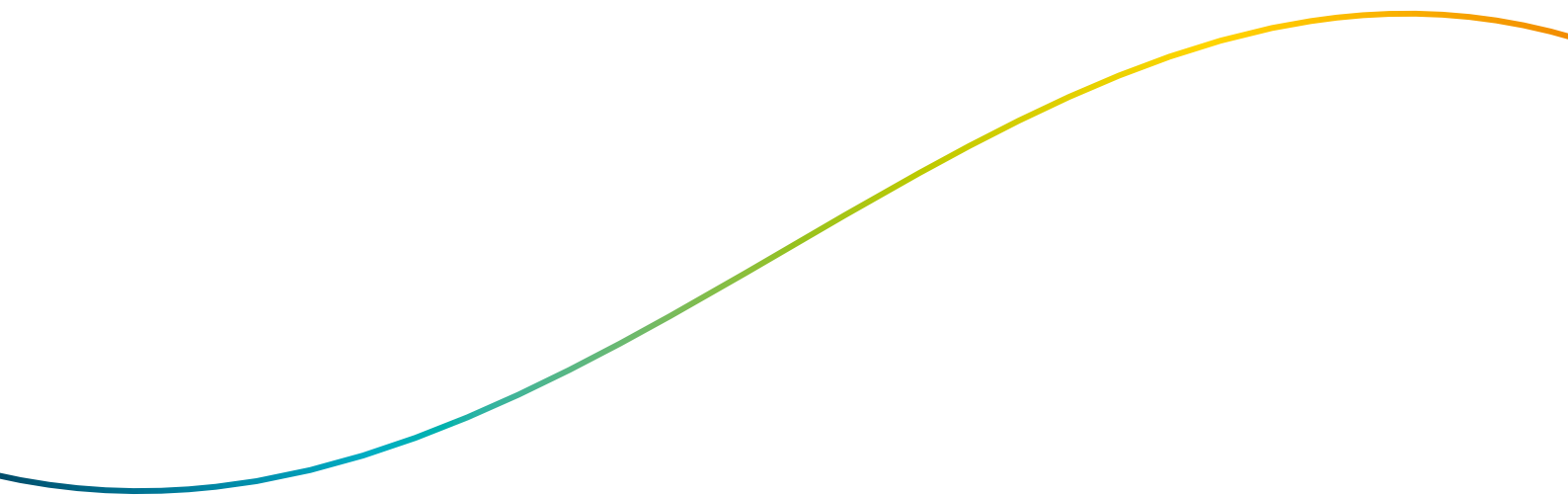


clariane

# 2023 Universal Registration Document

Including the Annual Financial Report  
and Integrated Report




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clariane

# 2023 Universal Registration Document

Annual Financial Report  
and Integrated Report



The Universal Registration Document was filed on 30 April 2024 with the French securities regulator (*Autorité des marchés financiers* – AMF), in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of said Regulation.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if approved by the AMF, together with any amendments, if applicable, and a securities note and summary approved 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 websites of the Company ([www.clariane.com](http://www.clariane.com)) and of the AMF ([www.amf-france.org](http://www.amf-france.org)).

The Universal Registration Document is a translation into English the official version of the Universal Registration Document, prepared in xHTML format and issued in French, and is available on the issuer's website.



# Jean-Pierre Duprieu

Chairman of the Board of Directors

## In 2023, the Board of Directors remained highly mobilised

Dear Shareholders,

In 2023, the Board of Directors, whose commitment to your Company I would like to salute, remained highly mobilised in monitoring the implementation of Clariane's strategy by the Chief Executive Officer and her teams at operational level, and in analysing and promptly resolving the sudden deterioration of Clariane's access to financing markets in the third quarter of the year.

On the governance front, 2023 was marked by the creation of the Mission Committee, whose members were appointed by the Board of Directors on the recommendation of the Chief Executive Officer, and which is tasked with overseeing the implementation of Clariane's corporate purpose.

As you decided at the 2023 General Meeting, the corporate purpose has become the Clariane Group's compass and our governance has been adapted to it. In record time, Clariane's management achieved a tour de force of establishing not only Clariane's purpose, but also its social and environmental commitments and the Mission Committee.

In 2023, the Board also pressed ahead with its in-depth review of a number of key challenges for the Group, including quality of care indicators, cybersecurity strategy and the Group's financial position.

Following the sudden deterioration of Clariane's access to the debt markets, the Board of Directors, at its meeting of 13 November 2023, adopted a four-part €1.5 billion plan to strengthen the Group's financial structure and restore access to financing. Two of the four components have already been completed.

At the Annual General Meeting of 26 March 2024, you overwhelmingly approved the third component of this plan, namely a capital increase with preferential subscription rights aimed at raising a gross amount of €300 million. This capital increase, to which all shareholders may subscribe, is an essential component of the Company's refinancing plan as it will strengthen Clariane's equity.

The Board is confident in the ability of the Chief Executive Officer and her teams to successfully implement the plan to strengthen Clariane's financial structure, while maintaining the focus on operational performance.

Thank you for your trust and loyalty.





# Sophie Boissard

Chief Executive Officer

## Trust is key in our business

Dear Shareholders,

2023 was in many ways a paradoxical year for Clariane, characterised both by a very solid operating performance and, from the third quarter, by the emerging crisis in access to financing. To overcome this obstacle, we launched a plan on 14 November to strengthen our equity and reduce our gearing.

### **2023 – A year of resilience**

2023 was undeniably a testament to the resilience of our business in an environment marked by a spike in inflation, particularly in Germany.

We are enjoying dynamic growth across all businesses and geographies. Our care homes are returning to pre-Covid occupancy levels. Our healthcare activities are benefiting from strong growth in outpatient care. And our home care services continue to grow steadily.

I would like to pay tribute to the remarkable commitment of the 60,000 professionals of the Clariane community, who cared for around 900,000 patients and residents in our facilities or at home in 2023. I am delighted with the regular improvement in our quality indicators across the board, but above all the Net

Promoter Score (NPS), which reached an unprecedented average of +44 in 2023 – a stellar achievement.

We are also ahead of schedule in implementing the various environmental, social and governance commitments we made in 2019. This is particularly true for quality, skills development and employee health and safety at work, as well as for the reduction in our carbon footprint, which is down more than 30% since 2019.

More than ever, the transition to purpose-driven company status, which you approved by a very large majority at the 2023 General Meeting, is giving meaning to our Group and is forming the cornerstone of our strategy.

## The commitment of Clariane's community of professionals has been remarkable

### **Third quarter of 2023 – Sudden deterioration in access to financing**

Since 2020, our industry has been confronted by an unprecedented series of events, from the Covid pandemic, of course, to the sharp rise in inflation and interest rates from 2022 onwards – two particularly sensitive factors in a regulated industry such as ours – and lastly, the knock-on effects of the near bankruptcy and subsequent safeguard procedure experienced by a systemic industry player.


In the third quarter of 2023, this resulted in a sudden deterioration in Clariane's access to financing, which led the Group to announce a €1.5 billion plan to strengthen its financial structure on 14 November 2023. The first two components – the creation of two real estate partnerships and the setting up of a real-estate-backed bridge loan – had already been completed by December 2023. We are now focusing on the two outstanding components, namely the €300 million capital increase

and the implementation of an asset disposal plan, on which we have already made substantial progress.

At the General Meeting on 26 March 2023, you overwhelmingly approved the proposed €300 million capital increase with preferential subscription rights. Predica, our largest shareholder, has demonstrated its long-term commitment to the company by undertaking to subscribe in the amount of €200 million.

This plan will help put us back on a path of long-term development that creates value for all stakeholders, especially our shareholders.

2024 will be a landmark year for the transformation and renewal of your Group around our three main businesses on a geographical platform recentred on a smaller number of countries. And the entire Clariane community remains as committed as ever to our common purpose: "Taking care of each person's humanity in times of vulnerability".

 The entire Clariane community remains committed to our common purpose: "Taking care of each person's humanity in times of vulnerability"









# 1

# Clariane, the leading European services group for vulnerable people

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## 1.1 Profile

### 1.1.1 A community of dedicated professionals serving local communities

From care homes and specialised healthcare facilities and services to shared living solutions and personal assistance services, Clariane's purpose is taking care of each person's humanity in times of vulnerability. Founded in France more than 20 years ago, Clariane became a purpose-driven company in 2023. Clariane is present in more than 800 local regions and brings together a community of 60,000 committed employees guided by a unifying corporate project: *At Your Side*.

**€5,047m**  
revenue



**61.7%**

Long-term  
Care



**25.9%**

Specialty  
Care



**12.4%**

Community  
Care

**8.4%**

organic growth

**800**

local  
communities  
served

**60,000**

employees

**1,300+**

facilities

Nearly 900,000 people cared for  
and supported in 2023



Long-term  
Care

**674**

homes

61,384 beds

97,000 residents  
in care



Specialty  
Care

**276**

facilities

14,416 beds

700,000 patients  
treated



Community  
Care

**377**

shared  
living units

340 home care  
service agencies

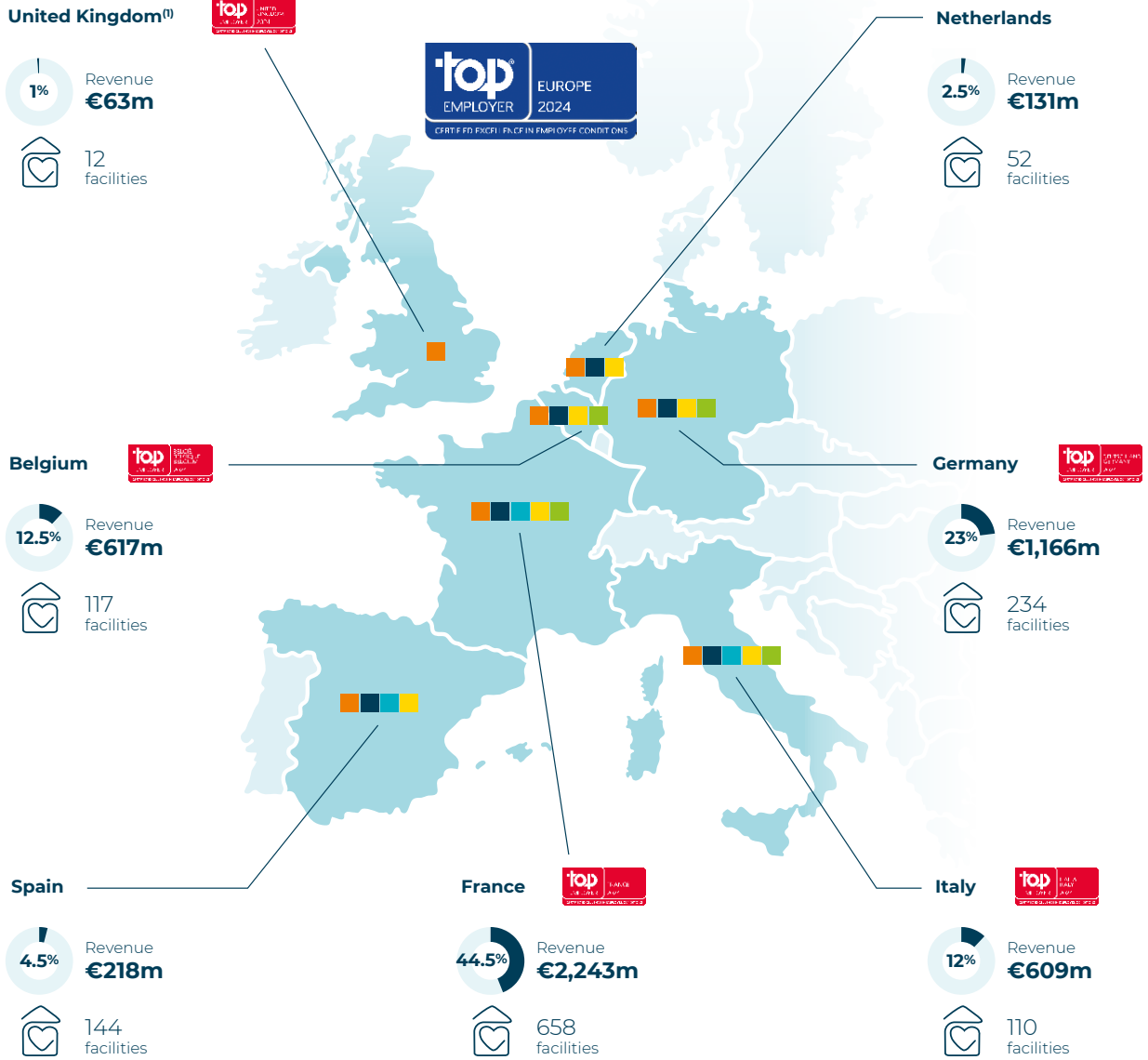
16,225 beds

80,000 residents  
and customers

Data as of 31 December 2023.

# Clariane in Europe

Data as at 31 December 2023.



**Our brands in 2023**

(1) All of the Group's activities and assets in the United Kingdom were sold in April 2024.

## 1.2 History

### 1.2.1 Key milestones

Caring for dependency in old age has been a growing issue for European society since the early 2000s. Public authorities have taken up the baton and gradually developed policies to address the challenge. In France, a law dealing with dependency was adopted in 2001. In Germany, a series of laws (PSG I, II and III) expanded and strengthened the long-term care system from 2014. It was against this backdrop that the Clariane Group was created. Initially specialising in care and nursing facilities for the elderly, Clariane has gradually acquired additional expertise in medical, post-acute and rehabilitation care, mental healthcare and home care services. Clariane has undergone profound change, consolidating its core business, deploying new expertise and expanding in Europe. Europe's leading community for care in times of vulnerability, it became a purpose-driven company in 2023.





## 1.2.2 Significant events in 2023

### JANUARY

- Completion of the acquisition of **Grupo 5**, a leading Spanish operator specialising in caring for the vulnerable and mentally ill. Following the acquisition of Ita Salud in 2021, Clariane now has a network of 77 healthcare and nursing facilities in Spain, covering 14 regions and 95% of the population.

- **Top Employer 2023** label for the Group's four main countries, once again rewarding the company's human capital policy. Germany (third consecutive year), France (second consecutive year), Belgium and Italy (first year) together employ over 90% of Clariane's workforce. One year later, the Group achieves **Top Employer Europe** status following the award of top employer label to its UK-based operations.

### FEBRUARY

- The corporate foundation – which in June became the Clariane Foundation – embarks on a new cycle of work on the topic of **Loving to Care**, dedicating its actions to caregivers and care professions.

- Renewal of the membership of the **L'Autre Cercle LGBT+ commitment charter**, after first joining the initiative in 2018. Clariane is committed to creating an inclusive environment for all employees.

- In France, **44 facilities** in the care home network are awarded the **Gault & Millau 2023** label for the quality of their catering operations.

### MARCH

- Clariane launches a national outreach campaign in support of **carers** in its facilities in France.

### APRIL

- **Launch of At Your Side, the new corporate project** that accompanies the adoption of purpose-driven company status, submitted to the General Meeting. In keeping with our purpose of "taking care of each person's humanity in times of vulnerability", *At Your Side* is founded on three pillars: embracing the shift towards outpatient and home care for vulnerable people, strengthening our business fundamentals and building an enduring pact of trust with stakeholders at all levels.

### JUNE

- The General Meeting approves the **adoption of purpose-driven company status, accompanied by the new corporate name of Clariane** for the Group's parent, a European company. After several months of consultation with employees and stakeholders, Clariane defined its corporate purpose as "taking care of each person's humanity in times of vulnerability" and underpins it with five commitments – consideration, fairness, sustainability, locality, innovation – to give practical expression to its purpose-driven company status.

### JULY

- The creation of the **Clariane University** is the first concrete initiative in Clariane's transformation into a purpose-driven company. It brings together all the training courses that Clariane offers its employees, both internally and through partner schools and institutes. The aim is to offer at least **7,000 qualifying training paths** each year in the main professions (care, hospitality, management and administration).

### SEPTEMBER

- The Clariane Group's care home networks mobilise behind numerous awareness-raising and information initiatives to mark **World Alzheimer's Day**.

### OCTOBER

- Adoption of the **European Charter of Social Dialogue by the European Company Works Council**. Clariane becomes the first player in the elderly care sector to adopt a declaration promoting freedom of association and the right of all employees to be unionised, the development of labour relations bodies and collective bargaining at the appropriate local and national levels, the training of those involved in the work of the labour relations bodies and the recognition of skills acquired through the performance of union functions.

### NOVEMBER

- To overcome its severely restricted access to finance, on 14 November 2023, Clariane announces a four-part **€1.5 billion plan to strengthen its financial structure**.

### DECEMBER

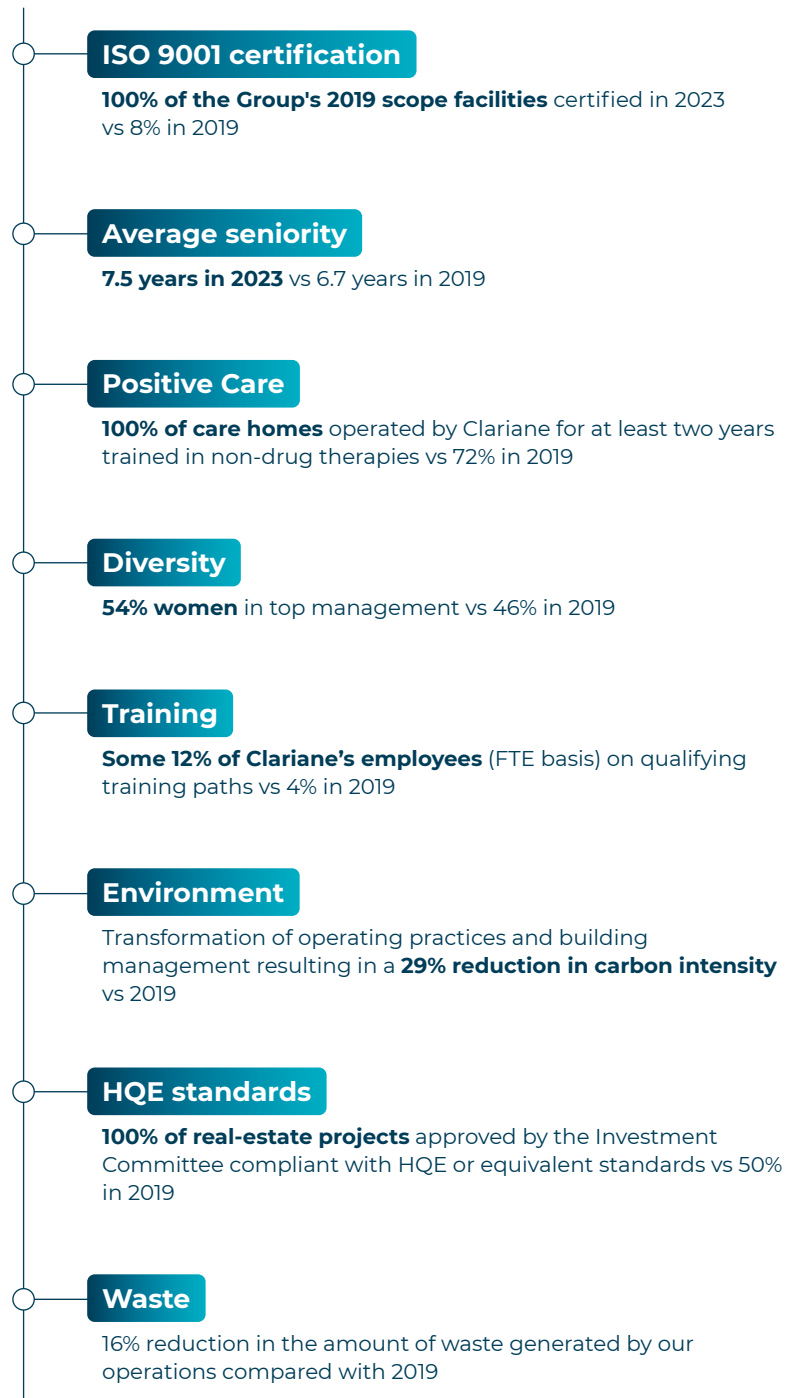
- **Completion of the first two components of the plan to strengthen the financial structure**, namely the creation of a first €140 million real estate partnership, followed by a second €90 million real estate partnership, and the arrangement and drawdown of a €200 million term real estate bridge loan subscribed with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Île-de-France (CADIF), LCL and Crédit Agricole Corporate and Investment Bank (CACIB).

- **Graduation ceremony for 185 employees** trained at Clariane University – including several graduates from the Gateway professional retraining scheme launched by the French government in 2021. The ceremony reaffirms the importance of training in Clariane's corporate project.

## 1.3 Performance

### 1.3.1 Non-financial performance

The Group's ESG commitments set out in the 2019-2023 roadmap have all been achieved, delivering tangible benefits for quality of care.



## 1.3.2 Financial performance

Resilient performance in a market environment characterised by a spike in inflation and higher interest rates.

### Revenue

**€5,047m**

vs €4,534m in 2022

8.4% organic growth

### Free operating cash flow

**€191m**

vs €371m in 2022

### Reported growth

**11.4%**

vs 5.6% in 2022

### Cash and cash equivalents

**€678m**

vs €1,234m in 2022

(incl. €500m undrawn on the RCF)

### EBITDA

**€614m**

vs €607m in 2022

### Financial leverage

**3.8x**

vs 3.7x in 2022

**Net profit**  
from continuing operations  
Excluding IFRS and asset  
impairment related to disposals

**€2m**

### Real estate portfolio

**€3bn**

vs €3.2bn in 2022<sup>(1)</sup>

### Attributable net profit/(loss)

**€(63)m**

vs €52m in 2022

(1) Excluding Ages & Vie.

Figures at 31 December 2023 excluding IFRS 16.

## 1.4 Our business activities

### 1.4.1 Long-term Care

#### Business description

Care homes are nursing facilities specialising in the care of dependent elderly people.

In 2023, the Clariane network comprised 674 care homes under various brands in its host countries: Korian in Germany, Belgium, France and Italy, Seniors Residencias in Spain, Berkley in the United Kingdom<sup>(1)</sup>, Hestia Zorg, Het Gouden Hart and Stepping Stones in the Netherlands. Each of these facilities offers both long-term care and short stays, particularly in support of carers and following periods of hospitalisation.

#### Medical care and strict quality standards

Medical care is a major dimension of the activity of care homes. Half of the residents in our facilities currently have a neurodegenerative disease such as Alzheimer's, as residents are increasingly older when they enter our facilities. Cardiovascular disease (sometimes more than one), malnutrition, pain management and fall prevention are all aspects that require a specific medical approach by the medical and paramedical teams at each facility under the supervision of the Group's medical department, headed by a professor of geriatrics, and the medical departments of the countries together with teams of specialists.

Clariane has implemented a quality management system (QMS) to ensure a consistent quality culture and management approach, thereby ensuring that residents receive the best possible support in all of our care homes. It has three facets:

- operational support in each facility;
- a dedicated Quality and audit team at country level in charge of tailoring the strategy to national regulatory requirements and overseeing the application of the Clariane Standard;
- a strategic focus at Group level.

In 2019, Clariane embarked on an ISO 9001 certification programme, becoming the first company in the care industry to adopt this approach. It also integrated the programme into its ESG objectives, covering all of its activities. ISO 9001 certification was chosen because it places the well-being of residents and their families at the heart of the Group's concerns. By the end of 2023, all sites that Clariane has been operating for more than three years, i.e., 359 facilities, had received ISO 9001 certification from the French standards agency, Afnor.



#### KEY FACTS

##### Group

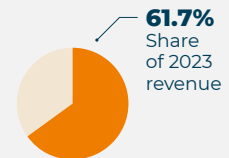
**674** care homes<sup>(1)</sup>

**61,384** available beds<sup>(1)</sup>

**+20%** The number of people over 65 is set to jump 20% by 2030 in the seven countries where we operated in 2023.

**97,000** residents in care

(1) At 31 December 2023.



##### Revenue

The Long-term Care segment generated revenue of **€3,116 million**, up from €2,922 million in 2022, representing reported year-on-year growth of **6.7%** and organic growth of **8%**.

##### Highlights

The **occupancy rate** in the Long-term Care segment increased, from 86.6% in 2022 to an average of **88.5%** in 2023. In December 2023, the occupancy rate was **89.4%**.

(1) All of the Group's activities and assets in the United Kingdom were sold in April 2024.



**Personalised care and facilities on a human scale**

The work of our teams is guided by two principles: consideration for the individual resident or patient, and the best possible support and assistance for the specific circumstances, helping them remain as independent as possible while putting their wishes first. The tailoring of support is reflected notably in the personalised care plan drawn up with the resident, their family and the care teams. The aim is to adapt the everyday support for residents (care planning, social life, non-drug therapies, etc.), with a focus on three areas:

- personal tastes, wishes, history and lifestyle;
- physical capabilities;
- medical and care needs.

Personalised care is made possible by the size of our facilities, which have fewer than 80 beds on average. We are also developing small units called “households” within our facilities to foster social bonds between residents.

The healthcare offer also takes into account the broad diversity of situations. In addition to providing long-term care, facilities also welcome residents for short stays ranging from a few days to a few weeks, on a one-off or recurring basis, especially to offer family carers a moment of respite. Our facilities also offer day care services, allowing elderly patients to receive therapeutic support during the day while continuing to live at home.

The Clariane Group’s care homes work closely with healthcare professionals and the health and social services ecosystem in their local communities.

**Trend: a society of growing longevity**

**The greying of Europe**

Addressing the demographic challenge in Europe today means tackling two issues: the ageing of the population and dependency induced by chronic illness. According to the OECD, the demographic ageing scenario in Europe will result in an increase in the percentage of people aged 65 or over, from an average of 20.7% in 2020 to 24.2% by 2030. In practical terms, this means that in many countries in Europe, there are now more seniors than people under 25. The population aged 85 and over will continue to expand until 2050. The OECD expects the proportion of people aged 80 and over to double during the same period from 5% to 10% of the total population.

**Dependency**

An older population with longer life expectancy will make dependency an unavoidable reality in the near future. According to a recent report by the French General Inspectorate of Social Affairs (IGAS)<sup>(1)</sup>, the number of dependent elderly people will increase by approximately 16% between 2020 and 2030, from 2.7 million to nearly 3.1 million (i.e., an additional 465,000 people). By 2040, the increase will be 36% (a further 975,000 people), bringing the total number of dependent elderly people to some 4 million.



(1) *Lieux de vie et accompagnement des personnes âgées en perte d'autonomie : les défis de la politique domiciliaire (Living spaces and support for dependent elderly people: the challenges of housing policy)*, report by the General Inspectorate of Social Affairs, Dr J. Emmanuelli, J.-B. Frossard, B. Vincent, February 2024, page 50.



## 1.4.2 Specialty Care

### Business description

Clariane's healthcare activities comprise medical, post-acute and rehabilitation care facilities and mental healthcare clinics. These structures provide full hospitalisation services as well as day hospitalisation and consultations. Clariane also operates hospital home care networks, home community nursing services and prevention consultations and diagnosis outpatient programmes.

Our 276 specialised healthcare facilities are located mainly in three European countries (France, Italy and Spain). They all work closely with local public hospitals to provide clear and continuous care pathways, and play a crucial role in regions with inadequate access to healthcare. In 2023, the Clariane health network cared for 700,000 patients of all ages, hospitalised on a full-time basis or in day care.

Quality of care is central to the Group's priorities. In 2019, Clariane became the first company in the care industry to launch an ISO 9001 certification process and incorporate it in its ESG objectives. By the end of 2023, all of the facilities in the scope had been certified, compared with 8% four years earlier.

### Medical, post-acute and rehabilitation care

With 94 specialist clinics, medical, post-acute and rehabilitation care represents a major component of Clariane's healthcare activity. Each facility specialises in the post-acute care of cardiovascular, neurological, respiratory and geriatric conditions. In these clinics, medical and paramedical teams provide full hospitalisation medical care designed to enable patients to regain their autonomy or to continue in outpatient day care.

### Mental healthcare

Clariane's mental healthcare clinics specialise in treating mood disorders, addictions, depression and eating disorders. The approach of the Group's 168 mental healthcare facilities across the various specialisations is founded on two pillars: psychiatry "with a human touch", and patients as actors in their own care. During their treatment, patients must be able to benefit from personalised monitoring adapted to their condition. They take part in therapeutic workshops, while the psychiatrist, psychologist and nursing team provide personalised follow-up. Whenever possible, outpatient care (day hospital) is organised.



### KEY FACTS

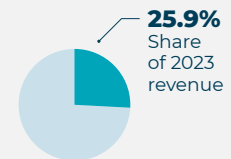
Medical, post-acute and rehabilitation care, mental healthcare, outpatient consultations and diagnostics, hospital home care and home nursing care.

#### Group

**276** facilities<sup>(1)</sup>

**14,416** available beds<sup>(1)</sup>

**700,000** In France, Italy and Spain, Clariane's facilities cared for more than 700,000 patients during the period.



(1) At 31 December 2023.

#### Revenue

The Specialty Care segment generated revenue of **€1,305 million** in 2023, **25.9%** of the Group total, representing reported year-on-year growth of **17.4%** and organic growth of **6.4%**.

#### Highlights

**Medical, post-acute and rehabilitation care:** commissioning of new technical platforms and development of new specialised care pathways, particularly in oncology and neurology.

**Mental healthcare:** integration of Grupo 5 in Spain, strengthening Clariane's position in this segment.

**Outpatient activities** (consultations and partial hospitalisation): growth of more than 25% (approximately 11% on an organic basis).

**Cared for at home**

Lastly, the Group’s home care and hospital home care services are evidence of our determination to play a key role in the shift towards outpatient care. Hospital home care facilities provide continuous and coordinated medical and paramedical care, whether intensive, technical or complex. Under the direction of a facility doctor, this type of hospitalisation involves a multidisciplinary medical team including nurses, rehabilitation specialists, social workers, psychologists and dieticians.

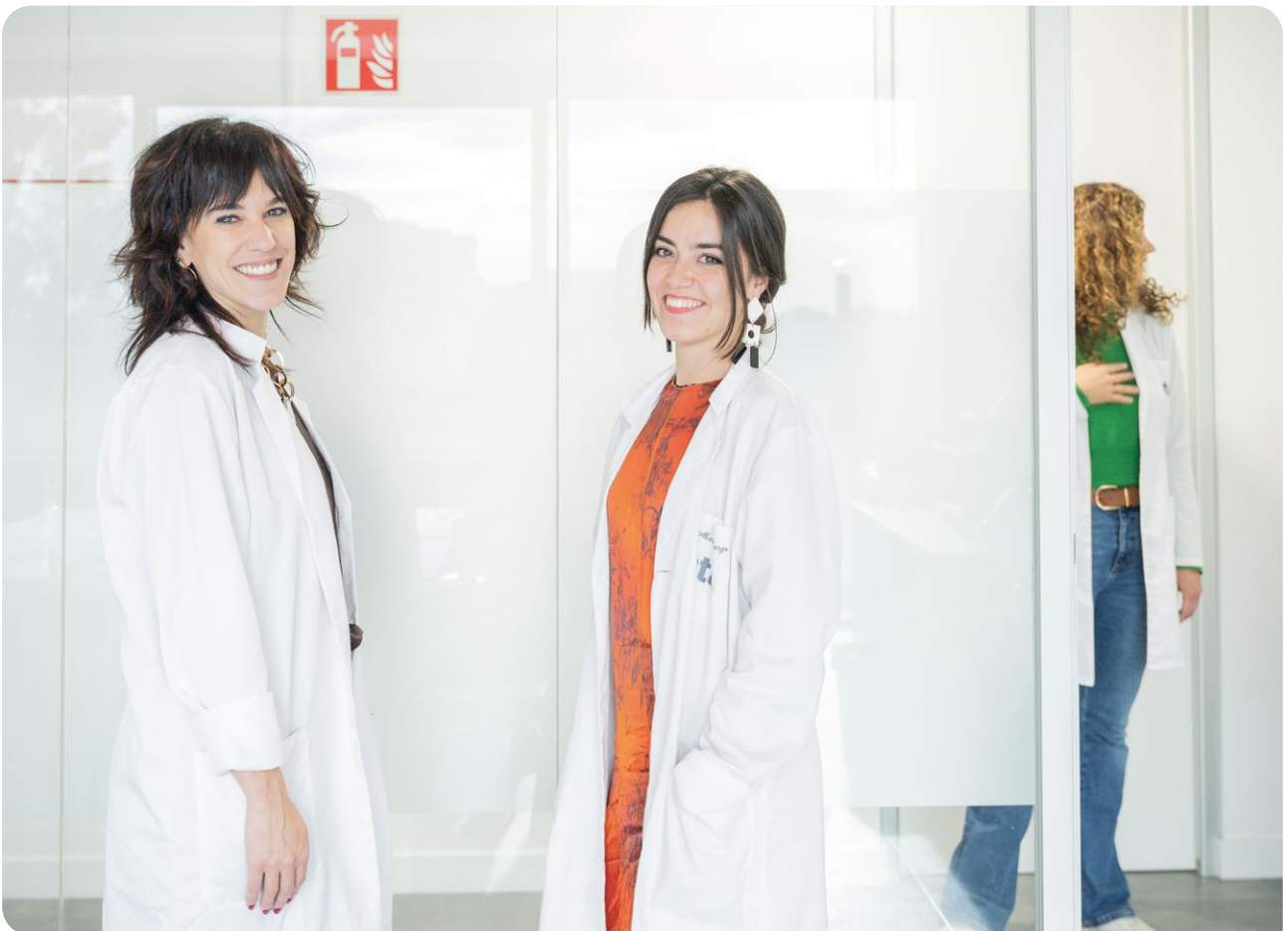
**Trend: growing prevalence of chronic diseases**

According to the World Health Organisation (WHO), chronic diseases cause 41 million deaths each year, or 74% of all deaths worldwide, of which 17 million concern people under 70. The increasing prevalence of chronic diseases is a major trend in our society, which is why preventing and controlling them is so essential. On a global scale, the prevalence of the main chronic diseases is expected to increase by more than 15% by 2030, driven in particular by the greying of the population.

Chronic diseases are on the rise worldwide as a result of medical advances as well as environmental and lifestyle changes (diet and physical inactivity in particular), and have become the leading cause of death worldwide. They already account for the largest share of the disease burden in Europe, where they are responsible for 86% of deaths.



The number of chronically ill people is particularly high in Europe, especially among elderly people. The gravity of the situation can be summed up in two statistics: (i) 80% of people aged 65 and over have at least one chronic disease, and (ii) 40% have at least two.



### 1.4.3 Community Care

#### Business description

Lifestyles are changing. To meet the aspirations of the elderly in terms of care and support, Clariane has developed alternative forms of accommodation such as shared living houses. These residential solutions are rounded out by home care services such as those offered by the Petits-fils network.

#### Living spaces

Clariane offers assisted living residences or shared housing in most countries, including Korian appartamenti e housing in Italy, Rosorum in the Netherlands and Seniors Residencias in Spain. These are small living spaces (16 to 35 people) designed for independent people wishing to enjoy the conviviality of a shared, open and secure space that promotes independence and well-being. In some cases, medical supervision can be provided on site.

#### Help at home: home care services

Home care services provide local assistance for everyday needs, enabling elderly people to continue living at home while receiving the support and assistance they need. Clariane offers these services in Germany, Italy (Mosaico and Korian cure domiciliari) and Belgium (Korian Home Care and Cura Services). In France, this Clariane offering is delivered by Petits-fils, France's leading private network of home care services for elderly people. At the end of 2023, Petits-fils had 263 branches in a similar number of towns and cities across France.



#### AGES & VIE

##### At home, all together: shared housing

Ages & Vie shared housing offers elderly people the option of living at home without living alone, remaining independent but receiving the help that they need. This solution allows residents to live in a community while maintaining maximum independence with the constant support of carers on site. An Ages & Vie house is a single-storey residence consisting of eight studio apartments and a shared living space. These human-scale shared solutions meet a need that has been poorly covered in rural areas until now. Shared housing enables elderly people to maintain ties with their loved ones and to remain in a familiar environment. They also help to combat loneliness by providing a proper living space where daily social ties and family connections can be maintained.

#### KEY FACTS

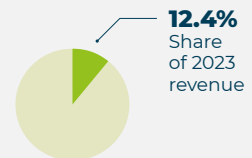
Shared living houses, assisted living facilities, home care

#### Group

**377** facilities

**16,225** beds

**80,000** patients used Clariane's services in this segment in 2023



#### Revenue

The Community Care segment generated revenue of **€626 million** in 2023, **12.4%** of the Group total, representing reported year-on-year growth of **25.3%** and organic growth of **15.4%**.

