildings by 40% by 2030.

### Scope of the carbon footprint assessment

The scope of this study covers the entire value chain of the Group, namely Scopes 1 and 2 (the Group's own operations) and Scope 3 (upstream and downstream) based on 2018 data.

### PRIMARY SOURCES OF EMISSIONS IN A CARBON FOOTPRINT ASSESSMENT



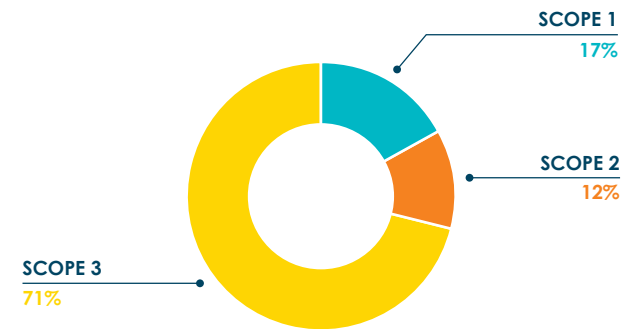
### Results of Korian's 2019 carbon footprint assessment

The results of this carbon footprint assessment showed that the Group had generated 440,000 metric tonnes of CO<sub>2</sub> equivalent in 2018, which amounts to the emissions produced by an average city of 45,000 inhabitants or 0.1% of the total carbon emissions of a country like France.

The emissions of the Group's main activities were classified and listed according to the GHG protocol<sup>(2)</sup> and were allocated to the three scopes as appropriate:

Scope according to the GHG Protocol	TCO <sub>2</sub> e
Scope 1	74,844
Scope 2	50,721
Scope 3	314,145
<b>TOTAL</b>	<b>439,710</b>

### BREAKDOWN BY SCOPE



The share of CO<sub>2</sub> emissions linked to Scopes 1 and 2 represents 29% and that of Scope 3, 71%.

93% of scope 3 emissions are distributed upstream and 7% downstream.

(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) and the use of products and services during their life cycle (downstream)".

(2) Some items of the GHG protocol are not applicable or not very significant for Korian.

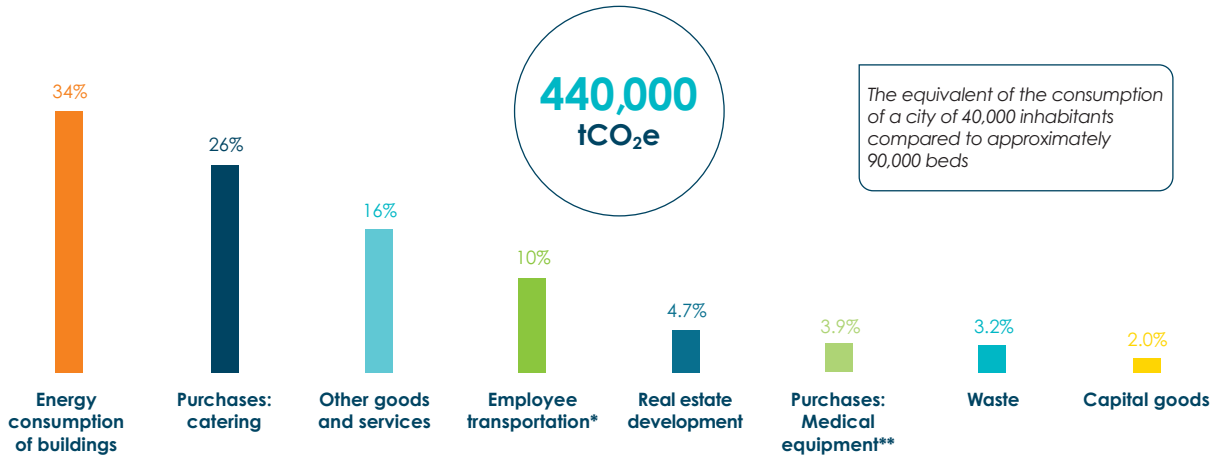
# 3

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

Reduce our environmental footprint

Eight categories of activity were identified as generating the most emissions for the Group, according to the following breakdown:

### BREAKDOWN OF CO<sub>2</sub> EMISSIONS (BASED ON 2018 DATA)



\* The transport of services is not included.

\*\* Emissions from medical supplies include incontinence supplies manufacturing and its freight.

The top four items representing the largest share of the total carbon footprint (86%) are:

- energy for buildings (34%);
- catering purchases (26%);
- other purchases of goods and services (16%); and
- employee transportation, "home-work commuting" and "business" travel (10%).

On this basis, Korian aims to define low-carbon roadmaps for all significant items, and to reduce residual waste. The Group has set itself the goal of achieving a **40% reduction in its carbon emissions from building energy, in intensity, by 2030.**

### 3.6.3 REDUCE THE ENVIRONMENTAL FOOTPRINT OF THE GROUP'S REAL ESTATE PORTFOLIO – SCOPES 1 & 2 OF THE CARBON FOOTPRINT ASSESSMENT

As energy for buildings represents the Group's main source of emissions (34%), a dedicated low-carbon roadmap has been drafted with the help of an independent consulting firm.

This roadmap was established taking into account the following parameters:

#### Scope

The six countries where the Group operated when the roadmap was drafted – France, Belgium, the Netherlands, Germany, Italy and Spain – were included.

In line with the trajectories and horizons set in the European and French regulations, Korian has set targets for 2030.

#### Change in the real estate portfolio by 2030

In order to take into account the evolution of the Group's real estate portfolio between 2019 and 2030, intensity targets – in kWh/m<sup>2</sup> and in kgCO<sub>2</sub>e/m<sup>2</sup> – have been defined.

#### Breakdown of energy use and expected evolution by 2030

The foreseeable changes in energy use have been taken into account, particularly with regard to adaptation to climate change. Consequently, the increase in air-conditioned surfaces by 2030 is included in the assumptions in order to guarantee

the comfort of our residents and patients in case of high temperatures.

The roadmap was prepared by implementing two main steps:

#### 1/CALCULATION OF CO<sub>2</sub>E EMISSIONS LINKED TO THE ENERGY CONSUMPTION OF BUILDINGS IN 2019, THE REFERENCE YEAR FOR SETTING REDUCTION TARGETS

The study conducted in 2020 included the Group's new acquisitions (Spain and the Netherlands). The carbon footprint of the Group's real estate portfolio represented 166 ktCO<sub>2</sub>e.

#### 2/DEFINITION OF TARGETS FOR REDUCING THE GREENHOUSE GAS (GHG) EMISSIONS ASSOCIATED WITH THE ENERGY CONSUMPTION OF BUILDINGS

Korian's ambition in terms of reducing GHG emissions by 2030 was discussed and defined with the real estate teams in every country.

An in-depth study was carried out on the operational action levers and their impact in terms of reducing energy consumption and GHG 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.



By combining all the identified action levers, Korian can expect to achieve a 40% reduction in the energy-related carbon impact of its real estate portfolio by 2030, compared with 2019, across the six countries of the scope. The intensity reduction targets set a goal of 24.5 kgCO<sub>2</sub>e/m<sup>2</sup> in 2030, compared with 41 kgCO<sub>2</sub>e/m<sup>2</sup> in 2019.

The Group's trajectory for 2030 is modelled according to annual CO<sub>2</sub> emission reductions. Every year, the objectives set as part of the trajectory are verified.

The projected decrease in the Group's greenhouse gas emissions is not linear over the decade. The investments required to improve the energy performance of the existing portfolio, which are taken into account, will be made mainly at the beginning of the period – i.e. over the first years from 2021 to 2023 – and will have effects in terms of reducing CO<sub>2</sub> emissions. The trajectory thus defined a first milestone in 2025 of a 15% reduction in CO<sub>2</sub> compared with 2019.

## FRANCE

In 2021, in France, 12% of maintenance capital expenditures were used to improve building energy efficiency, including €1,641,000 from energy savings certificates.

The bulk of the work entailed sealing hot water circuits (88 facilities), façade insulation, water-saving devices, and conversions of heating systems to clean energy. The remainder concerned replacing technical equipment, such as water boilers, external carpentry, patio insulation, etc.

The energy assessments carried out on the real estate portfolio have made it possible to identify the different categories of use that are most energy-intensive and to implement action plans such as:

- an adjustment campaign for installations was launched with maintenance professionals, to ensure the proper balance of the networks and the internal temperature settings in the facilities;
- 12 sites benefited from a campaign to switch from energy-intensive light sources to LED, as part of the facility renovation programme. Planning work, through a multi-year investment plan, has been carried out to provide for the renovation and improvement of the lighting

### Changes in the energy mix to promote low-carbon energy and self-consumption

The trajectory for reducing the energy consumption of buildings and the associated carbon emissions takes into account the planned changes in the energy mix in all of the Group's countries.

The Group wants to considerably reduce the use of carbon-based energies such as propane and fuel oil. By 2030, these

## a. Action levers identified for existing buildings

### Energy improvement work

As part of the low-carbon trajectory, the Real Estate Departments in the countries have defined multi-year investment plans (CapEx) focused on reducing energy consumption, through the installation of equipment or the planning of maintenance operations on existing equipment, in order to achieve the reduction targets by 2030. In total, 13 technical solutions were identified and studied, such as the implementation of heat pumps, the installation of high-efficiency boilers, and connection to an urban heating network.

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 check the alignment with the trajectory, regardless of the type of work carried out.

and heating systems (occupancy sensors for instance) throughout the portfolio by 2029.

At the same time, within the framework of the Tertiary Decree (*Décret tertiaire*), Korian launched a joint responsibility initiative with its landowners on investments related to building improvements, such as the change of outdoor joinery or façade insulation.

### GERMANY

A cogeneration heating system verification campaign was carried out in 2021, in order to plan for the maintenance operations required to improve the performance of this equipment.

### BELGIUM/SPAIN

In Belgium, 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, which are required to achieve these objectives. Energy performance contracts are also one of the improvement levers used in Spain.

energies will hardly be used in existing buildings. At the same time, the Group will develop the production of "low-carbon" energy, notably through the installation of photovoltaic panels in Germany, Belgium and Italy, where most new buildings (Greenfield) will include these types of installations on roof-terraces in the future.

**FRANCE**

A study was carried out in France in 2021 on facilities still using fuel oil boilers, in order to establish a schedule for replacing this equipment with less carbon-intensive energy sources over the next two years.

**BELGIUM**

Every year, photovoltaic panel installation work is carried out at Korian facilities in Belgium. At the end of 2021, 41 Belgian sites were equipped with photovoltaic panels, i.e. 8 more sites than in 2020.

**SPAIN/ITALY**

Some of the facilities are equipped with solar panels.

**Monitoring and managing energy consumption**

In 2021, a centralised energy consumption consolidation platform was rolled out for the Group's six main countries. This new 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 m<sup>2</sup> or by type of activity, as well as the associated carbon emissions.

This platform meets several needs:

- implementation of energy management monitoring within a defined scope for the reduction of energy consumption and

carbon footprint, in particular in response to the regulations of certain countries (e.g. the Tertiary Decree in France);

- centralised and comprehensive reporting of all energy and fluid consumption in the real estate portfolio, including monthly values from all European facilities.

**Raising user awareness**

Campaigns to raise awareness among users – residents, patients and employees – are regularly conducted on eco-gestures in the facilities. Asset managers and maintenance staff are also trained in detecting overconsumption.

**FRANCE**

In 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 for 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 react to overconsumption.

**GERMANY**

A series of webinars was made available to technical managers, kitchen managers and Facility Directors during

2021. The topics covered include the maintenance of heating systems, cogeneration systems (CHP), ventilation systems, lighting, major electrical appliances, water and wastewater, etc. The Regional Directors benefited from specific training on energy consumption reduction objectives and levers. The "Green K" award was launched and communicated in the internal magazine.

**BELGIUM**

Via the Korian Kconnect app, Belgian employees regularly receive key messages to raise their awareness on environmental issues.

**b. Action levers for new buildings**

According to the data from the 2019 carbon footprint assessment, the construction of buildings represents 4.7% of the Group's carbon emissions, a proportion that will continue to grow in the coming years in light of the Group's plans to develop new projects.

In addition to the action levers 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 and produce fewer GHG emissions.

At the end of 2021, 95% of the portfolio of new projects (Greenfield)<sup>(2)</sup> consisted of projects that will be eligible for certification.

In 2021, the Group also opened 53 certified sites across its entire scope.

(1) French Environment and Energy Management Agency.

(2) Which were reviewed in the first Investment Committee.



**FRANCE**

In France, two new post-acute and rehabilitation care facilities have been opened with the HQE label: the Belvédère facility in Saint Martin de Seignanx (Landes) and the Clavette facility in Angoulins (Charente-Maritime). All Age & Vie facilities (shared housing) opened in 2021 – i.e. 92 houses – as well as the Essentielles assisted living facility in Suresnes are certified with the NF HABITAT HQE label.

**ITALY**

In Italy, the Beregazzo – San Giulio specialised nursing home is LEED GOLD certified.

**NETHERLANDS**

Three facilities opened in 2021 with the GPR – GEBOUW label.



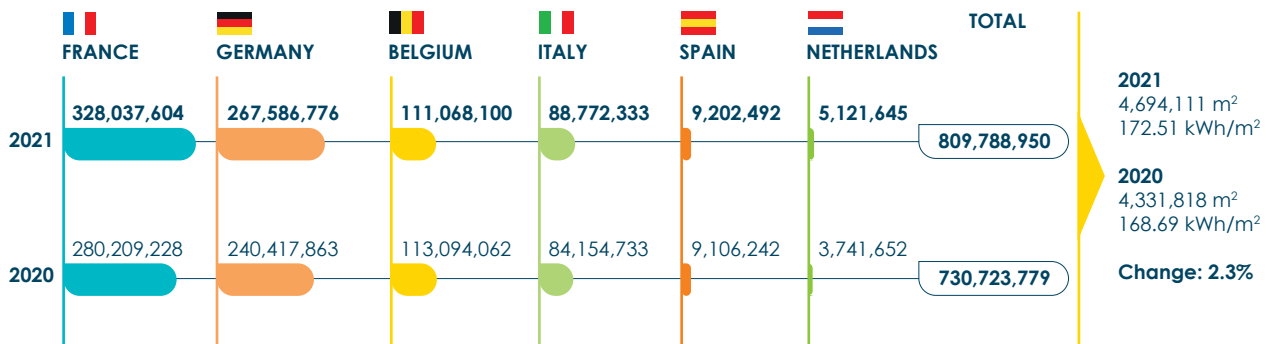
© Korian Belvedere.



**Results in 2021**

The energy consumption reporting scope for 2021 includes 947 sites for a total of 4,694,111 m<sup>2</sup> in six countries (France, Germany, Italy, Belgium, Spain – excluding Ita Salud Mental mental care facilities consolidated in 2021 – and the Netherlands).

**ENERGY CONSUMPTION IN 2021**



# 3

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

Reduce our environmental footprint

The Group's energy consumption per m<sup>2</sup> increased by 2.3% compared with 2020.

This change can be explained by the following factors:

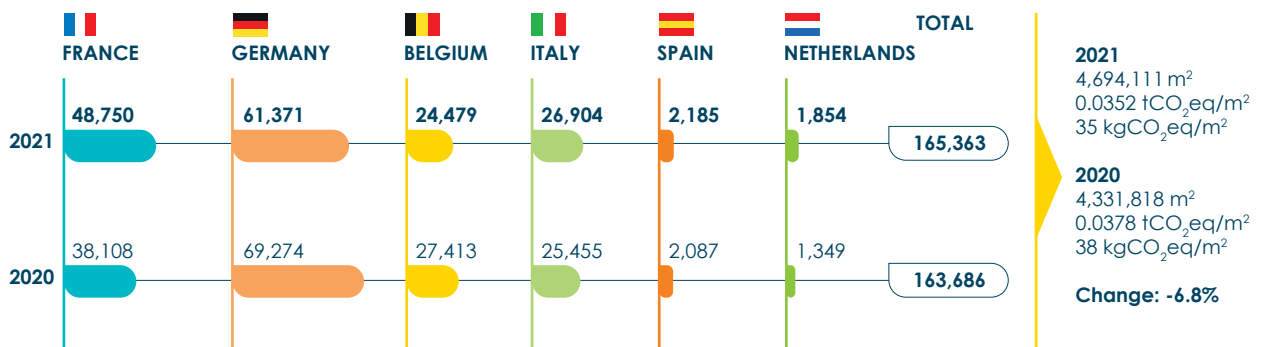
- the harsh climate in 2021: the winter periods in 2020/2021 and summer 2021 were more intense than in 2020, resulting in higher energy consumption for heating and cooling (see explanation below under Unified Degree Days treatment);
- the impact of the Covid-19 pandemic: the sanitary measures impacted how the ventilation systems were used in certain countries, including France and Italy, which led to overconsumption of energy:
  - air handling units operated in "degraded" mode, with stoppage of air recycling and therefore no benefit from air heating,
  - regular ventilation of the premises by systematically opening windows throughout the period;
- in Italy, the resumption of surgical activities in 2021, with the use of operating rooms and imaging devices, also led to an increase in energy consumption, compared with 2020, when activity was stopped suddenly for several weeks.

A study using Unified Degree Days<sup>(1)</sup> was conducted at the end of the year to analyse the impact of climate variations on the Group's energy consumption. The Unified Degree Days study performs a "climate variation correction" (CVC) to make comparisons between buildings located in different climatic zones or over different periods. This method makes it possible, at the end of the heating or cooling period, to recalculate the energy consumption that would have been observed if the number of heating (or cooling) degree-days for the period in question had been equal to its calculated average over a reference period.

In 2021, despite an increase in the consumption indicator in kWh/m<sup>2</sup> by 2.3%, the inclusion of climate rigour (Unified Degree Days) in all countries indicates a reduction of more than 6% in energy consumption.

The carbon emissions associated with the Group's energy consumption are as follows:

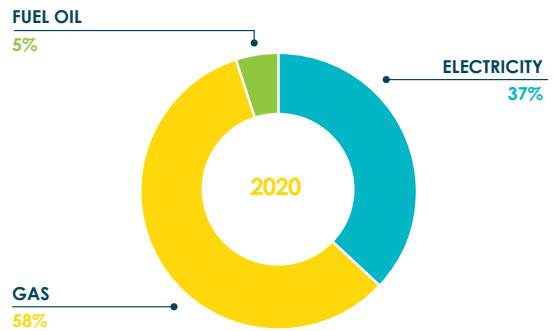
### CARBON EMISSIONS



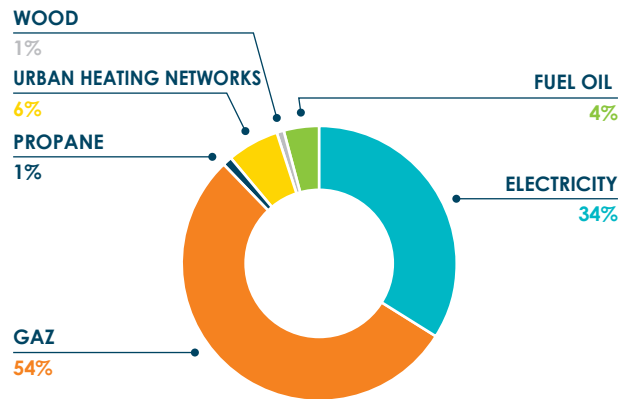
(1) The Unified Degree Day is the difference between the outside temperature and a reference temperature, which makes it possible to provide estimates of thermal energy consumption to maintain a comfortable building in proportion to the severity of winter cold or summer heat. They are therefore divided into heating degree-days (HDD) and cooling degree-days (CDD). Each geographical area has its reference period and therefore its number of reference Unified Degree Days.

The Unified Degree Days make it possible to monitor energy consumption throughout the year. By relying on archived data from previous years it is possible to compare expenditure from one year to another, by adjusting for climate variations.

### BREAKDOWN OF THE GROUP'S ENERGY SOURCES



### GROUP ENERGY MIX IN 2021

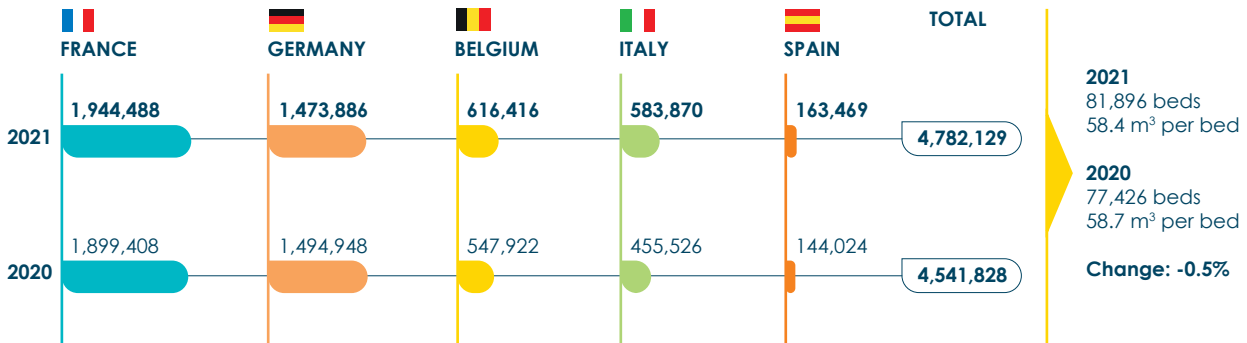


The reduction observed in CO<sub>2</sub> emissions per m<sup>2</sup> between 2020 and 2021 can be explained by two factors:

- the Group's strategy to promote less carbon-intensive energy, particularly wood, as well as connecting to heating networks, whenever possible. For example, wood heating is being developed in Germany, with nine sites equipped today, *i.e.* three more sites compared with 2020;
- the update of emission factors in 2021.

The Group also monitors the water consumption at its sites:

### WATER CONSUMPTION



#### FRANCE

In France, all technical managers, maintenance technicians and asset managers receive annual training on water management. The water consumption is analysed on a monthly basis with regard to historical data for 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 react to overconsumption, in particular by repairing leaks, regulating flushing and automatic watering of green spaces.

#### BELGIUM

In order to control their water consumption, Belgian facilities have adopted automated consumption monitoring systems. These automated systems are linked to the water meter and systematically alert when consumption is above average.

## 3.6.4 REDUCE THE GROUP'S ENVIRONMENTAL FOOTPRINT FROM ITS VALUE CHAIN – SCOPE 3 OF THE CARBON FOOTPRINT ASSESSMENT

### 3.6.4.1 Decarbonisation of purchasing

Representing 46% 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 life cycle 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. On the environmental aspect, the Group's suppliers assessed by EcoVadis have an average of 54/100.

In 2021, the Group began a study with an independent consulting firm to:

- identify the most emissive purchasing categories;
- define the action levers leading to an impact reduction, without affecting the quality of products or services;
- model the associated emission 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 2022, the Group will define its emission reduction targets for Scope 3 and provide operational guidelines in a roadmap.

(1) French Environment and Energy Management Agency.

### 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 the levers 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 levers 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 transportation 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 levers made it possible to develop an action plan for 2022, which includes the new references in the food plans. The results were also shared with the Purchasing Directors of the other countries, in order to roll out the approach to the entire Group over the coming years.

#### FRANCE

In 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

In Italy, a vegetarian day will be set up in 2022 in the facilities.

### 3.6.4.3 Employee transportation

Employee transportation, including commuting and business travel, represents 10% of the Group's CO<sub>2</sub> emissions.

For the Group, the challenges of employee mobility are threefold: reduce the carbon footprint, ensure 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 thinking to improve its impact revolves around the means of transport used, the work organisation, the accessibility of the sites and their proximity to the places where employees live, the facilities in terms of parking spaces and charging infrastructure, as well as allowances for the use of public transport or cycling.

Depending on the countries where the Group operates, 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.

The Group is also gradually optimising its vehicle fleet in all countries, by referencing models based on their CO<sub>2</sub> emissions in order to promote models with the lowest greenhouse gas emissions. As a result, the car policies for France and Germany were revised in 2020.

During 2021, a sustainable mobility assessment was carried out in France, assessing employee commuting and the initiatives in place. In addition to promoting remote work whenever possible and partially funding public transportation passes, employees who cycle to work are now entitled to a mileage allowance.

### 3.6.4.4 Waste reduction and recycling strategy

The Group's environmental footprint also includes waste, which accounted for 3.2% of the Group's greenhouse gas emissions in 2019. 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 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, with a Group objective of -5% of residual waste by 2023, and improving the recycling of the various waste streams.

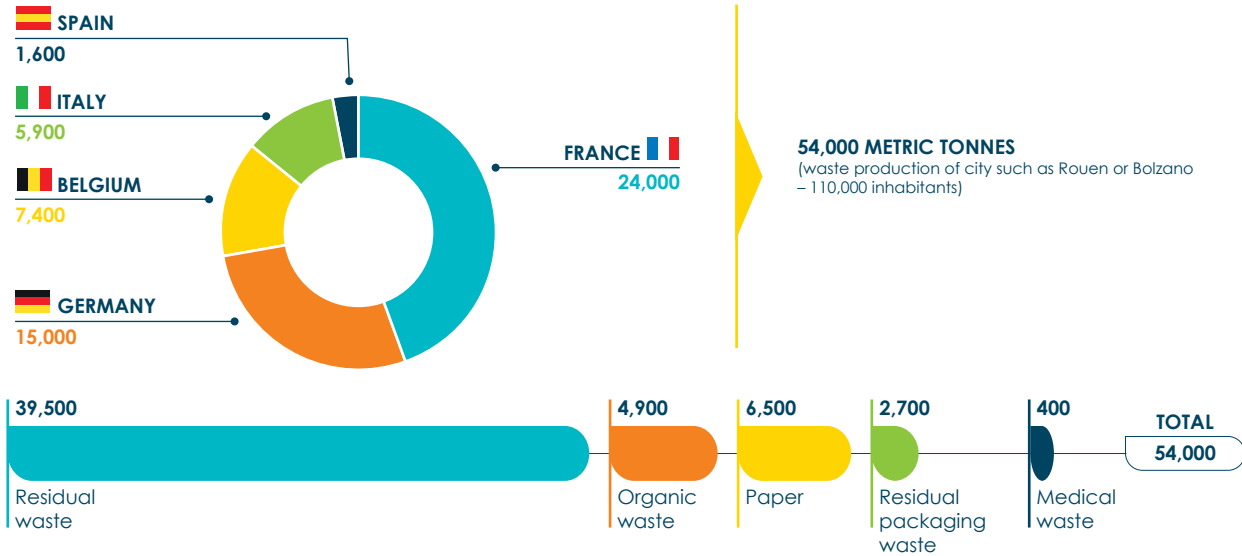
#### 3.6.4.4.1 The 2019 waste assessment and implementation of a Group approach

From 2018 to 2020, Korian carried out a study with a French start-up to analyse the costs and volumes of waste produced by the facilities, and to understand the teams' sorting practices. All countries (excluding the Netherlands and the United Kingdom) benefited from this assessment.

Based on this overall inventory of the waste production of all types, it was found that Korian generates approximately 54,000 metric tonnes of waste per year (all flows combined).

The graph below shows the average breakdown of the waste generated in facilities by stream in 2019:

**AVERAGE BREAKDOWN OF THE WASTE GENERATED IN FACILITIES BY STREAM**



In 2021, the Group's Real Estate Technical Department coordinated three European workshops on the topic of waste, bringing together all country managers. The themes addressed during these workshops made it possible to share definitions, how waste volumes are monitored, best practices, etc. The objective was to obtain an overview of the regulations, practices, as well as the opportunities and constraints existing in each country, and then to standardise and increase the reliability of the data collection on waste management within the Group.

This work has made it possible to establish common definitions for residual, medical and infectious waste.

**3.6.4.4.2 Optimising waste sorting**

Awareness-raising campaigns (posters, quality procedures, training in team meetings, etc.) are carried out in the facilities on sorting instructions.

**FRANCE**

Selective sorting was optimised in 102 facilities in France in 2021.

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 the employees responsible for cleaning and maintenance have been adapted to be able to collect three waste streams;
- the use of an eco-organisation for furniture waste;
- the on-site teams – cleaning and maintenance, nurses, managers and catering staff – were trained and made aware of the proper use of this new equipment and the changes required in practices.

Two examples give an idea of the volumes recycled thanks to this optimisation of selective sorting:

- at the Les Vergers facility, 9 metric tonnes of waste were newly recycled in 2021, with a corresponding reduction in residual waste of 8 metric tonnes;
- at the Marisol facility, 12 metric tonnes of waste were newly recycled in 2021, with a reduction in residual waste of 9 metric tonnes.

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.

### 3.6.4.4.3 Waste recovery

#### 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.

A partnership was signed in March 2021 with a solidarity company, making it possible to provide collection points for the recycling of surgical masks. The treatment of the

masks is carried out by a company that employs disabled people, creating a new material which is then turned into furniture, with some of these products being referenced as furniture for rest rooms in the facilities. In 2021, 125 facilities equipped with collecting boxes within the Korian French network enabled the recycling of nearly 250,000 masks.

#### RECYCLING OF IT EQUIPMENT

Used computers are entrusted to an organisation that deconditions, secures and reformats them, and then recycles them for use by other users.

In France, the recycling of surgical masks has been set up in partnership with the start-up Gobuse (see photo).



to specifically take into account out-patient activity, and thus manage intensity ratios adapted to the diversity of the Group's business lines.

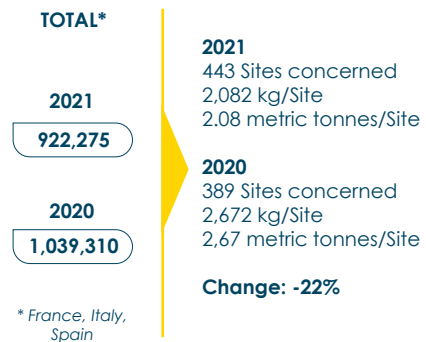
#### INFECTIOUS MEDICAL WASTE

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.

The chart below shows the total weight of infectious medical waste collected.

#### METRIC TONNES OF INFECTIOUS MEDICAL WASTE



### 3.6.4.4.4 Waste results

#### RESIDUAL WASTE

Residual waste is defined as the portion of waste remaining after collection of selective sorting and which cannot be reused or recycled.

For the first time, the Group is publishing its tonnage of residual waste since an assessment was carried out in 2019. In 2021, despite an increase of 14% in the number of sites and of 4% in occupied beds compared with 2019, residual waste remained stable, at around 39,500 metric tonnes. It is worth noting that in 2020 and 2021, given the effects of the Covid-19 pandemic, the Group operated in a context of lower average occupancy rates than in 2019.

The Group is working to refine its measurement of residual waste by business activity, in order to be able, in the future,

In 2021, the infectious medical waste quantity per site was 2.08 metric tonnes compared with 2.67 metric tonnes in 2020, for France, Italy and Spain.

In the context of the Covid-19 pandemic, the Group has implemented protocols in all its healthcare and medico-social networks in Europe, which have resulted in an increase in the use of personal protective equipment (PPE). These protocols are adapted to the health alert levels. In 2021, Covid measures in terms of PPE (in particular masks, gowns, gloves, etc.) continued to have an impact on the tonnage of infectious medical waste, but to a lesser extent than in 2020.

### 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 addition to participating in this programme, the Real Estate Departments are working on taking into account the challenges of biodiversity, in particular when producing the first assessments.



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## 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 in respect of 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;
- impacts on the environment;

caused by the 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 Risks, Ethics and Compliance Committee, as described in Section 2.5.2, is notably responsible for monitoring the Group's risk mapping efforts, its legal and regulatory compliance programmes, the implementation of the Vigilance Plan and any alerts from the secure external whistleblowing system.

The Group's Quality & Prevention Committee, as described in Section 2.5.4.1, monitors and reviews the implementation of prevention and safety measures across the Group.



## PLAN FORMULATION METHODOLOGY

The Vigilance Plan is applicable across the entire Group (for further details, please refer to Section 3.8 "Note on methodology"), with the exception of the acquisitions completed in 2021.

The Group's expansion is carried out through internal and external growth, with acquisitions taking place every year. Each acquisition is subject to an in-depth analysis aimed at identifying best practices and potential risk areas. However, these acquisitions are only included in the scope of the Vigilance Plan once they have been aligned with Korian's business practices.

The Vigilance Plan targets the risks associated with the Group's business activity and those of its supply chain (Tier 1 suppliers only).

Since 2017, the Group has been mapping specific risks related to serious violations of human rights and fundamental freedoms, personal health and safety and the environment. This work has enabled the identification, analysis and ranking of these risks, both internal and external, as well as the identification of the systems that are currently in place, or that need to be created, in order to prevent the risks.

The Group's Vigilance Plan thus provides, on the one hand, a set of Group-wide mechanisms for managing the risks of violations of human rights and fundamental freedoms, personal health and safety, and, on the other hand, specialised measures and mechanisms.

## WHISTLEBLOWING MECHANISMS

The Group's whistleblowing system meets the requirements of the Act of 9 December 2016 and the Act on the duty of vigilance. This system can be used to warn the Group about any infringement, or clear and serious breach of the law or regulations, or of the principles set out in the Ethics Charter, as well as any type of threat or serious damage that may harm the common good.

The Group sanctions any form of retaliation against a whistleblower due to his or her alert.

The Group procedure for handling alerts, published in 2021, defines a new governance for this subject.

For employees, the whistleblowing system includes the following alert methods:

- the hierarchical channel;
- 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.

The whistleblowing system made available via a secure external website became anonymous in 2021. It can be used internally and externally, by residents and patients, as well as their families, and by any external stakeholders. This tool is presented to the Group's suppliers when new contracts are signed or when contracts are renewed. The Group also requests access to its suppliers' whistleblowing systems.

## DUTY OF VIGILANCE MEASURES

The table below shows all the measures required by the Duty of Vigilance in respect of 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	Duty of Vigilance risks	Assessment procedures and risk mitigation actions for Korian's activities
 <p><b>Issues relating to Human Rights &amp; Fundamental Freedoms</b></p>	<b>Abuse</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>■ 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)</li> </ul> </li> <li>■ Ethics, Medical and Quality policies</li> <li>■ ISO 9001 quality management (see 3.2.3 of the URD)</li> <li>■ Internal audits (360° quality audits) performed every two years (see 3.2.3.1 of the URD)</li> <li>■ External audits (see 3.2.3.1 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 at the European level on welfare (see 3.2.4.2 of the URD)</li> <li>■ Satisfaktion surveys in order to assess the level of patient, resident and family satisfaction (see 3.2.3.2 of the URD)</li> </ul> <p><b>Best practices:</b></p> <ul style="list-style-type: none"> <li>■ Korian Italy, training in the detection of abuse in the facilities</li> </ul>
	<b>Discrimination</b>	<ul style="list-style-type: none"> <li>■ Quality of Life at Work policies (see 3.3.2.5 of the URD)</li> <li>■ Korian Women's Club (see 3.3.2.5 of the URD)</li> <li>■ Training and awareness-raising campaigns for managers and teams (see 3.3.2.5 of the URD)</li> <li>■ Combatting violence against women: Korian is 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> </ul> <p><b>Best practices:</b></p> <ul style="list-style-type: none"> <li>■ Korian Germany, signatory of the Diversity Charter (see 3.3.2.5 of the URD)</li> <li>■ Signature by Korian France of Autre Cercle's commitment charter for the inclusion of LGBT people (see 3.3.2.5 of the URD)</li> <li>■ Mission handicap France working for professional integration, professional development, and job retention (see 3.3.2.5 of the URD)</li> <li>■ Partnership with La Maison des femmes de Saint-Denis in France and with the DiRE association for 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> </ul>
	<b>Non-compliance with the eight International Labour Organization Conventions</b>	<ul style="list-style-type: none"> <li>■ European Works Council set up in order to enable Europe-wide social dialogue (see 3.3.2.6 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</li> <li>■ Ethics Charter including a section on respect for human rights and the dignity of people (see 3.2.2.1 of the URD)</li> </ul>

Assessment procedures and risk mitigation actions for the supply chain

Measure monitoring system

Assessment of the measure monitoring system – Korian & supply chain

- Internal audits (360° quality audits) performed every two years (see 3.2.3.1 of the URD)
- External audits performed annually (see 3.2.3.1 of the URD)



KORIAN

- Roll-out of Positive Care: 80% of the network
- 360° Quality Audits: 83% of facilities certified A or B
- ISO 9001 certification: 29% of facilities certified
- Frequency of Serious Adverse Events: 0.32 per 10,000 days spent in a facility



- See KPIs related to Responsible Purchasing (see 3.5.2 of the URD)

- Responsible Purchasing Charter, included in all contracts and calls for tender and gradually being signed by suppliers (see 3.5.2 of the URD)
- Assessment of suppliers by EcoVadis (see 3.5.2 of the URD)
- Ethics Charter (see 3.2.2 and 3.5.6 of the URD)
- Promoting local and inclusive purchasing (see 3.5.2 of the URD)
- ISO 9001 Operational Standards (long-term care nursing homes and clinics)

- Action plan monitoring system set up as part of the Kommunity Pulse barometer (see 3.3.2.7 of the URD)



KORIAN

- 81% of all staff are women
- 47% of Top Management are women



- See KPIs related to Responsible Purchasing (see 3.5.2 of the URD)

- 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)



KORIAN

- European Works Council: 2 ordinary plenary meetings, 2 extraordinary meetings, 4 Board meetings, 6 working group meetings and 1 plenary training meeting
- Share of employees covered by a social dialogue system: 100%
- Deployment of the Ethics Charter across 100% of Group sites and systematic communication to new employees



- See KPIs related to Responsible Purchasing (see 3.5.2 of the URD)

Duty of Vigilance issues	Duty of Vigilance risks	Assessment procedures and risk mitigation actions for Korian's activities
	<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 wanderings and these are 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 corrective action to be specified, where required (see 3.2.4.2 of the URD)</li> </ul>
	<b>Epidemics</b>	<ul style="list-style-type: none"> <li>■ Infectious risks prevention and awareness raising rolled out at the European level</li> <li>■ Annual epidemic vigilance plan</li> <li>■ Resident vaccination campaign with monitoring and target objective</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 (5 days) for the hygiene officer per facility Objective 100%</li> <li>■ Inventory of personal protective equipment</li> <li>■ Annual self-assessment</li> </ul>
	<b>Climatic events</b>	<ul style="list-style-type: none"> <li>■ Crisis management system and business continuity plans</li> <li>■ Example: Heatwave plan (protocols and training about hydration, prevention and treatment of dehydration)</li> </ul>
	<b>Medication errors</b>	<ul style="list-style-type: none"> <li>■ Medication management: the drug circuit, from prescription to administration, complies with the legislation in force in each country and the 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 drugs (see 3.2.4.2 of the URD)</li> <li>■ Ethics, Medical and Quality policies</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 corrective action to be specified, 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>
	<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>■ Governance: a Group Data Protection Officer (DPO) and country DPOs in each of the countries where it 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>■ GDPR audits in the facilities and control points integrated into quality audits (see 3.2.4.1 of the URD)</li> <li>■ Review of GDPR risks at Group level (bimonthly) and by the Ethics, Quality and Risk Management Committees in each country (see 3.2.4.1 of the URD)</li> </ul>
	<b>Workplace health and safety at Korian or its suppliers</b>	<ul style="list-style-type: none"> <li>■ European protocol on health and safety at work (see 3.3.2.3 of the URD)</li> <li>■ Company agreement in France on "Occupational Health and Occupational Risk Prevention" (see 3.3.2.3 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>■ Training course on comfort and safety when lifting, prevention of musculoskeletal disorders, prevention of work-related stress (see 3.3.2.3 of the URD)</li> <li>■ "Serious Adverse Event" procedures (see 3.2.4.2 of the URD)</li> <li>■ Internal Community Pulse barometer to assess the commitment rate of employees (see 3.3.2.7 of the URD)</li> <li>■ Acciline tool (France scope) to monitor all workplace accidents at each site, Economised declarative database in Germany (see 3.3.2.3 of the URD)</li> </ul>



**Issues relating to the health & safety of people**



Assessment procedures and risk mitigation actions for the supply chain

Measure monitoring system

Assessment of the measure monitoring system – Korian & supply chain

- Responsible Purchasing Charter, included in all contracts and calls for tender and gradually being signed by suppliers (see 3.5.2 of the URD)
- Assessment of suppliers by EcoVadis (see 3.5.2 of the URD)
- Ethics Charter comprising a section on Human Rights and the dignity of people as well as protection of assets (see 3.2.2 and 3.5.5.1 of the URD)
- ISO 9001 Operational Standards (long-term care nursing homes and clinics)

- SAE steering by theme, category and hierarchy, according to the severity of the Serious Adverse Events (SAE)
- Weekly reporting and monthly Incident Committees for SAE analysis and remediation in every country



KORIAN

- Roll-out of Positive Care: 80% of the network
- Target of 100% of staff trained in protective and preventive measures during pandemics (action sheets for employees, new arrivals and replacement staff)
- Frequency of Serious Adverse Events: 0.32 per 10,000 days spent in a facility



- See KPIs related to Responsible Purchasing (see 3.5.2 of the URD)



KORIAN

- Prevention, awareness and training actions arranged for 318 "personal data" officers in 2021



- See KPIs related to Responsible Purchasing (see 3.5.2 of the URD)





KORIAN







- Anonymous, confidential hotline open 24/7 for employees in France and Belgium (see 3.3.2.3 of the URD)
- Psychological support and follow-up systems in place across all Group countries
- Anonymous whistleblowing system available for everyone, both internal and external, via a secure, external website

- European Works Council: 2 ordinary plenary meetings, 2 extraordinary meetings, 4 Board meetings, 6 working group meetings and 1 plenary training meeting
- Share of employees covered by a social dialogue system: 100%
- Employee commitment rate (Kommunity Pulse survey): 77.4%
- Frequency rate: 48
- Severity rate: 1.97



- See KPIs related to Responsible Purchasing (see 3.5.2 of the URD)

Duty of Vigilance issues	Duty of Vigilance risks	Assessment procedures and risk mitigation actions for Korian's activities
 <p>Issues relating to the health &amp; safety of people</p>	<p>Facility security</p>	<ul style="list-style-type: none"> <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>■ 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 360° audits and the Korian standard, which includes the ISO 9001 certification requirements in addition to Group requirements (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>■ External audits with sworn bodies (see 3.2.3.1 of the URD)</li> <li>■ System for reporting Serious Adverse Events aimed at identifying major technical malfunctions in each Group facility</li> </ul>
 <p>Environment</p>	<p>Waste management</p>	<ul style="list-style-type: none"> <li>■ Optimisation of waste sorting and monitoring of residual waste production, waste management (see 3.6.4.4 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 3.6.4.4.4 of the URD)</li> </ul>
	<p>Reduction of the environmental footprint</p>	<ul style="list-style-type: none"> <li>■ Energy audits (see 3.6.3 of the URD)</li> <li>■ National maintenance plan (France), the actions are listed and entered in a register and in the CMMS (Computer Aided Maintenance Management) 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>■ High Environmental Quality (HQE) or equivalent building certification (see 3.6.3 of the URD)</li> </ul> <p><b>Best practices:</b></p> <ul style="list-style-type: none"> <li>■ Awareness raising campaign on eco-gestures in France, Germany and Belgium (see 3.6.3 of the URD)</li> </ul>

Assessment procedures and risk mitigation actions for the supply chain	Measure monitoring system	Assessment of the measure monitoring system – Korian & supply chain
<ul style="list-style-type: none"> <li>■ Responsible Purchasing Charters, included in all the contracts and calls for tender and gradually signed by suppliers (see 3.5.2 of the URD)</li> <li>■ Assessment of suppliers by EcoVadis (see 3.5.2 of the URD)</li> <li>■ Ethics Charter comprising a section on Human Rights and dignity of people (see 3.2.2 and 3.5.6 of the URD)</li> <li>■ ISO 9001 Standard - Management &amp; Support</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> </ul>	 <p><b>KORIAN</b></p> <ul style="list-style-type: none"> <li>■ Frequency of Serious Adverse Events: 0.32 per 10,000 days spent in a facility</li> <li>■ 360° Quality Audits: 83% of facilities certified A or B</li> <li>■ Share of facilities with ISO 9001 certification: 29% of facilities certified</li> </ul>  <ul style="list-style-type: none"> <li>■ See KPIs related to Responsible Purchasing (see 3.5.2 of the URD)</li> </ul>
<ul style="list-style-type: none"> <li>■ Responsible Purchasing Charters, included in all contracts and calls for tender and gradually signed by suppliers (see 3.5.2 of the URD)</li> <li>■ Integration of ESG criteria in the specifications in order to meet Korian's commitments and the reduction of purchase-related greenhouse gas emissions (see 3.5.2 of the URD)</li> <li>■ Assessment of suppliers by EcoVadis with monitoring of performance by the Purchasing Department (see 3.5.2 of the URD)</li> </ul>	<ul style="list-style-type: none"> <li>■ Monitoring of the collection of residual waste and of infectious medical waste (see 3.6.4.4 of the URD)</li> </ul>	 <p><b>KORIAN</b></p> <ul style="list-style-type: none"> <li>■ Ratio of infectious medical waste (quantity per site): 2.08 metric tonnes</li> </ul>  <ul style="list-style-type: none"> <li>■ See KPIs related to Responsible Purchasing (see 3.5.2 of the URD)</li> </ul>
<ul style="list-style-type: none"> <li>■ Communication of Korian's environmental requirements to building maintenance service providers and external suppliers (see 3.5.2 of the URD)</li> <li>■ Ethics Charter comprising a section on responsibility as a citizen company with regard to the environment (see 3.2.2 and 3.5.5.1 of the URD)</li> <li>■ ISO 9001 Standard - Management &amp; Support</li> </ul>	<ul style="list-style-type: none"> <li>■ Action plans associated with energy audits (see 3.6.3 of the URD)</li> <li>■ Low-carbon roadmap on energy for buildings (see 3.6.3 of the URD)</li> <li>■ Monitoring and reduction of residual waste (see 3.6.4.4 of the URD)</li> <li>■ Food waste reduction (see 3.2.3.2 of the URD)</li> </ul>	 <p><b>KORIAN</b></p> <ul style="list-style-type: none"> <li>■ Reduction of kgCO<sub>2</sub>/m<sup>2</sup> emissions in 2021 vs 2020: -6.8%</li> <li>■ Percentage of new High Environmental Quality (HQE) or equivalent Greenfield projects: 95%</li> </ul>  <ul style="list-style-type: none"> <li>■ See KPIs related to Responsible Purchasing (see 3.5.2 of the URD)</li> </ul>

## 3.8 Notes

### 3.8.1 CROSS-REFERENCE TABLE WITH THE SASB HEALTHCARE DELIVERY STANDARD

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 value of the company that are relevant to both investors and companies. 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 the 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 psychiatric care facilities 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: 809,788,950 kWh in 2021. (2) 34% electricity. (3) Korian does not publish the % 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) sent to landfill	Quantitative	Metric tonnes (t)	The quantity of infectious medical waste is 2.08 metric tonnes/site (see the paragraph opposite). This waste is collected and processed using regulatory channels in the countries in which Korian operates. Korian does not have information on this treatment.	3.6.4.4.4
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) sent to landfill	Quantitative	Metric tonnes (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 Directive 2004/27/EC of 31 March 2004).	



2021					
SASB Code	SASB metric	SASB category	SASB measurement unit	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.	3.1.2
HC-DY-230a.2	Description of policies and practices to secure client protected 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) Four data breaches were identified in 2021 (2) (a) 100% involving personal data (b) 0% concerning protected health records (3) No customers were affected by a data breach.	
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 is attributable to legal proceedings associated with data privacy and 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

2021					
SASB Code	SASB metric	SASB category	SASB measurement unit	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), according to its own guidelines and based on existing definitions in the various countries where the Group operates. The definition of SAEs is common to all Group entities. The ratio was 0.32 per 10,000 billed days in 2021. 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 clinics, 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

2021					
SASB Code	SASB metric	SASB category	SASB measurement unit	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 the 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.	

					2021
SASB Code	SASB metric	SASB category	SASB measurement unit	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: 48 in 2021 (2) The corresponding indicator is the severity rate: 1.97 in 2021 Further information can be found in the paragraph opposite.	3.3.2.3
<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-physician healthcare professionals, and (c) all other employees	Quantitative	Rate	(1) Korian publishes the total turnover rate for the Group: 20.9% (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>■ Engaging employees around an ambitious labour-related framework</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 faced with the talent shortage in the sector</li> <li>■ Qualifying training programmes</li> </ul> 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.	3.3

2021					
SASB Code	SASB metric	SASB category	SASB measurement unit	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		(1) The physical risks related to the increase in the frequency and intensity of extreme weather events are presented in Chapter 2, in Risks, of the Universal Registration Document (2) This indicator is not monitored by Korian  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: <ul style="list-style-type: none"> <li>■ guarantee 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> Please refer to the paragraphs opposite for more details.	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 (%)	This indicator refers to US regulations, which are not applicable to Korian. Korian complies with all regulations applicable in the countries in which it operates regarding emergency procedures and situations. In addition, Korian has set up a centralised crisis management system, which is described in the paragraph opposite.	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	This indicator is not considered applicable in the European context.	Not applicable
HC-DY-000.A	Number of (1) facilities and (2) beds, by type	Quantitative	Number	As at 31 December 2021: (1) 1,143 facilities (2) Total number of beds: 91,808.	
HC-DY-000.B	Number of (1) inpatient admissions and (2) out-patient visits	Quantitative	Number	(1) (2) In 2021, 649,000 residents and patients were welcomed in specialised nursing homes, clinics with full hospitalisation, or out-patient 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 specialised nursing homes or assisted living facilities.	

## 3.8.2 SCIENTIFIC PUBLICATIONS

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- Beaumont M, Le Tallec F, Villiot-Danger E. *L'entraînement des muscles inspiratoires en réhabilitation respiratoire*. (Training of inspiratory muscles in respiratory rehabilitation.) *Revue des Maladies Respiratoires*. 2021.
- Bernard P, Chevance G, Kingsbury C, Baillot A, Romain AJ, Molinier V, et al. Climate change, physical activity and sport: a systematic review. *Sports Medicine*. 2021:1-19.
- Bernard P, Chevance G, Kingsbury C, Gervais J, Baillot A, Romain A, Molinier V, et al. *Muscler son jeu dans la lutte contre le changement climatique*. (Strengthen your game in the fight against climate change.) *Science & Sports*. 2021.
- Blervaque L, Prefaut C, Forthim H, Maffre F, Bourrelier M, Heraud N, et al. Efficacy of a long-term pulmonary rehabilitation maintenance program for COPD patients in real-life setting - A 5-year cohort study. *Respiratory Research*. 2021.
- Caille P, Alexandre F, Molinier V, Heraud N. The role of personality features in the pulmonary rehabilitation response in Chronic Obstructive Pulmonary Disease patients. *Respiratory Medicine*. 2021.
- Hognon L, Heraud N, Varray A, Torre K. Adaptive capacities and complexity of heart rate variability in patients with Chronic Obstructive Pulmonary Disease throughout pulmonary rehabilitation. *Frontiers in Physiology*. 2021.
- Saey D, Bellocq A, Gephine S, Lino A, Reyckler G, Villiot-Danger E. *Quels tests physiques pour quels objectifs en réadaptation respiratoire?* (Which physical tests for which respiratory rehabilitation objectives?) *Revue des Maladies Respiratoires*. 2021.
- Bernard, P., G. Chevance, C. Kingsbury, A. Baillot, A. Romain, V. Molinier, T. Gadais and K. Dancause (2021). Climate change and physical activity: a systematic review. 35<sup>th</sup> Annual Conference of the European Health Psychology Society.
- Caille, P., Y. Stephan, V. Molinier, F. Alexandre and N. Heraud (2021). Does personality predict physically active lifestyle after pulmonary rehabilitation among patients with chronic respiratory diseases? ACAPS 2021, Montpellier.
- Chevance, G., P. Bernard, C. Kingsbury, A. Baillot, A. Romain, V. Molinier, T. Gadais and K. Dancause (2021). Climate change and physical activity: a systematic review. ACAPS 2021, Montpellier.
- Dulaud, P., P. Caille, D. Mottet and I. Di Loreto (2021). Personality aware Self-Quantification System for Physical Activity Support. ACAPS 2021, Montpellier.
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- Hognon, L., N. Heraud, A. Varray and K. Torre (2021). Adaptive capacities and complexity of heart rate variability in patients with COPD throughout pulmonary rehabilitation. *ICCS 2021*, Online.
- Hognon, L., N. Heraud, A. Varray and K. Torre (2021). Complex systems approaches to apprehend the adaptability of human behavior with a special focus on healthy aging and chronic diseases: a meta-narrative review. ACAPS 2021, Montpellier.
- Saladie, M. (2021). *Adherencia al tractament amb CPAP en pacients SAHS: impacte de l'educació sanitària individualitzada i integrada a un programa de rehabilitació pulmonar*. 38 diada *Pneumologica*, Online (18, 19, 20/03/2021).
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- Miffre C, Sanguinol F, Heraud N, Felez A, Dubois M, Annequin D, et al., editors. *Parcours de soin innovant de Réadaptation Respiratoire dans le Bronchopneumopathie Chronique Obstructive*. (Innovative Respiratory Rehabilitation Care Pathway in Chronic Obstructive Lung Disease.) ANAP; 2021 23-24 September 2021; Paris.
- Molinier V, Alexandre F, A. C. Vernet A, Aliaga-Parera J, Oliver N, et al., editors. Effects of pulmonary rehabilitation on major symptoms of long Covid (post-Covid-19 syndrome): preliminary results. Congress of European Respiratory Society; 2021 5-8 September 2021; Online.

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2. Cormi C, Sánchez S, de l'Estoile V, Ollivier L, Letty A, Berrut G, Mulin E. Telepsychiatry to Provide Mental Health Support to Healthcare Professionals during the Covid-19 Crisis: A Cross-Sectional Survey among 321 Healthcare Professionals in France. *Int J Environ Res Public Health*. 2021 Sep 27;18(19):10146. doi: 10.3390/ijerph181910146. PMID: 34639447; PMCID: PMC8508285.
3. Sánchez S, Ecartot F, Voilmy D, Ndiougue BM, Cormi C, Letty A, Hay PE, Novella JL. A qualitative study of the perception of nursing home practitioners about the implementation of quality indicators for drug consumption in nursing homes. *Aging Clin Exp Res*. 2021 Oct 6. doi: 10.1007/s40520-021-01989-7. Epub ahead of print. PMID: 34613609.

1. Lea Peroni, Dr Didier Armaingaud, Gilles Berrut, Mathieu Ahouah, Monique Rothan-Tondeur – *Représentations de l'incontinence urinaire sur le web et les réseaux sociaux* (Representations of urinary incontinence on the web and social networks) - International Council of Nurses Congress - November 2021.

1. F Ecartot, S Sánchez, S Guérin, A Letty - *Quel "territoire de vie" et quel lieu pour les personnes âgées vivant dans la communauté ou en EHPAD*. (What "living area" and what place for elderly people living in the community or in long-term care nursing homes.) Qualitative study in 4 European countries - 9th French-speaking Congress on fragility and the prevention of dependency in the elderly - June 2021.
2. Clément Cormi, Valentine de l'Estoile, Laura Ollivier, Aude Letty, Emmanuel Mulin - *Télépsy pour tous: enquête sur les téléconsultations de psychiatrie des soignants pendant la crise sanitaire* (Telepsy for all: survey on remote psychiatry consultations for caregivers during the health crisis) - 9th French-speaking Congress on fragility and the prevention of dependency in the elderly - June 2021.
3. C. Cormi (Troyes), S. Sánchez (Troyes), V. Delestoile (Paris), A. Letty (Paris), L. Ollivier (Paris), G. Berrut (Nantes), E. Mulin (La Crau) - *Télépsy pour tous: enquête sur les téléconsultations de psychiatrie des soignants pendant la crise sanitaire* (Telepsy for all: survey on remote psychiatry consultations for caregivers during the health crisis) - 41<sup>st</sup> annual days of the French Society for Geriatrics and Gerontology - November 2021.
4. L. Peroni (Bobigny), D. ARMAINGAUD (Paris), G. BERRUT (Nantes), M. AHOVAH (Bobigny), M. Rothan-Tondeur (Bobigny) - *Représentations sociales de l'incontinence urinaire des personnes âgées sur le web et les réseaux sociaux: différences culturelles entre internautes anglophones et francophones* (Social representations of urinary incontinence in the elderly on the web and social networks: cultural differences between English-speaking and French-speaking Internet users) - 41<sup>st</sup> annual conference of the French Society of Geriatrics and Gerontology - November 2021.
5. F. Ecartot (Besançon), S. Sánchez (Troyes), A. Letty (Paris), S. Guerin (Paris) - *Quel "territoire de vie" et quel lieu pour les personnes âgées vivant dans la communauté ou en EHPAD*. (What "living area" and what place for elderly people living in the community or in long-term care nursing homes.) Qualitative study in four European countries - 41<sup>st</sup> annual conference of the French Society of Geriatrics and Gerontology - November 2021.

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## MEDICAL DEPARTMENT FRANCE

1. Couderc AL, Correard F, Hamidou Z, Nouguerede E, Arcani R, Weiland J, Courcier A, Caunes P, Clof-Faybessé P, Gil P, Berard C, Miola C, Berbis J, Villani P, Daumas A. Factors Associated With Covid-19 Hospitalizations and Deaths in French Nursing Homes. *J Am Med Dir Assoc*. 2021 Aug;22(8):1581-1587.e3. doi: 10.1016/j.jamda.2021.06.023. Epub 2021 Jun 26. PMID: 34237258; PMCID: PMC8233961.
2. *Innovations technologiques et place de l'aide-soignant auprès du résident* (Technological innovations and the place of the caregiver with residents) - 13/03/21 Doi: 10.1016/j.sasoi.2021.01.008 Alexandra Vuillemin: Clinical psychologist, regional psychologist for the PACA-Est region - Korian La Louisiane long-term care nursing home, 33 rue Eugénie, 83400 Hyères, France.