#### Highlights

**38** new Ages & Vie shared living spaces, bringing the total number to 323.

Further strong growth in the home care network, with **20** new Petits-fils branches.



### Trend: the expectations of the baby boomers

In 2030, the first baby boomers, the generation born in the years following 1945, will turn 85. But the traditional model of three or even four generations of the same family living together under the same roof is gradually disappearing. Under combined economic, demographic and sociological pressure, the “all under one roof” model has voluntarily given way to an “each in their own home” approach. In France, the boomer generation differs radically from the one that preceded it. It has different expectations, is awake to new technologies and aspires to a more “social” and mobile lifestyle. It is also a more homogeneous generation, with the gender gap in life expectancy tending to narrow and the employment rate for senior men and women aged 55-64 almost identical<sup>(1)</sup>. It is also a better educated cohort<sup>(2)</sup>, whose life expectancy at retirement is now 22.5 years, up from 11 years in 1970. This generation is approaching old age in a very different way from its forebears who lived through the Great Depression, the inter-war period and the Second World War. On the threshold of old age, baby boomers aspire to more freedom and want to be able to control their future, which they ideally want to spend at home.

### “At home”: a way of life above all

While the figures may vary from one study to another depending on the methodology, the overall findings are consistent: more than 80% of seniors express the wish to grow old at home, “even if their health deteriorates”<sup>(3)</sup>.

As the Korian Foundation for Ageing Well survey<sup>(4)</sup> highlighted in 2016, the “own home” approach corresponds to four key criteria for the over 65s: (i) being able to choose their own pace of life; (ii) being in a calm environment; (iii) being able to move around easily; and (iv) being able to receive visits from family and friends as and when they wish. Home is not just a place to live; above all, it’s a way of life. Given the wide range of situations and health conditions, the service offering will need to be diversified to meet the various needs.

### Another place to call home

Baby boomers are well aware of the risk of dependency: 38% of people over 75 think it likely that they will one day have to leave their home for a retirement home<sup>(5)</sup>. However, they want their future home to be close to shops and services with easy access to a doctor, family and friends. They aspire to adapted housing that is comfortable and provides easy access to a wide range of services as well as safety thanks to the presence of people close by. For Clariane, meeting the expectations of seniors means continuing to develop and create alternatives to care homes, adapted to specific individual needs and to regional diversity. These solutions have been undergoing rapid expansion in recent years.

For those fit and able to stay at home, these aspirations are addressed by the home care services proposed by Petits-fils, while Ages & Vie's shared housing solutions round out the offering in rural areas.

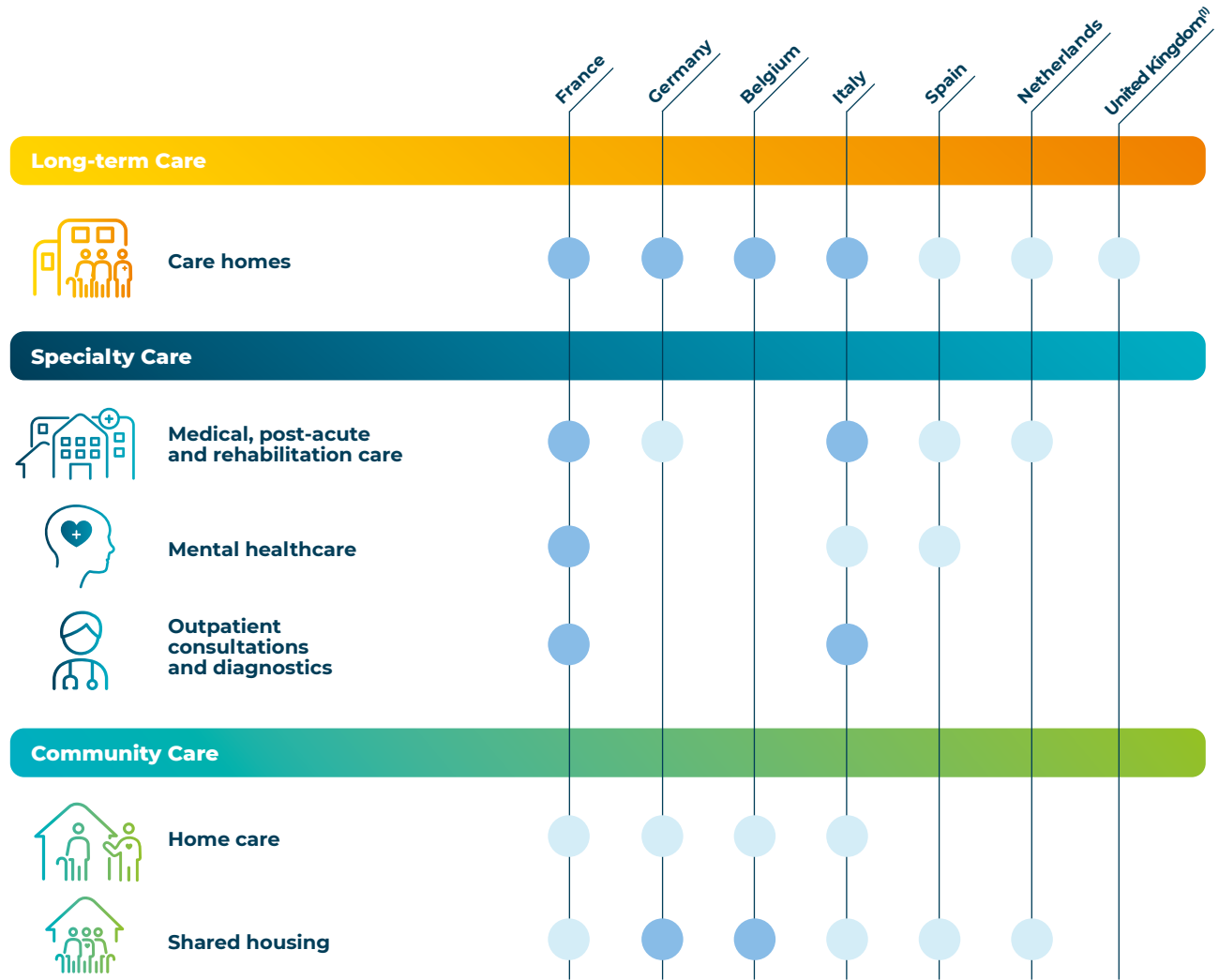


(1) In France, the employment rate for senior women (55-64 years) was 53.8% in 2019, compared with 55.4% for men. *Les seniors et l'emploi*, Hippolyte d'Albis, Sciences Po Les Presses, page 51.  
 (2) In France, the percentage of people aged 55 to 64 with a tertiary qualification has more than doubled in 20 years (24.4% in 2019 compared with 11.2% in 1998), Hippolyte d'Albis, op. cit., page 51.  
 (3) CNAV and Agence nationale de l'habitat (ANAH) report on adapting housing to the level of autonomy of the elderly; December 2013; pages 4 and 6.  
 (4) *Baromètre européen du bien-vieillir* (European ageing well survey), Korian Foundation for Ageing Well/Ipsos, 2016.  
 (5) *Les attentes des seniors en matière de lieu de vie* (Expectations of the elderly with regard to living spaces), Ifop survey for Arpavie – May 2022.

## 1.5 European presence

A European company (*societas europaea*), Clariane has gradually become one of Europe's leading providers of care for elderly people. Benefiting from recognised expertise in the healthcare and support sector, these three complementary segments – Long-term Care, Specialty Care, and Community Care – are deployed in seven major<sup>(1)</sup> countries in Europe.

The network today represents over 1,300 facilities. Clariane's multi-local presence is an asset in terms of mobilising expertise and sharing best practices, and its wide geographical footprint also increases Clariane's appeal as a benchmark employer in the industry.



- From 2016
- Since before 2016

(1) All of the Group's activities and assets in the United Kingdom were sold in early April 2024.

## 1.5.1 Constant dialogue with our stakeholders

Our purpose and activities bring us into contact with a host of stakeholders in each region. These exchanges are essential to the business model and the relevance of the care offering. There are nine groups of stakeholders. The interaction channels with each of them are described in section 3.1.1 of this document.

### CLARIANE'S STAKEHOLDERS



## 1.5.2 Regional roots

Each of Clariane's 1,300 facilities plays an important role in the local community, making a significant contribution to healthcare coverage, local economic development and social life. Our facilities and locations have taken root in the heart of cities and in rural areas, in priority urban areas as well as in medical deserts. In addition to guaranteeing stable jobs, they promote the local economy through building maintenance and the purchase of the goods and services necessary for their operations. Clariane actively pursues a local purchasing policy and encourages each facility to develop links with local non-profit organisations and communities. Clariane is a regional player with a significant economic footprint in its communities.

### ECONOMIC FOOTPRINT IN FRANCE

For the second consecutive year, Clariane has measured its economic footprint in France, where it operates nearly 700 facilities. The study by the firm Asterès shows that the direct, indirect and induced footprint of Clariane in France represents the equivalent of more than **€4.9 billion** in revenue and generates **46,100 full-time jobs**. For each €1.00 of revenue recorded by Clariane, €1.10 is generated in the wider economy, and each job at Clariane creates the equivalent of 0.4 jobs at suppliers or partners.

## 1.6 Industry challenges

### 1.6.1 Attracting human capital

Demand for healthcare is growing faster than the number of healthcare professionals available. In Europe, public health indicators show that the best outcomes are achieved in the Scandinavian countries, which are also those that invest most in training, prevention, outpatient support and therapeutic education.

#### Career appeal

Scandinavian countries can serve as a model for other countries in Europe. Training and enhancing the appeal of the profession are two important foundations on which to prepare for the growing demand for care and therefore, for care professionals. These two pillars ensure the continuity and quality of care and health services. Ever-increasing demand for care is opening up significant job creation prospects, which is significant to the extent that the care professions appeal to young Europeans (see hereafter). In France, it is estimated that at least 400,000 additional professionals will be needed in the healthcare and nursing sectors, including home care, by 2030. This represents an increase of more than 25% on current numbers.

These additional needs are being driven above all by population ageing. Older people tend to have higher hospitalisation rates than the rest of the population, and to stay longer when hospitalised.

We also need to make up the ground lost in recent years. As the OECD shows, while northern European countries have a high proportion of caregivers (Norway, for example, has

23.5 doctors and nurses per 1,000 inhabitants), the ratio is lower in the countries where Clariane operates: on average, Clariane's six host countries<sup>(1)</sup> have 13.3 doctors and nurses per 1,000 inhabitants, 43% less than Norway.

Options to consider when thinking about how to promote vocations include (i) rethinking and liberalising a training system that is still highly restrictive; (ii) focusing on apprenticeships; (iii) promoting work-study courses; and (iv) improving working conditions.

#### Clariane qualifying training courses

Clariane is playing its part by making the qualifying training policy central to the corporate project. This finds practical expression in the fact that by 2023, 12% of the company's employees had completed one of the Group's qualifying training paths, which range from care assistant certificates to degrees in medical specialisms. These programmes also increase the proportion of employees recruited and promoted internally each year. In line with previous years, in 2023, 80% of the care assistants recruited in France came from the company's training programmes. With labour markets set to remain tight for the foreseeable future, this means that Clariane now has the means to meet its own needs for a number of key skills, while also offering employees professional development pathways backed by qualifying training.

### 1.6.2 Financing healthcare expenditure

According to Synerpa, the French healthcare professional association, the industry in France will require €34 billion in investment by 2030 to renovate and adapt care homes, open up additional places and refurbish energy systems. Infrastructure investment is essential to ensuring continuity of care and the provision of local care for the elderly. To put things into perspective, €34 billion is a similar amount to that needed to be invested in renewable energies to meet energy targets.

Growing needs in terms of support for chronic disease, particularly among the elderly, are forcing many European countries to change the way they fund the healthcare and nursing segment.

#### Giving visibility to stakeholders

Over the past two years, healthcare providers have faced unprecedented inflation in energy, food and renovation costs, as well as higher wages for caregivers.

In this context, it is crucial to provide them with visibility over their resources and the industry's funding framework. This is a unanimous demand from operators in all segments across Europe.

Moreover, it is clear that the private sector is going to play an essential role in service provision. For example, in France, over the last 25 years, private commercial operators have accounted for almost 40% of investment in new beds in care homes, although they represent a very small share of the market (17% in 1996, 23% in 2023).

(1) Six countries, further to the disposal of all the Group's United Kingdom businesses and assets at the beginning of April 2024.





### 1.6.3 Focus: young Europeans have a positive view of health and care professions

How do 16 to 20-year-olds perceive health and care professions? The Ipsos-Clariane Foundation survey, conducted among 2,100 young people in seven European countries and published in January 2024, reveals a clear attraction for care industry professions. The study details their motivations, ranging from the desire to help others to enjoying a sense of pride.

Young people perceive the utility of the caring professions, which they see as jobs that bring a lot to other people and to society as a whole. A very large majority of young people surveyed (more than 8 out of 10) – including Germans, Spanish and French – cite this sense of usefulness above all other aspects as the driving force behind their interest in health and care professions, and 77% of them consider them as jobs to be proud of.

The key findings of this study carried out among young people aged 16 to 20 in seven European countries include the fact that 63% of respondents cite *“passion for helping others is a key driver”*. The study, commissioned by the Clariane Foundation and carried out by the Ipsos research institute, aims to gain insight into the image that people in the early stages of their working lives have of careers in the healthcare sector. The study finds it to be a very positive image: in terms of interest, respondents ranked the sector third out of the eighteen proposed, with a score of 45%, almost on a par with the luxury (51%) and education (47%) industries. It even ranks first among the sectors cited in the Netherlands, and second in France, Belgium and the United Kingdom.

#### Locality driving attractiveness

One of the survey's key findings is that contact with healthcare and nursing professionals increases the jobs' appeal. Young Europeans' positive perception of this professional environment is higher among people who have a relative (sometimes several) already working in it. The same is true for people who have a friend or relative facing illness, who tend to see the profession as more attractive – more visible, more tangible and more firmly rooted in life.

So what is stopping these young people from taking the plunge and choosing this career path? Chief among the obstacles cited by respondents are the workload (39%), four points ahead of irregular hours and also ahead of low pay (29%). These obstacles are common to many sectors, but there is one that is specific to the health and care professions, namely having to *“deal with illness, suffering and death”*. This dimension, which is both intrinsic to the profession and deeply personal, is an obstacle for more than one-third of young Europeans (37%).

#### Training challenge

Widespread access to training is key to ensuring that the sector's attractiveness is reflected in actual career choices, thus providing a response to demographic and epidemiological challenges. This requires cooperation between private actors and public authorities. The effects of abolishing quotas in France for access to foundational training, which has begun on a small scale for doctors, will take time to feed through. So we also need to think about additional solutions. Clariane is promoting work-study programmes and the validation of acquired experience (VAE), schemes that are enabling 12% of employees to undertake qualifying training.

Ipsos-Clariane Foundation, *Attractiveness of health and care professions among young Europeans*. Survey conducted in seven countries (Belgium, France, Italy, Germany, Netherlands, Spain, United Kingdom) among 2,100 young people aged 16 to 20 – 300 per country – between 16 October and 13 November 2023.

Read the full study on [clariane.com](https://www.clariane.com)

<https://www.clariane.com/en/press-room/kits-and-publications/ipsos-survey-x-clariane-foundation-the-attractiveness-of-health>

## 1.7 Our value creation model

### Resources

#### FINANCIAL

- €5 billion in revenue
- €191 million in free operating cash flow before capital expenditure
- Gearing of 3.8x

#### HEALTH INFRASTRUCTURE

- 1,300 facilities, 26% of which directly-held real estate
- 92,000 beds
- €3 billion in real estate assets

#### HUMAN

- **61,245 employees (FTE)**, of which 86% on permanent contracts
- **Average age:** 44 (permanent workforce)
- **81% women**, of which 54% in top management
- **4 main job families:** healthcare and nursing (61% of permanent employees), operations, services, and support functions
- **Clariane Universities:** training in care, hospitality and services, management and leadership

#### ENVIRONMENTAL

- 737,500 MWh energy consumption
- 600 kT CO<sub>2</sub>e (Scopes 1, 2 & 3)
- 4,700,000 cu.m. water consumption
- 427 kg/bed/year residual waste

### Our corporate purpose

Taking care of each person's humanity in times of vulnerability

Isolation, dependency, addictions, psychiatric disorders, rehabilitation, convalescence

### Service offering



#### Long-term Care



#### Specialty Care

Medical and rehabilitation clinics  
Mental healthcare clinics  
Outpatient consultations and diagnostics  
Medical and surgical clinics



#### Community Care

Home care services  
Senior residences  
Shared housing

### Trends

- › Chronic diseases
- › Ageing population
- › Digitalisation
- › Ageing at home

## Our commitments

Consideration, fairness, sustainability, locality, innovation

- Respect and consideration for people
- Fair and sustainable business operating model
- Protection of the living environment
- Vibrant and resilient local ecosystems
- Innovation in care and health

## Our professions



### Caring

Non-medical, medical, post-acute and rehabilitation care, outpatient consultations and diagnosis



### Supporting

Personal services, accommodation, cleaning, laundry, catering, events, leisure activities



### Designing and developing

Networks of facilities and service agencies, real estate development, asset management



### Training

Through our universities and training centres

### Challenges

- › Human resources and training
- › Financing of healthcare expenditure
- › Personalisation of care
- › Three levels of prevention: onset; development; and consequences and complications of disease

## Value created/preserved



### RESIDENTS AND PATIENTS

- 900,000 patients and residents supported
- NPS for residents, patients and families: 44
- Consideration score: 8.3



### EMPLOYEES

- Engagement rate: 79%
- Top Employer Europe label
- 804,792 hours of training
- 11.7% of FTEs on qualifying training paths



### ECONOMIC

- €2,200 million in payroll
- €9.3 million in corporate tax
- 8.4% organic revenue growth
- €161 million in financial investments
- €218 million in real estate investments
- €154 million in investments in the existing network
- In France: €4.9 billion economic footprint



### REGIONAL ROOTS

- 800 local communities served
- 97% of facilities involved in local partnerships
- 79% of purchases within the country of operation
- 40% of purchases from SME suppliers



### SOCIETAL

- 82 scientific publications
- 5 research partnerships (geriatrics, rehabilitation, mental healthcare)
- 3 foundations supported by Clariane (France, Germany and Spain)
- €2.1 million in philanthropic outreach



### ENVIRONMENT

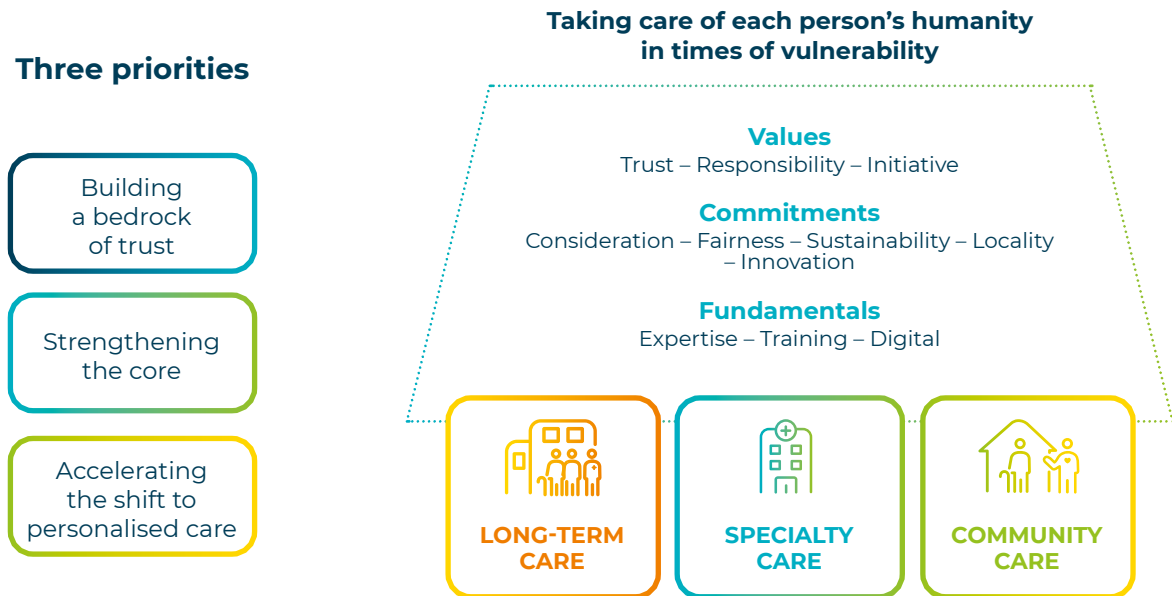
- 13% reduction in energy volume (kWh) vs 2021
- Carbon footprint of 29.2 kgCO<sub>2</sub>e/sq.m., i.e., a 29% reduction vs 2019
- 100% of new real estate projects with HQE or equivalent certification
- 16% reduction in residual waste per bed vs 2019

## 1.8 Strategy

### 1.8.1 One corporate project, three priorities

2023 was a significant milestone in the history of the Group. Our decisions, from our new corporate project to the adoption of purpose-driven company status, our corporate purpose and new corporate name and identity, all reflect a renewed ambition to meet the challenges of caring for the vulnerable.

*At Your Side*, our corporate project



To address the structural challenges facing the Group, Clariane has set out an ambitious strategic roadmap, *At Your Side*. It is based on three pillars:

- **Accelerating the shift to personalised care**, responding to the deeply-held desire of our residents and patients to be cared for in facilities adapted to their needs, while remaining “at home” for as long as possible. This expectation requires us to build on our existing efforts and to support this far-reaching change with an appropriate offering. This may mean, for example, offering day hospitals in our clinics or day care and respite care in care homes, while continuing to develop shared housing and home care services. The aim is to support more of our residents and patients by optimising the use of existing facilities.
- **Strengthening the core**, the hallmark of our ambition to develop the industry expertise that sets us apart: medical expertise based on standards that guarantee the required level of quality, a human resources policy focused on

developing the talent and skills we need, a corporate culture that meets the aspirations of our employees and, lastly, a strategy for digitalising operational processes and for governing our use of data. At the same time, operational support functions (purchasing, energy, maintenance, etc.) are being ramped up to ensure the necessary level of monitoring and support. The aim is to strengthen Clariane’s competitiveness and ensure the long-term viability of our activities at the highest possible standards.

- **Building a bedrock of trust**, which forms part of the promise to all stakeholders embedded in Clariane’s corporate purpose. By fulfilling these commitments and translating them into an ambitious CSR roadmap and inclusive governance at all levels of the organisation (facilities, countries, Group), Clariane is aiming to lead the way, recognised and valued by all stakeholders in our ecosystem.



### A purpose-driven company

The adoption of purpose-driven company status at the General Meeting of 15 June 2023 is a major component of the pact of trust. As a purpose-driven company, we affirm our role in serving society and the alignment of our business model with our social and environmental objectives. We are determined to strengthen our bond of trust and alignment with stakeholders, both at the Group and at the local levels. This pact of trust requires us to be clear about our goals and priorities, which is why we have enshrined our shared corporate purpose in our Articles of Association: *Taking care of each person's humanity in times of vulnerability.*

### Commitments and initiatives

Our corporate purpose comes with five commitments: consideration, fairness, sustainability, locality and innovation. Each of our five commitments applies to all stakeholders and is reflected in 10 practical initiatives aimed at people receiving care and support, carers, employees and local communities.

### Values






Clariane has defined three values common to all its activities and employees: trust, responsibility and initiative. Enduring relationships can only be built on trust, expressed through responsible decisions and enriched by a spirit of initiative. Our values are the inspiration for our corporate culture.



### Five commitments

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

### Overarching principle: inclusive governance

Five social and environmental commitments		Ten initiatives
	<b>CONSIDERATION</b>	<ul style="list-style-type: none"> <li>→ Positive Care</li> <li>→ Information and guidance for people in situations of vulnerability</li> <li>→ Social and psychological support for employees</li> <li>→ Employee health and safety</li> </ul>
	<b>FAIRNESS</b>	<ul style="list-style-type: none"> <li>→ Career development through qualifying training paths</li> <li>→ Value-sharing</li> </ul>
	<b>SUSTAINABILITY</b>	<ul style="list-style-type: none"> <li>→ Energy and carbon footprint</li> </ul>
	<b>LOCALITY</b>	<ul style="list-style-type: none"> <li>→ Local and inclusive purchasing</li> </ul>
	<b>INNOVATION</b>	<ul style="list-style-type: none"> <li>→ Medical research</li> <li>→ Innovation in health and care</li> </ul>

## 1.9 Outlook

In 2024, Clariane's priority is to maintain a high level of quality in all its activities and to develop its performance sustainably, in keeping with its corporate project, *At Your Side*. Clariane will also focus on implementing its plan to strengthen its financial structure.

### ORGANIC GROWTH

The Clariane Group expects organic revenue growth to continue at a level above 5%, supported by a steady increase in business volumes and the continuation of price adjustments.

### EBITDA

Given the expected absence of a contribution from real-estate development activities in 2024, EBITDA excluding IFRS 16 on a pro forma basis of expected disposals should remain stable in value terms.

### FINANCIAL LEVERAGE

The Clariane Group is aiming to reduce its financial leverage to below 3.0x and its loan-to-value ratio to 55% by the end of 2025. The speed with which Clariane reduces its debt and financial leverage in 2024 is closely related to the pace at which the refinancing plan announced on 14 November 2023 is implemented, including the €1 billion disposal programme and the completion of the planned capital increase.

### CASH FLOW

In line with the refinancing plan presented on 14 November 2023, the Group has made improving cash flow generation and controlling debt levels its priorities.

### INVESTMENTS

In terms of investment, the Clariane Group will keep maintenance spending at a normative level, which is expected to be around €100 million. Growth investments are expected to average around €200 million in 2024 and 2025, i.e., a much lower level than in 2023.

### NON-FINANCIAL INDICATORS

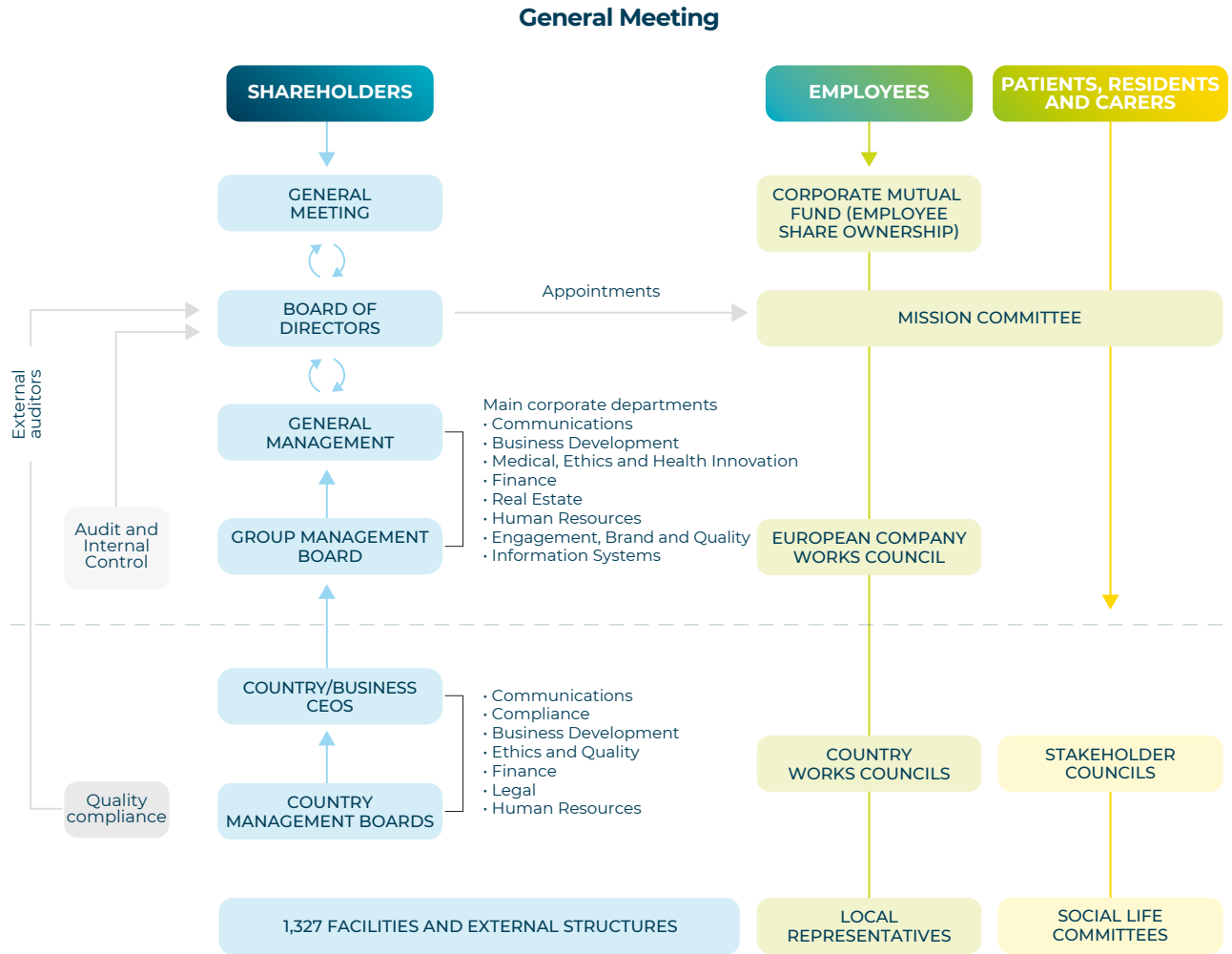
The Clariane Group has set quantitative targets for the 19 non-financial indicators of its new CSR roadmap, adjusted going forward to reflect the changes in scope resulting from the disposal plan:

- maintaining a Net Promoter Score (NPS) for residents/patients and families of 40 or above;
- maintaining the number of employees on qualifying training paths at more than 7,000, in line with Clariane's mission commitments;
- reducing the lost-time accident frequency rate by at least a further 8%;
- implementing an energy decarbonisation pathway consistent with the Paris Agreements, validated by the Science Based Targets initiative (SBTi).

These targets will be adjusted to reflect changes in scope resulting from the disposal plan.

# 1.10 Governance

## 1.10.1 Governance at the service of stakeholders



## 1.10.2 Board of Directors

### Independent Directors



**Jean-Pierre Duprieu**

Chairman of the Board of Directors



**Guillaume Bouhours**



**Dr Jean-François Brin**



**Anne Lalou**



**Philippe Lévêque**



**Dr Markus Müschenich**



**Catherine Soubie**



### Other Directors



**Sophie Boissard**  
Chief Executive Officer



**Matthieu Lance**



**Predica**



Florence Barjou  
(permanent representative)



**Holding Malakoff Humanis**



Anne Ramon  
(permanent representative)



**Marie-Christine Leroux**



**Gilberto Nieddu**



### Employee Directors

### Four specialised committees

**Audit Committee**  
chaired by Catherine Soubie

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

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

**Investment Committee**  
chaired by Predica  
Florence Barjou  
(permanent representative)

#### KEY FIGURES

**13**  
Directors

**64%**  
independent directors

**45%**  
women

**56**  
average age

**67%**  
international experience

**3**  
nationalities

**13**  
meetings in 2023

**96%**  
attendance rate

**1**  
executive session

**2**  
strategic seminars

#### SKILLS

**Healthcare sector**

**CSR**

**Regulation/Control**

**International experience**

**Strategy/M&A**

**Executive functions**

**Human capital**

**Quality management**

## 1.10.3 Group Management Board



**Sophie Boissard**  
Chief Executive Officer

..... **Regional and business line management** .....



**Dominiek Beelen**  
Executive Vice  
President Benelux



**Rémi Boyer**  
Executive  
Vice President  
Germany and  
Group Chief  
Human Resources  
Officer



**Federico Guidoni**  
Executive Vice  
President Italy



**Nicolas Mérigot**  
Executive Vice  
President France



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

..... **Group functions** .....



**Marion Cardon**  
Chief  
Engagement,  
Brand and Quality  
Officer



**Frédéric Dourousseau**  
Chief Real Estate  
and Development  
Officer



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



**Philippe Lévêque**  
Chief Financial  
Officer



**Nicolas Pécourt**  
Group Chief  
Communications  
Officer



**Antoine Piau**  
Senior Vice  
President, Medical,  
Ethics and Health  
Innovation

.....  
**Hortense de Lamaze** serves as Executive Secretary to the General Management Board

**KEY FIGURES**

**51**  
average age

**12**  
members

**25%**  
women

**3**  
nationalities

**21**  
meetings in 2023

.....  
**Participation in the  
Board's specialised committees  
and strategic seminars**

### 1.10.4 Mission Committee

#### Employee representatives



**Martina Nickel**

Social worker at the Haus der Betreuung und Pflege Vienenburg nursing facility in Germany



**Catia Piantoni**

Chair of the Clariane Women's Club



**Bo Swolfs**

Facility director at the De Muze care home in Belgium



**Jérôme Vandekerkhove**

Rehabilitation manager in the day care hospital of a post-acute and rehabilitation care clinic

#### Representatives of patients, residents, families and local communities



**Dr Françoise Weber**

Chair of the Mission Committee and of the Clariane France Stakeholder Council



**Dr Stefan Arend**

Chairman of the Clariane Germany Stakeholder Council



**Prof. Francesco Longo**

Chairman of the Clariane Italy Stakeholder Council



**Dr Jacques Van der Horst**

Chairman of the Netherlands Stakeholder Council

#### External experts



**Moira Allan**

Co-founder and international coordinator of the non-profit Pass It On



**Jean-Marie Bockel**

Former Minister and Mayor of Mulhouse



**Étienne Caniard**

Former Chairman of Mutualité française and member of the college of the Haute Autorité de Santé (French health services regulator)



**Antoine Maspétiol**

Director of impactful private debt management at Eiffel Investment Group



**Pierre-Yves Pouliquen**

Chairman of the non-profit Les Papillons Blancs de la Colline and Sustainable Development Senior VP at Veolia

#### Five working groups

Consideration

Fairness

Locality and sustainability

Innovation

Inclusive governance

#### KEY FIGURES

**61**  
average age

**13**  
members

**38%**  
women

**6**  
nationalities

**3**  
plenary sessions and  
**5** working group  
meetings in 2023

#### SKILLS



**Knowledge of the healthcare sector**



**Knowledge of stakeholders**



**Field experience**







# 2

## Risk factors

<b>2.1</b>	<b>Operational risks</b>	<b>37</b>	<b>2.4</b>	<b>Economic and financial risks</b>	<b>45</b>
2.1.1	Treatment and care	37	2.4.1	Interest rate risk and liquidity risk	45
2.1.2	Recruitment and employee retention	38	2.4.2	Cost and inflation management	47
2.1.3	Reputational damage	39			
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The Group reassesses the risks related to its activities and its environment regularly, and at least once per year, in order to:

- ensure the quality and sustainability of transactions;
- ensure that strategic targets are met;
- 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;
- risk analysis;
- the implementation of preventive or corrective measures to reduce the risks' potential criticality.

### Risk monitoring and identification

The teams in charge draw on a monitoring process and documentary analysis, best practice benchmarks and expert opinions in order to define a risk library. This is updated each year to take account of new and emerging risks.

The risk library is validated by the Risk, Ethics and Compliance Committee, chaired by the Group Chief Executive Officer, before the risk map is updated.

### Risk analysis

Each of the risks documented in the risk library is assessed based on interviews with business experts and members of Group General Management.

The criticality of a risk depends on its net impact and net potential occurrence. The net impact is defined according to a scale incorporating financial and non-financial inputs. The net potential occurrence is defined taking into account the frequency and probability of occurrence.

Oversight of the risk management framework relies on the appointment of risk owners for each risk by the General Management Board (GMB). Oversight is provided by steering committees. This oversight structure at Group level is replicated in each country.

### Implementation of preventive or corrective measures

The risk criticality analysis is supplemented by an assessment of the scope for improvement for each risk. This represents the ability to act in order to reduce the criticality of the risk, either through its impact or potential occurrence.

Priority risks are those deemed significant in terms of both criticality and scope for improvement, and are the subject of action plans monitored at each Risk, Ethics and Compliance Committee meeting.

### Main risk factors

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

A presentation of the risk factors by category is summarised in the table below, with the criticality of each risk factor indicated according to a three-level scale: low, medium and high.

Risk category	Risk factor	Criticality of the risk factor	ESG
Operational risks	• Treatment and care		<b>ESG</b>
	• Recruitment and employee retention		<b>ESG</b>
	• Reputational damage		<b>ESG</b>
	• Infectious disease		
	• Information systems, cybersecurity and personal data protection		<b>ESG</b>
	• People safety		<b>ESG</b>
	Strategic risks	• Real estate development and construction	
• Business development and external growth			
Legal, ethics and regulatory risks	• Regulations		
	• Global warming and environmental damage		<b>ESG</b>
	• Business ethics		<b>ESG</b>
Economic and financial risks	• Interest rate risk and liquidity risk		
	• Cost and inflation management		

Low Medium High

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

- a presentation of the risk in relation to the Company's business;
- a presentation of the management systems implemented by the Company.

Other risks may emerge in the future and have 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 and governance (ESG) issues. The main non-financial risks are indicated in the table above and in the paragraphs below with the following symbol: **ESG**

Chapter 3 of this Universal Registration Document provides more details about the policies implemented by Clariane, 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 Treatment and care



#### 2.1.1.1 Description of risk

In 2023, the Group provided care for 900,000 residents and patients in its 1,300 facilities or in their homes.

Given the frailty, cognitive profile or age of patients, there are risks inherent to the care business.

These risks may be associated with situations including:

- delivery of treatments and medication;
- care procedures;
- risk of abuse;
- risk of falls; and
- seasonal epidemic outbreaks (influenza, respiratory infections) liable to affect elderly people with chronic diseases.

#### 2.1.1.2 Risk management framework

The quality and safety of treatment and care are the Group's top priority.

Consequently, managing the risks relating to treatment and care is a matter of particular vigilance, and the Group is committed to going well beyond stringent regulatory requirements.

The additional measures are based in particular on **ISO 9001 quality certification** and the Positive Care project.

The following procedures were established and rolled out within the Group in connection with **ISO certification**:

- medical, ethics and quality of service policies in compliance with the Group's values, good business practices and regulatory requirements;
- recommended best practices which are regularly disseminated to facility directors and staff;
- management quality standards designed to provide care in conditions of optimal quality and safety.

As part of the **Positive Care** approach – a healthcare standard devised and implemented by the Group – staff members are also trained in adopting an individualised approach to the needs of residents or patients based on a personalised or therapeutic plan, as well as in the prevention of abuse. Annual awareness-raising campaigns are rolled out at the European level.

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

360° quality audits are carried out in the facilities by the quality department teams in every country. These audits are based on the requirements of the Clariane Standard and the regulations in force in each country, and are tailored to each activity.

Quality audits focus on:

- knowledge, application and control of best practices;
- traceability.

All facilities are audited every other year.

The Group also mandates accredited organisations to perform external audits:

- in connection with ISO 9001 certification (e.g., Afnor in France, DNV in Italy and Spain, Dekra in Germany). These are carried out in order to assess the implementation and effectiveness of the quality management system from a neutral, objective and external perspective;
- in order to verify the effective 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 at facilities, in accordance with the various regulations in force.

The quality management system also includes:

- a system for reporting Undesirable Events (UE) and Serious Adverse Events (SAE), which aims to record each incident in all Group facilities, and to ensure that appropriate measures are implemented;
- monitoring of care performance indicators;
- implementation of an anonymous whistleblowing system enabling any unethical or irregular practices to be reported;
- self-assessment campaigns run by the Group Quality Department;
- crisis management procedures scaled appropriately for each country and for the Group as a whole;
- customer satisfaction questionnaires and NPS (Net Promoter Score) monitoring, together with relevant action plans; and
- monitoring of employee satisfaction surveys (Community Pulse).

Regarding the identification and prevention of abuse, the Group ensures that professionals are made aware of and trained in best practices and encourages the reporting of all at-risk incidents and behaviours. Any situation identified as likely to constitute a case of abuse is subject to immediate precautionary measures designed to protect the person concerned and put an end to the situation at risk. When employees are implicated in such behaviour, a sanction procedure is implemented and a report is sent to the competent authorities.

Further information on the UE and SAE procedures and on Clariane's Positive Care approach are presented in section 3.2.1 of this Universal Registration Document.

The Group Medical, Ethics and Health Innovation Department monitors these policies and coordinates the related actions. Further information on operational risk management can be found in sections 2.5.4 and 3.2.2 of this Universal Registration Document.

## 2.1.2 Recruitment and employee retention



### 2.1.2.1 Description of risk

Within the Group, 60,000 women and men in the various professional categories (care, hospitality and catering, recreational activities, administration, etc.) are dedicated to helping the most fragile and the elderly. In addition, independent healthcare professionals are regularly called in at the request of the facilities or the residents themselves.

Future needs are significant and relate to:

- demographics;
- increased prevalence of chronic diseases;

- increased dependency; and
- the isolation of vulnerable people.

However, certain qualifications (caregivers, nurses, doctors and rehabilitation specialists, for example) are in structurally short supply in most of the countries in which the Group operates, mainly due to insufficient capacity in the training system. This situation can lead to local recruitment difficulties, as well as to high staff turnover rates, particularly among qualified care staff.

### 2.1.2.2 Risk management framework

As part of the At Your Side corporate project (described in section 3.3 of this Universal Registration Document), the Group has established a recruitment and well-being at work strategy focusing on five main pillars:

- investment in working conditions and quality of life, in particular concerning health and safety at work and the revision of the Clariane social contract in each country;
- management quality;
- strengthening and centralisation of recruitment services to improve their effectiveness in all countries and at Group level;
- implementation of a sourcing strategy leading to the diversification of recruitment sources (apprenticeship, validation of acquired experience, internal mobility, retraining, the Group's own apprentice training centre);
- commitment to training and ongoing professional development: in 2023, as part of the transition to purpose-driven company status and to strengthen the range of qualifying training programmes and ensure their visibility, the Group launched the Clariane University.

Its offering is built around four Academies: Health and Care; Catering, Hospitality and Services; Management; and Leadership.

This project aims to make Clariane the industry's benchmark employer in Europe. At the same time, it contributes to the Group's ESG commitments and to the other objectives of the At Your Side corporate project:

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

These initiatives earned Clariane Top Employer Europe certification in 2023. This certification is awarded by an independent third-party organisation following an audit of HR policies. The Company was named Top Employer for the fourth consecutive year in Germany, for the third consecutive year in France, for the second time in Belgium and Italy, and for the first time in the United Kingdom. Together, these five countries employ 88% of the Group's employees.

The Community Pulse employee satisfaction survey, which is carried out by IPSOS, is used to measure employee commitment each year. In 2023, the response rate was 65%, with over 40,000 responses, 75% of which came from non-managerial grade staff. The survey reinforced the high level of employee commitment, which has risen steadily

each year to 79%. Employees are 85% satisfied with their work, which is ten points higher than the peer average established by Ipsos.

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

## 2.1.3 Reputational damage



### 2.1.3.1 Description of risk

Due to the particularly sensitive nature of the care and health services it provides to vulnerable people, and the associated social challenges, the Group may be exposed to risks of negative news and unjustified allegations against its facilities or employees.

### 2.1.3.2 Risk management framework

The Group adopts measures to prevent and mitigate reputational risk.

Firstly, 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 the strict adherence to quality standards and procedures, which are regularly updated as described in section 2.1.1 of this Universal Registration Document.

In order to promote close dialogue and prevent conflict, family liaison officers are present in all our facilities in France. They are responsible for maintaining good relations with residents and their families.

Facilities are encouraged to address and take account of all observations and complaints made by stakeholders. 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. These committees meet at least three times a year and comprise the elected representatives of families, residents and

employees, as well as the management of the facility, with recommendations made as to the facility's operation and organisation.

In order to facilitate 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, and residents, patients and their families can contact the mediator directly. A Mediation Charter was published in 2021 and is available on the Clariane website, along with the mediator's annual reports.

Similar mediation procedures have been set up in most of the Group's countries. These systems are described in section 3.2.6 of this Universal Registration Document.

The Group is especially vigilant as regards the impartiality and objectivity of media reporting on its activities and facilities. Where necessary, the Group contacts the media outlets in question when such guarantees of impartiality and objectivity are not seen to be upheld.

## 2.1.4 Infectious disease



### 2.1.4.1 Description of risk

Despite technological and medical progress, the pandemics linked to Covid-19 and the H1N1 virus have shown humanity's vulnerability to pathogens. New potential health threats

could arise due to the melting of the ice caps, a wave of crises or other as-yet unknown factors. Infectious diseases could thus spread across the world.

### 2.1.4.2 Risk management framework

In the context of the Covid-19 pandemic, the Group established a duty of care protocol that could be rapidly reactivated in all of its facilities and in all its countries of operation in the event of a new pandemic. This European standard is regularly updated to incorporate best practices and recommendations from the health authorities in terms of hygiene, traceability and prevention measures.

The Group also ensures that its network always has a steady supply of protective equipment (masks, gloves, etc.) by building up a permanent stock corresponding to two months of consumption.



## 2.1.5 Information systems, cybersecurity and personal data protection

### 2.1.5.1 Description of risk

#### a) An extremely fraught international and cyber environment

The past year was marked by an upsurge in international tensions. In this general context of heightened pressure, cybercriminals have multiplied attacks, with no sectors of the economy spared. The healthcare sector was particularly hard hit following a trend taking hold in cybersecurity, making it the second most affected industry. The Group's IT security teams and the countries in which it operates have observed an increase in cyberattack attempts, especially through social engineering.

The Clariane Group has prioritised strengthening the security of its information systems, particularly in view of the nature of the personal and healthcare data handled by the Group in the course of its business.

Information systems play an essential role in the management of the administrative and medical records of residents and patients and in the administration of the Group's employees (payroll, planning, career management). They are also used to manage financial flows, accounting records and so on, on a daily basis.

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

#### b) Risks associated with processing personal data

Due to its business activity, Clariane is required 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 legislation governing the processing of personal data and health data applicable in the various countries in which it operates. The Group ensures that it complies with all these regulations by implementing a privacy-by-design review process that complies with the provisions of the GDPR, and by putting in place the required documentation. Procedures to ensure compliance with these provisions by all our departments are also deployed at Group level and in each country in accordance with our privacy policy.

### 2.1.5.2 Risk management framework

#### a) Cybersecurity risk management

In order to mitigate the impact of these risks, the Group relies on identified resources and security managers within each country's information systems department. They are responsible for managing risks and crises, to ensure business continuity.

The work and duties of these local departments are coordinated by the Group.

Within the Group Information Systems Department, the Group CISO Office coordinates the network of local information systems security managers, and defines the shared cybersecurity policies and procedures. In addition, it oversees Group-wide actions and projects to ensure a satisfactory level of security in each country, in compliance with the security levels required by national laws.

In order to identify system vulnerability risks and implement remedial action plans, Clariane also 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, cyber month, etc.) as well as monitoring the Internet through a specialist external service provider (including the deepweb and darkweb) in order to identify any data theft or leaks.

#### b) Personal data risk management

Each country has a local data protection officer (DPO), coordinated at corporate level by a Group DPO reporting to the Group Medical, Ethics and Health Innovation Department. The Group has also created a privacy policy, 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 implemented. This framework is rolled out in all countries, taking into account any specific features and wording. In accordance with the recommendations of the local data protection agency (e.g., in France, 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 individual privacy.

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, as well as best practices to be implemented in their work on a day-to-day basis. 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.

## 2.1.6 People safety



### 2.1.6.1 Description of risk

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

Safety in facilities includes the following aspects:

- building and fittings' safety risks (including fire safety and health safety);
- Legionella-type bacteria in facilities' hot water systems, potentially causing legionellosis (respiratory infection) which proves fatal in approximately 11% of cases;

- risks associated with feeding residents and patients;
- risk associated with the malfunction of biomedical devices and equipment used for diagnostic, therapeutic and 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, could:

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

### 2.1.6.2 Risk management framework

The Group ensures that each country defines and implements a maintenance policy for its facilities and buildings, together with a multi-year investment and maintenance plan. The Group entrusts the tasks of controlling and monitoring the maintenance and safety of installations to independent professionals.

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

Employees are also required to complete mandatory training. Clariane's internal teams conduct 360° quality audits to ensure compliance with rules and best practices.

In addition, legally qualified organisations periodically carry out external audits. The maintenance system is an integral part of ISO 9001 certification processes.

The UE and SAE reporting system applied by the Group's facilities covers all technical malfunctions. The Group is organised to manage any critical situations by applying crisis management procedures tailored for each country as well as at Group level.

Further information is available in Chapter 3 of this Universal Registration Document.

## 2.2 Strategic risks

### 2.2.1 Real estate development and construction



#### 2.2.1.1 Description of risk

Real estate is sensitive to the overall economic climate. The entire real estate production chain may be subject to a number of contingencies, including supply problems, shortage of materials, the fluctuating cost of energy and its impact on construction prices, corporate bankruptcies and project financing costs. Buildings under construction may require repairs to be made, their delivery deadlines may be extended and their budgets may increase, with these effects often acting cumulatively.

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

In order to ensure that it can meet changing needs and avoid the obsolescence of certain buildings, the Group has drawn up a transformation and modernisation plan for its real estate portfolio. In addition, the Group owns a

number of facilities, either through buyouts of properties that it operates or through the construction of new facilities. In this case, the Group is subject to technical or financial uncertainties, such as:

- securing administrative authorisations such as building permits;
- technical control of projects (in particular the need to take into account the latest regulations on buildings' energy performance and environmental footprint);
- changes in construction costs and financing costs;
- compliance with the construction schedule.

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

### 2.2.1.2 Risk management framework

To guard against these risks, the Group has set up a dedicated in-house project management team responsible for:

- coordinating architects, project managers and developers;
- obtaining building permits; and
- monitoring construction work.

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

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

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

## 2.2.2 Business development and external growth

### 2.2.2.1 Description of risk

Depending on its financial trajectory, the Group may make acquisitions as part of its growth strategy. Selecting and integrating high-quality networks is essential to maintaining the overall quality of the Group's transactions and its reputation.

### 2.2.2.2 Risk management framework

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

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

This department implements rigorous multi-criteria analysis procedures based on external audits and the opinions of recognised experts. These audits cover operational, quality, ethics and financial issues.

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

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

Through these analyses, the Group is able to identify risks and take them into account when determining the acquisition price of the target, thereby limiting the risk of overpaying. 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 is completed and approved following the acquisition.

## 2.3 Legal, ethics and regulatory risks

### 2.3.1 Regulations

#### 2.3.1.1 Description of risk

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

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

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

### 2.3.1.2 Risk management framework

The Group conducts regulatory intelligence monitoring in all of the countries in which it operates, so as to ensure that the rules in force are correctly applied and to protect against any negative repercussions resulting from changes in regulations or pricing rules. This enables the Group to anticipate any major changes while ensuring the compliance of its operations. The Group is also an active participant in industry bodies.

It also ensures that the rules governing the use of public funding allocated to these establishments for their operations are properly applied. Facility directors have 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 on the use of funds are subject to controls at facility level and then at central level.

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

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

## 2.3.2 Global warming and environmental damage

### 2.3.2.1 Description of risk

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

Clariane's carbon footprint is attributable to the energy consumed in running the Group's more than 1,300 sites and the emissions generated across its value chain (supply, staff

commuting and travel, construction of buildings, waste, etc.). If the Group's low-carbon roadmap action plans were to prove ineffective, its environmental impacts could remain at their current level or increase. The Group is required to comply with applicable regulations and with national and European energy commitments in this area.

### 2.3.2.2 Risk management framework

In order to adapt to the immediate impacts of extreme weather events caused by global warming, the crisis management system provides for a series of measures designed to ensure business continuity (e.g., the installation of generators for use in the event of a disruption to the electricity supply) along with personal safety (moving people to other facilities, if necessary). To address increasingly frequent heatwaves, Clariane's facilities use thermal insulation solutions (air-conditioned rooms and mobile air-conditioning units, black-out blinds, etc.). In addition, management has set up protocols and training courses on topics such as hydration and the prevention and treatment of dehydration, in order to be able to identify and pay special attention to individuals at risk during such events.

The Group has also embarked on a programme to adapt existing buildings so as to improve resistance to extreme weather phenomena.

To this end, a preliminary analysis specifically of climate risks across Clariane's entire real estate portfolio was conducted in 2023 in order to identify the proportion of facilities most at risk in the short, medium and long term, and to prioritise the adaptation measures to be implemented.

In terms of mitigation, Clariane has defined a roadmap based on the Group's carbon footprint, making it possible to deliver its target of a 40% reduction in the carbon intensity ratio ( $\text{kgCO}_2\text{eq./sq.m.}$ ) linked to the energy consumption of buildings (scopes 1.1 and 2.1) by 2030 versus a 2019 baseline. In May 2023, Clariane made a commitment to join the Science Based Targets initiative (SBTi) and submitted its reduction targets for scopes 1 to 3 in December 2023. These are currently being reviewed by the SBTi. The Group CSR

and Real Estate departments are responsible for managing this roadmap in coordination with the other functions involved (purchasing, human resources, etc.). Furthermore, a Group CSR Committee, comprising the main expert functions, monitors the action plans and discusses best practices aimed at reducing the Group's carbon impact.

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

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

- acquiring new equipment or modifying/upgrading existing equipment that contributes to improving energy management;
- modifying the energy mix (by changing equipment, purchasing renewable energy or producing energy on site);
- implementing centralised monitoring of energy consumption;
- running eco-friendly awareness campaigns for users and specific training for asset managers and maintenance staff.

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

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

## 2.3.3 Ethics



### 2.3.3.1 Description of risk

The Group employs some 60,000 people at more than 1,300 sites in seven countries. The Group works with a large number of suppliers, partners and self-employed workers such as healthcare professionals. Moreover, some of the Group's employees interact with policymakers or public bodies in the context of their activities. Notwithstanding the Group's vigilance, individual non-compliant practices could occur, such as:

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

### 2.3.3.2 Risk management framework

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

Clariane's ethics are based on the ethics of care, work and good business conduct.

The Group's commitment is reflected in:

- the Group's Ethics Charter, updated in June 2023 to coincide with the creation of Clariane and its transition to purpose-driven company status, together with the document "Our values and ethical commitments", which lay the foundations for the values and attitudes expected of Group employees. It is given to and signed by each new hire during onboarding;
- a regularly updated corruption risk map enabling the identification of high-risk scenarios and the implementation of the corresponding control systems;
- the anti-corruption guide and the gifts and invitations, conflicts of interest and sponsorship/corporate philanthropy policies enable the Group to address important messages, such as:
  - reminders of the definitions of corruption and influence peddling,
  - sanctions incurred and potential impacts for the Group,
  - conduct of lobbying activities;

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

The Group is subject to Law No. 2016-1691 of 9 December 2016 on transparency, the prevention of corruption and the modernisation of the economy (Sapin II 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.

- a third-party assessment procedure applied in the countries in which the Group operates;
- online and in-person training modules dedicated to raising employee awareness of the Group's ethics commitments (in particular corruption and influence peddling), supplemented by specific training sessions for the functions and activities that are most exposed to the risk of breaches of probity;
- specific accounting procedures incorporated into the Group's internal control standards;
- a whistleblowing system managed at Group level by the Director of Safety, Ethics and Crises and at country level by the departments in charge of compliance, including access to a secure external platform enabling employees and all of the Group's stakeholders to report matters, anonymously where appropriate.

Since September 2022, the Group has set up a dedicated Compliance Department within the General Secretariat. The Compliance Department is responsible for rolling out this programme in conjunction with the departments in charge of compliance in each country.



## 2.4 Economic and financial risks

Clariane's business model is based on a high fixed-cost structure, regulated rates and long-term commitments, particularly real estate. The Group is therefore exposed to risks related to inflation and access to financing on good terms, as well as interest rates.

The Group has set up various sources of funding that are described in note 9 to the consolidated financial statements.

At 31 December 2023, the Group's total net debt amounted to €3,854 million (excluding lease commitments), and the average maturity of the Group's debt was 4.8 years (excluding short-term debt offset by available cash at closing).

### 2.4.1 Interest rate risk and liquidity risk



#### 2.4.1.1 Description of risk

##### Liquidity risk

The Group enjoys a level of liquidity that enables it to run its business smoothly and comply with its covenants at the end of December 2023. However, it remains strongly exposed to changes in market conditions and to the appetite of banking partners and credit investors for providing financing. The Group operates in a debt market that is becoming increasingly tight for borrowers, particularly given the rise in interest rates. The market was also affected by the aftermath of the restructuring of a company in the medico-social sector on the disintermediated debt markets in France (euro PP, SSD, NSV, short-term debt, etc.), which drew more attention to the level of exposure to the sector by the Group's banking partners. At the end of October 2023, the Group's financing outlook deteriorated sharply following the press release of 24 October 2023 on third-quarter revenue, in which the Company adjusted its financial leverage forecasts at 31 December 2023 to around 3.8x (compared with around 3.5x previously), indicating that these forecasts depended on the timetable for finalising the ongoing real estate partnership transactions and the sharp, unprecedented fall in the share price. As a result, on 14 November 2023 Clariane published a press release including the details of a plan to strengthen its financial structure by €1.5 billion (press release included in note 2.2 to the consolidated financial statements), the details of which are summarised in paragraph 2.4.1.2 below relating to the risk management framework.

##### Interest rate risk

The Group is exposed to eurozone interest rate risk as regards both the variable portion of its existing stock of debt and its future refinancing and fundraising arrangements. Against this backdrop, the Group has an active interest rate risk management policy. In general, real estate debt is contracted at fixed rates for leases and mortgages. For other debt, the choice between a fixed rate or variable rate depends on the type of debt instruments concerned as well as market conventions, or may be the result of a deliberate choice made by the Group in relation to its policy for managing interest rate risk, and therefore to its existing level of interest rate risk hedging.

##### Risk of breach of the Group's financial covenants

The Group's €1,055 million syndicated loan (comprising a €555 million term tranche and a €500 million RCF) as well as the €200 million immovable property debt contract, set up with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Ile de France, LCL and Crédit Agricole Corporate and Investment Bank in December 2023, are subject to a financial covenant based on the contractual leverage ratio. These two contracts are also subject to a loan-to-value (LTV) covenant calculated at the level of the Group and set at 65%.

On the basis of the covenant calculation formula for the syndicated loan, the Group has headroom in relation to the 4.5x threshold at 31 December 2023. This represents around €70 million of EBITDA, or around €300 million of net debt, assuming all other calculation inputs remain the same.

Euro PP, Schuldschein and Namensschuldverschreibung bonds are also subject to covenants. The contracts all include covenants based on a secured debt ratio and a leverage ratio. The €40 million Euro PP issued in July 2023 is also subject to a LTV covenant.

Details of the Group's covenants are provided in note 9.2 to the consolidated financial statements.

##### Cross-default risk

Most of Clariane SE's loan, bank credit and bond debt agreements (including Euro PP and Schuldschein/NSV, except agreements relating to hybrid debt) contain default or accelerated repayment clauses ("Events of Default").

These default clauses cover events that give the lenders/carriers the right to demand immediate and unconditional early repayment and to block all new drawdowns in the case of revolving credit facilities.

The Group's bank and bond financing generally contains default clauses that are customary for these types of agreement, including but not limited to the following:

- non-payment;
- non-compliance with bank and/or bond covenants stipulated in the agreement;
- cross-default/cross-acceleration clauses.

In the case of Clariane SE's bank and bond financing, cross-default clauses are not triggered if the total amount of the financial debt affected by the default(s) is lower, depending on the agreement, than either €20 million or €30 million (subject to certain contracts providing for a lower threshold).

These default clauses are described in note 9.2 to the consolidated financial statements.

### 2.4.1.2 Risk management framework

#### Management of liquidity risk, covenant breach risk and cross-default risk

The Group's liquidity is provided by:

- (i) the financing structure currently in place, including in particular the syndicated loan for which the renegotiation of an "amend an extend" agreement was finalised in July 2023 in line with the Group's financial strategy (the term tranche of €500 million was due to expire in May 2024), and the drawdown by the Group on 3 November 2023 of its RCF (Revolving Credit Facility) for an amount of €500 million for a period of six months, against the backdrop of deteriorating market conditions and access to financing;
- (ii) the €1.5 billion refinancing plan announced on 14 November 2023, the implementation of which is already underway and will continue along with a capital increase and further disposals under the Group's asset disposal programme.

The plan includes the following components:

- Two equity-based real-estate partnerships totalling €230 million. These partnerships were signed on 15 and 28 December 2023, respectively;
- A €200 million real-estate-backed bridge term loan maturing on 31 January 2025, arranged on 27 December 2023. This loan will have to be repaid early if the planned capital increase is abandoned, unless the Group were to adopt an alternative plan to raise equity, quasi-equity or similar funding for a minimum equivalent amount;
- Implementation from 2024 of the first stages of a disposal programme for operating and real estate assets, as well as capital partnerships, for a total estimated amount of around €1 billion. On 5 February 2024, the Group sold its shares in a joint venture involving six real estate assets in the Netherlands. On 28 February 2024, the Group announced that it had signed an agreement to dispose of all of its UK activities and assets, which took place at the beginning of April 2024. The Group has already completed more than a quarter of its asset disposal programme;
- Completion of a proposed capital increase for a gross cash amount of approximately €300 million. Predica has undertaken to underwrite €200 million of this transaction. The Group has also received expressions of interest from banks to underwrite the balance of the capital increase.

#### Currency risk

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 transactions outside of France are conducted in countries in the eurozone. At 31 December 2023, the Group's hedging instruments represented a notional amount of GBP 72 million, virtually all of which corresponded to the pooled cash outstanding between Clariane and its UK subsidiaries.

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

This capital increase should be completed before the end of the third quarter of 2024, provided that the remaining conditions pre-conditions are met and market conditions are appropriate.

On 8 February 2024, the French securities regulator (*Autorité des marchés financiers* – AMF) granted Predica an exemption from the requirement to file a draft tender offer in the event that Predica crosses the threshold for filing a mandatory tender offer as a result of subscribing to the capital increase. This exemption removes the first pre-condition for the completion of the proposed capital increase.

The Combined General Meeting of shareholders held on 26 March 2024 voted in favour of carrying out this capital increase of €300 million. This vote removes the second pre-condition for the completion of the proposed capital increase.

At 31 December 2023, the Group had therefore deployed all the short-term measures in the refinancing plan presented on 14 November 2023, enabling it to comply with its covenants at the end of 2023, with liquidity of €678 million.

The effective completion of the first stages confirms the prospects of completing the next structural stages in the plan to strengthen the Group's financial structure, in particular the completion of a capital increase planned before the end of the third quarter of 2024 and the disposal of certain assets as part of the overall asset disposal plan for an estimated total of around €1 billion, which, given the current state of progress, should be completed by 2024.

These elements support the Group's 12-month cash flow forecast, which today confirms the Group's ability to meet its financing deadlines over that period and to comply with its covenants over the period, in particular its consolidated leverage ratios at 30 June 2024 and 31 December 2024 as well as the minimum liquidity requirement at 3 May 2024 and at any subsequent RCF rollover dates.

To optimise the use of its international cash resources, Clariane put in place a cash pooling arrangement to centralise cash management. The raising of new bank or market financing is managed by the Group's central services. The Group's subsidiaries may obtain financing from outside the Group, mainly to fund real estate projects.

The Group also has a detailed and regular financial reporting system that enables it to monitor the Group's performance and to estimate at regular intervals the level of leverage for future years.

The Group's debt as at 31 December 2023 is described in note 9 to the consolidated financial statements.

The management of liquidity risk is described in note 9 to the consolidated financial statements.

### Interest rate risk management

Moreover, Clariane pursues a policy of actively monitoring and managing the risk of changes in interest rates. This policy is based on the Group's projected net debt position, taking account of its business plan.

The Group uses derivative financial instruments (swaps and caps) to hedge against interest rate risk on its floating-rate debt. The Group has reassessed its future exposure to interest rate risks in light of its goal of reducing its operating leverage and future debt. Following its assessment, the Group decided to unwind certain hedges in line with its gradual hedging policy.

The net market value of instruments purchased to hedge interest rate risk at 31 December 2023 was €9.3 million, after adjusting for counterparty default risk (see breakdown by of instrument in note 9.2 to the consolidated financial statements).

At the reporting date, the sensitivity of the market value of derivatives to a change in market interest rates, before adjusting for counterparty default risk, was as follows:

- a 0.1% (10-basis-point) increase in interest rates would lead to a negative market value of €27 million;
- a 0.1% (10-basis-point) decrease in interest rates would lead to a negative market value of €13.1 million.

At 31 December 2023, taking into account the fixed-rate debt and interest rate hedges in place, approximately 52% of gross borrowings were at fixed rates. Net debt was fully hedged.

The interest rate risk on the projected debt, in line with the business plan, is already hedged for 2024. The profile of this hedge is degressive over time.

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

The Group's interest rate risk management strategy is described in note 9.2 to the consolidated financial statements.

### Foreign exchange risk management

The Group has recourse to plain vanilla hedging instruments (currency swaps, forward sales/purchases and options) to hedge its currency risk, mainly relating to the United Kingdom. At 31 December 2023, the Group's hedging instruments represented a notional amount of GBP 72 million, virtually all of which corresponded to the pooled cash outstanding between Clariane and its UK subsidiaries.

## 2.4.2 Cost and inflation management



### 2.4.2.1 Description of risk

2023 was shaped by an inflationary environment which nevertheless eased towards the end of the year, a trend that has been confirmed since the start of 2024.

Labour costs represent 60% of revenue and are exposed to inflation, either through wage indexation, such as in Belgium, or through annual collective bargaining, as is the case in France.

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

Apart from the inflationary effects, salary costs may also be exposed to legislative decisions to increase wages, as was the case in France from 2020 with the *Séjour de la Santé* healthcare industry consultation, or in 2022 in Germany where salaries were increased by around 25% from September 2022 with a significant impact on the financial statements and on the availability of personnel in 2023. These cost increases were offset, sometimes after a certain time lag, by dedicated public funding or price renegotiations.

Rents paid to operate facilities in the leased portfolio represent approximately 10% of the Group's revenue. Clariane operates 1,300 facilities in seven European countries and is a tenant in 99.2% (included in note 5.5 to the consolidated financial statements) of its operating portfolio. The Group is exposed to any increase in rents that could occur either during lease renewals or through contractual indexation. However, the contracts contain protective clauses (cumulative inflation thresholds, clauses passing on only a portion of inflation, etc.). Rents are indexed to indices specific to each country of operation and are mainly linked to inflation or residential and commercial rents. They may also depend on specific indices related to the business sector (e.g., statutory rent indexation rate for care homes in France).

Purchases related to operations represent approximately 17.8% of the Group's revenue, and are primarily affected by price inflation. It should be noted that expenditure on energy, the price of which came under severe pressure in 2022, stabilised during 2023, with overall consumption down 13%, net of specific subsidies. In 2023, energy costs represented approximately 2% of the Group's revenue.

### 2.4.2.2 Risk management framework

The Group Finance Department regularly monitors its key performance indicators, including the operating margin (EBITDAR), occupancy rate, occupancy cost ratio and changes in the various cost categories.

A Performance Department was set up in 2023, which reports to the Finance Department, with responsibility for three critical areas: purchasing, energy and creating and monitoring performance (including inflation).

This department has had a specific business plan for purchasing and energy management since mid-2023, with actions defined for the short and medium term that are monitored during countries' monthly business reviews and reviewed at Group General Management level every fortnight by a dedicated committee.

In order to optimise the goods and services purchasing policy, ensuring quality and competitive prices, Clariane has set up local 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, purchasing departments negotiate prices that are locked in for a certain period. For example, energy prices in Germany and Belgium are fixed for 2023.

Further information on the ESG component of Clariane's purchasing policy can be found in sections 3.5.2 of this Universal Registration Document.

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

- careful monitoring of expenditure (salaries, rents, other costs);

- anticipating negotiations in the pricing policy;
- regularly renegotiating with suppliers; and
- applying a diversification policy.

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

The Group Real Estate and Development Department is responsible for managing risks relating to leased buildings, including rent increases, as well as the asset portfolio. The active real estate management policy has, *inter alia*, minimised the number of leases indexed to the most volatile indices and therefore helped reduce the risk of a decorrelation between changes in rents and the accommodation prices paid by residents.

To manage the risk of rent increases on renewal of the lease, the Group has set up a dedicated management system in all of the countries in which it operates. This is based on a precise analysis of each lease, including the occupancy cost ratio (EBITDAR/rent), expiry date and any renewal clauses, with the aim of proactively determining the outcome of each lease upstream of the renewal process.

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

- actively managing existing leases and anticipating lease expiries;
- inserting contractual clauses into leases signed, such as rent free periods, indexation freezes and caps, rent reductions, which are part of a global approach to negotiations that also concerns the term of new leases.

With regard to the construction costs of turnkey and refurbishment projects, the Group has several contracts for which the inflation risk is mainly borne by the developer and not by Clariane as future operator and/or owner. Where Clariane is the developer, the Group uses standardised and industrialised approaches to order raw materials in advance for groups of projects, thereby controlling 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 on Risk Management and Internal Control Systems (the "Reference Framework").

The risk management and internal control systems complement the overall 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 implemented as part of these action plans form part of the internal control system, and thereby contribute to the treatment of risks to which the Company's activities are exposed.

The internal control system is applied at the level of the Company and of all companies within the 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:

- the strategy and operational goals are clearly communicated;
- optimal guidance is provided to assist everyone in their work, in particular by sharing best practices;
- employees have the necessary skills and resources to perform their work. To this end, the human resources departments in all countries in which the Group operates have put in place assessment, periodic monitoring and training procedures;
- 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 implemented by the Group Chief Executive Officer, country general management, Group operating and corporate divisions and departments, and employees.

#### 2.5.2.1 Management oversight 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 **Chief Executive Officer** defines the principles underlying the internal control system and ensures that it is implemented, in particular through:

- internal committees, on which the Group's main corporate executives sit; and
- discussions with country general management.

The Group **Risk, Ethics and Compliance Committee** meets under the chairmanship of the Chief Executive Officer every other month. Its duties include reviewing and monitoring:

- the Group's most material risks and the process for updating its risk map;
- major disputes involving the Group, which the Group Legal Department consolidates across all operating countries;

- the results of internal audits;
- the implementation of compliance plans (primarily with respect to corruption and the General Data Protection Regulation – GDPR) and preparation for any major legislative amendments; and
- statistics on complaints and reports issued within the Group, in particular through the internal whistleblowing system.

The Group **Finance Department** is responsible for the quality and accuracy of the financial and accounting 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 each country, separate teams are responsible for facilities' accounting and management control;
- at Group level, the teams include the Treasury and Financing Department and the Financial Control Department, which incorporates 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 Group General Management and presents the results of its work to the Group Risk, Ethics and Compliance Committee as well as to the Board of Directors' Audit Committee. It carries out the following duties:

- implementing the internal audit plan approved by the Board of Directors' Audit Committee and drafting recommendations to improve risk management, compliance with internal control procedures, overall compliance and performance;

- conducting the internal control self-assessment campaign, which is coordinated and supervised at Group level; and
- coordinating the Group's risk mapping process for risk management purposes.

### 2.5.2.2 Management oversight at country level

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

Assisted by their local finance departments, country general management is responsible for applying the Group's procedures, supervising financial performance and approving the financial statement closing procedures for their respective subsidiaries.

The local finance departments 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 facilities comply with regulatory obligations. This includes providing support in relations with the supervisory authorities and monitoring the achievement of the contractual objectives defined with the latter.

All countries in which the Group operates have an information systems department tasked with ensuring the security of the management tools and, as far as possible, preventing malfunctions and thereby safeguarding business continuity. The work of these departments is coordinated at Group level.

## 2.5.3 Internal control systems for financial and accounting 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 in receipt of the Book

of Rules is responsible for its application and distribution within their teams. The Group Legal Department together with the local legal departments ensure that it is interpreted consistently.

### 2.5.3.2 Internal control standards

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

Each year, a supervised self-assessment campaign is conducted with the functional departments of each 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 each subsidiary and, where appropriate, to define the action plans to be implemented. In 2023, these standards included 113 key controls on 12 processes. The internal control reference framework was adjusted and aligned with the Group Standards to ensure consistency between both documents, which together form part of the Group's control environment.

### 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.

#### Budget process

Each year, all facilities prepare a budget based on the guidelines laid down by country general management and local finance departments. 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 Financial Control Department then examines and consolidates the budgets presented by the countries. The budget process also includes an update during the course of the year with the production of three forecasts based on the financial information from year-to-date results, thereby improving the accuracy and reliability of financial forecasts.

## Reporting

Each month, operational management control prepares a management report serving as a basis for discussion with facility directors and regional directors. This report is consolidated at the level of the operations departments and general management in each country.

These reports present key financial indicators including 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 formal country business reviews, general management, the finance departments and main functional departments of each country present the report to Group General Management.

In addition, the Group Financial Control Department produces a consolidated monthly report and incorporates the management data for each country into the Group information system. This report is also presented to Group General Management each month, and corrective measures are taken if necessary.