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## POSTERS AT CONFERENCES IN 2021



## ITALY

1. Elli C, Novella A, Nobili A, Ianes A, Pasina L. Laxative Agents in Nursing Homes: An Example of Prescribing Cascade. *J Am Med Dir Assoc.* 2021 May 21;S1525-8610(21)00420-5. doi: 10.1016/j.jamda.2021.04.021. Epub ahead of print. PMID: 34023302.
2. Giannetta, N.; Sergi, R.; Villa, G.; Pennestrì, F.; Sala, R.; Mordacci, R.; Manara, D.F. Levels of Moral Distress among Healthcare Professionals Working in Hospital and Community Settings: A Cross Sectional Study. *Healthcare* 2021, 9, 1673. <https://doi.org/10.3390/healthcare9121673>.
  - Acknowledgements: We thank Fondazione Cariplo for the support (grant number 2018-0801 "Home, Hospitals and Humans: the impact of space and time in long-term care delivery and ageing"). The authors would also like to thank the Medical Direction of Korian—Italy, Aladar Bruno Ianes, the General Direction of Fondazione Carisma—Bergamo (Italy), Fabrizio Lazzarini, and the Hospital Direction of I.R.C.C.S San Raffaele—Milano (Italy), Alberto Ambrosio, Pasqualino D'Aloia, Anna Rossetti.
1. A. Ianes. *Nuovi modelli assistenziali: vivere over, un paradigma a misura di senior* – Congresso regionale AIP Sardegna – April 2021.
2. R.Cassino. *Fotobiomodulazione con luce blu strumento di guarigione/evidenze scientifiche ed esperienze cliniche a confront* – Congresso AIUC – November 2021.
1. R. Cassino, L. Bettaglio, I. Cela, R. Dovico, A. Mobini, G.S. Barrionuevo M. Creme. *Barrier a confront: tecno alternativa all'ossido di zinco* – XVI Congresso Associazione Italiana Ulcere Cutanee – November 2021.



## BELGIUM

1. Goossens, M.E., Neven, K.Y., Pannus, P. et al. The prior infection with SARS-CoV-2 study (PICOV) in nursing home residents and staff - study protocol description and presentation of preliminary findings on symptoms. *Arch Public Health* 79, 195 (2021). <https://doi.org/10.1186/s13690-021-00715-z>.
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1. Liselore De Rop (KU Leuven); Piet Cools (Ghent University); Jan Y Verbakel (KU Leuven); Stefan Heytens (Ghent University); Hanne Verducysse (Research and analytics, Liantis); Elizaveta Padalko (Ghent University); Peter Persyn (Senior Living Group); Brecht Devleeschauwer (Ghent University, Sciensano) - SARS-CoV-2 seropositivity in nursing home staff and residents – General practice Research on Infection Network – September 2021.



## SPAIN

1. Maria Àngels Cebrià i Iranzo, Nayara Oliveira Lima Gerhardt, Natalia Cezón-Serrano, Laura Arjona Tínavat. *Impacto des confinamiento por COVID-19 en la poblacion mayor institucionalizada con sarcopena: un estudio piloto* – Congreso virtual Sociedad Espanola de geriatría y gerontología – June 2021.



### 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 (Ordinance No. 2017-1180 of 19 July 2017, OJ of 21.07; Decree No. 2017-1265 of 9 August 2017, OJ of 11.08), modified by Ordinance No. 2017-1180 of 19 July 2017 and Decree No. 2017-1265 of 9 August 2017, Korian publishes a non-financial performance statement (NFPS) 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 NFPS.

#### Reporting scope and consolidation method

The indicators published in 2021 concern the Group scope, excluding the acquisitions made in 2021. They therefore include the following countries: Germany, Belgium, Spain (excluding Ita mental health clinics), France, Italy and the Netherlands, and do not cover the United Kingdom. The workforce and full-time equivalent (FTE) data for the acquisitions are nevertheless provided in Chapter 3 (Section 3.3.1) for information purposes.

A Group reference framework was established in 2021 for human resources indicators, included in the Group's non-financial indicator framework. The purpose of this framework 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 ESG objectives associated with this placement is based on the Group scope dating from 2019 and including 836 facilities, excluding the disposals made during the year. In 2021, 12 French facilities were sold, resulting in the basis for the calculation of these indicators being 824 facilities. 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 2021 (12 months), with data as at 31 December 2021. 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 all concerned 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.

#### Frequency of Serious Adverse Events (SAEs)

Number of SAEs/10,000 days invoiced.

The SAEs taken into account in the indicator are those that correspond to events directly related to the safety of people. Serious Adverse Events also cover other categories, such as technical failures related to equipment and buildings.

#### Share of ISO 9001-certified facilities

The certified facilities are included in the database of 824 facilities used to calculate the ESG objectives related to the Euro PP placement in 2021.

#### Share of Positive Care facilities

This same Euro PP scope of 824 facilities includes specialised nursing homes, excluding Spain and the Netherlands, where non-drug Positive Care therapy equipment is deployed for which at least one of the employees has completed training.

#### Prevention, awareness and training actions arranged for "personal data" officers

This indicator was collected for France, Italy and Belgium and extended to Germany for 2021.

Some of the officers included in these figures may have been trained several times and left the Company 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.

## 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 preferred suppliers who have signed the Group's Responsible Purchasing Charter

This indicator is calculated excluding Spain and the United Kingdom.

## Share of suppliers assessed using the EcoVadis platform

The Group asks its strategic suppliers, characterised by their size, their ability to meet demand over a wide scope or their importance for the operational activity within a country, 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 429 strategic suppliers invited to be assessed in France, Germany, Belgium, the Netherlands and Italy.

## Share of local purchases in Group Purchases

This indicator is calculated on the basis of the responses to a questionnaire sent to 607 tier-one suppliers. These 607 suppliers represent 61% of total purchases in France, Germany, Belgium, the Netherlands and Italy (excluding Italian cooperatives, financing and real estate organisations, and Statutory Auditors).

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 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 €50,000 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 (clinics and specialised 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%.

### 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 906 facilities (clinics and specialised 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 76%.

The emission factors used for the conversions are as follows:

Country	Energy	Unit	2021 emission factors	Source
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>
	Wood	kgCO <sub>2</sub> e/kWh	<b>0.027</b>	BAFA <sup>(1)</sup>
Belgium	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

### 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, which meet the certification criteria for HQE or equivalents, are recorded.

### Energy consumption and associated carbon emissions

Each country provided its energy consumption figures, based on 2021 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.

Country	Energy	Unit	2021 emission factors	Source
Italy	Natural gas	kgCO <sub>2</sub> e/kWh HCV	0.214	ADEME
	Electricity	kgCO <sub>2</sub> e/kWh	0.406	ADEME
	Propane gas	kgCO <sub>2</sub> e/kWh LCV	0.269	ADEME
	Fuel oil	kgCO <sub>2</sub> e/kWh LCV	0.324	ADEME
	Urban heating networks	kgCO <sub>2</sub> e/kWh	Related to the site location. 2 facilities concerned: ■ Vittoria Residence: 0.022 ■ Crocetta Residence: 0.161	Supplier
Spain	Natural gas	kgCO <sub>2</sub> e/kWh HCV	0.214	ADEME
	Electricity	kgCO <sub>2</sub> e/kWh	0.238	ADEME
	Propane gas	kgCO <sub>2</sub> e/kWh LCV	0.269	ADEME
	Fuel oil	kgCO <sub>2</sub> e/kWh LCV	0.324	ADEME
Netherlands	Natural gas	kgCO <sub>2</sub> e/kWh HCV	0.214	ADEME
	Electricity	kgCO <sub>2</sub> e/kWh	0.415	ADEME
	Propane gas	kgCO <sub>2</sub> e/kWh LCV	0.269	ADEME
	Fuel oil	kgCO <sub>2</sub> e/kWh LCV	0.324	ADEME

(1) BAFA: Federal Office for Economic Affairs and Export.

Site	Emissions factor Urban heating networks	Source
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

The emission factors were updated in 2021.

## Water consumption

Each country provided its water consumption figures, based on the 2021 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 in 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 2021 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 884 sites in 2021, i.e. a coverage rate of 83%, in France, Germany, Belgium, Italy, Spain and the Netherlands, and do not take into account the out-patient 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.

In 2020 and 2021, data on the tonnage of infectious medical waste was collected in France, Italy 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 consolidated non- financial performance statement included in the management report

For the financial year ended 31 December 2021

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 2021 (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

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, and at the company's voluntary request, we performed similar procedures to those described in the "*Nature and scope of our work*" section above, 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 88% of the workforce and between 86% and 87% of the environmental information bearing the √ sign.

We believe this work allows us to express an opinion with reasonable assurance on the information collected by the company bearing the √ sign.

### Opinion

In our opinion, all of the relevant aspects of the information selected by the company and identified by the √ sign, 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<sup>(1)</sup> 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 and 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 November 2021 and April 2022 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) Percentage of employees involved in qualifying training programmes; Percentage of ISO 9001-certified facilities; Korian carbon footprint; 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<sup>(1)</sup>, 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<sup>(2)</sup>;
- 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<sup>(2)</sup> and covered between 86% 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, 26 April 2022

Anne Veaute  
Partner

Edwige Rey  
CSR & Sustainable Development Partner

(1) Coronavirus (Covid-19) pandemic; Damage to reputation; Information systems, cybersecurity and personal data protection; Safety of people; Digital transformation; Real estate development and construction; Business ethics.

(2) France, Germany and Belgium.

# Appendix 1 to the independent third party report: information considered to be the most important

## QUALITATIVE INFORMATION ON THE MAIN RISKS

- Local purchases.
- Taxonomy of green activities.
- Low-carbon roadmap.
- Social dialogue.

## QUANTITATIVE INDICATORS INCLUDING KEY PERFORMANCE INDICATORS (KPI)

### Scope of consolidation – France, Germany, Belgium

- Number of hours of on-site training provided.
- Share of employees involved in qualifying training programmes √.
- Share of employees with a disability.
- Korian carbon footprint √.
- Energy consumption per m<sup>2</sup>.
- Tonnage of residual waste.
- FTE.
- Turnover.
- Frequency rate.
- Severity rate.
- Absenteeism rate.
- Resident vaccination rate.
- NH employee vaccination rate.
- Clinic employee vaccination rate.



## Scope of consolidation – Group

- Share of facilities with ISO 9001 certification √.
- Percentage of new buildings certified High Environmental Quality (HQE) or equivalent.
- Percentage of women in Top Management.
- Share of employees covered by a social dialogue mechanism or a collective agreement.
- Group digitisation rate for current patient and resident records.
- Share of Top Management having completed the anti-corruption e-learning course.
- Share of preferred suppliers in Europe assessed by EcoVadis.
- Frequency of Serious Adverse Events.
- Roll-out of Positive Care.
- Average Group satisfaction score.
- Group NPS.

# 3

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE



# 4

## Corporate governance

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This chapter contains the main body of the corporate governance report, approved by the Board of Directors (the "**Board**" or the "**Board of Directors**") at its meeting held on 5 April 2022, upon the recommendation of the Compensation and Appointments Committee at its meeting held on 29 March 2022 and with the support of the Group Corporate Secretariat and the Group's Human Resources and CSR Department, in accordance with Article L. 225-37 of the French Commercial Code. It reports in particular 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 the 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.

The 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 free 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 refers to the Corporate Governance Code for Listed Companies, jointly drafted by the AFEP and the MEDEF in December 2002, and revised in January 2020 (the "**AFEP-MEDEF code**"). The code is available on the following website: [www.afep.com](http://www.afep.com).



# Message from the Chairman of the Board of Directors

After two years of fighting against Covid-19, and while the model of care for the elderly people in specialised nursing homes is coming under scrutiny in France, I would like firstly, together with the Board of Directors, to reaffirm my gratitude for the commitment and mobilisation of everyone in the Group, who support the elderly or fragile people and their loved ones with dignity, humanity and kindness.

Following the dissolution of the temporary *ad hoc* Committee on 24 February 2021, the monitoring of the development of the Covid-19 pandemic was integrated into the work of the Ethics, Quality and CSR Committee and the Board of Directors within the framework of their regular duties.

In the context of the debates at the beginning of 2022 on the care model for the elderly people in specialised nursing homes in France, the Board of Directors decided to create a temporary Committee to monitor and explore in greater depth the topics raised in the public debate.

## DYNAMICS BETWEEN THE BOARD OF DIRECTORS, ITS SPECIALISED COMMITTEES AND MANAGEMENT

The Board of Directors is reliant on the preparatory work carried out by the four permanent specialised Committees and the temporary Committee, thus ensuring the right level of interaction, discussion and scrutiny in the decision-making process during deliberations that are aligned as closely as possible with the Group's operational reality and concrete transformation challenges. Its work is enriched by regular and high-quality exchanges with the Chief Executive Officer, the members of the Group Management Board and Top Management.

It is the appropriate match and the right level of skills in each of the Committees in the health sector, digital, ESG, human capital, finance and M&A, in particular, that enable the Board of Directors to bring together the essential expertise to provide strategic direction and take full account of ESG-related issues. The commitment of the Chairwomen of its Committees ensures full confidence in the Committees' recommendations.

The work of the Board of Directors also benefits from informal exchanges between the Directors and management, particularly during strategic seminars. The last seminar, for example, focused on alternative solutions for managing fragilities via shared housing and took place in one of these housing units, allowing discussions with all stakeholders.

The Board of Directors also endeavours to examine key topics in greater depth, in particular the quality of service policy, its governance and the monitoring of 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 and is shared and discussed by the Board of Directors.

Lastly, the Board of Directors actively participates in shareholder dialogue through governance roadshows conducted by the Chairman of the Board of Directors during the year and which allow for a constructive and meaningful exchange with shareholders.

## EUROPEAN MISSION-LED COMPANY

All Board of Directors' decisions are assessed with regard to the social and environmental issues that are at the heart of the actions taken by Korian, which in 2019 adopted a clear ESG strategy based on 5 pillars broken down into 15 commitments. This strategy is designed to respond to the challenges of caring for elderly or fragile people. It is reviewed by the Ethics, Quality and CSR Committee.

On 28 September 2021, the Board of Directors decided to propose to the shareholders' General Meeting a project to transform Korian into a European company. This company form will enable Korian to benefit from a legal status that is intrinsically consistent with its values and culture and with its economic reality, and to consolidate the actions taken at the European level in terms of governance and social dialogue, training and skills development policy and stakeholder relations.

On 23 February 2022, in line with the "In Caring Hands" corporate project and the implementation of your Company's ESG strategy, the Board of Directors confirmed the launch of work for the transition to the status of a European mission-led company. This transformative project for the Group reflects the Company's action to strengthen the social and environmental commitments made to all its stakeholders.

## COMMITMENT OF DIRECTORS

The Board of Directors, with a significant number of scheduled and extraordinary meetings, two strategic seminars, significant preparatory work by the Committees, and a temporary Committee, all with excellent attendance rates, once again showed a very high level of commitment, for which I would like to congratulate their members.

I would also like to thank all members of the Board of Directors for their commitment, as well as the management for its dedication and rigour.

Jean-Pierre DUPRIEU

*Chairman of the Board of Directors*

# 4.1 Administrative and management bodies of the Company

## KORIAN'S GOVERNANCE



## THE BOARD OF DIRECTORS

assisted by the specialised Committees

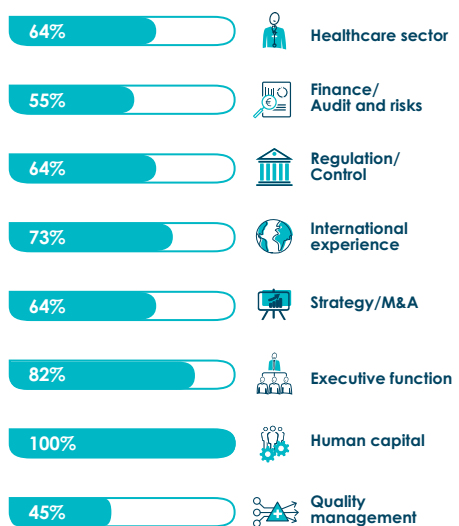
### A DIVERSE TEAM



### REGULAR WORK



### VARIED EXPERTISE



### The 4 specialised Committees



## 4.1.1 GOVERNANCE METHOD



### 4.1.1.1 Governance

Korian ("Korian" or the "Company") is a French public limited company (*société anonyme*) 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 offices were reunited on an interim basis and awarded to Mr Christian Chautard (then Chairman of the Board of Directors) until 26 January 2016, the date on which the separation of offices was reinstated with the appointment of Mrs Sophie Boissard as Chief Executive Officer, with Mr Christian Chautard remaining 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 renew in advance 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, for personal reasons, of Mr Christian Chautard from his duties as Chairman and his position as Director, 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 offices 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 to enable the implementation of effective and balanced governance.

### 4.1.1.3 Succession plan

Following the recommendation of Article 17.2.2 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 and CSR 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, where necessary, with the key managers;
- works, where necessary, with an external consultant;
- presents progress reports on this work to the Board of Directors.

This plan is reviewed every year and, where necessary, updated.

During the 2021 financial year, the Compensation and Appointments Committee, at its meeting of 27 October 2021, reviewed and commented, in particular, on the work of an external consultant relating to the review of the 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 2 December 2021.

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 19.2 of the AFEP-MEDEF code.

At the shareholders' General Meeting held on 22 June 2020 (the "**2020 General Meeting**"), Mrs Sophie Boissard was also appointed as Director for a term of three years, *i.e.* until the conclusion of the General Meeting that will be convened to vote on the financial statements for the financial year ending on 31 December 2022.

### Profile of the Chief Executive Officer



## MRS SOPHIE BOISSARD

CHIEF EXECUTIVE OFFICER OF KORIAN AND DIRECTOR

**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 REAPPOINTMENT AS  
CHIEF EXECUTIVE OFFICER:**  
1<sup>st</sup> 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  
A DIRECTOR:**  
General Meeting convened  
to approve the financial  
statements for the 2022  
financial year

**SHAREHOLDING:**  
At the date of this  
document, Mrs Sophie  
Boissard holds 67,495 Korian  
shares.

The diversified and multidisciplinary career path of Mrs Sophie Boissard in the healthcare sector strengthens the skills of the Board of Directors with very strong industry expertise: operational experience, particularly internationally, development and growth, real estate management, human resources and talent management and her in-depth knowledge of the regulations of 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 the *École nationale d'administration*, and 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. She then joined the Executive Committee of the SNCF group in 2008, 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 SE.

#### OTHER OFFICES IN THE GROUP

**Chairwoman of the Supervisory Board:** Korian Deutschland (Germany), Korian Management (Germany)

**Director:** Segesta (Italy), Korian Belgium (Belgium)

#### OFFICES OUTSIDE THE GROUP<sup>(1)</sup>

**Member of the Supervisory Board:** Allianz SE<sup>(2)</sup>

**Director:** Over SpA (Italy) 42% held by Korian

#### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

**Director:** Areva

<sup>(1)</sup> Mrs Sophie Boissard is in compliance with the applicable laws and recommendations on holding multiple corporate offices.

<sup>(2)</sup> Listed company.



### 4.1.2.2 Committees chaired by the Chief Executive Officer\*

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>	<p>Mr Dominiek Beelen (Executive-Vice President Benelux)</p> <p>Dr Bart Bots (Group Chief International Development Officer)</p> <p>Dr Marc-Alexander Burmeister (Executive Vice-President Germany)</p> <p>Mr Federico Guidoni (Executive Vice-President Italy)</p> <p>Mr Nicolas Mériçot (Executive Vice-President France)</p> <p>Mr Charles-Antoine Pinel (Chief Strategic Marketing Officer and new services development)</p> <p>Dr Mariuccia Rossini (Chairwoman of the Board of Directors of Korian Italie)</p>
<b>For the Group's functional divisions</b>	<p>Dr Didier Armaingaud (Group Chief Medical, Ethics &amp; Quality of Service Officer)</p> <p>Mr Rémi Boyer (Group Chief Human Resources &amp; CSR Officer)</p> <p>Mr Frédéric Drousseau (Group Chief Real Estate &amp; Development Officer)</p> <p>Mrs Anne-Charlotte Dymny (Group Chief Information Systems and Digital Transformation Officer)</p> <p>Mr Philippe Garin (Group Chief Financial Officer)</p>

The Group Management Board may meet to monitor the activity, the progress of the corporate project and the main policies deployed within the Group, particularly in terms of CSR and risk prevention.

#### 4.1.2.2.2 Other committees

In addition to the Group Management Board, the Chief Executive Officer chairs permanent 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 Inside Information committee;
- the Data and Information Systems committee.

\* 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 THE CHANGES TO THE COMPOSITION OF THE BOARD OF DIRECTORS IN 2021

<b>Reappointment<sup>(1)</sup></b>	Predica Prévoyance Dialogue du Crédit Agricole (" <b>Predica</b> ") (Director) Holding Malakoff Humanis (Director) Mrs Catherine Soubie (Independent Director)
<b>Co-optation<sup>(2)</sup></b>	Mr Guillaume Bouhours (Independent Director)
<b>Ratification<sup>(1)</sup></b>	Mr Guillaume Bouhours (Independent Director)

(1) At the shareholders' General Meeting of 27 May 2021 (the "**2021 General Meeting**").

(2) At the conclusion of the Board of Directors' meeting of 11 January 2021.

#### 4.1.3.1.1 Members of the Board of Directors

The Company's Board of Directors comprises the following 12 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 Dr Markus Müschenich Mrs Catherine Soubie
<b>Directors representing employees</b>	Mrs Marie-Christine Leroux Mr Markus Rückerl

#### 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 for the meeting and chairs it.

He 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 for 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 mission of this type was assigned to him in 2021).

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".



## MR JEAN-PIERRE DUPRIEU

CHAIRMAN OF THE BOARD OF DIRECTORS AND MEMBER OF THE INVESTMENT COMMITTEE

**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  
6 June 2019

**END OF TERM OF OFFICE:**  
General Meeting voting  
on the financial statements  
for the 2021 financial year

**SHAREHOLDING:**  
At the date of this  
document, Mr Jean-Pierre  
Duprieu holds 4,965 Korian  
shares.

The diversified and international career of Mr Jean-Pierre Duprieu in the health sector strengthens the skills of the Board of Directors with strong industry expertise: 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 and best governance practices also enriches the Board of Directors.

### BIOGRAPHY

Mr Jean-Pierre Duprieu is an agricultural engineer who graduated from the *Institut National Agronomique de Paris Grignon* (AgroParisTech), from the *Institut de Contrôle de Gestion de Paris* and the International Forum (advanced management programme in conjunction with Wharton University). He joined the Air Liquide group in 1976, where he spent his entire career. He held various positions 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, until his retirement in 2016, he oversaw industrial activities in Europe and global activities in the health sector (hospital and home care, and strategy via World Business Line Santé). He was also responsible for IT infrastructure purchases and oversaw the group's digital transformation as well as the development of e-health services. Mr Jean-Pierre Duprieu was a member of the Risk Committee of Air Liquide and a member of the Central Works Council.

He is currently:

- member of the Supervisory Board of Michelin and Chairman of its Compensation and Appointments Committee;
- member of the Board of Directors of the SEB group and 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

**Director:** Air Liquide Santé International

**Chairman of the Board of Directors:** Air Liquide Eastern Europe

**Deputy CEO:** Air Liquide<sup>(2)</sup>

(1) Mr Jean-Pierre Duprieu is in compliance with the applicable laws and recommendations on holding multiple corporate offices.

(2) Listed company.

**THE 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)**



**MR PHILIPPE DUMONT**

DIRECTOR AND MEMBER OF THE COMPENSATION AND APPOINTMENTS COMMITTEE

**MAIN POSITION HELD**

**Deputy Chief Executive Officer of Crédit Agricole SA, in charge of Insurance, Chief Executive Officer of Crédit Agricole Assurances, Chief Executive Officer of Predica**

**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 voting  
on the financial statements  
for the 2022 financial year

**SHAREHOLDING:**  
At the date of this report,  
Mr Philippe Dumont does not  
hold any Korian shares.

The diversified and multidisciplinary career of Mr Philippe Dumont strengthens the skills of the Board of Directors: economic, financial and risk management expertise; experience in public policy in the areas of the environment, innovation and science, in particular; 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 of Mr Philippe Dumont in the health 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) at the heart of the Korian Group's activities and development strategy.

**BIOGRAPHY**

Mr Philippe Dumont is Deputy Chief Executive Officer of Crédit Agricole SA, in charge of Insurance, Chief Executive Officer of Crédit Agricole Assurances and Chief Executive Officer of Predica since January 2020. He is a member of Crédit Agricole SA's Executive Committee.

In the first part of his career, Mr Philippe Dumont worked in public administration, at the Ministry of the Economy and Finance and then with Mr Michel Barnier at the Ministry for the Environment (1993-1995), before becoming Deputy Director of Mr François Fillon's private office when he was at the Ministry for the Post, Information and Space Technologies (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 then appointed Inspector General in charge of Internal Audit and a member of Crédit Lyonnais' Management Committee, before being appointed Crédit Agricole Group Inspector General in 2006. On 15 October 2008, he was appointed a member of Crédit Agricole SA's Executive Committee and, in September 2011, he became a member of Crédit Agricole SA'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 SA in charge of Specialised Services.

Mr Philippe Dumont is a graduate of *École Nationale du Génie Rural, des Eaux et des Forêts* and an agronomy graduate of *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 the France Assureurs.

**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)(4)</sup>, Predica<sup>(3)</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)(4)</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)

**Observer:** La Médicale de France<sup>(3)</sup>

**OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS**

**Chairman:** Agos Ducato (Italy), FCA Bank (Italy)

**Chief Executive Officer:** CA Consumer Finance

**Director:** CA Payment services, CA Leasing & factoring, Fireca, Caci, Fia-Net Europe (Luxembourg)

(1) Mr Philippe Dumont is in compliance with the applicable laws and recommendations on holding multiple corporate offices.

(2) Crédit Agricole Group.

(3) Crédit Agricole Assurances Group.

(4) Listed company.



**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 holds  
25,799,978 Korian shares.

At the date of this  
document, Mrs Florence  
Barjou does not hold any  
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 skills of 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. She joined Lyxor, a leader in responsible investment and ESG, in 2006 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 as Lyxor's Director of Investments in 2020. Mrs Florence Barjou was appointed Director of Investments of Crédit Agricole Assurances on 1 March 2022.

### OFFICES HELD BY PREDICA<sup>(1)</sup>

#### OFFICES OUTSIDE THE GROUP

**Director:** Fonds Nouvel Investissement 1, Fonds Nouvel Investissement 2, Covivio<sup>(2)</sup>, Aéroport de Paris<sup>(2)</sup>, Argan<sup>(2)</sup>, CAAM Mone Cash, Frey<sup>(2)</sup>, Gecina<sup>(2)</sup>, Patrimoine & Commerce<sup>(2)</sup>, Carmila<sup>(2)</sup>, SEMMARIS, Covivio Immobilier, Accor Invest, Fonds Stratégique des Participations, la Médicale, Previséo Obsèques, Lesica, La Française des jeux<sup>(2)</sup>

**Member of the Supervisory Board:** Effi-Invest II, Covivio Hotels<sup>(2)</sup>, INTERFIMMO, Altarea<sup>(2)</sup>, CA Grands Crus, PREIM Healthcare, SOPRESA

**Chair:** 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<sup>(2)</sup>, Sanef<sup>(2)</sup>, Louvresses Development I, Urbis Park, CA Life Greece, Ramsay Générale de Santé<sup>(2)</sup>, Foncière Développement Logement<sup>(2)</sup>, River Ouest

**Chair:** Citadel, Citadel Holding

### OFFICES HELD BY MRS FLORENCE BARJOU<sup>(3)</sup>

#### OFFICES OUTSIDE THE GROUP

**Director:** SEMMARIS, Cassini

**Permanent representative of Predica:**  
Predirungis, Française des Jeux<sup>(2)</sup>

#### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

None

(1) Predica is in compliance with the applicable laws and recommendations on holding multiple corporate offices.

(2) Listed company.

(3) Mrs Florence Barjou is in compliance with the applicable laws and recommendations on holding 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 holds  
8,048,260 Korian shares.

At the date of this  
document, Mrs Anne  
Ramon does not hold any  
Korian shares.

## HOLDING MALAKOFF HUMANIS

DIRECTOR, CHAIRWOMAN OF THE ETHICS, QUALITY AND CSR COMMITTEE AND MEMBER OF THE INVESTMENT COMMITTEE

**PERMANENT REPRESENTATIVE: MRS ANNE RAMON**

### MAIN POSITION HELD

**Chief Communication and Brand Officer and Head of CSR at Malakoff Humanis**

Mrs Anne Ramon's diversified and multidisciplinary career path strengthens the Board of Directors' skills with her expertise in communication, reputation and crisis management relating to public health issues. Her extensive experience with stakeholders, including patients, doctors and caregivers, researchers, as well as public bodies, foundations, and other public health entities, is a significant benefit to the Board of Directors, as is her experience as a company Director in the investment, health and insurance sector.

### BIOGRAPHY

Mrs Anne Ramon graduated from CELSA and holds a degree in *political sciences 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 communication campaigns on 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 Communication and Information Director at the *Institut National du Cancer (INCA)*. In 2016, she joined the Malakoff Humanis group as Chief Communication 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 SE<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, Sycomore 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

(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 precedent 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 the applicable laws and recommendations on holding multiple corporate offices.

(3) Listed company.

(4) Mrs Anne Ramon is in compliance with the applicable laws and recommendations on holding multiple corporate offices.



## MR GUILLAUME BOUHOURS

INDEPENDENT DIRECTOR AND MEMBER OF THE AUDIT COMMITTEE

### MAIN POSITION HELD

**Executive Vice President Finance, Purchasing and Information Systems at bioMérieux**

**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 holds 1,178 Korian  
shares.

The diversified and multidisciplinary career of Mr Guillaume Bouhours reinforces the skills of 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 expertise in the health sector, digital transformation, cybersecurity, purchasing and the supply chain. Through his knowledge of investors and analysts and his international experience, he enriches the discussions of the Board of Directors.

### BIOGRAPHY

Having graduated 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, 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 mainly in the rail transport sector, in which he was also a member of the Management Board and the 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

(1) Mr Guillaume Bouhours is in compliance with the applicable laws and recommendations on holding multiple corporate offices.



## 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

**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

**END OF TERM OF OFFICE:**  
General Meeting voting on  
the financial statements for  
the 2021 financial year

**SHAREHOLDING:**  
At the date of this  
document, Dr Jean-François  
Brin holds 200 Korian shares.

The diversified and multidisciplinary career of Dr Jean-François Brin in the fields of medicine and pharmacology strengthens the skills of the Board of Directors. 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 then held various positions in the field 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. With his 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

(1) Dr Jean-François Brin is in compliance with applicable laws and recommendations on holding multiple corporate offices.





## 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**

**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  
6 June 2019

**END OF TERM OF OFFICE:**  
General Meeting voting  
on the financial statements  
for the 2021 financial year

**SHAREHOLDING:**  
At the date of this  
document, Mrs Anne Lalou  
holds 1,492 Korian shares.

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, 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 other companies in the fields of banking, investment, innovation and digital transformation strengthens the areas of expertise of 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 which offers an educational model based on collaborative work via the realisation of concrete projects carried out with companies and the acquisition of dual managerial and technological skills) and of the Innovation Factory (first digital innovation cluster) since 2013. She started her career in Lazard's Mergers and Acquisitions Department in London and then Paris, before becoming Head of New Projects and Development at Havas.

She was then Chairwoman and Chief Executive Officer of Havas Édition Électronique before joining Rothschild & C<sup>e</sup> as Manager. Mrs Anne Lalou joined Nexity (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 Nexity-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 and is a member of the Compensation and Appointments Committees and Chairwoman of the Strategy Committee and the CSR Committee. She also serves on Eurazeo's Supervisory Board, its Digital Committee and its Finance Committee, and chairs its CSR Committee.

### OFFICES OUTSIDE THE GROUP<sup>(1)</sup>

**Director:** Natixis<sup>(2)</sup>

**Member of the Supervisory Board:** Eurazeo<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:** Foncia Holding, Foncia Groupe

(1) Mrs Anne Lalou is in compliance with the applicable laws and recommendations on holding multiple corporate offices.

(2) Listed company.



## DR MARKUS MÜSCHENICH

INDEPENDENT DIRECTOR AND MEMBER OF THE ETHICS, QUALITY AND CSR COMMITTEE

### MAIN POSITION HELD

**Managing Partner of Eternity.Health**

**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 holds 78 Korian  
shares.

The diversified and multidisciplinary career of Dr Markus Müschenich, by bringing together the practice of medicine, the management of hospital groups, scientific research and technological innovation, strengthens the skills of the Board of Directors in areas at the heart of the Group's activities (healthcare sector, regulations, 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 including Flying Health, which he created in 2012. Flying Health offers an ecosystem for new generation healthcare, by guiding industry leaders and entrepreneurs towards future markets. 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 a member of the telemedicine working group of the German Medical Association and is a member of the Advisory Board of the Neurasmus 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, LM Advisory

### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

**Member of the Executive Board:** Flying Health,  
F.H. Incubator

(1) Dr Markus Müschenich is in compliance with the applicable laws and recommendations on holding multiple corporate offices.



## 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**

**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 holds 8,740 Korian  
shares.

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 in listed companies enrich the Board of Directors' areas of expertise.

### BIOGRAPHY

A graduate of *École supérieure de commerce de Paris*, Mrs Catherine Soubie has been 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 was Director of Financial Affairs. She then held a variety of positions at Morgan Stanley in Paris, notably 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)

(1) Mrs Catherine Soubie is in compliance with the applicable laws and recommendations on holding multiple corporate offices.  
(2) Listed company.



## MRS MARIE-CHRISTINE LEROUX

DIRECTOR REPRESENTING EMPLOYEES AND MEMBER OF THE ETHICS, QUALITY AND CSR COMMITTEE

### MAIN POSITION HELD

**HR Missions Head**

**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

**END OF TERM OF OFFICE:**  
General Meeting convened  
to approve the financial  
statements for the 2021  
financial year

**SHAREHOLDING:**  
At the date of this  
document, Mrs Marie-  
Christine Leroux holds  
6.71 Korian shares<sup>(2)</sup>.

Representing the Group's employees, Mrs Marie-Christine Leroux strengthens the skills of the Board of Directors with 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 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 medical care clinic manager before becoming a specialised nursing homes manager in 2012. From 2015 to 2021, she was Director of the specialised nursing home Korian Villa Castera and managed Korian Le Clos d'Armagnac. In September 2021, she joined the Group Human Resources and CSR Department as HR Missions Head. She held several offices in the Group as 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

(1) Mrs Marie-Christine Leroux is in compliance with the applicable laws and recommendations on holding multiple corporate offices.

(2) The shares held by Mrs Marie-Christine Leroux are held indirectly via an employee investment fund (FCPE).



## MR MARKUS RÜCKERL

DIRECTOR REPRESENTING EMPLOYEES AND MEMBER OF THE INVESTMENT COMMITTEE

### MAIN POSITION HELD

**Head of Applications and Enterprise Support (IT Department)**

**BORN ON:** 6 January 1974  
in Muehldorf am Inn  
(Germany)

**NATIONALITY:** German

#### ADDRESS:

Dingolfingerstraße 15,  
81673 Munich (Germany)

#### DATE OF APPOINTMENT:

30 July 2020 by the European  
Works Council

#### 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 Markus  
Rückerl does not hold any  
Korian shares.

Representing the Group's employees, Mr Markus Rückerl's career reinforces the skills of the Board of Directors through his expertise and experience in IT and technological systems as well as his close proximity to the Group's employees.

#### BIOGRAPHY

Mr Markus Rückerl holds a degree in Business Informatics from the Wismar University of Applied Sciences. He began his career in 1998 as a chemical technician and then, from 1999, worked as a SAP key user and application manager. In 2013, he joined Korian in Germany as an application manager in its Munich office. In 2019, he became the Applications team lead and, in 2020, he was appointed Head of Applications & Enterprise Support within the IT Department.

In 2017, he became one of the founding members of the Works Council at Korian's office in Munich (Germany) and has chaired the Works Council since then.

#### OFFICES OUTSIDE THE GROUP<sup>(1)</sup>

None

#### OFFICES THAT HAVE EXPIRED IN THE LAST FIVE FINANCIAL YEARS

None

(1) Mr Markus Rückerl is in compliance with the applicable laws and recommendations on holding 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. In accordance with Article L. 225-27-1 of the French Commercial Code, as amended by the Pacte law No. 2019-486 of 22 May 2019, 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.

On 31 July 2019, the Board of Directors appointed Mrs Marie-Christine Leroux as member of the Ethics, Quality and CSR Committee with effect from 1 September 2019;

- (ii) the second Director is appointed by the European Works Council, if such a council exists, or, for European companies within the meaning of Article L. 2351-1 of the French Labour Code, by the employee representative body mentioned in Article L. 2352-16 of the same Code or, failing that, by the Works Council of the European Company mentioned in

Article L. 2353-1 of the said Code. Subject to the approval of the project to transform Korian into a European company by the General Meeting convened to approve the financial statements for the 2021 financial year (the "**2022 General Meeting**"), the Works Council of the European Company will appoint a Director representing employees. The term of office of the Director representing employees appointed by the European Works Council will continue until the end of its term.

As Korian set up a European Works Council, on 24 June 2020, the latter appointed Mr Markus Rückerl as Director representing employees with effect from 30 July 2020.

On 1 October 2020, the Board of Directors decided to appoint Mr Markus Rückerl as a member of the Investment 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.

In 2021, Mrs Marie-Christine Leroux and Mr Markus Rückerl benefited from a training programme delivered by an external organisation specialising in the training of Directors, in order to extend their knowledge. Mrs Marie-Christine Leroux followed a training course in CSR and Mr Markus Rückerl followed a training course in finance.

In addition, a representative of the Central Social and Economic Committee attends the meetings of the Board of Directors in a non-voting capacity.

#### 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. This 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. In accordance with Article 6.2 of the AFEP-MEDEF code, at its 23 February 2022

meeting, the Board of Directors, on 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 diversity of expertise. This multinational and balanced membership, which includes active and committed members with complementary experience and skills, ensures the quality of the 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 each gender may not be less than 40% at the end of the first Ordinary General Meeting held after 1 January 2017. (Article L. 225-18-1 of the French Commercial Code)	50% women (5 women and 5 men) since the meeting of the Board of Directors of 11 January 2021 <sup>(1)</sup> .
<b>Balanced representation of women and men on the Board of Directors' Committees</b>	Gender balance in the Committees.	All Committees are chaired by women (the Compensation and Appointments Committee, the Investment Committee, the Audit Committee and the Ethics, Quality and CSR Committee <sup>(2)</sup> ).
<b>Nationalities International experience</b>	Seeking of 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 two nationalities (French and German). The majority of the Directors have one or more international experiences.
<b>Areas of expertise and complementary nature of profiles</b>	Seeking of profiles that are complementary in terms of expertise.	Expertise represented: <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> The complementary nature of the experience in these areas enables realistic and effective decision-making in order to meet Korian's challenges.
<b>Independence of Directors</b>	At least 50% Independent Directors. (Article 9.3 of the AFEP-MEDEF code)	60% 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 55.9 years: ranging from 45 to 70 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 Markus Ruckerl, Directors representing the employees, are not counted in this calculation.

(2) The Covid-19 ad hoc Committee was dissolved on 24 February 2021 with effect from the conclusion of the meeting of the Board of Directors held on 11 January 2021.

## EXPERTISE ON THE BOARD OF DIRECTORS

	Health care sector 64%	Real estate 27%	Finance/ Audit and risks 55%	Regulation/Control 64%	Executive function 82%	Human capital 100%	CSR 18%	International experience 73%	Strategy/M&A 64%	Cyber security/Digital 36%	Quality management 45%	Communication 36%
Jean-Pierre Duprieu	●		●	●	●	●		●	●	●	●	●
Philippe Dumont			●	●	●	●		●	●			●
Florence Barjou	●	●	●	●	●	●	●		●			
Anne Ramon	●			●	●	●	●					●
Guillaume Bouhours	●		●		●	●		●			●	
Jean-François Brin	●				●	●		●	●		●	
Anne Lalou		●	●	●	●	●		●	●	●		
Markus Müschenich	●			●	●	●		●	●	●	●	
Catherine Soubie		●	●	●	●	●		●	●			●
Marie-Christine Leroux	●					●					●	
Markus Rückerl					●			●		●		

**Definitions:**

**Health care sector:** medico-social, pharmaceutical, laboratory, research and health 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.

**Communication:** 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 in listed companies <sup>(1)</sup>	International experience
<b>CHAIRMAN</b>										
Jean-Pierre Duprieu	GM of 23 June 2016	5 years	GM of 6 June 2019	GM voting on the financial statements for the 2021 financial year	Investment Committee	70 years	M	French	3	Europe Africa Middle East Asia
<b>DIRECTOR AND EXECUTIVE CORPORATE OFFICER</b>										
Sophie Boissard	GM of 22 June 2020	1 year	-	GM voting on the financial statements for the 2022 financial year	-	51 years	F	French	3	Europe
<b>INSTITUTIONAL DIRECTORS</b>										
Philippe Dumont	GM of 22 June 2020	1 year	-	GM voting on the financial statements for the 2022 financial year	Compensation and Appointments Committee	61 years	M	French	3	Italy
Predica – represented by Florence Barjou	GM of 18 March 2014	8 years	GM of 25 June 2015 GM of 14 June 2018 GM of 27 May 2021	GM voting on the financial statements for the 2023 financial year	Investment Committee (Chairwoman) Audit Committee	49 years	F	French	11 <sup>(2)</sup> 2 <sup>(3)</sup>	-
Holding Malakoff Humanis – represented by Anne Ramon	GM of 18 March 2014	8 years	GM of 25 June 2015 GM of 14 June 2018 GM of 27 May 2021	GM voting on the financial statements for the 2023 financial year	Ethics, Quality and CSR Committee (Chairwoman) Investment Committee	54 years	F	French	3 <sup>(4)</sup> 1 <sup>(5)</sup>	-
<b>INDEPENDENT DIRECTORS</b>										
Guillaume Bouhours	Board meeting of 11 January 2021 (co-optation)	1 year	-	GM voting on the financial statements for the 2022 financial year	Audit Committee	45 years	M	French	1	United Kingdom China United States
Jean-François Brin	GM of 6 June 2019	2 years	-	GM voting on the financial statements for the 2021 financial year	Ethics, Quality and CSR Committee	58 years	M	French	1	United Kingdom China United States
Anne Lalou	GM of 18 March 2014	8 years	GM of 23 June 2016 GM of 6 June 2019	GM voting on the financial statements for the 2021 financial year	Compensation and Appointments Committee (Chairwoman) Ethics, Quality & CSR Committee	58 years	F	French	3	United Kingdom
Markus Müschenich	GM of 22 June 2017	4 years	GM of 22 June 2020	GM voting on the financial statements for the 2022 financial year	Ethics, Quality and CSR Committee	60 years	M	German	1	Germany
Catherine Soubie	GM of 18 March 2014	8 years	GM of 25 June 2015 GM of 14 June 2018 GM of 27 May 2021	GM voting on the financial statements for the 2023 financial year	Audit Committee (Chairwoman) Compensation and Appointments Committee	56 years	F	French	3	United Kingdom Benelux
<b>DIRECTOR REPRESENTING EMPLOYEES</b>										
Marie-Christine Leroux	1 September 2019	2 years	-	GM voting on the financial statements for the 2021 financial year	Ethics, Quality and CSR Committee	61 years	F	French	1	-
Markus Rückerl	30 July 2020	1 year	-	GM voting on the financial statements for the 2022 financial year	Investment Committee	48 years	M	German	1	Germany

(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 Mrs Florence Barjou.

(4) Number of offices in listed companies held by Holding Malakoff Humanis.

(5) Number of offices in listed companies held by Mrs Anne Ramon.



### 4.1.3.1.3 Independence of Directors

In accordance with Article 9.3 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 9.4 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 9.5 of the AFEP-MEDEF code in this area:

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#### 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.

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#### 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.

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#### 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 annual report.

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#### Criterion 4: Family ties

The Director does not have any close family ties with a corporate officer.

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#### Criterion 5: Statutory Auditor

The Director has not been a Statutory Auditor of the Company within the past five years.

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#### 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.

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#### 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.

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#### Criterion 8: Status of the 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.

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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 of these changes, if any. 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 of purchases for purchases by 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 Chair 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 2 December 2021 meeting, the Board of Directors, in accordance with the aforementioned recommendations of Article 9.4 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 six Directors were independent, namely Mr Jean-Pierre Duprieu, Dr Jean-François Brin, Mr Guillaume Bouhours, Mrs Anne Lalou, Dr Markus Müschenich and Mrs Catherine Soubie, i.e. 60% 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 9 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 Status of non-executive corporate officer	8 Status of major shareholder	Classification
Jean-Pierre Duprieu	○	○	○	○	○	○	○	○	Independent
Sophie Boissard	● <sup>(2)</sup>	○	○	○	○	○	○	○	Non-Independent
Philippe Dumont	○	○	○	○	○	○	○	● <sup>(3)</sup>	Non-Independent
Predica (Florence Barjou)	○	○	○	○	○	○	○	●	Non-Independent
Holding Malakoff Humanis (Anne Ramon)	○	○	○	○	○	○	○	●	Non-Independent
Jean-François Brin	○	○	○	○	○	○	○	○	Independent
Guillaume Bouhours	○	○	○	○	○	○	○	○	Independent
Anne Lalou	○	○	○	○	○	○	○	○	Independent
Markus Müschenich	○	○	○	○	○	○	○	○	Independent
Catherine Soubie	○	○	○	○	○	○	○	○	Independent
Marie-Christine Leroux <sup>(4)</sup>					N/A				Employee representative
Markus Rückerl <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 the Chief Executive Officer of Predica, a major shareholder in the Company, and Deputy Chief Executive Officer of Crédit Agricole SA, Predica's parent company.

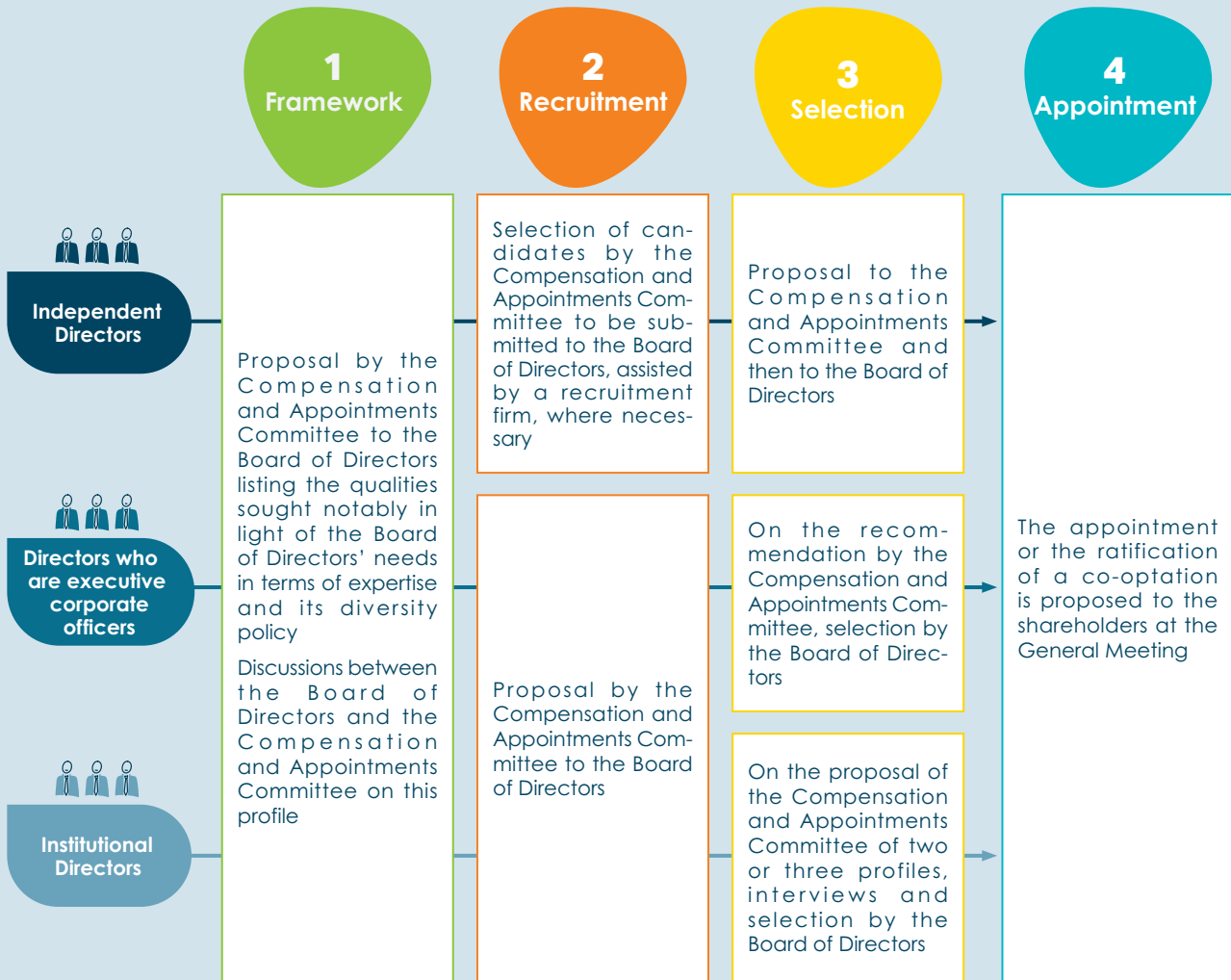
(4) In accordance with Article 9.3 of the AFEP-MEDEF code, the Directors representing employees are not included in the calculation of the Board of Directors' percentage of independence.

It is also specified that Mrs Catherine Soubie and Mrs Anne Lalou, Independent Directors, chair the Audit Committee and the Compensation and Appointments Committee respectively.

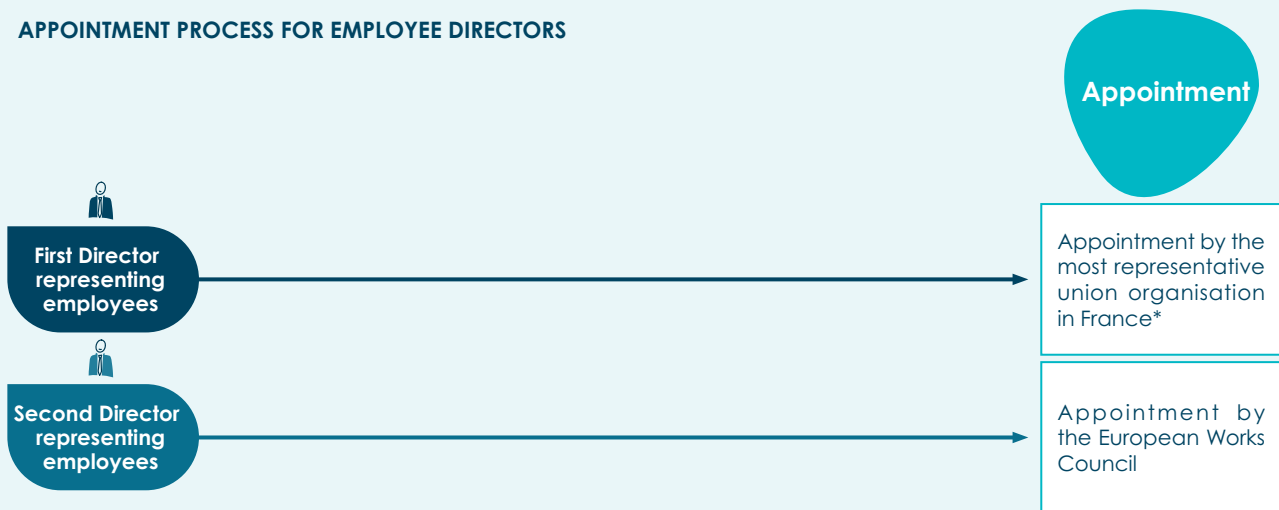
4.1.3.1.4 Appointment and onboarding process

**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.



**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 three-stage onboarding process:

- (i) the Secretary of the Board of Directors provides them with the documents required to take up their duties (Company's Articles of Association, Internal Regulations, Universal Registration Document, half-year financial report, stock market Ethics Charter, minutes of the Board of Directors and Committee(s) 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 visit sites in the countries in which the Group operates and are given a presentation on the business lines; and

(iii) they meet with the Group's main managers.

If he/she deems it necessary, each new Director may receive 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' terms of office should not exceed four years, the Articles of Association provide 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 lasts three years. It expires at the conclusion of the shareholders' General Meeting that votes on the financial statements for the previous year and that is held during the year in which his/her 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 2021 financial year	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
Jean-Pierre Duprieu (Chairman of the Board of Directors)	Sophie Boissard	Predica, represented by Florence Barjou
Jean-François Brin (Independent Director)	Philippe Dumont	Holding Malakoff Humanis, represented by Anne Ramon
Anne Lalou (Independent Director)	Guillaume Bouhours (Independent Director)	Catherine Soubie (Independent Director)
Marie-Christine Leroux (Director representing employees) <sup>(1)</sup>	Markus Müschenich (Independent Director)	-
-	Markus Rückerl (Director representing employees) <sup>(2)</sup>	-

(1) In accordance with the procedures described in "Employee representation" in section 4.1.3.1.1 of this Universal Registration Document, Mrs Marie-Christine Leroux was appointed by the most representative union organisation, within the meaning of the applicable laws. A new appointment will be made at the conclusion of the 2022 General Meeting.

(2) In accordance with the procedures described in "Employee representation" in section 4.1.3.1.1 of this Universal Registration Document, Mr Markus Rückerl was appointed by the European Works Council.


**FOCUS: CHANGE IN THE COMPOSITION OF THE BOARD OF DIRECTORS PROPOSED TO THE 2022 GENERAL MEETING**

The 2022 General Meeting will be asked to renew the term of office of:

- Mr Jean-Pierre Duprieu. It is specified that, in the event of the renewal of Mr Jean-Pierre Duprieu's position as Director, the Board of Directors will also renew his position as Chairman of the Board of Directors at the close of the 2022 General Meeting, for the same term as his position as Director;
- Dr Jean-François Brin (Independent Director); and
- Mrs Anne Lalou (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 2024.

At the close of the 2022 General Meeting, the Board of Directors would therefore be comprised of 50% women and 60% 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 the checks it deems appropriate, at any time of the year. The Board may request from the General Management any documents that it deems useful for the performance of its duties. The Board of Directors reviews the 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 the shareholders and to the market. The Board regularly reviews, guided by the strategy that it has set, the financial, legal, operational, social and environmental opportunities and risks, and the steps taken as a consequence. The Board ensures, where appropriate, 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 delegations and financial authorisations granted to the Board of Directors, following the deliberations of the 2020 and 2021 General Meetings, are described in section 7.2.3.1 of this Universal Registration Document.

### STRONG SHAREHOLDER DIALOGUE

Over the past three 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 Corporate Secretary.

These valuable and instructive discussions provide the Board of Directors and the General Management with food for thought on a number of areas 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 thereto;
- b) approval of the annual budget;
- c) disposal of properties by the Group with a value exceeding €15 million;
- d) the full or partial sale of equity interests by the Group with a value exceeding €15 million;
- e) the obtaining of loans by the Group for an amount exceeding €50 million;
- f) the acquisition of assets by the Group (in particular companies or equity investments) with an enterprise value exceeding €15 million;

- g) any investment by the Group that falls outside the Group's pre-existing activities/business lines (determined at a local level) or in a new country;
- h) entry into a strategic partnership (including an equity investment that does not give the Group a controlling interest) that may have a structural impact on the Group;
- i) the conclusion of a settlement agreement or compromise in respect of a dispute 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 SA 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.

#### 4.1.3.2.2 Internal Regulations of the Board of Directors

The Internal Regulations describe both 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 and to enable 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 regards 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 last update took place on 5 December 2019 and clarifies and adapts (i) the scope of transactions that require the authorisation of the Board of Directors, (ii) the roles of certain Committees of the Board of Directors and (iii) the rules on the allocation of the compensation of the Directors. Lastly, the update aims to reflect the most recent market recommendations.

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 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 telecommunication 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 2020 General Meeting decided to amend the Company's Articles of

Association in order to 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 following the meetings of the Board of Directors on 24 February 2021 and 31 March 2022.

#### 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 2021, the Directors had an immersive experience at the Korian Academy training centre.

In September 2021, the Directors met for a seminar at the Company's registered office for a working session on the "In Caring Hands" corporate project, the care path for the Group's patients and residents and the Group's brand story.

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 our 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 group's historical location, 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 to talk with the managers of the facilities and some residents. This seminar also provided an opportunity to meet the Chief Strategic Marketing Officer and new services development, accompanied by a member of his team to discuss in particular the Group's new activities relating to elderly care, and 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.

### Discussions between the board of directors, the group management board and the 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 Top Management members with expertise on the issues examined. The latter attend meetings of the Board of Directors and/or its Committees in order to present, alongside the Chief Executive Officer, the subjects and provide any useful clarifications to the members of the Board of Directors and Committees. The Chair 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 2021 financial year, the attendance rate of Directors at the meetings of the Board of Directors was 92%. This rate is very high despite a number of extraordinary meetings being convened at short notice.

Member attendance rates at Board of Directors meetings	Number of meetings in 2021	Average attendance rate in 2021
Jean-Pierre Duprieu (Chairman)	9/9	100%
Sophie Boissard	9/9	100%
Philippe Dumont	6/9	67%
Predica (represented by Françoise Debrus)	8/9	89%
Holding Malakoff Humanis (represented by Anne Ramon)	9/9	100%
Guillaume Bouhours	6/8	75% <sup>(1)</sup>
Jean-François Brin	9/9	100%
Anne Lalou	7/9	79%
Markus Müschenich	9/9	100%
Catherine Soubie	9/9	100%
Marie-Christine Leroux	8/9	89%
Markus Rückerl	9/9	100%

(1) From the date of his co-optation on 11 January 2021.