### 2.5.3.4 Preparation and control of financial information

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

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

- distributing financial and accounting principles in the form of a procedures manual, the Clariane Reporting and Accounting Manual;

- preparing precise instructions, including a detailed schedule, which are forwarded by the Group Financial Control Department to the subsidiaries before each consolidation exercise;
- consolidating data by sub-group;
- deploying and using a single shared information system across all of the Group's subsidiaries.

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

### 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 applicable governance rules).

The Company's available cash, whether sourced from credit facilities or from business cash inflows, can be made available to its subsidiaries through current account or inter-company loan agreements, in particular to finance their development transactions. Foreign subsidiaries may

occasionally take out local bilateral loans subject to prior approval by the Group Finance Department or the Board of Directors (depending on the applicable governance rules).

In addition, the Group has set up a centralised system for managing payments at the level of the administrative headquarters of every country in which 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 transactions concerning the consolidation scope and commitments

All investment and divestment transactions are subject to review and approval by the Group Commitments and Investment Committee. The Group Chief Executive Officer, the Group Chief Financial Officer, the Group Chief Real Estate and Development Officer, the Group Executive Vice President Business Development and New Countries, and the Group M&A and International Business Development Director are permanent members of these committees. The Secretariat is provided by the Finance Department, which obtains the opinions and recommendations of the internal experts concerned.

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

## 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.

The Group monitors incidents using a reporting system and an analytical approach that enable it to assess the criticality of operational risks and prioritise their treatment.

The system is based on reports submitted by staff under Serious Adverse Events (SAE) procedures, and reports filed on the Integrity whistleblowing platform (<https://clariane.integrityline.app>), and observations made by residents/patients and their families (complaints).

The results, analyses and proposals arising from this reporting are presented to and discussed by the Risk, Ethics and Compliance Committee.

Each country receives specific follow-up and support tailored to its needs.

### 2.5.4.2 “Serious Adverse Events” (SAE) procedures

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

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

In all countries in which the Group operates, facility directors must report all SAEs to their supervisors, who assess with the facility directors the level at which the incident should be handled.

Depending on the severity of the incident 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 added to a database that enables the Group to define any corrective actions that may be required. In addition, the Group performs a weekly consolidation and ranking of SAEs at Group level based on 14 criteria common to all countries.

This process is also defined in conjunction with the relevant 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 or envisaged), in accordance with the applicable regulations.

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

The Group has pressed ahead with its efforts to:

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

The Group’s Positive Care policy 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 reflects the Group’s constant attention to demonstrating positive care and respect and improving risk control upstream through preventive action. The Medical, Ethics and Health Innovation Department oversees this policy.

### 2.5.4.4 Quality Assurance process

Quality programmes are disseminated 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 Clariane Standard). This sets out the Group’s requirements under ISO 9001, which are taken up in Quality Assurance manuals drawn up for each country, applied alongside local regulatory requirements.

The aims of this approach are as follows:

- to structure and standardise quality assurance in all countries and business units;
- to benefit from an expert, neutral and independent view;
- to ensure Clariane’s practices are recognised through network certification;
- to encourage and facilitate the sharing of best practices as part of the continuous improvement approach to service quality.

The Quality Assurance Process is described in Chapter 3 of this Universal Registration Document.

The Quality Assurance Process is established at the European level by the Brand Commitments Department in liaison with the quality departments in each country, which in turn ensure that the Group's quality policy and operational risk management procedures are implemented and adhered to, while factoring in any specific features of local regulations.

## 2.5.5 Insurance and risk coverage

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

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

The Quality Assurance Process involves deploying a set of rules, policies, procedures and best practices, compiled together in national 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.

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

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

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

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







# 3

## Environmental, social and corporate governance

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## Message from Marion Cardon, Chief Brand, Engagement and Quality Officer

2023 was a pivotal year for Clariane in many ways.

First, it brought us to the end of our 2019-2023 CSR roadmap. Having achieved most of our objectives, we can now build on very solid foundations in terms of sustainable management and ownership by the different functions of our sector's key CSR challenges.

These initial commitments enabled us to adopt purpose-driven company status, with the approval of more than 99% of shareholders at the General Meeting held on 15 June 2023. This change opened a new chapter in our Group's social and environmental commitment, which is not only more demanding but also more inspiring, in line with the expectations and needs of our stakeholders. The announcement of our refinancing plan on 14 November 2023 indirectly illustrates the importance of having secured our Group's purpose, which will endure whatever the future holds in financial and organisational terms.

Now enshrined in our Articles of Association, this purpose was the direct inspiration for At Your Side, our new corporate project and, more specifically, one of its pillars, which aims to create a foundation of trust by implementing more inclusive and participative governance and integrating our social and environmental objectives into our activities, management and governance practices.

The Mission Committee, which met for the first time on 6 July 2023, has fully assumed its role as a challenger and verifier of the appropriate implementation of the purpose. Several plenary meetings and working groups have allowed members to get to know each other, establish their working methods and conduct an initial review of the various objectives and initiatives that give form to our purpose. The quality of the exchanges and the relevance of members' comments and contributions are essential input for the various teams tasked with overseeing the implementation of our initiatives, and a constant reminder of the need for consistency and setting priorities. Although it only covers six months, I am sure that their first report will fully reflect the richness and importance of this work.

Lastly, this year also saw the confirmation of a true identity for our community, Clariane, representing all the diversity of our expertise, our geographies and each of our people, united around our corporate purpose: "Taking care of each person's humanity in times of vulnerability." As Chief Brand, Engagement and Quality Officer, it is particularly important to me that our brands fully embody this commitment through the daily actions of our people. This genuine challenge spans the entire Group, with over 1,300 sites and branches across Europe. But it is also a responsibility towards our patients and residents, who entrust us with what matters most to them and whom we support on their path to independence, dignity and the maintenance of their full capacities.

## 3.1 ESG strategy integral to the corporate project



### Message from Olivier Robin, Group CSR\* Vice-President

I am delighted to have joined the Clariane Group during this eventful financial year, which saw increased commitment and ambition in terms of sustainability.

It also saw us confirm the progress made since 2019 on the 2019-2023 CSR roadmap, meeting or even exceeding most of the main CSR objectives.

For example, in terms of quality of care, the ISO 9001 certification process was instrumental in improving and securing our quality management systems. With 100% of our sites within the target scope now certified, the hard work undertaken by all of our facilities was almost certainly one of the driving forces behind the more than 8-point increase in our patient/resident/family recommendation score compared with 2022. Rolled out in all of our nursing homes, Positive Care is now a benchmark for our teams and a foundation on which we will continue to build an increasingly personalised and human approach to care.

Reflecting the efforts made to improve the well-being and development of our employees, we obtained European Top Employer certification for the first time, in recognition of the maturity of our human resources policies and their operational implementation across all of our activities.

With more than 7,100 qualifying training paths in 2023, Clariane has enabled nearly 12% of its employees to further develop their skills and increase their employability.

The Group has also continued its efforts to limit its energy consumption, with a 13% reduction compared with 2021. The implementation of an energy transformation plan across all countries and activities will continue this reduction over the coming years, bringing it to 30% by 2026, hand in hand with a significant increase in the share of renewable energy in the Group's energy mix. To provide an even better framework for its ambitions and focus them on the long term, Clariane also joined the Science Based Targets initiative in 2023 and submitted its greenhouse gas emission reduction targets for Scopes 1 to 3.

Building on these achievements, we worked closely with the country teams to develop the new 2024-2028 CSR strategy. Structured around the five social and environmental objectives of our purpose and the principle of inclusive governance, it gives the entire organisation a role in increasing our social impact for all of our stakeholders. Bringing the purpose to life at the core of each of our facilities is the challenge of this new roadmap.

\* CSR: Corporate Social Responsibility.

### 3.1.1 A 2019-2023 roadmap focusing on 5 pillars and 15 commitments

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

#### A mission closely tied to societal challenges

The Group's societal role is at the heart of its corporate purpose and mission: "Taking care of each person's humanity in times of vulnerability" and the At Your Side corporate project. It is manifest in each of the Group's facilities in Europe, which are deeply rooted in their communities, aware and sensitive to the social and environmental realities of their countries. We are proud of our mission of serving the most vulnerable and elderly among us.

Following on from these commitments, and after becoming a European company in 2022, we have become a purpose-driven company in accordance with the mandate given by our shareholders at the General Meeting of 15 June 2023.

#### Values



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

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

These values can be seen in behaviours and attitudes that draw on the Group's DNA and guide everyone's decisions in fulfilling the Group's purpose:

- **Trust** is about being able to rely on others. We need trust in all our relationships. It can be broken down into different attitudes such as transparency, kindness and empathy;

- **Responsibility** means being mindful of the impact of our decisions and actions. Our responsibilities and ethical obligations are always central to our day-to-day work. Responsibility is demonstrated through integrity, the quality of our services and the sustainability of our actions;

- **Initiative** means proposing actions or making decisions without being asked, to better meet the needs of the people we care for and our patients, to better organise our work or to support our colleagues. Initiative grows through innovation, collective commitment and courage.

#### Stakeholder dialogue and materiality matrix

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

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

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

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

A BROAD STAKEHOLDER ECOSYSTEM

Stakeholders	Definition and scope	Dialogue channels
Vulnerable people, relatives and caregivers	Residents, patients, beneficiaries of services – in particular elderly and vulnerable people – as well as their families, relatives and caregivers	<ul style="list-style-type: none"> <li>• Social Life Committee/Users Commission or equivalent</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>• Onboarding process, training, annual reviews</li> <li>• Community Pulse satisfaction surveys</li> <li>• Internal communication: Intranet, newsletter</li> <li>• Helpline, whistleblowing system</li> <li>• Social dialogue with social partners (e.g., works councils)</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 in France, local employment and integration, etc.</li> </ul>
Regulators	Regulators of the healthcare and nursing 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, breakfasts, 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 Gérotopôle (geriatrics centre)</i> , etc.	<ul style="list-style-type: none"> <li>• Partnerships</li> <li>• Scientific studies</li> <li>• Participation in conferences, seminars</li> </ul>
Healthcare professionals and their representative bodies	Community of internal and external healthcare professionals who interact with the Group, patients, residents, recipients of services, as well as relatives; doctors and specialists, caregivers, nurses, psychologists, physiotherapists, dieticians, psychomotor specialists and pharmacy professionals, etc., along with their representative bodies	<ul style="list-style-type: none"> <li>• Social Life Committees</li> <li>• Stakeholder Councils</li> <li>• Facility Medical Commissions for the healthcare facilities</li> </ul>
Business partners	Partner companies, suppliers and subcontractors, particularly in the agri-food, healthcare goods and equipment, design and construction, energy, water and waste sectors, etc.	<ul style="list-style-type: none"> <li>• Responsible Purchasing Charter for suppliers</li> <li>• Supplier agreements and trade fairs</li> <li>• Professional organisations (Top Afep)</li> </ul>
Investors and other financial partners	Shareholders and holders of other equity or debt securities and instruments issued or guaranteed by the Group or any of its subsidiaries, banks and other financial institutions, as well as financial analysts, credit or non-financial rating agencies	<ul style="list-style-type: none"> <li>• Shareholders' General Meeting</li> <li>• Investor days, conferences and meetings with investors and financial analysts, non-financial rating agencies</li> <li>• Presentations, annual and half-year financial reports, press releases, Universal Registration Documents, etc.</li> </ul>



### Methodology

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

Numerous discussion groups were organised in each of the Group's countries. Nearly 2,000 people took part in these, including patients, residents, their relatives and families, Clariane teams, trade union representatives, etc. As a second step, Clariane 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 heads) and the Group's main corporate departments.

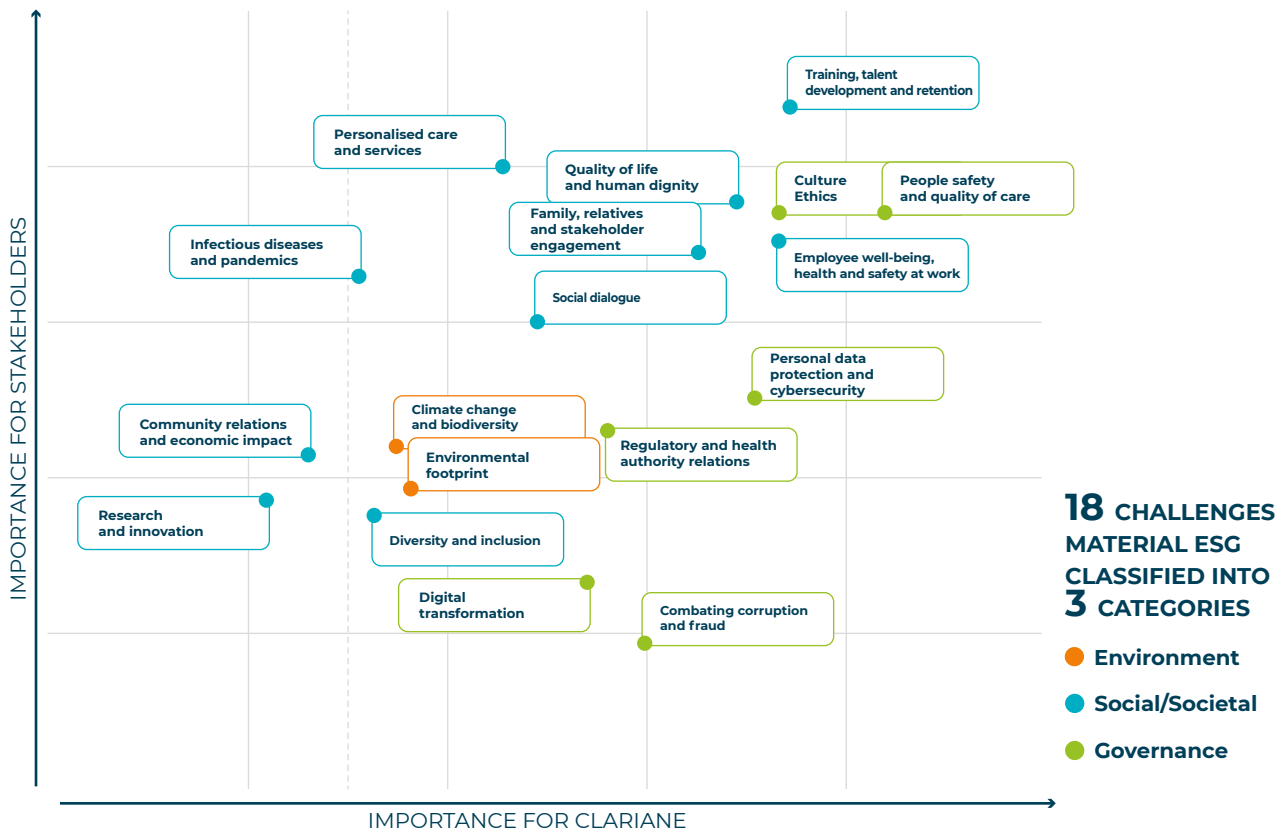
This process helped to refine the mapping of Group stakeholders and identify priority objectives according to their ESG impact, as related to:

- Clariane's purpose;
- ESG strategic pillars;
- non-financial risks.

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

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

### Materiality matrix



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

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

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

This consultation highlighted the importance of some of the ESG challenges in our materiality matrix and directly informed the definition of the social and environmental objectives that, together with our corporate purpose, define us as a purpose-driven company.

OUR 5-PILLAR CSR STRATEGY FOR 2019-2023

THE 5 PILLARS OF THE CSR STRATEGY

**1**

**PROVIDE CARE EXCELLENCE  
WHILST ENSURING  
DIGNITY AND CHOICE**




**2**

**BE  
A LEADING EMPLOYER**






**3**

**CONTRIBUTE TO FINDING  
INNOVATIVE SOLUTIONS  
FOR A MORE INCLUSIVE SOCIETY**






**4**

**BE A COMMITTED AND  
RESPONSIBLE LOCAL PLAYER**





**5**

**REDUCE OUR  
ENVIRONMENTAL FOOTPRINT**







OUR 18 MATERIAL ESG CHALLENGES

- Quality of life and human dignity
  - Family, relatives and stakeholder engagement
  - People safety and quality of care
  - Infectious diseases and pandemics
  - Ethical culture
- 
- Employee well-being, health and safety at work
  - Social dialogue
  - Diversity and inclusion
  - Training, talent development and retention
- 
- Digital transformation
  - Personalised care and services
  - Research and innovation
- 
- Community relations and economic impact
  - Regulatory and health authority relations
  - Combating corruption and fraud
  - Personal data protection and cybersecurity
- 
- Climate change and biodiversity
  - Environmental footprint

A CSR strategy focusing on five pillars, aligned with the Sustainable Development Goals (SDGs) and consistent with international standards

Clariane’s CSR 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.

For the period 2019-2023, the Group established a CSR roadmap focusing on five pillars and 15 quantitative ESG commitments, which meet its material challenges and are based on the main international non-financial reporting standards (such as those of the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI) and the UN’s 17 Sustainable Development Goals (SDGs)).

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

NOUS SOUTENONS  
LE PACTE MONDIAL



Since 2019, Clariane has also been a signatory of the United Nations Global Compact, committed to supporting its ten principles on human rights, international labour standards, environmental protection and the fight against corruption.

In December 2023, Clariane submitted its Communication on Progress (COP) to explain, measure and demonstrate to its stakeholders the progress made in relation to the ten principles during the previous year. The COP can be consulted on the UN Global Compact website (<https://unglobalcompact.org/what-is-gc/participants/137885-Korian>).

## Five pillars of the ESG strategy

## 1 PROVIDE CARE EXCELLENCE WHILST ENSURING DIGNITY AND CHOICE



## Sustainable Development Goals

## Good health and well-being

3.4 Promote mental health and well-being



## Industry, innovation and infrastructure

9.1 Develop quality reliable, sustainable and resilient infrastructure

## 2 BE THE EMPLOYER OF CHOICE



## Quality education

4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship



## Gender equality

5.1 End all forms of discrimination against all women and girls everywhere

5.2 Eliminate all forms of violence against all women and girls in the public and private spheres



## Decent work and economic growth

8.8 Protect labour rights and promote safe and secure working environments for all workers



## Reduced inequalities

10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action

## 3 CONTRIBUTE TO FINDING INNOVATIVE SOLUTIONS FOR A MORE INCLUSIVE SOCIETY



## Good health and well-being

3.4 Promote mental health and well-being



## Decent work and economic growth

8.6 Significantly reduce the proportion of youth not in employment, education or training



## Industry, innovation and infrastructure

9.5 Enhance scientific research and public and private research and innovation spending



## Partnerships for the goals

17.17 Encourage and promote effective public, public-private and civil society partnerships

## 4 BE A COMMITTED AND RESPONSIBLE LOCAL PLAYER



## Decent work and economic growth

8.3 Promote the creation of decent jobs and stimulate the creation of small- and medium-sized enterprises



## Reduced inequalities

10.2 Empower and promote the social and economic integration of all, irrespective of economic status



## Responsible consumption and production

12.6 Encourage companies to adopt sustainable practices and to integrating sustainability information into their reporting cycle

## 5 REDUCE OUR ENVIRONMENTAL FOOTPRINT



## Affordable and clean energy

7.2 Increase substantially the share of renewable energy

7.3 Improve energy efficiency



## Industry, innovation and infrastructure

9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.



## Sustainable cities and communities

11.6 Reduce the adverse environmental impact of cities, including by paying special attention to air quality and waste management



## Responsible consumption and production

12.3 Reduce food waste

12.4 Achieve the environmentally sound management of waste to reduce pollution

12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse



## Climate action

13.2 Integrate climate change measures into policies and strategies

**A 2019-2023 CSR roadmap focusing on 15 quantifiable and measurable ESG commitments**

The 2019-2023 CSR roadmap indicators are presented below. They are monitored by the Group's CSR department in collaboration with the countries and corporate departments

to measure progress in CSR performance. Indicators are subject to reporting during monthly and quarterly business reviews.

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

**2019-2023 CSR ROADMAP ACHIEVEMENTS**

THE 5 PILLARS OF THE CSR STRATEGY	OUR 15 COMMITMENTS THROUGH 2023	2021	2022	2023	OBJECTIVES FOR 2023
<b>1</b> Provide care excellence whilst ensuring dignity and choice	100% of facilities Positive Care by 2023	80%	97%	100%	100%
	100% of facilities ISO-certified in 2023	29% target of 15%	67.7% target of 50%	100%	100%
	1 mediator per country & customer charter by 2023	in place  ongoing	in place  ongoing	7 countries	7 COUNTRIES
<b>2</b> Be the employer of choice	Maintain and increase average seniority	7.4 years	7.3 years	7.5 years	≥6.7 years in 2019
	10% of employees enrolled on qualifying training paths by 2023	9.7%	11.8%	11.7%	10%
	50% women in top management by 2023 (10% increase)	47%	56%	54%	50%
<b>3</b> Contribute to finding innovative solutions for a more inclusive society	1% of the Group's attributable net profit dedicated to philanthropic initiatives	€1.5M	€1.8M	€2.1M	1% of attributable net profit
	Stakeholder Council in each country by 2023			5 countries	7 COUNTRIES
	5 scientific communications per year	40	109	82	>5
<b>4</b> Be a committed and responsible local player	70% of purchases made locally and 20% with SMEs	78% SME 36%	80% SME 43%	79% SME 40%	70% local/ 20% SME
	100% of sites involved in a project with local communities by 2023	99%	99%	97%	100%
	100% of facilities with local and family committees by 2023	89%	94%	97%	100%
<b>5</b> Reduce our environmental footprint	Rollout the low-carbon roadmap	-6.8% kgCO <sub>2</sub> /m <sup>2</sup>	-25% kgCO <sub>2</sub> /m <sup>2</sup>	-29% kgCO <sub>2</sub> /m <sup>2</sup>	40% decrease in the energy intensity of buildings by 2030
	5% reduction in residual waste by 2023	-7.6% metric tonnes/bed	-6.1% metric tonnes/bed	-16% metric tonnes/bed	-5%
	100% of new buildings certified High Environmental Quality (HQE) or equivalent.	95%	100%	100%	100%

\* Versus 2019.

OBJECTIVE ACHIEVED

(1) Socially Responsible Investment.

### 2019-2023 ESG commitments integrated into the annual and long-term variable compensation policy

ESG commitments are adapted and incorporated into top management's annual objectives and long-term performance share plans<sup>(1)</sup>. This also applies to all eligible managers in each country and business line.

ESG criteria – annual variable compensation of top management in 2023 (30%)	5% Customer satisfaction measured by the Net Promoter Score (NPS)	10% % ISO 9001 certifications	10% Composite human resources indicator (lost-time accident frequency rate, number of qualifying training enrolments and average seniority)	5% Reduction in energy consumption vs. 2021	
ESG criteria – long-term performance share plan (2023-2025) (50%)	20% Composite nursing home care quality indicator (pressure sore rates, passive restraint rates, personalised plan rate)	15% Reduction of the energy-related carbon footprint	15% Percentage of women on Group and national management committees		
ESG criteria – annual variable remuneration for managers in 2023 (the proportion of each indicator varies according to function and level) – France	Customer satisfaction measured by the Net Promoter Score (NPS)	% ISO 9001 certifications	Composite human resources indicator (lost-time accident frequency rate, number of qualifying training enrolments and average seniority)	Reduction in energy consumption vs. 2021	Composite nursing home care quality indicator (pressure sore rates, passive restraint rates, personalised plan rate)
ESG criteria – variable annual compensation for managers in 2023 – Outside France	Depending on the country, ESG criteria are applied to eligible managers (facility directors in particular) and adapted to the specifics of the relevant business and country. Non-financial criteria can therefore represent between 25% and 50% of the total criteria taken into account.				

(1) Top management = executive managers of the Group's corporate and operational departments.



## 3.1.2 Rigorous management of non-financial risks

### Challenges and management of non-financial risks

The Group updates its risk identification and assessment annually.

The methodology for identifying risks, their description and the associated management systems are described in more detail in chapter 2 of this Universal Registration Document.

Some of the risks identified and assessed by the Clariane Group have a significant environmental, social or governance component that could impact the Group, its business, its performance and its stakeholders. They also reflect the key challenges identified in the Group's materiality matrix.

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 CSR strategy	Non-financial risks/ challenges identified	Policies and actions put in place	2023 key performance indicators (KPIs)	Chapter 3 section
<b>1</b> Provide care excellence whilst ensuring dignity and choice	<ul style="list-style-type: none"> <li>Treatment and care (section 2.1.2)</li> </ul>	<ul style="list-style-type: none"> <li>Ethics, Medical and Quality policies included in the ISO 9001 quality manuals for each activity (Clariane 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: 100% of the network<sup>(1)</sup></li> <li>Frequency of SAEs relating to the health, safety and security of residents and patients: ratio of 0.59 per 10,000 days spent in a facility</li> </ul>	Section 3.2.1 Section 3.2.7.2
	<ul style="list-style-type: none"> <li>Reputational risk (section 2.1.4)</li> </ul>	<ul style="list-style-type: none"> <li>Ethics, Medical and Quality policies included in the ISO 9001 quality manuals for each activity (Clariane Standard)</li> <li>Customer Care Charter</li> <li>Processing of customer complaints</li> <li>Mediation</li> <li>Crisis management procedures</li> </ul>	For long-term care nursing homes, assisted living facilities, clinics and home care: <ul style="list-style-type: none"> <li>Average Group satisfaction score: 8.1/10</li> <li>Group NPS<sup>(2)</sup>: 44</li> </ul>	Section 3.2.6 Section 3.2.7.3
	<ul style="list-style-type: none"> <li>Safety of people (section 2.1.6)</li> </ul>	<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 (Clariane Standard)</li> </ul>	<ul style="list-style-type: none"> <li>360° Quality Audits: 72% of facilities certified A or B</li> <li>Percentage of facilities with ISO 9001 certification: 100% of facilities certified<sup>(3)</sup></li> </ul>	Section 3.2.6
	<ul style="list-style-type: none"> <li>Information systems, cybersecurity and personal data protection (section 2.1.5)</li> </ul>	<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>	Maturity of the Group's GDPR internal control system: maturity level 2, on a scale from 1 (very satisfactory) to 4 (insufficient in scope or formalisation).	Section 3.2.7.1
<b>2</b> Be the employer of choice	<ul style="list-style-type: none"> <li>Recruitment and employee retention (section 2.1.3)</li> </ul>	<ul style="list-style-type: none"> <li>Design of new recruitment strategies, measures taken to promote talent retention and loyalty</li> </ul>	<ul style="list-style-type: none"> <li>Absenteeism rate (permanent and non-permanent workforce): 11.4%</li> <li>Turnover rate: 22.6%</li> <li>Average seniority: 7.5 years</li> </ul>	Section 3.3.1 Section 3.3.2 Section 3.3.2.2
		<ul style="list-style-type: none"> <li>Training organisations and skills development programmes, qualifying training programmes</li> </ul>	<ul style="list-style-type: none"> <li>Number of hours of training given (face-to-face training and e-learning): 804,792 hours</li> <li>Employees enrolled in a qualifying training programme: 11.7%</li> </ul>	Section 3.3.3.2 Section 3.3.3.3

(1) This indicator is based on care homes that have been open or part of the Group for at least two years.

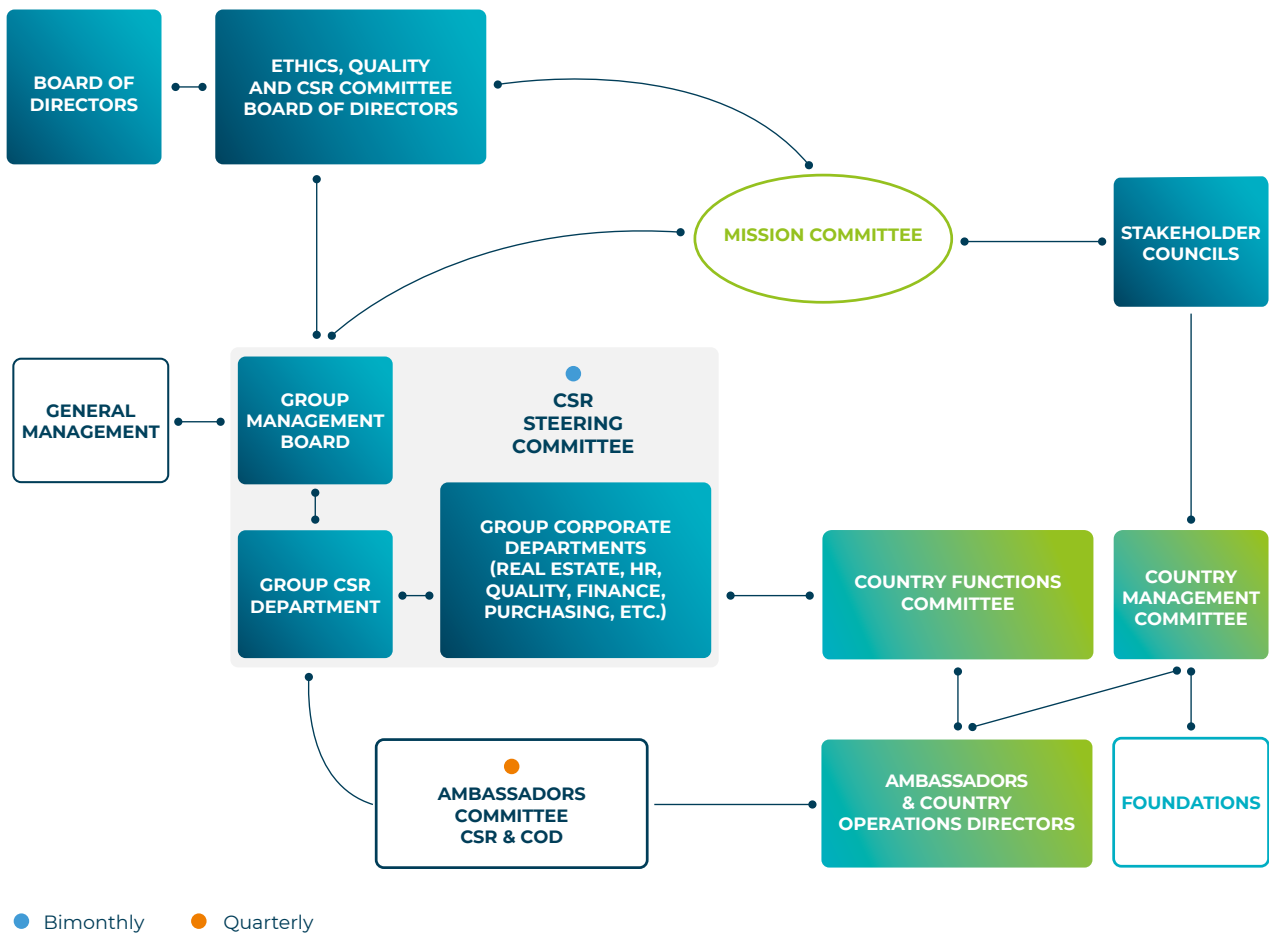
(2) The calculation of the NPS corresponds to the share of promoters (scores 9 and 10/10) less the percentage of detractors (scores from 0 to 6/10).

(3) Scope of 836 facilities adjusted for 55 disposals, mergers or closures between 2021 and 2023, i.e., 771 facilities, used as the basis for this indicator, which is part of the ESG objectives monitored annually as part of the Sustainability-Linked Euro Private Placement.

Pillars of the CSR strategy	Non-financial risks/challenges identified	Policies and actions put in place	2023 key performance indicators (KPIs)	Chapter 3 section
<b>2</b> <b>Be the employer of choice</b>	<ul style="list-style-type: none"> <li>Recruitment and employee retention (section 2.1.3)</li> </ul>	<ul style="list-style-type: none"> <li>Social dialogue and occupational health and safety policy at Group and country level</li> </ul>	<ul style="list-style-type: none"> <li>European Company Works Council</li> <li>Share of employees covered by a social dialogue or collective agreement system: 100% (excluding the United Kingdom)</li> <li>Frequency rate: 37</li> <li>Severity rate: 1.36</li> </ul>	Section 3.3.2.5
		<ul style="list-style-type: none"> <li>Development of inclusion and gender equality policies, Clariane 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: 81%</li> <li>Percentage of women in top management: 54%</li> </ul>	Section 3.3.2.4
		<ul style="list-style-type: none"> <li>Transparent and attractive compensation policy</li> </ul>		
<b>3</b> <b>Contribute to finding innovative solutions for a more inclusive society</b>	<ul style="list-style-type: none"> <li>Issues related to medical research and societal changes (section 3.4)</li> </ul>	<ul style="list-style-type: none"> <li>Support and participation in medical research, in particular through the foundations</li> <li>Establishment of Stakeholder Councils in each country – Outreach initiatives</li> </ul>	<ul style="list-style-type: none"> <li>82 scientific communications</li> <li>1 Stakeholder Council in 5 countries</li> <li>€2.1 million devoted to philanthropic initiatives</li> </ul>	Section 3.4.1 Section 3.4.3
		<ul style="list-style-type: none"> <li>Ethics (section 2.3.3)</li> </ul>	<ul style="list-style-type: none"> <li>Ethics Charter, anti-corruption policy, Group gifts and invitations policy, sponsorship policy, Responsible Purchasing Charter, third-party assessment procedure</li> <li>Whistleblowing system: secure external platform open to all employees</li> </ul>	<ul style="list-style-type: none"> <li>Deployment of the Ethics Charter across 100% of the Group's facilities and systematic communication to new employees</li> <li>89.5% of top management has completed the anti-corruption training</li> </ul>
<b>4</b> <b>Be a committed and responsible local player</b>	<ul style="list-style-type: none"> <li>Challenges associated with responsible purchasing</li> </ul>	<ul style="list-style-type: none"> <li>Purchasing policy</li> <li>Responsible Purchasing Charter</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of local purchases: 79%</li> <li>Percentage of purchases with SMEs: 40%</li> <li>Percentage of preferred suppliers assessed by EcoVadis: 44%</li> </ul>	Section 3.5.2.2
	<ul style="list-style-type: none"> <li>Property development and construction (section 2.2.3)</li> </ul>	<ul style="list-style-type: none"> <li>Low-carbon roadmap for building energy</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of real estate projects in 2023 certified HQE (French High Environmental Quality certification) or equivalent: 100%</li> </ul>	Section 3.6.3
<b>5</b> <b>Reduce our environmental footprint</b>	<ul style="list-style-type: none"> <li>Global warming and environmental damage (section 2.3.2)</li> </ul>	<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): 29.2 kgCO<sub>2</sub>e/sq.m. (reduction of 29% vs. 2019)</li> <li>Water consumption: 57.4 cu.m./bed</li> <li>Residual waste: 427 kg/bed (down 16% vs. 2019)</li> </ul>	Section 3.6.3 Section 3.6.4

### 3.1.3 Structured and robust CSR governance

#### CSR GOVERNANCE (2023)



To develop and implement its CSR strategy, the Group has set up dedicated governance comprising the following bodies.

- Board of Directors assisted by its Ethics, Quality & CSR Committee: design of the CSR strategy and monitoring of its execution;
- Group Management Board: execution of the CSR strategy and monitoring of the actions carried out in each of the pillars by the Chief Brand, Engagement and Quality Officer with support of a dedicated CSR Department;
- Group CSR Department: steering of sustainable development actions hand in hand with the Human Resources, Medical, Real Estate, Purchasing, Operations and Investor Relations corporate departments as well as with the network of country CSR ambassadors. Coordination of the fortnightly Group CSR 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 CSR strategy and monitoring of the achievement of objectives, while sharing best practices between countries.

Since July 2023, when it became a purpose-driven company, Clariane has also had a Mission Committee dedicated to monitoring the implementation of the Group's purpose and its five social and environmental objectives, which are directly served by the Group's new CSR 2024-2028 strategy, described in detail in section 3.1.4.3.

The Group's CSR strategy is also shaped by the work and opinions of bodies linked to its external stakeholders:

- Clariane Stakeholder Councils in the Group's five main markets, four of whose chairs also sit on the Clariane Mission Committee;
- the Clariane Foundation in France (created in September 2017), the Korian Foundation for Care and Aging with Dignity in Germany (created in February 2020) and the FITA Foundation for mental health in Spain.

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

### 3.1.4 Adoption of purpose-driven company status and our new 2024-2028 CSR strategy

#### 3.1.4.1 Aims of our adoption of purpose-driven company status and defining our corporate purpose

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

This transformation was accompanied by our adoption of purpose-driven company status, with the following objectives:

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

Our adoption of purpose-driven company status, which was approved by more than 99% of votes cast at the General Meeting held in June 2023, was accompanied by the inclusion of a new purpose in our amended Articles of Association, filed with the Commercial Court:

**“Taking care of each person’s humanity  
in times of vulnerability.”**

#### 3.1.4.2 Key stages leading to the adoption of purpose-driven company status in 2023

The process of preparing for the adoption of purpose-driven company status began in March 2022 and continued until the first half of 2023, when the Mission Committee fully took up its duties and began its work in earnest. The key stages were as follows:

- March to December 2022: project launch, awareness-raising among top management and consultation of all stakeholders;
- November 2022 to February 2023:
  - drafting of our corporate purpose and social and environmental objectives,
  - identification of operational objectives and initiatives in line with our mission,
  - creation of the Mission Committee;

It also came with five social and environmental objectives:

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

- February to June 2023:
  - preparation of a first roadmap detailing the implementation plans and indicators for operational initiatives in line with our social and environmental objectives,
  - assimilation by the Mission Committee of the company's context and challenges, preparation of the Committee's inaugural meeting;
- 15 June 2023: approval of the adoption of purpose-driven company status at the General Meeting;
- 6 July 2023: first plenary meeting of the Mission Committee, followed by two further meetings in September and November 2023;
- five working groups of Mission Committee members on each of the five purpose commitments also met during the second half of 2023.

The work carried out by the Mission Committee during this six-month period is set out in an initial report published at the same time as this Universal Registration Document and available to anyone wishing to consult it, notably on the Group's website.

3.1.4.3 2024-2028 CSR strategy and 2024-2026 targets

A new 2024-2028 CSR strategy to underpin the Group's purpose

Following the completion of the 2019-2023 CSR roadmap and the adoption of purpose-driven company status, the Group reviewed its CSR strategy to align it fully with the five social and environmental objectives of the purpose and ensure that each of its CSR initiatives contributes to their achievement.

2024-2028 CSR STRATEGY

**5 SOCIAL & ENVIRONMENTAL OBJECTIVES**

**CONTRIBUTION TO THE MAIN SDGS**



**1 CROSS-CUTTING PRINCIPLE INCLUSIVE GOVERNANCE**

1

ACT WITH **RESPECT AND CONSIDERATION** TOWARDS ALL STAKEHOLDERS

- Quality of care
- Employee health and safety
- Support and togetherness
- Diversity and inclusion

2

IMPLEMENT A **SUSTAINABLE AND BALANCED BUSINESS MODEL**

- Integrity
- Employability and talent development
- Value-sharing
- Women's empowerment

3

ADAPT OUR BEHAVIOUR TO PROTECT **THE LIVING ENVIRONMENT OF OUR COMMUNITIES**

- Climate
- Circularity
- Natural resources & biodiversity
- Raising awareness and commitment

4

BUILD A **DYNAMIC AND RESILIENT LOCAL ECOSYSTEM**

- Local economy
- Local communities

5








IMPROVE CARE AND QUALITY OF LIFE PRACTICES THROUGH **INNOVATION**

- Medical research
- Innovation in care and health

PROMOTE **AWARENESS AND CONTRIBUTION** OF ALL STAKEHOLDERS TO THE MISSION



Based on this strategy, a new CSR roadmap has been developed for 2024-2026, with a selection of new ESG indicators and targets, which are presented below.

2026 CSR TARGETS				
		2023	2024	2026
	<b>Consideration score (out of 10)</b>	8.3	≥8.0	≥8.0 at Group level and in all countries
	<b>Patient/resident/families Net Promoter Score (-100 to +100)</b>	44	≥40	≥40
	<b>Employee Net Promoter Score (-100 to +100)</b>	0	0	5
	<b>Employee turnover</b>	22.6%	22%	18%
<b>CONSIDERATION</b>  	<b>Quality of care composite (care homes)<sup>(1)</sup></b>			
	■ Residents with pressure sores	2.7%	≤5%	≤5%
	■ Use of physical restraints (bed rails, jumpsuits, belts, etc.)	15.2%	14%	12%
	■ Residents with up-to-date personalised plan	87.7%	97%	99%
	<b>Facilities ISO 9001 or Qualisap certified (facilities in the Group for 3 years or more)</b>			
	■ Nursing homes and clinics	100% of 2019 scope	≥95%	≥95%
	■ Other activities	N/A*	40%	≥95%
<b>Lost time accident frequency rate</b>	37	34	29	
<b>Absenteeism rate</b>	11.4%	11.4%	10.8%	
<b>FAIRNESS</b>  	<b>Employees enrolled on qualifying training paths</b>	7,171	7,000	7,200
	<b>Site manager positions filled internally</b>	N/A*	30%	75%
	<b>Women on Group and country management boards</b>	42%	≥30%	≥40%
	<b>Women in Group top management (≈Top 150)</b>	54%	≥50%	≥50%
<b>SUSTAINABILITY</b>  	<b>Energy-related GHG emissions vs. 2021</b>	-14%	-17%	-27%
	<b>Waste sorted and recycled</b>	N/A*	Initial measurement	30%
	<b>CSR awareness raising initiatives</b>	N/A*	2 per country	4 per country
<b>LOCALITY</b>  	<b>Purchases of national origin with referenced suppliers</b>	79%	≥75%	≥75%
<b>INNOVATION</b>  	<b>Scientific and health innovation communications</b>	82	56	80
<b>INCLUSIVE GOVERNANCE</b>  	<b>Sites with active local stakeholder dialogue</b>	N/A*	Initial measurement	≥95%
	<b>Active national stakeholder councils</b>	5	5	All countries
	<b>Site managers trained in social dialogue</b>	N/A*	40%	≥95%

(1) See definitions in section 3.8.3 "Methodological note" \* New Group indicators

In line with regulatory developments, in particular the EU Corporate Sustainability Reporting Directive (CSRD), and the recommendations of the Mission Committee, the Group aims to develop new indicators in certain areas by 2026 to allow it to better measure the impact of its social, societal and environmental activities.

**Incorporating the new non-financial objectives into the 2024 annual objectives**

In 2024, the non-financial criteria included in short and long-term variable compensation will be updated in line with the new CSR roadmap, while maintaining continuity with the previous criteria.

ESG criteria – annual variable compensation of top management in 2024 <sup>(1)</sup> (30%)	10%	12%	4%	4%
	Customer satisfaction measured by the Net Promoter Score (NPS)	Composite human resources indicator (lost-time accident frequency rate, number of enrolments on qualifying training courses, turnover rate and absenteeism rate)	Composite nursing home care quality index (pressure sore rates, restraint rates, personalised plan rate)	Reduction in energy consumption vs. 2021
ESG criteria – long-term performance share plan (2024-2026) (40%)	10%	10%	10%	10%
	Consideration score	Reduction of the energy-related carbon footprint	Employee engagement rate	Percentage of women on Group and national management committees
ESG criteria – variable remuneration for managers in 2024 (the proportion of each indicator varies according to function and level) – France	10%	10%	10%	10%
	Composite nursing home care quality index (pressure sore rates, restraint rates, personalised plan rate)	Reduction of the energy-related carbon footprint	Employee engagement rate	Percentage of women on Group and national management committees

(1) Top management = executive managers of the Group's corporate and operational departments.

### 3.1.4.4 Financing closely linked to non-financial criteria

Since 2020, Clariane has implemented financing based on non-financial criteria, thereby strengthening the link between financial, social and environmental performance.

The table below shows the list of financing implemented and in progress:

Issue date → Maturity date	Type of financing	Amount	Additional information
29 June 2020 → 29 June 2028	Sustainability-Linked Euro Private Placement	€230 million	<ul style="list-style-type: none"> <li>Private placement based on three of the Group's 15 main 2023 ESG commitments:               <ul style="list-style-type: none"> <li>quality: achieve ISO 9001 certification for all facilities,</li> <li>employees: double the proportion of staff members participating in qualifying training programmes to reach 8%,</li> <li>society: reduce direct and indirect CO<sub>2</sub> emissions.</li> </ul> </li> <li>Depending on the extent to which each of these targets are met, the interest rate on the bonds may be increased or reduced by up to 20 basis points. If the interest rate increases, half of the increase will be allocated to internal compensatory measures and/or paid to one or more external partners (such as associations or NGOs), the other half being paid to investors.</li> <li>An independent body, tasked with reviewing the non-financial performance statement, verifies the achievement of the above commitments each year.</li> </ul>

#### ACHIEVEMENT OF 2023 ESG TARGETS OF SUSTAINABILITY-LINKED EURO PRIVATE PLACEMENT

KPIs	Objectives for 2023	Achievement	Results and notes
ISO 9001 certifications	100% 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 2023, the Group had an ISO 9001 certification rate of 100% of the European network considered for financing purposes, compared to 67.7% in 2022, 29% in 2021, 11% in 2020 and 8% in 2019. The number of facilities in a position to be certified at 31 December 2019, i.e. 836 establishments, has been restated for the 55 establishments sold, merged or closed in 2021, 2022 and 2023.
Employees enrolled in qualifying training programmes	Have at least 8% of employees enrolled in qualifying training programmes during the year, with a minimum of 6,000 people.	√	In 2023, 7,171 people, or 11.7% of the workforce (FTE), were enrolled in a qualifying training programme.
Reduction in CO <sub>2</sub> emissions	Pursuant to the notice sent to investors by Euroclear on 24 December 2021, the target for 2023 was to achieve a 5.2% reduction in carbon emissions compared to 2019 emissions, which amounted to 41 kgCO <sub>2</sub> /sq.m..	√	In 2023, the Group's carbon emissions totalled 29.2 kgCO <sub>2</sub> e/sq.m., representing a 29% reduction compared to 2019.
15 June 2021 perpetual	Non-convertible green hybrid bond	£200 million	<ul style="list-style-type: none"> <li>The purpose of these funds is to finance the refurbishment, acquisition and development of property assets that meet the criteria set out in the Green Bond Framework published by the Group in May 2021.</li> <li>The latest report on the allocation of funds from this financing (95% allocated at end-2023) was published on the Sustainable Finance page of the Clariane website (<a href="https://www.clariane.com/en/investor-area/sustainable-finance">https://www.clariane.com/en/investor-area/sustainable-finance</a>) on 15 June 2023, together with the certificate of partial allocation of funds issued by our auditors.</li> </ul>
15 October 2021 → 15 October 2028	Social public bond	€300 million	<ul style="list-style-type: none"> <li>The purpose of these funds is to finance or refinance eligible social projects in accordance with the Group's October 2021 Social Financing Framework, in particular to finance the growing need for care in Europe, in the medical and social sector, in healthcare facilities, as well as in shared housing and home care.</li> <li>The fund allocation report was published on the Sustainable Finance page of Clariane's website (<a href="https://www.clariane.com/en/investor-area/sustainable-finance">https://www.clariane.com/en/investor-area/sustainable-finance</a>) in October 2022. It was accompanied by the total fund allocation certificate issued by our auditors.</li> </ul>
10 July 2023 → 25 January 2027	Sustainability-Linked Euro Private Placement	€40 million	This financing, implemented with Eiffel Investment Group, is linked to the Group's new ESG roadmap. The financial terms of the loan take into account the Group's non-financial commitments in terms of quality of care and occupational health and safety.



**CLARIANE ESG STRATEGY – OUR OFFERING FOR OUR RESIDENTS AND PATIENTS**

“Our primary responsibility is to ensure excellence in care while respecting the dignity and freedom of choice of vulnerable people and their loved ones, while maintaining as much autonomy as possible. This involves a philosophy of care built around the person and his or her needs, respectful of his or her expectations. This is the meaning of the Positive Care approach:

- we guide the people receiving care and caregivers towards the care solution that suits them;
- we are gradually developing a diversified range of services and support in local communities;
- we are implementing a Customer Care Charter in our network, which formalises the Group’s values, mission and commitments to its residents and patients;
- the autonomy of our residents and patients is supported by our Positive Care approach, which values the capabilities and desires of residents and patients,

and includes a range of non-drug therapies. By the end of 2023, non-drug therapy equipment and associated training had been rolled out in 100% of the Group’s nursing homes for more than two years;

- the quality of our facilities will be guaranteed by the ISO 9001 quality standard: our aim is for 100% of the sites in the 2019 scope to be certified by 2023. The “360° quality” vision will be supplemented by the integration of quality initiatives and measures for residents, patients, families and employees according to a common approach guaranteeing operational excellence;
- we aim for mediation systems to be offered in each of the countries where we operate, in addition to the systems for identifying and processing complaints, to settle disputes that may arise in our facilities with the people we receive in an ethical manner and by favouring dialogue and listening.”

## 3.2 Provide care excellence whilst ensuring dignity and choice

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

### 3.2.1 Positive Care approach

Reflecting Clariane's humanist corporate purpose, Positive Care guides all the Group's activities and businesses. It applies without distinction to residents and patients, their families, and employees, and is based on two inseparable dimensions:

- a mindset: considering and respecting the uniqueness of each person – who they are, what they aspire to, what they can do, etc.;
- tangible practices and actions: helping and supporting each person individually to fulfil their aspirations, expectations and desires, and to realise their potential.

The operational embodiment of Positive Care for our residents and patients is based on three dimensions:

- respect for people's sensory and social environment with an ethical approach;
- individual support through a personalised care plan;
- the use of non-drug therapies (NDTs) to limit the impact of certain drugs.

Initially focused on non-drug therapies in nursing homes, the Positive Care approach was redefined in 2023 to include the living environment, layout and organisation of facilities, and team training. This redefinition also aims to extend the Positive Care approach to all of the Group's activities.

#### 3.2.1.1 Ethics are the cornerstone of Positive Care

The Clariane Group encourages ethical questioning in care, in other words “reflection on the meaning and value of our actions, with the aim of making practices more responsible, fair and respectful of the individual”<sup>(1)</sup>.

Our teams are confronted on a daily basis with many situations where conflict arises from differences in rules, habits or simply points of view. For example:

- How can family members be actively involved in the care process while respecting the confidentiality of the patient or resident?
- How should we deal with a patient or resident who categorically refuses treatment or care considered essential for their health or well-being?
- How can the privacy of a patient or resident who receives “special visits” from other patients or residents be respected?

Developing ethics in nursing homes and clinics is especially necessary today as the people living in our facilities are increasingly dependent and vulnerable. This gives rise to complex situations in the day-to-day care of people, and therefore requires ethical thinking to help us adopt a concerted approach to uncertainties, feelings of guilt, indignation and the suffering of patients and residents, professionals and/or families. Professionals who find themselves in a unique situation where they feel at odds with their values need to be able to draw on this collective thinking to support their position.

Ethical issues can be addressed in a variety of ways within a facility, from team meetings to discuss any ethical dilemmas that arise, to open discussions with families about common ethical issues and events where external experts can provide insight.

More specifically on the ethics of care, a Positive Care guide on giving meaning to care and benchmarks on ethical questioning was drawn up in 2023 by a working group bringing together the various countries. It will be distributed in 2024. Aimed at our teams, one of its goals is to present a simple methodology for dealing with complex situations that raise ethical issues. In particular, it emphasises the importance of considering a variety of viewpoints (from different professionals, patients or residents and their families) and providing a neutral, confidential and caring environment in which to do so.

In addition to the tools and initiatives implemented across the Group, ethical thinking is influenced by the cultural and regulatory context in each country. In France, for example, a new campaign to raise awareness of good treatment was launched in March 2023. The aim is to remind people of the commitments made in the Group's Ethics Charter and to illustrate them through training and posters in our facilities.

More broadly, several tools described in section 3.2.5 are now in place. These include the Ethics Charter, the “Let's Talk Values” card game and the “Eval' Ethics” online platform for managers.

(1) *The 2021 Charter of Ethical Support for the Elderly, written by Fabrice Gzil – philosopher and Deputy Director of the Île-de-France Ethical Reflection Centre, member of the National Ethics Consultative Committee – at the request of the Minister for Autonomy, draws on testimonies from over 4,000 people (elderly people, carers among families and close friends, professionals in the sector, volunteers and the general public).*



### 3.2.1.2 Respect for people's sensory and social environments

Over a period of six months, a group of professionals, operational staff and experts from each of the countries in which Clariane operates met to define recommendations for the design of our facilities to ensure that we are meeting the needs and wishes of the residents we care for as closely as possible. In all countries, the professionals interviewed said that residents want to live in places that are as similar as possible to their own homes, meaning comfortable, safe and welcoming, and places that enable them to stay active in their own lives and in touch with nature. They also say that to feel at home, they need to be able to find "memories", "personal items" and a layout that suits them.

To ensure the quality of life of the people we care for, we must therefore create conditions that enable them to remain independent for as long as possible, live at their own pace, socialise with other residents or with their loved ones, and spend their time as they wish. The environment – a broad term covering everything from the overall architecture to the layout of the different areas, decoration, furniture, colour schemes and lighting – is vital to the well-being of the people who live in our homes. It is part of the care and support process that every facility must consider.

### 3.2.1.3 Personalised support

The personalised plan is a document drawn up with the resident, their family and the teams to adapt the daily care routine (care planning, social life, non-drug therapies, personalisation of surroundings) along three lines:

- the person's tastes, wishes, personal history and lifestyle;
- their capacities;
- their medical and care needs and risks.

Priority support objectives are set, such as "maintaining the person's social and civic ties" and "managing the resident's anxiety on a daily basis, day and night". These objectives address the issues that are most important to the individual. Depending on the person, the focus may be on medical care, social life or comfort and quality of life.

### 3.2.1.4 Non-drug therapies

Non-drug therapies (NDTs) are a combination of care techniques, environmental approaches and human approaches designed to:

1. preserve or improve the person's well-being and quality of life;
2. maintain cognitive, motor and sensory capacity;
3. foster social skills;
4. reduce psychological and behavioural symptoms.

This entails:

- helping teams, residents/patients and families to personalise private areas with furniture, photos, pictures and decorations that reflect each person's identity;
- personalising communal areas, to preserve markers of regional identity or familiar scenes from everyday life;
- using colour and design to provide spatial and temporal references;
- organising spaces in a way that encourages both socialisation and independence, for example by having open kitchens so that residents can take part in meal preparation;
- creating small living units to encourage a family atmosphere.

The working group's recommendations have been compiled in a guide on adapting the care home environment that will be distributed in all countries in 2024. These recommendations, based on best practices observed in the network, apply equally to new buildings, facilities undergoing renovation and those wishing to improve their existing environment.

The establishment of the personalised plan begins at the pre-admission stage, continues throughout the resident's integration period, and should be complete by the end of the third month. Once information has been gathered from the resident and their family, the various professionals involved in the support process work together to produce a draft of the approach, which is then presented to the resident and their family for approval.

The personalised plan is updated at least once a year according to the person's state of health, autonomy and changing wishes.

At the end of 2023, 87.7% of the residents had up-to-date personalised plans in the Group's care homes<sup>(1)</sup>.

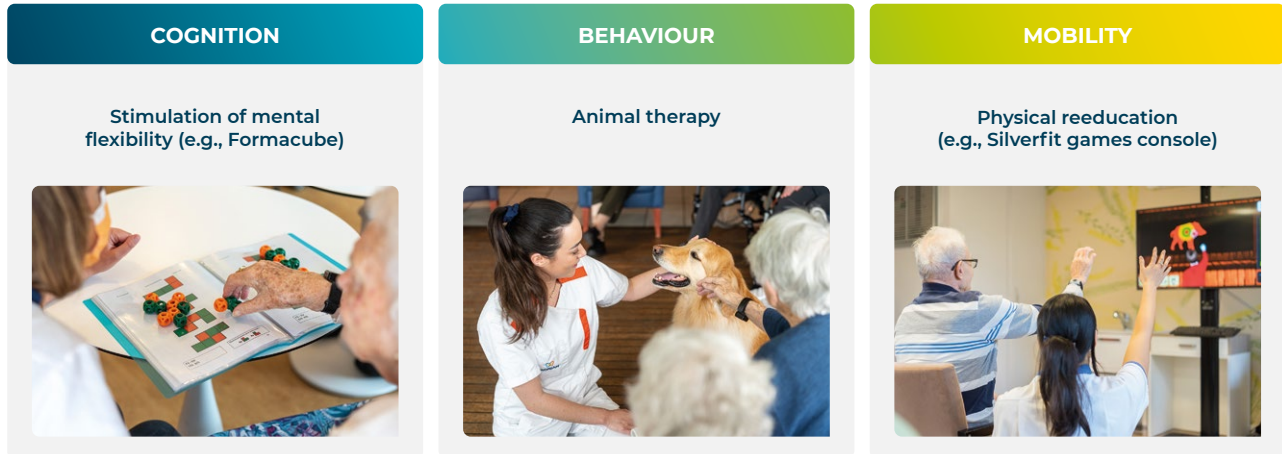
The process of drawing up and updating personalised plans is subject to local regulations in each country.

The NDTs used in the network are scientifically validated techniques and approaches used by trained practitioners. A Positive Care guide on promoting non-drug therapies in nursing homes was produced for caregivers in 2023. It will be distributed in all countries in 2024. Practical fact sheets present 16 NDTs currently used in the network, the associated indications, methods for evaluating their efficacy, and feedback from the field.

(1) See definitions in section 3.8.3 "Methodological note".

NDTs used in the Group include:

- Silverfit: an interactive cognitive and motor stimulation system for residents. Designed to resemble a video game, it features a screen, a computer and a 3D camera that can detect body movements;
- Formacube: a cognitive stimulation and mental flexibility tool. It consists of plastic cubes of different sizes that fit together to form modules. The aim is to arrange the cubes to reproduce patterns and form geometric shapes;
- animal-assisted therapy: this creates a familiar bond between participants and improves mood disorders. It can be carried out by a trained staff member or an external service provider. The animal is also trained in this therapy.



By the end of 2023, functional, cognitive and behavioural non-drug therapy equipment and associated training had been rolled out in 100% of the Group's nursing homes for more than two years.

### 3.2.2 Management of key care-related risks

#### 3.2.2.1 Preventing falls

Falls are the leading cause of hospitalisation and death among the elderly. Clariane sees preventing falls as a priority. It involves identifying risk factors and implementing preventive measures such as maintaining physical activity, combating even "simple" restraints such as bed rails, raising awareness of the adverse effects of psychotropic drugs, making common and individual areas safe, ensuring that patients/residents use technical aids (walking sticks and frames, etc.) and wearing appropriate footwear.

The risk of falls is assessed in the geriatric assessment carried out on admission, and any preventive measures are incorporated into the personalised life plan. Even minor falls are recorded in the care software.

Fall prevention programmes are implemented and adapted to the abilities of residents and patients. They are run by physiotherapists, occupational therapists and adapted exercise instructors. They are organised on a group or individual basis.

Measures include walking circuits (parallel bars, floors with different textures, small bridges, etc.) in the gardens of some facilities, and non-drug therapies such as Silverfit (an interactive cognitive and motor stimulation system) and balance platforms. In Germany, a fall prevention app is used to assess a resident's risk of falling based on a 3D video recording of their movements and responses to a

questionnaire covering the main psychosocial factors for falling. The app then generates a series of personalised prevention recommendations.

Fall detection devices are also installed in some residents' rooms. Following a successful trial in 2021, the rollout of a fall detection, analysis and prevention system began in 2022 and continued throughout 2023 in France and Belgium. This technology, which is non-intrusive because it does not display an image, reconstructs the configuration of a room in the form of a point cloud, and alerts caregivers in the event of a fall or if the resident concerned has been out of their bed for an abnormally long time, which may indicate a possible fall. By the end of 2023, the system covered 800 beds in France and Belgium, with benefits observed in terms of caregiver satisfaction and a reduction in the number of falls in facilities.

In addition to the tools available, a great deal of work is being done to raise awareness of fall risks among teams, using a variety of educational formats (posters in facilities, comics, webinars, etc.) and practical exercises such as the "Room of Errors", a workshop in which participants have to identify fall hazards deliberately placed in a room.

For example, a K'ulture safety campaign on preventing the risk of falls was carried out in France between April and May 2023.

### 3.2.2.2 Nutrition

The Positive Care approach also features a nutrition component, as a large number of residents are at risk of malnutrition due to their pathology and/or age.

Malnutrition is an illness. It is defined as a deficiency of energy, protein or any other specific macro- or micronutrient that results in a measurable change in body function and/or body composition associated with a worsening of disease prognosis.

Physiologically, our appetite decreases with age. Aging can therefore be a risk factor for malnutrition. Malnutrition is also a major complication of neurodegenerative diseases (particularly Alzheimer's), which affect up to 80% of residents in some of our facilities.

Malnutrition can have a number of consequences, including the risk of falls, infections and excess mortality, which is why every effort is made to identify it and take action as early as possible:

When a resident is admitted, the multidisciplinary team carries out a nutritional assessment.

This screening, formalised via a comprehensive questionnaire such as the Mini Nutritional Assessment (MNA), takes into account factors such as spontaneous food intake, weight loss, appetite and albumin levels.

If the patient's nutritional status is normal, they are simply monitored.

But if malnutrition is diagnosed, the doctor will specify whether or not it is "severe", and a nutritional management strategy will be defined, adapting energy, protein, vitamin

and mineral intakes and, if necessary, food texture. Allergies, likes and dislikes, eating habits, religious beliefs and the opinion of the patient and their relatives are all taken into account.

The fight against malnutrition is the subject of regular awareness-raising and training campaigns.

In France, the Quality and Risk Management Department, the Medical Department and the Hospitality and Catering Department organised a K'ulture safety campaign on nutrition in November 2023 to raise awareness among residents, caregivers and families of the risks of malnutrition.

The quality of food, in terms of both nutrition and enjoyment, is the most important factor in combating malnutrition. Menus put a focus on local products and dishes to ensure that they reflect residents' eating habits as closely as possible.

A wide range of events are organised to make mealtimes enjoyable and sociable occasions. These include regional meals showcasing local produce, themed meals to discover the culinary traditions of other regions or countries, tea time treats such as the *galette des rois* shared at Epiphany and pancake afternoons. Cooking classes are also organised with residents and patients to share recipes and work on memory. Finally, residents who are used to cooking can help peel vegetables or prepare certain dishes.

And of course, family and friends can come and share meals with residents and patients. All occasions to bring people together and encourage socialising are valued.

### 3.2.2.3 Reducing the incidence of pressure sores

Pressure sores are skin lesions caused by prolonged immobilisation and exacerbated by malnutrition. Common in bedridden people, they are extremely painful, and can be life-threatening if left untreated. Pressure sores are more common in dependent older people, who have lost the ability to feel pressure points on their skin and who have difficulty changing position or improving their sitting posture in a wheelchair.

Position changes, physical activity adapted to what the resident can still do and monitoring of diet are essential to prevent pressure sores. Teams also use special mattresses and cushions to limit prolonged pressure.

Once a pressure sore develops, the care protocol changes accordingly. In addition to the basic measures described above, caregivers can use dressings, from the simplest to the most complex, to encourage effective healing.

An awareness week on pressure sore prevention was held in February 2023 as part of the dedicated annual campaign.

The pressure sore rate is part of the composite quality of care indicator monitored at Group level. It reflects the proportion of residents who develop a pressure sore during their stay in one of our facilities.

In 2023, the pressure sore rate in care homes was 2.7%<sup>(1)</sup>. The Clariane Group's objective is to keep this indicator permanently below 5%. Care homes exist to care for an increasing number of elderly and dependent people, who are at greater risk of developing pressure sores. Keeping this indicator below 5% therefore requires continuous improvement in pressure sore prevention and treatment.

### 3.2.2.4 Reducing physical restraints

Physical restraints are any devices that impede the resident's freedom of movement or access to a part of their body (bed rails, jumpsuits, belts). They are installed for the safety of residents, particularly those at risk of falling out of bed or out of their wheelchairs, and always subject to a risk-benefit assessment. Excessive use can have the opposite effect, however, causing people to lose their ability to walk and

increasing the number of falls. If the risk of falling is limited, low beds and mattresses on the floor are preferred. In all cases, restraints (even "simple" bed rails) can only be used occasionally, within a strict regulatory framework, and as part of a more comprehensive approach to care.

(1) See definitions in section 3.8.3 "Methodological note".

Restraints are therefore only used in exceptional circumstances. They are medically prescribed and used for a limited period of time. The decision to use a restraint is based on a risk-benefit assessment and the views of the resident and their family.

In some countries, such as Germany, the prescription of a restraint must be approved by a judge before it can be fitted. The use of restraints is more common in other countries such as Italy. Our community of caregivers exchanges best practices to enable the network to benefit from the most advanced expertise in Europe in each area.

### 3.2.2.5 Pain management

Preventive and curative pain management is a priority at Clariane facilities, and one of the key objectives of our medical and care policy. Each country has its own assessment and treatment protocols.

In France, the Medical Department, as part of the national Pain Management Committee (CLUD) and with a working group made up of medical and care professionals, has developed a practical guide entitled “Anticipating, identifying, monitoring and treating pain in Korian facilities”. To support and assist teams in combating pain, this tool provides recommendations for good professional practice in

The use of physical restraints is included in the composite quality of care indicator monitored at Group level. At the end of 2023, the restraint rate in Clariane care homes was 15.2%<sup>(1)</sup>. In an effort to strike a balance between respect for residents’ autonomy and freedom, their wishes, those of their families and their safety, the Clariane Group has set itself the target of reducing the rate of physical restraint to 12% by 2026. A working group has been set up with the medical departments to gain a detailed understanding of best practices in countries with low use of physical restraints and how this can be transposed to other countries.

assessing and managing pain. It describes pain assessment tools and non-drug as well as drug-based therapies to avoid or reduce pain.

Pain assessment uses standardised tools and is recorded in the resident’s or patient’s medical file:

- self-assessment: the person with pain expresses their level of pain on a scale;
- proxy assessment: the caregiver uses a grid or questionnaire to assess the person’s pain.

On the basis of the assessments, drug-based treatments or non-drug therapies are put in place (see section 3.2.1.4 on non-drug therapies for more details).

## 3.2.3 End-of-life support

To improve the quality of care for residents and patients at the end of their lives, and to support caregivers who are regularly confronted with death, the Clariane Group has rolled out two initiatives:

- opening dialogue and raising general awareness of end-of-life issues;
- improving practices in our facilities and in home care.

In line with its “Loving to Care” purpose, the Clariane Foundation is organising a series of monthly digital cafes known as “Café Pallia”. The cycle began in September 2023 and is open to all Group employees and the general public. These digital cafés are hosted by Dr Claude Grange, a palliative care doctor and author of the book *Le Dernier Souffle* (The Last Breath), to discuss end-of-life issues based on ten themes, including: “What do we know about advance care directives and the trusted person?” “To tell the truth or not to tell the truth?” and “When and why should palliative care be provided?” These videos can be viewed by the general public on the Clariane Foundation website.

A documentary by Victor Grange, filmed in the palliative care unit at Houdan Hospital, is also being made available to facilities as an educational resource and as a tool for dialogue with teams and families.

Lastly, a Positive Care guide for caregivers and teams entitled “The end of life can also be a great moment in life” was published in 2023 and will be distributed in all of the Group’s countries in 2024.

It covers the following topics:

- Key concepts.
- Advance care directives: allowing patients or residents to set limits that are not to be exceeded.
- Important information about sedation.
- What local law says.
- Doing everything possible to relieve the patient’s or resident’s pain.
- Doing everything possible to allay the patient’s or resident’s fears.
- Supporting the patient or resident and respecting their wishes.
- The situations covered by palliative medicine.
- Building a therapeutic relationship between patients or residents, caregivers and families.
- The importance of information to ensure the agency of the patient or resident in their own care.
- How to feed and hydrate the patient or resident to ensure proper care.
- The importance of teamwork.
- Contact and trusted person.

The topic was taken up by each country in 2024, with work resulting in an action plan that takes into account its specific regulatory environment, culture and existing practices.

(1) See definitions in section 3.8.3 “Methodological note”.

### 3.2.4 Supporting residents and people with Alzheimer's disease and their families, strengthening team skills

The vast majority of residents in Clariane Group nursing homes suffer from neurodegenerative disorders such as Alzheimer's disease. People close to them can be deeply affected by this situation and are often looking for information to help them better support their loved one, whether at home or in a nursing home.

Strengthening the skills of the Clariane teams and providing information and support to families is a priority for the Group.

In collaboration with Professor Bruno Dubois, an internationally renowned neurologist, Clariane has developed eleven five- to eight-minute educational videos for families and two videos for teams. Translated into all of the Group's languages, they are available on the [clariane.com](http://clariane.com) website and in the various countries.

Examples of videos:

- how memory works and how it is affected by Alzheimer's disease;
- unusual and sometimes difficult behaviours associated with Alzheimer's disease – learning strategies to manage them;
- practical advice on how to support a relative with cognitive impairment at home.

A Positive Care guide intended for families "Helping your loved one in a nursing home, the answers to your questions" has also been produced to explain the process of moving into a nursing home and how to communicate with a loved one with cognitive impairment.

Each country also has a training plan to improve knowledge and develop the skills needed to care for people with Alzheimer's disease.

### 3.2.5 Adopt exemplary conduct and ethical practices in our businesses

Our mission, serving elderly and vulnerable people, requires that we live up to the daily expectations of people who entrust their health and well-being to us. Whatever the occupation of our employees, their professional conduct must therefore be reflected in actions carried out with ethics, integrity and transparency, embodying the corporate project and culture.

Our Ethics Charter presents our three values – trust, initiative and responsibility – and breaks them down into both expected and desired attitudes within the Group, as well as attitudes to be avoided.

The Charter also makes the link with the Group's specific internal procedures and thematic charters (in particular the Responsible Purchasing Charter and the IT Charter). It can be consulted on the Group's and its subsidiaries' institutional websites as well as on the Group's internal networks.

In order to ensure its operational deployment throughout the network, a Values Ambassadors Committee is active at Group level. Every year, this committee organises a "values" month, which is an important event for the Company.

Meanwhile, a number of dedicated tools and materials have been created.

For new recruits:

- the Ethics Charter is mentioned in employees' employment contracts. All new employees receive a summary document entitled "Our Values and Ethical Commitments", which also presents the various whistleblowing channels available. This document is co-signed by the new recruit and his or her manager;
- a presentation of our values is viewed during onboarding.

For teams:

- a "Let's Talk Values" card game has been developed around practical cases and the ethical dilemmas they raise, in order to discuss them as a team.

For managers:

- the "Eval Ethics" platform was launched in 2023 to enable managers to self-assess on ethics and to be confronted with practical cases, which will be regularly updated;
- an e-learning course on our values and our Ethics Charter was also rolled out in 2022.

For all employees:

- videos and a specific graphic identity have been created. All content is made available to each country on the intranet and to each facility via posters and a QR code.

There is a dedicated governance structure for ethics which is organised as follows:

At Group level:

- Board of Directors assisted by the Ethics, Quality and CSR Committee: design of the ethics strategy and monitoring of its execution;
- Group Risks, Ethics and Compliance Committee, which meets every two months: execution of the ethics strategy and monitoring of actions carried out by the Medical, Ethics and Healthcare Innovation Department;
- monthly Values Steering Committee with country ambassadors: coordination of the Group's network of value ambassadors.



### 3.2.6 Deploying a culture of quality and quality management in all facilities

Clariane'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, part of the Engagement, Brand and Quality Department, and coordinated by Clariane's European Quality Community.

The Group Quality Management System (QMS) is characterised by a systemic and rigorous approach to quality, based on the human, everyday actions that make the difference. It ensures that the needs of residents and patients and their families are properly considered and that all possible improvements are implemented. It structures, harmonises, controls, prevents risks and guides the entire Company in a process of continuous improvement, in accordance with the applicable regulations. The four pillars of the QMS are the definition of guidelines (Clariane Standard, Quality Policy), risk management, internal controls and operational coordination of the quality strategy.

The implementation of the QMS takes place at three levels for maximum impact:

- facility: via strong operational support;
- country: via a dedicated team in charge of tailoring the Group's quality strategy to regulatory requirements and national specificities and managing the implementation of the Clariane Standard within the country;
- Group: via a Quality Department, whose mission is to align all the Group's countries around the Clariane Standard, which brings together both the basic principles and the components of the QMS.

A series of internal and external controls measure the compliance and alignment of practices with Clariane requirements, including:

- self-assessments;
- 360° audits (see hereafter);
- ISO 9001 certification audits;
- measuring customer satisfaction via the CSatisfaction barometer and CWelcome analyses, which take place after the first six weeks in a care home (see section 3.2.6.2 of this Universal Registration Document);
- the Group Internal Audit Department controls compliance and verifies the performance of the system.

In parallel, the supervisory authorities regularly audit the Group's facilities. Clariane therefore continually ensures that the assessments carried out internally are aligned with the expectations of the supervisory authorities.

In accordance with ISO 9001, the management review is led by the Group Quality Department to define work priorities and any adjustments to be made to the QMS, to support the development of action plans and to ensure their implementation. This work consolidates all control results, stakeholder feedback and process reviews. It assesses the effectiveness and performance of the QMS, and compares performance with the context, market needs and mapped risks.