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 the year and adding topics of interest to the Board of Directors and its specialised Committees in line with changes in activity and current events. The following diagram shows 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 main work of the Board of Directors and its Committees\*

Board of Directors			
<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> <li>Strategy</li> <li>Ethics</li> <li>Quality</li> <li>ESG strategy and indicators</li> <li>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> <li>Co-optation of a new Independent Director</li> <li>Update on the objectives and forecasts and review of the "Beyond3" strategic plan</li> <li>Strategic real estate partnership with BAE Systems Pension Funds</li> <li>Issuance of Social bonds for a total amount of €300 million</li> <li>Acquisition of Berkley Care and the Group's entry into the United Kingdom</li> <li>Creation of Korian France, a subsidiary dedicated to the management of the Group's operational activities</li> <li>Transformation of Korian's corporate form into a European company</li> <li>Start of work for the transition to the status of a mission-led company</li> </ul>			
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>Review of and closing procedures for the 2020 annual and consolidated financial statements and the Management Report ●</li> <li>Allocation of profit and setting of the dividend</li> <li>Closing procedures for the 2021 half-year financial statements and half-year financial report</li> <li>Approval of interim management documents</li> <li>Opinions and reports of the Statutory Auditors</li> <li>Financial communication (SFAF, Capital Markets Day and press releases) ●●</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 SA in 2020</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>2021 schedule of closed periods</li> <li>2021/2022 financial communication schedule</li> </ul> <ul style="list-style-type: none"> <li>Green hybrid non-convertible bond issuance for £200 million ●</li> <li>Issuance of ODIRNANE for approximately €430 million</li> <li>Early redemption of the ODIRNANE bonds issued in July 2017 and September 2018</li> <li>Implementation of the share buyback programme and the liquidity agreement</li> </ul>	<p><b>Governance</b></p> <ul style="list-style-type: none"> <li>Annual assessment of the operations 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 on 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> </ul> <ul style="list-style-type: none"> <li>Launch of an employee shareholding plan ●</li> <li>Review of the compensation of Directors and the Chairman of the Board of Directors</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 Berkley Care (United Kingdom) and Ita Salud Mental (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 2020 ●</li> <li>Monitoring of so-called "360°" quality audits in 2020 and 2021 ●</li> <li>Monitoring of the roll-out of ISO 9001 certification for the Group's facilities ●</li> <li>Monitoring of complaints by relatives</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> </ul> <p><b>Health situation</b></p> <ul style="list-style-type: none"> <li>Monitoring of vaccination campaigns for residents and employees</li> <li>Monitoring of infection and mortality levels from pandemics and epidemics</li> <li>Monitoring of the incidence rate and changes in variants (Covid-19)</li> </ul> <ul style="list-style-type: none"> <li>Presentation of the Group's Ethics Charter</li> <li>Presentation of Values Week and the implementation of the Group's set of values</li> <li>Launch of work to transition to the status of a mission-led company</li> </ul>
<p>●● Recurring topics</p> <p>□□ One-off topics</p>			
<p>● Audit Committee</p> <p>● Compensation and Appointments Committee</p> <p>● Investment Committee</p> <p>● Ethics, Quality and CSR Committee</p>			

\* Non-exhaustive list





The specialised Committees report on their work to the Board of Directors, submit proposals to it and prepare its meetings. The quality of the work and recommendations of the specialised Committees has helped to inform and streamline the decisions of the Board of Directors.

### FOCUS: GENDER EQUALITY IN TOP MANAGEMENT POSITIONS

Promoting diversity and gender equality is at the heart of the Group's Human Resources policies. It takes the form of a number of commitments and agreements entered into by the Group and we reaffirmed it in 2020 by making eight HR commitments part of the "In Caring Hands" corporate project. One commitment specifically relates to taking diversity into account and to acknowledging each and every person. In 2021, the Group also 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. established a "Korian female managers' club" in 2019, responsible for promoting gender equality in all the Company's policies;
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. The Group's European Works Council, established in June 2020, also created a gender equality working group;
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 for Elderly Well and the Korian Foundation in Germany.

Gender equality on the management bodies is one of the two CSR targets included in the Company's free share plans. The Company aims to have 50% women in the Top Management of Korian by 2023. At the end of December 2021, women accounted for:

Management	% of women
Group Management Board	23%
Management	47%
Facility Directors	70%

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#### 4.1.3.2.5 Assessment of the Board of Directors

In accordance with the recommendations of Article 10 of the AFEP-MEDEF code, Article 1.8.5 of the Internal Regulations stipulates that the Board of Directors shall 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 2021, the Compensation and Appointments Committee conducted the assessment of the Board of Directors based on an internal questionnaire.

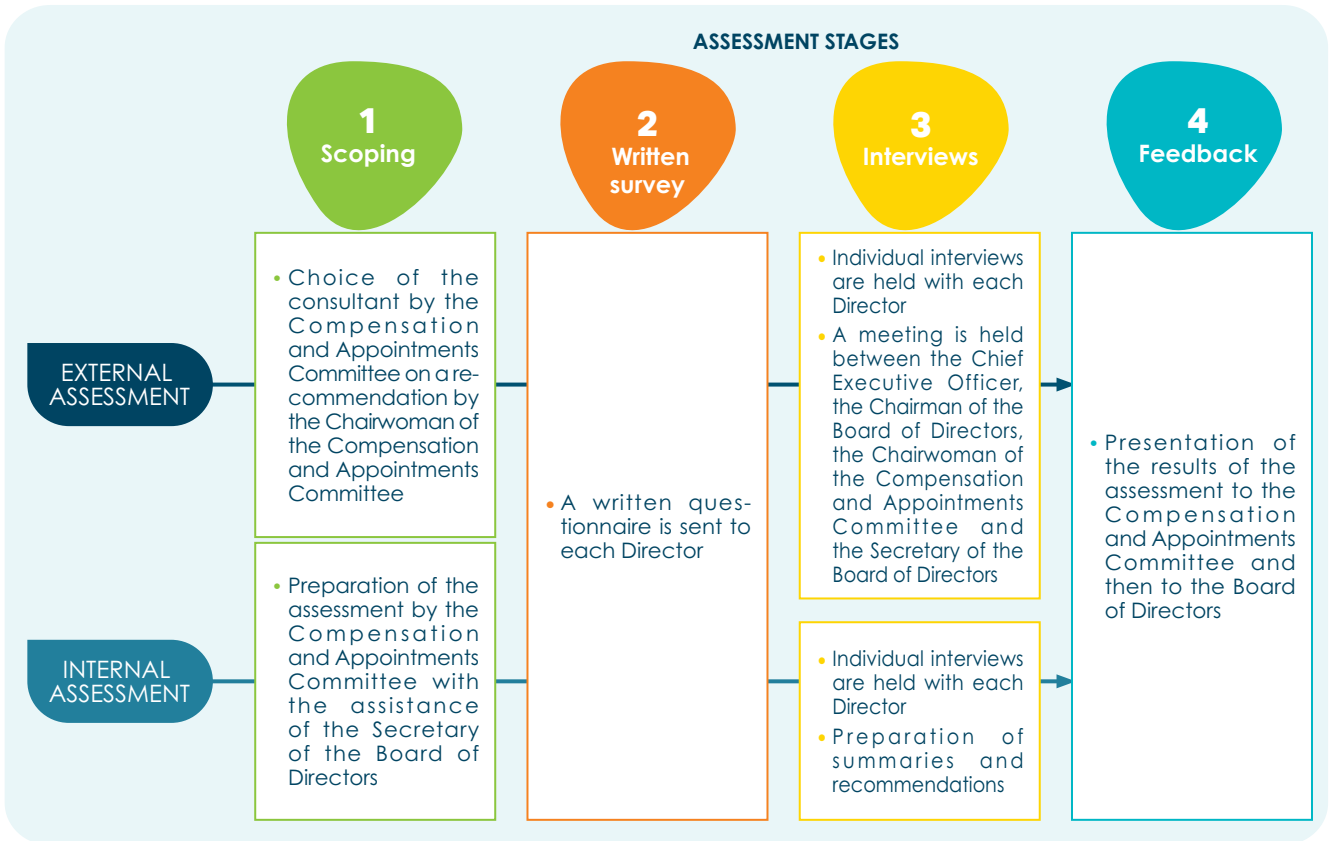
This assessment was deemed satisfactory in several respects:

- it showed very positive satisfaction with the mode of operation of the Board of Directors; and
- the dynamics of the Board of Directors meetings and the discussions between the members, in particular during the annual strategic meetings, are very much appreciated by the Directors.

For 2022, the assessment of the Board of Directors will be carried out with the assistance of an independent consultant.

### 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.



#### CONCLUSIONS OF THE 2020 AND 2021 ASSESSMENTS

	2020/2021 (reminder)	2021/2022
<b>OBSERVATIONS</b>	<ul style="list-style-type: none"> <li>Satisfaction with the Board's resoundingly positive dynamic</li> <li>Active involvement of the Board of Directors and the Committees during the crisis</li> <li>Assessment of the two annual strategic meetings</li> </ul>	<ul style="list-style-type: none"> <li>Very positive satisfaction with the operation of the Board of Directors and its Committees</li> <li>Appreciation of the dynamics of meetings and discussions during strategic seminars</li> </ul>
<b>AREAS FOR IMPROVEMENT</b>	<ul style="list-style-type: none"> <li>Desire to strengthen the skills within the Board of Directors</li> <li>Intervention of external experts on specific topics</li> </ul>	<ul style="list-style-type: none"> <li>Desire to strengthen discussions on ESG topics</li> <li>Strengthening of the training system for Directors</li> </ul>
<b>ACTIONS TAKEN</b>	<ul style="list-style-type: none"> <li>Co-optation of a new Director with a financial background that strengthens the Audit Committee</li> <li>Monitoring of the crisis within the framework of an <i>ad hoc</i> Committee with the intervention of external experts</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening of the financial expertise of the Board of Directors and the Audit Committee through the co-optation of a new Director (co-optation ratified by the 2021 General Meeting)</li> <li>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</li> <li>Steady improvement in the dynamics of the Committees since the changes in their respective composition at the end of 2020</li> </ul>



### 4.1.3.3 Committees of the Board of Directors

The Board of Directors has established 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.

As a reminder, the *ad hoc* Covid-19 Committee, which had been set up in 2020, was dissolved on 24 February 2021, with effect from the close of the Board of Directors' meeting of 11 January 2021. The monitoring of the Covid-19 pandemic was integrated into the work of the Ethics, Quality and CSR Committee.

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 advisers in question carry out such work objectively and independently. They report back on the opinions received.

The members of the Committees are chosen by the Board of Directors from its members. The Board of Directors appoints the Chair of each Committee and determines, where relevant, the term of office of the Committee's members. The Board of Directors may remove a member of a Committee or its Chair 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 the applicable laws and the recommendations of the AFEP-MEDEF code.

## ► CHANGES MADE TO THE COMPOSITION OF THE COMMITTEES IN THE 2021 FINANCIAL YEAR AND AT THE BEGINNING OF THE 2022 FINANCIAL YEAR

### CHANGES MADE BETWEEN 1 JANUARY AND 31 DECEMBER 2021

	End of term as member of a Committee	End of Directorship	Appointments	Renewals
<b>Audit Committee</b>	Jean-François Brin (24 February 2021)	-	Guillaume Bouhours - to replace Jean-François Brin (24 February 2021)	-
<b>Compensation and Appointments Committee</b>	-	-	-	-
<b>Investment Committee</b>	-	-	-	-
<b>Ethics, Quality and CSR Committee</b>	-	-	-	-
<b>Ad hoc Covid-19 Committee (dissolved on 11 January 2021)</b>	Anne Lalou (Chairwoman) Jean-Pierre Duprieu Jean-François Brin Markus Müschenich Catherine Soubie Holding Malakoff Humanis, represented by Anne Ramon	-	-	-

### CHANGES MADE BETWEEN 1 JANUARY 2022 AND THE DATE OF PUBLICATION OF THIS DOCUMENT

There were no changes in the composition of the Committees between 1 January 2022 and the date on which this document was published, with the exception of the replacement of Mrs Françoise Debrus by Mrs Florence Barjou as permanent representative of Predica, Director, as Chairwoman of the Investment Committee and member of the Audit Committee.

In the context of public debates relating to the specialised nursing home sector, a temporary Board of Directors Committee was set up on 9 February 2022 to facilitate the monitoring of these discussions and their follow-up. The activity of this temporary Committee was suspended on 25 March 2022 and the subjects were integrated into the work of the Board of Directors and the various Committees, according to their respective areas of expertise.

## 4.1.3.3.1 Audit Committee



## ATTENDANCE OF THE MEMBERS OF THE AUDIT COMMITTEE IN 2021

Member attendance rates at Audit Committee meetings	Number of meetings in 2021	Average attendance rate in 2021
Catherine Soubie (Chairwoman) (Independent Director)	6/6	100%
Predica (represented by Françoise Debrus)	5/6	83%
Guillaume Bouhours (Independent Director)	5/5	100% <sup>(1)</sup>
Jean-François Brin (Independent Director)	1/1	100% <sup>(2)</sup>

(1) For the period from 24 February 2021 to 31 December 2021.

(2) For the period from 1 January 2021 to 24 February 2021.

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 Chair 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. As such, the Company complies with the provisions

of Article L. 823-19 of the French Commercial Code, the recommendations of Article 16.1 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 Head, the Group Management Control Head, the Group Finance and Investor Relations Head, the Corporate Secretary and the Statutory Auditors attend all meetings of the Audit Committee.

The Chairman of the Board of Directors and the Chief Executive Officer also attend the Audit Committee's meetings 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 significant 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 of the Group for an amount exceeding €5 million.

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 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 and the review of the financial statements conducted in order 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 Head, the Group Management Control Head and the Group Finance and Investor Relations Head, 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 the 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 amount of 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 Head 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 Head 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 16.3 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 its attention any matters that require a Board of Directors' decision.

The Audit Committee approved 13 services other than the certification of the financial statements that were provided by the Statutory Auditors between December 2020 and November 2021 for a total amount of approximately €405,850.

## 4.1.3.3.2 Compensation and Appointments Committee

**ATTENDANCE OF THE MEMBERS OF THE COMPENSATION AND APPOINTMENTS COMMITTEE IN 2021**

Member attendance rates at Compensation and Appointments Committee meetings	Number of meetings in 2021	Average attendance rate in 2021
Anne Lalou (Chairwoman) (Independent Director)	6/6	100%
Philippe Dumont	5/6	83%
Catherine Soubie (Independent Director)	6/6	100%

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. As such, the Company complies with the recommendations of the AFEP-MEDEF code (with the exception of the recommendation on the appointment of a Director representing employees as a member of this Committee<sup>(1)</sup>) as well as with Article 3.1 of the Internal Regulations. In accordance with Articles 17.3 and 18.2 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 & CSR Officer 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 or Chairs;
- 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;

(1) However, the Internal Regulations provide for the possibility of inviting non-members of the Compensation and Appointments Committee (including the Directors representing employees) to attend Committee meetings in a non-voting capacity.

- making proposals to the Board of Directors regarding stock options and free shares grant programmes 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
- being 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: sought-after 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.

Every year, it reviews the situation of each Director on a case-by-case basis in relation to the independence criteria of the AFEF-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 the managers who report directly to her.

#### 4.1.3.3.3 Investment Committee



(1) Mr Markus Rückerl, Director representing employees, is not included in this calculation, in accordance with Article 9.3 of the Afep-Medef code.

(2) Mr Markus Rückerl, 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 INVESTMENT COMMITTEE IN 2021

Member attendance rates at Investment Committee meetings	Number of meetings in 2021	Average attendance rate in 2021
Predica (Chairwoman) (represented by Françoise Debrus)	7/8	88%
Jean-Pierre Duprieu (Independent Director)	8/8	100%
Holding Malakoff Humanis (represented by Anne Ramon)	8/8	100%
Jean-François Brin (Independent Director)	7/8	88%
Markus Rückerl (Director representing employees)	8/8	100%

### DUTIES AND POWERS OF THE INVESTMENT COMMITTEE

The Investment Committee's duties include, in particular, reviewing:

- 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 (determined 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 Chairman of the Board of Directors and the Chief Executive Officer participate in the Investment Committee's meetings, even where they are not members thereof (it being noted that Mr Jean-Pierre Duprieu is currently a member of the Committee). Depending on the files presented, the Chief Executive Officers of the countries, the Group Chief Real Estate & Development Officer, the Group Chief Financial Officer, the Group Chief International Development Officer and/or the Group M&A Director may be called to attend the Investment Committee's meetings.

### 4.1.3.3.4 Ethics, Quality and CSR Committee



- (1) Mrs Marie-Christine Leroux, Director representing employees, is not included in this calculation, in accordance with Article 9.3 of the Afep-Medef code.
- (2) 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.
- (3) The Ethics, Quality and CSR Committee took over from the ad hoc Committee set up during the Covid-19 pandemic to monitor the health situation of the Group's facilities and registered offices. The ad hoc Committee met once in early 2021 and 15 times in 2020.

### ATTENDANCE OF THE MEMBERS OF THE ETHICS, QUALITY AND CSR COMMITTEE IN 2021

Member attendance rates at Ethics, Quality and CSR Committee meetings	Number of meetings in 2021	Average attendance rate in 2021
Holding Malakoff Humanis (Chairwoman) (represented by Anne Ramon)	3/3	100%
Jean-François Brin (Independent Director)	3/3	100%
Anne Lalou (Independent Director)	3/3	100%
Markus Müschenich (Independent Director)	3/3	100%
Marie-Christine Leroux (Director representing employees)	3/3	100%



### 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 carried out 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 Group Chief Human Resources and CSR Officer, the Group CSR Director, the Group Chief Medical, Ethics and Quality-of-Service Officer, the Group Quality Director and the Group Compliance Director 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 27.1 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 and explanation, below, of the reasons for deviating from two recommendations of the code.

AFEP-MEDEF recommendation that has not been applied	Korian's explanation
<b>PARTICIPATION OF THE DIRECTOR REPRESENTING EMPLOYEES IN THE WORK OF THE COMMITTEE OVERSEEING COMPENSATION</b>	
<b>18.1</b> It is recommended that an employee Director be a member of the committee overseeing compensation.	Marie-Christine Leroux and Markus Ruckerl wished to be members of the Ethics, Quality and CSR Committee and of the Investment Committee, respectively, in view of their skills and experience. These wishes have been taken into account by the Board of Directors. Furthermore, the Internal Regulations provide that an employee Director may be invited to attend meetings of the Compensation and Appointments Committee.
<b>SHARES HELD PERSONALLY BY DIRECTORS</b>	
<b>20</b> Directors should be shareholders in their own name and, pursuant to the Company's Articles of Association or the Internal Regulations, should own a minimum number of shares that is material in view of the compensation they have received.	Ten of the twelve members of the Board of Directors are shareholders in Korian in their own name in an amount that is material in view of the compensation they are paid for their office. 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. One Director representing employees on the Board of Directors does not hold any Korian shares.

## 4.1.5 INFORMATION ON CONFLICT OF INTEREST ISSUES

### 4.1.5.1 Transactions carried out in 2021 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 2021 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 EXECUTIVE</b>						
Jean-Pierre Duprieu	Chairman of the Board	Acquisition	Shares	26.02.2021	29.2500	1,500
		Acquisition	Shares	18.11.2021	27.3221	1,500
Sophie Boissard	Chief Executive Officer Director	Acquisition	Shares	28.06.2021	30.1707	4,930
		Acquisition <sup>(1)</sup>	Shares	01.07.2021	30.1400	254,270
Predica	Director	Acquisition <sup>(1)</sup>	Shares	01.07.2021	30.1400	254,270
<b>TRANSACTIONS IN SECURITIES CARRIED OUT BY CLOSELY RELATED PERSONS</b>						
None						

(1) Resulting from the option for the payment of the dividend in shares following the 2021 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 the 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 provides 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 Chair 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 concerned 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 Chair 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 part 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 at the date of this Universal Registration Document:

- the corporate officers have not accepted any restrictions on the disposal of their interests in the Company's share capital;

- 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 2021 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 2021 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 Corporate 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 to 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 Corporate 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 2021 by the Group Corporate Secretary and the Group Finance Department were notified to the Board of Directors at its meeting of 2 December 2021. 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 between members of the administrative and management bodies**

There are no service contracts between members of the administrative and management bodies and the Company or one 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

2021 was marked by the continuation of the major health crisis linked to Covid-19 and I would like, on behalf of the Committee, to applaud the tremendous commitment of all the teams on a daily basis. 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 during this year.

The Compensation and Appointments Committee, two-thirds of whose members are independent, met six times to deal with numerous topics within its remit, in particular the setting of the CSR performance criteria applicable to the annual and long-term compensation of executive corporate officers and the implementation of the employee shareholding plan.

On behalf of the Committee, I am delighted to present to you the compensation paid during or awarded in respect of the 2021 financial year to corporate officers as well as the compensation policy for the latter for 2022, which will be submitted for approval by the shareholders at the 2022 General Meeting.

### COMPENSATION PAID IN THE 2021 FINANCIAL YEAR OR AWARDED IN RESPECT OF THAT FINANCIAL YEAR

The compensation policies for 2021 have been applied unchanged from those that received broad support from shareholders at the 2021 General Meeting.

With regard to the variable compensation of the Chief Executive Officer for 2021, the achievement of the performance criteria was 129.4%, and was capped at 120%, in accordance with the 2021 compensation policy. This takes into account the very high level of achievement of the qualitative criteria, namely the management of the integration of the new mental health activities acquired in 2020 and 2021 in France and Spain, the successful deployment of the Group's new values and the acceleration in the development of alternative healthcare

management solutions and non-financial criteria that reflect all the efforts made by the Group towards all its stakeholders.

It is recalled that the payment of variable compensation is subject to approval by the 2022 General Meeting.

### 2022 COMPENSATION POLICY

For 2022, the Committee proposed once again to maintain unchanged the compensation policy for the Chief Executive Officer, including the weighting of CSR criteria, which had been strengthened in 2021, in her annual variable compensation. This confirmation is in line with the Group's CSR commitments and the corporate project and testifies to their full integration by the management.

With regard to her long-term compensation, the allocation of which is planned after the 2022 General Meeting, the Committee will propose to the Board of Directors, in due time and in accordance with its missions, the performance, financial and CSR criteria applicable to this compensation as well as their weighting.

The Committee also decided to maintain unchanged the compensation policy for the Chairman of the Board of Directors, which will also apply after the renewal of his term of office following the 2022 General Meeting, and that of the non-executive corporate officers, both in terms of their structure and their amount.

The compensation policies for corporate officers are perfectly aligned with the corporate interest and are in line 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 thank 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 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.

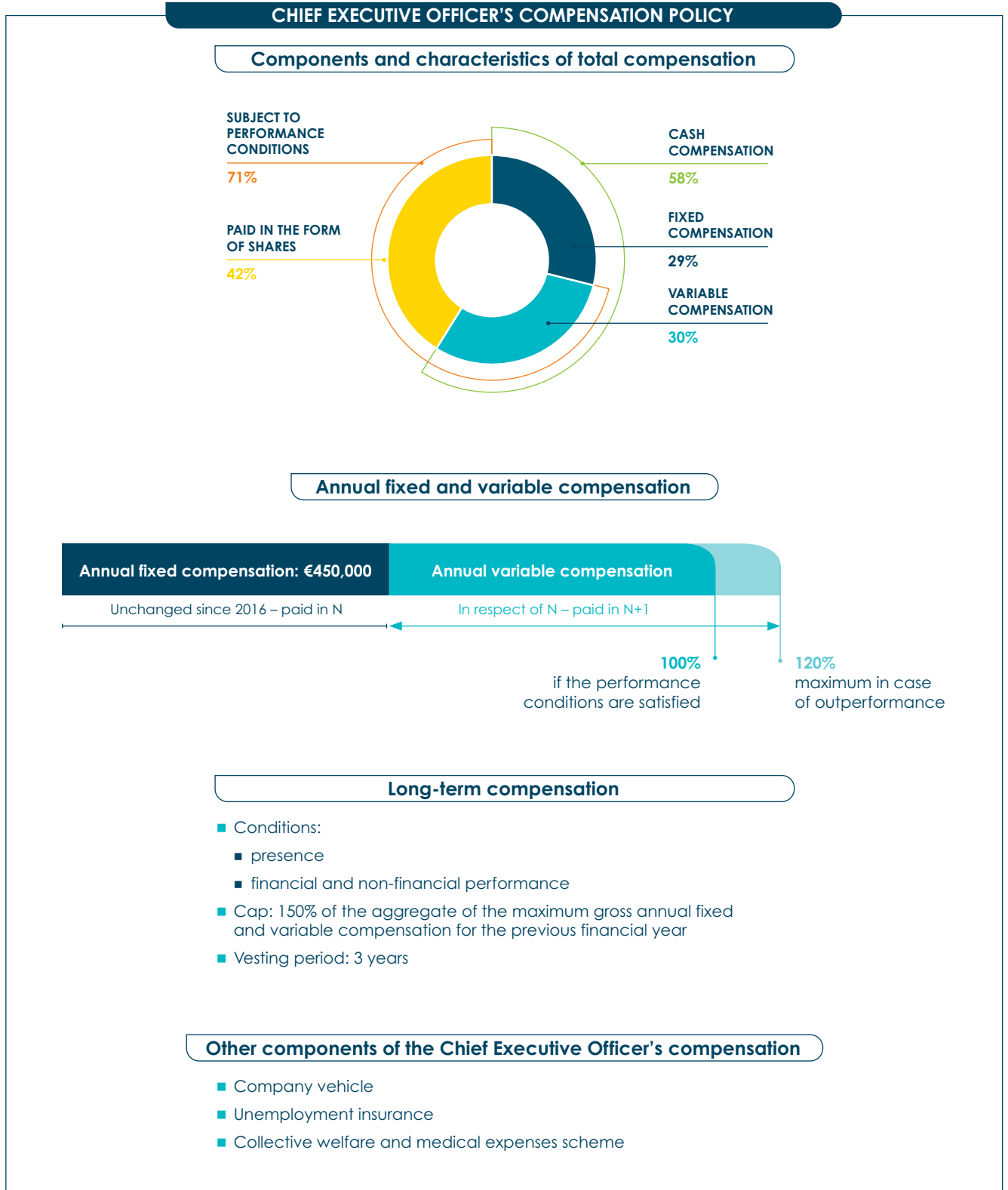
The Company may not determine, award or pay any compensation of any kind whatsoever that is not compliant with the approved compensation policy or, failing that, that is not compliant with prior compensation or practices. The Company may not make any commitments with respect to compensation, indemnities 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 2021 financial year to corporate officers

In accordance with Article L. 22-10-34 of the French Commercial Code, the 2022 General Meeting is asked to approve, based on this section 4.2, the report on compensation paid during or awarded in respect of the 2021 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 that reflects 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 is suspended until the revised compensation policy is approved. When reinstated, the compensation 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 amount may not ultimately be paid.

Furthermore, in accordance with Article L. 22-10-34 of the French Commercial Code, the 2022 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 that financial 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)**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 only receives fixed compensation<sup>(1)</sup>. As such, they 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 compensation 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>	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. 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.
<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 the 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 that is 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) With the potential addition of extraordinary compensation in the very specific circumstances indicated below.

## Compensation policy for executive corporate officers for 2022

On the recommendation of the Compensation and Appointments Committee, the Board of Directors, at its meeting of 5 February 2022, defined the compensation policy for executive corporate officers as set out below. This policy will be submitted to the 2022 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 2022

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.

On the appointment of Mr Jean-Pierre Duprieu as Chairman of the Board of Directors to replace Mr Christian Chautard on 1 October 2020, these provisions were applied as they stood.

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 2022 financial year.

#### Extraordinary compensation

In accordance with the recommendations of the AFEP-MEDEF code, the Board of Directors is entitled to grant extraordinary compensation to the Chairman of the Board of Directors in highly specific circumstances. They 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 was paid to the Chairman of the Board of Directors in 2021 and no extraordinary compensation is expected to be paid in 2022.

## 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 2022

The compensation policy for the Company's 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. It may also be reviewed if the responsibilities attached to the office change 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:

- annual fixed compensation paid on a monthly basis;
- annual variable compensation (paid after approval by the General Meeting);
- 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 the long-term compensation being sufficiently large 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.

When, on 5 December 2019, the Chief Executive Officer's term of office was renewed in advance for a term of five years, 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 from 1 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 of 29 April 2020, on the recommendation of the Compensation and Appointments Committee, decided to defer the application of the 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, at its meeting held on 24 February 2021, on the recommendation of the Compensation and Appointments Committee, decided to further defer the implementation of the new compensation policy.

On 5 April 2022, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to maintain unchanged for 2022, for the seventh consecutive year, the compensation policy for the Chief Executive Officer.



### Fixed compensation

The fixed compensation, which is also used as the basis for determining the annual variable compensation, is a gross amount of €450,000. It has remained unchanged since the Chief Executive Officer took office on 26 January 2016.

The annual variable compensation is set as a percentage of the gross fixed annual compensation subject to the attainment of performance criteria.

### Annual variable compensation

The purpose of the annual variable compensation is to encourage the Chief Executive Officer to achieve various annual performance targets that are set by the Board of Directors and that are in line with the Group's strategic objectives.

The variable compensation is calculated by reference to performance levels based on financial criteria (50%), non-financial criteria (25%) and qualitative criteria (25%), representative of the overall performance expected, and in

line with the Group's corporate project, in accordance with the recommendations of the High Committee on Corporate Governance and the provisions of 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 120% of the gross annual fixed compensation in the event of outperformance across all categories of criteria.

The various performance criteria enable the Group's intrinsic performance and its relative performance against that of its reference market to be measured.

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.

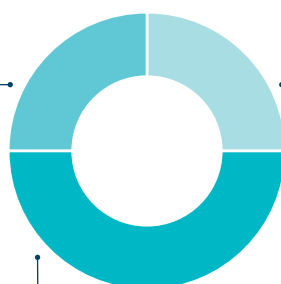
The payment of the annual variable compensation in respect of the 2022 financial year will be subject to the approval of the General Meeting convened to approve the financial statements for the financial year ending 31 December 2022.

## IMPLEMENTATION FOR 2022<sup>(1)</sup>

### NON-FINANCIAL

25%

Satisfaction of patients/residents/families (NPS)<sup>(1)</sup> (10%)  
Human Resources composite indicator (reduction in the frequency rate of workplace accidents with work stoppage, increase in the number of qualifying paths and average length of service) (10%)  
Reduction in the carbon footprint of buildings compared to the 2019 baseline (5%)



### FINANCIAL

50%

Organic growth (20%)  
EBITDA margin (15%)  
Financial leverage (15%)

### QUALITATIVE

25%

Quality of treatment/quality of care  
Acceleration of the development of alternative care solutions at pan-European level  
Creation of Korian healthcare schools to train people in health care professions

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(1) Patients/residents/families satisfaction was previously measured via the Net Satisfaction Score (NSS). Due to the limited use of this indicator, it was decided to measure patients/residents/families satisfaction via the Net Promoter Score (NPS), which is a standardised international indicator.

### 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.

#### Continued employment condition

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.

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 are designed to create long-term value with demanding performance conditions.

The weighting of each criterion may be reviewed for each new grant according to the Group's strategic priorities.

#### 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 the long-term compensation awarded to the Chief Executive Officer may not exceed, at the time it is granted (initial value on allocation), an amount equal to 150% of the combined amount of her gross annual fixed and variable compensation payable in respect of the previous financial year.

### Extraordinary compensation

There are currently no plans to pay any extraordinary compensation to the Chief Executive Officer in 2022. In accordance with the recommendations of the AFEP-MEDEF code, the Board of Directors may only award such compensation on an ex-post basis in 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. Lastly, any payment of extraordinary compensation 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. In the latter cases, the payment would be conditional on 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.

#### Reference Annual Compensation

Reference Annual Compensation means 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.

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 that have been determined on the basis of the level of achievement of the targets used to calculate the variable component of the annual compensation for the three financial years preceding the date of termination or non-reappointment.

Rate of achievement of targets	Severance Payment
< 40%	No payment
≥ 40% and < 60%	50% of the target payment amount (the Reference Annual Compensation)
≥ 60 and < 100%	100% of the target payment amount (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 on 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- and medium-stay care homes (clinics, specialised 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. It 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).

The Company may waive the benefit of the non-compete commitment no later than 15 days from the Termination Date.

**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 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 cover for the Chief Executive Officer in the event that her professional activity ceases.

For the 2022 financial year, the cost of the Chief Executive Officer's private unemployment insurance policy is €12,958.

## ► 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 targets <sup>(2)</sup> < 40%: ■ no compensation to be paid.	No benefits
		Rate of achievement of targets <sup>(2)</sup> between ≥ 40% and < 60%: ■ 100% of gross fixed and variable annual compensation <sup>(3)</sup> received for the last 12 months; ■ amount to be received as non- compete compensation.	
		Rate of achievement of targets <sup>(2)</sup> between ≥ 60% and < 100%: ■ 200% of gross fixed and variable annual compensation <sup>(3)</sup> received for the last 12 months; ■ amount to be received as non- compete compensation.	
<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>	No benefits	No benefits	No benefits
<b>Performance share plans that have not yet vested<sup>(5)</sup></b>	Complete lapsing	Complete lapsing	No benefits

- (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 in accordance with the 10<sup>th</sup> resolution adopted by the shareholders' General Meeting held on 23 June 2016, and has not changed since.

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, and with that of his predecessor, Mr Christian Chautard, made at the meeting of 22 June 2017, the Board of Directors has decided not to pay compensation to the Chairman of the Board of Directors for carrying out 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.

Components	Description
<b>Annual compensation</b>	<p>Of the total annual amount of €400,000 awarded to the Directors for carrying out their duties:</p> <ul style="list-style-type: none"> <li>■ 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;</li> <li>■ the sum of €70,000 is earmarked to pay, in the amounts determined by the Board of Directors, (i) additional compensation to non-resident Independent Directors based on their physical attendance of Board of Directors' meetings and Committee meetings and (ii) additional compensation to Directors for Board of Directors' meetings and/or Committee meetings that are not scheduled in the annual calendar drawn up by the Board of Directors, within the limit of €2,000 per meeting;</li> <li>■ the sum of €30,000 is divided between the Chair of the Audit Committee, the Chair of the Compensation and Appointments Committee and the Chair of the Ethics, Quality and CSR Committee, who receive one half (1/2), one third (1/3) and one sixth (1/6) of that sum, respectively.</li> </ul> <p>The amount of €300,000 is divided among the Directors in accordance with the following rules:</p> <ul style="list-style-type: none"> <li>■ 45% of the above amount is distributed equally between the members of the Board of Directors as a fixed component of compensation, with Independent Directors receiving compensation six times greater than that of non-Independent Directors;</li> <li>■ 30% of the above amount is divided between members of the Board of Directors <i>pro rata</i> to the number of meetings they attend;</li> <li>■ 25% of the above amount is divided between the members of the various Committees <i>pro rata</i> to the number of meetings they attend, with the Chair of each Committee entitled to double compensation.</li> </ul> <p>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.</p> <p>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 of Directors' meeting, compensation will be paid only for the Board of Directors' meeting.</p> <p>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.</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. Any such compensation is subject to the approval of the shareholders at a General Meeting in accordance with Article L. 225-38 <i>et seq.</i> of the French Commercial Code.</p>
<b>Reimbursement of expenses</b>	<p>The members of the Board of Directors are also entitled to reimbursement, on production of receipts, of travel expenses incurred to attend Board of Directors and specialised Committee meetings.</p>

## 4.2.2 COMPONENTS OF COMPENSATION PAID DURING THE 2021 FINANCIAL YEAR OR AWARDED IN RESPECT OF THAT FINANCIAL YEAR TO CORPORATE OFFICERS (EX-POST SAY-ON-PAY)

### 4.2.2.1 Components of compensation paid during the 2021 financial year or awarded in respect of that financial 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, on the recommendation of the Compensation and Appointments Committee, decided to award to Mr Jean-Pierre Duprieu the same gross annual fixed compensation as Mr Christian Chautard, i.e. €345,000.

Accordingly, the gross fixed annual compensation of Mr Jean-Pierre Duprieu for his office as Chairman of the Board of Directors for 2021 is €345,000.

The compensation paid during the 2021 financial year or awarded in respect of that financial year to Mr Jean-Pierre Duprieu for his office as Chairman of the Board of Directors, and broken down below, complies with the compensation policy approved by the 2021 General Meeting.

#### ► SUMMARY OF THE COMPONENTS OF COMPENSATION PAID DURING THE 2021 FINANCIAL YEAR OR AWARDED IN RESPECT OF THAT FINANCIAL YEAR TO MR JEAN-PIERRE DUPRIEU, CHAIRMAN OF THE BOARD OF DIRECTORS, PUT TO A SHAREHOLDERS' VOTE

Components of compensation put to the vote	Amounts awarded in respect of the previous financial year	Comments
Fixed compensation	€345,000 gross (amount paid)	On 1 October 2020, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to award Mr Jean-Pierre Duprieu the same gross fixed annual compensation as Mr Christian Chautard, i.e. gross fixed annual compensation of €345,000. 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 scheme, 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 has decided not to pay him compensation for carrying out his Directorship.
Value of benefits of all kinds	None	Mr Jean-Pierre Duprieu did 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 Components of compensation paid during the 2021 financial year or awarded in respect of that financial year to the Chief Executive Officer (ex-post Say-on-Pay)

##### ► SUMMARY OF THE COMPONENTS OF COMPENSATION PAID DURING THE 2021 FINANCIAL YEAR OR AWARDED IN RESPECT OF THAT FINANCIAL 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 24 February 2021, the Board of Directors decided to maintain the gross annual fixed compensation of the Chief Executive Officer unchanged for the 2021 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 2021 financial year. This compensation was paid on a monthly basis.</p>
Annual variable compensation	€540,000 subject to approval by the 2022 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 2021 financial year, on the proposal of the Compensation and Appointments Committee, the Board of Directors, at its meeting of 24 February 2021, approved the selection of 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>■ revenue growth (20%),</li> <li>■ EBITDA margin (20%), and</li> <li>■ financial leverage (new criterion for the 2021 financial year) (10%);</li> </ul> </li> <li>■ quantifiable non-financial criteria (representing 25% of the annual variable compensation): <ul style="list-style-type: none"> <li>■ patients, residents and families satisfaction (NSS) (7%),</li> <li>■ the quality of work assessed via a composite Human Resources indicator (7%),</li> <li>■ roll-out of ISO 9001 certification programme (5%), and</li> <li>■ change in energy consumption (in kWh/m<sup>2</sup> compared with 2020) (6%);</li> </ul> </li> <li>■ qualitative targets (representing 25% of the annual variable compensation, assessed globally): <ul style="list-style-type: none"> <li>■ managing the integration of new mental health activities within the Group, in particular by drawing on the acquisition of Inicea,</li> <li>■ the rollout of the project relating to the Group's new values, and</li> <li>■ accelerating the development of alternative care management solutions.</li> </ul> </li> </ul> <p>On 23 February 2022, on the recommendation of the Compensation and Appointments Committee, the Board of Directors assessed the level of achievement of said performance criteria as detailed below in the summary table of the Chief Executive Officer's annual variable compensation.</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
Multi-annual variable compensation	None	-	Mrs Sophie Boissard did not receive any multi-year variable compensation during the 2021 financial year.
Extraordinary compensation	None	-	Mrs Sophie Boissard did not receive any extraordinary compensation in 2021.
Stock options, performance shares and any other long-term benefits		€432,817 total IFRS value of the 21,175 shares granted subject to continued employment and performance conditions	<p>During the 2021 financial year, on the recommendation of the Compensation and Appointments Committee, the Board of Directors decided at its meeting of 24 February 2021 to grant Mrs Sophie Boissard 21,175 performance shares (with a vesting date of 15 March 2024, subject to continued employment and performance conditions). 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>For this 2021 grant, the performance criteria fixed by the Board of Directors are as follows:</p> <ul style="list-style-type: none"> <li>■ 40% based on the Group's economic performance, with: <ul style="list-style-type: none"> <li>■ 25% based on revenue growth, and</li> <li>■ 15% based on earnings per share (EPS) (new criterion for the 2021 financial year);</li> </ul> </li> <li>■ 40% based on the comparative performance of the Korian share price based with reference to the Total Shareholder Return (TSR); and</li> <li>■ 20% based on the Group's main ESG indicators: <ul style="list-style-type: none"> <li>■ 7% based on the percentage of women in Top Management,</li> <li>■ 7% based on the volume of qualifying paths, and</li> <li>■ 6% based on the reduction in CO<sub>2</sub> emissions.</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. 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. 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 Group Directorship.
Value of benefits of all kinds	€17,310	-	<p>Since 28 March 2020, Mrs Sophie Boissard has benefited from a company vehicle and from payments of unemployment insurance contributions to an external organisation.</p> <p>The amount of the payments for the unemployment insurance and the benefit in kind represented by the vehicle were €17,310 for the 2021 financial year.</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
Severance payment	No payment -		<p><b>Principle</b></p> <p>At its 18 November 2015 meeting, the Board of Directors decided to grant a severance payment to Mrs Sophie Boissard, on the recommendation of the Compensation and Appointments Committee, in the event that her corporate office is terminated or not renewed as the result of a change in strategy or control, except in the event of gross negligence or wilful misconduct. In the latter case, the payment would be subject to performance criteria, and its amount would be equivalent to the Reference Annual Compensation (as defined below) plus 25% for each year of service, without exceeding twice the Reference Annual Compensation, after deducting any amount payable in respect of the non-compete compensation mentioned below, if the Company has not waived the benefit of this compensation.</p> <p><b>Reference Annual Compensation</b></p> <p>Reference Annual Compensation means the gross annual fixed and variable compensation received for the 12 months 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 any extraordinary compensation that may be awarded to her by the Board of Directors on a one-off and discretionary basis, where applicable.</p> <p><b>Circumstances of forced departure</b></p> <p>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.</p> <p>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.</p> <p><b>Performance conditions</b></p> <p>At its meeting held on 23 March 2016, on the recommendation of the Compensation and Appointments Committee, the Board of Directors determined the following performance conditions for this severance payment<sup>(1)</sup>.</p> <p>In the event of termination (except for gross negligence or wilful misconduct) due to a change of strategy or control subsequent to the 2018 closing date, performance will be measured according to the average rate of achievement of the targets used to calculate the variable component of Mrs Sophie Boissard's annual compensation for the three financial years preceding her departure, 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 her departure &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 her departure &lt; 60%: severance payment equal to 50% 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 her departure &lt; 100%: severance payment equal to 100% of the Reference Annual Compensation will be due.</li> </ul> <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 9<sup>th</sup> resolution by the General Meeting of 23 June 2016.</p>

(1) The severance payment arrangements that would have applied in the event of termination prior to 31 March 2019 are set out in the 2018 Registration Document, which was filed with the French Financial Markets Authority (Autorité des marchés financiers – AMF) on 25 April 2019 under No. D. 18-0411.

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
Non-compete compensation	No payment	-	<p>At its 18 November 2015 meeting, the Board of Directors decided to impose a non-compete commitment on Mrs Sophie Boissard, on the recommendation of the Compensation and Appointments Committee. Accordingly, 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, specialised 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 "<b>Termination Date</b>"), combined, if applicable, with any severance payment. However, the sum of the two benefits may not exceed two years of 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 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 9<sup>th</sup> resolution by the General Meeting of 23 June 2016.</p>
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 a 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>	
<b>Quantifiable criteria</b> 50% of annual fixed compensation (target performance)	Revenue growth <sup>(2)</sup>	Value of the indicator	5.9%	9.4%	11.8%	11.3%
		As a % of fixed compensation	10%	20%	30%	28%
	EBITDA margin <sup>(3)</sup>	Value of the indicator	13.4%	14.0%	14.4%	13.9%
		As a % of fixed compensation	10%	20%	30%	18%
	Financial leverage <sup>(4)</sup>	Value of the indicator	3.7	3.5	3.3	3.2
		As a % of fixed compensation	5%	10%	15%	15%
		<b>Total quantifiable criteria</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>61%</b>
<b>Non-financial criteria</b> 25% of annual fixed compensation (target performance)	Residents, patients and families satisfaction (NSS)	Value of the indicator	60	65	67	67
		As a % of fixed compensation	0%	7%	10.5%	10.5%
	Quality of work	Value of the indicator				
	Reduction in absenteeism rate (30%)		13%	12.4%	12%	12.4%
	Increase in the number of qualifying training programmes (40%)		4,000	4,500	4,600	5,306
	Increase in average seniority within the Group (30%)		6.5	6.9	7.1	7.4
		As a % of fixed compensation	0%	7%	10.5%	9.5%
	ISO 9001 certification	Value of the indicator	89	126	140	240
		As a % of fixed compensation	0%	5%	7.5%	7.5%
	Change in energy consumption (in kWh/m <sup>2</sup> compared with 2020)	Value of the indicator	-1%	-2%	-3%	-6.3%
		As a % of fixed compensation	0%	6%	9%	9%
		<b>Total non-financial criteria</b>	<b>0%</b>	<b>25%</b>	<b>37.5%</b>	<b>36.5%</b>
	<b>Qualitative criteria</b> 25% of annual fixed compensation (target performance)	Management of the integration of new mental health activities				
Rollout of the Group's new values			0%	25%	37.5%	31.7%
Acceleration in the development of alternative care management solutions						
	<b>Total qualitative criteria</b>	<b>0%</b>	<b>25%</b>	<b>37.5%</b>	<b>31.7%</b>	
<b>TOTAL VARIABLE COMPONENT (AS A % OF FIXED COMPENSATION)</b>		<b>0%</b>	<b>100%</b>	<b>120%</b>	<b>129.4%</b>	
<b>CAPPED AT 120%</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 2021 revenue growth is at least 9.4%.

0% is payable if 2021 revenue growth is less than 5.9% (the bonus increases on a straight-line basis between 5.9% and 9.4%).

The bonus is increased to 150% of the base if 2021 revenue growth reaches 11.8% (the bonus increases on a straight-line basis between 9.4% and 11.8%).

(3) 100% is payable if the 2021 EBITDA margin is at least 14%.

0% is payable if the 2021 EBITDA margin is less than 13.4% (the bonus increases on a straight-line basis between 13.4% and 14%).

The bonus is increased to 150% of the base if the 2021 EBITDA margin reaches 14.4% (the bonus increases on a straight-line basis between 14% and 14.4%).

(4) 100% is payable if the 2021 financial leverage is equal to 3.5.

0% is payable if the 2021 financial leverage is greater than 3.7 (the bonus increases on a straight-line basis between 3.5 and 3.7).

The bonus is increased to 150% of the base if the financial leverage reaches 3.3 (the bonus increases on a straight-line basis between 3.5 and 3.3).

(5) The payment of the annual variable compensation for the 2021 financial year is subject to prior approval by the 2022 General Meeting.

The Board of Directors' meeting held on 23 February 2022, on the recommendation of the Compensation and Appointments Committee, noted that the qualitative criteria had been reached. The Board of Directors notably took into account the successful integration of new mental health activities, the strong commitment of staff to the Group's new values and the rapid development of alternative care management solutions.

The Board of Directors decided to award Mrs Sophie Boissard variable compensation for 2021 of €540,000 (corresponding to an achievement rate equal to 120% of her gross fixed annual compensation). She will receive this amount subject to approval by the 2022 General Meeting.

### Long-term variable compensation

**No performance shares granted in previous financial years were vested by the Chief Executive Officer during the 2021 financial year, as she was not a beneficiary of the free share allocation plans for which the vesting period ended during this financial year.**

At its meeting held on 24 February 2021, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to potentially grant to the Chief Executive Officer performance shares in 2024, for the purpose of encouraging the achievement of long-term targets. This grant fell under the authorisation granted by the 27<sup>th</sup> resolution of the General Meeting of 22 June 2020.

In accordance with that resolution, the total number of shares granted may not amount to more than 1% of the share capital on the date of the Board of Directors' decision. It is specified that the grant to the Company's executive corporate officers may not represent more than 0.1% of the share capital on the same date.

In this respect, the Chief Executive Officer may receive a maximum of 21,175 performance shares subject to the following presence and performance conditions:

- the Group's revenue target achieved in 2023 compared with the 2023 revenue of the strategic plan Beyond<sup>3</sup> Plan (25% of the grant);
- the 2023 earnings per share target achieved compared with the 2023 earnings per share of the strategic plan Beyond<sup>3</sup> Plan (15% of the grant);
- Korian's TSR compared with the performance of the SBF 120 TSR over two reference periods, from 1 December 2020 to 15 February 2021 inclusive, then from 1 December 2023 to 15 February 2024 inclusive (40% of the grant);
- ESG indicators for 20%, with the percentage of women in Top Management (7%), the volume of qualifying training programmes (7%) and the reduction in CO<sub>2</sub> emissions (6%).

It is recalled that the long-term 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 2021 FINANCIAL YEAR

► TABLE 1 – SUMMARY TABLE OF COMPENSATION AND OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER (AMF NOMENCLATURE)

	2020 financial year	2021 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)	€744,536 <sup>(1)</sup>	€1,007,310 <sup>(2)</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 free shares granted in 2021 and to vest in 2024 subject to presence and performance conditions (detailed in Table 6)	€611,582	€432,817
Valuation of other long-term compensation plans	-	-
<b>Christian Chautard, Chairman of the Board of Directors from 26 January 2016 to 1 October 2020</b>		
Compensation granted in respect of the financial year (detailed in Table 2)	€194,062 <sup>(3)</sup>	N/A
Valuation of multi-annual variable compensation granted during the financial year	-	N/A
Valuation of options granted during the financial year (detailed in Table 4)	-	N/A
Valuation of free shares granted (detailed in Table 6)	-	N/A
Valuation of other long-term compensation plans	-	N/A
<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)	€64,688 <sup>(4)</sup>	€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) In view of the Covid-19 health crisis and in line with the proposal made by Mrs Sophie Boissard, the Board of Directors decided, at its meeting held on 29 April 2020, on the recommendation of the Compensation and Appointments Committee, to reduce the compensation that Mrs Sophie Boissard should have received in 2020 (2020 fixed compensation and variable compensation paid in 2020 in respect of 2019) by 25%, i.e. a gross reduction of €236,250, to be deducted from the gross fixed compensation paid between May and December 2020.

(2) It is recalled that the payment of the annual variable compensation remains subject to the approval of the 2022 General Meeting.

(3) In view of the Covid-19 health crisis and in line with the proposal made by Mr Christian Chautard, the Board of Directors decided, at its meeting held on 29 April 2020, on the recommendation of the Compensation and Appointments Committee, not to increase Mr Christian Chautard's gross fixed annual compensation for his office as Chairman of the Board of Directors and, on the contrary, to reduce it by 25%, i.e. a gross reduction of €86,250. The entire amount of this reduction was made to his gross fixed compensation paid in respect of the nine months of his term of office in 2020 (from 1 January 2020 to 1 October 2020), pursuant to the decision of the Board taken at its meeting of 1 October 2020 on the recommendation of the Compensation and Appointments Committee.

(4) On 1 October 2020, the Board of Directors decided, on the recommendation of the Compensation and Appointments Committee, to award to Mr Jean-Pierre Duprieu the same gross fixed annual compensation as Mr Christian Chautard, i.e. gross fixed annual compensation of €345,000 (subject to the 25% reduction in respect of the 2020 financial year).

► **TABLE 2 – SUMMARY TABLE OF THE COMPENSATION OF EACH EXECUTIVE CORPORATE OFFICER (AMF NOMENCLATURE)**

	2020 financial year		2021 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	€213,750 <sup>(2)</sup>	€450,000	€450,000
Annual variable compensation	€278,480	€495,000	€540,000 <sup>(3)</sup>	€278,480
Multi-annual variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Compensation awarded for holding a Directorship	-	-	-	-
Benefits in kind <sup>(4)</sup>	€16,056	€16,056	€17,310	€17,310
<b>TOTAL</b>	<b>€744,536</b>	<b>€724,806</b>	<b>€1,007,310</b>	<b>€745,790</b>
<b>Christian Chautard, Chairman of the Board of Directors from 26 January 2016 to 1 October 2020</b>				
Fixed compensation	€280,312	€194,062 <sup>(5)</sup>	N/A	N/A
Annual variable compensation	-	-	N/A	N/A
Multi-annual variable compensation	-	-	N/A	N/A
Extraordinary compensation	-	-	N/A	N/A
Compensation awarded for holding a Directorship <sup>(6)</sup>	-	-	N/A	N/A
Benefits in kind	-	-	N/A	N/A
<b>TOTAL</b>	<b>€280,312</b>	<b>€194,062</b>	<b>N/A</b>	<b>N/A</b>
<b>Jean-Pierre Duprieu, Chairman of the Board of Directors since 1 October 2020</b>				
Fixed compensation	€86,250	€64,688 <sup>(7)</sup>	€345,000	€345,000
Annual variable compensation	-	-	-	-
Multi-annual variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Compensation awarded for holding a Directorship <sup>(8)</sup>	-	-	-	-
Benefits in kind	-	-	-	-
<b>TOTAL</b>	<b>€86,250</b>	<b>€64,688</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) **Including the Covid-19 reduction for 2020.** In view of the Covid-19 health crisis and in line with the proposal made by Mrs Sophie Boissard, the Board of Directors decided, at its meeting held on 29 April 2020, on the recommendation of the Compensation and Appointments Committee, to reduce the compensation that Mrs Sophie Boissard should have received in 2020 (2020 fixed compensation and variable compensation paid in 2020 in respect of 2019) by 25%, i.e. a gross reduction of €236,250, to be deducted from the gross fixed compensation paid between May and December 2020.

(3) 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 225 of this Universal Registration Document.

It is recalled that the payment of the annual variable compensation remains subject to the approval of the 2022 General Meeting.

(4) This is the amount paid to an external organisation for the unemployment insurance the Company took out on behalf of the Chief Executive Officer and the benefit in kind represented by the company vehicle.

(5) **Including the Covid-19 reduction for 2020.** In view of the Covid-19 health crisis and in line with the proposal made by Mr Christian Chautard, the Board of Directors decided, at its meeting held on 29 April 2020, on the recommendation of the Compensation and Appointments Committee, not to increase Mr Christian Chautard's gross fixed annual compensation for his office as Chairman of the Board of Directors and, on the contrary, to reduce it by 25%, i.e. a gross reduction of €86,250. The entire amount of this reduction was made to his gross fixed compensation paid in respect of the nine months of his term in 2020 (from 1 January 2020 to 1 October 2020), pursuant to the decision of the Board taken at its meeting of 1 October 2020, on the recommendation of the Compensation and Appointments Committee.

(6) In accordance with Mr Christian Chautard's proposal made at the Board of Directors meeting held on 22 June 2017, he did not receive any compensation for carrying out his Directorship.

(7) **Including the Covid-19 reduction for 2020.** On 1 October 2020, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to award to Mr Jean-Pierre Duprieu the same gross fixed annual compensation as Mr Christian Chautard, i.e. gross fixed annual compensation of €345,000 (subject to the 25% reduction in respect of the 2020 financial year).

(8) In accordance with Mr Jean-Pierre Duprieu's proposal made at the Board of Directors meeting held on 1 October 2020, he does not receive any compensation for carrying out his Directorship.

► **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	Type of options (purchase or subscription)	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	-	-	-	-	-	-

► **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	-	-	-

► **TABLE 6 – FREE SHARES GRANTED 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	24 February 2021	21,175	€432,817	15 March 2024	18 March 2024 <sup>(1)</sup>	<sup>(2)</sup>
Jean-Pierre Duprieu	-	-	-	-	-	-
Philippe Dumont	-	-	-	-	-	-
Predica	-	-	-	-	-	-
Holding Malakoff Humanis	-	-	-	-	-	-
Guillaume Bouhours	-	-	-	-	-	-
Jean-François Brin	-	-	-	-	-	-
Anne Lalou	-	-	-	-	-	-
Markus Müschenich	-	-	-	-	-	-
Catherine Soubie	-	-	-	-	-	-
Marie-Christine Leroux	-	-	-	-	-	-
Markus Ruckerl	-	-	-	-	-	-

(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.

**SUMMARY TABLE OF FREE SHARES THAT BECAME AVAILABLE DURING THE FINANCIAL YEAR FOR EACH EXECUTIVE CORPORATE OFFICER**

No performance shares granted in previous years were vested by the Chief Executive Officer during the 2021 financial year because Mrs Sophie Boissard was not a beneficiary of the free share plans whose vesting period ended during this financial year.

**► 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	-	-	-

**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-duties benefits	Non-compete compensation
Sophie Boissard, Chief Executive Officer (from 26 January 2016 until 31 December 2024)	NO	NO	YES	YES
Jean-Pierre Duprieu, Chairman of the Board of Directors (from 1 October 2020 until the 2022 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

Under Article L. 22-10-9 I of the French Commercial Code, when calculating the average and median compensation, the relevant scope is that of Korian SA, which is representative of Korian's head office functions: operations (Regional Managers, Medical Department, Quality of Service) and other support functions (Human Resources, Finance, etc.).

To ensure that the data are comparable, the workforce used 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 put into perspective using changes in the Group's economic performance, *i.e.* changes in revenue and EBITDA.

In view of the absence of a unified database for the 2016 financial year as a result of the Korian-Medica merger, the comparison covers the 2017-2021 period. As a reminder, the Chief Executive Officer's term of office began on 26 January 2016; 2017 was therefore her first full year in terms of compensation.

#### 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 SA 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 compared with the workforce, *i.e.* the entire scope of the Group: France, Germany, Italy, Benelux, Spain and 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 50. 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

	2017	2018	2019	2020	2021
<b>FINANCIAL PERFORMANCE OF THE COMPANY</b>					
Revenue (in millions of euros)	3,135	3,336	3,611	3,874	4,311
Change as a % since the previous financial year	4.9%	6.4%	8.2%	7.3%	11.3%
EBITDA (in millions of euros)	440	477	535	525	597
Change as a % since the previous financial year	4.3%	8.4%	12.2%	-1.9%	13.7%
Change (as a %) in the fixed compensation of the Chief Executive Officer	7% <sup>(1)</sup>	0%	0%	-25%	0% <sup>(2)</sup>
Change (as a %) in the total compensation of the Chief Executive Officer <sup>(3)</sup>	N/A	-6%	48%	11% <sup>(4)</sup>	-49%
<b>KORIAN SA</b>					
Change (as a %) in the average compensation of employees	6%	-2%	4%	2%	-1%
<b>Ratio compared to the average compensation of employees</b>	<b>13</b>	<b>12</b>	<b>18</b>	<b>19</b>	<b>10</b>
Change in the ratio (as a %) since the previous financial year	N/A <sup>(5)</sup>	-4%	44%	8%	-47%
<b>Ratio compared to the median compensation of employees</b>	<b>18</b>	<b>17</b>	<b>24</b>	<b>25</b>	<b>13</b>
Change in the ratio (as a %) since the previous financial year	N/A <sup>(5)</sup>	-8%	46%	6%	-48%
<b>KORIAN GROUP<sup>(6)</sup></b>					
Average compensation of employees					€35,533
<b>Ratio compared with the average compensation of Group employees</b>					<b>21</b>

(1) The Chief Executive Officer's fixed compensation did not change from 2016 to 2017. The percentage increase between 2016 and 2017 is due to the fact that Mrs Sophie Boissard took up her position on 26 January 2016 and did not therefore receive a full year's compensation in 2016.

(2) The change in the fixed compensation of the Chief Executive Officer takes into account the reintegration, in her fixed compensation received in 2020, of the reduction decided in the context of Covid-19.

(3) 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.

(4) The amount of 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 2020 financial year, including performance shares granted under the 2017 plan in respect of three years (2017, 2018 and 2019) at their carrying value. The Chief Executive Officer was not granted any performance shares during the 2018 and 2019 financial years.

(5) The change in the ratio for 2017 compared with 2016 is not significant given the fact that since the term of office of the Chief Executive Officer began on 26 January 2016, the compensation paid in 2017 includes the variable compensation in respect of 2016, unlike the compensation paid in 2016 which does not include variable compensation in respect of 2015.

(6) 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.

**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**

	2017	2018	2019	2020	2021
Change (as a %) in the compensation of the Chairman of the Board of Directors <sup>(1)</sup>	-2%	0%	0%	-25%	0% <sup>(2)</sup>
<b>KORIAN SA</b>					
Change (as a %) in the average compensation of employees	6%	-2%	4%	2%	-1%
<b>Ratio compared to the average compensation of employees</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>5</b>
Change in the ratio (as a %) since the previous financial year	-8%	0%	0%	-21%	+25% <sup>(2)</sup>
<b>Ratio compared to the median compensation of employees</b>	<b>7</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>6<sup>(2)</sup></b>
Change in the ratio (as a %) since the previous financial year	-12%	-14%	0%	-17%	+20% <sup>(2)</sup>
<b>KORIAN GROUP<sup>(3)</sup></b>					
Average compensation of employees					€35,533
<b>Ratio compared with the average compensation of Group employees</b>					<b>10</b>

(1) The position of Chairman of the Board of Directors was held by Mr Christian Chautard until 1 October 2021, when Mr Jean-Pierre Duprieu succeeded him. The annual fixed compensation of the Chairman of the Board of Directors amounts to €345,000 gross, unchanged since the assumption of office of the previous Chairman of the Board of Directors (Mr Christian Chautard) on 25 March 2015. Mr Jean-Pierre Duprieu has therefore received the same compensation since the date of his appointment as Chairman of the Board of Directors.

(2) The change in the compensation of the Chairman of the Board of Directors takes into account the reintegration, in his compensation received in 2020, of the reduction decided in the context of Covid-19.

(3) In accordance with the AFEF-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.

#### 4.2.2.4 Compensation of Directors from 1 January 2021 to 31 December 2021

The compensation paid to Directors for the period from 1 January 2021 to 31 December 2021 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 that 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, similar to the proposal made by his predecessor, Mr Christian Chautard, at the meeting of 22 June 2017, the Board of Directors has decided not to pay the Chairman compensation for carrying out 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 award to the Directors is divided among the other Directors, including the Directors representing employees.

For the 2021 financial year, Predica, Mr Philippe Dumont and Holding Malakoff Humanis have all requested that the amounts to which they would normally be entitled under the rules on the allocation of the annual compensation of the Directors be added by the Company to the Korian Solidarity Fund.

#### Summary of compensation components paid or awarded to the Directors from 1 January 2021 to 31 December 2021

In respect of 2021, a gross amount of €275,813 was paid as compensation to the members of the Board of Directors.

The members of the Board are also entitled to reimbursement, on production of receipts, of travel expenses incurred to attend Board of Directors and specialised Committee meetings. 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 2021 financial year.

The applicable rules governing the distribution of Directors' compensation for the 2021 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 2 December 2021, (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 between the Chair of the Audit Committee, the Chair of the Compensation and Appointments Committee and the Chair of the Ethics, Quality and CSR Committee, who receive one half (1/2), one third (1/3) and one sixth (1/6) of that sum, respectively;

- 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 Chair 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 2 December 2021 on the recommendation of the Compensation and Appointments Committee, for 2021:

- allocation of €1,000 per meeting of the Board of Directors and Committees, which the non-resident Independent Director physically attends; and
- allocation of the balance, i.e. €68,000, among the Directors *pro rata* to the number of meetings of the Board of Directors and/or Committees not scheduled in the annual calendar set by the Board of Directors which they attend, the Chairman of each Committee concerned receiving double compensation,

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 2020 financial year <sup>(1)</sup>	Amounts awarded in respect of the 2021 financial year <sup>(1)</sup>
Christian Chautard <sup>(2)</sup>	-	-
Jérôme Grivet <sup>(3)(4)</sup>	-	-
Predica <sup>(3)(5)</sup>	-	-
Holding Malakoff Humanis <sup>(5)</sup>	€23,895	-
Investissements PSP <sup>(4)</sup>	€10,240	-
Jean-Pierre Duprieu <sup>(6)</sup>	€49,492	-
Anne Lalou	€53,035	€61,582
Catherine Soubie	€60,428	€64,180
Markus Müschenich	€38,236	€38,596
Jean-François Brin	€43,897	€42,793
Marie-Christine Leroux	€14,715	€15,805
Markus Rückerl <sup>(7)</sup>	€6,059	€19,242
Philippe Dumont <sup>(5)(8)</sup>	-	-
Guillaume Bouhours <sup>(9)</sup>	-	€33,615
<b>TOTAL</b>	<b>€299,997</b>	<b>€275,813</b>

(1) Gross amount.

(2) Director whose term of office ended on 1 October 2020.

In accordance with Mr Christian Chautard's proposal made at the Board of Directors meeting held on 22 June 2017, the Board of Directors decided not to pay him compensation for carrying out his Directorship.

(3) In accordance with his proposal made at the beginning of the 2019 financial year, the Board of Directors decided not to pay him compensation for carrying out his Directorship.

(4) Director whose term of office expired on 22 June 2020.

(5) In accordance with its proposal made at the beginning of the 2021 financial year, the sums that would normally have been paid to these Directors under the usual rules for the distribution of the annual compensation of Directors adopted by the Board of Directors were not due nor were they reallocated to the other Directors but remained available to the Company as a contribution to the Korean Solidarity Fund.

(6) Chairman of the Board of Directors since 1 October 2020.

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 carrying out his Directorship from this date.

(7) Director representing employees since 30 July 2020.

(8) Director since 22 June 2020, replacing Mr Jérôme Grivet.

(9) Director since 11 January 2021, replacing Mr Christian Chautard.

## 4.3 Governance of compensation

### PARTIES INVOLVED

#### Human Resources and CSR Department

The Group's Human Resources and CSR 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 2021 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 setting of quantifiable and qualitative targets for the Chief Executive Officer's annual variable compensation;
- the determination of the level of achievement of the performance criteria required 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 2021 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 2021 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 them 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
<b>Chairman of the Board of Directors</b>	Compensation policy	99.3%	98.7%	97.1%
	Compensation components	99.3%	98.7%	99.9% <sup>(1)</sup>
<b>Chief Executive Officer</b>	Compensation policy	99.2%	98.8%	92.3%
	Compensation components	99.6%	98.5%	91.5%
<b>Directors</b>	Compensation policy	-(2)	98.7%	98.4%

(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

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## 5.1 Highlights of the 2021 financial year

### QUALITY OF CARE & ACTIVITY IN 2021

In 2021, Korian treated and cared for 650,000 residents and patients across Europe, against the backdrop of the pandemic, with a clear focus on the quality of care provided and the well-being of its 60,000 employees.

This year, the Group has been particularly keen to disseminate its values, namely Trust, Responsibility and Initiative, at all levels of the Group, in particular through the updating and rollout of the new Ethics Charter, but also through webinars, card games in the facilities and specific on-site sessions to ensure that the topics are relevant and well understood by all teams.

The quality of care provided is a constant concern for the Group. Korian's commitment through its Positive Care approach continued this year: Positive Care non-drug therapy equipment and the associated training were rolled out in 80% of the Group's network.

The Group's governance and control system is in place to mitigate, detect and remedy any situation of concern in terms of quality of care, including a series of feedback channels, and around 200 members of staff dedicated to controlling the quality of care and making regular internal checks in facilities. In addition to these internal controls, the Group has implemented a number of external controls in recent years with organisations such as Bureau Veritas, Mérieux-NutriSciences and AFNOR Certification. Over the last two years, more than 4,000 audits or controls have been carried out within the network by external companies.

The Group now has 240 ISO 9001-certified establishments, representing 29% of the network, compared to 11% in 2020. The aim is to have 50% of establishments certified by the end of 2022 and 100% by the end of 2023.

The Group places the satisfaction of its residents, patients and their families at the centre of its strategy and this year it committed, alongside IPSOS, to a rigorous process of measuring the rate of recommendation: the Group's Net Promoter Score is 34, well above the industry average of 23. The Net Promoter Score measures the recommendation rate of our facilities, by measuring the difference between the percentage of promoters (scores 9 and 10/10) and the number of detractors (scores 0 to 6/10).

### QUALITY OF LIFE AT WORK FOR EMPLOYEES

The Group continues to invest in the well-being and development of its staff, areas in which it is a pioneer in the sector. In 2021, the Group concluded the first agreement on health and safety at work with employee representatives in France and, later in the year, signed a protocol on the same subject with the European Works Council.

The Group continues to invest in the development of its employees and 9.7% of its employees are now participating in a qualifying training programme, i.e. 5,302 people, compared to 8% in 2020. It is thus very close to its target of 10% in 2023.

In 2021, Korian was the only player in the care sector in France to participate in the Passerelles programme, enabling employees from the service sector to access the caregiver profession through professional retraining.

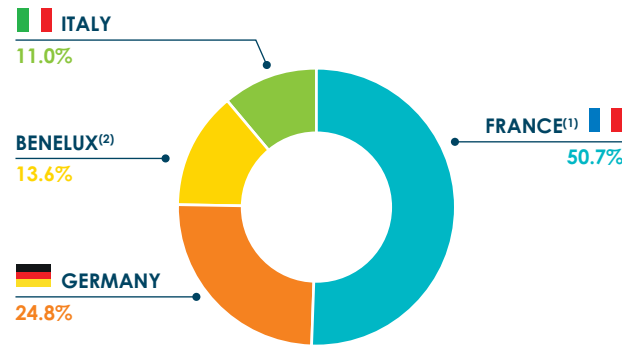
Moreover, the average length of service of staff continues to increase, reaching 7.4 years in 2021, compared to 6.9 years in 2020.

In 2021, Korian was certified as a Top Employer in France and Germany. The Group is the first company in the Care sector to obtain this distinction in both countries.



## 5.2 Business trends

### BREAKDOWN OF ANNUAL REVENUE BY COUNTRY



(1) Including €64.9 million revenue in Spain and €20.5 million in revenue in the United Kingdom.  
 (2) Including €81.0 million revenue in the Netherlands.

### ► ACCELERATION OF THE GROUP'S GROWTH AND IMPROVEMENT IN THE OPERATING MARGIN EXCLUDING RENTS (EBITDAR<sup>(1)</sup> EXCLUDING IFRS 16)

In millions of euros	Group		France <sup>(1)</sup>		Germany		Benelux <sup>(2)</sup>		Italy	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue	4,310.8	3,874.0	2,184.3	1,878.0	1,067.5	1,021.2	587.0	572.3	472.1	402.5
EBITDAR	1,081.5	948.3	547.3	465.1	298.7	271.1	138.6	126.3	96.9	85.7
<b>Margin/Revenue</b>	<b>25.1%</b>	<b>24.5%</b>	<b>25.1%</b>	<b>24.8%</b>	<b>28.0%</b>	<b>26.5%</b>	<b>23.6%</b>	<b>22.1%</b>	<b>20.5%</b>	<b>21.3%</b>

It is recalled that Korian uses EBITDAR and EBITDA as reference indicators.

EBITDAR makes it possible to assess operating performance independently of the real estate policy (ownership or rental of premises has an impact on operating income). It corresponds to operating income before rental expenses not covered by IFRS 16 "Leases", allowances for depreciation, amortisation and provisions, other operating income and expenses, and gains and losses on the acquisition and disposal of consolidated equity interests of operating segments (see Note 3 of Section 6.1 of the Universal Registration Document).

(1) Including Spain and the United Kingdom.

(2) Including the Netherlands.

### PERFORMANCE IN LINE WITH OBJECTIVES

In 2021, revenue amounted to €4,311 million, an increase of 11.3% and organic growth of 5.9%. The "Healthcare" activity remains one of the main drivers of this positive momentum. Its increase of 32.7% was due to sustained demand for mental health and the recovery in post-acute care. The "Home care" activity posted an increase of 11.7%, of which 9.3% in organic terms, benefiting from the opening and the ramp-up of many greenfield sites, in accordance with Korian's development strategy: to meet the unsatisfied needs of the next generation of elderly people.

The Group's 2021 earnings before interest, taxes, depreciation, amortisation and rent (EBITDAR) amounted to €1,081.5 million and its EBITDAR margin was 25.1%, stable compared to 2021. Korian's investment in its Human Resources was sustained; employee benefits expenses, up by 12.9% compared to 2020 in accordance with the Group's HR policy, now represent 59% of revenue, whereas this rate was only 52% in 2016.

By country:

- in France, revenue growth reached 16.3% (compared to 6.6% in 2020) taking into account activities in Spain and the United Kingdom. It was fuelled by recent acquisitions, particularly in mental health, with the revenue of Inicea and Ita Salud Mental, and supported by organic growth of 8.0% (compared to 2.4% in 2020), itself a reflection of the recovery in post-acute care and the increase in the occupancy rate in long-term care from the third quarter. The EBITDAR margin was 25.1% (compared to 24.8% in 2020);
- in Germany, revenue grew at a slower pace, 4.5% vs 6.3% in 2020, reflecting the impact of the latest Covid-19 waves in Germany and a slower recovery in occupancy rates than in other regions. Organic growth continues to represent the largest share of growth at 3.5% (compared to 4.2% in 2020), demonstrating the resilience of the model. The EBITDAR margin increased to 28.0%, compared to 26.5% in 2020, thanks in particular to the tests carried out in the context of Covid-19;

- in Benelux, the reported growth decreased significantly, to 2.6%, due to the reduction in the scope following the closure of certain sites in the Brussels region, while organic growth was up, at 4.1%, driven by the ramp-up and continued expansion of Korian in the Netherlands. The EBITDAR margin reached 23.6% (compared to 22.1% in 2020) thanks to the recovery in the occupancy rate from the third quarter and the ramp-up of new sites in the Netherlands;
- in Italy, revenue increased by 17.3% (vs 7.3% in 2020) thanks to a dynamic acquisition strategy focused on healthcare services and a local cluster approach in key regions. In a context of a recovery in activity and an upturn in occupancy rates, organic growth rebounded to reach 4.2%, following the negative figure recorded in 2020 (-8.2%). The EBITDAR margin of 20.5% (compared to 21.3% in 2020) reflects the nature of the fixed costs and the increase in salary costs.

Korian's EBITDA amounted to €597.2 million in 2021, an increase of 19.9% compared to 2020, and represented 13.9% of revenue, compared to 12.9% in 2020. After applying IFRS 16, the Group's EBITDA reached €1,009.8 million, or 23.4% of revenue.

The earnings before interest and taxes (EBIT) amounted to €342.8 million, or 8% of revenue (compared to 7.0% in 2020). After applying IFRS 16, the Group's EBIT reached €383.6 million, or 8.9% of revenue.

The net income (attributable to owners of the Group) amounted to €117.3 million (compared to €64.9 million in 2020 and €136.0 million in 2019) after an income tax expense of €20 million including non-recurring items. After the application of IFRS 16, the Group's net income amounted to €94.6 million, or 2.2% of revenue.

## A HIGH-QUALITY EUROPEAN PORTFOLIO IN HEALTHCARE

The Group's high-quality real estate portfolio was valued by Cushman & Wakefield at €3.2 billion, reflecting an average capitalisation rate of 5.3% across all Group regions. An evaluation report is available on the Company's website.

This portfolio is prudently financed with a Loan-to-Value ratio of 55%.

In 2021, Korian signed a new real estate partnership with BAE Systems Pension Scheme within a newly-created vehicle that holds 23 assets spread between France, Germany and Spain, for a gross value of approximately €320 million in real estate assets and a committed investment by BAE Systems Pension Scheme of approximately €100 million.

This long-term partnership has a structure similar to that set up in 2020 with BNP Paribas Cardif and EDF Invest, i.e. a 15-year partnership with an option to extend and a minimum holding period of seven years for BAE Systems Pension Funds.

## 5.3 Review of the consolidated results and the financial position as at 31 December 2021

### 5.3.1 CONSOLIDATED RESULTS

It is recalled that for performance monitoring purposes, the Group monitors its financial indicators without taking IFRS 16 into account.

#### 5.3.1.1 Simplified consolidated income statement

EBITDAR is the key indicator that Korian uses to assess its operating performance independently of its real estate strategy. It consists of operating income before rental expenses ineligible for IFRS 16 "Leases", allowances for depreciation, amortisation and provisions, other operating income and expenses, and gains and losses on the acquisition and disposal of consolidated equity interests of operating segments.

EBITDA corresponds to EBITDAR, as defined above, less rental expenses, and reflects the Group's real estate performance strategy.

<i>In millions of euros</i>	31.12.2021 excluding IFRS 16	IFRS 16 adjustments	31.12.2021 IFRS 16	31.12.2020 excluding IFRS 16	Change 2021/2020
Revenue & other income	4,310.8	-	4,310.8	3,874.0	11.3%
EBITDAR	1,081.5	-7.9	1,073.6	948.3	14.0%
<i>as % of revenue</i>	25.1%	-	24.9%	24.5%	+60 bps
External rents	-484.4	420.6	-63.8	-450.0	7.6%
EBITDA	597.2	412.7	1,009.8	498.2	19.9%
<i>as % of revenue</i>	13.9%	-	23.4%	12.9%	+100 bps
Operating income	301.1	40.8	341.9	232.8	29.3%
Financial profit/(loss)	-140.0	-70.0	-210.0	-138.7	1.0%
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>161.1</b>	<b>-29.2</b>	<b>131.9</b>	<b>94.1</b>	<b>71.1%</b>
<b>NET PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE GROUP</b>	<b>117.3</b>	<b>-22.7</b>	<b>94.6</b>	<b>64.9</b>	<b>80.8%</b>

The Group's **EBITDA** totalled €597.2 million in 2021, up 19.9% on 2020. The margin stood at 13.9% (compared to 12.9% in 2020). The share of rental costs as a percentage of revenue decreased by 40 basis points in 2021.

The **operating income** amounted to €301.1 million, or 7% of revenue (compared to 6% in 2020).

The **net profit** attributable to owners of the Group amounted to €117.3 million (compared to €64.9 million in 2020), after an income tax expense of €20 million representing a tax rate 12.4%, mainly due to the recognition of a deferred tax asset on real estate revaluations in Italy.

### 5.3.1.2 Simplified consolidated statement of financial position

<i>In millions of euros</i>	31.12.2021	31.12.2020
<b>Non-current assets</b>	12,109.8	11,314.6
<b>Current assets</b>	2,128.2	1,882.7
Assets held for sale	77.2	-
<b>TOTAL ASSETS</b>	<b>14,315.1</b>	<b>13,197.3</b>

<i>In millions of euros</i>	31.12.2021	31.12.2020
<b>Total equity</b>	3,771.5	3,322.6
<b>Non-current liabilities</b>	8,093.1	7,260.5
<b>Current liabilities</b>	2,406.5	2,614.2
Liabilities related to assets held for sale	44.0	-
<b>TOTAL LIABILITIES</b>	<b>14,315.1</b>	<b>13,197.3</b>

#### Assets

The non-current assets comprised the following:

- goodwill of €3,213.8 million, up by €308.2 million mainly following the acquisitions made in Spain (Ita Salud Mental), Germany (IPDL), the United Kingdom (Berkley) and Italy (Vietti and Sage);
- intangible assets for a value of €2,190.8 million;
- property, plant and equipment in the amount of €3,078.2 million, having increased by €432.9 million over the financial year;
- rights of use for a value of €3,469.4 million.

The current assets comprised the following:

- customers for a value of €364.7 million;
- other receivables and current assets for a value of €453.3 million, having increased by €117.3 million due to the netting of receivables;
- liquid assets and cash equivalents in the amount of €1,214.6 million.

#### Liabilities

- The consolidated equity amounted to €3,771.5 million, an increase of €448.9 million year-on-year. This increase was due to the result for the period (€116.4 million after application of IFRS 16), the placement of a perpetual non-convertible hybrid green bond of £200 million and long-term real estate investment agreements with several BAE Systems Pension Funds for approximately €100 million.
- The financial liabilities totalled €4,442.3 million, an increase of €443.4 million. This increase was mainly due to the issuance of German *Schuldschein* contracts for €302 million and social bonds for €300 million, and the increase in the immovable real estate debt of €265.5 million related to the increase in the rate of ownership of real estate assets in accordance with the Group's strategy.
- The lease liabilities amounted to €3,785.3 million.

## 5.3.2 FINANCIAL POSITION

### 5.3.2.1 Cash flow

The Group generated €230 million in operating free cash flow in 2021, i.e. a stable transformation rate relative to EBITDA at 38.4%. The proportion of maintenance investments in relation to revenue was 2.1%.

### 5.3.2.2 Financial debt

Korian maintained a solid financial position despite a sustained level of investment of €883 million, thanks in particular to its real estate cash flow philosophy and the rigorous choice of its acquisitions.

The Group actively managed its net indebtedness with, in particular, an extension of the average maturity of the gross financial debt to nearly 5.8 years (compared to 5.7 years in 2020 and 4.5 years in 2019) and a further reduction in the average cost of debt at 2.0% (compared to 2.3% in 2020). The Group also strengthened its liquidity to €1.7 billion, with €1.2 billion in cash and €500 million in undrawn funds on its syndicated credit line.

The Group's adjusted leverage now stands at 3.1x, despite a year of high investments. This strengthened financial position will allow the Group to remain agile in growing and consolidating markets.

The Group's net financial debt increased from €2,840 million as at 31 December 2020 to €3,228 million. A significant portion of this increase comes from immovable real estate debt. This represents €1,736 million compared to a real estate portfolio value of €3,154 million and therefore a stable loan to value ratio of 55%.

<i>In millions of euros</i>	31.12.2021	31.12.2020
Borrowings from credit institutions and financial markets	2,659.4	2,426.5
Real estate debt in respect of financial counterparties (excluding IFRS 16)	1,736.3	1,470.9
Other financial liabilities	29.6	89.7
Bank overdrafts and advances	17.0	11.8
<b>Loans and other borrowings (A)</b>	<b>4,442.3</b>	<b>3,998.9</b>
Marketable securities	142.3	220.3
Liquid assets	1,072.2	938.8
<b>Cash (B)</b>	<b>1,214.6</b>	<b>1,159.1</b>
<b>NET INDEBTEDNESS (A) - (B)</b>	<b>3,227.7</b>	<b>2,839.8</b>
Lease liabilities and commitments	3,785.3	3,712.6
<b>NET INDEBTEDNESS, LEASE DEBT AND COMMITMENTS</b>	<b>7,013.0</b>	<b>6,552.4</b>

### 5.3.3 KORIAN SA ANNUAL FINANCIAL STATEMENTS

On 30 July 2021, Korian created Korian France, its subsidiary dedicated to managing the Group's operating activities in France. Korian France is the result of a partial transfer from Korian to Korian France of the assets of its "Support functions France" activities (566 people transferred, corresponding in particular to the Finance, Human Resources, IT and Legal functions) and several contributions in kind of equity securities from Korian to Korian France. The partial transfer of assets and

the disposal of goodwill took place at midnight on 1 August 2021, and the contributions in kind on 13 August 2021. Forty Korian subsidiaries were transferred to Korian France. This transfer was carried out at the carrying amount for direct subsidiaries and at the real value for indirect subsidiaries. A provision was recognised for subsidiaries whose real value was less than the carrying amount (€19 million) and a disposal gain of €13 million was also recognised for disposals of non-controlling subsidiaries.

#### 5.3.3.1 Korian SA income statement

<i>In millions of euros</i>	31.12.2021	31.12.2020
Revenue	23.5	139.1
Other operating income, reversals of provisions and transferred expenses	3.4	18.0
<b>Total operating income</b>	<b>27.0</b>	<b>157.1</b>
Change in inventories	0.0	4.7
Other purchases and external expenses	-38.1	-106.7
Taxes and duties	-1.1	-2.8
Employee benefits expense	-25.5	-70.7
Allowances for depreciation, amortisation and provisions	-7.5	-18.4
Other expenses	-1.1	-2.1
<b>Total operating expenses</b>	<b>-73.4</b>	<b>-196.0</b>
<b>Operating results</b>	<b>-46.5</b>	<b>-38.9</b>
Share of profits and losses	0.1	-0.5
<b>Financial profit/(loss)</b>	<b>7.0</b>	<b>18.6</b>
<b>Non-recurring profit/(loss)</b>	<b>-17.3</b>	<b>-1.5</b>
Income tax (consolidation gains)	-31.0	-27.3
<b>NET PROFIT/(LOSS)</b>	<b>-25.6</b>	<b>5.0</b>

### 5.3.3.2 Analysis of the income statement

#### Operating results

Korian's revenue results from invoicing for services rendered by the Company to its French and foreign subsidiaries (central expenses, direct re-invoicing of employee benefits expenses and head office rent).

The employee benefits expenses represented approximately 35% of total operating expenses at €25.5 million.

#### Financial profit/(loss)

As the Group's holding company, Korian receives dividends from its subsidiaries. These dividends increased from €61.9 million in 2020 to €78.2 million in 2021.

Korian carries most of the Group's debt and financial instruments. The financial expenses incurred on financial debt

totalled €63.2 million in 2021, i.e. an increase of €9 million year-on-year due to higher borrowings. In addition, Korian recorded an expense of €8.1 million related to financial instruments and recognised a provision of €5.9 million for foreign exchange losses on a loan in GBP.

As head of the cash pooling arrangement, Korian paid €0.6 million in 2021 in interest expense on current accounts (versus €0.7 million in 2020) but received €8.9 million in interest earned on the current accounts of its subsidiaries (versus €9.2 million in 2020).

Lastly, impairments of securities were recognised for €20 million as part of the creation of Korian France.

#### Non-recurring profit/(loss)

The non-recurring loss of €17.3 million was mainly due to expenses related to the buyback of a bond and proceeds from securities transactions as part of the creation of Korian France.

### 5.3.3.3 Korian SA's statement of financial position

	31.12.2021	31.12.2020
<b>ASSETS</b>		
Intangible assets	16.8	73.3
Property, plant and equipment	1.3	15.6
Non-current financial assets	4,532.2	3,742.2
<b>Total non-current assets</b>	<b>4,550.3</b>	<b>3,831.1</b>
Raw materials, supplies		4.7
Advance payments on orders		
Trade receivables	26.2	139.9
Other receivables	2,134.1	1,712.9
Cash and cash equivalents	717.2	916.1
Prepaid expenses	15.1	13.1
<b>Total current assets</b>	<b>2,892.6</b>	<b>2,786.7</b>
Debt issuance costs and bond discounts	26.7	14.7
<b>TOTAL ASSETS</b>	<b>7,469.6</b>	<b>6,632.4</b>
<b>LIABILITIES</b>		
Share capital	528.0	525.2
Reserves and premiums	1,464.3	1,450.6
Retained earnings	73.9	100.7
Profit/(loss)	-25.6	5.0
Regulatory provisions	1.8	4.4
<b>Net financial position</b>	<b>2,042.3</b>	<b>2,085.9</b>
Provisions for risks and charges	6.8	4.7
Financial liabilities	5,371.2	4,457.6
Trade payables	15.4	53.4
Tax and social security liabilities	11.6	26.7
Other liabilities	12.9	3.5
<b>Total operating liabilities</b>	<b>5,417.9</b>	<b>4,545.9</b>
Deferred income	0.0	0.6
Unrealised foreign exchange gains	9.4	
<b>TOTAL LIABILITIES</b>	<b>7,469.6</b>	<b>6,632.4</b>

Korian's statement of financial position totalled €7,470 million. This figure essentially comprised the following:

**Assets**

- The non-current assets totalled €4,550 million, accounting for 61% of the statement of financial position. They consisted of:
  - €3,423 million in equity investments and related receivables;
  - €1,108 million in other non-current financial assets;
  - €18 million in intangible assets and property, plant and equipment.
- The other main items on the assets side of the statement of financial position comprised:
  - current accounts with subsidiaries amounting to €2,120 million;
  - €717 million in cash;
  - prepaid expenses of €15 million, corresponding to the costs to be spread over the issue of loans.

**Liabilities**

- The net position amounted to €2,042 million, down by €43 million, mainly due to the decrease in profit/(loss) for the financial year.
- The financial liabilities, which totalled €5,371 million at 31 December 2021, comprised €2,798 million of bonds, €1,119 million of loans and other borrowings from credit institutions, and €1,454 million of current accounts held with subsidiaries.
- The trade payables amounted to €15.4 million and comprised €6.7 million in provisions for unpaid invoices and €8.6 million in trade payables.

**5.3.3.4 Customer and supplier payment terms**

In accordance with Articles L. 441-14 and D. 441-6 of the French Commercial Code, information on payment terms for suppliers and customers is shown in the table below:

**► PAYMENT TERMS – TABLE PROVIDED FOR IN I OF ARTICLE D. 441-6 OF THE FRENCH COMMERCIAL CODE**

	Article D. 441-6, I 1°: invoices received, unpaid at closing and past due						Article D. 441-6, I 2°: invoices issued, unpaid at closing and past due					
	0 day (for information)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)	0 day (for information)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
<b>(A) LATE PAYMENT TRANCHES</b>												
Number of invoices	268	330	176	107	202	815	153	14	2	6	5	27
Total amount of invoices, incl. VAT	4,125,769	2,132,822	1,695,383	730,490	1,032,517	4,130,233	19,156,450	90,694	0	95,835	588,807	775,336
Percentage of total purchases, incl. VAT, in the year	3.68%	1.90%	1.51%	-0.65%	0.92%	3.69%						
Percentage of revenue, incl. VAT, in the year							30.53%	0.14%	0%	0.15%	0.94%	1.24%
<b>(B) INVOICES EXCLUDED FROM (A) RELATING TO PAYABLES AND RECEIVABLES IN DISPUTE OR NOT RECOGNISED</b>												
Number of invoices excluded	12											
Total amount of invoices excluded	28,961											
<b>(C) REFERENCE PAYMENT TERMS USED (CONTRACTUAL OR STATUTORY DEADLINE – ARTICLE L. 441-14 OR L. 441-10 OF THE FRENCH COMMERCIAL CODE)</b>												
Payment deadlines used to assess late payments	Contractual deadlines: invoice due date minus invoice issue date						Contractual deadlines: invoice due date minus invoice issue date					
	Statutory deadlines: 45 days from the invoice date						Statutory deadlines: 45 days from the invoice date					

### 5.3.3.5 Sumptuary expenses and overheads to be added back

The sumptuary expenses covered by Article 39-4 of the French General Tax Code amounted to €256,057 for the financial year ended 31 December 2021.

### 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 2021 it owned five branches located at:

- Parc de la Duranne 3, 165 avenue Gallée – 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 Table of individual results for the last five financial years

Type of information/Period	31.12.2021	31.12.2020	31.12.2019	31.12.2018	31.12.2017
Duration of the period	12 months	12 months	12 months	12 months	12 months
<b>FINANCIAL POSITION FOR THE PERIOD</b>					
a) Share capital	€527,968,290	€525,190,790	€413,641,350	€409,882,125	€404,911,715
b) Number of shares issued	105,593,658	105,038,158	82,728,270	81,976,425	80,982,343
<b>COMPREHENSIVE INCOME OF ACTUAL OPERATIONS</b>					
a) Revenue excluding taxes	€23,543,623	€139,053,371	€130,980,560	€83,774,203	€76,744,519
b) Profits before taxes, profit-sharing, depreciation, amortisation and provisions	-€48,299,365	-€3,863,364	€71,657,468	€55,610,984	€53,222,400
c) Income tax	-€31,010,733	-€27,313,116	-€10,173,504	-€25,882,269	-€18,332,724
d) Profits after taxes but before depreciation, amortisation and provisions	-€17,288,632	€23,449,752	€81,830,972	€81,493,253	€71,555,124
e) Profits after taxes, profit-sharing, depreciation, amortisation and provisions	-€25,638,960	€4,980,816	€66,961,178	€69,629,923	€61,869,242
f) Amount of profit distributed		€31,511,447	€49,191,338	€48,590,138	€48,109,415
g) Employee profit-sharing		-	-	-	-
<b>EARNINGS PER SHARE</b>					
a) Earnings after taxes but before depreciation and amortisation	-€0.16	€0.22	€0.99	€0.99	€0.89
b) Earnings after tax, depreciation, amortisation and provisions	-€0.24	€0.05	€0.81	€0.85	€0.78
c) Dividend per share		€0.30	-	€0.60	€0.60
d) Other distributions		-	-	-	-
<b>EMPLOYEES</b>					
a) Number of employees	443	623	513	446	407
b) Total payroll	€17,741,064	€47,972,614	€39,413,810	€33,548,145	€30,242,546
c) Amounts paid as social benefits	€7,802,087	€22,683,494	€17,188,802	€14,782,372	€11,793,454

### 5.3.3.8 Research and development

The Group has chosen to set up a corporate foundation, the Korian Foundation for Ageing Well, to conduct research and studies in people-centred and social sciences, in partnership with university research centres and the Group's facilities. This research work has not resulted in the filing of any patents of importance to its business.

These projects help to develop and assess new therapeutic approaches in the field of non-drug therapy, on the one hand, and to improve medication prescription, on the other. Research is also underway on the impact of robotics and artificial intelligence on the quality of life of residents and the quality of life at work of caregivers.

In 2021, Korian funded the Korian Foundation for Ageing Well in the amount of €701,100, and provided it with four full-time equivalent (FTE) employees.



## 5.4 Proposed allocation of the profit and dividend payment

### 5.4.1 DIVIDENDS PAID OVER THE LAST THREE FINANCIAL YEARS

The payment of dividends or any other distribution depends on the Group's financial profit or loss, notably its net profit, and its investment policy.

The dividend distribution policy is detailed in Section 7.3.6 of this Universal Registration Document.

In accordance with Article 243 bis of the French General Tax Code, the General Meeting notes that the amount of dividends and the amount of income distributed eligible for the 40% allowance provided for in paragraph 3.2 of Article 158 of the French General Tax Code in respect of the three previous financial years were as follows:

Financial year concerned (financial year distributed)	Number of shares comprising the share capital	Number of shares receiving dividends	Dividend paid per share	Income distributed per share	
				Eligible for the 40% tax credit provided for in Article 158, paragraph 3.2 of the French General Tax Code	Ineligible for the 40% tax credit provided for in Article 158, paragraph 3.2 of the French General Tax Code
2020 (2021)	105,038,158	104,943,487	€0.30	€0.30 <sup>(1)</sup>	€0
2019 (2020) <sup>(2)</sup>	-	-	-	-	-
2018 (2019)	81,985,563	81,950,284	€0.60	€0.60 <sup>(3)</sup>	€0

(1) The General Meeting of 27 May 2021 granted each shareholder of the Company the option to receive payment of the dividend in cash or in shares.

(2) Faced with the scale of the public health crisis and out of solidarity with its stakeholders, the Group's General Meeting held on 22 June 2020 resolved to allocate the entire profit for the 2019 financial year to retained earnings and therefore not to distribute any dividends for the 2019 financial year.

(3) The General Meeting of 6 June 2019 granted each shareholder of the Company the option to receive payment of the dividend in cash or in shares.

### 5.4.2 ALLOCATION OF THE PROFIT FOR THE 2021 FINANCIAL YEAR

On 23 February 2022, the Board of Directors noted that the net profit/(loss) for the 2021 financial year amounted to a loss of €25,638,959.65 and, on 25 April 2022, resolved to ask the 2022 General Meeting convened to approve the financial statements for the 2021 financial year:

- to note that the loss for the financial year ended 31 December 2021, plus the previous retained earnings of €73,861,584.55, brings the distributable profit to the sum of €48,222,624.90; and
- to resolve to allocate said distributable profit as follows:
  - as dividends: €36,957,780.30,
  - to the retained earnings account: €11,264,844.60.

It is specified that the amount of €36,957,780.30 as dividends is based on the number of Korian shares existing as at 26 April 2022,

i.e. 105,593,658 shares, and that the final amount paid will take into account the number of treasury shares held by the Company at the time of the dividend payment. As a result, the amount corresponding to the treasury shares held by the Company will be allocated to the retained earnings account when the dividend is paid.

A dividend of €0.35 per share will thus be distributed to each share in the Company entitled to dividends, and shareholders will be given the option to receive payment in shares.

The dividend to be distributed will be allocated on 28 June 2022 and the dividend will be paid on 21 July 2022.

## 5.5 Legal and arbitration proceedings

There are no pending or potential governmental, legal or arbitration proceedings, including proceedings of which the Company is aware, that may have or, in the past 12 months, have had a material impact on the Company's and/or Group's financial position or profitability.

## 5.6 Significant changes in the Group's financial position since the end of the last financial year

We are not aware 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 published.

## 5.7 Material events after the closing date

### CRISIS IN THE SECTOR IN FRANCE

In January 2022, a book titled *Les Fossoyeurs* (The gravediggers) was published, revealing the results of an investigation by journalists into one of Korian's competitors, a group running specialised nursing homes.

This group was the subject of administrative investigations conducted at the request of the French Government by the General Inspectorate of Social Affairs (*Inspection générale des affaires sociales* – IGAS) and the General Inspectorate of Finance (*Inspection générale des finances* – IGF). In April 2022, the Minister of Solidarity and Health, the Junior Minister in charge of Independence of the Elderly and the Junior Minister in charge of Public Accounts decided to report the facts relating to these financial practices to the Public Prosecutor, in order that legal proceedings could, if appropriate, be brought against the group that was the subject of the investigations. These events had a significant impact on the perception of the specialised nursing home markets in France. Korian, like all other players in the sector, has clearly condemned the practices revealed and has chosen to communicate widely on the Group's values and its approach to quality and compliance and to actively participate in discussions on the sector in France.

### CONFLICT IN UKRAINE

The new context linked to the conflict that commenced in Ukraine in late February 2022 has created inflationary conditions for which the Group is taking action in conjunction with its main suppliers.

### INFORMATION ON THE FIRST QUARTER OF 2022

In the first quarter of 2022, Korian posted revenue growth of 7.4%, to €1,093.9 million, of which 7.0% from organic growth, benefiting in particular from:

- the momentum of post-acute care and rehabilitation activities, which have returned to their pre-pandemic level;
- the continued development of home care services and shared housing solutions;
- the stabilisation of activity in the medico-social network, in particular given the impacts of the Omicron variant of Covid-19, following the strong recovery observed in the last quarter of 2021.

Country	Revenue (in millions of euros)		Reported growth	Organic growth
	Q1 2021	Q1 2022	Change %	
France, Spain, United Kingdom <sup>(1)</sup>	510.8	543.0	6.3%	7.2%
Germany	259.3	269.4	3.9%	3.8%
Benelux <sup>(2)</sup>	143.4	153.2	6.9%	8.9%
Italy	104.7	128.4	22.6%	11.2%
<b>TOTAL</b>	<b>1,018.2</b>	<b>1,093.9</b>	<b>7.4%</b>	<b>7.0%</b>

(1) Of which France: €510.4 million in Q1 2022 vs €501.2 million in Q1 2021; Spain: €23.9 million in Q1 2022 vs €7.8 million in Q1 2021; United Kingdom: €8.7 million in Q1 2022 vs €1.8 million in Q1 2021.

(2) Of which Belgium: €130.5 million in Q1 2022 vs €125.2 million in Q1 2021; Netherlands: €22.6 million in Q1 2022 vs €18.2 million in Q1 2021.

During the quarter, the Group also continued its targeted investment and acquisition programme in its three business lines, including:

- the strengthening of mental health activities in Italy, with the acquisition of the IHG group, including a capacity of 1,000 beds as well as out-patient services in Lazio;
- the continuation of the French health network transformation plan, covering 16 establishments in 2022, with the opening of the Livry Gargan specialised clinic and the launch of the construction of a new 200-bed hospital complex in Juvisy-sur-Orge, in the Paris region;
- the implementation of the second tranche of the "Boost" renovation programme on the nursing home network in France, with 25 projects underway;
- the continued development of the network in England, with the acquisition of two new facilities with 150 beds.

## LAUNCH OF KORUS, THE FIRST EMPLOYEE STOCK OWNERSHIP PROGRAMME

In line with its ESG commitments, Korian has announced the launch of its first European employee stock ownership plan. This plan is available to all employees in Europe, and offers favourable conditions including a matching contribution and protection against capital loss.

The Group thus wishes to offer all of its employees the opportunity to participate, as shareholders, in its transformation and innovation projects and to contribute to its long-term development.

Korian will continue to build a professional community with strong values across Europe, integrated into local regions, to constantly improve how it meets the needs of elderly or fragile people, as well as carers, and to promote their autonomy. This plan will be open to subscriptions in May 2022 and will be effective in July 2022.

## STATUS OF A MISSION-LED COMPANY

Korian will submit to its shareholders, at the General Meeting convened for 22 June 2022, a proposal for the transformation of the Company into a European company.

In addition, it will propose to initiate, in dialogue with all its stakeholders, the transition to the status of a mission-led company by June 2023.

In this respect, Korian has initiated work within its Group Management Board and its Board of Directors, work in which all its stakeholders will be included, with a view to submitting to the 2023 General Meeting an amendment to its Articles of Association ratifying the transition to the status of a mission-led company. This step will help to entrench its ethics and governance practices, as well as its social, societal and environmental commitments, in all its countries and business lines.

## 5.8 Foreseeable changes – Outlook

The Group is committed to continuing its local work in the regions where it operates, with active dialogue with all stakeholders and public authorities to continue to ensure high quality care for the elderly and fragile people in our society, as well as a high level of transparency and effective governance and risk prevention, both internally and externally. The Group is thus pursuing the continuous improvement of quality management and risk prevention.

In terms of the financial objectives for 2022, the Group confirms the continuation of its development in its various business families with organic growth of more than 4% and the continued normalisation of the EBITDA margin and FCF.

# 6

## Financial statements for the year ended 31 December 2021

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## 6.1 Consolidated financial statements for the year ended 31 December 2021

### CONSOLIDATED INCOME STATEMENT

<i>In thousands of euros</i>	Notes	31.12.2021	31.12.2020
<b>Revenue</b>	3.2	<b>4,153,348</b>	<b>3,772,909</b>
Other revenue	3.2	157,500	101,100
<b>Revenue and other income</b>		<b>4,310,848</b>	<b>3,874,009</b>
Purchases used in the business		-312,164	-297,045
Employee benefits expenses <sup>(1)</sup>	4.1	-2,532,766	-2,243,872
External expenses <sup>(1)</sup>		-426,544	-437,009
Taxes and duties <sup>(1)</sup>		-44,545	-44,289
Other operating income and expenses		15,018	9,326
<b>EBITDA</b>		<b>1,009,847</b>	<b>861,120</b>
Allowances for depreciation, amortisation and impairment		-626,301	-556,681
Other operating income and expenses	3.3	-41,673	-38,536
<b>Operating income</b>	3.1	<b>341,873</b>	<b>265,904</b>
Cost of net debt <sup>(2)</sup>	8.1	-87,770	-91,735
Other items of financial profit <sup>(2)</sup>	8.1	-122,212	-114,112
<b>Financial profit/(loss)</b>	8.1	<b>-209,981</b>	<b>-205,847</b>
<b>Profit/(loss) before income tax</b>		<b>131,892</b>	<b>60,057</b>
Income tax	10.1	-13,500	-17,176
<b>Profit/(loss) from consolidated companies</b>		<b>118,392</b>	<b>42,881</b>
Profit/(loss) from equity-accounted companies		-1,997	-776
<b>Net profit/(loss)</b>		<b>116,395</b>	<b>42,104</b>
Non-controlling interests		-21,772	-2,702
<b>Share attributable to owners of the Group</b>	10.2	<b>94,623</b>	<b>39,402</b>
Net earnings per share attributable to owners of the Group <i>(in euros)</i>	7	0.90	0.43
Diluted earnings per share attributable to owners of the Group <i>(in euros)</i>	7	0.73	0.30
<b>NET PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF THE GROUP</b>		<b>94,623</b>	<b>39,402</b>
Recycled items: impact of IFRS 9 and IFRS 2 (measurement of derivative hedging instruments and free share plans) net of tax	*	18,075	-2,292
Non-recycled items: IAS 19 impact (actuarial gains and losses)	*	4,282	-1,233
<b>Gains and losses recognised directly in equity (attributable to owners of the Group)</b>	*	<b>22,357</b>	<b>-3,524</b>
Net profit/(loss) and gains and losses recognised directly in equity (attributable to owners of the Group)	*	116,980	35,878
Net profit/(loss) and gains and losses recognised directly in equity (non-controlling interests)	*	21,772	2,702

\* See Change in equity.

(1) Reclassification as employee benefits expense over the reference period of taxes and duties for €67,849,000 corresponding to taxes based on salaries and external expenses for €80,041,000.

(2) Reclassification over the reference period between the net borrowing cost and other items of financial profit/(loss).

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### ASSETS

<i>In thousands of euros</i>	Notes	31.12.2021	31.12.2020
Goodwill	5.1	3,213,838	2,905,604
Intangible assets	5.2	2,190,845	2,157,750
Property, plant and equipment	5.3	3,078,162	2,645,240
Rights of use	5.5	3,469,383	3,456,880
Financial assets		42,679	64,738
Equity-accounted securities		19,460	5,224
Deferred tax assets		95,385	79,181
<b>Non-current assets</b>		<b>12,109,751</b>	<b>11,314,617</b>
Inventory	3.4	28,236	36,186
Trade receivables and related accounts	3.4	364,674	315,301
Other receivables and current assets <sup>(1)</sup>	3.4	453,285	335,991
Current tax receivables <sup>(1)</sup>		60,088	33,908
Financial instruments – assets	8.2	7,343	2,216
Cash and cash equivalents	8.4	1,214,564	1,159,109
<b>Current assets</b>		<b>2,128,190</b>	<b>1,882,711</b>
Assets held for sale	2	77,161	
<b>TOTAL ASSETS</b>		<b>14,315,103</b>	<b>13,197,328</b>

### LIABILITIES

<i>In thousands of euros</i>	Notes	31.12.2021	31.12.2020
Share capital		527,968	525,191
Premiums		1,196,253	1,182,778
Consolidated reserves and retained earnings		1,776,127	1,449,011
<b>Equity attributable to owners of the Group</b>		<b>3,500,348</b>	<b>3,156,980</b>
Non-controlling interests		271,131	165,566
<b>Total equity</b>		<b>3,771,479</b>	<b>3,322,546</b>
Provisions for pensions		98,942	99,524
Deferred tax liabilities		584,286	605,204
Other provisions	9	50,024	61,978
Loans and other borrowings	8.2	3,761,482	3,046,850
Lease liabilities – more than one year	5.5	3,425,247	3,350,880
Other non-current debt		173,104	96,106
<b>Non-current liabilities</b>		<b>8,093,083</b>	<b>7,260,542</b>
Provisions for liabilities due in less than one year	9	15,565	9,901
Trade payables and related accounts	3.4	499,717	453,620
Other payables and accruals <sup>(2)</sup>	3.4	760,528	770,119
Current tax liabilities <sup>(2)</sup>		69,166	29,277
Current borrowings less than one year and bank overdrafts	8.2	680,808	952,072
Lease liabilities – less than one year	5.5	360,030	361,683
Financial instruments – liabilities	8.2	20,693	37,567
<b>Current liabilities</b>		<b>2,406,507</b>	<b>2,614,241</b>
Liabilities related to assets held for sale	2	44,033	
<b>TOTAL LIABILITIES</b>		<b>14,315,103</b>	<b>13,197,328</b>

Items reclassified during the comparison period:

(1) Reclassification between other receivables and current assets and current tax receivables for €33,908,000.

(2) Reclassification between other payables and accruals and current tax payables for €29,277,000.



## ► CONSOLIDATED STATEMENT OF CASH FLOWS

<i>In thousands of euros</i>	Notes	31.12.2021	31.12.2020
<b>Net profit (loss)</b>		<b>116,395</b>	<b>42,104</b>
Income tax expense		13,500	17,176
Net allowances for depreciation, amortisation and provisions		622,825	524,721
Profit (loss) from equity-accounted companies		1,997	776
Gain (loss) at fair value and non-cash items		-131	-68
Elimination of dividend income <sup>(1)</sup>		-581	-154
Gain on disposal of assets		10,349	42,111
Elimination of acquisition costs of securities		17,615	15,829
Elimination of net borrowing costs		210,593	205,553
<b>Cash Flow before net borrowing cost</b>		<b>992,562</b>	<b>848,049</b>
Change in inventories		-2,258	-14,175
Change in trade receivables		-24,757	6,404
Change in trade payables		54,232	29,856
Change in other items		-121,143	-9,093
<b>Change in working capital requirement</b>		<b>-93,926</b>	<b>12,992</b>
<b>Income taxes paid</b>		<b>-44,769</b>	<b>-66,269</b>
<b>Net cash generated from operations</b>		<b>853,867</b>	<b>794,773</b>
Impact of changes in scope (acquisitions)	2	-394,101	-648,340
Impact of changes in scope (disposals)	2	86,173	37,713
Purchases of property, plant and equipment and intangible assets	5.4	-538,624	-520,103
Other financial investments		3,790	6,425
Proceeds from disposals of non-current assets (excluding securities)		7,632	27,197
<b>Net cash from/(used in) investing activities</b>		<b>-835,131</b>	<b>-1,097,108</b>
<b>Net cash flow</b>		<b>18,737</b>	<b>-302,336</b>
Capital increase and related premiums		92,510	640,763
Treasury shares charged to equity		-2,568	-1,234
Debt issuance	8.2	1,832,456	1,943,136
Repayment of loans and other borrowings	8.2	-1,477,085	-936,430
Net change in bank overdrafts		-	-1,480
Repayment of lease liabilities	5.5	-397,397	-349,313
Other financial flows from/(used in) financing activities		208,146	9,096
Net interest paid		-192,225	-181,899
Dividends <sup>(1)</sup>		-36,436	-10,247
<b>Net cash from/(used in) financing activities</b>		<b>27,400</b>	<b>1,112,394</b>
<b>CHANGE IN CASH POSITION</b>		<b>46,136</b>	<b>810,058</b>
Impact of exchange rate fluctuations		4,169	-
Cash and cash equivalents at start of period		1,147,261	337,203
Cash and cash equivalents at end of period		1,197,566	1,147,261
Marketable securities	8.4	142,337	220,331
Cash	8.4	1,072,227	938,778
Bank overdrafts and advances	8.2	-16,998	-11,849
<b>CASH AND CASH EQUIVALENTS</b>		<b>1,197,566</b>	<b>1,147,261</b>

(1) Reclassification of dividend eliminations over the comparison period.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>In thousands of euros</i>	Share capital	Premiums	Shares and equity instruments	Investments and financial placements	Cash flow hedges and cost of hedging	Employee benefits	Charged directly to equity	Reserves and consolidated results	Equity attributable to owners of the Group	Non-controlling interests	Total equity
<b>As at 31 December 2019</b>	<b>413,641</b>	<b>902,503</b>	<b>2,103</b>	<b>274,027</b>	<b>-21,921</b>	<b>-36,247</b>	<b>231,993</b>	<b>792,088</b>	<b>2,558,187</b>	<b>11,449</b>	<b>2,569,638</b>
Dividend distribution										-2,886	-2,886
Capital increase	111,549	280,274						-983	390,841	269,031	659,872
Business combinations										15,780	15,780
Treasury shares			-788						-788		-788
Equity instruments				26,278					26,278		26,278
Acquisition of non-controlling interests and other changes								142,070	142,070	-130,510	11,560
<b>Profit (loss) for 2020</b>								<b>39,402</b>	<b>39,402</b>	<b>2,702</b>	<b>42,104</b>
Impact of IAS 19 Actuarial gains and losses						-1,233			-1,233		-1,233
Impact of IFRS 16 on the restatement of lease income (net of tax)							4,513		4,513		4,513
Foreign exchange gains and losses											
Measurement of hedging derivatives and free share plans			1,043		-3,335				-2,292		-2,292
<b>Comprehensive income</b>			<b>1,043</b>		<b>-3,335</b>	<b>-1,233</b>		<b>39,402</b>	<b>35,878</b>	<b>2,702</b>	<b>38,580</b>
<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>236,506</b>	<b>972,577</b>	<b>3,156,980</b>	<b>165,565</b>	<b>3,322,546</b>
Dividend distribution								-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								20,648	20,648	103,288	123,936
<b>Profit (loss) for 2021</b>								<b>94,623</b>	<b>94,623</b>	<b>21,772</b>	<b>116,395</b>
Impact of IAS 19 Actuarial gains and losses						4,282			4,282		4,282
Impact of IFRS 16 on the restatement of lease income (net of tax)							-18		-18		-18
Foreign exchange gains and losses								-88	-88		-88
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>94,623</b>	<b>116,980</b>	<b>21,772</b>	<b>138,752</b>
<b>AS AT 31 DECEMBER 2021</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>236,392</b>	<b>1,056,248</b>	<b>3,500,348</b>	<b>271,130</b>	<b>3,771,479</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Detailed summary

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The consolidated financial statements for the 12-month financial year ended 31 December 2021 were reviewed by the Audit Committee on 21 February 2022 and were approved by the Board of Directors on 23 February 2022.

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. The purpose of the homes is to provide the elderly with compassionate support and care, whatever their level of dependency, until the end of their life;
- companies operating specialised clinics, which welcome convalescent or disabled patients, following a stay in an acute care facility. The purpose of the clinics is to reduce

physical and/or mental disabilities or to enable patients to regain their independence in order to facilitate their return home and to promote their reintegration into their socio-professional environment;

- companies operating assisted living facilities which offer independent elderly people a living environment adapted to their daily lives while promoting social interaction;
- companies operating home care networks, which offer an alternative to hospitalisation;
- companies whose purpose is to own the real estate of the facilities.

## NOTE 1 ACCOUNTING POLICIES

### Declaration of compliance

The consolidated financial statements are 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 closing date. These standards include the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as well as their interpretations available on the 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).

The consolidated financial statements follow the same accounting rules and methods as those adopted for the consolidated financial statements prepared at 31 December 2020, with the exception of standards, amendments and interpretations that are mandatory as at 1 January 2021 and which had not been applied early by the Group:

- amendment to IFRS 16 relating to "Leases: Covid-19-related rent concessions" (published on 31 March 2021);
- amendments to IFRS 9, IAS 39, IFRS 7 and IFRS 16 "Interest rate benchmark reform – Phase 2" (published on 27 August 2020);
- amendment to IFRS 4 "Insurance contracts – Deferral of IFRS 19" (published on 25 June 2020);
- agenda decision of the IFRS IC of May 2021, concerning the attribution of benefits relating to a specific defined-benefit plan to periods of service (IAS 19).

These amendments did not have any material impact on the 2021 financial statements.

Concerning the IFRS IC Agenda decision of April 2021, relating to the recognition of software configuration or customisation costs, analyses are underway. The finalisation of this work is scheduled for 30 June 2022.

### Significant accounting estimates and judgements

For the preparation of the consolidated financial statements, the Group uses estimates and makes judgments that are regularly updated and are based on historical information and other factors, in particular expectations of future events considered reasonable in view of the circumstances. For the items concerned by the use of assumptions and estimates, a sensitivity test of the carrying amounts to the main assumptions is provided in the notes to the financial statements concerned.

The main estimates and judgments made by the Group in preparing the financial statements relate to the following items.

The Group has also analysed the potential impacts of climate change on its business in the short and medium term and concluded that the expected impacts on the business model as well as on changes in revenue and margins are not significant.

No changes specifically related to climate risks were therefore included in the main estimates used by the Group for the closing of the financial statements at 31 December 2021.

### IFRS standards, amendments and interpretations applicable after 2021 and not adopted early by the Group

- IFRS 17 "Insurance contracts" (applicable from 1 January 2023).
- Amendments to IAS 1 "Presentation of financial statements – Classification of current and non-current liabilities" (applicable from 1 January 2023).
- Amendment to IAS 37 "Provisions" (applicable from 1 January 2023).
- Amendment to IAS 16 "Property, plant and equipment" (applicable from 1 January 2023).
- Annual improvements 2018-2020 (applicable from 1 January 2023).
- Amendment to IAS 8 "Accounting policies, changes in accounting estimates and errors" (applicable from 1 January 2023).
- Amendments to IAS 12 "Income taxes: Deferred tax related to assets and liabilities arising from a single transaction" (applicable from 1 January 2023).

An analysis of the impact of the application of these standards and amendments is underway.

### 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 recorded at fair value in accordance with IFRS 9 (Note 8.3). Current assets and liabilities are assets and liabilities intended to be consumed or sold as part of the normal operating cycle (less than one year).

The consolidated financial statements are presented in thousands of euros.

#### a) Business combinations: (Notes 2 and 5.1)

In the context of acquisitions (IFRS 3 "Business combinations"), the Group measures at fair value the assets acquired (in particular the operating licences) and liabilities assumed.

Debts, price adjustments and options related to commitments to buy out non-controlling interests are valued on the basis of information or positions existing at the date the financial statements were prepared (medium-term business plan), which may, where applicable, prove to be different from reality.

The changes in the fair value of liabilities in respect of options (put options on non-controlling interests) are recognised in equity.

#### b) Goodwill, intangible assets and property, plant and equipment (Note 5)

At the level of each CGU, the values in use of the intangible assets and property, plant and equipment are taken from internal Company valuations, based on the medium-term business plans, the main assumptions used in the context of this valuation (medium-term growth rate, discount rate,



margin rate and perpetuity growth rate) being estimated by the Group.

The carrying amounts of assets are reviewed at least once a year and when events or circumstances indicate that a reduction in value may have occurred. Such events or circumstances would be related to significant unfavourable changes of a lasting nature and affecting either the economic environment or the assumptions or objectives used at the date of the last closing.

#### c) Leases (Note 5.5)

With regard to IFRS 16, lease liabilities are determined by using a lease term on property leases that corresponds to the non-cancellable period plus, where applicable, renewal options, the use of which by the Group is reasonably certain.

As at 1 January 2021, rental vehicles have been restated under IFRS 16 (impact not significant in past periods). The Group has also chosen to no longer apply the exemption for low-value goods to the new lease signed in France and Germany for identifiable work clothes and to no longer

apply the short-term exemption for medical equipment in these two countries.

#### d) Employee benefits (Note 4)

The present value of employee benefit obligations is calculated based on various actuarial assumptions such as the discount rate, salary growth rate, staff turnover or retirement age. Any change made to these assumptions has an impact on the carrying amount of the liabilities associated with the employee benefits. Note 4 "Employee benefits and expenses" provides more detailed information on this subject.

#### e) French tax on corporate added value classification (Note 10.2)

The Group has analysed its accounting treatment of the French tax on corporate added value (*Cotisation sur la valeur ajoutée des entreprises – CVAE*) in respect of IFRS. According to its analysis, this tax meets the definition of an income tax as set out in IAS 12.2 ("Taxes due on the basis of taxable profits").

## Impairment of property, plant and equipment, intangible assets and goodwill

The carrying amounts of assets are reviewed periodically:

- for non-amortisable intangible assets (operating licences) and goodwill: at each closing date, or more frequently in the event of indications of impairment;
- for all other assets: as soon as signs of impairment are observed.

Indicators of impairment likely to trigger an impairment test are:

- external indices (market value, significant changes in the business environment, etc.);
- internal indices (decrease in the occupancy rate, change in regulations, asset obsolescence, lower than expected performance, etc.).