#### 3.2.6.1 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.

In 2019, the Group Quality Department launched an ISO 9001 certification project to structure, strengthen and promote quality as a marker of the Group's identity. Clariane set an objective of obtaining ISO 9001 certification for all care homes and healthcare facilities in the 2019 scope by 2023, building on momentum established in Italy, Spain and the Netherlands. This objective was reached in 2023. Clariane is the first company in the sector to have undertaken this approach, which is 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.

ISO 9001 guides organisations in defining a relevant, efficient, effective and operational quality management system (QMS). To be certifiable, the quality organisation must:

- be customer focused, taking customer expectations into account;
- clearly define the scope of each person's activities;
- involve all staff;
- implement a process-based approach with dynamic leadership to adapt to change and keep pace with needs;
- drive continuous improvement, i.e., continually identify opportunities and implement action plans;
- be based on factual analysis, with strong traceability and evidence;
- take into account all stakeholders: local authorities, neighbours and suppliers.

Work to define, harmonise and formalise processes has been carried out by the Group Quality Department. This work has made it possible to draft the Clariane Standard, including the requirements of the ISO 9001 standard, which are tailored to the Group's activities and organisation, in addition to its specific requirements. The Clariane Standard consists of a section common to the entire Company and a section dedicated to each activity. Its application is mandatory. Clariane's processes include care, catering and human resources management.

When Clariane diversifies its activities, the Quality Department runs multi-disciplinary workshops to identify practices and define internal requirements with each process manager. The processes affected by these changes are then modelled, and performance indicators are developed with automated reporting for easier monitoring.

Any new acquisition must also be integrated into the Clariane network. A comparative study of the two organisational models (the new entity's and Clariane's) is carried out in order to draw up a customised integration plan. Change is supported at four levels: people, tools, comitology and governance.

Then, but only once the framework has been defined and the entity has been integrated into the network, preparations for ISO 9001 certification can begin: awareness campaign, gap analysis, implementation of an action plan tailored to each entity, introduction of the QMS and then a 360° quality audit (see below).

At 31 December 2023, the target had been reached: all of the Group's facilities<sup>(1)</sup> were ISO 9001 certified. This certification is issued by independent certification bodies on the basis of external audits. For all of the Group's countries, the ISO 9001 certification audits represented more than 289 audit man-days by the certifying bodies in 2023.

### a) Internal audits and quality controls

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

These 360° audits aim to:

- check that the facility's operations comply with the regulatory requirements and the Clariane 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 dysfunctions (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.

Clariane carries out these 360° audits in order to verify the correct appropriation and application of the Group's standards and to support the teams in the identification and implementation of preventive or corrective actions according to:

- the level of risk identified;
- strategic ambitions;
- the expectations of residents, patients or their loved ones.

Following these assessments, the facilities are rated according to four levels, from A to D.

In 2023, 612 360° audits were carried out in the Group's seven countries.

As of 31 December 2023, 72% of the Group's audited facilities were at level A or B.

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

The Group's Internal Audit Department systematically includes Quality Management System control points in its annual reviews and contributes, through its recommendations, to the continuous improvement of the processes implemented.

### b) Outsourced specific controls

Clariane subcontracts certain specific controls to external organisations, for example on food safety.

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

Public authorities supervise healthcare and nursing facilities. 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.

Healthcare facilities are monitored by authorities at national and/or regional level, depending on the country:

- in France, all Inicea healthcare facilities are certified by the *Haute Autorité de Santé* (High Authority for Health – HAS);
- in Germany, the medical service of *Medizinischer Dienst* (Health Insurance Authority – MD) and *Heimaufsicht* (Home Supervision Quality Office – FQA);
- in Belgium, Care Inspections by region, e.g., the Care Inspectorate in Flanders;
- in the United Kingdom, Care Quality Commission (CQC);
- in Italy, *Azienda Sanitaria Locale* (Local Health Authority – ASL);
- in the Netherlands, *Inspectie Gezondheidszorg en Jeugd* (Health and Youth Care Inspectorate – IGJ);
- in Spain: local government health and social services.

In 2023, grades of A or B were received for 88% of the authority audits carried out in all of the Group's countries.

(1) Scope of 836 facilities with 55 disposals and mergers between 2021 and 2023 deducted, i.e., 771 facilities, used as the basis for this indicator, which is part of the ESG objectives monitored annually as part of the Sustainability-Linked Euro Private Placement.

### 3.2.6.2 Be attentive to residents, patients and their relatives

Clariane regularly surveys the satisfaction of residents, patients and their relatives as regards the services provided.

For the facility, the aim is to obtain a detailed analysis of the level of satisfaction of residents, patients and families with the services offered, to identify the strengths and main areas for improvement, to help prioritise improvement projects, and efficiently meet expectations.

For the Group, the measurement and monitoring of the level of satisfaction of residents, patients and their relatives over time make it possible to identify areas for improvement across the network and to detect best practices to be shared.

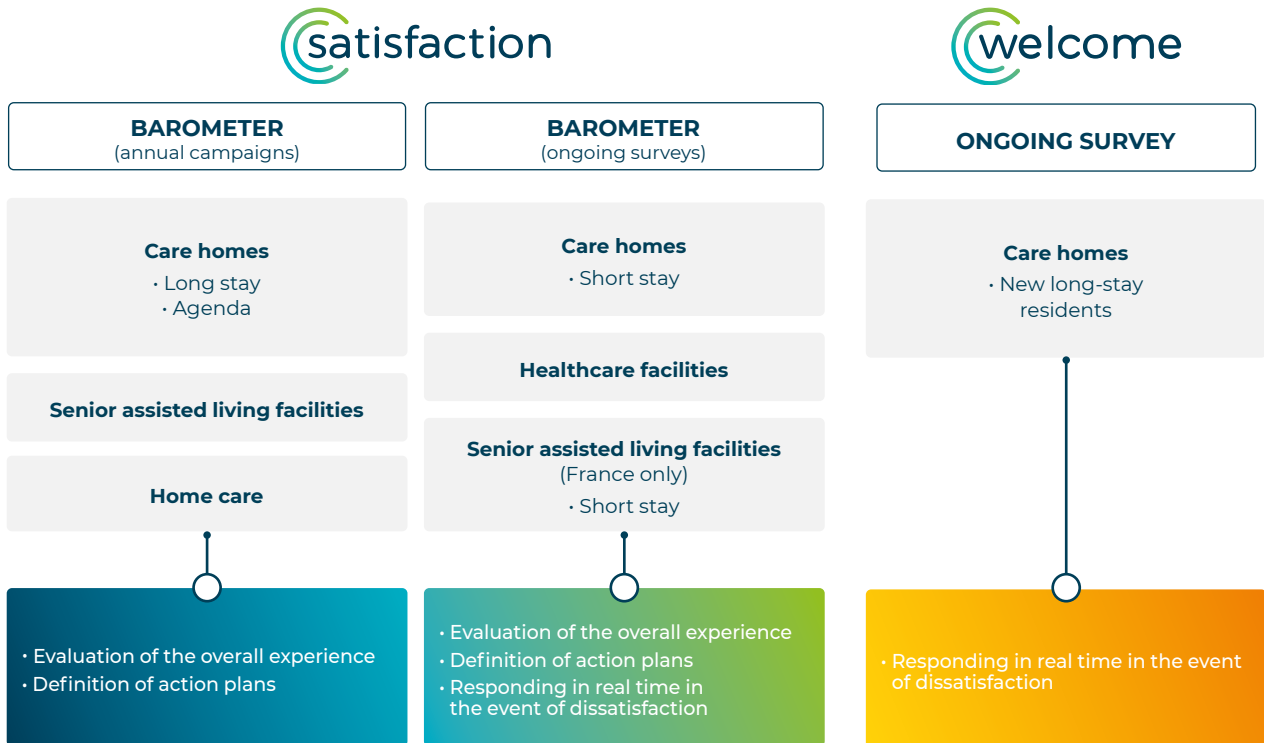
The analysis and consideration of results contribute to a culture of continuous improvement.

A system for measuring the satisfaction of residents, patients and their families, called “CSatisfaction” has been rolled out in each of the countries where the Group operates.

Barometers adapted to each activity, the local context and the profile of residents and patients have been developed, while maintaining a common basis for the Group on the measurement of overall satisfaction (average satisfaction score out of 10), the assessment of consideration<sup>(1)</sup> and the measurement of recommendation (via the Net Promoter Score – NPS<sup>(2)</sup>). The Group also has an online reporting and semantic analysis tool. This tool allows each facility, region and country to manage its performance within its scope.

In 2023, the home care activity (pilot in 2022) was included in the survey.

#### The different ways of measuring customer satisfaction at Clariane



The survey is conducted once a year within the care home network, among families and residents for care homes and among residents for assisted living facilities.

Surveys of short stays in care homes and assisted-living facilities are carried out continuously throughout the year and at the end of the resident’s stay. For healthcare facilities, surveys are also carried out continuously and after the service has been provided to the patient.

For home care services, the questionnaire is sent to the client after the service has been provided (for services lasting less than one year), or once a year for services spanning a longer period.

The topics covered by the surveys, depending on the type of stay and service, are as follows:

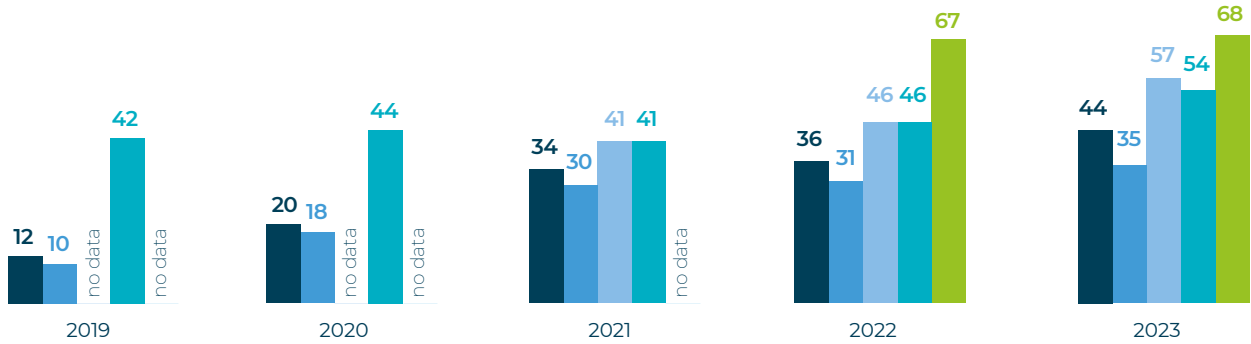
- reception and communication;
- accommodation;
- the facility’s environment;
- catering;
- medical support and monitoring;
- living environment and social life;
- implementation of the service and punctuality for home care.

(1) Corresponds to the response, on a scale of 0 to 10, to the question “To what extent do you feel that you/your relative is well regarded and respected?”

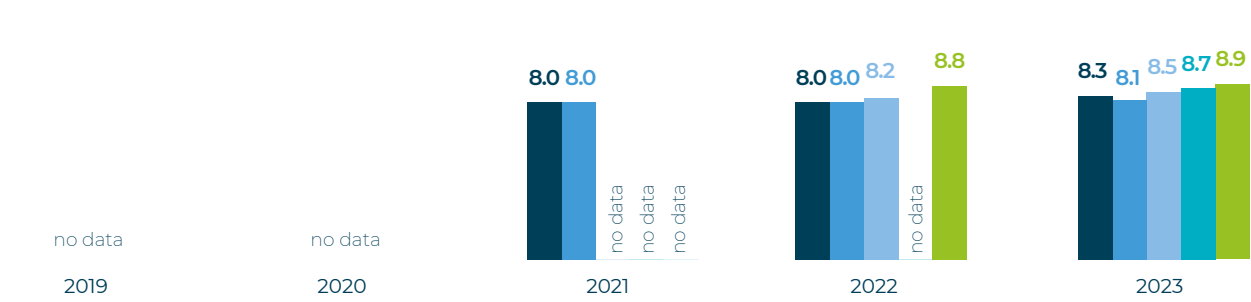
(2) The calculation of the NPS corresponds to the share of promoters (scores 9 and 10/10) less the percentage of detractors (scores from 0 to 6/10), in response to the question “Would you recommend this facility to a friend, loved one or relative?”

In 2023, more than 93,000 people responded to the Group's satisfaction surveys, breaking down as 33% relatives and 67% residents and patients.

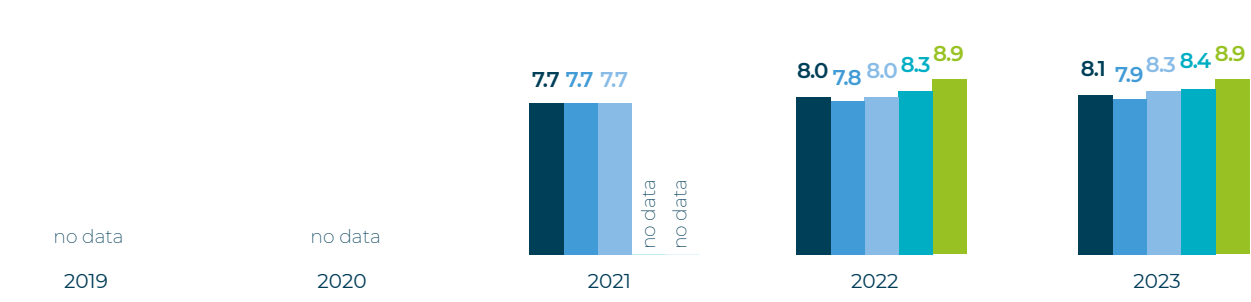
**NPS (2023 N=93,361)**



**CONSIDERATION (2023 N=85,755)**



**OVERALL SATISFACTION (2023 N=93,361)**



■ All activities ■ Nursing Home ■ Assisted living ■ Clinics ■ Home care

It should be noted that there is no weighting applied when calculating the results and each response has the same weight.

Results improved for all three KPIs.

The Group's Net Promoter Score (NPS) for these same activities was 44 in 2023. Compared to 2022, the NPS increased in all countries except the Netherlands.

The Group's average satisfaction score was 8.1/10. This satisfaction rating is driven by the satisfaction expressed with the attitude of the staff, in particular with a very strong recognition of the kindness of the teams. The

biggest improvements were recorded in care, social life and catering services in assisted-living facilities. The areas for improvement highlighted by respondents were staff availability and catering.

Catering was actually the only area where there was a slight decline compared with 2022; readings for all other aspects were either stable or up slightly.

Clariane received an average score of 8.3/10 for consideration across Europe. The main vectors of consideration are the management and general atmosphere of the facility, as well as human support. By contrast, any failure to adapt

and personalise support has a significant and negative impact on consideration, satisfaction and recommendation. Staff organisation is essential to ensure continuity of care, knowledge of the habits of each person receiving care and a high level of responsiveness in case of need. In short, while these topics were given the highest ratings on average and overall, each individual shortcoming clearly affects the overall perception.

For care homes (55% of respondents), results improved in all countries except the Netherlands. The NPS was 35 in 2023, up from 31 in 2022. Average scores by topic were generally stable or up 0.1 points. The areas for improvement highlighted last year mainly concerned catering (menu quality and variety, flavours and management of preferences). Scores for these items were up 0.3 points for residents and were stable for family members.

The Group is maintaining its survey dedicated to analysing satisfaction with the reception of our residents upon their arrival at the facility, which is a key step in the resident's experience. This study, named CWelcome, is carried out continuously among families and residents at the end of the first six weeks spent in a care home. The survey is associated

with an automated alert management system (currently being piloted), in order to be able to quickly address reasons for dissatisfaction. CWelcome is being extended to all other countries.

### Offering quality catering

As catering is a major satisfaction criterion, it represents a very high expectation of residents and patients. Serving nearly 80 million meals per year in Europe, Clariane has made quality catering a priority. The menus are approved by qualified dieticians, in accordance with recommended nutritional intakes. The new recipes are tested by residents and the development of the menus takes their feedback into account. The Group is attentive to ensuring that meals are appreciated, as this allows for better nutrition.

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



### 3.2.6.3 Implement a Customer Care Charter

The Group's Customer Care Charter was defined in 2021 during workshops carried out in Europe and discussions with all countries. It reflects the Group's values, mission and commitments to its residents and patients – particularly in terms of communication, respect for each person, and

special attention paid to their lifestyle choices and the preservation of their autonomy – as well as the Group's expectations of visitors to its facilities. The Customer Care Charter was translated and rolled out in each facility in 2022.



### 3.2.6.4 Managing customer complaints

Clariane has set up an organisation in every country to detect, process and respond to complaints. To this end, a common European framework, formalised by a Group procedure, has been defined on the basis of workshops aiming to:

- identify all complaints;
- ensure that all complaints are monitored and addressed;
- promote the implementation of action plans to reduce the number of complaints and improve customer satisfaction.

Reporting has also been harmonised to:

- optimise management;
- support analysis at all levels of the Company;
- identify areas for improvement at Group level.

In 2023, the overall frequency of complaints was 1.73 per 10,000 days billed, 1.79 for the Seniors activity and 1.58 for the Healthcare business.

Using the same methodology, the overall frequency rate was 1.28 in 2022, 1.25 for the Seniors activity and 1.65 for the Healthcare business.

The three main reasons for dissatisfaction are day-to-day care, nursing care and staff attitude.

### 3.2.6.5 Offer mediation systems

The Group has set itself the ESG objective of offering an amicable dispute resolution (ADR) mechanism to all of its European customers by the end of 2023. This objective is part of an increase in mediation Europe-wide and is in line with the development of European standards. The mediation system is independent, impartial, confidential and neutral.

The goals of mediation are as follows:

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

In practice, the Group establishes mediation systems as a way of settling disputes that might arise with people it receives at its facilities. Such mediation is conducted in an ethical manner that promotes dialogue and listening, in line

with our In Caring Hands corporate project. Mediation is a voluntary and personal process, which offers the parties to a dispute an opportunity to reach a voluntary agreement aimed at facilitating their present and future relations.

Mediation mechanisms, managed by Clariane and free of charge for its customers, are offered in all of the Group's countries, in accordance with local customs and practices. France has opened a mediation unit. Spain has entered into an agreement with a mediation expert subcontractor to handle referrals for mediation. Similarly, Germany, Italy and Belgium use independent mediators when necessary. The Netherlands and the United Kingdom use the ombudsman. These systems comply with the regulatory framework of each country, the European Code of Ethics and Conduct and the Clariane Customer Care Charter. Naturally, they offer the requisite guarantees of independence and confidentiality.

#### The Clariane mediation system in France

##### FRANCE

In December 2020, the Group set up a mediation system in France. Mediation is based on four pillars: Independence, Impartiality, Confidentiality and Neutrality.

A Mediator was appointed in September 2021 by a joint committee made up of approved consumer associations and Clariane representatives, after consulting the Stakeholder Council.

A Mediation Charter has been drawn up to set out the procedures for applying the mediation process to be implemented by the Mediator. This charter is public and can be accessed by all.

In addition, a dedicated website has been set up, making it possible to refer a matter directly to the Mediator and providing access to full information relating to the mediation process. The annual activity report is also available on the site. This report compiles recommendations the Mediator makes to the Company every year: <https://mediation.clariane.com/>

As regards customers, 32 admissible referrals were made in 2023, 65% by residents or patients, or their relatives (compared with 43% in 2022), and 35% by Clariane employees. 55% of requests came from Korian care homes, 42% from Inicea healthcare facilities and 3% from

*Les Essentielles* assisted living residences. The main reason for referral was relational (58%, compared with 49% in 2022). The other reasons for referral break down evenly between matters relating to personal property, care and the organisation of the facility. The agreement rate for completed mediations was 86%. Each accepted mediation leads to a plenary meeting where dialogue is renewed. The role of mediation is to provide a confidential, constructive and amicable framework within which the parties can exchange freely. In the 16% of cases where no agreement was reached, this framework did not allow the parties to agree on their intentions. The parties are responsible for addressing the substance of the disagreement, which is monitored by operational staff. Monitoring is organised by the Mediation France unit two and six months after the matter has been closed. Responses are optional. No supporting documents or reports are required, in order to respect the principles of confidentiality and freedom. Some people say that they do not wish to take the matter further, as they are satisfied with the renewed dialogue. Others opt to open a file with the Legal Department.

Several initiatives were launched or continued during the year, and are described in the Annual Report.

## 3.2.7 Ensure safety and continuity of care

### 3.2.7.1 The Group's personal data protection and cybersecurity strategy

#### Personal data protection

Due to its core business – which consists of supporting elderly and vulnerable 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).

In France, Clariane is a member of the Ségur digital health programme, an “accelerator for putting digital technology at the service of health”<sup>(1)</sup>. The shared goal is to enable healthcare professionals and users to share health data in a more streamlined and secure manner, and to improve prevention, care and support. Internally, Ségur's digital health programme required the creation of a multidisciplinary working group (involving the IT Department, the Medical Department and the Performance Department, among others) to meet the requirements of the entire network. The Data Protection Officer (DPO) for France is asked to issue an annual business report and an up-to-date register of processing operations on the scope in question. This approach perpetuates a process of continuous improvement with regard to personal and health data and their use.

Since 2017, audits have been carried out in all Group countries to assess the maturity of the pre-existing compliance programme with the new GDPR, in order to define priority action plans. These action plans resulted in the compliance programme described below.

The dedicated compliance programme consists of guidelines issued at Group level to cover all GDPR topics and ensure consistent application in the various countries where the Group operates. Their implementation in every country is supported by multidisciplinary teams (DPO, internal audit and control, legal, IT security, information systems).

The topics covered are as follows:

- appointment, role and responsibilities of the DPO;
- procedures for preparing the processing register;
- information and consent notices;
- rules on data retention periods;
- security measures;
- impact assessments;
- standard contractual clauses;
- procedures for responding to personal data requests;
- procedures to be followed in the event of a data breach.

These guidelines are recalled and put into perspective in all the awareness-raising actions carried out, through face-to-face training or e-learning, in each country. The main points relating to the GDPR have also been incorporated into the Clariane Standard, which includes the requirements of the ISO 9001 standard tailored to our activities and our organisation, in addition to the Group's requirements.

Governance dedicated to managing and monitoring the GDPR has been put in place:

- a Data Protection Officer (DPO) has been appointed at Group level, as well as in all of the Group's countries of operation;
- the network of DPOs in each country is led by the Group DPO to discuss projects involving the processing of personal data, such as satisfaction surveys, Group HR tools or training, and projects on cross-functional topics, such as retention periods, to ensure their compliance;
- within each country, the country DPO leads committees with representatives of the key functions: medical and operations, human resources, marketing and innovative solutions, which meet regularly to discuss the progress of the compliance programmes, as well as any new projects involving compliance or adaptation of existing documentation;
- the review of risks inherent to the GDPR is carried out by a dedicated committee in each country, as well as at Group level on a bimonthly basis.

Since the entry into force of the GDPR, audits have been carried out regularly by the DPO within the facilities and specific control points have been added to the quality audits carried out by the Quality Departments in each country.

The Group's reference framework of key internal control points includes an assessment of the system implemented to comply with the requirements of the General Data Protection Regulation (GDPR). The assessment covers the following key compliance points:

- compliance with the GDPR, in particular the security of sensitive data, including health data;
- implementation at the national level of the general data protection framework – in line with the GDPR – defined at Group level;
- effective appointment of a Data Protection Officer (DPO) in each of the countries in which the Group operates, and his or her involvement prior to any new data processing;
- completion of a privacy impact assessment for any data processing that may pose a risk to the rights and freedoms of individuals;
- verification of the presence of GDPR clauses in supplier contracts for the processing of personal data.

(1) Le Ségur du numérique en santé | Agence du Numérique en Santé ([esante.gouv.fr](https://esante.gouv.fr)).

These control points are evaluated as part of a self-assessment process, the content of which is reviewed and checked by the Group's Audit and Internal Control Department, which reports to the Chief Executive Officer, and by the Clariane Group's Data Protection Officer.

The evaluation scale ranges from 1 (very satisfactory) to 4 (insufficient in scope or formalisation). The results of the 2023/2024 campaign for the Group's countries put the maturity level between 1 and 3, depending on the country, with a maturity level of 3 meaning that controls are well implemented but need to be formalised and more frequent. The Group-wide maturity level is 2.

When the maturity of their system is between 2 and 4, each country contributor develops an action plan to improve the existing system. These action plans are validated and reviewed by the Group's Audit and Internal Control Department.

**Cybersecurity**

In an international environment characterised by increasing cyberattacks, particularly on the healthcare sector, the Group is particularly vigilant about cyber risks. Together with the measures taken to comply with the GDPR, strengthening the security of Clariane's systems is paramount.

Several actions have been taken by the Group Chief Information Security Officer's (CISO) team as part of the Clariane Group's IT strategy, including:

- the introduction of a multi-factor authentication policy and its technical implementation throughout the Group;
- several awareness campaigns on the year's biggest cyber issues;
- an audit and pentest campaign led by the CISO Group Office throughout the Clariane Group as part of the ongoing analysis of information systems and IT infrastructure. It was entrusted to a specialist external service provider.

These actions involved the entire Group in a process of ongoing collaboration between the CISO Office and the country teams. To mitigate the impact of cyber risks, the Group relies on identified resources within each country's Information Systems Department. The Information Systems Security Officers are responsible for managing these risks and securing the information systems in order to prevent any failure and ensure business continuity. The

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

To further strengthen its cyber defence capabilities, the Group embarked on a project at the end of 2023 to merge the various in-house cyber skills in the different departments at Group level and in France into a new cyber organisation for the entire Group, known as the Group Cyber Operator.

The Group CISO Office also uses a number of tools to record the various incidents that may occur throughout the year within the Group. These tools include monthly reporting of incidents reported directly to the CISO Office by the countries, including:

- the type of incident;
- a summary of events;
- whether or not a complaint has been filed with the competent authorities in the country where the incident occurred.

This reporting enables the CISO Office to make an initial assessment of the cyberattacks experienced by the Group. In 2023, none of these incidents had an operational impact.

The Group also uses Clariane's external attack surface monitoring platform to scan for potential vulnerabilities on the Internet and the Dark Web. The CISO Office and the country teams all have access to this platform; while the countries manage the alerts that specifically concern them, the CISO Office carries out more comprehensive management and regular monitoring of the alerts reported.

Finally, regular awareness-raising campaigns are conducted at Group and country level to make employees aware of the risks and threats, and to alert them to any changes in cybersecurity policies and practices.

The cybersecurity process is also part of:

- the Group's annual internal control self-assessment, based on key controls present in Clariane's internal control framework, carried out by the country and Group IT Departments;
- the risk assessment performed as part of the annual update of the Group's risk map.

### 3.2.7.2 Monitoring and analysis of Serious Adverse Events

A Serious Adverse Event (SAE) is defined as an event (accident, incident or dysfunction) or a situation whose consequences could have been, are, or could become significantly harmful to customers, professionals, visitors, movable or immovable property, the reputation or to any other asset or interest of the Group.

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

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

SAEs relating to the Health, Safety and Security of residents and patients cover the following subjects:

- Health: falls, medication errors, suicide attempts, suicides, various care-related issues;
- Safety: violence between residents/patients, unannounced outings;
- Security: abuse, theft.

In 2023, the frequency of SAEs relating to the health, safety and security of residents and patients was 0.59 (46% Health, 32% Security, 22% Safety) per 10,000 days billed. By sector of activity, the frequency rate was:

- 0.54 for the Seniors activity (46% Health, 28% Safety, 26% Security);

- 0.28 for the Healthcare activity (49% Health, 35% Safety, 16% Security);
- 2.55 for the Mental Healthcare activity (42% Health, 51% Safety, 7% Security).

Based on the same methodology, the overall frequency rate was 0.47 in 2022, 0.47 for the Seniors activity, 0.30 for the Healthcare activity and 1.23 for the Mental Healthcare activity. Note that the Mental Healthcare activity grew significantly in 2023, mainly in Spain, with the integration of complex care requirements.

At the national level, the compilation of all these events is regularly reviewed by incident committees. The purpose of these committees is to monitor sensitive issues, define and validate appropriate action plans and coordinate actions between departments.

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

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

### 3.2.7.3 Crisis management procedures

The Safety, Ethics and Crises Department is responsible for crisis management. The Group's crisis management culture is based primarily on sound incident management practices, regardless of the severity of the incident (see section 3.2.7.2). A streamlined information chain and a multidisciplinary approach to incidents have proven effective, both in coordinating the operational response and in analysing the root causes and implementing any awareness-raising, prevention and protection measures deemed necessary.

In addition, most of the Group's managers experienced the Covid crisis in 2020-2021 and the *Les Fossoyeurs* crisis in 2022, which helped to familiarise the management teams with how to adapt the organisation to manage crises.

This resilience is also rooted in anticipation. In September 2023, after examining the risk of power outages in France in the winter of 2022-2023, Clariane France – with the support of the Group – set up a unit to anticipate the risks associated with the Paris 2024 Olympic and Paralympic Games.



**CLARIANE ESG STRATEGY – BE A LEADING EMPLOYER**

“Be a leading employer” is a priority for Clariane. Alert to our societal responsibility and contribution, we constantly strive to ensure the physical and mental health, well-being and career development of the Group’s 63,392<sup>(1)</sup> employees in 2023 (81% women, 61% in the care business lines). Taking care of our employees is a managerial commitment and a pledge of quality for the services we provide on a daily basis.

With this in mind, the Group has built an ambitious and responsible social foundation, based on trust, initiative and responsibility – the values that drive us.

Through constructive, regular and ongoing dialogue using internal listening tools and engagement surveys, this social foundation aims to:

- contribute to continuous improvement of the employee experience;
- establish a work framework that is safe, healthy and conducive to quality care; and
- promote professional fulfilment and career development for all.

This foundation makes it possible to consistently implement the following tangible commitments:

- commitment 4: maintain as a minimum, or increase the average seniority of employees;
- commitment 5: invest in qualifying training programmes to enable 10% of employees to join a qualifying training programme;
- commitment 6: increase the number of women among top management to reach a ratio of 50%.

(1) Permanent contracts including, by agreement, non-permanent German contracts, treated as open-ended contracts, due to their long duration.



## 3.3 Be a leading employer

### 3.3.1 Clariane human resources policy

Clariane's human resources policy, based on the Company's values – trust, responsibility and initiative – is at the heart of the In Caring Hands corporate project, dedicated to the service sector for elderly and vulnerable people and those with diminished autonomy for whom the quality of care and support provided is essential.

The growth of Clariane's activities requires the ability to attract and develop a wide variety of talent across different professions, in particular caregivers, nurses, doctors, cooks, as well as job roles related to personal services activities (home caregivers for elderly people, care providers, reception staff, etc.).

All the countries where the Group operates are facing a shortage of healthcare workers, exacerbated by the Covid-19 pandemic. According to the Organisation for Economic Co-operation and Development (OECD) and various other European statistical sources, the shortage of caregivers is estimated to reach hundreds of thousands of caregivers per year by 2030.

Developing the attractiveness and esteem of professions related to elderly and vulnerable people is, therefore, an essential priority for Clariane, to ensure it is able to guarantee excellence and continuity of care for residents and patients.

This attractiveness and appreciation require:

- the implementation of an ambitious social foundation for candidates and employees who hold or will occupy these roles, in terms of working conditions, health at work or

quality of life at work, and also opportunities for training, to develop their skills and move towards more qualified and better paid positions.

This social foundation is made possible and supported by a high-quality managerial culture that safeguards the Group's values and is based on a managerial model driven by our facility directors and their teams, the cornerstones of the network;

- anticipating the recruitment and skills development needs for our activities. This requires social innovations to secure and expand our external and internal talent base;
- an organisation that allows everyone to have a real capacity for action with residents and patients, but also with communities and local stakeholders, in order to support business growth in all the regions where the Group operates.

To meet these various challenges in a context of strong growth, scarcity and volatility of resources, Clariane's Human Resources policy is organised around three priority strategic areas:

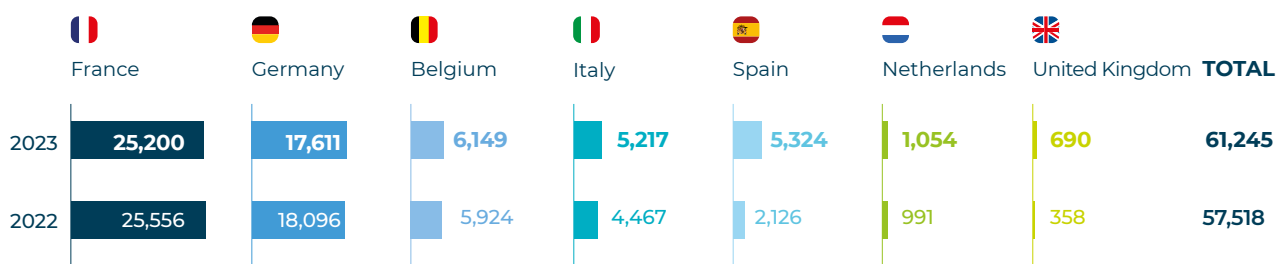
1. engaging Clariane employees around an ambitious social foundation;
2. developing skills and talents to ensure quality of care;
3. being a committed and responsible social player.

### 2023 workforce data

The Group's total workforce was 61,245 full-time equivalents (FTEs) in 2023, compared with 57,518 in 2022.

A total of 63,392 employees were on permanent contracts as of 31 December 2023<sup>(1)</sup>.

#### BREAKDOWN OF WORKFORCE BY COUNTRY (FTEs IN 2023)

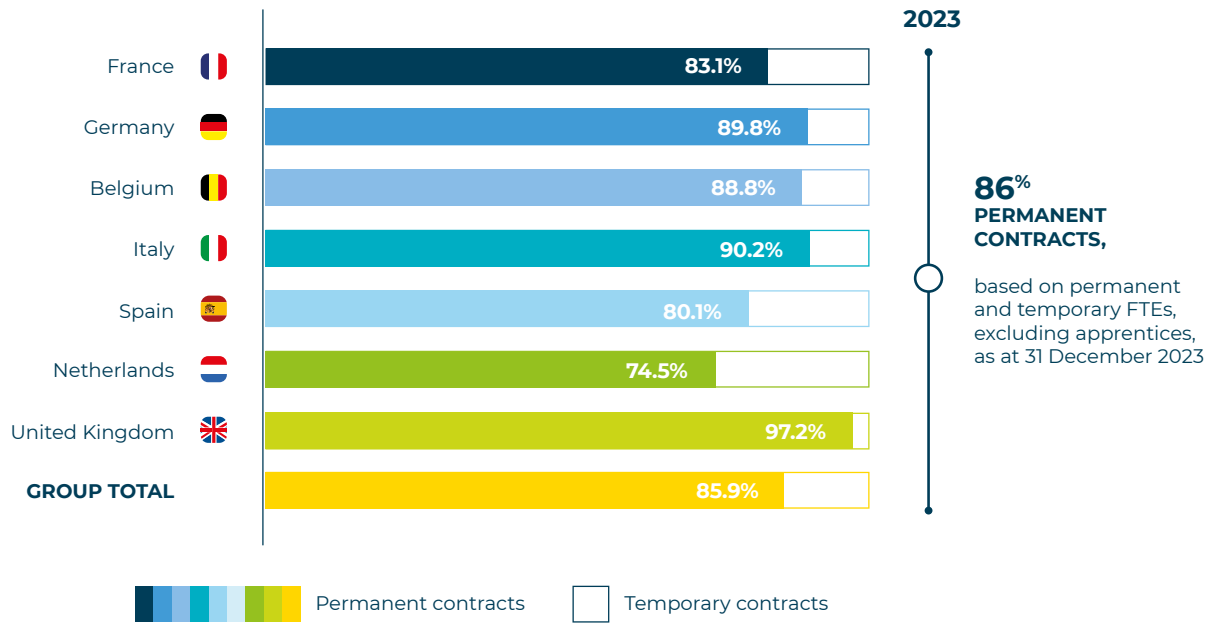


(1) Permanent contracts including, by agreement, non-permanent German contracts, treated as open-ended contracts, due to their long duration. However, in chapter 3, the indicators calculated on the basis of permanent contracts exclude these 4,504 German long-duration non-permanent contracts for the sake of transparency, and are therefore based on 58,898 permanent contracts.