Depending on the type of asset, impairment testing is performed either on cash-generating units (CGU) or on a group of CGUs (goodwill).

CGUs are homogeneous groups of assets whose continued use generates cash inflows independently of other CGUs.

The recoverable amount of a CGU is the greater of the fair value less exit costs and the value in use. The fair value of a CGU is measured using observed recent market data.

The value in use applied by the Group is the value of the future economic benefits expected from the use and disposal of the CGU. It is determined on the basis of future cash flows, which are based on the economic assumptions and forecast operating conditions used by the Group's management according to the following principles:

- pre-tax cash flows are based on the Group's revised budget for the current year, as prepared by the Group Financial Control Department and approved by the Board of Directors;
- the discount rate is determined from the Group's weighted average cost of capital;
- the average discount rate used is 5.5% for France, 5.5% for Germany, 6% for Belgium, 5.0% for the Netherlands, 6.5% for Spain and 6.5% for Italy;
- the average growth rate used is 1.75%;
- the business plan applied corresponding to the four-year strategic plan.

#### FIRST-LEVEL IMPAIRMENT TESTING

Intangible assets and property, plant and equipment (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 nursing home or clinic level.

Since the end of 2018, in view of changes in the market and business lines, as well as regulatory changes, the Group has reviewed its organisation and the methods of managing and steering its activities to a level that takes into account in particular the interdependence of flows between establishments and the possibility of using, in conjunction with the regional health authorities (ARS), authorisations at the departmental or regional level. As a result, the Group has considered that the CGUs correspond, for each type of activity (nursing home, clinic or mental health), to a regional grouping: in France the CGU corresponds to a department, in Italy and Belgium the CGU corresponds to a region.

The methods of the first-level test aim to ensure that the recoverable amount of the CGU (the higher of the value in use and the 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 a group of CGUs on a country basis<sup>(1)</sup>. This second-level test aims to ensure that the recoverable amount per segment is at least equal to the Group's consolidated net assets (including goodwill) by segment.

If an impairment loss is identified, impairment is recorded, allocated in priority to the goodwill (this impairment being irreversible), and then, in the event of shortfall, on the value of authorisations and property, plant and equipment.

## NOTE 2 HIGHLIGHTS

### “Ségur de la santé” health sector consultations

In the context of the Covid-19 epidemic, a consultation was organised by the French Government to take strong measures and lay down clear guidelines to continue the modernisation of the health system in France and to improve the daily lives of healthcare workers as well as patient care, resulting in salary increases applicable from 1 September 2020. In this respect, financing was set up to support these salary increases, leading Korian to recognise €34.3 million in 2021 in other income for the Consultations and post-acute care and Mental health activities and €83.5 million in revenue for the Long-term care nursing home (LTCNH) activity due to its integration in the rates. These amounts correspond to the salary increases paid.

### Compensation for loss of business

The “Other income” item includes €123.2 million in compensation recognised in the financial statements at 31 December 2021 for the loss of business in France, Belgium, Italy, the Netherlands and Germany. During the period in question, when the revenue from their activity was lower than the normative level set by the decrees depending on the country, the facilities benefited from the payment of additional revenue enabling them to reach this level.

### Financing transactions

#### Placement of a £200 million non-convertible hybrid green bond

On 8 June 2021, Korian announced the successful placement of a £200 million perpetual non-convertible hybrid green bond with a 4.125% coupon and an optional first redemption date at par in March 2024. The transaction was issued in green bond format and the proceeds of the issuance are intended to modernise, acquire and develop real estate assets, mainly in

the United Kingdom, with currency alignment. The entire issue was recognised in equity under IFRS.

#### Issue of perpetual bonds redeemable in cash and/or new and/or existing shares (ODIRNANE) and buyback of existing ODIRNANE

On 1 September 2021, Korian announced the success of its perpetual bond issue redeemable in cash and/or new and/or existing shares (ODIRNANE) for a nominal amount of €332.5 million. On this date, the Group also announced the success of the concurrent buyback offer of the existing ODIRNANEs issued in June 2017 and September 2018 in which the holders of 96.8% of the bonds participated, representing a total buyback amount of approximately €321.8 million. Settlement-delivery of the new ODIRNANEs took place on 8 September 2021. The balance of existing ODIRNANEs not offered to the buyback were redeemed early at par on 25 October 2021.

#### Issuance of social bonds

On 11 October 2021, Korian announced the successful placement of an inaugural €300 million social bond issue with a maturity of seven years and a coupon of 2.25%. The proceeds of the issue will finance the Group's growth through eligible social projects under the Social Financing Framework published by Korian. Settlement-delivery of the issuance took place on 15 October 2021.

#### Issuance of *Schuldschein* loans

The Group also completed a €377 million issue of German *Schuldschein* contracts signed on 20 December 2021 and comprising various tranches with maturities of five to eight years, at variable and fixed rates. The coupons are spread over fixed-rate tranches of 1.30% at five years, 1.55% at six years and 1.70% at eight years, and the margins of the variable-rate tranches are at identical levels. The proceeds of this issuance will be used for the Group's general needs, including refinancing. Settlement-delivery took place on 22 December 2021 for €222 million and 24 January 2022 for €155 million.

(1) The United Kingdom goodwill was not tested in the 2021 financial year because the acquisition took place in the same year.

### Real-estate partnership

In December 2021, Korian signed a long-term real estate investment agreement with several BAE Systems Pension Funds. Korian will be the asset manager and real estate manager of the vehicle created in this respect, which it will continue to consolidate in its financial statements. BAE Systems Pension Funds invested approximately €100 million in a portfolio of 23 real estate assets. The net asset value is approximately €200 million, corresponding to a gross value of approximately €320 million. This partnership is subject to terms and conditions similar to those agreed with BNP Cardiff and EDF Invest in December 2020, i.e. a period of 15 years, extendable, and a minimum holding period of 7 years for BAE Systems Pension Funds. The expected annual compensation is approximately 4.5%, with a minimum level of yield at exit, and a maximum level allowing Korian to retain the benefit of any future increase in the value of the portfolio, beyond this ceiling.

### ESG impact share buyback programme

On 9 December 2021, Korian announced the launch of a share buyback programme with an ESG impact for a maximum amount of €50 million, within the framework of the authorisation granted by the 2021 General Meeting.

The buyback period began on 10 December 2021 and will end on 27 November 2022 at the latest.

This programme is part of Korian's capital allocation policy aimed at financing profitable growth and creating sustainable value for all stakeholders.

### Changes in the scope of consolidation

As at 31 December 2021, the scope of consolidation included, in addition to the parent company Korian SA, 697 fully consolidated companies, 9 consolidated using the equity method and 2 consolidated using the proportional consolidation method (671 entities consolidated at 31 December 2020).

The financial year ended 31 December 2021 was marked by the following events:

#### Changes in scope – United Kingdom

- Acquisition in March 2021 of Berkley Care Group in the United Kingdom, a group of six specialised nursing homes offering high-end care with a high level of customer satisfaction.

#### Changes in scope – Germany

- Acquisition in April 2021 of IPDL, a German company specialising in intensive out-patient care located in southern Germany.

#### Changes in scope – Spain

- Acquisition in March of Ita Salud Mental, the third-largest mental health platform in Spain, comprising 27 clinics and care facilities (900 full hospital beds) and 12 consultation and outpatient care centres.

#### Changes in scope – Italy

- Acquisition in January of Centro Fisioterapico Tarantini, an out-patient clinic located in Trani (Apulia), specialising in physiotherapy and electromyography.
- Acquisition in July of the Turin group Santa Croce, eight health facilities (Piedmont), specialising in local out-patient care, rehabilitation and long-term geriatric care.
- Acquisition in September of the Gruppo Sage family group specialising in mental health, operating in Lazio with nine facilities located near Rome and an out-patient care centre in Florence.

#### Change in scope – France

- Acquisition in July of the Psychotherapy centre in Osny (Val-d'Oise).
- Disposal in December of 12 nursing homes (9 to Colisée and 3 to Vivalto).

## Key information on material changes in scope

### Impact on cash of acquisitions and disposals of subsidiaries and joint ventures

<i>In thousands of euros</i>	31.12.2021	31.12.2020
<b>Purchase price of subsidiaries [A]</b>	<b>464,531</b>	<b>667,164</b>
Cash out/cash in [B]	411,351	695,095
<b>Debt incurred/repaid [C] = [A] - [B]</b>	<b>53,180</b>	<b>-27,931</b>
Disposal price [D]	99,411	37,719
Cash acquired [E]	17,251	46,755
Cash disposed of [F]	-13,238	6
<b>IMPACT OF CHANGE IN SCOPE [G] = [E] - [F] - [B] + [D]</b>	<b>-307,928</b>	<b>-610,627</b>

Individually, the subsidiaries acquired during the year were not materially significant. As such, their opening IFRS balance sheets at the date of acquisition have been aggregated for presentation purposes.

The impact on the consolidated statement of financial position of the subsidiaries acquired and of the provisional allocation of their purchase prices over the year breaks down as follows:

<i>In thousands of euros</i>	<b>Assets acquired</b>	<b>Liabilities assumed</b>
Goodwill	310,845	
Intangible assets	44,929	
Property, plant and equipment	212,078	
Rights of use	7,565	
Equity-accounted securities	16,237	
Financial assets	6,573	
Deferred tax assets	982	
<b>Non-current assets</b>	<b>599,209</b>	
Inventory	345	
Trade receivables and related accounts	28,965	
Other receivables and current assets	19,243	
<b>Current assets</b>	<b>48,553</b>	
<b>Non-controlling interests</b>		<b>8,155</b>
Provisions for pensions		892
Deferred tax liabilities		22,767
Other provisions		606
Loans and other borrowings		60,242
Lease liabilities – more than one year		40,297
Other non-current debt		2,778
<b>Non-current liabilities</b>		<b>127,582</b>
Provisions for liabilities due in less than one year		4,461
Trade payables and related accounts		16,291
Other payables and accruals		43,808
Borrowings due within one year		12,874
Lease liabilities – less than one year		2,987
Financial instruments – liabilities		497
<b>Current liabilities</b>		<b>80,919</b>
<b>ASSETS ACQUIRED</b>	<b>647,762</b>	
<b>LIABILITIES ASSUMED</b>		<b>216,655</b>
Net contribution	431,106	

### Available-for-sale assets

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 of the statement of financial position.

An asset is classified as “held for sale” only if the sale is highly probable within 12 months, if the asset is available for immediate sale and if a sale plan has been initiated by management with a sufficient degree of progress.

To assess the highly probable nature of the sale, the Group takes into consideration the interest expressed by and offers received from potential buyers, as well as the execution risks specific to certain transactions.

In addition, when assets or groups of assets held for sale represent a separate main line of business within the meaning of IFRS 5, they are presented as discontinued operations.

As at 31 December 2021, total “Assets classified as held for sale” and total “Liabilities directly related to assets classified as held for sale” amounted to €77 million and €44 million, respectively, and related to eight nursing homes in France.

## NOTE 3 SEGMENT INFORMATION – EBITDAR – WCR

### 3.1 Operating segments

IFRS 8 requires the disclosure of segment information based on Group components controlled and measured by Group management. These components (operating segments) are identified on the basis of internal reports that the Group's operational management regularly reviews for decisions to allocate resources to the segments and when assessing their performance.

The Group is structured into four operating segments: France, Germany, Benelux and Italy.

The indicators presented are those monitored by the Group's operational management, in particular revenue and earnings before interest, taxes, depreciation, amortisation and rent (EBITDAR).

The EBITDAR calculated on the basis of the Company's current income and expenses provides an indicator of the Group's operating performance. This indicator is used by the profession to measure the Company's operating performance when real-estate policies are excluded.

The Group's income from ordinary activities is homogeneous in terms of service type, customer type and contract type. There are no long-term contracts or multi-element contracts that would justify spreading revenue over time.

#### ► OPERATING SEGMENTS AS AT 31 DECEMBER 2021

<i>In thousands of euros</i>	Total	France <sup>(1)</sup>	Germany	Benelux <sup>(2)</sup>	Italy
Revenue and other income	4,310,848	2,184,288	1,067,456	586,989	472,114
EBITDAR	1,073,646	538,933	298,661	139,179	96,874
	24.9%	24.7%	28.0%	23.7%	20.5%

#### Transition from EBITDAR to operating income as at 31 December 2021:

<b>EBITDAR</b>	<b>1,073,646</b>
Lease expenses	-63,799
<b>EBITDA</b>	<b>1,009,847</b>
Allowances for depreciation, amortisation, impairment and provisions	-626,301
Other operating income and expenses	-41,673
<b>Operating income</b>	<b>341,873</b>

(1) Including €64.9 million in revenue in Spain and €20.5 million in revenue in the United Kingdom.

(2) Including €81.0 million in revenue in the Netherlands.

#### ► OPERATING SEGMENTS AS AT 31 DECEMBER 2020

<i>In thousands of euros</i>	Total	France <sup>(1)</sup>	Germany	Benelux <sup>(2)</sup>	Italy
Revenue and other income	3,874,009	1,877,971	1,021,236	572,340	402,463
EBITDAR <sup>(3)</sup>	937,559	454,396	271,112	126,306	85,745
	24.2%	24.2%	26.5%	22.1%	21.3%

#### Transition from EBITDAR to operating income at 31 December 2020:

<b>EBITDAR<sup>(3)</sup></b>	<b>937,559</b>
Lease expenses	-76,438
<b>EBITDA</b>	<b>861,121</b>
Allowances for depreciation, amortisation, impairment and provisions	-556,681
Other operating income and expenses	-38,536
<b>Operating income</b>	<b>265,904</b>

(1) Including €33.4 million in revenue in Spain.

(2) Including €57.6 million in revenue in the Netherlands.

(3) Including €26.9 million corresponding to Covid costs not allocated at the previous closing and which were allocated during 2021.

As at 31 December 2021, the majority of the Group's non-current assets pertained to business activity in France.



## 3.2 Revenue and other income

Korian is positioned in the elderly care and support sector in Europe around four business lines: specialised clinics, home care and home care services, assisted living facilities and shared housing for elderly people, and nursing homes. Korian's revenue mainly includes services relating to accommodation, care and

dependency care. These services are recognised as revenue upon completion, whatever the source of payment.

Revenue and other income amounted to €4,311 million for the period ended 31 December 2021, an increase of €437 million compared to the previous period.

## 3.3 Other operating income and expenses

The other operating income and expense items represent the impact of major events during the accounting period which are likely to distort the reading of performance, in particular earnings before interest, taxes, depreciation, amortisation and rent (EBITDAR), the reference indicator favoured by the Group and used in financial communication.

These income and expense items are infrequent and limited in number, and are presented separately in the income statement to facilitate understanding of operating performance.

They mainly relate to:

- capital gains or losses on disposals of equity interests, significant and unusual impairments of non-current tangible or intangible assets;
- transaction-related expenses over the period;
- certain restructuring and merger expenses: only restructuring costs that may distort current operating income due to their unusual nature and size (the impact of real estate asset refinancing and disposals made as part of M&A transactions); and
- other operating income and expenses such as substantial provisions to cover disputes.

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Gain (loss) on acquisition and disposal of consolidated equity interests	-28,426	-14,210
Share of sale and leaseback gain	3,681	4,105
Gain (loss) on disposal of non-current assets	22,607	-5,975
Other	-39,535	-22,455
<b>TOTAL OTHER OPERATING INCOME AND EXPENSES</b>	<b>-41,673</b>	<b>-38,536</b>

Other operating income and expenses mainly include restructuring costs for €31.6 million, external transaction and development costs for €29.9 million and the capital gain associated with the sale of 12 facilities in France.

## 3.4 Working capital requirement

### Current assets

#### A) INVENTORIES

Inventories are valued at the lesser of cost or net realisable value. The cost of inventories of raw materials, merchandise, personal protective equipment and other supplies comprises the purchase price excluding tax and after deduction of

discounts, rebates and reductions obtained, plus incidental costs of purchase (transport, unloading costs, customs fees, commissions on purchases, etc.). These inventories are measured using the First In/First Out (FIFO) method.

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Gross amount	29,437	36,260
Impairment	-1,201	-73
<b>NET AMOUNT</b>	<b>28,236</b>	<b>36,186</b>

As at 31 December 2021, inventories decreased by a net amount of €8 million. This decrease was mainly due to the inventories of the Age & Vie real estate projects, which were reclassified as non-current assets in progress as they are 99% intended for the Korian Group.

## B) RECEIVABLES

Trade and other receivables are recognised at their nominal value, namely the fair value on the date of initial recognition.

In accordance with IFRS 9, an impairment loss is recognized at the origin of the receivable. The level of provisioning depends both on the level of loss actually recorded in previous years and on the risk assessment carried out on

the receivables in each of the countries where the Group operates.

The working capital requirement (WCR) as considered by the Korian Group takes into consideration the gross value of trade receivables.

As at 31 December 2021, the impairment of trade receivables comprised the following:

In thousands of euros	Receivables not due at closing date	From 0 to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 4 years	More than 4 years	Total due at closing date
Trade receivables	211,646	95,555	26,617	28,559	22,515	17,370	402,262
Impairment	-4,446	-2,183	-1,878	-9,918	-9,037	-10,127	-37,589
<b>NET AMOUNT</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>

As at 31 December 2020, the impairment of trade receivables comprised the following:

In thousands of euros	Receivables not due at closing date	From 0 to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 4 years	More than 4 years	Total due at closing date
Trade receivables	170,070	96,634	22,227	27,194	16,050	13,241	345,417
Impairment	-2,558	-3,933	-1,469	-7,823	-7,021	-7,312	-30,116
<b>NET AMOUNT</b>	<b>167,512</b>	<b>92,701</b>	<b>20,758</b>	<b>19,371</b>	<b>9,029</b>	<b>5,929</b>	<b>315,301</b>

The change in receivables net of impairment was mainly attributable to changes in consolidation scope.

## Transfer and use of financial assets

In Italy, factoring agreements 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 (*factoring pro soluto*).

The analysis of risks and rewards as defined by IFRS 9 led the Group to derecognise almost all of the receivables sold under these factoring programmes.

The sale of receivables by the Italian subsidiaries is made at their nominal value, less an initial commission of 0.3% to 0.6% recognised in other expenses, to which is added financial interest based on EURIBOR increased and recorded as financial expenses.

As at 31 December 2021, the receivables sold, derecognised and not yet received by the factoring company represented €40,497,000, i.e. 19% of the current flows sold and derecognised during the financial year.

As at 31 December 2020, this amount was estimated at €27,677,000, which implies an impact on the change in the working capital requirement (WCR) of €12,819,000.

This change is mainly due to new acquisitions during the year.

## Breakdown of receivable assigned in the year (PRO SOLUTO)

	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Receivables assigned	41,518	60,374	51,599	64,583
Receivables collected	39,360	60,242	49,189	65,897
Fees for management and recovery of assigned receivables	-149	-284	-221	-269
Related financial expenses	-175	-248	-177	-272
<b>Gain (loss) on assignment</b>	<b>-324</b>	<b>-532</b>	<b>-399</b>	<b>-541</b>
<b>NET CASH RECEIVED</b>	<b>39,036</b>	<b>59,711</b>	<b>48,790</b>	<b>65,356</b>

### C) OTHER RECEIVABLES AND CURRENT ASSETS

Other receivables and current assets consist of the following:

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Tax receivables excluding current tax <sup>(1)</sup>	94,926	78,733
Social security receivables	5,555	6,494
Advances and down payments	27,678	21,447
Prepaid expenses	66,096	36,538
Other debtors <sup>(2)</sup>	245,691	190,571
<b>Other receivables and current assets in WCR</b>	<b>439,946</b>	<b>333,781</b>
Receivables on disposal and acquisition of non-current assets	15,662	3,197
Impairment of other receivables <sup>(2)</sup>	-5,294	-4,687
Assets held for sale		
<b>VALUE OF OTHER RECEIVABLES</b>	<b>450,314</b>	<b>332,291</b>

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Deposits and guarantees	1,271	3,620
Other financial assets	1,700	81
<b>VALUE OF OTHER CURRENT FINANCIAL ASSETS</b>	<b>2,971</b>	<b>3,700</b>
<b>TOTAL OTHER RECEIVABLES AND CURRENT ASSETS</b>	<b>453,285</b>	<b>335,991</b>

Over the reference period.

(1) Corporate tax receivables were reclassified for €33.9 million to current tax receivables.

(2) Impairment of other receivables was reclassified for -€4.7 million from other debtors to impairment of other receivables.

Receivables on non-current assets were reclassified for €3.2 million from other debtors to receivables on disposal and acquisition of non-current assets.

As at 31 December 2021, the new consolidation scope led to an increase in the "Customers and related accounts" item of €33.4 million and in the "Other payables and accruals" item of €5.9 million.

### D) TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

Trade and other payables are recorded at historical cost (representing the amortised cost).

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Trade payables	499,717	453,620
<b>TOTAL TRADE PAYABLES AND RELATED ACCOUNTS</b>	<b>499,717</b>	<b>453,620</b>

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Residents' deposits	59,088	61,629
Advances and down payments on orders	36,859	31,429
Tax liabilities not related to corporation tax <sup>(1)</sup>	70,934	59,646
Social security liabilities	335,526	315,278
Other payables <sup>(2)</sup>	119,259	177,298
Deferred income	27,685	30,310
<b>TOTAL PAYABLES AND ACCRUALS IN WCR</b>	<b>649,351</b>	<b>675,591</b>
Suppliers of non-current assets <sup>(2)</sup>	109,449	92,662
Dividends payable	1,728	1,866
<b>TOTAL OTHER PAYABLES AND ACCRUALS</b>	<b>760,528</b>	<b>770,119</b>

(1) Tax liabilities were reclassified for €29.3 million to current tax liabilities over the reference period.

(2) Liabilities on non-current assets were reclassified for €56.8 million from other liabilities to suppliers of non-current assets over the reference period.

As at 31 December 2021, the new consolidation scope led to an increase of €15.0 million in "Trade payables and related accounts" and an increase of €16.6 million in "Other payables and accruals".



## Change in working capital requirement

The working capital requirement (WCR) consists of the following items:

<i>In thousands of euros</i>	31.12.2020	Change in consolidation scope	Change in WCR	Other changes	31.12.2021
Inventory [A]	36,260	218	2,258	-9,299	29,437
Trade receivables and related accounts [B]	345,417	33,372	24,757	-1,284	402,262
Other receivables and current assets [C]	333,781	5,865	87,325	12,974	439,946
Trade payables and related accounts [D]	453,620	14,968	54,232	-23,103	499,717
Other payables and accruals [E] <sup>(1)</sup>	675,591	16,616	-33,818	-9,038	649,351
<b>WORKING CAPITAL REQUIREMENT [F]=[D]+[E]-[A]-[B]-[C]</b>	<b>413,754</b>	<b>-7,872</b>	<b>-93,926</b>	<b>-34,533</b>	<b>277,422</b>

(1) Tax liabilities were written off for €29.3 million.

The Group excludes tax receivables and payables as well as investment-related receivables and payables from its calculation of WCR.

WCR is based on the gross values of inventories and receivables.

## NOTE 4 EMPLOYEE BENEFITS AND EXPENSES

### 4.1 Employee benefits expense

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Wages and salaries <sup>(1)</sup>	1,813,375	1,680,765
Social security contributions	575,082	499,303
Employee profit sharing	7,869	8,515
Free shares granted	4,437	1,331
Other employee benefits expense	132,003	53,958
<b>TOTAL</b>	<b>2,532,766</b>	<b>2,243,872</b>

(1) Reclassification as employee benefits expense over the reference period of taxes and duties for €67,849,000 corresponding to taxes based on salaries and external expenses for €80,041,000.

Payroll taxes and training taxes have been reclassified as employee benefits expenses with a *pro forma* 2020.

### 4.2 Employee benefits

Employee benefits are recognised in accordance with IAS 19 and consist of post-employment benefits (lump sum retirement benefits) and long-term benefits such as anniversary bonuses and long-service awards.

For defined-contribution plans, the Group's obligation under these plans is limited to the contributions paid. These are expensed in the period to which they relate. Where applicable, a provision is recorded for outstanding contributions in respect of the period.

For defined-benefit plans (post-employment benefits and other long-term benefits), the Group recognises a provision in the statement of financial position representing the Group's commitment at the date of preparation of the

financial statements. This is the case for lump sum retirement benefits in France, and TFR (*Trattamento di Fine Rapporto*) in Italy.

With the exception of the discount rate, the actuarial assumptions used (employee turnover, mortality, salary growth, retirement age) vary according to the demographic and economic conditions of the countries in which the plans are in place.

As all the countries where the Group operates are located within the euro zone, a single discount rate is set for the entire Group at each closing date. It is set with reference to the rates of AA-rated corporate bonds with a maturity of more than 10 years (source: iBoxx index).

## IN FRANCE

### a) Lump sum retirement benefits

The lump sum retirement benefit plan is a defined-benefit plan (post-employment benefits) which falls under the national collective bargaining agreement for private hospitals, real estate or personal services. When an employee retires, the Company pays him or her a severance payment, the amount of which depends on the employee's salary and seniority on that date.

### b) Long-service awards and bonuses

Depending on the case, the Company agreements signed by the Group's French companies may provide for the allocation of bonuses on the granting of long-service awards or the allocation of long-service bonuses. 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 reach a certain level of seniority. Korian has five work anniversary bonus schemes. The facilities benefiting from an anniversary bonus plan do not benefit from the long-service awards scheme described below.

On the occasion of the award by the French State of a long-service medal, some Korian Group facilities pay a bonus to employees who so request. The scale is variable according to the same methods as the seniority bonuses.

### c) Supplementary pension plans

No scheme supplementary to the statutory minimum pension has been taken out by the Group for its employees.

## 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 scheme reserved for certain members of the management team has been taken out with an insurance group.

## IN ITALY

The TFR scheme (*Trattamento di Fine Rapporto*) is an employee benefit plan (defined-benefit plan) governed by Article 2120 of the Italian Civil Code. The principle of the scheme is as follows: each period of work performed by the employee gives the right to an indemnity which is not paid directly to the employee but which may be paid to the latter in certain situations (departure from the Company, death, certain real estate investments). Depending on the case, the plan may be either outsourced to a third party (defined-contribution plan) or paid directly by the employer (defined-benefit post-employment benefit plan).

<i>In thousands of euros</i>	Lump sum retirement benefit	Work anniversary bonus	Long-service awards	Total France	TFR Italy	Total Germany	Total Benelux	Total
<b>1   CHANGE IN THE PROVISION OVER 2021</b>								
<b>Provision as at 31 December 2020</b>	<b>69,377</b>	<b>1,896</b>	<b>569</b>	<b>71,842</b>	<b>20,010</b>	<b>6,901</b>	<b>771</b>	<b>99,524</b>
Interest expense	329	11	2	343	104	54	1	502
Cost of services	7,963	231	59	8,252	1,070	801	1,027	11,150
Curtailment gain	-3,023	-	-	-3,023	-	-	-	-3,023
Benefits paid incl. social security charges	-5,204	-90	-79	-5,373	-1,845	-1,710	-1,094	-10,022
<b>Change in consolidation scope excl. benefits paid</b>	<b>65</b>	<b>151</b>	<b>-18</b>	<b>199</b>	<b>-671</b>	<b>-855</b>	<b>-66</b>	<b>-1,393</b>
Actuarial gains/ (losses) on long-term benefit schemes	-	-343	-8	-351	-	2,575	-	2,224
<b>Expense – 2021</b>	<b>65</b>	<b>-192</b>	<b>-26</b>	<b>-152</b>	<b>-671</b>	<b>1,720</b>	<b>-66</b>	<b>831</b>
Actuarial gains/ (losses) OCI	-5,773	-	-	-5,773	-196	-57	-211	-6,237
Changes in scope	-693	-	-	-694	5,519	-	-	4,825
<b>Provision as at 31 December 2021</b>	<b>62,975</b>	<b>1,704</b>	<b>543</b>	<b>65,223</b>	<b>24,662</b>	<b>8,564</b>	<b>494</b>	<b>98,942</b>
<b>2   DISCOUNT RATE SENSITIVITY</b>								
Effect of an increase in the discount rate of +0.5%	59,827	1,619	516	61,962	23,429	8,135	469	93,995
Effect of a decrease in the discount rate of -0.5%	66,124	1,789	571	68,484	25,895	8,992	518	103,889

	France – Lump-sum retirement benefits	France – Long-service awards & bonuses	Italy – TFR	Germany – Long-service awards & pensions	Belgium
<b>PRINCIPAL ASSUMPTIONS</b>					
Discount rate	0.89%	0.89%	0.89%	0.60%	0.90%
Salary growth rate	2.00%	N/A	2.00%	0.00%	2.00%
Mortality table	TGHF05	TGHF05	ISTAT 2013	HEUBECK- RICHTTAFELN 2018G	MR-5/FR-5
Retirement age of management staff					
■ Born in 1950 or before	63.0	63.0	66.7	65.0	65.0
■ Born in 1951 or 1952	64.0	64.0	66.7	65.0	65.0
■ Born in 1953 or after	64.0	64.0	66.7	65.0	65.0
Retirement age of non-management staff					
■ Born in 1950 or before	60.0	60.0	66.7	65.0	65.0
■ Born in 1951 or 1952	61.0	61.0	66.7	65.0	65.0
■ Born in 1953 or after	62.0	62.0	66.7	65.0	65.0
Type of retirement	voluntary	voluntary	voluntary	voluntary	voluntary

### 4.3 Share-based payments

Pursuant to IFRS 2, share-settled transactions such as free share grants and performance unit plans granted to employees and corporate officers constitute benefits recognised as expenses in the income statement over the acquisition period of the rights.

Two types of plans have been put in place by the Korian Group:

- performance units, which are blended within the meaning of IFRS 2 (plan that expired in the 2019 financial year);
- free shares, which are considered Equity Settled within the meaning of IFRS 2:
  - so-called Equity Settled plans, which will be settled by the delivery of Korian shares and for which the expenses recognised are offset by an increase in equity. For these

plans, the unitary fair value of the instruments granted is measured on the basis of the Korian share price on the grant date less the dividends expected over the vesting period. The number of equity instruments granted may be reviewed during the vesting period in the event of non-compliance with so-called "non-market" performance conditions or according to the turnover rate of the beneficiaries,

- so-called Cash Settled plans, which will be settled in the form of cash and for which the recognised expenses are offset by the recognition of a liability of the same amount. These plans are revalued at their fair value at each closing date.

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**  
Consolidated financial statements for the year ended 31 December 2021

<i>In millions of euros</i>	2018 free share plan	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	Total
<b>A. PLAN CHARACTERISTICS</b>								
Grant conditions	Free	Free	Free	Free	Free	Free	Free	
Continued employment conditions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Performance conditions	Yes	Yes	No	Yes	No	Yes	Yes	
Vesting date	30 June 2021	6 June 2021	31 July 2023	31 July 2023	15 March 2024	15 March 2024	15 March 2024	
Number of outstanding units	19,276	138,558	12,624	283,177	59,394	324,796	132,000	969,825
Accounting expense for 2018 excluding social security charges	0.20	N/A	N/A	N/A	N/A	N/A	N/A	0.20
Accounting expense for 2019 excluding social security charges	0.44	-	N/A	N/A	N/A	N/A	N/A	0.60
Accounting expense for 2020 excluding social security charges	0.08	0.12	0.04	0.64	N/A	N/A	N/A	0.87
Accounting expense for 2021 excluding social security charges	0.21	0.66	0.11	1.27	0.36	1.22	0.22	2.31
<b>B. CHANGE IN NUMBER OF OUTSTANDING UNITS</b>								
Number of units initially allocated	136,427	162,914	13,150	320,025	61,478	348,247	132,000	1,174,241
Number of units cancelled in 2018	3,259	-	-	-	-	-	-	3,259
Number of units cancelled in 2019	19,704	8,119	-	-	-	-	-	27,823
Number of units cancelled in 2020	3,973	8,660	-	3,685	-	-	-	16,318
Number of units cancelled in 2021	90,215	7,577	526	33,163	2,084	23,451	-	157,016
<b>NUMBER OF UNITS VESTED</b>	<b>19,276</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,276</b>
<b>NUMBER OF OUTSTANDING UNITS</b>	<b>-</b>	<b>138,558</b>	<b>12,624</b>	<b>283,177</b>	<b>59,394</b>	<b>324,796</b>	<b>132,000</b>	<b>950,549</b>
<b>C. IFRS 2 MEASUREMENT</b>								
Share price on the grant date	26.71 <sup>(1)</sup>	31.13 <sup>(1)</sup>	32.21 <sup>(1)</sup>	32.21 <sup>(1)</sup>	30.5	30.5	30.5	
Expected volatility	30.34%	27.50%	N/A	32.40%	N/A	33.50%	N/A	
Annual dividend	0.6	0.6	0.6 <sup>(2)</sup>	0.6 <sup>(2)</sup>	0.6 <sup>(3)</sup>	0.6 <sup>(3)</sup>	0.6 <sup>(3)</sup>	
Risk-free interest rate	-0.60%	-0.80%	N/A	-0.80%	N/A	-0.71%	N/A	
<b>IFRS 2 FAIR VALUE OF THE PLAN EXCL. SOCIAL SECURITY CHARGES</b>	<b>0.92</b>	<b>1.11</b>	<b>0.32</b>	<b>4.02</b>	<b>1.29</b>	<b>4.40</b>	<b>1.07</b>	<b>13.14</b>
Equity-settled component	0.92	1.11	0.32	4.02	1.29	4.40	1.07	13.14
Cash-settled component	-	-	-	-	-	-	-	-

(1) Adjusted for the capital increase with preferential subscription rights carried out at the end of 2020 by Korian.

(2) FY21 and FY22 dividends.

(3) FY22 and FY23 dividends - €0.3 per share on FY21.

The fair value of the options and rights was determined by an external expert using valuation models that take into account the characteristics of the plan, the market data observed at the grant date and certain assumptions determined by the Group's management.

### Free share plan implemented since 2018

For all free share plans granted to certain employees who are members of the General Management and corporate officers, the vesting of free shares is subject to a condition of continued employment with the Group throughout the vesting period and the achievement of performance conditions:

- 2018 plan: 2020 revenue, 2020 EBITDA per share and Korian share price compared to the performance of the SBF 120 over the vesting period;
- 2019 plan: 2021 revenue, 2021 EBITDA per share and Korian share price compared to the performance of the SBF 120 over the vesting period;
- 2020 plan: 2022 revenue, Korian share price compared to the performance of the SBF 120 over the vesting period, 2022 operating free cash flow, and CSR criteria, or without performance conditions, awarded to a few employees identified as being high-potential.

### FREE SHARE PLANS 2021

Three plans were granted in 2021:

1. a free share plan without performance conditions for employees considered to be high-potential and key

resources for the Group as well as for the benefit of certain specific medical functions;

2. a free share plan for the benefit of certain employees, members of the General Management and corporate officers, linked to the achievement of performance conditions:
  - 2023 revenue,
  - the Korian share price TSR compared to the performance of the SBF 120 TSR over two reference periods,
  - 2023 earnings per share,
  - CSR criteria.

Once vested, the shares may be freely disposed of, except by corporate officers of Korian SA who must hold 25% of these shares;
3. a free share plan, known as a "growth" plan, for the benefit of managers working for new activities, subject to the achievement of performance conditions specific to these new activities:
  - 2024 revenue,
  - 2024 EBITDA.

## NOTE 5 GOODWILL, INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

### 5.1 Goodwill

At the acquisition date, in accordance with IFRS 3, business combinations are recognised as follows:

- the identifiable assets acquired and liabilities assumed are measured at fair value at the acquisition date;
- the non-controlling interest in the acquiree is measured either at fair value (i.e. goodwill allocated to the latter: full goodwill method), or by using the share of fair value of the identifiable net assets of the acquired entity (i.e. without goodwill allocated to non-controlling interests: partial goodwill method). This option is available on a case-by-case basis for each business combination;
- the costs related to the acquisition are recognised as expenses for the period and are presented on the line "Gain/(loss) on disposal and acquisition of consolidated equity interests" in the consolidated income statement;
- the earnout payments on business combinations are recognised at fair value at the acquisition date. After the acquisition date, earnouts are recognised at fair value at each closing date. Beyond a period of one year following the acquisition date, any change in this fair

value is recognised in income. Within this one-year period, any changes in this fair value explicitly linked to events subsequent to the acquisition date are also recognised in income. Other changes are charged to goodwill.

At the acquisition date, goodwill is the difference between:

- the fair value of the consideration transferred, plus the amount of non-controlling interests in the acquiree and, in a business combination completed in stages, the fair value at the acquisition date of the previous interest held by the acquirer in the acquiree, thus revalued through the income statement; and
- the net balance 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", they are tested for impairment at least once a year and more frequently if there is an indication of impairment. The testing procedures are described in Note 5.5 "Impairment of property, plant and equipment, intangible assets and goodwill".



In thousands of euros	31.12.2021	31.12.2020
<b>Gross goodwill at start of period</b>	<b>2,905,604</b>	<b>2,504,154</b>
Changes in scope	346,100	382,774
Definitive allocation of goodwill	-38,940	17,848
Valuation of the non-controlling interest repurchase agreement	-	-
Disposals	-	-
Earnout	-	827
Reclassifications	1,074	-
Assets held for sale	-	-
<b>Gross goodwill at end of period</b>	<b>3,213,838</b>	<b>2,905,603</b>
Impairment at start of period	-	-
Impairment during period	-	-
Impairment at end of period	-	-
<b>Net goodwill at start of period</b>	<b>2,905,604</b>	<b>2,504,154</b>
<b>NET GOODWILL AT END OF PERIOD</b>	<b>3,213,838</b>	<b>2,905,604</b>

## Changes in goodwill

Changes in goodwill over the financial year ending 31 December 2021 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>2,905,604</b>	<b>1,597,879</b>	<b>706,876</b>	<b>263,589</b>	<b>337,260</b>
Changes in scope	347,175	230,577	14,779	2,513	99,306
Definitive allocation of goodwill	-38,940	-33,115	17	-	-5,842
<b>NET GOODWILL AT END 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>

(1) Including €166.9 million of goodwill from Spain and €46.9 million of goodwill on the United Kingdom.

(2) Including €75.4 million of goodwill on the Netherlands.

The allocation of goodwill mainly corresponds to the recognition of the following assets: authorisations, real estate complexes and leases. The change in goodwill at 31 December 2021 was mainly due to the following items:

- in France: the impact of the final allocation of the purchase price of the Les Essentielles group (acquisition in April 2020);
- in Italy: the impact of the final allocation of the purchase price of "Santa Chiara" (acquisition in April 2020) and the provisional allocation of the purchase price of Centro Fisioterapico Tarantini and the Ideass group;
- in Germany: the impact of the provisional allocation of the purchase price of IPDL;

- in Spain (goodwill recognised in France): the impact of the provisional allocation of the purchase price of Ita Salud Mental;
- in the United Kingdom (goodwill recognised in France): the impact of the provisional allocation of the purchase price of Berkley Care Group.

The recoverable amount of the Group's main assets, notably in France and Germany, is significantly higher than the net carrying amount. The risk of impairment is therefore considered limited by the Group.

In 2021, the Group tested the goodwill of the sets presented below separately. The main assumptions and results of the goodwill impairment test are as follows:

Country	Weighted average cost of capital	Long-term growth rate	Profit/(loss)
France	5.5%	1.75%	No impairment
Germany	5.5%	1.75%	No impairment
Belgium	6.0%	1.75%	No impairment
Netherlands	5.0%	1.75%	No impairment
Italy	6.5%	1.75%	No impairment
Spain	6.5%	1.75%	No impairment

At 31 December 2021, an unfavourable change of +0.5% in the country discount rates would have led to an insignificant impairment of goodwill in Spain of around €1.7 million.

In addition, the impact of an unfavourable change in the long-term growth rate of -0.5% would have led to an insignificant impairment of the goodwill in Spain of €0.4 million.

## 5.2 Intangible assets

At the date of taking control of a subsidiary, in accordance with IFRS 3, the identifiable assets acquired and liabilities assumed are measured at fair value.

### MEASUREMENT OF INTANGIBLE ASSETS

In this context, intangible assets representing the operating licenses acquired are measured at fair value on the acquisition date determined according to a multi-criteria approach that takes into account the characteristics of the entity, such as revenue multiples and cash flow arising from the acquisition business plan.

In France, although "licenses" are granted for a period of 15 years and tripartite agreements are signed for a period of 5 years, licenses are considered indefinite and no amortisation is recognised in the consolidated financial statements. This accounting treatment is due to the fact that the operating licence can only be effectively withdrawn in the event that the Group fails to comply with the conditions imposed by the supervisory authorities as regards the operation of this type of facility and, in particular, with the minimum care standards required, as verified by a compliance visit.

In Germany, no administrative operating licenses are required for the facilities, which are mainly subject to technical standards. Operating rights in this meaning do not meet the definition of identifiable intangible assets and are therefore not recognised and are part of the goodwill.

In Belgium, there are regulatory barriers to entry into the specialised nursing homes market. Operating licences are mandatory and regulated at the regional level, and residence prices are controlled. Consequently, the licences are recognised as intangible assets.

In Italy, national regulations impose minimum structural requirements and each region transposes these regulations into local rules. Italian facilities are subject to controls by the supervisory authorities under the agreements entered into with them.

In Spain, no administrative operating licenses are required for the facilities, which are mainly subject to technical standards. Operating rights in this meaning do not meet the definition of identifiable intangible assets. However, facilities are permitted to operate concerted beds through regional funding schemes. In this specific case, a licence is recognised under intangible assets and subsequently amortised for the duration of the concession granted by the regional authorities.

In the Netherlands, administrative operating licenses are required but they are easily obtained. It is possible to enter into contracts with insurance companies concerning the operation of existing facilities (operation under the VPT regime). Such contracts allow for an increase in prices and easier access for residents. Any contracts existing at the date of acquisition are therefore valued and recognised as intangible assets.

In the United Kingdom, administrative operating licenses are required for operating facilities but they are easily obtained. However, once the facilities are operational, the regulator, the Care Quality Commission, will ensure that quality and safety standards are respected. Operating rights in this meaning do not meet the definition of identifiable intangible assets.

The valuations of licences are shown in the following table:

<i>In thousands of euros</i>	Licences	Other	Total
<b>Gross value at start of period</b>	<b>2,043,125</b>	<b>247,448</b>	<b>2,290,572</b>
Changes in scope	30,105	3,746	33,851
Disposals	-9,021	-11,661	-20,682
Acquisitions	247	54,013	54,260
Transfers	-23,494	14,992	-8,502
Reclassification of favourable leases to rights of use			
<b>Gross amount at end of period</b>	<b>2,040,962</b>	<b>308,538</b>	<b>2,349,499</b>
<b>Amortisation, depreciation and impairment at start of period</b>	<b>11,096</b>	<b>121,726</b>	<b>132,822</b>
Changes in scope	1,886	2,473	4,359
Disposals		-5,022	-5,022
Amortisation, depreciation and impairment	1,812	24,488	26,300
Transfers	94	102	196
<b>Total amortisation, depreciation and impairment at end of period</b>	<b>14,888</b>	<b>143,766</b>	<b>158,654</b>
<b>Net carrying amount at start of period</b>	<b>2,032,029</b>	<b>125,722</b>	<b>2,157,750</b>
<b>NET CARRYING AMOUNT AT END OF PERIOD</b>	<b>2,026,073</b>	<b>164,772</b>	<b>2,190,845</b>

Transfers are mainly related to the reclassification as "assets held for sale" (see Note 2).

<i>In thousands of euros</i>	<b>France<sup>(1)</sup></b>	<b>Benelux<sup>(2)</sup></b>	<b>Italy</b>	<b>Total</b>
Gross value at start of period	1,501,094	224,573	317,458	2,043,125
Impairment	11,096			11,096
<b>Net carrying amount at start of period</b>	<b>1,489,998</b>	<b>224,573</b>	<b>317,458</b>	<b>2,032,028</b>
Gross amount at end of period	1,468,852	228,099	344,010	2,040,961
Impairment	14,888			14,888
<b>NET CARRYING AMOUNT AT END OF PERIOD</b>	<b>1,453,963</b>	<b>228,099</b>	<b>344,010</b>	<b>2,026,073</b>

(1) Including €44 million in Spain.

(2) Including €8.7 million in the Netherlands.

No single licence represents a material amount for the Group. For the period ended 31 December 2021, the tests on the CGUs led to the recognition of a provision of €1,812,000 in one department in France.

The impairment tests were carried out in accordance with the method described in the section "Impairment of intangible assets, property plant and equipment and goodwill" in Note 1.

### 5.3 Property, plant and equipment

Property, plant and equipment are initially measured at acquisition cost less any investment subsidies. Non-current assets acquired as part of a business combination are measured at fair value at the acquisition date.

The main components of a non-current asset that has a useful life that is shorter than that of the asset as a whole must be identified in order to be depreciated over their useful life.

At each closing date, the acquisition cost is reduced by the accumulated depreciation and any impairment provisions determined in accordance with the method described in Note 1 "Impairment of property, plant and equipment, intangible assets and goodwill".

#### LEASES

The Group has applied IFRS 16 since 1 January 2019, resulting in:

- the recognition of rights of use (operating leases under IAS 17) and lease liabilities;
- the reclassification of assets and liabilities recognised in respect of existing finance leases;
- the reclassification of lease incentives as a reduction to rights 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:

<b>Class</b>	<b>Useful life</b>	<b>Method</b>
Structure	60 years	Straight line
Construction components	From 7 to 30 years	Straight line
Technical facilities	From 5 to 15 years	Straight line
Other improvements, fixtures and fittings	From 3 to 5 years	Straight line
Medical equipment	From 2 to 10 years	Straight line
Equipment and furniture	From 2 to 10 years	Straight line
Software	From 1 to 7 years	Straight line
Transport equipment	5 years	Straight line

<i>In thousands of euros</i>	Land	Constructions	Equipment and other property, plant and equipment	In construction and advance payments	Total
<b>Gross value at start of period</b>	<b>317,656</b>	<b>2,355,205</b>	<b>1,260,250</b>	<b>255,142</b>	<b>4,188,254</b>
Changes in scope	48,373	159,924	29,669	-13,772	224,194
Disposals	-14,429	-82,072	-13,505	-10,171	-120,177
Acquisitions	2,520	63,644	93,031	361,560	520,756
Transfers	24,018	97,367	19,547	-223,902	-82,970
Other	1,275	1,819	489		3,583
<b>Gross amount at end 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>
<b>Total depreciation at start of period</b>	<b>931</b>	<b>690,574</b>	<b>847,665</b>	<b>3,844</b>	<b>1,543,014</b>
Changes in scope		19,858	14,456		34,314
Allowances	4	79,771	85,940		165,715
Disposals	-55	-38,006	-12,065	-3,160	-53,286
Other	-91	10,435	-45,843	1,220	-34,279
<b>Total depreciation at end of period</b>	<b>789</b>	<b>762,633</b>	<b>890,152</b>	<b>1,903</b>	<b>1,655,477</b>
<b>Net carrying amount at start of period</b>	<b>316,725</b>	<b>1,664,631</b>	<b>412,585</b>	<b>251,299</b>	<b>2,645,240</b>
<b>NET CARRYING AMOUNT AT END OF PERIOD</b>	<b>378,624</b>	<b>1,833,254</b>	<b>499,329</b>	<b>366,954</b>	<b>3,078,162</b>

#### BORROWING COSTS

Pursuant to IAS 23, borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (buildings in particular) are included in the cost of that asset.

The capitalised borrowing rate corresponds to the average cost of the Group's debt after hedging.

For 2021, this amount totalled €2,534,000. In 2020, it amounted to €939,000.

## 5.4 Change in cash flows from acquisitions of non-current assets

Cash flows arising from purchases of property, plant and equipment and intangible assets break down as follows:

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Acquisitions of intangible assets	-54,260	-44,652
Change in debt on acquisitions of intangible assets	-1,850	-2,314
Acquisitions of property, plant and equipment	-480,542	-446,341
Change in liabilities on acquisitions of property, plant and equipment and Other	-1,972	-26,797
<b>PAYMENT FOR PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS</b>	<b>-538,624</b>	<b>-520,103</b>

## 5.5 Rental commitments

The IFRS 16 liability was determined by using a lease term on property leases that corresponds to the non-cancellable period plus, where applicable, renewal options, the use of which by the Group is reasonably certain. The amortisation period for fixtures is set at three to five years, which is shorter than the average lease term.

As at 1 January 2021, rental vehicles have been restated under IFRS 16 (impact not significant in past periods).

When first applying IFRS 16, the Group chose to use the two capitalisation exemptions proposed by the standard on contracts with an initial duration of less than 12 months and contracts for goods with an individual replacement value of less than \$5,000. As at 1 January 2021, these two exemptions are no longer applied to contracts signed in France or Germany for specific workwear and low-value medical equipment.

The discount rates applied are revised at the close of each annual reporting period.

► ANALYSIS OF CHANGE IN RIGHTS OF USE BY CLASS OF UNDERLYING ASSET

In thousands of euros

<b>Rights of use as at 31 December 2020</b>	<b>3,456,880</b>
Inflows of assets, net of renegotiations	386,755
Depreciation and amortisation	-415,065
Lease terminations	-1,005
Change in consolidation scope	8,345
Other changes	33,474
<b>RIGHTS OF USE AS AT 31 DECEMBER 2021</b>	<b>3,469,383</b>

► ANALYSIS OF CHANGE IN LEASE LIABILITIES

In thousands of euros

<b>Lease liabilities as at 31 December 2020</b>	<b>3,712,563</b>
Present value of debt and new leases	384,826
Debt repayment	-397,397
Change in lease term/amount	42,168
Change in consolidation scope	43,281
Other changes	-165
<b>LEASE LIABILITIES AS AT 31 DECEMBER 2021</b>	<b>3,785,277</b>

► MATURITY ANALYSIS OF LEASE LIABILITIES AS AT 31 DECEMBER 2021

In thousands of euros	Total	< 1 year	1-5 years	> 5 years
<b>LEASE LIABILITIES</b>	<b>3,785,277</b>	<b>360,030</b>	<b>1,256,178</b>	<b>2,169,068</b>

## NOTE 6 EQUITY

There are no rights, privileges or restrictions attached to the shares comprising the share capital.

As at 31 December 2021, the share capital was set at €527,968,290. It was divided into 105,593,658 fully paid-up shares, all of the same class, with a par value of €5 each.

Following approval by the shareholders at the 2021 General Meeting, the Company distributed a dividend of €0.3 per share, with an option for payment in shares (based on a price per share of €30.14). The amount of the dividend allocated, in cash and shares, amounted to €31.5 million, of which €16.1 million in shares.

The following transactions impacted equity during the financial year:

### Hybrid bonds

On 28 June 2017, the Group issued non-subordinated perpetual bonds redeemable in cash and/or new and/or existing shares (ODIRNANE) with cancellation of preferential subscription rights for a nominal amount of €240 million. These bonds were issued with the following characteristics:

- a conversion premium of 35%, resulting in a nominal share price of €40.21;
- a fixed annual nominal interest rate of 2.50%, paid semi-annually, starting on 1 January 2018 and running until 31 December 2022.

On 21 September 2018, the Group also completed an additional issue of ODIRNANE for a nominal amount of approximately €60 million. These new bonds have the same terms and conditions (with the exception of the issue price) and are fully fungible with the pre-existing ODIRNANEs.

On 1 September 2021, the Group issued new non-subordinated ODIRNANE bonds with cancellation of preferential subscription rights for a nominal amount of €330 million. These bonds were issued with the following characteristics:

- a conversion premium between 30% and 35%, resulting in a nominal value of €43.51;
- a fixed annual nominal interest rate of between 1.375% and 1.875%, paid semi-annually, starting on 8 March 2022 and running until 8 September 2026.

The net proceeds of this issue were allocated to finance the buyback of the existing ODIRNANE issued in June 2017 and September 2018, as well as to finance the general needs of the Company.

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These hybrid financial instruments were recognised in equity instruments for an amount net of interest and issue costs of €326.5 million as at 31 December 2021 (€298.9 million as at 31 December 2020 relating to the purchased ODIRNANE), in accordance with IAS 32.

### Placement of a £200 million non-convertible hybrid green bond

On 8 June 2021, Korian announced the successful placement of a £200 million perpetual non-convertible hybrid green bond with a 4.125% coupon and an optional first redemption date at par in March 2024. The transaction was issued in green format and the proceeds of the issuance are intended to modernise, acquire and develop real estate assets, mainly in the United Kingdom, with currency alignment. The entire issue was recognised in equity.

### Convertible bonds

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 (OCEANE) with

a maturity of 2027 in the nominal amount of approximately €400 million.

The bonds were issued at par and their nominal unit value was set at €61.53, corresponding to a conversion premium at origin of 55% relative to the Company's reference share price.

At the date of drawing up the present document, the conversion rate applied was 1.102 Korian shares for 1 OCEANE.

In accordance with IAS 32, this OCEANE issue was divided into an equity component, amounting to €34 million (corresponding to the fair value of the call option sold to the bondholder), and a debt component, amounting to €366 million.

### Real-estate partnership

In December 2021, BAE Systems Pension Funds invested approximately €100 million in a portfolio of 23 real estate assets dedicated to long-stay care and healthcare (nursing homes and post-acute care and mental health clinics) located in France, Germany and Spain. This partnership includes a greenfield project and four assets for redevelopment. The agreement, which is extendable for a period of 15 years, provides for a minimum holding period of 7 years for BAE Systems Pension Funds.

## NOTE 7 EARNINGS PER SHARE

The net earnings per share are calculated by dividing the Group's consolidated net profit/(loss) by the weighted average number of shares outstanding during the period.

The 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".

Following the capital increase with preferential subscription rights carried out in October 2020 and in order to ensure the comparability of past data, the weighted average number of

shares used in the calculation of the earnings per share has been modified to take into account an adjustment coefficient reflecting the fact that the capital increase was carried out at a price lower than the market price. This adjustment factor is based on the ratio between the share's value prior to detachment of the preferential subscription rights and after detachment of said rights. The factor was applied until the date of the capital increase.

	31.12.2021	31.12.2020
Net profit (loss) attributable to owners of the Group <i>(in thousands of euros)</i>	94,623	39,402
Weighted average number of shares <i>(in thousands)</i>	105,294	92,127
<b>EARNINGS PER SHARE (IN EUROS)</b>	<b>0.90</b>	<b>0.43</b>
Net profit (loss) attributable to owners of the Group <i>(in thousands of euros)</i>	94,623	39,402
Impact of return on components of equity	-5,127	-7,521
Weighted average number of shares outstanding <i>(in thousands)</i>	105,294	92,127
Average number of shares related to stock option and free share adjustments	836	367
Average number of shares related to hybrid bond and OCEANE adjustments	16,061	13,286
Average number of shares used for calculation of diluted earnings per share	122,191	105,780
<b>DILUTED EARNINGS PER SHARE (IN EUROS)</b>	<b>0.73</b>	<b>0.30</b>

## NOTE 8 FUNDING AND FINANCIAL INSTRUMENTS

### 8.1 Net financial income

The financial profit/(loss) consists of net borrowing costs and other financial profit/(loss) items.

The net borrowing cost corresponds to interest expenses on bank and bond debt, costs related to hedging, capitalised interest in accordance with IAS 23, the effect of amortisation of capitalised issue costs and the effects of amortisation related to renegotiations and restructurings of debts and hedging instruments.

The other financial profit/(loss) items mainly include commissions and bank fees paid (including factoring expenses), the financial cost attributable to employee benefit obligations and financial expenses related to the recognition of the right-of-use of leases (implementation of IFRS 16).

In thousands of euros	31.12.2021	31.12.2020
<b>Gross borrowing cost</b>	<b>-80,604</b>	<b>-76,224<sup>(1)</sup></b>
Cost of hedging	-7,165	-7,865
Income from cash & cash equivalents	-	-
<b>Net borrowing cost</b>	<b>-87,770</b>	<b>-84,089</b>
Bank fees and commissions	-7,410	-7,853
Financial expense of lease liabilities	-111,176	-111,085
Other financial income and expenses	-3,625	-2,821 <sup>(1)</sup>
<b>Other items of financial profit (loss)</b>	<b>-122,212</b>	<b>-121,759</b>
<b>FINANCIAL PROFIT (LOSS)</b>	<b>-209,981</b>	<b>-205,847</b>

(1) Reclassification of Other financial income in the amount of €11.2 million related to intercompanies, €1.4 million in capitalised interest relating to IAS 23 and €5 million for the impact of the effective interest rate on gross borrowing costs over the reference period.

### Sensitivity analysis of financial expenses

When hedging instruments are taken into account, the financial expenses at the closing date would vary by the following amounts in response to a change in market interest rates over one year:

- a 0.5% increase (50 basis points) in the yield curve would decrease the Group's financial expense by €0.9 million;
- a 0.5% decrease (50 basis points) would decrease the Group's financial expense by €1.3 million.

### 8.2 Net financial debt

Net financial debt consists of gross borrowings less liquid financial assets (marketable securities and liquid assets).

In thousands of euros	31.12.2021	31.12.2020
Borrowings from credit institutions and financial markets	2,659,350	2,426,486
Immovable real estate debt in respect of financial counterparties (excluding IFRS 16)	1,736,344	1,470,870
Other financial debt	29,598	89,718
Bank overdrafts and advances	16,998	11,849
<b>Loans and other borrowings (A)</b>	<b>4,442,290</b>	<b>3,998,922</b>
Marketable securities	142,337	220,331
Cash	1,072,227	938,778
<b>Cash and cash equivalents (B)</b>	<b>1,214,564</b>	<b>1,159,109</b>
<b>NET INDEBTEDNESS (A) - (B)</b>	<b>3,227,726</b>	<b>2,839,813</b>

### Change in Group indebtedness as at 31 December 2021

As at 31 December 2021, the net debt stood at €3,228 million, up by €388 million compared to 31 December 2020. The net financial debt, excluding immovable real estate debt, amounted to €1,491 million compared to €1,369 million as at 31 December 2020.

Immovable real estate debt increased by €265 million due to the increase in the ownership rate of real estate assets, in accordance with the Group's strategy.

During the financial year, Korian arranged several loans, including in particular:

- in June 2021, the issue of €80 million in German *Schuldschein* contracts;
- in June 2021, the placement of a non-convertible hybrid green bond of £200 million;
- in September 2021, the issue of perpetual bonds redeemable in cash and/or new and/or existing shares (ODIRNANE) for approximately €332.5 million and the repurchase of existing ODIRNANEs issued in June 2017 and September 2018 for €300 million;
- in October 2021, the issue of social bonds for an amount of €300 million;

- in December 2021, a €377 million issue of German *Schuldschein* contracts (€222 million settled in 2021 and €155 million in 2022).

Finally, the Group arranged other funding transactions, most of which involving real estate, in support of its real estate investment policy.

As at 31 December 2021, the Group's gross borrowings comprised the following:

- a term tranche of €500 million of syndicated bank loan;
- €2,189 million in bonds placed with private investors and borrowings from credit institutions;
- €17 million in bank overdrafts and advances;
- immovable real estate debt of €1,736 million mainly comprising finance leases and mortgage loans to financial counterparties, including €305 million of NEU CP and NEU MTN used for real estate bridging financing.

In addition, the Group had net cash of €1,215 million at the end of the financial year, excluding bank overdrafts and advances, and an unused credit facility of €500 million.

### Change in borrowings<sup>(1)</sup>

<i>In thousands of euros</i>	31.12.2020	New borrowings	Repayments	Changes in scope	Other	31.12.2021	Current	Non-current
Borrowings	3,897,356	1,190,429	-836,068	54,335	-215,786	4,090,265	389,503	3,700,762
Employee profit sharing	40				34	75		75
Loans and other borrowings	89,678	651,123	-646,626	208	240,569	334,952	274,238	60,714
<b>TOTAL LOANS AND OTHER BORROWINGS</b>	<b>3,987,074</b>	<b>1,841,552</b>	<b>-1,482,694</b>	<b>54,543</b>	<b>24,817</b>	<b>4,425,291</b>	<b>663,741</b>	<b>3,761,551</b>

(1) Excluding bank overdrafts for €16,998,000.

<i>In thousands of euros</i>	New borrowings in 2021	Cash flow	Non-cash flow	Loan repayments in 2021	Cash flow	Non-cash flow
Borrowings	1,190,429	1,181,572	8,857	-836,068	-836,068	
Loans and other borrowings	651,123	650,884	239	-646,626	-641,017	-5,609
<b>TOTAL LOANS AND OTHER BORROWINGS</b>	<b>1,841,552</b>	<b>1,832,455</b>	<b>9,096</b>	<b>-1,482,694</b>	<b>-1,477,085</b>	<b>-5,609</b>

### Breakdown of financial debt by interest rate category

<i>In thousands of euros</i>	31.12.2021		31.12.2020
Fixed rate	59%	2,630,731	2,052,270
Variable rate	41%	1,811,558	1,946,652
<b>TOTAL</b>		<b>4,442,290</b>	<b>3,998,922</b>

As at 31 December 2021, the variable-rate borrowings represented 41% of the Group's financial debt. The Group has financial instruments to hedge against fluctuations in interest rates. It uses standard derivative instruments (interest rate swaps, caps, floors, etc.). After taking hedges into account, 82% of gross borrowings were at fixed rates.

Liabilities secured by guarantees such as collateral, a mortgage or lease accounted for 18.8% of gross borrowings.



## Breakdown of financial debt by maturity

<i>In thousands of euros</i>	31.12.2021	31.12.2020
< 1 year	680,808	952,072
<b>Short-term financial debt</b>	<b>680,808</b>	<b>952,072</b>
1-5 years	1,942,034	1,813,595
> 5 years	1,819,448	1,233,256
<b>Long-term financial debt</b>	<b>3,761,482</b>	<b>3,046,851</b>
<b>TOTAL</b>	<b>4,442,290</b>	<b>3,998,923</b>

## Management of interest rate risk

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 principles when the IFRS 9 hedging criteria are met.

The Group is deploying a strategy of hedging its future exposures combined with an increase in the portion of fixed-rate debt in its debt portfolio (59%), enabling it to freeze historically low rates. The majority of the issues carried out in the first half of the year were made at fixed rates, in particular for long-term debt after taking into account hedges. Gross borrowings is 82% fixed rate and net debt is 100% fixed rate.

The market value of the instruments purchased to hedge interest rate risk as at 31 December 2021 amounted to €12.3 million, after adjustment for counterparty default risk.

The sensitivity of the market value of derivatives to a change in market interest rates, before adjustment for counterparty default risk, was as follows at the closing date:

- the effect of a 0.5% (i.e. 50 basis points) increase in the yield curve would result in a market value increase of €28.4 million;
- the effect of a 0.5% (i.e. 50 basis points) decrease would result in a market value change of €7.4 million.

The table below shows the items of income, expenses, profits and losses recognised in the income statement and in equity in 2021 before deferred tax, by category of financial instrument:

<i>In thousands of euros</i>	Impact on equity	Impact of hedging on profit or loss	Impact of "Not documented" in the income statement	Impact of counterparty default risk
Financial instruments eligible for hedge accounting	21,419	2,807		
Financial instruments ineligible for hedge accounting			54	
<b>TOTAL</b>	<b>21,419</b>	<b>2,807</b>	<b>54</b>	<b>-1,781</b>

<b>Assets</b>	31.12.2020	First-time consolidation	Exit from consolidation scope	Change	31.12.2021
Interest rate swaps				3,282	3,282
Hedging options					
Options	2,302			2,177	4,479
<b>Total hedging instruments – Assets</b>	<b>2,302</b>			<b>5,458</b>	<b>7,760</b>
Interest rate swaps					
Options					
<b>Total ineligible financial instruments – Assets</b>					
<b>Total impact of counterparty default risk – Credit value adjustment</b>	<b>-86</b>			<b>-331</b>	<b>-417</b>
<b>TOTAL FINANCIAL INSTRUMENTS – ASSETS</b>	<b>2,216</b>			<b>5,127</b>	<b>7,343</b>

Liabilities	31.12.2020	First-time consolidation	Exit from consolidation scope	Change	31.12.2021
Interest rate swaps	39,141	497		-18,008	21,631
Hedging options				1,037	1,037
Options	94			-1,570	-1,475
<b>Total hedging instruments – Liabilities</b>	<b>39,236</b>	<b>497</b>		<b>-18,541</b>	<b>21,192</b>
Interest rate swaps	909			-281	629
Options					
<b>Total ineligible financial instruments – Liabilities</b>	<b>909</b>			<b>-281</b>	<b>629</b>
<b>Total impact of counterparty default risk – Debit value adjustment</b>	<b>-2,578</b>			<b>1,450</b>	<b>-1,127</b>
<b>TOTAL FINANCIAL INSTRUMENTS – LIABILITIES</b>	<b>37,567</b>	<b>497</b>		<b>-17,371</b>	<b>20,693</b>
<b>NET TOTAL</b>	<b>35,351</b>	<b>497</b>		<b>-22,499</b>	<b>13,350</b>

### Currency risk

The Group uses hedging instruments (foreign exchange swaps, forward sales/purchases, options) to hedge the foreign exchange risk that may be generated notably by future investments or intra-group financing in foreign currencies. The Group applies hedge accounting (Net Investment Hedge or Fair Value Hedge) when the IFRS 9 hedging criteria are met.

### Bank covenants as at 31 December 2021

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 arrangements are subject to similar covenants. The banking establishments concerned are informed of changes in the covenant criteria on a semi-annual basis.

In January 2021, the Group renegotiated the formula of its adjusted debt ratio with the banks of its syndicated loan and its other bank loans. The authorised maximum debt ratio is unchanged, at 4.5x, however the calculation formula is now as follows: (Consolidated net debt – Immovable real estate debt)/(Adjusted EBITDA - 5.8%\* Immovable real estate debt) compared to 6.5%\* Immovable real estate debt previously.

	Korian ratio	Authorised maximum/minimum ratio as at 31 December
Debt ratio according to contract terms	3.1x	< 4.5x

### Bond covenants as at 31 December 2021

The EURO PP, *Schuldschein* and *Namensschuldverschreibung* (NSV) are also subject to a covenant. Changes in covenants are notified annually to investors.

For all bond issues subject to covenants carried out in 2021, the debt ratio formula has been aligned with the new definition applicable to the syndicated loan.

	Korian ratio	Authorised maximum/minimum ratio as at 31 December
Debt ratio according to the terms of the contracts of the issues carried out before 2021	3.2x	< 4.5x
Debt ratio according to the terms of the contracts of the issues carried out since 2021	3.1x	< 4.5x
Secured debt ratio	2.2x	> 1.5x

### Counterparty risk

With regard to its financial activities (in particular cash management and interest rate derivative hedging instruments), the Group has implemented risk management procedures and works with leading financial institutions.

### 8.3 Financial assets

The financial assets comprise:

- non-current financial assets: investments in unconsolidated companies, related receivables, guarantees and security deposits granted;
- current financial assets, which include short-term financial derivative instruments and cash and cash equivalents (marketable securities).

In accordance with IFRS 9, the financial assets are classified in one of the following three categories:

- financial assets carried at amortised cost;
- those recognised at fair value through other comprehensive income;
- those recognised at fair value through profit or loss.

#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents include immediately available cash (cash at bank, cash) and short-term investments that can be easily converted into a known amount of cash and that bear an insignificant risk of change in value (deposits with an initial maturity of less than three months, as well as euro money market SICAVs classified in the AMF "short-term money market" category).

The carrying amount of the financial assets is considered to be their fair value.

### 8.4 Liquid assets and cash equivalents

<i>In thousands of euros</i>	<b>31.12.2021</b>	<b>31.12.2020</b>
Marketable securities	142,337	220,331
Cash and cash equivalents	1,072,227	938,778
<b>TOTAL</b>	<b>1,214,564</b>	<b>1,159,109</b>

The marketable securities comprise term deposits or euro cash SICAVs, classified in the AMF "short-term money market" category. In accordance with the criteria of IAS 7, they are highly liquid, easily convertible into a known amount of cash and are subject to an insignificant risk of change in value.



## 8.5 Fair value of financial assets and liabilities

This table presents a breakdown of the financial instruments recognised at fair value by measurement method. The different levels of fair value are defined as follows:

- level 1: prices quoted on an active market;
- level 2: observable data other than prices quoted on an active market (financial models);
- level 3: unobservable data.

In thousands of euros	31.12.2021	Financial assets recognised at fair value in profit or loss					Financial assets recognised at fair value in other comprehensive income	Fair value measurement		
		Financial assets at amortised cost	Cash and cash equivalents	Non-consolidated equity investments	Impact of counterparty default risk – Credit Value Adjustment	Cash flow hedging derivatives	Level 1 Active markets	Level 2 Observable data	Level 3 Non-observable data	
<b>Non-current assets</b>										
Non-consolidated equity investments	6,596			6,596						6,596
Security deposits	34,314	34,314								
Other non-current securities	1,769	1,769								
<b>Financial assets</b>	<b>42,679</b>	<b>36,084</b>		<b>6,596</b>						<b>6,596</b>
<b>Current assets</b>										
<b>Trade receivables and related accounts</b>	<b>364,674</b>	<b>364,674</b>								
Other receivables	439,595	439,595								
Deposits and guarantees	13,690	13,690								
<b>Other receivables and current financial assets</b>	<b>453,285</b>	<b>453,285</b>								
<b>Derivative instruments – assets</b>	<b>7,343</b>				<b>-417</b>	<b>7,760</b>			<b>7,343</b>	
Marketable securities	142,337							142,337		
Cash and cash equivalents	1,072,227									
<b>Cash and cash equivalents</b>	<b>1,214,564</b>							<b>142,337</b>		

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In thousands of euros	31.12.2021	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss			Financial liabilities recognised at fair value in other comprehensive income	Fair value measurement		
			Fair-value hedging instruments	Derivatives ineligible for hedge accounting	Impact of counterparty default risk – Debit value adjustment	Cash flow hedging derivatives	Level 1	Level 2	Level 3
							Active markets	Observable data	Non-observable data
<b>Non-current liabilities</b>									
Loans from credit institutions	2,269,847	2,269,847							
Funding of immovable real estate debt	1,736,344	1,736,344							
Employee profit sharing	75	75							
<b>Other financial liabilities</b>	<b>60,714</b>	<b>60,714</b>							
<b>Loans and other borrowings</b>	<b>3,761,551</b>	<b>3,761,551</b>							
<b>Commitment to buy out non-controlling interests</b>	<b>42,447</b>	<b>42,447</b>							
Other non-current liabilities	130,656	130,656							
<b>Current liabilities</b>									
Loans from credit institutions	389,503	389,503							
Funding of immovable real estate debt									
Bank overdrafts and advances	16,998	16,998							
Other financial liabilities	274,238	274,238							
<b>Derivative instruments – liabilities</b>	<b>20,693</b>			629	-1,127	21,192		20,693	
<b>Trade payables and related accounts</b>	<b>499,717</b>	<b>499,717</b>							
Residents' deposits	59,088	59,088							
Other liabilities	701,439	701,439							
<b>Other payables and accruals</b>	<b>760,528</b>	<b>760,528</b>							

The carrying amount of the financial liabilities, excluding derivatives, is equal to their fair value.

## NOTE 9 PROVISIONS

A provision is recognised when, at the end of the period, the Group has a present obligation (legal or constructive) and it is probable that an outflow of resources not representing future economic benefits will be required to settle said obligation.

Provisions are discounted if the effect of time is material. Increases in the provision due to the passage of time are recognised as financial expenses.

In the context of a restructuring, a provision may only be recognised if the restructuring has been announced and a detailed plan has been prepared or has begun to be implemented at the end of the period.

Provisions are recognised for disputes (labour tribunal, tax audits, commercial disputes, etc.) when the Group has an obligation to a third party at the closing date. The amount of the provision reflects the best estimate of future expenditures.

### Non-current provisions

<i>In thousands of euros</i>	Tax	Social contributions	Other	Total
<b>Opening balance</b>	<b>6,950</b>	<b>17,427</b>	<b>37,601</b>	<b>61,978</b>
Allowances	570	5,162	6,511	12,243
Used	-2,224	-4,343	-8,296	-14,863
Reversals	-326	-4,348	-2,068	-6,742
Changes in scope	-	65	472	537
Reclassifications	778	-2,444	-1,462	-3,129
<b>CLOSING BALANCE</b>	<b>5,748</b>	<b>11,519</b>	<b>32,757</b>	<b>50,024</b>

### Current provisions

<i>In thousands of euros</i>	Tax	Social contributions	Other	Total
<b>Opening balance</b>	<b>586</b>	<b>6,183</b>	<b>3,132</b>	<b>9,901</b>
Allowances	780	1,290	9,120	11,190
Used	-307	-2,692	-4,810	-7,810
Reversals	-	-1,281	-3,258	-4,539
Changes in scope	2,618	-	1,843	4,461
Reclassifications	4	-747	3,104	2,361
<b>CLOSING BALANCE</b>	<b>3,681</b>	<b>2,752</b>	<b>9,132</b>	<b>15,565</b>

#### Tax disputes not covered by IAS 12

The provisions for tax disputes excluding IAS 12, such as VAT, relate to provisions for tax adjustments and tax disputes whose amounts have been disputed. No individual dispute represented a material amount as at 31 December 2021.

#### Employee-related disputes

The provisions set aside cover employee disputes and employment severance payments. No individual dispute represented a material amount as at 31 December 2021.

#### Risks relating to operating disputes ("Other" column)

The provisions set aside are related to legal disputes relating to contractual disputes (suppliers and real estate) and disputes relating to medical liabilities. No individual dispute represented a material amount as at 31 December 2021.

## NOTE 10 INCOME TAX

### 10.1 Breakdown of the income tax expense

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Current taxes	-75,746	-41,912
Deferred tax	62,247	24,736
<b>INCOME TAX</b>	<b>-13,500</b>	<b>-17,176</b>

### 10.2 Reconciliation between the actual and the theoretical income tax expense

In France, the value-added component (*Cotisation sur la valeur ajoutée des entreprises* – CVAE) of the territorial economic contribution (*Contribution économique territoriale* – CET) is included in the French corporate income tax in the consolidated financial statements, as the Group considers that the CVAE meets the characteristics of an income tax, in accordance with IAS 12.

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Net profit (loss) attributable to owners of the Group	94,623	39,402
Non-controlling interests	21,772	2,702
Profit (loss) from equity-accounted companies	1,997	776
Income tax expense	13,500	17,176
<b>Profit (loss) before tax</b>	<b>131,892</b>	<b>60,057</b>
Theoretical tax rate	28.41%	32.02%
<b>Theoretical tax expense</b>	<b>37,468</b>	<b>18,983</b>
Permanent differences	-6,580	-1,669
Impact of non-deductible financial expenses	-1,166	781
Tax losses for the year not activated	6,945	4,025
Use of tax losses not activated	-1,823	-4,784
Adjustment of prior-year deferred taxes	-26,879	5,788
Adjustments for prior-year taxes	-1,872	-10,340
Tax at the reduced rate	-1,795	-10,115
Impact of CVAE net of tax in France	9,725	15,968
Impact of IRAP in Italy	1,760	261
Impact of tax-exempt earnings	-549	1,166
Difference between parent Group and subsidiary tax rates	-1,771	-2,890
Impact of equity-accounted companies	36	
Impact of the corporate tax rate change in the future		
<b>ACTUAL TAX EXPENSE</b>	<b>13,500</b>	<b>17,176</b>
<i>Effective tax rate</i>	<i>10.24%</i>	<i>28.60%</i>

## 10.3 Deferred tax

Deferred taxes are recognised, using the statement of financial position liability method, for temporary differences between the tax base of assets and liabilities and their carrying amount, as well as for tax losses.

Deferred tax assets are recognised to the extent that it is probable that the Group will have future taxable profits against which unused tax losses can be offset.

With regard to deferred tax assets on tax loss carryforwards, the Group uses a multi-criteria approach taking into account the recovery horizon based on the financial projection while also taking into account the long-term tax loss recovery strategy of each country.

Deferred taxes are calculated for each entity. They are offset when the taxes are levied by the same tax authority and relate to the same tax entity (tax consolidation group in France and Germany).

Deferred tax assets and liabilities are valued at the tax rate expected to apply to the financial year during which the asset will be realised or the liability settled, based on the tax rates (and tax regulations) enacted or substantively enacted at the closing date.

Deferred taxes are presented on the statement of financial position under specific headings recorded under non-current assets and non-current liabilities.

As at 31 December 2021, the timing differences between French, Belgian and Italian entities were recorded at the rates most recently voted:

- in France: 25.83%, effective in 2022;
- in Italy: 27.90% since 1 January 2017, a base rate (IRES) of 24%, to which is added a complementary contribution of between 3.9% and 4.82% depending on the region;
- in Belgium: 25.00%;
- in Germany: 15.825% or 30.504% depending on the company.

### 10.3.1 Breakdown of deferred taxes

<i>In thousands of euros</i>	31.12.2021	31.12.2020
Intangible assets	508,667	508,333
Property, plant and equipment	124,014	156,402
Temporary differences on CVAE	5,455	5,509
Financial instruments	-3,556	-9,930
Tax loss carry-forwards	-24,404	-32,936
Pension provisions	-16,496	-17,788
Other provisions	3,514	-6,002
Other temporary differences	-29,032	-16,381
Other assets/liabilities	-79,262	-61,185
<b>NET OF DEFERRED TAXES (LIABILITIES)</b>	<b>488,901</b>	<b>526,023</b>

Most of the Group's deferred taxes arise from the recognition of operating licences (intangible assets) acquired during business combinations.

### 10.3.2 Net change in deferred taxes

<i>In thousands of euros</i>	31.12.2021	31.12.2020
<b>Opening balance</b>	<b>526,027</b>	<b>458,368</b>
Expense/(income)	-62,247	-24,736
Change in consolidation scope	22,710	86,419
Charged to equity	7,977	147
Other changes	-5,567	5,825
<b>CLOSING BALANCE</b>	<b>488,901</b>	<b>526,023</b>



As at 31 December 2021, the Group recognised deferred tax assets on tax loss carryforwards amounting to €24.4 million, compared with €32.9 million as at 31 December 2020. These deferred tax assets concerned mainly France, Germany and Belgium for which tax loss carryforwards may have indefinite expiry dates. However, their recognition by the Group is contingent on the analysis of each individual situation.

As at 31 December 2021, the deferred tax assets on tax losses carried forward of which recovery was considered unlikely amounted to €21.1 million (€16.0 million as at 31 December 2020). As at 31 December 2021, these unrecognised deferred tax assets mainly concerned the following countries: France (€12.7 million), Germany (€5.8 million) and Belgium (€1.8 million).

They mainly concerned:

- in France, tax losses arising prior to tax consolidation that may be activated but are subject to significant constraints;
- in Germany, tax losses on companies not included in a tax group that have not been activated due to their low likelihood of recovery;
- in Belgium, the losses of non-profit associations (NPOs) whose use is not authorised (non-capitalisable base of €16.3 million as at 31 December 2021 at a tax rate of almost zero).

## **NOTE 11 COMMITMENTS AND CONTINGENT LIABILITIES**

### **Disputes**

There are no pending or potential governmental, legal or arbitration proceedings, including proceedings of which the Company is aware, that may have or, in the past 12 months, have had a material impact on the Company's and/or Group's financial position or profitability.

## **NOTE 12 EVENTS AFTER THE CLOSING DATE**

On 24 January 2022, Le Monde published an excerpt from the book "Les Fossoyeurs" (The gravediggers), published on 26 January 2022, which reveals the results of an investigation of a group of specialised nursing homes competing with Korian. This account has affected the sector's image, aroused a lot of emotion and generated political reactions, with a significant impact on the way specialised nursing home markets are seen in France.

In this context, Korian has chosen to communicate widely on the Group's values and its approach to quality and compliance. The Group has focused on the following issues: the procedures in place and their controls, in particular purchasing, human resources, salary and quality policies, its human resources policy focused on the well-being and training of employees and active dialogue with the Group's various stakeholders, at

the French and European level, with a particular focus on social dialogue with employee representatives and trade unions.

Korian also underlined the structuring role it plays in the regions, as an investor and as an employer, developing solutions to support the elderly and their families, thanks to its extensive offer of care and support.

The Group has announced that it has initiated work within its Board of Directors for the transition to the status of a company with a mission.

To date, Korian is not aware of any ongoing investigations or proceedings having an impact on the Group's financial statements as approved by the Board of Directors on 23 February 2022.

## NOTE 13 OTHER INFORMATION

### 13.1 Related party transactions

The compensation policy for Korian's executive corporate officers complies with the AFEP-MEDEF Corporate Governance Code for Listed Companies in its November 2016 version (the AFEP-MEDEF Code). In accordance with the recommendations

of the AFEP-MEDEF Code, the compensation allocated to executive corporate officers is set by the Board of Directors on the proposal of the Compensation and Appointments Committee.

<i>In euros</i>	31.12.2021 Amounts paid	31.12.2020 Amounts paid
<b>Chief Executive Officer since 26 January 2016</b>		
Annual fixed compensation	450,000	213,750
Annual variable compensation	278,480	495,000
Benefits in kind	17,310	16,056
<b>TOTAL</b>	<b>745,790</b>	<b>724,806</b>
<b>Chairman of the Board of Directors from 26 January 2016 until 1 October 2020</b>		
Annual fixed compensation		194,062
<b>Chairman of the Board of Directors since 1 October 2020</b>		
Annual fixed compensation	345,000	64,688
<b>TOTAL</b>	<b>345,000</b>	<b>258,750</b>

The amounts paid in 2020 take into account the exceptional 25% reduction (a) in the compensation that the Chief Executive Officer should have received in 2020 (variable compensation in respect of 2019, paid in 2020, plus annual fixed compensation) and (b) in the annual fixed compensation paid to the Chairman of the Board in respect of 2020.

### 13.2 Statutory Auditors' fees

Pursuant to Decree No. 2008-1487, the following table presents the Statutory Auditors' fees for the 2021 financial year for all of the Group's companies.

<i>In thousands of euros</i>	Mazars 2021	EY 2021	Mazars 2020	EY 2020
<b>Statutory Auditors</b>				
Issuer	276	276	284	284
Fully consolidated companies	1,748	1,441	1,314	1,542
<b>Sub-total</b>	<b>2,024</b>	<b>1,717</b>	<b>1,598</b>	<b>1,826</b>
Other services	248	178	351	444
<b>Sub-total</b>	<b>248</b>	<b>178</b>	<b>351</b>	<b>444</b>
<b>TOTAL</b>	<b>2,272</b>	<b>1,895</b>	<b>1,949</b>	<b>2,270</b>

The "Other services" primarily concern due diligence missions performed in respect of acquisitions and equity transactions conducted during the period.

## 13.3 List of the Group's consolidated entities

### SUBSIDIARIES

Subsidiaries are entities controlled directly or indirectly by the Company. A subsidiary is considered to be controlled when the Company:

- has the power, directly or indirectly, to govern its operating and financial policies;
- obtains variable returns from its activities;
- has the ability to exercise its power in such a way as to affect the amount of returns it obtains.

In general, controlled companies are those in which Korian directly or indirectly holds more than 50% of the voting rights.

### PARTNERSHIPS AND ASSOCIATES

The Group consolidates some of its equity interests using the equity method and some as joint ventures.

Joint arrangements classified as joint ventures are consolidated line by line, at the share actually contributed by the Group.

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) and included in the consolidated statement of financial position are exempt, in accordance with Articles 264, 264b and 291 of the German Commercial Code (*Handelsgesetzbuch – HGB*), from the obligation to publish the consolidated and individual financial statements and management reports (of the Group), pursuant to Article 325 of the same code, for the 2021 financial year.

The Group's parent company is Korian SA.

The percentages indicated below are the percentage holdings:

- FC: full consolidation;
- EM: equity method;
- PC: proportional consolidation.

### 13.3.1 France

#### Legal entity

KORIAN SA – PARENT COMPANY	100	
KORIAN FRANCE	100	FC
CARE X IMMOBILIER	100	FC
MEDIPEP FONCIER	100	FC
IMMOBILIÈRE JANIN	100	FC
KORIAN SANTÉ	100	FC
ABILONE	100	FC
KORIAN IMMOBILIER (FORMERLY ATRIUM)	51	FC
SCI FALCA	51	FC
JONGKIND	100	FC
KD H	100	FC
KORIAN DOMICILES	100	FC
KD SAP	100	FC
KD SANTÉ SÉCURITÉ	100	FC
LA MOULINIÈRE	100	FC
KORIAN PARTENAIRE	51	FC
SCI LA CROIX DU MARÉCHAL	100	FC
SCI FPM	100	FC
SCI FONCIÈRE A&V	30	FC
SAS KORIAN ASSET & PROPERTY MANAGEMENT	100	FC
LES OMEGADES	100	FC
OMEGA SAS	100	FC
SA PRIVATEL	100	FC
SCCV HENRIADE	100	FC
SCI BEAUSÉJOUR	100	FC
HHT	100	FC

**Legal entity**

NORD COTENTIN	100	FC
KORIAN WILLIAM HARVEY	100	FC
HOLDING LES ACACIAS	100	FC
HOLDING AB AUSTRUY BUREL	99	FC
INICEA HOLDING	100	FC
KORIAN & PARTENAIRE IMMOBILIER 5	100	FC
KORIAN & PARTENAIRE IMMOBILIER 6	100	FC
KORIAN & PARTENAIRE IMMOBILIER 7	100	FC
KORIAN & PARTENAIRE IMMOBILIER 8	100	FC
KORIAN & PARTENAIRE IMMOBILIER 2	51	FC
ANTIN INFRASTRUCTURE PARTNERS LUXEMBOURG	100	FC
HMIMH	72	FC
PB EXPANSION	100	FC
SCI KORIAN BEZONS IMMOBILIER	51	FC
SCI HOLDING IMMOBILIER 2	100	FC
SCI KORIAN ÉTOILE IMMOBILIER 2	100	FC
KORIAN ÉTOILE IMMOBILIER SCI	100	FC
SCI KORIAN OULLINS IMMOBILIER	51	FC
SCI KORIAN LA COTONNADE IMMOBILIER	51	FC
SCI KORIAN LES CATALAUNES IMMOBILIER	51	FC
SCI KORIAN SANTÉ IMMOBILIER	51	FC
SCI KORIAN LIVRY SULLY IMMOBILIER	51	FC
SCI KORIAN LES RESTANQUES IMMOBILIER	51	FC
SCI KORIAN SAVERNE IMMOBILIER	51	FC
SCI KORIAN MORNAY IMMOBILIER	51	FC
SCI KORIAN ONCOPOLE TOULOUSE IMMOBILIER	51	FC
SCI KORIAN PARC DES DAMES IMMOBILIER	51	FC
KORIAN RSS IMMOBILIER SCI	100	FC
SCI KORIAN VILLA AMARELLI IMMOBILIER	51	FC
KORIAN & PARTENAIRES IMMOBILIER 1 (SCI HOLDING IMMOBILIÈRE)	51	FC
KORIAN LES ARCADES IMMOBILIER	100	FC
SAS KORIAN IMMOBILIER ALLEMAGNE 1	51	FC
KORIAN IMMOBILIER ALLEMAGNE 10	100	FC
KORIAN IMMOBILIER ALLEMAGNE 11	100	FC
SAS KORIAN IMMOBILIER ALLEMAGNE 2	51	FC
SAS KORIAN IMMOBILIER ALLEMAGNE 3	51	FC
SAS KORIAN IMMOBILIER ALLEMAGNE 4	51	FC
SAS KORIAN IMMOBILIER ALLEMAGNE 5	51	FC
SAS KORIAN IMMOBILIER ALLEMAGNE 6	51	FC
KORIAN IMMOBILIER ALLEMAGNE 7	51	FC
KORIAN IMMOBILIER ALLEMAGNE 8	51	FC
KORIAN IMMOBILIER ALLEMAGNE 9	100	FC
SAS KORIAN IMMOBILIER ALLEMAGNE	51	FC
OPPCI KORIAN IMMOBILIER	100	FC
KORIAN IMMOBILIER DÉVELOPPEMENT	100	FC
BRIANÇON MONTJOY	100	FC
SAS LE MONT SOLEIL	100	FC
AGAPANTHE	100	FC
LE BOIS DU CHEVREUIL	100	FC
BELLEVUE	100	FC
CS BRUYÈRES	100	FC
LE CHALET	100	FC

**Legal entity**

CMS CHAMBON	100	FC
CLEOME	100	FC
FINANCIÈRE LETRETTE	100	FC
PIN BALMA	100	FC
PRAIRIE	100	FC
MAZERES R GASTON DE FOIX	100	FC
RÉSIDENCE VICTOR HUGO	100	FC
NARBONNE LES PINS	100	FC
SCI BRUAY	100	FC
LES PALMIERS	100	FC
SARL PASTHIER PROMOTION	100	FC
CLINIQUE ST BRUNO	100	FC
SCI DEBOURNOU	100	FC
SNC DINARD	100	FC
SCI GERLAND	100	FC
SCI LE MANS	100	FC
ST REMY ALPILLES	100	FC
SCI LES SABLES	100	FC
SCI ST MALO	100	FC
SCI ST GEORGES	100	FC
ST MARTIN DLS GESTION	100	FC
JARNAC MAISON BLANCHE	100	FC
JARNAC VILLA BLEUE	100	FC
SAS LA VALLÉE BLEUE	100	FC
KORIAN LE CLOS L'ORCHIDÉE	100	FC
SCI MONTVERT	100	FC
TOULOUSE CÔTE PAVÉE	100	FC
RÉSIDENCE DE BUEIL	100	FC
SARL DU PRÉ DE LA GANNE	100	FC
MONTROND ALMA SANTÉ	100	FC
SCI ALMA SANTÉ	100	FC
SCI VALMAS	100	FC
SCI SYR IMMOBILIER	100	FC
BEAUREGARD	100	FC
RÉSIDENCE CHATEAU DES LANDES	100	FC
SARL FONTAINE BAZEILLE	100	FC
SCI CV BAZEILLE	100	FC
SCI LA PALOUMÈRE	100	FC
SCI BICHAT	100	FC
LAXOU R AUTOMNE	100	FC
SCI LAXOU	51	FC
NEUVILLE R AUTOMNE	100	FC
RÉSIDENCE DE L'ABBAYE	100	FC
BARBAZAN PIETAT	100	FC
ACANTHE	100	FC
GUEBWILLER SOLISANA	100	FC
LA COLOMBE	100	FC
LES GARDIOLES	100	FC
RESID GESTION	100	FC
GRÉZIEU J HESTIA	100	FC
LYON R AUTOMNE	100	FC
SAS VILLA DU CHENE	100	FC



**Legal entity**

HURIGNY LA ROSERAIE	100	FC
LA VARENNE ST SAUVEUR	100	FC
SCI LA ROSERAIE	100	FC
SCI VARENNE ST SAUVEUR	100	FC
LE MANS R AUTOMNE	100	FC
SCI CHAMBÉRY JOURCIN	100	FC
PARIS LES PARENTÈLES	100	FC
SAS LA DÉTENTE	100	FC
PONTAULT AUBERGERIE	92	FC
ST PIERRE CHAINTRÉAUVILLE	100	FC
LOUVECIENNES CVS	100	FC
MAUREPAS LES PARENTÈLES	100	FC
RÉSIDENCE LES TILLEULS	100	FC
SAS ALEXMAR	100	FC
SARL LES ALYSSES	100	FC
SAS LES CIGALES	100	FC
COGOLIN CLINIQUE DU GOLFE	100	FC
SAS ST FRANÇOIS DU LAS	100	FC
LA LOUISIANE	100	FC
SAS TOURETTE LE CLOS VERMEIL	100	FC
SAS RELAIS TENDRESSE	100	FC
CARPENTRAS CMV	100	FC
HOLDING LUBERON SANTÉ	100	FC
LES SABLES R AUTOMNE	100	FC
SAS DOMAINE DES TROIS CHEMINS	100	FC
SCI LES TROIS CHEMINS	100	FC
JONCHÈRE ST MAURICE	100	FC
SCI CLINIQUE ST MAURICE	100	FC
KORIAN CHÂTEAU DE LORMOY	100	FC
SAS LES TOURELLES	100	FC
BAGNEUX LES PARENTÈLES	100	FC
INVAMURS	100	FC
SAS MS FRANCE	60	FC
SCI CMA	100	FC
SOCEFI	100	FC
SIÈGE MF	100	FC
KORIAN LA BASTIDE	100	FC
KORIAN FRONTENAC	100	FC
KORIAN PÉRIER	100	FC
PÉRIER RETRAITE	51	FC
KORIAN LES PARENTS	100	FC
REINE MATHILDE	100	FC
LA GALICIA	99	FC
SCPR CROIX DU MARÉCHAL	100	FC
KORIAN LES AJONCS	100	FC
BOIS LONG	100	FC
JARDINS D'ÉPARGNES	100	FC
ROSA BELLA	100	FC
AGES ET VIE GESTION	70	FC
AGES ET VIE HABITAT	70	FC
AGES ET VIE SERVICES	70	FC
KORIAN MAS DE LAUZE	100	FC

**Legal entity**

KORIAN VILLA LAURAGAIS	100	FC
LA CHÉNAIE	100	FC
LA CHÉNERAIE	100	FC
KORIAN GRAND MAISON	100	FC
HENRIADE	100	FC
LASIDOM	100	FC
SCI BADERA	51	FC
CLOS D'ARMAGNAC	100	FC
KORIAN VILLA BONTEMPS	100	FC
ENTRE DEUX MERS	100	FC
KORIAN VILLA GABRIEL	99	FC
KORIAN LES ISSAMBRES	100	FC
LES DOMAINES DE CESTAS	100	FC
ROSES DU BASSIN	100	FC
KORIAN LES MEUNIÈRES	100	FC
KORIAN CHAMTOU	100	FC
KORIAN LA MÉNARDIÈRE	100	FC
SHT (STÉ HOSPITALIÈRE DE TOURAINÉ)	100	FC
KORIAN VILLA D'ALBON	100	FC
SCI LE TEILLEUL	100	FC
KORIAN LE DIAMANT	100	FC
COMPAGNIE FONCIÈRE VERMEILLE	51	FC
KORIAN BELLECOMBE	100	FC
KORIAN LES ARCADES	100	FC
KORIAN MAGENTA	100	FC
KORIAN VILLA SAINT DO	100	FC
KORIAN LE BOIS CLÉMENT	100	FC
KORIAN BRUNE	100	FC
KORIAN PARC DE L'ABBAYE	100	FC
KORIAN VILLA EYRAS	100	FC
KORIAN FLORIAN CARNOT	100	FC
KORIAN LES TYBILLES	100	FC
KORIAN LES LIERRES	100	FC
KORIAN L'AIR DU TEMPS	100	FC
KORIAN HAUTS D'ANDILLY	100	FC
KORIAN LO SOLELH	100	FC
KORIAN REINE BLANCHE	100	FC
KORIAN LES BLÉS D'OR	100	FC
KORIAN LES TEMPS BLEUS	100	FC
CARLOUP SANTÉ SARL	100	FC
LE CASTELLI	100	FC
ANTIN IMMO BORDEAUX	51	FC
ANTIN IMMO EPINAL	51	FC
ANTIN IMMO HOLDING	51	FC
ANTIN IMMO INICEA	51	FC
ANTIN IMMO SAINT- AVOLD	51	FC
ANTIN IMMO SAINT-BRIEUC	51	FC
FONCIÈRE JOUVENCE NUTRITION	100	FC
FONCIÈRE VAL JOSSELIN	100	FC
INICEA FONCIÈRE 1	100	FC
SCI LA CONFLUENCE SAINT-CYR	100	FC
LES ESSENTIELLES CAEN	100	FC



**Legal entity**

LES ESSENTIELLES CONFLANS-STE-HONORINE	100	FC
LES ESSENTIELLES HOLDING	100	FC
LES ESSENTIELLES LIMEIL-BRÉVANNES	100	FC
LES ESSENTIELLES L'ISLE ADAM	100	FC
LES ESSENTIELLES NÈGREPELISSE	100	FC
LES ESSENTIELLES ROUEN	100	FC
LES ESSENTIELLES STRASBOURG – POURTALES	100	FC
LES ESSENTIELLES SAINTE-SOULLE	100	FC
RÉSIDENCE LES ESSENTIELLES SURESNES	100	FC
LES ESSENTIELLES VINCENNES	100	FC
KORIAN LES FONTAINES	100	FC
ISÈRE SANTÉ	100	FC
LAFFITTE SANTÉ	100	FC
SCI MAIL IMMOBILIER	100	FC
LE MAIL SANTÉ	100	FC
MASSENET SANTÉ	100	FC
MEDOTELS SIÈGE	100	FC
KORIAN MISTRAL	100	FC
KORIAN CLOS DES VIGNES	100	FC
KORIAN VILLA POPYRI	100	FC
KORIAN LES CASSISSINES	100	FC
KORIAN LA SPINALE	100	FC
KORIAN L'ASTREE	100	FC
KORIAN LA FONTANIÈRE	100	FC
KORIAN MAS DES AINÉS	100	FC
KORIAN LA LOUBIÈRE	100	FC
KORIAN AU FIL DU TEMPS	100	FC
KORIAN PLAISANCE	100	FC
KORIAN SAVERNE	100	FC
KORIAN VAL DES SOURCES	100	FC
KORIAN VILL'ALIZÉ	100	FC
KORIAN L'ESCONDA	100	FC
KORIAN PASTORIA	100	FC
KORIAN LE PETIT CASTEL	100	FC
PEROU SIÈGE	100	FC
KORIAN LES PINS BLEUS	100	FC
KORIAN PONTLIEUE	100	FC
KORIAN QUIÉTA	100	FC
KORIAN SAISON DORÉE	100	FC
KORIAN SAINT-FRANÇOIS	100	FC
VILLANDIÈRES NÎMES	100	FC
KORIAN GLETEINS	100	FC
SAS LE PONTET	100	FC
LES ACACIAS (BRIANÇON)	100	FC
KORIAN LES 4 FONTAINES	100	FC
KORIAN LA VERNÈDE	100	FC
KORIAN LES OLIVIERS	100	FC
KORIAN BROCÉLIANDE	100	FC
SAS LES CLARINES	100	FC
KORIAN PARC DE GASVILLE	100	FC
SAS CLINIQUE LES GRANDS CHENES	100	FC
KORIAN LES FLOTS	100	FC



**Legal entity**

SCI IMMO 2	51	FC
SAS LA VALLONIE	100	FC
SCI BELVÉDÈRE PLAGE	100	FC
SA BELVÉDÈRE	100	FC
KORIAN MONTPRIBAT	100	FC
SAS NAPOLÉON	100	FC
SCI NAPOLÉON	51	FC
KORIAN L'ESTRAN	100	FC
CLINIDEV SAS	100	FC
CLINIDOM SAS	100	FC
LES ACACIAS (GAN)	100	FC
MARIENIA	100	FC
SAS CDS 2	100	FC
SARL H.ECO	51	FC
SAS LA SOLANE	100	FC
SAS VAL PYRENE	100	FC
SAS CRFS GUSTAVE ZANDER	100	FC
SA SAEM – INSTITUT ZANDER	100	FC
SCI GARIBALDI SIERROZ	51	FC
SCI LE ZANDER	51	FC
KORIAN LE MONT BLANC	99	FC
KORIAN CANAL DE L'OURCQ	100	FC
KORIAN YVELINES SUD	100	FC
KORIAN LES NOES	100	FC
KORIAN C.3.S	100	FC
KORIAN LES TROIS TOURS	100	FC
KORIAN L'ORÉGON	100	FC
KORIAN L'OBSERVATOIRE	100	FC
KORIAN LA MARETTE	100	FC
PETITS-FILS DÉVELOPPEMENT	100	FC
PETITS-FILS	100	FC
KORIAN ROGER SALENGRO	100	FC
KORIAN SULLY	100	FC
KORIAN JONCS MARINS	100	FC
KORIAN LE PONT	100	FC
CENTRE AUBERGENVILLOIS DE PSYCHIATRIE AMBULATOIRE	100	FC
KORIAN CLAVETTE	100	FC
CENTRE CALADOIS DE PSYCHIATRIE AMBULATOIRE	100	FC
CLINIQUE DES VALLÉES	100	FC
CLINIQUE JEANNE D'ARC	100	FC
CENTRE LYONNAIS DE PSYCHIATRIE AMBULATOIRE	100	FC
CENTRE MONTOIS DE PSYCHIATRIE AMBULATOIRE	100	FC
CENTRE NABORIEN DE PSYCHIATRIE AMBULATOIRE	100	FC
CENTRE DE PSYCHIATRIE AMBULATOIRE DE CENON	100	FC
CENTRE PSYCHIATRIQUE LIVRYEN AMBULATOIRE	100	FC
CLINIQUE DU PAYS DE SEINE	100	FC
CENTRE SPINALIEN DE PSYCHIATRIE AMBULATOIRE	100	FC
CLINIQUE DE VONTES	100	FC
INICEA VAL JOSSELIN	96	FC
KORIAN CHARNAY	100	FC
CLINIQUE LES HORIZONS	100	FC
IMMOBILIÈRE DES ROSES	100	FC



**Legal entity**

IMMOBILIÈRE DES VALLÉES	100	FC
INICEA JOUVENCE NUTRITION	100	FC
KORIAN SOLUTION	100	FC
LA CORNE DE L'ABONDANCE	90	FC
CLINIQUE MAYLIS	100	FC
MOVE IN MED	100	FC
CLINIQUE LA MARE Ô DANS	100	FC
OMEDYS	70	FC
PÔLE DE SANTÉ MENTALE LA CONFLUENCE	100	FC
CLINIQUE DE PSY D'OSNY	100	FC
CLINIQUE DE REGENNES	100	FC
SERVICE D'ÉMILIE – VERSAILLES	54	FC
SERIENESS SSR	100	FC
TECHNOSENS ÉVOLUTION	70	FC
KORIAN THALATTA	100	FC
CLINIQUE VILLA DES ROSES	100	FC
VIVASON	44	EM
LES ESSENTIELLES COMPIÈGNE	100	FC
LES ESSENTIELLES LIVRY-GARGAN	100	FC
GIE INICEA SERVICES	100	FC

**13.3.2 Germany****Legal entity**

KORIAN DEUTSCHLAND AG, MUNICH	100	FC
KORIAN HOLDING GMBH, MUNICH	100	FC
CURANUM BETRIEBS GMBH WEST, MUNICH	100	FC
KORIAN AKADEMIE GMBH, MUNICH	100	FC
BUP BETREUUNG UND PFLEGE GMBH, MUNICH	100	FC
KORIAN PERSONALDIENSTLEISTUNG GMBH, MUNICH	100	FC
ALTENHEIM BETRIEBSGESELLSCHAFT WEST GMBH, MUNICH	100	FC
CURANUM BETRIEBS GMBH, MUNICH	100	FC
CURANUM BETRIEBS GMBH MITTE, MUNICH	100	FC
CURANUM FRANZISKUSHAUS GMBH, MUNICH	100	FC
GAP MEDIA SERVICE GMBH, MUNICH	100	FC
CURANUM LIESBORN GMBH & CO. KG, MUNICH	100	FC
RIAG SENIORENZENTRUM "ENNEPETAL" GMBH & CO. KG, MUNICH	100	FC
RIAG SENIORENZENTRUM "ERSTE" GMBH & CO. KG, MUNICH	100	FC
RIAG SENIORENZENTRUM "ZWEITE" GMBH & CO. KG, MUNICH	100	FC
BAD SCHWARTAUER AVG ALTENHEIM-VERMIETUNG GMBH & CO. KG, MUNICH	100	FC
SERVICE GESELLSCHAFT WEST GMBH, MUNICH	100	FC
PFLEGEEXPERTEN GMBH, MUNICH	100	FC
CURANUM VERWALTUNGS GMBH, MUNICH	100	FC
QUALIVITA BETEILIGUNGS-GMBH, MUNICH	100	FC
SENIORENZENTRUM LANGENKAMP GMBH, MUNICH	100	FC
SENIORENZENTRUM LÜBBECKE GMBH, MUNICH	100	FC
SENIOREN-ZENTRUM AM SEE GMBH & CO. KG, MUNICH	100	FC
SENIOREN-ZENTRUM AM SEE VERWALTUNGS-GMBH, MUNICH	100	FC
SENIORENZENTRUM PEINE AM HERZBERG GMBH, MUNICH	100	FC
SENIOREN- UND PFLEGEHEIM ILSEDE AM MARKT GMBH, MUNICH	100	FC
SENIORENBETREUUNGSGESELLSCHAFT STELLE GMBH & CO. KG, MUNICH	100	FC

**Legal entity**

TAGESPFLEGE QUALIVITA GMBH, MUNICH	100	FC
SENIORENZENTRUM AM PFARRGARTEN GMBH, MUNICH	100	FC
SENIORENZENTRUM NIENHAGEN QUALIVITA GMBH, MUNICH	100	FC
JOHANNES SENIORENDIENSTE GMBH, MUNICH	100	FC
QUALIVITA SERVICE WOHNEN GMBH, MUNICH	100	FC
AMBULANTE PFLEGE QUALIVITA GMBH, MUNICH	100	FC
QV-SERVICE GMBH, MUNICH	100	FC
AMBULANTE PFLEGE NINO ALLEE GMBH, MUNICH	100	FC
NOVENT PFLEGEBETRIEBE GMBH, MUNICH	100	FC
NOVENT SERVICEBETRIEBE GMBH, MUNICH	100	FC
PHÖNIX – HAUS SILBERDISTEL – ALTEN U. PFLEGEHEIM GMBH, MUNICH	100	FC
PHÖNIX – HAUS ROGGENBERG – PFLEGEHEIM GMBH, MUNICH	100	FC
PHÖNIX-HAUS KARWENDEL ALTEN- UND PFLEGEHEIM GMBH, MUNICH	100	FC
PHÖNIX-AMBULANTE INTENSIVE PFLEGE GMBH, MUNICH	100	FC
PHÖNIX-HAUS ROSMARIN SENIOREN- UND PFLEGEZENTRUM GMBH, MUNICH	100	FC
SENIORENWOHNANLAGE OETTINGEN GMBH, MUNICH	100	FC
ALTEN- PFLEGEHEIM VEITSBRONN GMBH, MUNICH	100	FC
PHÖNIX SENIORENRESIDENZ ELSTERTALBLICK GMBH, MUNICH	100	FC
PHÖNIX SOZIALZENTRUM IM LERCHENFELD GMBH, MUNICH	100	FC
PHÖNIX SOZIALZENTRUM WINDSBACH GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM IM BRÜHL GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM TAUNUSBLICK GMBH, MUNICH	100	FC
PHÖNIX-HAUS AM STEINSGRABEN SENIOREN – UND PFLEGEZENTRUM GMBH, MUNICH	100	FC
PHÖNIX – SENIORENZENTRUM ULMENHOF GMBH, MUNICH	100	FC
PHÖNIX – HAUS SONNENGARTEN WOHN – UND PFLEGEZENTRUM GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM GRAF TILLY GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM HERZOG ALBRECHT GMBH, MUNICH	100	FC
PHÖNIX-SENIORENRESIDENZ AM TEICHBERG GMBH, MUNICH	100	FC
SENIORENRESIDENZ DETTELBACH GMBH, MUNICH	100	FC
SENIOREN- UND FACHPFLEGEZENTRUM GMBH (GRETTEL-EGNER-HAUS), MUNICH	100	FC
SOLIDARIA SENIORENRESIDENZEN GGMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM HESSENALLEE GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM FRONMÜLLERSTRASSE GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM GARTENSTADT GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM AM BODENSEERING GMBH, MUNICH	100	FC
WBW GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM ST. HEDWIG GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM NEUPERLACH GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM AHORNHOF GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM AM MUPPBERG GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM MAINPARKSEE GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM AM SCHLOSSTEICH GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM ZWEI LINDEN GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM WEIDENPESCH GMBH, MUNICH	100	FC
PHÖNIX-SENIORENZENTRUM EVERGREEN MAXHÜTTE GMBH, MUNICH	100	FC
SERVAS GMBH – SERVICELEISTUNGEN FÜR DEN ALTENHILFSEKTOR, MUNICH	100	FC
GERICARE GMBH, MUNICH	100	FC
KORIAN IMMOBILIEN GMBH, MUNICH (FORMER: LEOS GMBH)	100	FC
PHÖNIX-SENIORENZENTRUM EVERGREEN GMBH, MUNICH	100	FC
PHÖNIX-LEBENSZENTREN GMBH, MUNICH	100	FC
SENIORENHEIM AN DER PAAR GMBH, MUNICH	100	FC
KLINIK AM STEIN VERWALTUNGS GMBH, MUNICH	100	FC



**Legal entity**

KLINIK AM STEIN PROJEKTENTWICKLUNGSGESELLSCHAFT MBH & CO. KG, MUNICH	100	FC
SOTERIA MANAGEMENTGESELLSCHAFT MIT BESCHRÄNKTER HAFTUNG, MUNICH	100	FC
EVERGREEN HOLDING GMBH, MUNICH	100	FC
EVERGREEN PFLEGE- UND BETREUUNGSZENTRUM BUTZBACH GMBH, MUNICH	100	FC
EVERGREEN PFLEGEZENTRUM AM ALTEN POSTSTADION GMBH, MUNICH	100	FC
EVERGREEN PFLEGE – UND BETREUUNGSZENTRUM BERGNEUSTADT GMBH, MUNICH	100	FC
EVERGREEN PFLEGE – UND BETREUUNGSZENTRUM LANDSCHEID GMBH, MUNICH	100	FC
EVERGREEN PFLEGE – UND BETREUUNGSZENTRUM PADERBORN GMBH, MUNICH	100	FC
EVERGREEN PFLEGE – UND BETREUUNGSZENTRUM RECKLINGHAUSEN GMBH, MUNICH	100	FC
EVERGREEN PFLEGE – UND BETREUUNGSZENTRUM SAARBURG GMBH, MUNICH	100	FC
BLITZ 07-712 GMBH, MUNICH	100	FC
HELVITA SENIORENZENTREN GMBH, MUNICH	100	FC
ALPHEIDE-SENIORENZENTRUM GMBH, MUNICH	100	FC
SENIOREN-DOMIZIL FAMILIE WOHNIEDLER GMBH, MUNICH	100	FC
HAUS AMSELHOF SENIORENRESIDENZ GMBH, MUNICH	100	FC
HELVITA WIRTSCHAFTSDIENSTE GMBH, MUNICH	100	FC
SENIORENPFLEGE HASSLOCH GMBH, MUNICH	100	FC
SENTIVO GMBH, MUNICH	100	FC
SENTIVO RHÖNDORF GMBH, MUNICH	100	FC
SENTIVO EITOLF GMBH, MUNICH	100	FC
SENTIVO MÖNCHENGLADBACH GMBH, MUNICH	100	FC
SENTIVO SOLINGEN GMBH, MUNICH	100	FC
SCHAUINSLAND PFLEGEBETRIEBS-GMBH, MUNICH	100	FC
AMBULANTE PFLEGE SCHAUINSLAND GMBH, MUNICH	100	FC
PFLEGE AUS EINER HAND GMBH, MUNICH	100	FC
KÖNIG BETEILIGUNGS-VERWALTUNGS-GMBH, MUNICH	100	FC
KORIAN HÄUSLICHE KRANKENPFLEGE BETEILIGUNGS-GMBH, MUNICH	100	FC
HÄUSLICHE KRANKENPFLEGE CHARLOTTE KÖNIG GMBH & CO KG, MUNICH	100	FC
MOBILE KRANKENPFLEGE MAIER GMBH & CO. KG, MUNICH	100	FC
INTENSIVPFLEGEDIENST LEBENSWERT GMBH, MUNICH	100	FC
LEBENSWERT IMMOBILIENVERWALTUNGS- UND BETEILIGUNGS- GMBH, MUNICH	100	FC
LEBENSWERT WOHNEN GMBH & CO. KG, MUNICH	100	FC
KORIAN MANAGEMENT AG, MUNICH	100	FC
KORIAN MANAGEMENT GRUNDBESITZ GMBH, MUNICH	53.5	FC
KORIAN TEXTILSERVICE GMBH, MUNICH	100	FC
KORIAN MANAGEMENT AG, SALZBURG	100	FC
CR KORIAN HOLDING GMBH, MUNICH	100	FC
CASA REHA BETRIEBS- UND BETEILIGUNGSGESELLSCHAFT MBH, MUNICH	100	FC
HAUS ALTKÖNIG HEIMBETRIEBSGESELLSCHAFT MBH, MUNICH	100	FC
CASA REHA VIII IMMOBILIEN VERWALTUNGSGESELLSCHAFT OBJEKT LOLLAR MBH, MUNICH	100	FC
CASA REHA IX IMMOBILIEN BETEILIGUNGSGESELLSCHAFT OBJEKT LOLLAR MBH, MUNICH	100	FC
CASA REHA VIII IMMOBILIENGESELLSCHAFT OBJEKT LOLLAR MBH & CO. KG, MUNICH	100	FC
CASA REHA HEIMBETRIEBSGESELLSCHAFT MBH, MUNICH	100	FC
NON – FOOD HANDELSGESELLSCHAFT FÜR SENIORENBEDARF MBH, MUNICH	100	FC
F & B SENIOREN SERVICE-CENTER GMBH, MUNICH	100	FC
S&K TEXTIL SENIOREN DIENSTLEISTUNGS- CENTER GMBH, MUNICH	100	FC
CASA REHA ALTENPFLEGEHEIM GMBH, MUNICH	100	FC
SENIORENRESIDENZ AM ERLLENHOFSEE BETRIEBSGESELLSCHAFT MIT BESCHRÄNKTER HAFTUNG, MUNICH	100	FC
XXIV. CASA REHA IMMOBILIENVERWALTUNGSGESELLSCHAFT MBH, MUNICH	100	FC
XXVIII. CASA REHA IMMOBILIENVERWALTUNGSGESELLSCHAFT MBH, MUNICH	100	FC
XX. CASA REHA VERWALTUNGS- UND IMMOBILIENERWERBS GMBH & CO. KG, MUNICH	100	FC

**Legal entity**

SENIORENPFLEGEHEIM GMBH BAD NEUSTADT A.D. SAALE, BAD NEUSTADT/SAALE	75	FC
CASA REHA SENIORENPFLEGEHEIM GMBH, MUNICH	100	FC
SOZIALKONZEPT BETRIEBS- UND BETEILIGUNGS GMBH, MUNICH	100	FC
SOTEC GMBH, MUNICH	100	FC
SERVEX DIENSTLEISTUNGS GMBH, MUNICH	100	FC
SOZIALKONZEPT BETEILIGUNGS GMBH, MUNICH	100	FC
SOZIAL SERVICE EINRICHTUNGS- UND GESCHÄFTSBESORGUNGS GMBH, MUNICH	100	FC
GO DRACHENFELSSEE 506. VV GMBH, MUNICH	100	FC
GO DRACHENFELSSEE 510. VV GMBH, MUNICH	100	FC
SOZIALKONZEPT CHARLOTTEHOF BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN MBH, MUNICH	100	FC
SOZIALKONZEPT CÄCILIEHOF BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN MBH, MUNICH	100	FC
SOZIALKONZEPT FRIEDERIKENHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT KATHARINENHOF BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN MBH, MUNICH	100	FC
SOZIALKONZEPT MAGDALENEHOF BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN MBH, MUNICH	100	FC
SOZIALKONZEPT SOPHIENHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT DOROTHEENHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT BARBARAHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT MARIENHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT LUISENHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT CHRISTINENHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT LORETTAHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT MARIETTENHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT HELENEHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT SCHULZE-KATHRINHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT HERMINENHOF GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
SOZIALKONZEPT IM ROSENPARK GMBH BETRIEBSGESELLSCHAFT SOZIALER EINRICHTUNGEN, MUNICH	100	FC
ALTER EGO SIEBENUNDVIERZIGSTE BETEILIGUNGSGESELLSCHAFT MBH, MUNICH	100	FC
PROVITA HEIMBETRIEBSGESELLSCHAFT MBH, MUNICH	100	FC
SENIORENHEIM LEHNDORFER HOF GMBH, MUNICH	100	FC
SENIOREN DSC GMBH DIENSTLEISTUNGS- UND SERVICE CENTER, MUNICH	100	FC
AFARIA GRUNDSTÜCKSV ERWALTUNGS GMBH & CO. OBJEKT LOLLAR KG, MAINZ	94	FC