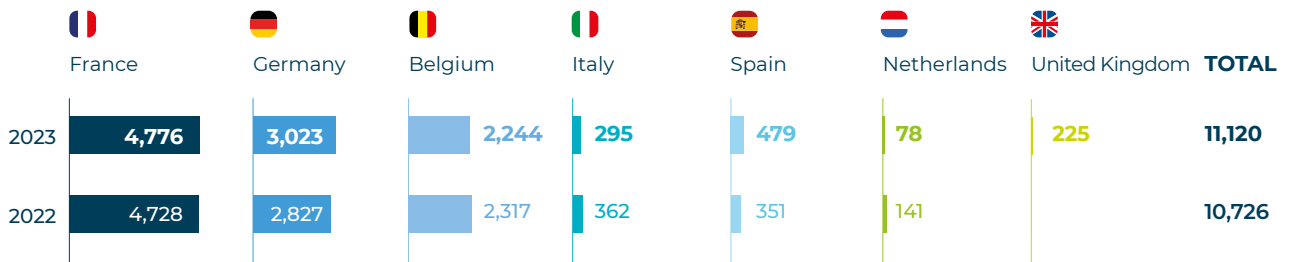
**BREAKDOWN OF WORKFORCE BY TYPE OF CONTRACT, BY COUNTRY**

(workforce at 31 December 2023, permanent and temporary)

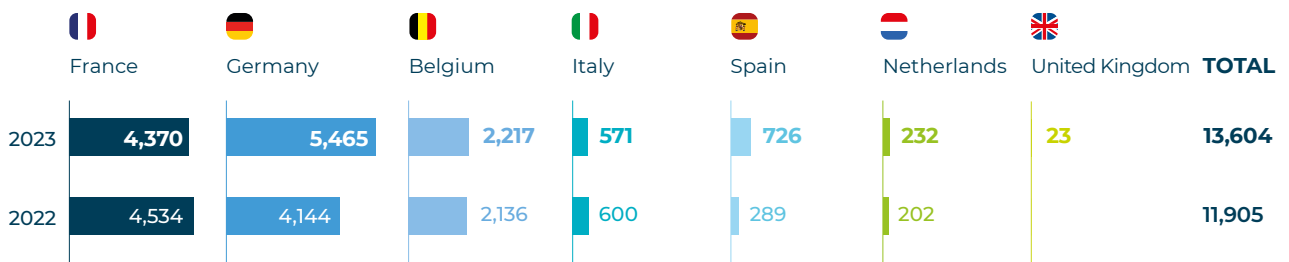
The percentage of permanent contracts by country is shown below:



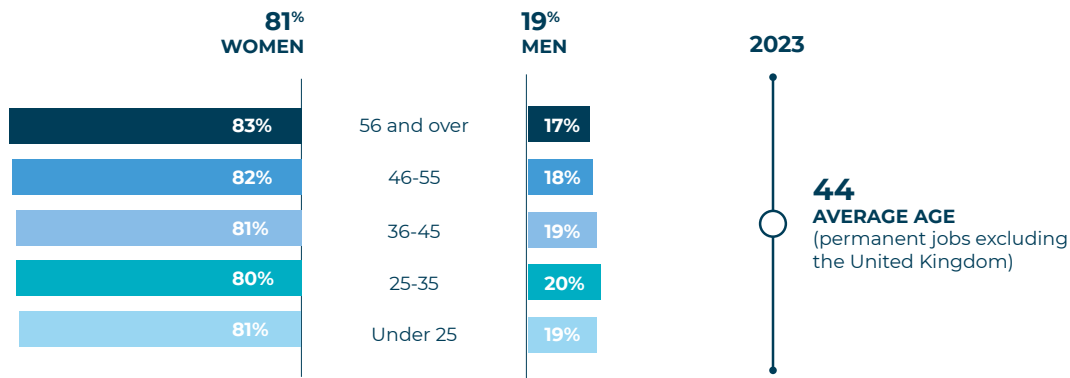
**NUMBER OF RECRUITMENTS (PERMANENT CONTRACTS) IN 2023**



**NUMBER OF DEPARTURES (PERMANENT CONTRACTS) IN 2023**



## BREAKDOWN OF WORKFORCE BY SEX AND AGE GROUP



### 3.3.2 Rallying employees around an ambitious social foundation

#### 3.3.2.1 Clariane's values anchored in the human resources policy

The values of trust, responsibility and initiative form a unifying foundation and are at the core of our corporate culture.

To anchor these values in the Company's social fabric and day-to-day actions, they are integrated into all of the Group's HR processes. 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. At the same time, the Group's values-based Ethics Charter is included in the hiring process: each new employee must sign Clariane's ethics commitments. To promote monitoring and ensure compliance of all facilities with these commitments, they have been incorporated into the Clariane Standard quality handbook, and are therefore part of the ISO 9001 certification.

#### Employer promise based on symmetry of attention

Clariane's employer value proposition – "Clariane, your place to make a difference" – was redefined in 2023 following a series of group workshops with teams in the field. Supporting and caring for others also means taking care of our employees and supporting them so that they can:

- make a difference in their day-to-day work;
- make a difference in their career paths;
- make a difference to those around them.

Just as our staff invest in their patients and residents every day, Clariane invests alongside them to make their jobs easier. Our HR policy is centred around creating the conditions for everyone to thrive at work, grow in their profession and build their personal career path.

#### Clariane – certified Top Employer Europe in 2023

Following audits carried out by the Top Employer Institute in 2023, the Group received Top Employer Europe distinction. This was the first such distinction received by a group in the healthcare and nursing sector. Five of the Group's seven countries received awards: Germany for the fourth consecutive year, France for the third consecutive year, Belgium and Italy for the second time and the United Kingdom for the first time. These countries account for 88% of the Group's workforce. This distinction was obtained following audits carried out by Top Employer Institute, an independent international body that certifies excellence in HR practices in terms of working conditions. These audits cover 350 HR practices broken down into 20 topics, including talent management strategy, work environment, talent acquisition, training and skills development, well-being at work, and diversity and inclusion. A minimum score of 60% is required to be eligible for Top Employer certification.

In Germany, where Clariane received the award for the fourth consecutive year, the overall score rose from 75.5% to 79.6%, i.e., an increase of 4.16 points. Areas showing an improvement were training, the working environment, listening to employees and the employer brand. In France, Clariane was awarded the label for the third year running, with an overall score of 75%, as in the previous year. The areas with the highest scores were training, employer brand, and purpose and values. In Belgium, where Clariane received the award for the second year running, the overall score was 73.8%, up from 66.2% the previous year. Areas showing an improvement were purpose and values, the working environment and leadership.

In Italy, where Clariane was also awarded the label for the second year running, the overall score improved from 69.4% to 78.4%. Areas showing an improvement were the working environment, performance and sustainability.

In the United Kingdom, Clariane received the distinction for the first time, with an overall score of 80.1%. The areas with the highest scores were purpose and values, ethics and integrity, listening to employees and leadership.



### 3.3.2.2 A consistent commitment to prevention, health and safety at work

#### A demanding policy driven and embodied by Group General Management

Alongside its policy of providing high-quality care to its residents and patients, Clariane makes preservation of the physical and psychological integrity of each employee a priority. This is all the more strategic given that the healthcare and nursing sector generally experiences a high number of accidents in Europe. The Group is committed to reducing the number of workplace accidents thanks to its policy of quality and continuous improvement. The aim is not only to forestall accidents and occupational illnesses, but also to establish a true culture of health and safety at work in every country.

The Group's commitment is summarised in an Occupational Health and Safety Charter, signed by the Group Management Board in 2019, which is available in all countries and aims to spread a culture of occupational health and safety throughout the Group. It was reinforced in 2023 by the circulation of a Group health and prevention policy, applicable in all countries and based on five strategic pillars:

- work with social partners;
- involve line managers;
- identify risks and implement preventive measures;
- analyse accident data;
- entrench a continuous improvement approach.

#### 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 Clariane facilities in Europe, the prevention, health and safety at work policy is included in the Clariane quality management standard and is part of the ISO 9001 certification.

The results in terms of health and safety are closely monitored every month by the Group's various governance bodies, i.e., the Group Management Board and its Risks, Ethics and Compliance Committee, as well as during business reviews by the Management Committees in every country. They are also shared with the employee representative bodies in each country, as well as at the level of the European Company Works Council. In all of the Group's countries, processes for managing risks related to health and safety at work are put in place, in accordance with the laws of each country, and also proactively with employee representatives, occupational health, maintenance and safety teams. All of the Group's countries have tools and committees dedicated to monitoring and analysing the reasons for workplace accidents, in order to implement prevention measures. The Group's occupational health and safety policy is coordinated with all countries to implement best practices for monitoring

and analysis and to ensure the effective implementation of the Group's policy. Each country has a total recordable incident rate reduction target. These frequency rates and the analysis of the types of occupational accidents are now included in the monthly business reviews of each country.

### Health and safety results and objectives

The table below shows the frequency and severity of workplace accidents. We have observed a decrease in the frequency rate<sup>(1)</sup> within the Group, which amounted to **37 in 2023 compared to 41 in 2022**. In parallel with this decrease in the frequency rate in 2023, the severity rate<sup>(2)</sup> also improved to 1.36 in 2023 at Group level (compared to 1.54 in 2022).

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

Frequency rate	France	Germany	Belgium	Italy	Spain	Netherlands	United Kingdom	Total
2023	56	16	33	18	40	5	1	37
2022	62	17	30	18	46	1		41
2021	72	24	30	26	55	-		48

Severity rate	France	Germany	Belgium	Italy	Spain	Netherlands	United Kingdom	Total
2023	3.06	0.10	0.66	0.38	0.82	0.03	0.0	1.36
2022	3.29	0.14	0.76	0.36	0.91	-		1.54
2021	3.89	0.69	0.83	0.55	0.93	-		1.97

Due to reporting deadlines, the frequency rates shown here do not include occupational accidents that are not reported directly to the employer. Neither do they exclude accidents at work whose classification as occupational accidents has been rejected by the social security bodies in the various countries. In 2023, the Group launched an analysis to fine-tune its frequency rate monitoring. In France, for example, this has made it possible to adjust for relapses, which could have led to multiple counts in previous years.

### Binding health and safety agreements signed with the social partners

With the aim of continuously improving the health and safety conditions for its employees, in November 2021 Clariane's General Management and the members of the

In France, the fall in the frequency rate is mainly due to actions taken following the Occupational Health and Safety (OHS) Agreement signed in 2021 by all the representative trade unions to improve the process of reporting and accounting for workplace accidents. The Group has set itself the goal of significantly reducing the number of workplace accidents by setting targets and monitoring the measures deployed and the progress made.

Since 2022, the results in terms of health and safety are included as criteria in the variable portion of compensation of top management within the composite human resources indicator.

European Works Council (EWC) adopted a European protocol on health and safety at work, covering three years and aimed at reducing the risk of workplace accidents. This is the first time that such a protocol has been signed in the sector.

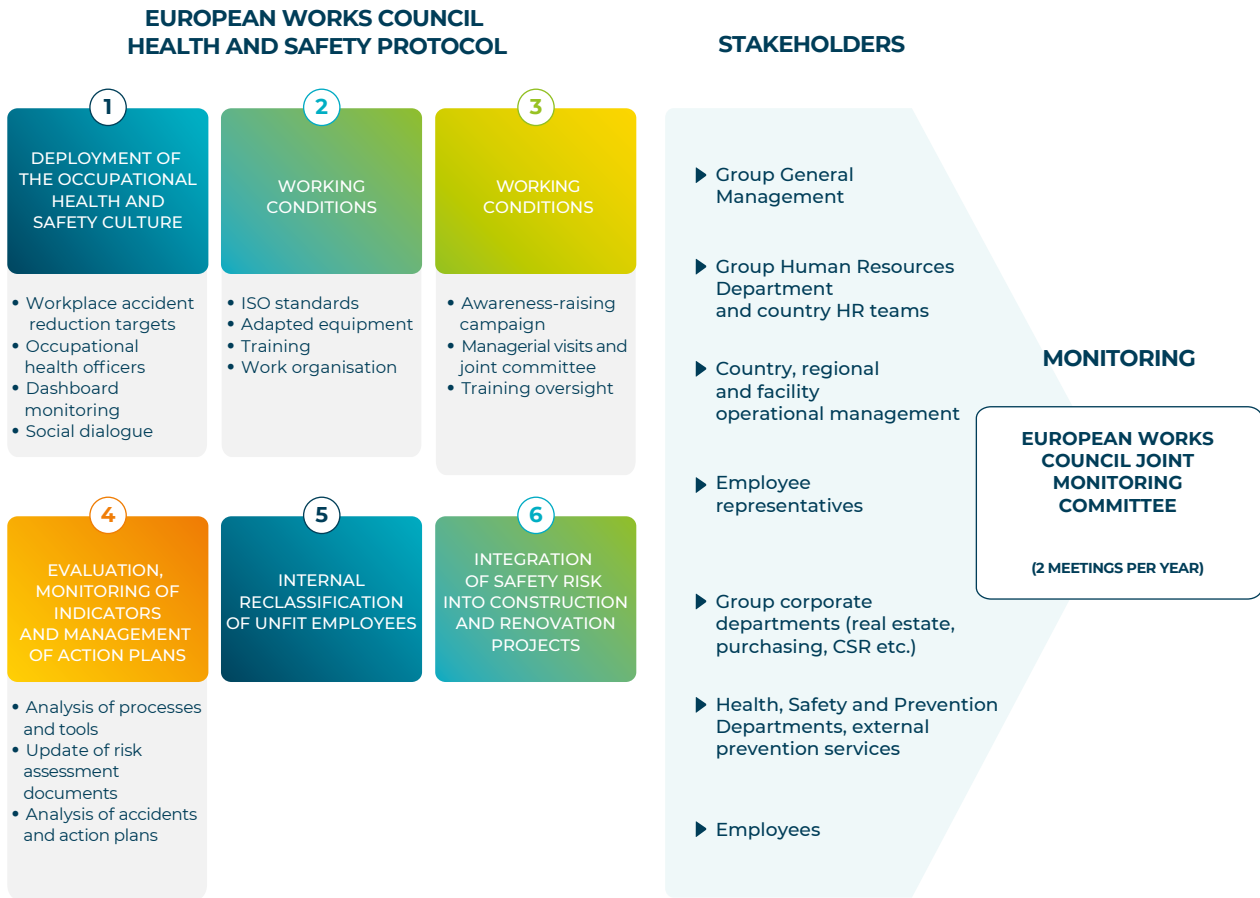
The Protocol contains 25 measures aimed at raising the Group's standards in all countries. Each of the measures refers to an existing best practice in a country, which was the subject of a detailed presentation at the meetings of the EWC's Health and Safety working group.

A joint monitoring committee has been set up and will meet every six months to monitor the progress of the approach. Results are also 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.

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

(2) Number of days lost following a workplace accident multiplied by 1,000, divided by the number of hours worked.





In 2022, a roadmap to deploy the 25 commitments of the Protocol was designed jointly with the countries, deployed and shared on a common digital platform, which also makes it possible to monitor the actions and achievement of targets. The monitoring of the roadmap is presented at each joint committee.

In 2021, Clariane also worked with the social partners in France to negotiate and sign the first Company agreement on occupational health and occupational risk prevention in the private healthcare and nursing sector.

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

- understanding on the part of all internal and external players of their roles and interactions;
- prevention of physical risks;
- prevention of psychosocial risks;
- prevention of the risk of incapacity and professional exclusion.

**In France: methodical deployment of an occupational health policy in consultation with the teams in the field**

In order to allow for better appropriation of the terms of the agreement by facility directors, and taking into account the challenges surrounding the implementation of a genuine risk prevention management system, Clariane wanted to adopt a method that involves local and regional management, which continued into 2023, enabling everyone

to be an agent of change. An operational roadmap for the deployment of the agreement in the field was drawn up by the operational staff and professionals concerned.

The roadmap has been rolled out to all facilities since December 2021 and is monitored facility by facility by means of a dedicated web application highlighting the concrete actions taken.

This approach – known as “Five Steps” – facilitates coordination and management by the regional departments, the operations departments and the France Management Committee.

Among the main points of the agreement:

- Clariane is committed to ensuring that each facility's management committee holds regular discussions with local representatives called the Occupational Health and Safety Steering Committee (OHS Steering Committee) to address accident issues and associated indicators, participate in the update of the professional risk assessment document, and, lastly, develop operational action plans;
- in addition, Occupational Health Officers are appointed in the facilities to increase the visibility of the health and safety at work policy. Their mission is to raise awareness and advise employees on the prevention of occupational risks. To this end, they must follow the dedicated training (Sanitaire Medico Social, formerly HAPA), certified by the French National Institute for Research and Security (*Institut national de recherche et de sécurité – INRS*) and delivered by the Clariane University.

- to reduce the risks related to musculoskeletal disorders (MSDs), 100% of Facility Health Officers are trained in Housing and Care for the Elderly (*Hébergement et accueil des personnes âgées – HAPA*). In addition to the certification of Health Officers, they have a handbook comprising prompt sheets aimed at raising employees' awareness of recurring work situations that can generate MSDs;
- a list of equipment reducing the risk of accidents was drawn up in partnership with the Purchasing Department and the Occupational Health Unit.

### Prevention of psychosocial risks and occupational illnesses

Clariane 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 the elderly can be substantial. The prevention of psychosocial risks is one of Clariane's commitments in the "Joint declaration on social commitment and the reduction of absenteeism" negotiated and adopted with the European Works Council in November 2022. It includes a commitment to conduct diagnostics on the psychosocial risks in all countries. In Germany, for example, the psychosocial risk assessment process had been rolled out at 90% of sites by the end of 2023. These analyses involve management and employee representatives.

In France, one area of the health and safety agreement signed with the social partners in 2021 is dedicated to the prevention of psychosocial risks. A diagnostic has therefore been launched with a sample of 22 network sites and head office. Feedback was provided in the second half of 2023, and

cross-functional working groups have been established to propose practical action plans in 2024. A Right-to-Disconnect Charter to improve work-life balance was also published and distributed in the autumn of 2023.

Following discussions on social and psychological support with the social partners at European level, a country standard on social and psychological support for employees has been drawn up and was adopted at Group level in June 2023. This standard has been communicated to the Group's governing bodies and the members of the European Works Council.

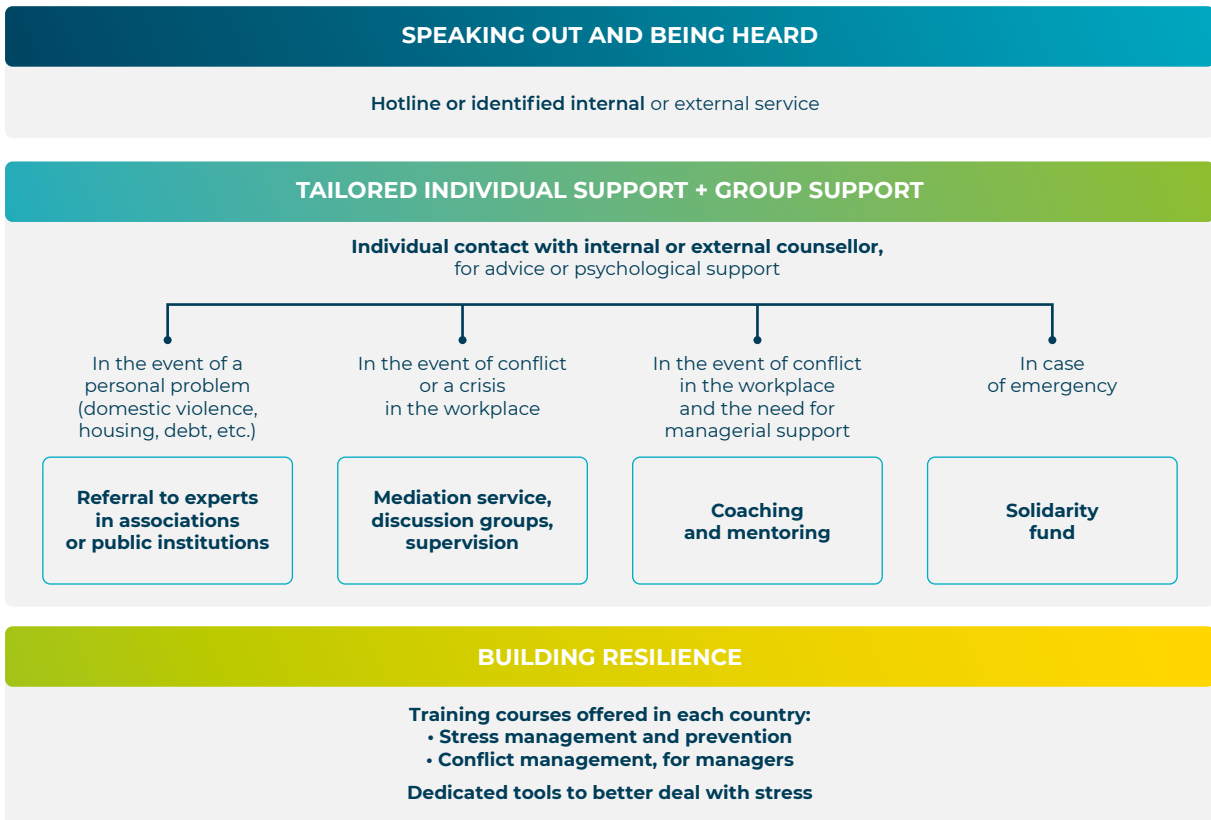
It is based on three main pillars and includes the implementation of tools in all countries to enable employees to:

- express themselves anonymously and confidentially, through helplines or other appropriate services, explain their situation and express any needs they may have for social and psychological support;
- benefit from social and psychological support services, either in-house or provided in partnership with external bodies;
- better manage their own stress, through an expanded range of personal development and self-management training courses and the introduction of digital tools that provide easy access to well-being advice.

Rolling out the standard across all countries is one of the commitments made alongside the adoption of purpose-driven company status, with the target of full implementation by the end of 2026.

Employee awareness of the standard is measured through the annual Community Pulse satisfaction survey. In 2023, 71% of employees believed the company provides access to social and psychological support.

### SOCIAL AND PSYCHOLOGICAL SUPPORT FOR EMPLOYEES



By the end of 2023, the standard had been implemented in different ways:

- in Italy, it was decided in October 2023 to set up a 24/7 Stimulus helpline. All employees can talk to a psychologist by phone, video or chat;
- in Spain, negotiations were held with the trade unions of the different activities in 2023, with a view to signing an Equality Plan. The Grupo 5 Equality Plan was signed on 4 January 2024, and provides for the creation of services and social support for women exposed to violence, whether in the workplace or at home;
- in Germany, the Humanoo app is available to all employees, offering advice on resilience and stress management. In addition, Clariane University, the Group's training platform, offers its employees 15 training modules to help them better manage stress: stress management, burnout prevention, physiotherapy trial day, resources and resilience, learning and applying stress-reducing habits;
- in Belgium, it has been decided to appoint "trusted people" in all facilities. Forty had been appointed by the end of 2023. As required by Belgian law, these trusted people are tasked with listening to employees' problems. They receive five days of training. In France, the anonymous and confidential 24-hour Stimulus helpline has been available to all employees since 2018. It allows them to communicate, be supported and take a step back from the difficulties they are experiencing or witnessing. There is also a dedicated line for managers. Whenever a serious incident or event occurs at a facility, this helpline may be supplemented with the organisation of support groups. Such groups are co-facilitated by a Clariane psychologist and a social worker trained specifically in this technique. In France, Clariane employs four social workers. Their number was doubled in the mandatory annual negotiations in 2022.

In France, a Social Assistance Unit offers employees a confidential, impartial place to obtain information, advice, and guidance, regardless of the problem at hand:

- social or family issues: pregnancy, birth, death, separation, domestic violence, caring for a family member losing their autonomy, etc.;
- financial worries: help with managing a budget, consumer debt, contacting creditors, etc.;
- health problems: sick leave, disability, part-time work on health grounds, incapacity, impairment, etc.;

- career status: retirement, promotion or transfer, job retention, etc.;
- housing assistance: request for social housing, loan, back-rent, preventing eviction, etc.;
- access to rights: family allowance fund (CAF), social security, administrative situation, etc.;
- preparation of informational materials: guides for parents and carer fact sheets.

In 2023, Clariane France's social services made 2,387 contacts and 362 long-term follow-ups, 57% more than in the previous year.

In October 2023, Clariane France set up a special solidarity fund to help employees in emergency situations. This scheme is one of the initiatives meeting Clariane's Consideration objective as a purpose-driven company. This solidarity fund was set up within the framework of a non-profit and is managed jointly. It is run by Clariane France's social services department and aims to help employees in four areas:

- emergency accommodation, notably to cover the cost of the first nights in a hotel for victims of domestic violence who need to leave their homes quickly;
- emergency food aid, through the provision of service vouchers to employees experiencing temporary financial difficulties;
- emergency mobility, by assisting with vehicle repairs where the vehicle is essential for the employee's daily commute;
- funeral assistance, to supplement the personal protection insurance scheme in the event of the death of an employee or their spouse or child.

In the first three months following the launch in 2023, the new scheme provided support to 56 employees.

In Belgium, the Petra solidarity fund was created in 2020 and is financed by the Company to help families or employees affected by life tragedies who are in an emergency situation. The amounts granted by this fund concerned medical expenses, aid following the death of a loved one or damage caused to the home by fires or weather, as well as humanitarian support. This structure also makes it possible to organise activities in facilities, which unites teams together around a cause, in order to raise funds.

Clariane strives to uphold the values of availability, attentiveness, and closeness to give its employees all the support they need, every day.

Reducing absenteeism – a managerial priority

ABSENTEEISM RATE BY COUNTRY (permanent workforce)

	France	Germany	Belgium	Italy	Spain	Netherlands	United Kingdom	Total
2023	9.8%	17.3%	22.9%	4.5%	8.0%	10.6%	0.4%	12.8%
2022	11.2%	18.3%	22.2%	5.9%	6.7%	11.8%		14.2%
2021	11.6%	17.1%	19.9%	5%	7.1%	11.1%		13.9%

Absenteeism covers several forms of absence: workplace accidents, commuting accidents, simple sick leave and occupational illnesses. The causes are therefore multiple and multifaceted.

In 2023, the absenteeism rate remained stable overall, but at a high level. This rate can have a destabilising effect on organisation of work and day-to-day care services in facilities.

At the European level, a dedicated working group was set up in 2020 in collaboration with the European Works Council to study the causes and propose areas for improvement.

### Signature of the Joint Declaration of the European Works Council and Clariane on social commitment and the reduction of absenteeism

As a socially responsible company, which is concerned about the physical, mental and social well-being of its teams, and in accordance with the Group's values, Clariane wished to involve the social partners of the European Works Council in the process of reducing absenteeism.

#### 3.3.2.3 Internal social promotion at the heart of Clariane's employer promise

Offering career development opportunities for employees makes it possible to retain know-how in-house. Offering new perspectives to employees who want to take a new direction in their careers is also part of our social responsibility. Championing internal promotion is therefore win-win for all stakeholders.

### Career development through qualifying training and professional development paths for all

Training is an essential component of Clariane's employer promise. It facilitates the professional transition through specific training courses leading to qualifications, and helps support employees throughout their professional careers. It also helps to integrate new Group employees through induction training.

Led by our training organisation, the Clariane University launched in 2023, 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 2023, more than one in ten Clariane employees were enrolled in a qualifying professional development programme.

### Annual assessment and professional development interview

All Clariane employees in Europe participate in an annual assessment and professional development interview, either via the C-Talents platform or on paper. These interviews

As part of the social working group set up in 2020, a text was negotiated and signed committing the Group to intensify its actions to improve the quality of management and the working environment in all countries, to initiate discussions on the organisation of work in all countries as part of the social dialogue, to deploy actions to detect psychosocial risks and to support employees through the implementation of a comprehensive range of services and training in the event of stressful situations.

In line with its work on the reduction of workplace accidents and the signature in November 2021 of the Health and Safety Protocol, management and the European Works Council signed, in November 2022, the "Joint declaration on social commitment and the reduction of absenteeism". Absenteeism data and action plans are monitored by a joint monitoring committee of the European Company Works Council, which meets twice a year.

are a privileged moment of dialogue, which allows an open and constructive exchange about their tasks and the achievement of their individual objectives. It is also a major channel for professional development, by taking into account the professional expectations and aspirations of each employee, by allowing each employee to discuss his or her training and professional development wishes, as well as his or her career development and internal mobility aspirations, whether functional or geographical. In 2023, nearly 8,000 people conducted their annual interview using the shared digital tool.

### Structured talent management across all countries

Talent management is in place via Career Committees to pinpoint the Group's high-potential employees and emerging talents. The Career Committees also make it possible to propose development plans for high-potential employees, to prepare them for their next positions with defined and personalised qualifying training paths.

Every year, Career Committees are organised in a structured manner in consultation with all Group countries. This bottom-up process, led by the human resources function, begins with local reviews by country followed by consolidation at Group level, which makes it possible to prepare replacement and succession plans to anticipate significant changes in the Company's key positions.





#### 3.3.2.4 A motivating social contract focused on fulfilment at work

The occupations at Clariane are unlike any other job; they are demanding, profoundly rooted in humanity and marked by powerful values that are based on a strong sense of commitment. Clariane pays particular attention to the health and safety of its teams, and has made this one of its main impact initiatives in response to the Consideration objective enshrined in its Articles of Association as a purpose-driven company.

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 Clariane social contract and contribute to creating a healthy and pleasant working environment that promotes the development and commitment of employees.

Work-life balance is an important factor in 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 people-focused nature of our care professions.

#### Ensuring professional equality – a strong ambition affirmed and driven by the Group

Ensuring professional equality within the Group is an integral part of the Clariane Group's CSR roadmap. Women represent 81% of Clariane's workforce. At the end of 2023, women accounted for 54% of Clariane's top management. The objective of achieving parity by 2023 was already surpassed in 2022.

The new 2024-2028 roadmap – the indicators and targets of which were approved by the Board of Directors on 28 February 2024 on the recommendation of the Ethics, Quality and CSR Committee – sets a target of 40% women on the Management Committees of the Group's various countries and corporate departments by 2026 and for all the Group's countries. To achieve this objective, all candidate lists for strategic and senior management positions must include at least one woman.

The Human Resources Department pays particular attention to identifying talented women during talent reviews. Coaching programmes are set up to support them in their career development. In 2023, the Clariane Women's Club launched a mentoring programme for women in Belgium. The experiment involved ten pairs and will be followed by a similar initiative in France in 2024.

In addition, the Group is committed to working alongside the United Nations Global Compact and UN Women France to support the full recognition of women's contribution and talents at work and in society. As part of this commitment, in November 2020 Clariane signed the Women's Empowerment Principles (WEP) to promote women's rights, in line with our social approach at European level.



### Gender equality certification in Italy

Clariane in Italy undertook a gender equality certification process in 2023. This Afnor certification (UNI/PdR 125:2022 standard) covers indicators in six areas: culture and strategy, governance, human resources processes, opportunities for growth and inclusion of women in the company, pay equity, parental protection and work-life balance. A Gender Equality Officer has been appointed, and a Diversity and Inclusion Committee has been established. Following the process, which included audits by Bureau Veritas, 53 legal entities were certified in 2023, including all sites and the head office in Italy.

### Equality plan negotiations in Spain

In 2023, Clariane in Spain began negotiations with the social partners of the Group's various Spanish entities with a view to signing gender equality agreements covering all sites. The negotiations covered all aspects of gender equality, such as equal pay, access to training and promotion, work-life balance and gender-based violence. A first plan was signed by management and the social partners on 4 January 2024, for Grupo 5.

### 2023 gender equality index in France

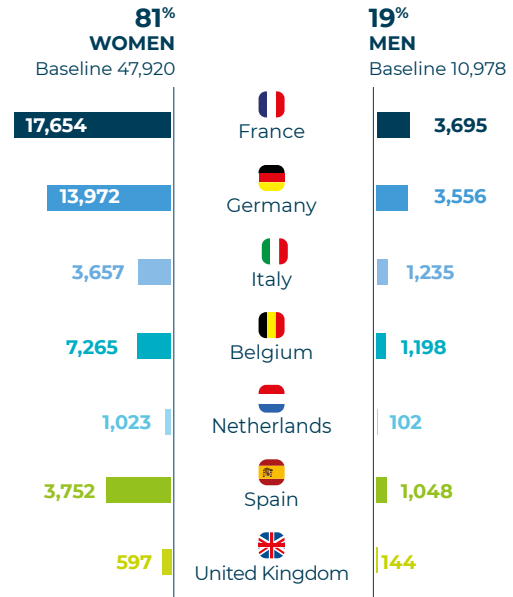
The gender equality index for 2022 at the level of the Clariane France Economic and Social Unit (ESU) was published on 1 March 2024, in accordance with the law. This index, complying with Law No. 2018-771 of 5 September 2018 on the freedom to choose one's professional future and applicable to companies in France with over 50 employees, is based on the assessment of five indicators to measure where the Company stands in the area of professional equality.

The results obtained on these indicators are as follows:

1. elimination of gender pay gaps: 38 points;
2. equal chance of getting a raise for women and men: 20 points;
3. equal chance of being promoted for women and men: 15 points;
4. all salaried staff receiving a raise on their return from maternity leave: 15 points;
5. gender parity among the 10 highest paid employees: 5 points.

Clariane France obtained a total of 93 points out of 100, equalling its score from the previous year. Even though this is an excellent result, Clariane is continuing its efforts to improve its score, which is re-evaluated every year.

### BREAKDOWN OF EMPLOYEES BY GENDER AND COUNTRY – PERMANENT WORKFORCE AS AT 31 DECEMBER 2023



### Percentage of women in Group management

Group Management Board	25%
Clariane top management	54%
Facility directors	71%

### Clariane Women's Club

The Clariane 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 Clariane Women's Club is chaired by Catia Piantoni, former director of operations of Clariane Italy, with the support of the Group's Chief Executive Officer. This club operates through a network of women leaders in all countries. To this end, committees have been set up in every country. The Club's two priorities are women's leadership and empowerment, with the dual aim of achieving balanced representation of men and women in top management positions and combating violence against women. For example, the Clariane Italy Women's Club has worked to provide emergency shelter in Brescia for women who are victims of violence. 245 Italian managers also received training on domestic violence in 2023, thanks to a partnership with the non-profit organisation D.i.Re. The network currently brings together more than 100 women leaders and managers, on a voluntary basis, and has been open to men since 2022.

After launching a survey in 2021 on the obstacles to gender diversity within the Group among senior executives and then among all managers, since 2022, the Clariane Women's Club has headed up country-specific working groups focusing on various topics: work-life balance issues, gender stereotypes, women's leadership, and self-censorship.

In 2023, a communication campaign was launched to raise awareness of stereotypes – what they are, how they manifest themselves and how to avoid them when they lead to limiting behaviour such as sexism.

Four brochures have been produced, addressing stereotypes of LGBT people, stereotypes of men in care professions, stereotypes of women victims of domestic violence and stereotypes of women in top management.

In Belgium, the Clariane Women's Club has launched a personal development programme for 10 female employees through a year-long mentoring scheme.

In 2023, the Clariane Women's Club sought to take the battle against sexism even further. On 25 January 2024, Sophie Boissard, the Group's Chief Executive Officer and a supporter of the Clariane Women's Club, signed the #StOpE Charter against sexism, committing the Group to continuing its actions alongside 270 non-profit organisations to raise awareness, provide training, and identify and alert people to situations of sexism.

For the third consecutive year, the Clariane Women's Club also launched and led the Orange the World campaign within the Group, in partnership with the OneInThreeWomen collective (Fondation Agir Contre l'Exclusion) and partner non-profits in the Group's various host countries, such as D.i.Re in Italy and Maison des Femmes in France.

The initiative resulted in the creation of a support and accompaniment service for women victims of violence in Italy, in partnership with the ONDA Foundation. Information leaflets on the different types of violence and useful contacts were distributed, and an artistic competition entitled "Art in gender" was organised to encourage victims to share their stories and ask for help. All employees were asked to wear an orange mask.

Thanks to the extensive work carried out by the Clariane Women's Club in Italy during the Orange the World campaign and throughout the year, Clariane Italy was awarded the Standout Woman Award at a ceremony in the Italian Parliament on 29 November.

In France, a number of talks were held at Clariane's head office and streamed live to enable teams in the various facilities to participate. Two webinars were held in particular: one for all managers in Europe in partnership with Maison des Femmes, and another for managers in France in partnership with the *Centre d'Information des Droits des Femmes* (Women's Rights Information Centre).

Several communication tools have been created to raise awareness and inform employees. In France, the social services department created a special card with emergency

numbers to call in the event of violence and a QR code to access further information on resources available within the company and local services depending on the location. Other tools such as a "violence detector"<sup>(1)</sup>, which was launched in 2022, and a practical guide on domestic violence and the role of social services were also distributed. In Germany, orange "Korian – we care" wristbands were produced and distributed to symbolise connection. A competition between facilities was also organised to reward the most outstanding initiatives to raise awareness of the issue.

### Committing to promoting diversity and inclusion

The strength of Clariane's social and human capital lies in the diversity of its teams, their career paths and their experiences. In 2023, Clariane decided to include this issue in the annual Community Pulse employee satisfaction survey in order to better understand their perspectives. 87% of employees expressed the view that there was no discrimination based on origin, age, gender, culture or sexual orientation within the Group.