## 13.3.3 Italy

## Legal entity

COFISAN	100	FC
SEGESTA GESTIONI	100	FC
ASSISI PROJECT SPA	60	FC
AUREA SALUS SRL	100	FC
RSA BERZO INFERIORE SRL	100	FC
RSA BORNO SOCIETA DI PROGETTO S.P.A	100	FC
MONTE BURIASCO SRL	90	FC
CASA DI CURA SAN CAMILLO SRL	70	FC
CASA DI CURA CARACCILOLO SRL	100	FC
RESIDENZA VILLA CARLA SRL	100	FC
RESIDENZA CHALLANT SRL	90	FC
SANTA CHIARA SRL	70	FC
IL CHIOSCO SRL	100	FC
CLIPPER SRL	43	EM
CENTRO MEDICO SPECIALISTICO SRL	90	FC
CENTRO SPECIALISTICO PER LA CURA DEL DIABETE SRL	90	FC
ELIA DOMUS SRL	100	FC
ELIDE SRL	95	FC
FAMAST 3 SRL	100	FC
FIGERI SANITA SRL	66	FC
II FOCOLARE SRL	90	FC
FORTIS SRL	70	FC
FRATESOLE SRL CLINIC	100	FC
GABBIANO BORAGNO GROUP	100	FC
GERESS SRL	50	PC
SEGESTA 2000	100	FC
SEGESTA	100	FC
STUDIO SERENISSIMA SRL	100	FC
VILLA SILVANA S.P.A.	100	FC
SILVER IMMOBILIER	100	FC
SMERALDA RSA DI PADRU SRL	100	FC
SOGEMI SRL	100	FC
SONDRIO RINNOVA SRL	100	FC
CENTRO FISIOTERAPICO TARANTINI SRL	100	FC
VILLA DELLE TERME	100	FC
MEDICAL HOUSE VIGNE NUOVE SRL	100	FC
VITTORIA SRL	70	FC
VILLA SAN CLEMENTE	100	FC
PASSERANO MARMORITO (CARE SERVICE)	100	FC
CROCE DI MALTA SRL	100	FC
FORMIGINE	75	FC
BRA M. FRANCONI (IL FAGGIO)	100	FC
PLATINUM SPA	100	FC
ISAV SPA	100	FC
KINETIKA NET EQUITY METHOD	100	FC
LABORATORIO ANALISI CLINICHE DELLE VALLI SRL	100	FC
CENTRO RADIOLOGICO LAERTINO SRL	90	FC
LEONARDO DA VINCI – CDM SPA	100	FC
LEONARDO	95	FC
LOB SRL	100	FC
MOSAICO HC	100	FC

**Legal entity**

MSH SRL	100	FC
NATIVITAS	51	FC
CENTRO DIAGNOSTICO MEDICINA NUCLEARE SRL	90	FC
OVER S.P.A	43	EM
OVER CARE SRL	43	EM
OVER&OVER SRL	43	EM
OVER REAL ESTATE SRL	43	EM
OVER SONDRIO SRL	43	EM
OVER SUITE SRL	43	EM
OVER VILLAS SRL	43	EM
PARCO DELLE ROSE 92 SRL	66	FC
RSA FRATESOLE SRL	100	FC
SERVIZI ASSISTENZIALI DOMICILIARI SRL	70	FC
SANEM2001 SRL	100	FC
SANTA CROCE SRL	90	FC
IDEASS SPA	90	FC
LEONARDO IMMOBILIER	100	FC
IMMOBILIARE MARINA DI SORSO SRL	100	FC
GIEFFE SERVIZI SRL	100	FC
GILAR SRL	100	FC
MEDICA SUD SRL	90	FC
SEGESTA MEDITERRANEA	100	FC

**13.3.4 Belgium**

**Legal entity**

VLAAMSE ARDENNEN	100	FC
ARCHE DE VIE SA	100	FC
LE DOMAINE DES AMARYLLIS SPRL	100	FC
RÉSIDENCE 3 SA	100	FC
AURORA NV	100	FC
RÉSIDENCE REINE ASTRID SA	100	FC
BELLEVUE SA	100	FC
BERKENBOSCH NV	100	FC
RESIDENTIE SPOENPARK	100	FC
RESIDENTIE BONEPUT	100	FC
CLEANING AT HOME	100	FC
RESIDENTIE CHEVEUX D'ARGENT	100	FC
CLAIRE DE VIE SPRL	100	FC
CURA FAMILY SERVICES	100	FC
CLEANING FOR YOU	100	FC
LES CHARMILLES SA	100	FC
CORDIA HOLDING	100	FC
LE COLVERT SPRL	100	FC
DELLEBRON	100	FC
EKSTERVELD	100	FC
HUYSE ELCKERLYC	100	FC
GOLDEN MORGEN	100	FC
DAMIEN/HÉRIS SÉNISERVICES SA	100	FC
HEYDEVELD BVBA	100	FC
KAREN SPRL	100	FC



**Legal entity**

RÉSIDENCE RY DU CHEVREUIL	100	FC
RÉSIDENCE SEIGNEURIE DU VAL	100	FC
RESIDENTIE SENIORPLAZA	100	FC
RESIDENTIE VAERENHOF	100	FC
RÉSIDENCE AU BON VIEUX TEMPS	100	FC
SENIOR ASSIST HOME CARE	100	FC
SENIOR HOUSING	51	FC
LES SITELLES SA	100	FC
SL FINANCE	100	FC
SENIOR LIVING GROUP	100	FC
SL INVEST	100	FC
SL IMMO	100	FC
SENIORPLAZA CONCEPT	100	FC
SENIORPLAZA INVEST	100	FC
CHATEAU SOUS BOIS SPRL	100	FC
VII VOYES SPRL	100	FC
JOHAN VRIJDAGHS BVBA	100	FC
WIELANT	100	FC
TEN PRINS	100	FC
RÉSIDENCE L' AIR DU TEMPS	100	FC
RÉSIDENCE BETHANIE	100	FC
LES RÉCOLLETS SA	100	FC
RESIDENTIE EDELWEIS	100	FC
WELFARE ESTATES NV	52	FC
RESIDENTIE DEUX PARCS	100	FC
RESIDENTIE 'DE OUDE MELKERIJ' BVBA	100	FC
MAISON DE XX AOÛT SA	100	FC
RESIDENTIE MAASMEANDER	100	FC
MARETAK	100	FC
WOON & ZORG EXPLOITATIE ICHTEGEM BVBA	100	FC
MÉLOPÉE	100	FC
WOON & ZORG EXPLOITATIE LUMMEN BVBA	100	FC
NOOTELAER	100	FC
ONAFHANKELIJKE THUISZORG VLAANDEREN	100	FC
DU PARC SA	100	FC
PSYCHOGERIATRISCH CENTRUM	100	FC
PLAZA CATERING	100	FC
NOUVELLE RÉSIDENCE LE SAULE SPRL	100	FC
RÉSIDENCE LE PROGRES	100	FC
RESIDENTIE MILSENHOF	100	FC
RÉSIDENTIE PALOKE	100	FC
RÉSIDENCE DU PLATEAU	100	FC
RÉSIDENTIE PRINSENPARK	100	FC
RESIDENCE DE LA PASSERINETTE	100	FC
DE LAEK SA	100	FC
ST LENAARTSHOF	100	FC
LE RICHEMONT	100	FC
RESIDENTIE KASTEELHOF	100	FC
LE CLOS DE LA RIVELAINE VALDAMI	100	FC



### 13.3.5 Netherlands

#### Legal entity

DORES HERSTELZORG BV	100	FC
HESTIA BV	100	FC
GOUTEN HART	100	FC
STEPPING STONES HOME & CARE HOLDING BV	100	FC
KORIAN HOSPITALITY BV	100	FC
KORIAN FACILITIES BV	100	FC
KORIAN MANAGEMENT SERVICES BV	100	FC
ROSORUM ZORGEXPLOITATIE BV	100	FC
SENIOR LIVING BV	100	FC
STEPPING STONES LEUSDEN BV	100	FC
STEPPING STONES VASTGOED BV	100	FC
KORIAN ZORG HOLDING BV	100	FC
STEPPING STONES HOME & CARE ZORG BV	100	FC
KORIAN RE COÖPERATIEF U.A	50	PC

### 13.3.6 United Kingdom

#### Legal entity

BERKLEY CARE (BRISTOL) LTD	100	FC
BERKLEY CARE (CHESHAM) LTD	100	FC
ACTIVE LIVES CARE LIMITED	100	FC
BERKLEY CARE (PORTOBELLO PLACE) LTD	100	FC
RYEFIELD COURT CARE LIMITED	100	FC
SHINFIELD LODGE CARE LTD	100	FC
BERKLEY CARE (TOURNAMENT FIELDS HOLDCO) LTD	100	FC
BERKLEY CARE (TOURNAMENT FIELDS) LTD	100	FC
BERKLEY CARE (TOURNAMENT FIELDS PARENT) LTD	100	FC

### 13.3.7 Spain

#### Legal entity

SERVICIOS GERIATRICOS DE LA ALPUJARRA SL	100	FC
ASINARA INVESTMENTS SL	100	FC
BENORT SOCIAL SL	100	FC
CENTRO ABB SL	100	FC
CONSULTING ASISTENCIAL SOCIOSANITARIO SL	100	FC
CENTRE DE PREVENCIO I TRACTAMENT ANOREXIA I BULIMIA SL	100	FC
DESARROLLO PARADIGMA SL	100	FC
RESIDENCIA GERIATRICA EL PARQUE	100	FC
FUNDACION INSTITUTO DE TRASTORNOS ALIMENTARIOS	100	FC
IADA 2017 SL	100	FC
ITACARE ASISTENCIAL SL	100	FC
ITA CLINIC BCN SL	100	FC
KORIAN RESIDENCIAS SPAIN 2018 SLU	100	FC
GROUPE OMEGA ESPAÑA SL	100	FC
PSICOLOGÍA Y REALIDAD VIRTUAL SL (PREVI)	100	FC
PROYECTO DE REHABILITACION INTEGRAL DE LA SALUD MENTAL EN ARAGON SA	100	FC
RESIDENCIAS FAMILIARES PARA MAYORES SL	100	FC
SAN FELIPE DEL MEDOTERRANEO SL	100	FC
VITALIS CARE SL	100	FC

► **KORIAN GROUP IDENTITY CARD**

Corporate name:	KORIAN
Explanation of the name change (if applicable)	N/A
Country of registered office:	France
Legal form:	A French public limited company ( <i>société anonyme</i> ) with a Board of Directors
Country of registration:	France
Registered office address:	21-25 rue Balzac – 75008 Paris
Address of the main establishment or business area:	21-25 rue Balzac – 75008 Paris
Description of the activity:	Any management activity, management consultancy, and ownership of companies specialising in the healthcare sector and the ageing of populations, and, more specifically, in hospitals and care facilities for the elderly, post-acute and rehabilitation care facilities, psychiatric clinics, home care for dependent elderly persons, and, more generally, in the care of dependency and the offer of services to the elderly, and, more broadly, equity interests, by any means, in all companies or businesses, existing or future, and in all financial, commercial, industrial, real estate and movable property transactions that may be directly or indirectly related to one of the purposes specified above, or any similar or related purpose to promote the development of the Company's assets.
Name of parent company:	KORIAN
Name of the ultimate group head (if applicable): KORIAN/	KORIAN

## 6.2 Statutory Auditors' report on the consolidated financial statements

For the financial year ended 31 December 2021

To the General Meeting of Korian,

### Opinion

In compliance with the assignment entrusted to us by your General Meetings, we audited the consolidated financial statements of Korian for the financial year ended 31 December 2021, as attached to this report.

We hereby certify that the consolidated financial statements are, in accordance with IFRS as adopted by the European Union, accurate and drawn up in a proper manner and give a true and fair view of the results of operations for the past financial year as well as of the financial position and assets, at the end of the financial year, of the Group consisting of the persons and entities included in the consolidation.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

### Basis of opinion

#### Audit standard

We conducted our audit in accordance with the professional standards applicable in France. We believe that the evidence we gathered is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the "Responsibilities of the Statutory Auditors for the audit of the consolidated financial statements" section of this report.

#### Independence

We conducted our audit in accordance with the rules of independence provided for by the French Commercial Code and the Code of Ethics for Statutory Auditors over the period from 1 January 2021 to the date on which our report was issued and, in particular, we did not provide any services prohibited by Article 5, paragraph 1, of Regulation (EU) No. 537/2014.

### Justification of our assessment – Key audit points

The global crisis linked to the Covid-19 pandemic has created special conditions for the preparation and audit of the financial statements for this financial year. This crisis and the exceptional measures taken as part of the health emergency have had multiple consequences for companies, particularly relating to their activity and financing, as well as heightened uncertainties relating to future prospects. Some of these measures, such as restrictions on travel and remote working, have also affected the internal organisation of companies and the ways in which audits are carried out.

It is in this complex and evolving context that, in accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we draw to your attention the key points of the audit relating to the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the consolidated financial statements for the financial year, as well as our responses to those risks.

These assessments were made in the context of the audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on the items of these consolidated financial statements taken in isolation.

### Assessment of goodwill and operating licences

#### Key audit matter

As at 31 December 2021, the net value of goodwill and operating licences amounted to €5,241 million.

- Goodwill, the determination of which is presented in Note 5.1 to the consolidated financial statements, is recognised on the assets side of the statement of financial position for a net total of €3,214 million.
- Operating licences acquired as part of business combinations are non-depreciable intangible assets recognised for a net carrying amount of €2,026 million, corresponding to the value of the operating licences granted by the supervisory authorities in France, Belgium and Italy. In the case of business combinations, they are valued at their fair value at the acquisition date, according to the methods described in Note 5.2 "Intangible assets" to the consolidated financial statements.

At each closing date, or more frequently in the event 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 the value net of disposal costs and the value in use. Impairment tests are carried out either at the level of the cash-generating unit (CGU) or at the level of a group of CGUs (goodwill):

- for goodwill, the CGU corresponds to a grouping of CGUs by country: France, Germany, Belgium, the Netherlands, Italy, Spain and the United Kingdom;
- for operating licenses, the CGU corresponds to a department in France and a region in Italy and Belgium, for each type of activity (nursing home, clinic or mental health facility). The methods and details of the assumptions used for these tests are presented in the section "Impairment of property, plant and equipment, intangible assets and goodwill" in Note 1 to the consolidated financial statements.

The determination of the value in use of these assets is based on the value of the discounted future cash flows of the CGUs or groups of CGUs and is based on assumptions and estimates made by management, in particular the projected cash flows, taken from the four-year business plans corresponding to the strategic plan, the average growth rate used to project these flows, and the discount rate applied to them.

The valuation of goodwill and operating licences is a key audit matter due to their weight in the Group's financial statements and the importance of management's judgment in determining the assumptions on which the estimates of value in use are based.

## Our response

We examined the compliance of the methodology applied for carrying out the impairment tests with the accounting standards in force.

We also carried out a critical review of the methods used to implement these impairment tests. In particular, we:

- checked whether the comprehensiveness of goodwill and licences was tested by management by comparing the accounting bases with the items appearing in the consolidated financial statements;
- reviewed the methods used to calculate value in use based on discounted future cash flows. For this we:
  - gained an understanding of the budget process and the key controls associated with this process,
  - studied the criteria used by management to define the CGUs corresponding to a regional grouping for each type of activity,
  - examined, on a test basis, the consistency of the cash flow forecasts with the 2022 budgets prepared by management and with the strategic plan approved by the Board of Directors,
  - compared, on a sample basis, the forecasts used in previous impairment tests with the corresponding actuals in order to analyse the achievement of previous objectives;
- analysed the perpetual growth rate and the discount rates used by management for the calculation of the value in use by comparing them with our own estimate of these rates established by including financial valuation specialists in our teams;
- verified, by sampling, the arithmetical accuracy of the calculations of the values in use used.

We also assessed the appropriateness of the information provided in the section "Impairment of property, plant and equipment, intangible assets and goodwill" in Note 1 to the consolidated financial statements and verified the arithmetical accuracy of the sensitivity analysis presented.

## Specific verifications

In accordance with the professional standards applicable in France, we also performed the specific verifications required by laws and regulations on the information relating to the Group provided in the Board of Directors' management report.

We have no matters to report as to its fair presentation and consistency with the consolidated financial statements.

We certify that the consolidated statement of non-financial performance required by Article L. 225-102-1 of the French Commercial Code is included in the information relating to the Group given in the management report, it being specified that, in accordance with the provisions of Article L. 823-10 of said code, the information contained in this statement has not been verified by us as fair or consistent with the consolidated financial statements and should be the subject of a report by an independent third party.

## Other verifications or information provided for by legal and regulatory texts

### Presentation format of the consolidated financial statements intended to be included in the annual financial report

In accordance with the professional standards on Statutory Auditors' diligence relating to the annual and consolidated financial statements presented in the single European electronic reporting format, we have also verified compliance with this format as defined by European Delegated Regulation No. 2019/815 of 17 December 2018 on the presentation of consolidated financial statements intended to be included in the annual financial report mentioned 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. With regard to consolidated financial statements, our procedures include verifying that the mark-up of these financial statements complies with the format defined by the aforementioned regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the consolidated financial statements that will be included by your company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

### Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Korian in your Articles of Association of 1 January 2003 for MAZARS and by your General Meeting of 23 June 2011 for ERNST & YOUNG et Autres.

At 31 December 2021, MAZARS was in the nineteenth year of its uninterrupted assignment (of which 16 years since the company's securities were admitted to trading on a regulated market) and ERNST & YOUNG et Autres was in its eleventh year.

Previously, ERNST & YOUNG Audit had been Statutory Auditors since 2006.

## Responsibilities of management and those charged with corporate governance for the consolidated financial statements

It is the responsibility of management to prepare consolidated financial statements that present a true and fair view in accordance with IFRS as adopted by the European Union and to implement the internal control that it deems necessary for the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

When preparing the consolidated financial statements, it is the responsibility of management to assess the company's ability to continue as a going concern, to present in these financial statements, where applicable, the necessary information relating to the going concern and to apply the going concern accounting policy, unless it is planned to liquidate the company or cease its activity.

The Audit Committee is responsible for monitoring the process of preparing financial information and monitoring the effectiveness of the internal control and risk management systems, as well as the internal audit, where applicable, concerning procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were approved by the Board of Directors.

## Responsibilities of the Statutory Auditors for the audit of the consolidated financial statements

### Audit objective and procedure

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 are free from material misstatement. Reasonable assurance corresponds to a high level of assurance, without however guaranteeing that an audit carried out in accordance with the professional standards will systematically detect all material misstatements. Misstatements may arise through fraud or as a result of errors and are considered significant when it can be reasonably expected that they may, taken individually or as a whole, influence the economic decisions taken by users of the financial statements on the basis of this information.

As specified by Article L. 823-10-1 of the French Commercial Code, our mission of certifying the financial statements does not include the provision of a guarantee of the viability or the quality of the management of your company.

Within the framework of an audit carried out in accordance with the professional standards applicable in France, the Statutory Auditor exercises his or her professional judgement throughout this audit. Furthermore:

- he or she 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 information that he or she considers sufficient and appropriate to provide a basis for his or her opinion. The risk that a material misstatement arising due to fraud will not be detected is greater than that of a material misstatement arising through error, since fraud may involve collusion, falsification, deliberate omission, false declaration or circumvention of internal control;
- he or she takes into account the relevant internal control for the audit in order to define appropriate audit procedures for the circumstances, and not in order to express an opinion on the effectiveness of the internal control;

- he or she assesses the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the disclosures concerning them provided in the consolidated financial statements;
- he or she takes into account the appropriate nature of the application by management of the going concern accounting standard and, depending on the information collected, the existence or otherwise of significant uncertainty related to events or circumstances liable to call into question the company's ability to continue operating. This assessment is based on information collected until the date of its report, with the reminder nevertheless, that subsequent circumstances or events may call into question the continuity of operations. If the Statutory Auditor concludes that a material uncertainty exists, he or she draws the attention of readers of the report to the information provided in the consolidated financial statements about this uncertainty or, if this information is not provided or is not relevant, issues a certification with reservation or a refusal to certify;
- he or she reviews the overall presentation of the consolidated financial statements and assesses whether the consolidated financial statements reflect the underlying transactions and events in such a way as to give a true and fair view;
- concerning the financial information of the persons or entities included in the scope of consolidation, the Statutory Auditor collects the items that he or she considers sufficient and appropriate to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the management, supervision and performance of the audit of the consolidated financial statements as well as the opinion expressed thereon.

### Report for the attention of the Audit Committee

We submit a report to the Audit Committee which presents the scope of the audit work and the work programme implemented, as well as the conclusions arising from our work. We would also like to draw its attention, where applicable, to the significant weaknesses in internal control that we have identified regarding the procedures for preparing and processing accounting and financial information.

Among the items communicated in the report to the Audit Committee are the risks of material misstatement that we consider to have been the most significant for the audit of the consolidated financial statements of the financial year, and which therefore constitute the key audit matters, which it is our responsibility to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014 confirming our independence, within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the Statutory Auditors' Code of Ethics. Where applicable, we discussed with the Audit Committee the risks relating to our independence and the measures taken to counter these.

The Statutory Auditors,

Mazars  
Courbevoie, 1 March 2022  
Anne Veaute

ERNST & YOUNG et Autres  
Paris-La Défense, 1 March 2022  
May Kassis-Morin



## 6.3 Annual financial statements as at 31 December 2021

Individual accounting documents (unless otherwise indicated, all monetary data is expressed in thousands of euros).

### STATEMENT OF FINANCIAL POSITION

#### Assets

	31.12.2021	31.12.2020
Intangible assets	16,807	73,303
Property, plant and equipment	1,313	15,616
Non-current financial assets	4,532,208	3,742,171
<i>Of which equity interests and related receivables</i>	3,423,426	3,152,348
<b>Total non-current assets</b>	<b>4,550,328</b>	<b>3,831,090</b>
Advance payments on orders		2
Raw materials, supplies		4,651
Trade receivables	26,246	139,857
Other receivables	2,134,057	1,712,925
Cash and cash equivalent	573,296	699,692
Marketable securities	143,877	216,396
Prepaid expenses	15,108	13,103
<b>Total current assets</b>	<b>2,892,584</b>	<b>2,786,626.0</b>
Debt issuance costs/bond redemption premiums	26,683	14,662
<b>TOTAL ASSETS</b>	<b>7,469,595</b>	<b>6,632,378</b>

#### Liabilities

	31.12.2021	31.12.2020
Share capital	527,968	525,191
Share premium	1,297,253	1,283,778
Legal reserve	38,520	38,272
Retained earnings	73,862	100,709
Other reserves	128,516	128,516
Profit (loss)	-25,639	4,980
Regulated provisions	1,840	4,358
<b>Net equity</b>	<b>2,042,320</b>	<b>2,085,804</b>
Provisions for risks and charges	6,774	4,678
Other bonds	2,797,501	2,230,511
Loans from credit institutions	1,118,964	1,017,770
Miscellaneous loans and borrowings	1,454,734	1,209,364
Trade payables	15,356	44,920
Tax and social security liabilities	11,621	26,709
Suppliers of non-current assets	583	8,456
Other liabilities	12,330	3,537
<b>Total operating liabilities</b>	<b>5,417,863</b>	<b>4,545,945</b>
Deferred income		629
Unrealised foreign exchange gains	9,412	
<b>TOTAL LIABILITIES</b>	<b>7,469,595</b>	<b>6,632,378</b>

## INCOME STATEMENT

	31.12.2021	31.12.2020
Operating income	23,544	139,053
Sales of goods	-	-
Revenue	23,544	139,053
Capitalised production	3,085	11,043
Operating subsidies		1
Reversals of provisions and transferred expenses	328	5,766
Other revenue	-	1,210
<b>Total</b>	<b>26,957</b>	<b>157,073</b>
Change in inventories		-4,651
Purchases of goods	3	-
Other purchases and external expenses	38,065	106,689
Taxes and duties	1,134	2,775
Wages	17,741	47,973
Social security charges	7,802	22,683
Allowances		
■ depreciation and amortisation of non-current assets	7,534	18,399
■ on current assets	-	-
■ provisions for risks and expenses	816	70
Other expenses	332	2,053
<b>TOTAL OPERATING EXPENSES</b>	<b>73,427</b>	<b>195,991</b>
<b>Operating results</b>	<b>-46,471</b>	<b>-38,918</b>
<b>Share of profits and losses</b>	<b>81</b>	<b>-529</b>
Financial income	109,824	85,048
Financial expenses	102,781	66,446
<b>Financial profit (loss)</b>	<b>7,043</b>	<b>18,602</b>
<b>Current profit (loss)</b>	<b>-39,348</b>	<b>-20,845</b>
Non-recurring income	117,687	1,531
Non-recurring expenses	134,989	3,018
<b>Non-recurring profit (loss)</b>	<b>-17,302</b>	<b>-1,487</b>
Income tax	-31,011	-27,313
<b>NET ACCOUNTING PROFIT (LOSS)</b>	<b>-25,639</b>	<b>4,981</b>

The financial statements as at 31 December 2021 were substantially impacted by the transaction described in Section 3.1 "Creation of Korian France".

## NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021

### Detailed summary

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Korian SA, whose registered office is located at 21-25 rue Balzac in Paris – 75008, prepares consolidated financial statements as the parent company of the Group.

### NOTE 1 ACCOUNTING RULES AND METHODS

The financial statements have been prepared in accordance with the French Accounting Standards Authority Regulation No. 2014-03 of the French General Accounting Plan and the resulting regulations in force. The general accounting conventions have been applied in accordance with the French General Accounting Plan, in compliance with the principle of prudence, and in accordance with the following basic assumptions:

- business continuity;
- independence of financial years;

- consistency of accounting methods from one financial year to another; and
- in accordance with the general rules for preparing and presenting annual financial statements.

The basic method used to value the items recorded in the financial statements is the historical cost method. The main methods used are presented below.



## NOTE 2 MAIN METHODS USED

### 2.1 Intangible assets

Non-current assets are recognised at their acquisition cost, consisting of the purchase price and all directly attributable costs. IT licences are capitalised and amortised over five years. Acquired software is capitalised and amortised over a three-year period, while stand-alone software (developed in-house) is capitalised and amortised over a five-year period. In some cases, when the useful life of IT developments is long, the costs of IT projects are amortised over a life of more than five years, which may reach seven years.

### 2.2 Property, plant and equipment

Property, plant and equipment are recognised at their acquisition cost, consisting of the purchase price and all directly attributable costs.

Depreciation is calculated using the straight-line method by applying uniform rates within the Group and is determined by reference to the following useful lives:

- fixtures and fittings of buildings (depending on the components): 7 to 50 years;
- industrial equipment: 5 to 15 years;
- office furniture and equipment: 10 years;
- IT equipment: 3 years.

### 2.3 Equity interests and other long-term investments

Equity investments are valued at acquisition cost including ancillary costs, which are amortised over five years. If this value is higher than their value in use and their market value, a provision for impairment is made for the difference.

The market value is determined on the basis of recent market data observed.

The value in use of the equity of each subsidiary held corresponds to the difference between its enterprise value and its net financial liability at the closing date.

The enterprise value of the subsidiary is calculated on the basis of future cash flows, which are based on the economic assumptions and forecast operating conditions used by the Group's management for the scope of activity in question (France Seniors, France Healthcare, France Mental Health), according to the following principles:

- the pre-tax cash flows are taken from the Group's revised budget, prepared by the Financial Control Department and approved by the Board of Directors;
- the discount rate corresponds to the weighted average cost of capital, determined by country (5.5% for France, 5.5% for Germany, 6.0% for Belgium, 5.0% for the Netherlands, 6.5% for Spain and 6.5% for Italy);
- the average growth rate used is 1.75%;
- the business plan applied corresponding to the four-year strategic plan.

As at 31 December 2021, the valuation of the equity investments led to the recognition of an allocation of €1.2 million and a reversal of €4.3 million in connection with the transfers made to Korian France.

### 2.4 Raw materials, supplies

Inventories are valued at the lesser of cost or net realisable value. The cost of inventories of raw materials, merchandise, personal protective equipment and other supplies comprises the purchase price excluding tax and after deduction of discounts, rebates and reductions obtained, plus incidental costs of purchase (transport, unloading costs, customs fees, commissions on purchases, etc.). These inventories are measured using the First In/First Out (FIFO) method.

### 2.5 Receivables

Receivables are valued at their nominal value. A provision for impairment is made, where applicable, to take into account any collection difficulties that have arisen or may arise.

### 2.6 Financial instruments and hedge accounting

The principles of hedge accounting are set out in the French General Accounting Plan (new Articles 628-6 to 628-17 introduced by ANC Regulation No. 2015-05 on forward financial instruments and hedging transactions). They are applicable to all hedges regardless of their type.

### 2.7 Marketable securities

Marketable securities are generally valued at the lower of their acquisition cost or market value. Treasury shares are recognised at their acquisition cost. A provision for impairment is recognised when the market value is lower than the acquisition cost.

### 2.8 Cash

Cash corresponds to bank balances.

A cash centralisation agreement with the Company was signed by most of the Group's French and foreign companies in 2018. The other Group companies obtain financing from Korian through loans or current accounts.

### 2.9 Foreign exchange risk

Since the acquisition of Berkeley Care in 2021, Korian SA has financial flows in the euro zone and the United Kingdom.



## 2.10 Interest rate risk

Half of the Company's indebtedness is at variable rates and is hedged using derivative instruments.

## 2.11 Bond issuance and borrowing costs

The costs of issuing bonds and loans are recognised as external expenses and then spread over the term of the bond.

## NOTE 3 MAIN EVENTS OF THE FINANCIAL YEAR

### 3.1 Creation of Korian France

On 30 July 2021, Korian created Korian France, its subsidiary dedicated to managing the Group's operating activities in France. Korian France is the result of a partial transfer from Korian to Korian France of the assets of its "Support functions France" activities (566 people transferred, corresponding in particular to the Finance, Human Resources, IT and Legal functions) and several contributions in kind of equity investments from Korian to Korian France. The partial transfer of assets and the disposal of goodwill took place at midnight on 1 August 2021, and the contributions in kind on 13 August 2021. Forty Korian SA subsidiaries were transferred to Korian France. This transfer was carried out at the carrying amount for direct subsidiaries and at real value for indirect subsidiaries. A provision was recognised for subsidiaries whose real value was less than the carrying amount (€19 million) and a disposal gain of €13 million was also recognised for disposals of non-controlling subsidiaries.

### 3.2 Main financing activities

#### Placement of a £200 million non-convertible hybrid green bond

On 8 June 2021, Korian announced the successful placement of a £200 million perpetual non-convertible hybrid green bond with a 4.125% coupon and an optional first redemption date at par in March 2024. The transaction was issued in green bond format and the proceeds of the issuance are intended to modernise, acquire and develop real estate assets, mainly in the United Kingdom, with currency alignment. This transaction was recognised as a financial liability.

#### Issue of perpetual bonds redeemable in cash and/or new and/or existing shares (ODIRNANE) and buyback of existing ODIRNANE

On 1 September 2021, Korian announced the success of its perpetual bond issue redeemable in cash and/or new and/or existing shares (ODIRNANE) for a nominal amount of approximately €332.5 million. On this date, Korian also announced the success of the concurrent buyback offer for the existing ODIRNANes issued in June 2017 and September 2018

in which the holders of 96.8% of the bonds participated, representing a total buyback amount of approximately €321.8 million. Settlement-delivery of the new ODIRNANes took place on 8 September 2021. The balance of existing ODIRNANes not offered to the buyback were redeemed early at par on 25 October 2021.

#### Issuance of social bonds

On 11 October 2021, Korian announced the successful placement of an inaugural €300 million social bond issue with a maturity of seven years and a coupon of 2.25%. The proceeds of the issue will finance the Group's growth through eligible social projects under the Social Financing Framework published by Korian. Settlement-delivery of the issuance took place on 15 October 2021.

#### Issuance of *Schuldschein* loans

Korian also carried out a €377 million issue of German *Schuldschein* contracts signed on 20 December 2021 and comprising various tranches with maturities of five to eight years, at variable and fixed rates. The coupons are spread over fixed-rate tranches of 1.30% at five years, 1.55% at six years and 1.70% at eight years, and the margins of the variable-rate tranches are at identical levels. The proceeds of this issuance will be used for the Group's general needs, including refinancing. Settlement-delivery took place on 22 December 2021 for €222 million and 24 January 2022 for €155 million.

### 3.3 ESG impact share buyback programme

On 9 December 2021, Korian announced the launch of a share buyback programme with an ESG impact for a maximum amount of €50 million, within the framework of the authorisation given by the 2021 General Meeting.

The buyback period will begin on 10 December 2021 and will end on 27 November 2022 at the latest.

This programme is part of Korian's capital allocation policy aimed at financing profitable growth and creating sustainable value for all stakeholders.

### 3.4 Approval of the share capital and dividend payment in shares

Following the approval of the shareholders at the 2021 General Meeting, the Company distributed a dividend of €0.30 per share, together with an option for payment in new shares (based on an issue price per share of €30.14). This option resulted in the issue on 1 July 2021 of 536,224 new shares. Since their issue, they have been fully fungible with the ordinary shares comprising the Company's share capital. The amount of the dividend paid in cash amounted to €15.4 million.

As at 31 December 2021, the Company's share capital amounted to €527,968,290 (compared to €525,190,790 as at 31 December 2020), divided into 105,593,658 shares (compared to 105,038,158 as at 31 December 2020).

### 3.5 Non-current financial assets

Equity investments increased by €268 million, mainly due to:

- the capital increase to strengthen the statements of financial position of the subsidiaries: Foncière A&V (€15 million), Korian Residencias Spain (€83 million), Korian & Partenaires Immobilier 2 (€64 million), Korian & Partenaires Immobilier 3 (€14 million);
- the contribution of shares in Korian subsidiaries to Korian France for approximately €640 million in exchange for shares of Korian France for €772 million.

## NOTE 4 MAIN ITEMS OF THE STATEMENT OF FINANCIAL POSITION

### 4.1 Non-current assets and depreciation and amortisation

Non-current assets	31.12.2020	Creation of Korian France	Acquisitions	Disposals	31.12.2021
Concessions, patents and similar rights	105,377	-97,405	3,605	2	11,575
Non-current assets in progress	14,158	-14,158	8,202		8,202
Business goodwill (technical merger costs)	-				-
General facilities	5,509	-4,550	107		1,066
Office and IT equipment	30,720	-29,375	140		1,485
Equity interests and related receivables	3,160,852	132,344	153,289	17,633	3,428,852
Other non-current financial assets	589,822	1,996	605,135	88,171	1,108,782
<b>TOTAL</b>	<b>3,906,438</b>	<b>-11,148</b>	<b>770,478</b>	<b>105,806</b>	<b>4,559,962</b>

Depreciation and amortisation	31.12.2020	Creation of Korian France	Allowances	Reversals	31.12.2021
Concessions, patents and similar rights	46,232	-44,642	1,380		2,970
General facilities	2,042	-1,820	87		309
Office and IT equipment	18,570	-17,874	233		929
<b>TOTAL</b>	<b>66,844</b>	<b>-64,336</b>	<b>1,700</b>	<b>-</b>	<b>4,208</b>

Provisions	31.12.2020	Creation of Korian France	Allowances	Reversals	31.12.2021
On equity interests	8,504	-4,321	1,243	-	5,426
On technical costs	-	-	-	-	-
On loans	-	-	-	-	-
<b>TOTAL</b>	<b>8,504</b>	<b>-4,321</b>	<b>1,243</b>	<b>-</b>	<b>5,426</b>

Depreciation and amortisation was recognised in operating expenses. Adjustments to provisions for equity investments were recognised in financial profit or loss.

The "Non-current assets in progress" item corresponds mainly to capitalised production, service provider costs for the development and implementation of internal software packages, software and computer hardware for €8,202,000.

The creation of Korian France led to an increase in Korian's net non-current assets of €57 million. The contribution of patents and IT equipment had a net impact of -€81 million while, at the level of equity interests and receivables, the impact amounted to €138 million, mainly due to the contribution of shares in Korian subsidiaries to Korian France for approximately €640 million in exchange for Korian France shares for €772 million.

## 4.2 Equity investments

Korian is the Group's consolidating company. It holds the shares of the companies listed in the table below (amounts in euros).

### ► TABLE OF SUBSIDIARIES AND EQUITY INTERESTS OF KORIAN SA IN 2021

Subsidiaries	Gross value of securities	Net value of securities	% of share capital held by Korian SA	Capital	Income (profit or loss) for the last financial year ended	Equity (other than capital)	Dividends recognised during the financial year	Loans and advances granted but not paid
<b>FRENCH SUBSIDIARIES</b>								
MEDICA FRANCE	1,005,896,274	1,005,896,274	100	50,976,012	-6,893,046	132,960,002	-	65,519,813
KORIAN SOLUTIONS	1,000	1,000	100	1,000	-4,444,468	-370,549	-	4,265,297
CDS 2	100,000	46,100	100	46,100	5,657	-41,846	-	-
SAS LA MOULINIÈRE	1,996,919	81,637	100	76,225	-11,351	3,039	-	2,623
MEDIDEP FONCIER	2,875,031	2,875,031	100	7,500	2,246,681	537,842	2,185,261	2,226,173
SCI LE TEILLEUL	3,547,651	1,743,920	100	2,750,000	-65,938	215,876	-	59,756
OPPCI KORIAN IMMOBILIER	14,510,000	14,510,000	100	14,510,000	5,331,130	16,371,113	17,877,786	-
KORIAN ASSET ET PROPERTY MANAGEMENT	1,000	1,000	100	1,000	471,412	-9,593	-	17,484
KORIAN FRANCE	772,755,109	772,755,109	100	219,548,335	4,353,819	554,624,828	-	64,651,072
KORIAN ET PARTENAIRE IMMOBILIER 5	10	10	100	10	-6,080	-	-	169,170,779
KORIAN ET PARTENAIRE IMMOBILIER 6	10,000	10,000	100	10,000	19,156	-	-	6,893,790
KORIAN ET PARTENAIRE IMMOBILIER 8	10,000	10,000	100	10,000	-	-	-	-
KORIAN ET PARTENAIRE IMMOBILIER 7	10	10	100	10	39,991	-	-	17,630,964
SCI KORIAN DEV IMMOB	213,161	213,161	98	760	-278,104	2	-	-
KORIAN ET PARTENAIRE IMMOBILIER 2	87,392,924	87,392,924	51	51,232	2,828,781	249,788,079	8,313,379	-
<b>FOREIGN SUBSIDIARIES</b>								
KORIAN RESIDENCIAS SPAIN	158,362,440	158,362,440	100	158,365,439	-3,200,616	-2,137,371	-	78,079,568
KORIAN HOLDING NEDERLAND	53,913,116	53,913,116	100	18,000	5,497,350	24,747,759	-	2,372,881
KSL	288,321,233	288,321,233	100	1,000,000	2,213,721	144,024,571	-	-
SEGESTA	385,511,361	385,511,361	100	6,842,865	-2,520,203	284,142,372	-	79,676,072
KORIAN DEUTSCHLAND AG	469,727,701	469,727,701	100	121,478	-7,823,370	320,334,078	-	-
Korian MANAGEMENT AG	800,275	415,416	100	120,000	8,512,538	132,239	-	-
KORIAN BELGIUM NV	142,848,576	142,848,576	100	25,595,679	-3,512,114	62,079,260	-	19,175,369
KORIAN LIMITED UK	-	-	100	-	-1,910,443	-	-	61,698,477
<b>EQUITY INTERESTS</b>								
FONCIÈRE AGE ET VIE	21,070,800	21,070,800	30	3,111,000	-3,526,146	65,947,207	-	60,797,322
PARTENAIRE	14,273,543	14,273,543	16	56,239	-65,671	107,781,402	-	-
KORIAN IMMOBILIER ALLEMAGNE	618,530	618,530	11	10,000	2,884,843	1,000	177,953	-
INICEA HOLDING	3,620,112	3,620,112	8	89,344,020	2,220,437	52,225,691	-	-
LA MENARDIÈRE	34,139	34,139	5	38,112	-419,267	313,412	2,446	164,357
LES FLOTS	967,416	399,318	4	16,172	618,241	1,480,681	-	469,033
L'ESTRAN	537,749	85,555	1	96,000	-1,378,264	-637,540	-	2,295,553
FURTADO GESTION	248,200	-	1	NA	NA	NA	NA	NA
SCI KORIAN RSS IMMOB	1	1	1	1,000	-14,470	-860	-	5,221,915
KORIAN ET PARTENAIRE IMMOBILIER 4	10	10	1	1,000	-12,980	-13	-	6,980
LE MONT VEYRIER	1,906	1,906	-	960,000	-359,646	-9,741,789	-	-
SCI PERREUX	60,980	60,980	NA	NA	NA	NA	NA	NA

### 4.3 Maturities of receivables

Statement of receivables in 2021	Total	≤ 1 year	> 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	-
Staff and related accounts	44	44	-
Social security and other social bodies	158	158	-
State and other local authorities	383	383	-
■ Income tax	-	-	-
■ Value-added tax	8,155	8,155	-
■ Miscellaneous	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>

Statement of receivables in 2020	Total	≤ 1 year	> 1 year
Loans and receivables related to equity interests	589,366	-	589,366
Other non-current financial assets	456	-	456
Other trade receivables	139,857	139,857	-
Staff and related accounts	630	630	-
Social security and other social bodies	398	398	-
State and other local authorities	564	564	-
■ Income tax	8,963	8,963	-
■ Value-added tax	5,970	5,970	-
■ Miscellaneous	181	181	-
Group and associates	1,684,134	1,684,134	-
Sundry debtors	9,058	9,058	-
Prepaid expenses	13,103	2,411	10,692
<b>TOTAL</b>	<b>2,452,680</b>	<b>1,852,166</b>	<b>600,514</b>

### 4.4 Marketable securities and cash and cash equivalents

Liquid assets were valued at nominal value.

Korian holds treasury shares which are valued using the weighted average price method and their change is explained as follows:

In euros	Number	Amount
Inventory 31.12.2020	47,440	1,396,331
Purchases 2021	1,233,417	36,490,348
Sales 2021	771,218	23,945,848
Net P/MV 2021	-	52,455
<b>INVENTORY 31.12.2021</b>	<b>509,639</b>	<b>13,940,831</b>

## 4.5 Prepaid expenses

The item breaks down as follows:

<b>Prepaid expenses</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
Maintenance	97	1,301
Balances of interest rate swaps and expenses on derivative instruments	13,572	10,692
Other	453	1,110
Rent	986	-
<b>TOTAL</b>	<b>15,108</b>	<b>13,103</b>

## 4.6 Deferred income

The item breaks down as follows:

<b>Deferred income</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
Swap cash payments and interest expense on derivative instruments	-	565
Management commissions	-	64
<b>TOTAL</b>	<b>-</b>	<b>629</b>

## 4.7 Accrued income and expenses

<b>Nature of items</b>	<b>Income</b>	<b>Expenses</b>
Accrued interest on loans	17,665	1,290
Accrued interest on bonds		22,036
Accrued interest on swaps		1,125
Trade payables, invoices not received	171	6,757
Non-Group customers, unbilled revenue	937	-
Group customers, unbilled revenue	344	-
Social security liabilities	-	4,065
Social security charges on social security liabilities	83	1,896
Accrued income/expenses	348	120
Accrued interest on current accounts	8,916	595
Accrued interest – bank	7	59
Miscellaneous		6
<b>TOTAL</b>	<b>28,471</b>	<b>37,949</b>

## 4.8 Changes in equity

### ► STATEMENT OF CHANGES IN EQUITY

**Changes in equity** (In thousands of euros)

<b>At opening</b>	<b>2,085,804</b>
Capital increase	2,777
Additional paid-in capital	13,475
Legal reserve	249
Other reserves	-
Retained earnings	-26,847
Allocation of 2020 net income	-4,981
Profit/(loss) for 2021	-25,639
Regulatory provisions	-2,518
<b>AT CLOSING</b>	<b>2,042,320</b>

The "Regulatory provisions" correspond to exceptional depreciation and amortisation on the acquisition costs of securities.

## 4.9 Provisions for risks and charges

The provisions for risks and charges and their changes break down as follows:

<i>In thousands of euros</i>	31.12.2020	Creation of Korian France	Allowances	Reversals		31.12.2021
				Used	Not used	
Other provisions for risks and charges	3,814	-3,700		-11		101
Provisions for foreign exchange losses			5,857			5,857
Provisions for wage-related claims and disputes	864	-864	816			816
<b>TOTAL</b>	<b>4,678</b>	<b>-4,564</b>	<b>6,673</b>	<b>-11</b>	<b>-</b>	<b>6,774</b>

The "Provisions for wage-related claims and disputes" mainly correspond to labour disputes. The "Other provisions for risks and charges" include provisions for miscellaneous litigation. The "Provisions for foreign exchange losses" correspond to a loan in GBP.

## 4.10 Financial debt

<b>Borrowings from credit institutions</b>	31.12.2021	31.12.2020
Bank overdrafts		81
Redemption premiums	305	835
<b>Total</b>	<b>305</b>	<b>916</b>
Bank loans		
Less than 1 year	53,750	163,750
More than 1 year	758,190	591,250
Accrued interest	1,290	1,354
<b>Total bank loans</b>	<b>813,230</b>	<b>756,354</b>
Negotiable securities issuance	305,429	260,500
<b>TOTAL BANK INDEBTEDNESS</b>	<b>1,118,964</b>	<b>1,017,770</b>

As at 31 December 2021, Korian's gross bank debt comprised the following:

- loans under the syndicated loan facility in the amount of €500 million;
- short-term loans for €54 million;

- other medium- and long-term loans (in particular real estate bridging loans) for €258 million;
- accrued interest for a total amount of €1.3 million;
- short-term negotiable securities (formerly commercial paper) and medium-term negotiable securities with a nominal value of €305 million.

## 4.11 Debt maturities

Statement of liabilities as at 31 December 2020	Total	Less than 1 year	More than 1 year and less than 5 years	More than 5 years
Other bonds	2,230,511	292,511	953,000	985,000
Loans, borrowings	1,017,770	426,520	591,250	-
Loans, sundry borrowings	1,155	1,096	-	59
Trade payables and related accounts	44,920	44,920	-	-
Staff and related accounts	11,240	11,240	-	-
Social security, other social bodies	8,062	8,062	-	-
State: Income tax	-	-	-	-
State: VAT	6,279	6,279	-	-
State: Other taxes and duties	1,128	1,128	-	-
Suppliers of non-current assets	8,456	8,456	-	-
Group and associates	1,208,209	1,208,209	-	-
Other liabilities	3,537	3,537	-	-
Deferred income	629	629	-	-
<b>TOTAL</b>	<b>4,541,896</b>	<b>2,012,587</b>	<b>1,544,250</b>	<b>985,059</b>

Statement of liabilities as at 31 December 2021	Total	Less than 1 year	More than 1 year and less than 5 years	More than 5 years
Other bonds	2,797,501	140,036	1,282,465	1,375,000
Loans, borrowings	1,118,964	219,599	838,463	60,902
Loans, sundry borrowings	1,243	1,184	-	59
Trade payables and related accounts	15,356	15,356	-	-
Staff and related accounts	4,211	4,211	-	-
Social security, other social bodies	3,093	3,093	-	-
State: Income tax	1,123	1,123	-	-
State: VAT	2,699	2,699	-	-
State: Other taxes and duties	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

Revenue, of which €16,009,000 in France (€128,612,000 in 2020) and €7,535,000 abroad (€10,441,000 in 2020), comes mainly from services re-invoiced to subsidiaries and breaks down as follows:

	31.12.2021	31.12.2020
Central expenses re-invoiced to subsidiaries	19,909	110,725
Service contracts	706	23,888
Staff re-invoicing	115	1,581
Re-invoicing of real estate leases	2,813	1,552
Miscellaneous re-invoicing		1,307
<b>TOTAL</b>	<b>23,543</b>	<b>139,053</b>

The decrease in revenue is due to the creation of Korian France with the reduction in central expenses re-invoiced to the subsidiaries.

### 5.2 Operating expenses

#### Purchases and external expenses

The most significant items of purchases and external expenses break down as follows:

Nature of expenses	31.12.2021	31.12.2020
Fees	22,244	46,524
Covid equipment	-	12,235
Technical assistance services	-	10,240
Maintenance	1,006	7,490
Other expenses	4,003	7,047
Subcontracting	89	5,097
Real estate leases	3,789	3,410
Banking services	3,529	3,212
Telecommunications	64	2,992
Travel expenses	1,057	2,878
Re-invoiced purchases	1,918	2,016
Movable property leases	221	1,961
External staff	40	1,236
Recruitment costs	105	351
<b>TOTAL</b>	<b>38,065</b>	<b>106,689</b>

The significant decrease in operating expenses is due to the creation of Korian France.

#### Taxes, duties and similar payments

The item breaks down as follows:

Nature of expenses	31.12.2021	31.12.2020
Taxes and levies on compensation	613	1,239
Corporate value-added tax/Corporate real estate contribution	132	817
Property tax	252	382
Non-recoverable VAT		
Vehicle tax	21	89
Organic	35	223
Other taxes	80	25
<b>TOTAL</b>	<b>1,133</b>	<b>2,775</b>

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### Wages and social security charges

The item breaks down as follows:

Nature of expenses	31.12.2021	31.12.2020
Wages and salaries	17,741	47,973
Social security charges	7,802	22,683
<b>TOTAL</b>	<b>25,543</b>	<b>70,656</b>

### 5.3 Average workforce

The average registered workforce for the financial year was 443 people. This number includes employees working in the "Support functions France" activities prior to their transfer to Korian France on 1 August 2021 (566 people concerned in August). It breaks down as follows:

Type of workforce	31.12.2021	31.12.2020
Managers	382	516
Employees	61	107
<b>TOTAL</b>	<b>443</b>	<b>623</b>

### 5.4 Financial income and expenses

The item breaks down as follows:

Nature of items	31.12.2021		31.12.2020	
	Income	Expenses	Income	Expenses
Financial income from equity interests	78,222		61,866	
Interest on current accounts	8,916	595	9,205	705
Interest on loans		63,250		54,199
Cost of financial instruments		8,102		7,667
Loans revenue	15,545		10,355	
Provisions	530	28,584	265	840
Miscellaneous	6,610	2,250	3,357	3,035
<b>TOTAL</b>	<b>109,823</b>	<b>102,781</b>	<b>85,048</b>	<b>66,446</b>

The "Provisions" include €19 million for impairment of securities related to the creation of Korian France concerning the subsidiaries contributed for which the actual value is lower than the carrying amount.

### 5.5 Non-recurring income and expenses

The item breaks down as follows:

Nature of expenses	Income	Expenses
Disposal of property, plant and equipment & intangible assets	82,804	82,802
Exceptional depreciation and amortisation	2,531	13
Securities transactions	26,814	17,633
Sundry non-recurring income and expenses	959	34,541
Reversals of provisions	4,579	
<b>TOTAL</b>	<b>117,687</b>	<b>134,989</b>

The net income on securities transactions comes from the creation of Korian France (€13 million of capital gain on disposal) and the disposal of Lilas.

The "Sundry non-recurring income and expenses" arise from the buyback of a bond.

## NOTE 6 DETAILS OF THE STATEMENT OF FINANCIAL POSITION AND INCOME STATEMENT ITEMS CONCERNING RELATED COMPANIES

Nature of items as at 31 December 2020	Amount concerning related companies	Amount concerning companies with equity interests
Loans	588,366	
Gross equity interests	3,162,227	
Current accounts in debit	1,684,134	
Current accounts in credit	1,208,209	
Financial expenses	699	
Financial income	83,662	

Nature of items as at 31 December 2021	Amount concerning related companies	Amount concerning companies with equity interests
Loans	1,107,341	
Gross equity interests	3,428,543	
Current accounts in debit	2,126,073	
Current accounts in credit	1,459,614	
Financial expenses	595	
Financial income	109,696	

## NOTE 7 COMMITMENTS NOT APPEARING ON THE STATEMENT OF FINANCIAL POSITION

### Joint and several guarantees for the payment of rents

Since the creation of the Group, the leases contracted by Korian's subsidiaries with institutional lessors are generally counter-guaranteed by a surety or rental guarantee from Korian. In addition, in the context of real estate leasing transactions carried out since December 2009, Korian has stood surety on behalf of its subsidiaries.

### Commitments given

In order for the Curanum AG and Korian Management AG subsidiaries to benefit from the exemption from publishing their individual financial statements in Germany, Korian draws up an annual letter of support to its subsidiaries.

### Disputes

To the best of the Company's knowledge and its advisors' knowledge, there is no litigation for which a provision has not been made that is liable to materially affect the Company's business, results or financial position.

### Retirement benefit obligations

The present value of the Company's retirement benefit obligations to all its employees was estimated:

- calculation method chosen: projected unit credit;
- female mortality table: TGF05;
- male mortality table: TGH05;
- discount rate: 0.89%;
- collective agreement: CCU;
- agreed retirement age: 60 to 64;
- departure conditions: retirement at the initiative of the employee.

As at 31 December 2021, the amount of retirement benefits amounted to €370,000, compared to €2,568,000 as at 31 December 2020. This amount is not provisioned in the individual financial statements.



## Derivative financial instruments (fair value)

The Company uses derivative financial instruments (swaps, swaptions and caps) to hedge against the interest rate risk arising from its partly variable-rate financing policy.

The fair value of these instruments is as follows.

<i>In millions of euros</i>	Value as at 31.12.2021	Nominal
Swap	-13.5	825
Options	4.4	555

## Asset and liability guarantees received

In accordance with the Group's practices, it has liability guarantees on the acquisitions made.

## Asset and liability guarantees given

In the context of disposals of companies outside the Group, Korian has granted liability guarantees in accordance with current market practices.

## Bank guarantees given

On 21 July 2016, Korian set up a syndicated loan agreement, amended and extended in May 2019, and now maturing in May 2024. Under the credit agreement, compliance with the financial ratio (net debt – immovable real estate debt)/ (EBITDA – 5.8% of immovable real estate debt) must be tested at Group level on a half-yearly basis. The financial leverage limit calculated in this way is set at 4.5x over the term of the loan on 30 June and 31 December each year.

The EURO PP, *Schuldschein* and *Namenschuldverschreibung* (NSV) are also subject to a covenant. Changes in covenants are notified annually to investors.

For all bond issues subject to covenants carried out in 2021, the debt ratio formula has been aligned with the new definition applicable to the syndicated loan.

## Bank guarantees received (treasury)

Korian benefits from an independent bank guarantee on first demand for an amount of €976,000.

## Share-based payments

### Free share plans implemented since 2018

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 a condition of continued employment with the Group throughout the vesting period and to the achievement of performance conditions.

In 2020, a second plan without performance conditions was granted to a few employees identified as being high-potential.

- 2018 plan: 2020 revenue, 2020 EBITDA per share and Korian's share price compared to the performance of the SBF 120 over the vesting period;
- 2019 plan: 2021 revenue, 2021 EBITDA per share and Korian's share price compared to the performance of the SBF 120 over the vesting period;
- 2020 plan: 2022 revenue, Korian share price compared to the performance of the SBF 120 over the vesting period, 2022 operating free cash flow and CSR criteria.

Once vested, the shares may be freely disposed of, except by corporate officers of Korian SA, who must hold 25% of these shares.

### 2021 free share plans

Three plans were granted in 2021:

1. a free share plan without performance conditions for employees considered to be high-potential and key resources for Korian, as well as for the benefit of certain specific medical functions;
2. a free share plan, for the benefit of certain employees, members of the General Management and corporate officers, linked to the achievement of performance conditions:
  - 2023 revenue,
  - the TSR of the Korian share price compared to the performance of the TSR of the SBF 120 over two reference periods,
  - 2023 earnings per share,
  - CSR criteria,
  - once vested, the shares may be freely disposed of, except by corporate officers of Korian SA, who must hold 25% of these shares;
3. a free share plan, known as a "growth" plan, for managers working for new activities, subject to the achievement of performance conditions specific to these new activities:
  - 2024 revenue,
  - 2024 EBITDA.

## NOTE 8 OTHER INFORMATION

### Compensation paid to the management bodies

The following compensation was paid to the management bodies for the 2021 financial year:

- 2021 fixed compensation: €2,409,000;
- variable compensation: €1,288,000;
- other benefits including vehicles: €37,000.

### Compensation paid to the administrative bodies

For 2021, a gross amount of €275,816 was paid as compensation to the members of the Board of Directors.

The members of the Board are also entitled to reimbursement, upon presentation of receipts, of travel expenses incurred to attend Board and specialised committee meetings.

In accordance with the appendix to the Internal Regulations of the Board of Directors, a total annual budget of €400,000 is set aside for Directors' compensation, divided as follows:

- the sum of €300,000 is divided among the Directors as a fixed payment and on the basis of their actual attendance at Board and committee meetings;

- the sum of €70,000 is earmarked to pay, in the amounts determined by the Board of Directors, (i) additional compensation to non-resident Independent Directors based on their physical attendance at Board meetings and committee meetings and (ii) additional compensation to Directors for Board meetings 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 between the Chairwoman of the Audit Committee, the Chairwoman of the Compensation and Appointments Committee and the Chairwoman of the Ethics, Quality & CSR Committee, who receive one-half (1/2), one-third (1/3) and one-sixth (1/6) of that sum, respectively.

The sum of €300,000 is distributed among the Directors according to the following rules:

- 45% of the above amount is distributed among the members of the Board as a fixed portion, with Independent Directors receiving compensation six times greater than that of non-Independent Directors;
- 30% of the above amount is distributed among the members of the Board *pro rata* to the number of Board meetings they attend;
- 25% of the above amount is distributed among the members of the various committees *pro rata* to the number of committee meetings they attend, the Chairman of each committee receiving double compensation.

## NOTE 9 TAX CONSOLIDATION

In the absence of a written tax consolidation agreement, the principle of neutrality governs the relations between the member companies of the tax consolidation group. In this context, the income tax expense is borne by the subsidiary companies as if they were taxed separately. The tax savings made by the consolidated tax group, thanks to tax losses, adjustments and tax credits, are retained by the parent company Korian and are considered as an immediate gain for the financial year.

The parent company Korian will bear the income tax expense calculated on the income of the profitable tax consolidation group.

The tax consolidation scope for which Korian is the parent company in 2021 includes 129 companies (Korian included). For 2021, in the absence of tax consolidation, the Group's

net income tax expense would have been €34,572,000. The application of the tax consolidation regime generated a tax saving of €30,198,000 recognised at the level of the parent company.

The consolidated taxable income of the consolidated tax group for the 2021 financial year, after adjustment related to dividends not eligible for the parent-subsidiary tax regime, was a profit of €15,488,000.

In addition, Korian benefits from sponsorship tax credits for a total of €723,000.

Korian SA, alone, generated tax income of €31,010,000, consisting mainly of tax consolidation income for €30,198 and sponsorship tax credits for €666,000.



## Tax breakdown for 2020

	Before tax	Income tax	After tax
Net profit/(loss) from continuing operations	-20,845		-20,845
Non-recurring profit/(loss)	-1,487		-1,487
Impact of tax consolidation and tax credits		-27,313	-27,313
Accounting profit (loss)	-22,332	-27,313	4,981

## Increases and reductions in future tax debt

### Increases

■ Reallocation to subsidiaries of their deficits	€63,312,638
■ i.e. future income tax expense	€17,987,120

### Reductions

■ Organic	€223,060
■ i.e. future income tax reduction	€63,371

## Tax breakdown for 2021

	Before tax	Income tax	After tax
Net profit/(loss) from continuing operations	-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 debt

### Increases

■ IncreasesReallocation to subsidiaries of their deficits	€60,903,989
■ i.e. future income tax expense	€15,731,500

### Reductions

■ Organic	€34,831
■ i.e. future income tax reduction	€9,230

## 6.4 Statutory Auditors' report on the annual financial statements

For the financial year ended 31 December 2021

To the General Meeting of Korian,

### Opinion

In compliance with the assignment entrusted to us by your General Meetings, we audited the annual financial statements of Korian for the financial year ended 31 December 2021, as attached to this report.

We hereby certify that the annual financial statements are, in accordance with French accounting rules and policies, accurate and drawn up in a proper manner and give a true and fair view of the results of operations for the past financial year as well as the financial position and assets of the company at the end of this financial year.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

### Basis of opinion

#### Audit standard

We conducted our audit in accordance with the professional standards applicable in France. We believe that the evidence we gathered is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the "Responsibilities of the Statutory Auditors for the audit of the annual financial statements" section of this report.

#### Independence

We conducted our audit in accordance with the rules of independence provided for by the French Commercial Code and the Code of Ethics for Statutory Auditors over the period from 1 January 2021 to the date on which our report was issued and, in particular, we did not provide any services prohibited by Article 5, paragraph 1, of Regulation (EU) No. 537/2014.

### Justification of our assessment – Key audit points

The global crisis linked to the Covid-19 pandemic has created special conditions for the preparation and audit of the financial statements for this financial year. This crisis and the exceptional measures taken as part of the health emergency have had multiple consequences for companies, particularly relating to their activity and financing, as well as heightened uncertainties relating to future prospects. Some of these measures, such as restrictions on travel and remote working, have also affected the internal organisation of companies and the ways in which audits are carried out.

It is in this complex and evolving context that, in accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we draw to your attention the key points of the

audit relating to the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the annual financial statements for the financial year, as well as our responses to those risks.

These assessments were made in the context of the audit of the annual financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on the items of these annual financial statements taken in isolation.

### Valuation of equity investments

#### Key audit matter

As at 31 December 2021, the equity investments recorded as assets had a net carrying amount of €3,423 million. They are recognised at their acquisition cost including ancillary costs, and are impaired when this value is greater than their value in use and their market value.

As indicated in Note 2.3 "Equity interests and other long-term investments" in the notes to the annual financial statements, the value in use corresponds to the difference between the enterprise value and its net financial liabilities. The determination of the enterprise value is based on assumptions and estimates made by the Group's management concerning the activity in question (France Seniors, France Healthcare and France Mental Health activities), in particular the projection of future cash flows from the 2022 budget, and discounted over four years.

The market value is determined on the basis of recent observed market data.

Given the weight of equity investments in the statement of financial position and the importance of management's judgment in determining the assumptions on which the estimates of values in use are based, we considered that the valuation of equity investments was a key audit matter.

#### Our response

To assess the reasonableness of the estimated values in use for the equity investments, on the basis of the information provided to us, our work consisted mainly in:

- obtaining an understanding of the budget process and the controls deemed key associated with this process;
- obtaining the assumptions used to calculate values in use, and in particular cash flow and operating forecasts for the activities of the facilities operated by the entities representing equity investments, in order to:
  - assess their consistency with the 2022 budgets prepared by management and approved by the Board of Directors,
  - analyse the assumptions used to project cash flows over the 2023-2025 period,

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- compare the forecasts used in previous impairment tests with the corresponding actual results in order to analyse the achievement of previous objectives;
- checking by sampling the arithmetical accuracy of the calculations of values in use used by the company.

Lastly, we examined the relevance of the market data used by management to determine market values.

## Specific verifications

In accordance with the professional standards applicable in France, we also performed the specific verifications required by laws and regulations.

## Information given in the management report and in the other documents on the financial position and the annual financial statements sent to shareholders

We have no matters to report as to the fair presentation and the consistency with the annual financial statements of the information given in the management report of the Board of Directors and in the other documents on the financial position and the annual financial statements sent to the shareholders.

We attest to the fair presentation and the consistency with the annual financial statements of the information relating to payment terms mentioned in Article D. 441-6 of the French Commercial Code.

## Corporate governance report

We attest that the Board of Directors' corporate governance report contains the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

With regard to the information provided in application of the provisions of Article L. 22-10-9 of the French Commercial Code on compensation and benefits paid or allocated to corporate officers as well as on the commitments granted to them, we verified their consistency with the financial statements or with the data used to prepare these financial statements and, where applicable, with the information collected by your company from the companies controlled by it that are included in the scope of consolidation. On the basis of this work, we attest to the accuracy and fair presentation of this information.

With regard to the information relating to the items that your company considered liable to have an impact in the event of a takeover bid or exchange offer, provided in accordance with the provisions of Article L. 22-10-11 of the French Commercial Code, we verified its compliance with the documents from which it was taken and which were provided to us. Based on this work, we have no matters to report regarding this information.

## Other information

In accordance with the law, we ensured that the various pieces of information relating to the acquisition of equity interests and control and to the identity of the holders of the capital or voting rights has been provided to you in the management report.

## Other verifications or information provided for by legal and regulatory texts

### Presentation format of the annual financial statements intended to be included in the annual financial report

In accordance with the professional standards on Statutory Auditors' diligence relating to the annual and consolidated financial statements presented in the single European electronic reporting format, we have also verified compliance with this format as defined by European Delegated Regulation No. 2019/815 of 17 December 2018 on the presentation of annual financial statements intended to be included in the annual financial report mentioned 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.

On the basis of our work, we conclude that the presentation of the annual financial statements intended to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the annual financial statements that will be included by your company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

### Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Korian in the Articles of Association of 1 January 2003 for MAZARS and by your General Meeting of 23 June 2011 for ERNST & YOUNG et Autres.

At 31 December 2021, MAZARS was in the nineteenth year of its uninterrupted assignment (of which 16 years since the company's securities were admitted to trading on a regulated market) and ERNST & YOUNG et Autres was in its eleventh year.

Previously, ERNST & YOUNG Audit had been Statutory Auditors since 2006.

## Responsibilities of management and those charged with corporate governance for the annual financial statements

It is the responsibility of management to prepare annual financial statements that present a true and fair view in accordance with French accounting rules and policies and to implement the internal control that it deems necessary for the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the annual financial statements, it is the responsibility of management to assess the company's ability to continue as a going concern, to present in these financial statements, where applicable, the necessary information relating to the going concern and to apply the going concern accounting policy, unless it is planned to liquidate the company or cease its activity.



The Audit Committee is responsible for monitoring the process of preparing financial information and monitoring the effectiveness of the internal control and risk management systems, as well as the internal audit, where applicable, concerning procedures relating to the preparation and processing of accounting and financial information.

The annual financial statements were approved by the Board of Directors.

## Responsibilities of the Statutory Auditors for the audit of the annual financial statements

### Audit objective and procedure

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the financial statements taken as a whole are free from material misstatement. Reasonable assurance corresponds to a high level of assurance, without however guaranteeing that an audit carried out in accordance with the professional standards will systematically detect all material misstatements. Misstatements may arise through fraud or as a result of errors and are considered significant when it can be reasonably expected that they may, taken individually or as a whole, influence the economic decisions taken by users of the financial statements on the basis of this information.

As specified by Article L. 823-10-1 of the French Commercial Code, our mission of certifying the financial statements does not include the provision of a guarantee of the viability or the quality of the management of your company.

Within the framework of an audit carried out in accordance with the professional standards applicable in France, the Statutory Auditor exercises his or her professional judgement throughout this audit. Furthermore:

- he or she identifies and assesses the risks that the annual financial statements contain material misstatements, whether due to fraud or error, defines and implements audit procedures to address these risks, and collects information that he or she considers sufficient and appropriate to provide a basis for his or her opinion. The risk that a material misstatement arising due to fraud will not be detected is greater than that of a material misstatement arising through error, since fraud may involve collusion, falsification, deliberate omission, false declaration or circumvention of internal control;
- he or she takes into account the relevant internal control for the audit in order to define appropriate audit procedures for the circumstances, and not in order to express an opinion on the effectiveness of the internal control;

- he or she assesses the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the disclosures concerning them provided in the annual financial statements;
- he or she takes into account the appropriate nature of the application by management of the going concern accounting standard and, depending on the information collected, the existence or otherwise of significant uncertainty related to events or circumstances liable to call into question the company's ability to continue operating. This assessment is based on information collected until the date of its report, with the reminder nevertheless, that subsequent circumstances or events may call into question the continuity of operations. If the Statutory Auditor concludes that a material uncertainty exists, he or she draws the attention of readers of the report to the information provided in the annual financial statements about this uncertainty or, if this information is not provided or is not relevant, issues a certification with reservation or a refusal to certify;
- he or she reviews the overall presentation of the annual financial statements and assesses whether the financial statements reflect the underlying transactions and events in such a way as to give a true and fair view.

### Report for the attention of the Audit Committee

We submit a report to the Audit Committee which presents the scope of the audit work and the work programme implemented, as well as the conclusions arising from our work. We would also like to draw its attention, where applicable, to the significant weaknesses in internal control that we have identified regarding the procedures for preparing and processing accounting and financial information.

Among the items communicated in the report to the Audit Committee are the risks of material misstatement that we consider to have been the most significant for the audit of the annual financial statements of the financial year, and which therefore constitute the key audit matters, which it is our responsibility to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014 confirming our independence, within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the Statutory Auditors' Code of Ethics. Where applicable, we discussed with the Audit Committee the risks relating to our independence and the measures taken to counter these.

The Statutory Auditors,

Mazars  
Courbevoie, 1 March 2022  
Anne Veaute

ERNST & YOUNG et Autres  
Paris-La Défense, 1 March 2022  
May Kassis-Morin



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Korian is a French public limited company (*société anonyme*). It is listed on the Paris stock exchange.

This chapter contains the key data on its legal form and Articles of Association, as well as on its share capital.

It also provides information on the Korian share and the market on which it is traded.

## 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	French public limited company ( <i>société anonyme</i> ) 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
Business 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 Amendments to the Company's Articles of Association

The Company's Articles of Association have been amended to include the 21<sup>st</sup> resolution approved by the shareholders at the 2021 General Meeting, relating to the amendment of Articles 7 final paragraph, 9 paragraph 3 *in fine*, 11 *in limine*, 11.1.1 paragraph 2 *in fine*, 11.2.1 paragraph 6 *in limine*, 11.2.6 paragraph 2 *in fine*, 11.4 paragraph 2 *in fine*, 12.2 paragraph 2 *in fine*, 12.4 paragraph 4 *in fine*, 13 paragraph 3 *in fine* and 15.1 final paragraph *in fine* appearing in the Company's Articles of Association to comply with the current legislative and regulatory provisions (renumbering of the French Commercial Code by Order No. 2020-1142 of 16 September 2020 creating, within the French Commercial Code, a chapter relating to companies whose securities are admitted to trading on a regulated market or on a multilateral trading facility, the new terminology resulting from Article L. 228-2 of the French Commercial Code and the provisions of Article L. 228-3-3 of the French Commercial Code, the new provisions of Article L. 225-54 paragraph 4 of the French Commercial Code having imposed the resignation of the Chief Executive Officer and Deputy Chief Executive Officers in the event of placement under guardianship order, and with

the provisions of Articles L. 225-21 final paragraph, L. 225-22 paragraph 3 and Articles R. 225-24 paragraph 1 and R. 225-108 paragraph 1 of the French Commercial Code) and other statutory amendments.

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 and recording the exercise, by certain shareholders, of the option for the payment of 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 Ordinary General Meetings and the Board of Directors acting as delegated by the Ordinary 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 head 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.

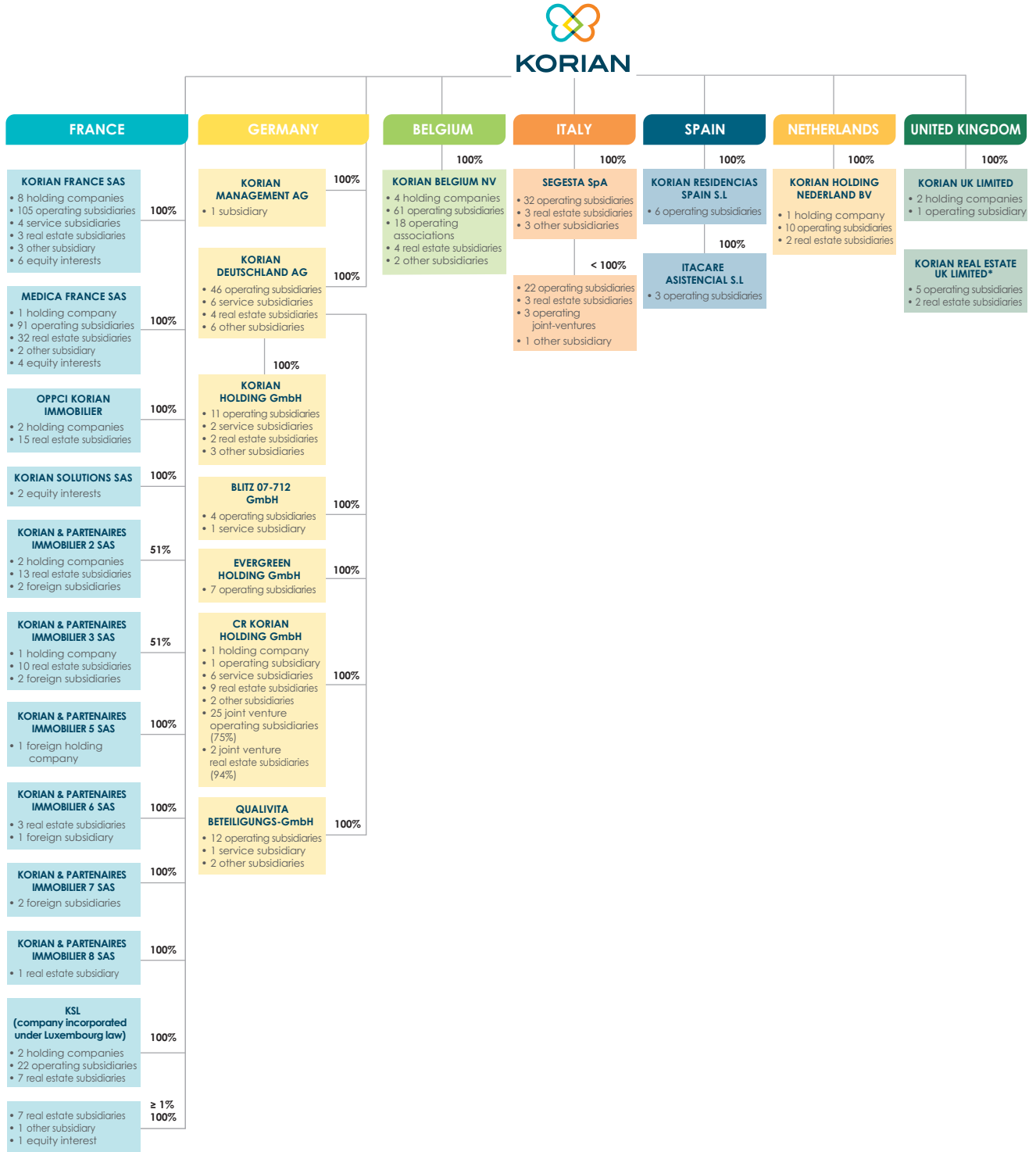
If they are not regularly disclosed in accordance with the conditions set forth above, any shares in excess of the fraction that should have been disclosed are, within the conditions and limits laid down by law, deprived of voting rights in all shareholders' meetings for a period of two (2) years following 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 Ordinary General Meeting."



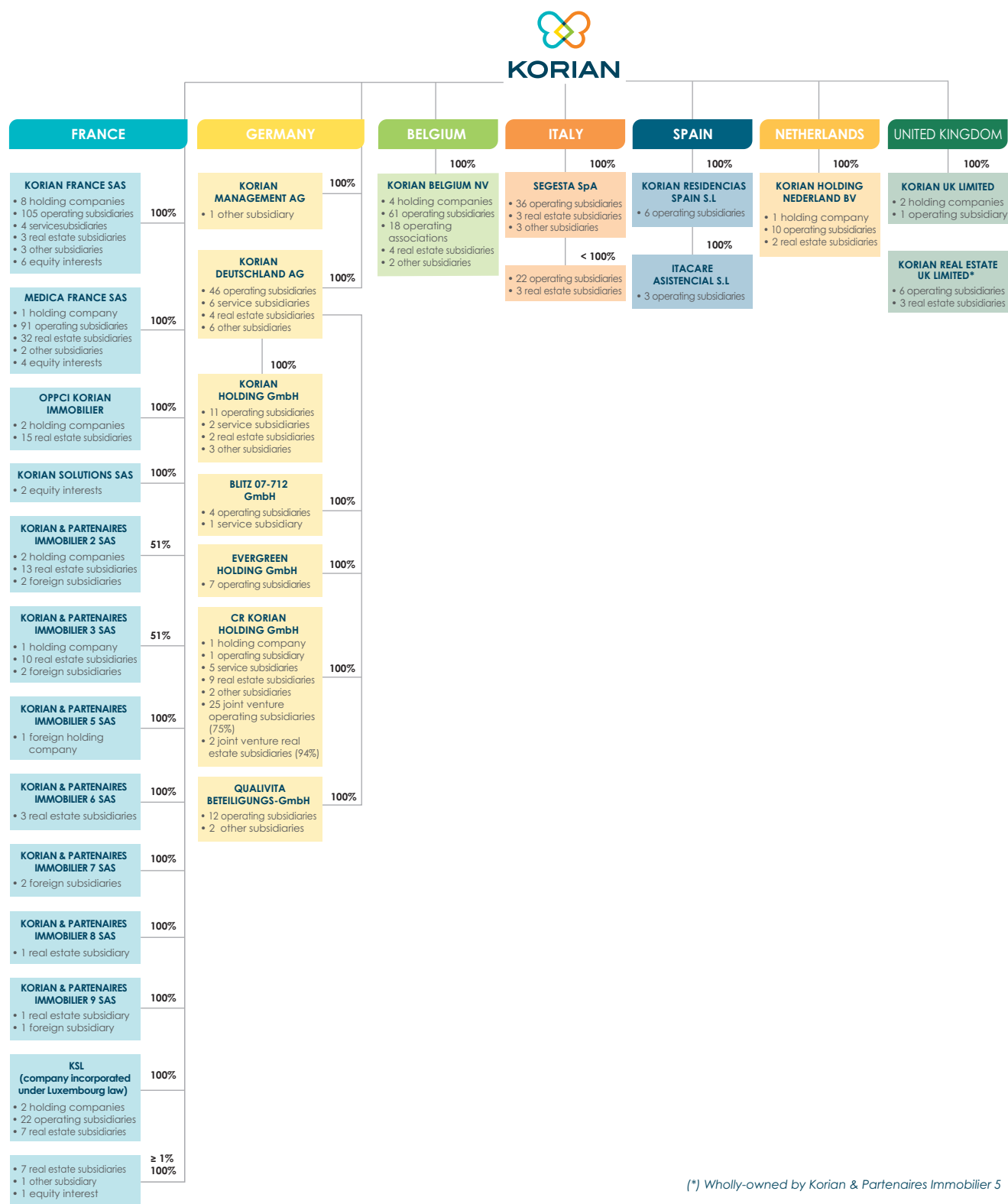
### 7.1.3 LEGAL ORGANISATION CHARTS

#### 7.1.3.1 Simplified legal organisation chart of the Group as at 31 December 2021



(\*) Wholly-owned by Korian & Partenaires Immobilier 5

### 7.1.3.2 Simplified legal organisation chart of the Group as at 5 April 2022



## 7.2 Information on the share capital

### 7.2.1 SHARE CAPITAL OF THE COMPANY

As at 31 December 2021, Korian's share capital was divided into 105,593,658 shares with a par value of €5 each, for a total of €527,968,290. 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.

In 2021, the Company successively increased its share capital:

- on 29 June 2021, for an amount of €2,681,120, through the issue of 536,224 new shares with a nominal value of €5 each, following the payment of the dividend in new shares;
- on 30 June 2021, for an amount of €89,855, through the issue of 17,971 new shares with a nominal 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 12 September 2021, for an amount of €4,730, through the issue of 946 new shares with a nominal 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 22 October 2021, for an amount of €1,795, through the issue of 359 new shares with a nominal value of €5 each, following the issuance of fully vested shares to certain employees and corporate officers, the share capital subsequently increased to €527,968,290 divided into 105,593,658 shares (see section 7.2.4.3 of this Universal Registration Document).



## 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	Par value	Number of shares	Amount of share capital
31 March 2019	Confirmation by the Chief Executive Officer of the creation of new shares allocated to foreign beneficiaries in respect of the 2014 free performance shares plan	9,138	€45,690		€5	81,985,563	€409,927,815
1 July 2019	Confirmation by the Chief Executive Officer of the creation of shares allocated in respect of dividend payments in new shares	742,707	€3,713,535		€5	82,728,270	€413,641,350
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
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

## 7.2.3 AUTHORISED CAPITAL (ISSUED AND UNISSUED)

### 7.2.3.1 Currently valid delegations and financial authorisations

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 2021 financial year.

Nature of authorisation/delegation	Date of the General Meeting (resolution number)	Maximum authorisation granted	Duration (Expiration date)	Use of authorisation in 2021	Residual amount of authorised capital increase as at 31 December 2021
Authorisation to trade in the Company's shares	27 May 2021 (18 <sup>th</sup> )	<b>10% of the share capital</b> (and maximum number of treasury shares capped at 10% of the share capital) Maximum total amount for the purposes of the share buyback programme : <b>€787,786,125</b>	18 months (27 November 2022)	562,217 treasury shares held under the liquidity agreement (103,389 shares) and share buyback programme (458,828 shares), representing 0.53% of the capital as at 31 December 2021	-
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 2020 (17 <sup>th</sup> )	<b>10% of the share capital</b> per 24-month period	26 months (22 August 2022)	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 2020 (18 <sup>th</sup> )	<b>€206,827,000</b> in equity securities <sup>(1)</sup> <b>€1,000,000,000</b> in transferable securities conferring access to the capital <sup>(2)</sup>	26 months (22 August 2022)	None	<b>€96,260,520 in equity securities</b> , the new ceiling common to resolutions 18, 19, 20, 21, 22, 23, 24 and 25 of the 2020 General Meeting
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, 1° 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 2020 (19 <sup>th</sup> )	<b>€41,365,400</b> in equity securities <sup>(1)(3)</sup> <b>€1,000,000,000</b> in transferable securities conferring access to the capital <sup>(2)</sup>	26 months (22 August 2022)	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, without preferential subscription rights, to qualified investors or a restricted circle of investors as provided for in Article L. 411-2, 1 <sup>st</sup> of the French Monetary and Financial Code	22 June 2020 (20 <sup>th</sup> )	<b>10% of the share capital<sup>(1)(3)</sup></b> <b>€1,000,000,000</b> in transferable securities conferring access to the capital <sup>(2)</sup>	26 months (22 August 2022)	Issuance of ODIRNANE for a nominal amount of €332,454,638.52 (see 7.2.4.1)	<b>€667,545,361.48 for transferable securities</b> , the new ceiling common to resolutions 18, 19, 20, 21, 22, 23, 24 and 25 of the 2020 General Meeting
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	22 June 2020 (21 <sup>st</sup> )	<b>15% of the initial issue<sup>(1)(2)(3)</sup></b>	26 months (22 August 2022)	None	-

(1) Ceiling common to resolutions 18, 19, 20, 21, 22, 23, 24 and 25 of the 2020 General Meeting as described in this table.

(2) Ceiling common to resolutions 18, 19, 20, 21, 23, 24 and 25 of the 2020 General Meeting as described in this table.

(3) Ceiling common to resolutions 19, 20, 21, 22, 23, 24 and 25 of the 2020 General Meeting as described in this table.

## INFORMATION ON THE COMPANY, SHARE CAPITAL AND SHAREHOLDING STRUCTURE

Information on the share capital

Nature of authorisation/delegation	Date of the General Meeting (resolution number)	Maximum authorisation granted	Duration (Expiry date)	Use of authorisation in 2021	Residual authorised capital increase amount as at 31 December 2021
Authorisation, in the event of the issuance 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, to set the issue price in accordance with the terms approved by the General Meeting	22 June 2020 (22 <sup>nd</sup> )	<b>10% of the share capital</b> per 12-month period, subject, in all cases, to the ceiling set by the resolution pursuant to which the issue is implemented (i.e. the 19 <sup>th</sup> or 20 <sup>th</sup> resolution of the 2020 General Meeting), and deducted from said ceiling <sup>(1)(3)</sup>	26 months (22 August 2022)	None	-
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, to pay for contributions in kind granted to the Company and which consist of equity securities and/or transferable securities conferring access to the share capital	22 June 2020 (23 <sup>rd</sup> )	<b>€41,365,400</b> in equity securities <sup>(1)(3)</sup> <b>€1,000,000,000</b> in transferable securities conferring access to the capital <sup>(2)</sup>	26 months (22 August 2022)	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, in the event of a public exchange offer initiated by the Company, without preferential subscription rights	22 June 2020 (24 <sup>th</sup> )	<b>€41,365,400</b> in equity securities <sup>(1)(3)</sup> <b>€1,000,000,000</b> in transferable securities conferring access to the capital <sup>(2)</sup>	26 months (22 August 2022)	None	-
Delegation of authority to increase the share capital by issuing ordinary shares in the Company or any transferable securities conferring access to the capital, without preferential subscription rights, for a category of persons as provided for in Article L. 225-138 of the French Commercial Code	22 June 2020 (25 <sup>th</sup> )	<b>€41,365,400</b> in equity securities <sup>(1)(3)</sup> <b>€1,000,000,000</b> in transferable securities conferring access to the capital <sup>(2)</sup>	18 months (22 December 2021)	None	-
Delegation of authority to decide, outside of takeover bid periods, on the capital increase by incorporation of reserves, profits, premiums or other funds	22 June 2020 (26 <sup>th</sup> )	<b>€20,000,000</b>	26 months (22 August 2022)	None	-
Authorisation to allocate free shares of 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> )	<b>1% of the share capital (and 0.1% of the share capital for the Company's Executive Corporate Officers)</b>	38 months (22 August 2023)	Grant of 541,725 shares on 24 February 2021 (including 21,175 shares to the Chief Executive Officer)	<b>0.83% of the share capital (and 0.04% of the share capital for the Company's Executive Corporate Officers)</b>

(1) Ceiling common to resolutions 18, 19, 20, 21, 22, 23, 24 and 25 of the 2020 General Meeting as described in this table.

(2) Ceiling common to resolutions 18, 19, 20, 21, 23, 24 and 25 of the 2020 General Meeting as described in this table.

(3) Ceiling common to resolutions 19, 20, 21, 22, 23, 24 and 25 of the 2020 General Meeting as described in this table.



Nature of authorisation/delegation	Date of the General Meeting (resolution number)	Maximum authorisation granted	Duration (Expiry date)	Use of authorisation in 2021	Residual authorised capital increase amount as at 31 December 2021
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> )	<b>2.5% of the share capital</b>	15 months (27 August 2022)	None	-
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 19 <sup>th</sup> resolution of the 2021 General Meeting	18 months (27 November 2022)	None	-

### 7.2.3.2 Delegations and financial authorisations proposed to the 2022 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

2022 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. As it has also been possible since the Law of 22 May 2019 on the growth and transformation of companies, known as the Pacte law, to provide for financial delegations pertaining to mergers, demergers and partial contributions of assets, such a delegation is proposed.

Nature of authorisation/delegation	Resolution number	Maximum authorisation granted	Duration
Authorisation to trade in the Company's shares	15 <sup>th</sup>	<b>10% of the share capital</b> (and maximum number of treasury shares capped at 10% of the share capital) Maximum total amount for the purposes of the share buyback programme: <b>€791,952,375</b>	18 months
Authorisation to reduce the share capital by cancelling treasury shares (currently held by the Company or as part of the share buyback programme)	18 <sup>th</sup>	<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>€263,984,000</b> in equity securities <sup>(1)</sup> <b>€1,000,000,000</b> in transferable securities conferring access to the 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>€52,796,800</b> in equity securities <sup>(1)(2)</sup> <b>€1,000,000,000</b> in transferable securities conferring access to the capital <sup>(1)</sup>	26 months

(1) Ceiling common to resolutions 19-20, 21, 22, 24, 25 and 26 described in this table.

(2) Ceiling common to resolutions 20-21, 22, 24, 25 and 26 as described in this table.

## INFORMATION ON THE COMPANY, SHARE CAPITAL AND SHAREHOLDING STRUCTURE

Information on the share capital

Nature of authorisation/delegation	Resolution number	Maximum authorisation granted	Duration
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> in transferable securities conferring access to the 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> , subject, in all cases, to the ceiling set by the resolution pursuant to which the issue is implemented (i.e. the 20 <sup>th</sup> or 21 <sup>st</sup> resolution proposed to the 2022 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>€52,796,800</b> in equity securities <sup>(1)(2)</sup> <b>€1,000,000,000</b> in transferable securities conferring access to the 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>€52,796,800</b> in equity securities <sup>(1)(2)</sup> <b>€1,000,000,000</b> in transferable securities conferring access to the capital <sup>(1)</sup>	26 months
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	26 <sup>th</sup>	<b>€52,796,800</b> in equity securities <sup>(1)(2)</sup> <b>€1,000,000,000</b> in transferable securities conferring access to the capital <sup>(1)</sup>	18 months
Delegation of authority to decide, outside takeover bid periods, on the capital increase by incorporation of reserves, profits, premiums or other funds	27 <sup>th</sup>	<b>€20,000,000</b>	26 months
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	28 <sup>th</sup>	<b>1% of the share capital (and 0.1% of the share capital for Executive Corporate Officers of the Company)</b>	38 months
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	29 <sup>th</sup>	<b>2.5% of the share capital</b>	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.

Nature of authorisation/delegation	Resolution number	Maximum authorisation granted	Duration
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	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 29 <sup>th</sup> resolution of the 2022 General Meeting	18 months
Delegation of authority to the Board of Directors to decide on any merger-absorption, demerger or partial contribution of assets	31 <sup>st</sup>	<b>10% of the share capital</b>	26 months

### 7.2.3.3 Securities not representing capital

There are no securities not representing capital.

## 7.2.4 POTENTIAL SHARE CAPITAL

### 7.2.4.1 Purchase and new issuance 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 (ODIRNANE), without preferential subscription rights, for a nominal amount of approximately €332.5 million (the "**Bonds**").

The purpose of the bond 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.

With this buyback and new issuance, the Group significantly reduced the potential dilution related to the ODIRNANE bonds. With the pre-existing ODIRNANES that were repurchased, the maximum potential dilution would have represented 8.1% of the share capital at 31 December 2021. The maximum potential dilution of all the Bonds represents 7.1% of the share capital at 31 December 2021, corresponding to a parity of 1 Korian share for 1 ODIRNANE.

The Bonds were issued at a nominal value of €44.28 each and an issue price of 100% of the nominal unitary value of the Bonds. The Bonds 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 Bonds were settled and delivered on 8 September 2021.

The Bonds were proposed via an accelerated book-building process through a private placement arranged exclusively with institutional 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 2020 General Meeting. An application was made for admission of the Bonds to trading on Euronext in Paris with effect one month after the issue date.

### 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 (OCEANE) in the nominal amount of approximately €400 million (the "**Bonds**").

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 Bonds 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 Bonds will bear a nominal annual coupon of 0.875%, to be paid annually in arrears on 6 March of each year.

Bondholders will have the right to grant/exchange new and/or existing Company shares at an initial conversion/exchange ratio of one share per Bond, subject to any subsequent adjustments. The Bonds 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 17<sup>th</sup> resolution approved at the General Meeting held on 14 June 2018. An application was made for admission of the Bonds 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 Bond conversion rights was suspended from 12 October 2020 to 12 January 2021, as per the Chief Executive Officer's decisions of 2 October 2020.

As at 31 December 2021, the maximum potential dilution of all the Bonds was 6.8% of the capital, corresponding to a parity of 1.102 Korian shares for 1 OCEANE.

### 7.2.4.3 Long-term compensation plans

#### Share subscription or stock option plans

As at 31 December 2021, 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 10 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 10 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 2020 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 of them, of the Company and/or companies or groups directly or indirectly related to it under the conditions provided for by Article L. 225-197-2 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.



► TABLE 10 – HISTORY OF FREE SHARES ALLOCATIONS AS AT 31 DECEMBER 2021 (AMF NOMENCLATURE)

Information on allocations of performance shares	2018 Plan <sup>(1)</sup>	2019 Plan <sup>(1)</sup>	2020 Plan <sup>(1)</sup>	2020 Plan <sup>(1)</sup>	2021 Plan	2021 Plan	2021 Plan
Date of the General Meeting	14 June 2018	14 June 2018	22 June 2020	22 June 2020	22 June 2020	22 June 2020	22 June 2020
Date of the Board of Directors meeting	14 June 2018 12 Sept. 2018 22 Oct. 2018	6 June 2019	30 July 2020	30 July 2020	24 Feb. 2021 29 July 2021	24 Feb. 2021	24 Feb. 2021
Total number of free shares and performance shares allocated	136,427	162,914	320,025	13,150	348,247	132,000	61,478
of which the number allocated to Mrs Sophie Boissard, Chief Executive Officer	0	0	21,384	0	21,175	N/A	N/A
Vesting date of shares and performance shares <sup>(2)</sup>	30 June 2021 12 Sept. 2021 22 Oct. 2021	6 June 2022	31 July 2023	31 July 2023	15 March 2024 1 Sept. 2024	14 March 2025	15 March 2024
Performance conditions	EBITDA per share, revenue and performance of the Korian share price relative to the SBF 120 performance	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, earnings per share, performance of the Korian share price relative to the SBF 120 performance and CSR criteria	Revenue and EBITDA	N/A
Number of shares and performance shares vested as at 5 April 2022	19,276	N/A	N/A	N/A	N/A	N/A	N/A
Total number of shares and performance shares cancelled or lapsed as at 5 April 2022 <sup>(3)</sup>	29,470	21,109	39,917	1,578	30,316	0	5,210
Total number of shares and performance shares outstanding as at 5 April 2022	N/A	141,805	280,018	11,572	318,021	132,000	56,268

(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 final grant, on 30 June 2021, of 17,971 shares to certain employees and corporate officers (free shares plan approved by the Board of Directors on 14 June 2018 and 12 September 2018), the Chief Executive Officer acknowledged on 30 June 2021 that the Company's share capital had increased by €89,855 from €527,871,910 to €527,961,765 (divided into 105,592,353 shares), via the issuance of 17,971 new shares with a par value of €5 each;
- following the final grant, on 12 September 2021, of 946 shares to certain employees and corporate officers (free shares plan approved by the Board of Directors on 14 June 2018

and 12 September 2018), the Chief Executive Officer acknowledged on 12 September 2021 that the Company's share capital had increased by €4,730, from €527,961,765 to €527,966,495 (divided into 105,593,299 shares), via the issuance of 946 new shares with a par value of €5 each;

- following the final grant, on 22 October 2021, of 359 shares to certain employees and corporate officers (free shares plan approved by the Board of Directors on 14 June 2018 and 12 September 2018), the Chief Executive Officer acknowledged on 22 October 2021 that the Company's share capital had increased by €1,795 from €527,966,495 to €527,968,290 (divided into 105,593,658 shares), via the issuance of 359 new shares with a par value of €5 each.



In accordance with the provisions of Article L. 225-197-4 of the French Commercial Code, the table below summarises the shares granted to the 10 main non-corporate officer employees who received the highest number of shares and the shares vested to them.

**Shares granted to the 10 main non-corporate officer employees who received the highest number of shares and the shares vested to them**

	<b>2021 plan</b>
Shares granted	135,560
Shares vested	N/A

## 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 Board of the mutual fund managing the Company's employee shareholding plan decides 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 2021 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 CHANGE IN THE CAPITAL OVER THE LAST THREE YEARS

The changes in the allocation of the Company's share capital between 31 December 2019 and 31 December 2021 are shown in the table below.

Shareholders	31.12.2021			31.12.2020			31.12.2019		
	Number of shares	% of share capital	% of voting rights <sup>(1)</sup>	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights
Predica	25,799,978	24.43%	24.43%	25,545,708	24.32%	24.32%	20,167,668	24.38%	24.38%
Holding Malakoff Humanis	8,048,260	7.62%	7.62%	8,048,260	7.66%	7.66%	6,353,892	7.68%	7.68%
Investissements PSP <sup>(2)</sup>	6,839,996	6.48%	6.48%	6,839,996	6.51%	6.51%	5,400,000	6.53%	6.53%
Korian SA <sup>(3)</sup>	562,217	0.53%	0.53%	47,440	0.05%	0.05%	22,025	0.02%	0.02%
Free float	64,343,207	60.94%	60.94%	64,556,754	61.46%	61.46%	50,784,685	61.39%	61.39%
<b>TOTAL</b>	<b>105,593,658</b>	<b>100%</b>	<b>100%</b>	<b>105,038,158</b>	<b>100%</b>	<b>100%</b>	<b>82,728,270</b>	<b>100%</b>	<b>100%</b>

(1) % of 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 2021: 105,031,441.

(2) It should be noted that the term of office as a Director of Investissements PSP ended at the close of the 2020 General Meeting.

(3) Treasury shares held under the liquidity agreement (103,389 shares as at 31 December 2021) and the share buyback programme (458,828 shares as at 31 December 2021).

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 2020 to 31 December 2021.

Furthermore, the Company employees' mutual investment fund held 97,733 Korian shares as at 31 December 2021.

### 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

As at 31 December 2021, the Company held 562,217 treasury shares representing 0.53% of the share capital, broken down as follows:

- 103,389 treasury shares held under the liquidity agreement signed with ODDO BHF and Natixis, i.e. 0.10% of the share capital; and
- 458,828 shares as part of the share buyback programme signed with EXANE and launched on 10 December 2021, i.e. 0.43% 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 tripartite execution mandate for 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 them 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 2021:

- 103,389 Korian shares;
- €1,887,083.

As a reminder, when the agreement was set up, the following assets were included in the dedicated liquidity account:

- 21,934 Korian shares;
- €3,929,068.

Over the period from 1 July 2021 to 31 December 2021, the following trades were carried out:

- 2,073 purchases;
- 1,961 sales.

Over the same period, the volumes traded represented:

- 413,681 shares and €12,349,023.80 in purchases;
- 406,331 shares and €12,180,668.68 in sales.

### Launch of a share buyback programme with an ESG impact

On 9 December 2021, Korian announced the launch of a share buyback programme with an ESG impact for a maximum amount of €50 million, as part of the authorisation granted by the 2021 General Meeting.

The buyback period began on 10 December 2021 and will end on 27 November 2022 at the latest.

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 employee shareholding programmes and performance share plans as a priority.

In line with Korian's mission and values and its commitment as a responsible corporate citizen, this programme includes an ESG component. Thus, most of the outperformance achieved will be allocated to the projects carried out by the Korian Foundation for Ageing Well in favour of the promotion of the caregiving profession, and the inclusion and professional integration of young people.

### Transactions carried out by the Company on its own shares during the 2021 financial year

The 2020 and 2021 General Meetings authorised the Board of Directors to purchase or have purchased Company shares, up to a limit of 10% of the Company's share capital.

In addition, the 2020 General Meeting 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 2021 financial year.

<i>In number of shares unless otherwise indicated</i>	Liquidity agreement	Objective: Employee shareholding programmes and free performance share plans	Total
<b>Balance as at 31 December 2020</b>	<b>47,440</b>	-	<b>47,440</b>
<i>Percentage of the share capital held by the Company as at 31 December 2020</i>	0.05%	-	0.05%
<b>From 1 January 2021 to 31 December 2021</b>			
Purchase	827,167	458,828	1,285,995
<i>Average price</i>	€30.3710	€27.1923	€28.7816
<i>Amount of trading costs</i>	-	-	-
Sale	771,218	-	771,218
<i>Average price (in euros)</i>	€30.5006	-	€30.5006
<i>Amount of trading costs</i>	-	-	-
Cancellations	-	-	-
<b>Balance as at 31 December 2021</b>	<b>103,389</b>	<b>458,828</b>	<b>562,217</b>
<i>Percentage of the share capital held by the Company as at 31 December 2021</i>	0.10%	0.43%	0.53%
<i>Value measured at purchase price</i>	€3,140,027.32	€12,476,588.60	€16,181,504.81
<i>Nominal value</i>	€516,945 <sup>(1)</sup>	€2,294,140 <sup>(1)</sup>	€2,811,085 <sup>(1)</sup>

(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 2021 financial year.

### 7.3.2.3 Description of the share buyback programme

At the 2022 General Meeting, the Company will request the renewal of the 18<sup>th</sup> resolution of the 2021 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 15<sup>th</sup> resolution, will replace the authorisation granted by the 18<sup>th</sup> resolution approved at the 2021 General Meeting.

The programme was established in accordance with Article 241-1 *et seq.* of the French Financial Markets Authority'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 2022 General Meeting.

Securities concerned	Ordinary shares
Maximum amount of the capital for which the purchase has been authorised by the General Meeting	The number of shares purchased in respect of this delegation will be subject to a dual limitation, such that: <ul style="list-style-type: none"> <li>a) the number of shares purchased by the Company in the course of the buyback programme shall 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 2022 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 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;</li> <li>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.</li> </ul>
Maximum purchase price	€75 (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	€791,952,375 (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> <li>■ enable the Company to trade in its own shares for any other purpose authorised, or that may be authorised in the future, by the laws and regulations in force. In such cases, the Company would inform its shareholders in a press release.</li> </ul>
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 2022 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 2021 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).

As at 31 December 2021, 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

As at 31 December 2021, the portion of Korian's share capital owned by its employees and former employees was 0.4%, *i.e.* 406,467 shares, of which 97,733 shares within the framework of a collective employee mutual investment fund (FCPE).

On 28 March 2022, Korian announced the launch of KORUS 2022, its first employee share ownership plan for all its employees in France<sup>(1)</sup>, Germany, Italy, Belgium, Spain, the Netherlands

and the United Kingdom. Korian aims to involve them more closely in the results of the Group's long-term transformation and innovation projects. At Korian, each employee is recognised as an actor in the corporate project, and this system helps to enhance their commitment to serving the elderly or fragile people, and to strengthen their sense of belonging.

### 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.

For the financial year ended 31 December 2021, the Board of Directors will propose to the 2022 General Meeting the distribution of a dividend of €0.35 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 French Financial Markets Authority's website ([www.amf-france.org](http://www.amf-france.org)).

During the 2021 financial year, no crossing of legal thresholds was declared.

(1) All employees belonging to the Economic and Social Unit in France.

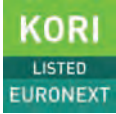


## 7.4 Market for Korean securities

### 7.4.1 LISTING MARKET AND INDICES

Korian SA is listed on the Euronext Paris stock exchange (Compartment A) and is eligible for the deferred settlement system (Service à règlement différé – SRD).

#### Share profile – Korian SA

	<b>ISIN code</b>	FR0010386334
	<b>Stock markets</b>	Ongoing trading on Euronext – Compartment A of the Euronext Paris stock exchange Ticker KOR1 (Euronext), KOR1. PA (Reuters), KOR1. 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 2021</b>	105,593,658
	<b>Share price as at 31 December 2021</b>	€27.84
	<b>Market capitalisation as at 31 December 2021</b>	€2,939,727,438.72

### 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	Low	Monthly volumes	Monthly total
January 2021	31.791	33.460	29.660	3,557,644	112.78
February 2021	30.562	31.640	28.360	2,994,979	91.23
March 2021	29.942	31.340	28.780	3,379,840	101.38
April 2021	31.949	33.620	29.620	2,972,883	94.89
May 2021	31.491	33.400	29.900	2,631,245	82.63
June 2021	30.744	31.580	29.640	2,724,594	83.50
July 2021	31.374	32.280	29.800	2,374,389	74.28
August 2021	31.413	32.980	30.320	1,999,350	62.83
September 2021	31.192	34.760	29.860	2,772,687	88.14
October 2021	29.116	30.620	28.040	2,582,616	75.05
November 2021	27.952	29.880	25.720	2,766,243	76.87
December 2021	26.929	27.960	25.980	2,419,779	65.03
<b>High, low and average for the period</b>	<b>30.371</b>	<b>34.760</b>	<b>25.720</b>	<b>2,764,687</b>	<b>84.05</b>
<b>TOTAL</b>				<b>33,176,249</b>	<b>1,008.61</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:

CACEIS CORPORATE TRUST

14, rue Rouget de Lisle – 92130 Issy-les-Moulineaux.

#### MANAGEMENT OF THE LIQUIDITY AGREEMENT

The liquidity agreement is managed by ODDO BHF and Natixis.

#### ANALYST COVERAGE

Alpha Value
Bank of America
Berenberg
Bryan Garnier
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 2022 financial communication schedule

**23 February 2022:** 2021 annual earnings.

**25 April 2022:** Q1 2022 revenue.

**22 June 2022:** 2022 General Meeting.

**28 July 2022:** Revenue and results for the first half-year 2022.

**27 October 2022:** Q3 2022 revenue.

*This schedule is purely indicative and may be modified.*

*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 with both its individual and institutional investors founded on dialogue and transparency.

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 (London, Frankfurt, Brussels, Geneva and the United States).

#### 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 27 May 2021 on first call.

In accordance with Ordinance No. 2020-321 of 25 March 2020 amending the rules of meetings and deliberations of legal persons subject to private law, introduced as a result of the Covid-19 pandemic, the 2021 General Meeting was held without the physical presence of the shareholders.



# 8

## Further information

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## 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, 28 April 2022

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.

### 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 ending 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 May Kassis-Morin, 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 2017, following a three-year period during which the financial statements were certified by Mrs Sophie Duval.

### 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 authorisations or operations, 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 accommodation 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 four main countries where the Group operates:

**FRANCE**

Business activity	Regulations	Pricing	Financing aid
 <p><b>Specialised nursing homes</b> (long-term care facilities)</p>	<p>Authorisation issued jointly by the Regional Health Agency (ARS – <i>Agence Régionale de Santé</i>) and the Departmental Council, valid for 15 years.</p>	<p><b>The price has three components:</b></p> <ul style="list-style-type: none"> <li>• a care allowance set by the ARS;</li> <li>• a global dependency fee set by the Departmental Council;</li> <li>• accommodation and ancillary services, which can be set freely on admission, with annual revaluation set by ministerial decree.</li> </ul>	<p>Care: 85% financed by the French Health Insurance system.</p> <p>Dependency: partially covered through the personal independence allowance (APA - <i>Allocation Personnalisée d'Autonomie</i>).</p> <p>Accommodation: may be covered by means-tested social assistance or the personal housing assistance (APL).</p>
 <p><b>Home nursing services</b> (HNS)</p>	<p>Authorisation issued by the ARS.</p>	<p>Covered directly and in full by the French Health Insurance system.</p>	<p>Financed through the French Health Insurance system on medical prescription.</p>
 <p><b>Assisted living facilities</b></p>		<p><b>The price has two components:</b></p> <ul style="list-style-type: none"> <li>• rent, shared property fees and services that cannot be individually identified through a residential lease;</li> <li>• services that can be individually identified through a service contract.</li> </ul>	
 <p><b>Shared housing for seniors</b></p>	<p>For the home assistance and support service (HASS): authorisation issued by the Departmental Council in the location where the services will be delivered.</p>	<p><b>The price has two components:</b></p> <ul style="list-style-type: none"> <li>• rents and charges;</li> <li>• home assistance and support services.</li> </ul>	<p>Partially covered through the personal independence allowance (APA).</p>
 <p><b>Post-acute and rehabilitation care facilities</b></p>	<p>Authorisation issued by the ARS, valid for 7 years (renewable).</p>	<p><b>The price has three components:</b></p> <ul style="list-style-type: none"> <li>• care, set by the ARS;</li> <li>• the activity-based allocation rates (DMA - <i>Dotation Modulée à l'Activité</i>), set by the Ministry of Health;</li> <li>• ancillary services, which are set freely.</li> </ul>	<p>Daily rate (90%) paid by the French Health Insurance system (rates defined by service provided and by medico-pricing discipline).</p> <p>Activity-based allocation rates (DMA) (10%) paid by the French Health Insurance system (depending on the pathologies covered).</p>
 <p><b>Mental health clinics</b></p>	<p>Authorisation issued by the ARS, valid for 7 years (renewable).</p>	<p><b>The price has two components:</b></p> <ul style="list-style-type: none"> <li>• care, set by the ARS;</li> <li>• ancillary services, which are set freely.</li> </ul>	<p>Daily rate paid by the French Health Insurance system (rates defined by service provided and by medico-pricing discipline).</p>
 <p><b>Hospital Home Care</b> (HHC)</p>	<p>Authorisation issued by the ARS.</p>	<p>National rates set by the Ministry of Health.</p>	<p>Financing by French Health Insurance system.</p>

 GERMANY

Business activity



Nursing homes

Regulations

An administrative authorisation is sufficient to open a 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 specialised 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 benefits or hotel services;
- services: all expenses related to hotel services;
- investment: rent and related charges;
- training: financing of apprentice training.

Financing aid

Distinction between three types of aid:

- **medico-social cover** (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

Pricing is set freely by operators, taking market prices into consideration.



Soins à domicile

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 Health Insurance.


**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**

**Regulations**

**Pricing**

**Financing aid**



Nursing homes

The opening of a 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).

Care services are provided free of charge by the ASLs (local care units) in facilities.

The 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.

Funding by regional authorities is subject to obtaining accreditation.

Lombardy has introduced a system of expenditure budgets for medicalised nursing homes that homes must set annually.

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 daily price is funded by the ASLs.

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.

Prices are set by each region according to the procedures performed.

Fully funded by the ASLs.

## 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>Coordinating state-accredited nurses (IDEC)</b>	In France, state-accredited nurses handling hands-on management duties.
<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>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 performance indicator, enabling it to monitor the operating performance of its entities. It 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.
<b>ESG</b>	Environmental, Social and Governance Criteria.
<b>French National Authority for Health</b>	An independent public scientific organisation tasked with improving medical quality in France.
<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>Hospital Home Care (HHC)</b>	Full-time hospitalisation where treatment is provided in the patient's home.
<b>INAMI</b>	In Belgium, Institut <i>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>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>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>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>Long-term care nursing home (LTCNH)</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>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>Nursing and care home (MRS)</b>	Term designating, in Belgium, the beds (care) integrated in care 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.



Term or acronym	Definition
<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>Personal independence allowance (PIA)</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>Pflegeheime</b>	Term used in Germany for specialised nursing homes.
<b>Positive Care</b>	Approach to promote non-drug therapies where relevant.
<b>Post-acute 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>Professional Risk Assessment Document (DUERP)</b>	In France, this document is mandatory in all companies, regardless of their workforce and sector of activity. Prepared by the employer, it draws up an inventory of the risks present in the Company and must be updated every 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>Regional health agency (ARS)</b>	A public administrative body of the French government responsible for implementing health policy in a given region.
<b>Residenza sanitaria per anziani (RSA)</b>	Term used in Italy for specialised nursing homes.
<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>Social Life Committee (CVS)</b>	Framework within which residents and families are invited to participate in the life of the facility.
<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>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.
<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.

## 8.5 Cross-reference tables

### CROSS-REFERENCE TABLE WITH SECTIONS OF ANNEXES 1 AND 2 OF EUROPEAN REGULATION 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.

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## CROSS-REFERENCE TABLE WITH THE 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
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2.8	Opinion of the Works Council on changes in the Company's economic or legal organisation	N/A
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2.10	Results for the financial year and proposed allocation of profit	5.4.2 247
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2.12	Amount of dividends paid out for the previous three financial years	5.4.1/7.3.6 247/347
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Themes	Chapters	Pages	
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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	
<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: <ul style="list-style-type: none"> <li>■ prohibit corporate officers from exercising their stock options before leaving office; or</li> <li>■ oblige them to keep some or all of the shares resulting from options already exercised registered until they leave office (specifying the proportion)</li> </ul>	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	208
3.3	If free shares are granted, references to the information on which basis the Board of Directors decided to either: <ul style="list-style-type: none"> <li>■ prohibit corporate officers from selling the free shares granted to them before leaving office; or</li> <li>■ impose a lower limit on the amount of these shares they must keep registered until they leave office (specifying the proportion).</li> </ul>	7.2.4.3/4.2.1.1/6.1 (Note 4.3)	341/213/268
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<b>5</b>	<b>Other information</b>		
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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: <ul style="list-style-type: none"> <li>■ risk mapping to identify, analyse and classify risks;</li> <li>■ 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;</li> <li>■ suitable measures to mitigate risk or prevent serious violations;</li> <li>■ 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;</li> <li>■ a system to monitor measures that have been implemented and to assess how effective they are.</li> </ul>	2.5.5 3.5.2/3.7 2.5 3.7 3.7	66/142 121/142 62 142 142

## CROSS-REFERENCE TABLE WITH THE 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 Regulation of the French Financial Markets Authority (*Autorité des marchés financiers* – AMF).

Themes	Chapters	Pages
<b>1</b> Statement made by the natural persons taking responsibility for the annual financial report	<b>8.1</b>	<b>352</b>
<b>2</b> Management report	See cross-reference table of the management report	<b>363</b>
<b>3</b> Financial statements and reports		
3.1 Individual financial statements	6.3	308
3.2 Statutory Auditors' report on the individual financial statements	6.4	325
3.3 Consolidated financial statements	6.1	252
3.4 Statutory Auditors' report on the consolidated financial statements	6.2	305

## CROSS-REFERENCE TABLE WITH THE INFORMATION REQUIRED IN THE CORPORATE GOVERNANCE REPORT

The cross-reference table below makes it possible to identify in this Universal Registration Document the information 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
<b>1</b> 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	173/176
<b>2</b> 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	209
<b>3</b> 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	336
<b>4</b> Choice of methods for performing general management functions	4.1.1	173
<b>5</b> Policy applicable to the compensation of corporate officers	4.2.1.1/4.2.1.2	213/219
<b>6</b> Compensation components of corporate officers	4.2.1.1/4.2.2	213/220
<b>7</b> Information to provide relating to pension commitments	4.2.1.1/4.2.2.1/4.2.2.2/ 4.2.2.3/6.1 (Note 4.2)/6.3	213/220/221/ 231/266/308
<b>8</b> Composition of the Board of Directors and conditions for preparing and organising the work of the Board	4.1.3	176
<b>9</b> Any limitations that the Board of Directors imposes on the powers of the Chief Executive Officer	4.1.2.1	173
<b>10</b> Corporate Governance code selected and any of the code's provisions that were excluded	4/4.1.4	169/207
<b>11</b> Special procedures for participating in General Meetings	7.5	350
<b>12</b> Information about factors which may have an impact in the event of a takeover bid	7.2.5	343
<b>13</b> Application of the principle of balanced representation of men and women on the Board of Directors and Supervisory Board	4.1.3.1.2	188
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## CROSS-REFERENCE TABLE OF SOCIAL, ENVIRONMENTAL AND CORPORATE RESPONSIBILITY

### Statement of non-financial performance

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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	2/3.1.2 49/67
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 49/67
4	The outcome of these policies, including key performance indicators	2/3 49/67
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 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 67
6	References to the standard and indication of the recommendations set out in said standard	3.8.3 150



## LIST OF SOCIAL, ENVIRONMENTAL AND CORPORATE RESPONSIBILITY INFORMATION AS STIPULATED IN ARTICLE R. 225-105 II OF THE FRENCH COMMERCIAL CODE

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<b>1.1</b>	<b>Workforce</b>		
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1.1.2	Recruitments	3.3.1	92-93
1.1.3	Dismissals	N/A	
1.1.4	Compensation and changes in compensation	3.3.2.5	95
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1.3.1	Organisation of social dialogue (rules and procedures for informing, consulting and negotiating with employees)	3.3.2.6	104
<b>1.4</b>	<b>Health and safety</b>		
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1.4.3	Frequency rates and severity rates of work-related accidents and occupational illnesses	3.3.2.3	95
<b>1.5</b>	<b>Training</b>		
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1.5.2	Total number of training hours	3.3.3	107
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1.6.1	Measures taken to promote employment and gender equality	3.3.2.5	95
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2.1.1	The Company's organisation and procedures to assess and certify its environmental performance	3.6.1	128
2.1.2	Resources dedicated to prevent environmental risks and pollution	3.6	128
2.1.3	Amount of provisions and guarantees covering environmental risks	N/A	
<b>2.2</b>	<b>Pollution and waste management</b>		
2.2.1	Prevention, reduction or remedial measures as regards air, water and soil pollution having a serious impact on the environment	3.6	128
2.2.2	Prevention of waste production, recycling and elimination of waste	3.6.4.4	138
2.2.3	Provisions addressing noise and light pollution	N/A	
2.2.4	Measures to prevent food waste	3.6.4.2	138
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2.3.1	Water consumption and supply in accordance with local constraints	3.6.2	130
2.3.2	Consumption of raw materials and measures taken to use them more efficiently	3.6.2	130
2.3.3	Energy consumption and measures taken to improve energy efficiency and promote the use of renewable energy sources	3.6.2	130
2.3.4	Land use	N/A	

Information	Chapters	Pages
<b>2.4 Climate change</b>		
2.4.1 <i>Greenhouse gas emissions: major sources of emissions and reduction targets set</i>	3.6.2.2	130
2.4.2 <i>Adaptation to the consequences of climate change</i>	3.6	128
<b>2.5 Protecting biodiversity</b>	<b>N/A</b>	
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<b>3.1 Company commitments towards sustainable development</b>		
3.1.1 <i>Impact of activities on employment and local development</i>	3.5.1	120
3.1.2 <i>Impact of activities on neighbouring or local populations</i>	3.5.1	120
<b>3.2 Relations with stakeholders and forms of dialogue</b>		
3.2.1 <i>Partnerships and corporate philanthropy</i>	3.4/3.5	114/120
<b>3.3 Subcontractors and suppliers</b>		
3.3.1 <i>Provisions in the purchasing policy that address social and environmental issues</i>	3.5.2/3.6.2	121/130
3.3.2 <i>Importance of subcontracting and incorporation of corporate, social and environmental responsibility into relations with suppliers and subcontractors</i>	3.7	142
<b>3.4 Fair practices</b>		
3.4.1 <i>Measures taken to promote the health and safety of consumers</i>	3.2	82
<b>3.5 Measures taken to prevent all forms of corruption</b>	<b>3.5.6</b>	<b>125</b>
<b>3.6 Measures taken to support human rights:</b> promotion and observance of the principles of the International Labour Organization's fundamental conventions on: <ul style="list-style-type: none"> <li>■ freedom of association and the right to collective bargaining;</li> <li>■ elimination of discrimination in respect of employment and occupation;</li> <li>■ elimination of all forms of forced and compulsory labour;</li> <li>■ effective abolition of child labour.</li> </ul>	<b>3.2</b>	<b>82</b>

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