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.

To step up its work in this area, Clariane set up an HR Europe working group in 2023 to organise the sharing of existing best practice and to identify common priorities. In 2024, this will lead to the implementation of Diversity and Inclusion action plans in all countries, in line with the commitments made in the Group's CSR roadmap.

Training and awareness campaigns for managers and teams are in place in all countries. Clariane Germany has been a signatory of a diversity charter since 2019. In Belgium, in early 2020, Clariane launched a specific diversity programme in the Brussels region, in partnership with Actiris, the regional organisation in charge of employment policy. The programme included diversity management training for facility directors and an analysis of recruitment processes by working groups bringing together human resources managers, operational managers and trade union representatives. Clariane was awarded the Diversity Label for its initiatives carried out during these two years.

A new action plan was developed in a joint approach and is being rolled out over the 2023-2025 period. It covers four areas: selection and recruitment, personnel management, internal communication and awareness-raising, and external positioning.

In Italy, Italian language training days were organised for foreign employees in Milan, Genoa and Turin in 2023. The aim was to deconstruct and dispel unconscious biases that hinder inclusion, in order to approach each person with empathy, respect and kindness. These classes are organised in collaboration with the non-profit organisation Palestra della Scrittura.

(1) Visual self-assessment tool with 23 questions to identify the presence or threat of domestic sexist and sexual violence.

In France, Clariane has, since 2018, been a signatory of the "Autre Cercle" Charter to promote the inclusion of LGBT+ (lesbian, gay, bisexual and transgender+) people. In 2023, Clariane renewed its commitment to the charter alongside other major groups, in order to reaffirm its commitment and step up its actions. An e-learning training module has been created and circulated to everyone. A communication campaign on stereotypes was produced and distributed throughout the network and head offices in France to mark the International Day Against Homophobia on 17 May.

Clariane promotes living well together through its training courses and by disseminating a dedicated guide. Clariane has an internal Neutrality Officer in charge of providing assistance, if necessary, on issues related to ethnicity and the management of religious issues. An e-learning module has also been designed to help managers apply the principle of neutrality in the workplace.

In the United Kingdom, a project on neurodiversity was launched in 2022 with the help of an external firm, with the aim of making Clariane a neuroinclusive organisation able to attract, recruit and retain neurodiverse talent. This initiative aims to develop an inclusive and quality working environment for employees with all types of abilities. Some of the more well-known forms of neurodiversity include autism, dyslexia, attention deficit disorder with or without hyperactivity, and dyscalculia, for example.

During the first phase of the project, all HR policies were audited, as were practices and ways of working; a questionnaire was also distributed to employees and more than 100 individual interviews were conducted with employees. This first step made it possible to establish that 10% of employees were diagnosed with some form of neurodiversity and that, in addition, 20% identify as neurodiverse. 40% of employees also have a family member who is neurodiverse. These results demonstrate that neurodiversity is a major topic in the daily lives of employees, reinforcing the importance for Clariane of becoming a neuroinclusive company.

### Employment and integration of people with disabilities

At the end of 2023, the Group had 2,485 employees with a disability, representing 4% 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. Clariane France stands out for the significant proportion (53%) of disabled people among Clariane apprentices at the Apprenticeship Training Centre (CFA) for chefs set up in 2020 alongside the Accor, Accor Invest, Sodexo and Adecco groups.

### Disability mission

In 2020, Clariane renewed its agreement on the employment of disabled workers with its social partners in France for the 2021-2023 period.

The agreement featured several commitments including a plan to hire 300 people over three years, with a specific plan to recruit around 60 work-study students and to support 200 employees to promote job retention.

Achievements under the agreement exceeded each of those objectives at the end of 2023. The hiring target was surpassed, with 320 people recruited over the three years of the agreement. The specific work-study plan was also a success, with 109 apprentices with disabilities joining the workforce. Finally, Clariane France's internal disability mission provided support to 487 people with new disabilities. Negotiations began with the social partners at the end of 2023 to build on this momentum with a new collective agreement.

Specific actions were carried out in 2023, including:

- the implementation of a digital accessibility audit for company websites (in compliance with the RGAA, the French General Accessibility Framework for Administrations), together with training on the accessibility of editorial content for contributing teams;
- a major disability awareness campaign during European Disability Employment Week, with support from three Paralympic athletes ahead of the Paris 2024 Olympic Games.

In Italy, there are regional agreements for the employment of disabled workers. Since 2022, a project for the inclusion of people with mental health problems has been implemented in the regions of Turin, Rivoli and Lanzo Torinese, in collaboration with the Piedmont regional authority. In Spain, at least 2% of our staff are employees with disabilities, in accordance with applicable legislation.

### EMPLOYEES WITH A DISABILITY (FTE)



No data collected for the Netherlands, where reporting is not mandatory.

**An attractive and fair compensation system that reinforces the Clariane social contract**

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

1. attracting and retaining talented employees;
2. offering them a stake in the Company’s growth;
3. guaranteeing competitive compensation levels;
4. ensuring fair compensation.

The compensation policies aim to promote individual commitment and collective performance. The priorities of this compensation package are to offer employees an attractive overall compensation, which recognises their skills and professional commitment, particularly in a context of high competition and a shortage of healthcare workers.

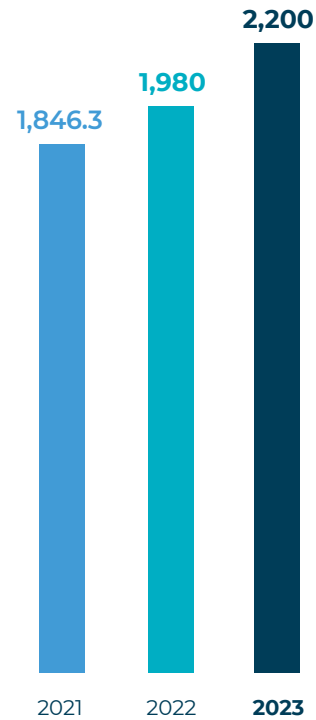
The compensation system is therefore supported by the commitments made to employees included in the Company’s employment policy (signing bonus, tutoring bonus, compensation scales at or above the local market). These are part of a global approach of transparency and employee recognition, that includes compensation components and benefits.

The compensation package in every country consists of a base salary based on the local market and collectively negotiated pay scales in each country, variable compensation for certain managerial staff (modalities vary according to the country and the function), and benefits consistent with national laws and practices.

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

Clariane 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.

**CHANGE IN GROUP COMPENSATION PAYROLL (IN MILLIONS OF EUROS) (excl. IFRS 16)\***



\* Salaries, bonuses and profit sharing, net of payroll costs (excluding assisted living facilities in France).

In all countries, the compensation scheme is adapted to local situations (tension on the labour market or local regulations on the refinancing of health expenditure). It is reviewed regularly with social partners.

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

In 2022, Clariane offered its employees in the French ESU, and in all the countries where Clariane operates, an employee share ownership plan.

This employee share ownership plan, called KORUS 2022, enabled employees to indirectly become shareholders of the Group under preferential conditions, a matching contribution from Clariane corresponding to 100% of the amount invested, up to a gross limit of €200,

and a guarantee protecting the initial investment. By increasing the share of employees in its capital, Clariane wishes to involve them more closely in the results of the transformation and innovation projects carried by the Group over the long term. Nearly 15% of all eligible employees took part in the offer, i.e., more than 9,250 employees. In France

and Italy, the operation garnered strong support, with a subscription rate of nearly 25% in each country. At the end of 2023, the proportion of employee share ownership was 2.75%.

At Clariane, each employee is recognised as having a role in the corporate project, which helps to drive their commitment to serving elderly and vulnerable people, and to strengthen their sense of belonging.

### 3.3.2.5 Social dialogue included in employees' day-to-day lives and integrated into governance

Social dialogue is a core component of the Korian Human Resources approach. Because of the diversity of the teams, the Group's presence in various geographic regions, and the nature of our jobs and the conditions under which they are performed, 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 to meet real needs in the field.

Social dialogue takes place at four levels within our Group: European, national, regional and local.

At the European level, Clariane continued active social dialogue in 2023, in accordance with and beyond the terms of the agreement establishing the European Works Council signed in 2019 and the agreement on employee involvement in the Company negotiated and signed in 2022 with the European Company Works Council.

In 2023, the sitting and alternate members of the Select Committee were trained by a team consisting of an expert from Newbridges and a former Secretary of the EWC of the Solvay group to gain a better understanding of the issues involved in the SE Works Council agreement and their role as elected members of the Select Committee.

Information on the economic, social and financial situation are regularly provided during plenary SE Works Council and Select Committee meetings, with the systematic participation of the Group's Directors and in particular its Chief Executive Officer.

In addition, formal European social dialogue has been in place for three years:

- on the issue of absenteeism and the improvement of the Clariane social contract thanks to the meetings of the social working group:
  - the meetings of this working group led to the adoption by a majority of the European Works Council of the Joint Declaration on Social Commitment and the Reduction of Absenteeism (see section entitled "Reducing absenteeism – a managerial priority");
  - on occupational health and safety: several meetings of the dedicated health and safety working group were held, bringing together representatives from all countries and all trade unions, and led to the adoption in 2021 of the European protocol on health and safety;

- a working group on CSR and training was also set up in 2023, in line with our commitments as a purpose-driven company. This group meets twice a year, with the participation of the Group CSR Vice-President and the Training Director, to exchange information about the Clariane University in each country and to monitor the progress of initiatives that meet our objectives as a purpose-driven company. The SE Works Council representative on the Mission Committee also participates in this working group.

In 2023, Clariane decided to start negotiations with its European Company Works Council on the European Charter of Fundamental Principles of Social Dialogue in order to define common principles for action and negotiation in all countries, while taking into account the specific labour practices and laws of each country.

This involved a series of interviews conducted by an external service provider with HR directors, operational managers and employee representatives in each country to identify the challenges, strengths and areas for improvement in social dialogue and to approach the negotiations on the basis of an exhaustive and objective diagnosis.

A negotiating group was then formed, comprising members of the SE Works Council Select Committee, trade union representatives not on the Committee and a representative of the European Federation of Public Service Unions (EPSU). After nine months of negotiations, the Charter was put to the vote of the European Company Works Council and then signed by all three parties: Sophie Boissard, Chief Executive Officer of Clariane, Bonaventure Muhigana, Secretary of the SE Works Council on behalf of the SE Works Council and Jan Willem Goudriaan, General Secretary of the EPSU.

The development of social dialogue at all levels – local and national – the expression and information of employees, the resources and recognition of employee representatives and the essential role of managers are key points in the Charter.

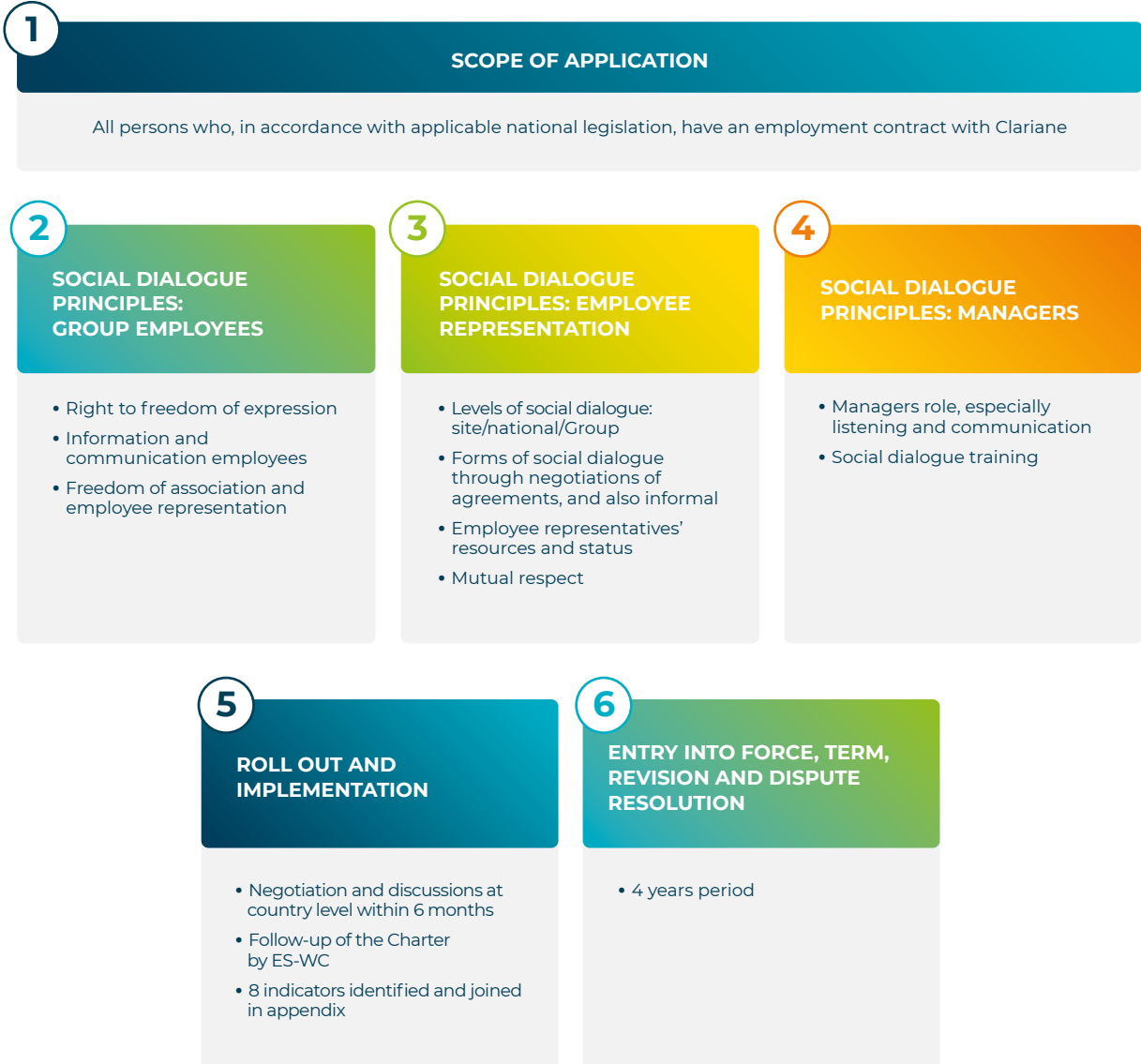
To support managers, a focus is placed on training in social dialogue. Training site managers in social dialogue is another commitment in the Group's CSR roadmap. All are to be trained by 2026.

The four-year Charter will be discussed with the social partners at local level, with a view to adapting and transposing it in each country within six months of its signature.

Indicators have been defined and will be monitored by the European Company Works Council.



CLARIANE CHARTER ON FUNDAMENTAL PRINCIPLES OF SOCIAL DIALOGUE



At the European sectoral level, Clariane is continuing discussions with European social dialogue players, such as the UNI Care trade union federation, and more specifically the European Federation of Public Services, which is the expert appointed to the European Company Works Council to jointly seek answers to the challenges of the healthcare sector in Europe through continuous and strengthened dialogue.

Since 2020, Clariane also participated in the international Global Deal initiative, led in tandem by the OECD and the International Labour Organization (ILO) and supported in France by the Ministry of Labour, which brings together large companies, trade union federations and institutions, with the aim of promoting international social dialogue. The European Charter on Fundamental Principles of Social Dialogue was presented in this context.

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. It is further worth noting that 100% of employees are covered by a social dialogue system or collective agreement (excluding the United Kingdom).

In Germany, a national dialogue body has been formed under the name *Forumbetriebsrat*. It brings together 20 representatives of local works councils and meets every month to discuss Clariane's nationwide projects in Germany. Company-wide agreements signed at the European level and in the Group's various countries cover Clariane's employees on topics such as compensation, health and safety, compulsory and discretionary profit-sharing (in France), and working conditions.

In France, social dialogue goes well beyond legal and regulatory requirements. The social dialogue agreement signed in 2019 was renegotiated and signed on 12 May 2023, before professional elections in November.

As part of this new agreement, the parties have agreed to maintain the levels at which bodies are established in the interests of continuity and stability in social dialogue. Several facility-level social and economic committees (CSEs) have been set up, each covering several sites: four for the Elderly activity, four for the Healthcare activity and one for support functions and facility directors. It has been agreed that they should meet at least eleven times a year in ordinary meetings. Each member receives between 24 and 27 hours of delegation time per month. A Central Social and Economic Committee (CSEC) has

been set up, with members elected by each facility-level CSE. Each representative trade union may appoint a union representative to the facility-level CSE and the CSEC. Five committees have been formed within the CSEC, dedicated to health, safety and working conditions, economic matters, training, professional equality and housing assistance. Union delegates are appointed by the representative trade union organisations for each CSE scope, and receive 20 hours of delegation time per month.

It has been agreed that each trade union may appoint up to three union delegates for the central bodies, for whom the number of hours is increased to 60.

A Health, Safety and Working Conditions Committee has been set up for each facility-level CSE. Each member receives 20 hours of delegation time per month.

Each facility-level CSE designates one of its members to be responsible for informing and guiding employees in the fight against harassment and sexist behaviour.

Although the legal framework does not require local representatives, the parties have retained this provision in the new agreement. Two local representatives are designated for each site. They receive between 10 and 20 hours of delegation time depending on the number of employees at the site.

In addition, the France division organises an annual national seminar on social dialogue attended by regional directors, human resources managers and union representatives from the representative trade unions. The theme of this two-day seminar in 2023 was the prevention of occupational accidents.

### Organisation of social dialogue by country



SPAIN



ITALY



NETHERLANDS



BELGIUM



GERMANY



FRANCE

UNITED  
KINGDOM

EUROPE

	SPAIN	ITALY	NETHERLANDS	BELGIUM	GERMANY	FRANCE	UNITED KINGDOM	EUROPE
<b>Existence of collective compensation agreements</b>	✓	✓	✓	✓	✓	✓		
<b>Type of agreement</b>	Sector-wide	Sector-wide	Sector-wide	Sector-wide	Sector-wide and local	Sector-wide		
<b>Proportion of employees covered by collective agreements</b>	100%	100%	100%	100%	100%	100%		
<b>Representative unions</b>	UGT, CCOO	CISL, CGIL, UIL		ACV Puls, CNE, BBTK, SETCa	Verdi (for certain local agreements)	UNSA, CFTD, CGT, FO		
<b>Company agreements signed in 2023</b>	No	No	No	Collective labour agreement relating to the organisation of the "Elections 2024" social consultation and social dialogue	Local agreements on working conditions	Agreement on social dialogue Pre-election agreement Collective agreement on internal mobility in the context of the transfer of Clariane Les Palmiers Change to the agreement on working time and organisation within Petits-Fils		European Charter on Fundamental Principles of Social Dialogue  Joint European Company Works Council declaration on the Group refinancing plan

### 3.3.2.6 C-Pulse: Clariane's internal social barometer

Since 2021, the Group employee satisfaction survey, C-Pulse, has been carried out once a year. The survey concerns all Clariane employees. Recurring questions are asked to measure job satisfaction, commitment, motivation and the rate of employees who would recommend Clariane to people looking for a job or a service for an elderly or vulnerable person close to them (Net Promoter Score).

The response rate was 65% in 2023, i.e., a total of more than 40,000 responses, 75% of which from non-management grade employees.

The C-Pulse survey, carried out in November 2023 in partnership with Ipsos, revealed a consistently high level of employee engagement, which is steadily increasing each year and now stands at 79% (78% in 2022). 85% of employees are satisfied with their work, which is eight points higher than the benchmark established by IPSOS.

These results give rise to a detailed analysis at Group, country, regional and facility level to identify and understand points of satisfaction and improvement as roundly as possible. The results are communicated to all department and regional directors and then to the facility directors who share the results with their teams.

The expectations expressed in 2023 concerned visibility on professional development paths and psychological support in the event of stress. In response to expectations around training expressed in previous surveys, a major overhaul of

the training offer is underway, with the aim of simplifying access to training and qualifying courses, and providing greater visibility and opportunities for employees looking to progress within the company. In 2023, training was cited as one of the areas in which significant progress has been made, but also as an area for improvement. The work underway within the countries as part of the Clariane University project is a response to these expectations. Scores on issues such as training, awareness of compensation and benefits, work-life balance and management support all improved in 2023. The feeling of recognition at work has edged down and requires particular attention. This falls under the company's objective of Consideration, enshrined in its Articles of Association, in its capacity as a purpose-driven company.

The analysis of the quantitative results and the statements of each facility director inspired initiatives adapted to these expectations, sometimes with an immediate impact on the working atmosphere, such as the renovation of break rooms or the observance of informal moments of celebration and exchange (e.g., birthday celebrations or informal meetings over coffee or snacks).

In line with the results in 2022, the C-Pulse 2023 survey revealed the need to work on our employer image in a context where the senior care services industry was badly tainted. During 2023, work was carried out on the employer brand, to be rolled out in 2024.

## 3.3.3 Attract and develop talent to ensure quality of care

### 3.3.3.1 Anticipate massive staffing needs in the coming years

The care sector in Europe has a massive need for personnel. These needs are linked to overall demographic changes, to the tension on the labour market – aggravated by the Covid-19 pandemic health crisis – and to the fact that these professions require State diplomas, the number of which may be regulated. Training institutes, subject to approval by the public authorities, do not attract enough applicants locally to train the number of people required in the medium term and/or are subject to quotas due to national or regional regulations.

The Organisation for Economic Co-operation and Development (OECD) estimates that 1.2 million nurses and caregivers will need to be recruited in Western Europe by 2025: 720,000 positions will need to be filled to replace existing staff and 480,000 new jobs must be created to meet increasing demand for care, given the ageing of the population. However, existing training systems can cover only 60% of needs, leading to a deficit of around 100,000 caregivers per year by 2025. This assessment does not take into account new home care needs. The imbalance is all the more worrying as the growth in care and support services for elderly or vulnerable people will undoubtedly be strong over the coming years.

### 3.3.3.2 Relying on a skills department to develop talent

In light of this, Clariane is moving to prepare for this shift in the sector, relying on its professional communities to develop the skills required for its current activities, and also to anticipate and develop skills related to its new activities.

The Group has set up networks and professional communities in all of the countries in which it operates.

Each professional learning community aims to:

1. reflect on changes to their jobs and the new skills that will be required for each profession;

2. describe the qualifying training programmes specific to each occupation;
3. identify the resulting training needs;
4. work closely with schools and the training ecosystem in connection with these occupations;
5. promote best practices specific to each profession to help improve the skillset of employees who belong to them.

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

From 2022, the focus has been placed on four major professional communities: facility directors, nurses, caregivers, and chefs and kitchen staff.

Since their creation, these four business committees have been working with the Clariane Universities and Academies to launch a conversation about skills. The objective is to move from a traditional approach to providing training to a skills-based approach in order to be able to support employees more effectively. A common skills matrix has been adopted, anchored in the Group's values. This matrix, divided into hard skills and soft skills, provides a framework while leaving room for the Group's countries to express their specificities.

<b>Hard skills</b>	Professional skills	Knowledge
	Methodological skills	Know-how
<b>Soft skills</b>	Know and take care of yourself	
	People skills	
	Leadership	Social skills

Training as a vector of attractiveness, development and retention for employees and future employees is one of the Group's strategic priorities. It is fundamental to ensuring the quality of care and meeting the evolving needs of our activities. At Clariane, it focuses on our objectives:

- attracting and training external candidates to join Clariane;

- training Clariane employees to develop their careers within the Company.

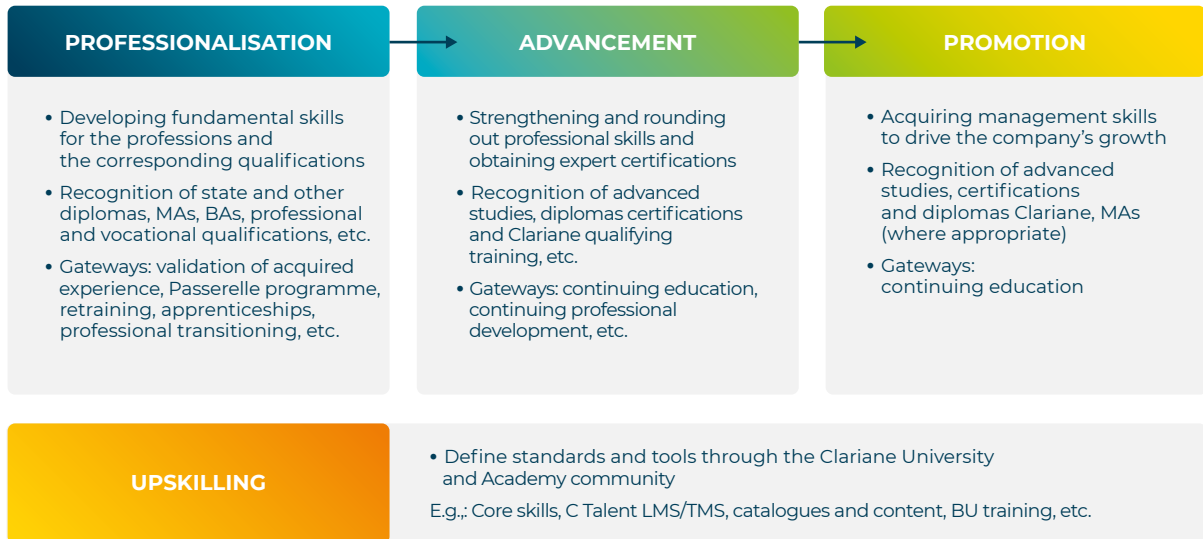
To this end, the Group has implemented a training policy, supported by the Clariane Universities and Academies, which mobilises Clariane employees and future employees in four ways:

- the initial training path: to enable the people concerned to join Clariane via training courses leading to qualifications, and in particular apprenticeships to promote the professional integration of young people;
- the continuous professional training path: to cultivate internal talent pools and mobilise internal recruitment. The objective is to retain employees by giving them the opportunity to pursue their careers within the Group via continuous professional training;
- the validation of acquired experience path: to enable employees to pursue professional development leading to qualifications, while remaining employed;
- the career conversion retraining path: to diversify the Group's recruitment channels, by focusing on social innovation and recruiting differently.

To accelerate and expand these initiatives, the Group therefore created a Skills Department in 2023. Its priorities are professional qualifications, development and promotion.

### DUTIES OF THE NEW CLARIANE SKILLS DEPARTMENT

Contribute to the development of the Group's



3.3.3.3 Accelerating the promotion and development of skills training programmes for employees and people outside the company



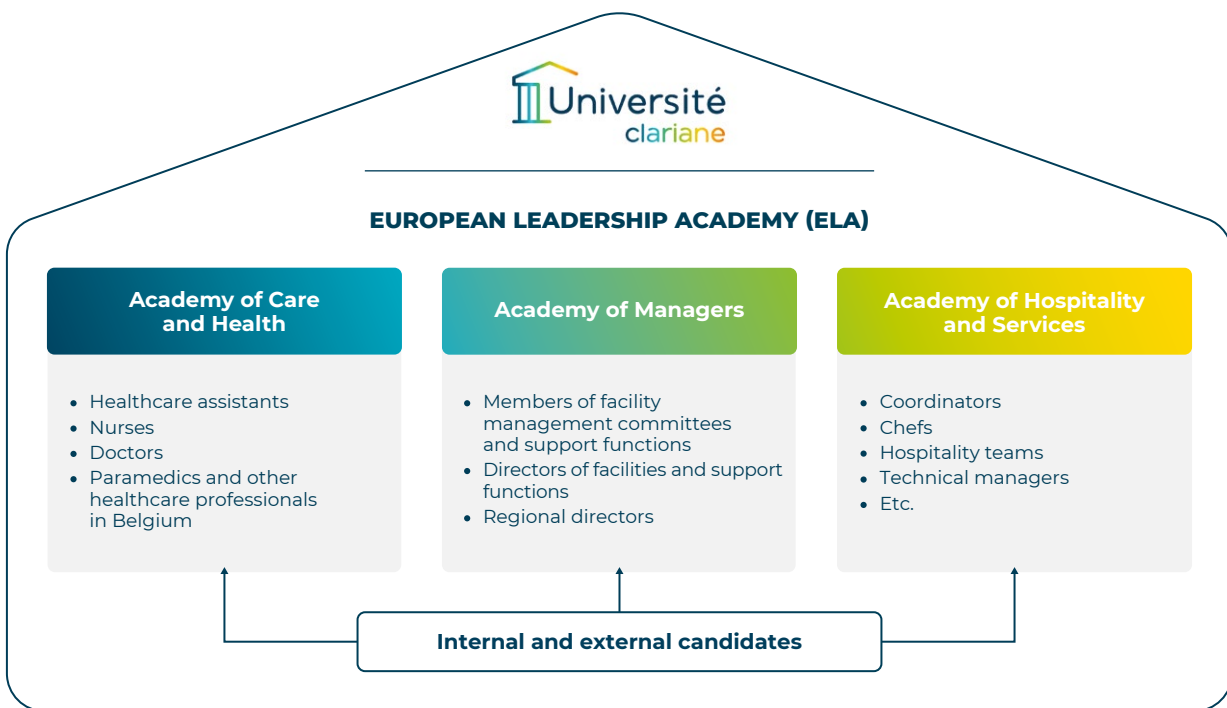
In 2023, as we adopted purpose-driven company status, and to strengthen the range of qualification programmes and ensure their visibility, the Group launched the Clariane University to:

- structure its offer within four academies: Academy of Care, Academy of Hospitality and Services, Academy of Management and Academy of Leadership;

- communicate more widely with employees and the general public for recruitment purposes;
- develop the range of degree and diploma programmes through each of the Education Committees.

For example, the Clariane University France website was successfully launched in July 2023 (<https://www.universite.clariane.com>) and the Clariane University Italy website followed at the end of the year (<https://gruppo.korian.it/corporate-university/>).

Clariane invests in training to attract, develop and retain its employees and future employees. The aim is to develop and increase the number of qualifications offered by our corporate university to enable our employees to develop their skills, improve their employability and advance their careers.



Each of the Group's countries will implement the system in accordance with its own environment and context. Clariane University France was inaugurated on 5 December in the presence of several hundred employees and the Group and French General Managers, with the 2023 graduation ceremony.

Depending on business needs, each country proposes training programmes for all employees, at all levels of the organisation. In 2023, 40,542 employees completed at least one training course and 804,792 hours of training were completed in all.



### The role of the Universities

Their main duties are as follows:

- support business lines and operations with mandatory training on the Group's fundamentals: values, "Positive Care" policies, safety of residents, patients and employees;
- design, monitor and maintain qualifying training programmes within each business line;
- produce innovative educational content on the fundamentals of Clariane's healthcare offering;

- manage partnerships with schools and educational institutions;
- organise the onboarding of all new employees;
- implement bespoke coaching and psychological support, on request.

In addition, the Universities play an important 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.

#### 3.3.3.4 Providing training that contributes to the Group's CSR commitments

Qualifying training is one of the pillars of Clariane's CSR commitment, with a target raised to 10% of the workforce enrolled in a qualifying training programme in 2023. This makes it possible to meet recruitment challenges through internal mobility and promotion, while addressing the increasing requirements of residents and families regarding quality of care and satisfaction.

In 2023, 7,171 Clariane employees in Europe were involved in a qualifying training programme, i.e., 11.7% of FTEs, confirming the sharp upward trend in this indicator since 2021 (9.7%) and almost triple the number in 2019 (4%).

The training courses run by the Clariane Universities are numerous and diverse. A large portion are dedicated to the care professions, but hospitality, catering and management are also featured.

The Group has reviewed the way it monitors all qualifying training paths: from 2024, programmes will also be monitored by business line at European level.

#### 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 is reviewed each year through four main prisms:

- onboarding programmes;
- mandatory Clariane training courses;
- on-site training;
- development of qualifying training programmes.

Clariane's mandatory training courses include values, Positive Care, health and safety of residents and patients, hygiene, safety and the medication circuit.

#### Apprenticeship to promote the professional integration of young people

Clariane has also chosen to train via apprenticeships in its main occupations, with a focus on caregivers and chefs. At the end of 2023, the Group had 3,116 apprentices, including 2,051 in Germany and 1,065 in France. In total, the number of apprentices within the Group represented 5% of the FTEs at the end of December 2023.

Apprenticeships allow us to recruit and retain the employees of the future, cultivating a pool of potential diploma and certificate holders steeped in Clariane's values and supported by a community of mentors. The *Generalistik* programme in Germany and the strong acceleration of apprenticeship training for caregivers in France make the Group a pioneering player committed to apprenticeships, in particular with the creation in France of a real apprenticeship channel for caregivers, which did not exist before 2017.

#### 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 one supervisor for every 10 apprentices. In a context of increased competition for the same positions, the *Generalistik* programme not only makes it possible to forge strengthened partnerships with healthcare schools and universities close to our facilities, but above all to strengthen the quality of the relationship and training with apprentices, in order to improve the conversion rate of apprentices to open-ended contracts, through pre-recruitment and better retention of young people in training.

#### Apprenticeship in France: the first training centre for apprentices in the care professions

Following the creation of an Apprentice Training Centre (*Centre de formation des apprentis* – CFA) for chefs, created with four other companies in 2019, Clariane was the first Group in France to launch its own apprentice training centre for the care professions, led by the Clariane France University.

The CFA for care professions provides training for the official healthcare assistant diploma through apprenticeships, both in the classic 18-month format and in a fast-track 11-month format with "partial" courses taking into account exemptions allowed for this diploma. The course combines theoretical teaching with on-the-job training, half of which takes place in a Korian care home or an Inicea clinic. At the end of their training and upon obtaining their diploma, they may be offered a position as a caregiver within the network of Clariane facilities.

The Group also offers its employees on open-ended contracts, who meet the age criterion and who wish to follow a healthcare assistant training programme, the opportunity to suspend their open-ended contracts for the duration of the training and sign an open-ended apprenticeship contract. This status guarantees that their salary will be maintained, that they will be able to become a healthcare assistant once they have obtained their diploma, and, in the event of failure, that they will be able to return to their former position.

Launched with its first class in 2021, the CFA for the care professions now has 300 healthcare assistant apprentices, out of a total of 600 healthcare assistant apprentices within the Group. The Apprentice Training Centre for the care professions has also set up a course dedicated to nursing, and welcomed second- and third-year apprentices on its state-accredited nursing courses during the year.

### Promoting the validation of acquired experience

One significant driver of social promotion within Clariane, the validation of acquired experience (VAE) path, allows employees to pursue a qualifying career path, while remaining employed.

In France, this system allows employees with a year's professional experience to obtain a diploma related to their profession, without returning to school. At the end of 2022, Clariane opened up access to the programme to its staff in caregiving roles (including those on fixed-term contracts). By 2023 in France, more than 1,000 employees were enrolled in the VAE programme and supported throughout their course by Clariane University.

The success rate for obtaining these diplomas is 78% and specifically 68% for the healthcare assistant diploma, that is to say, double the national average (30%) thanks to the enhanced, tailored support of the Clariane University tutors.

### Promoting retraining pathways for career conversion

The Group communicates regularly about its employment and career opportunities through different channels, including social media. In addition, initiatives were put in place in 2021 to expand recruitment channels, diversify talent pools and attract new talent. These initiatives are an illustration of the social innovation carried out by the Group to develop win-win solutions and reduce the risk of excessive exposure to external recruitment, in a context of persistent high staff turnover.

#### The *Passerelles* programme in France

Officially launched in April 2021, the *Passerelles* initiative is based on the French government's "Transitions Collectives" scheme. This scheme is aimed at companies that have to adjust their workforce within the framework of employment

and career path management agreements. For example, it enables employees in the services sector to retrain as healthcare assistants.

This professional retraining path by immersion in one of our facilities allows employees who have reached the second stage of their career to move into a new profession. Once they have completed their training and obtained their diploma, they are hired by Clariane on permanent contracts. This project also enabled the teams of Clariane France University to review the qualifying training programme for becoming a caregiver, as part of the State diploma, by integrating digital modules and educational innovations related to the Clariane care policy and to the Group's Positive Care approach. The first people to graduate were recruited at the end of 2022 as healthcare assistants. This retraining project oriented towards care professions, including for non-caregivers, illustrates Clariane's desire to work in a committed and responsible manner for employment in France. It also provides an innovative educational pathway that is motivating for employees affected by restructuring plans in their original company, while allowing them to join engaging, caring professions.

#### Retraining programme in Italy

Retraining courses to become a caregiver are also offered by Clariane in Italy (*Operatore Socio Sanitario* – OSS) in collaboration with Adecco in the Milan region and with the placement association D.i.Re, a long-standing partner of Clariane, making it possible to reserve some open positions for women who are victims of domestic violence.

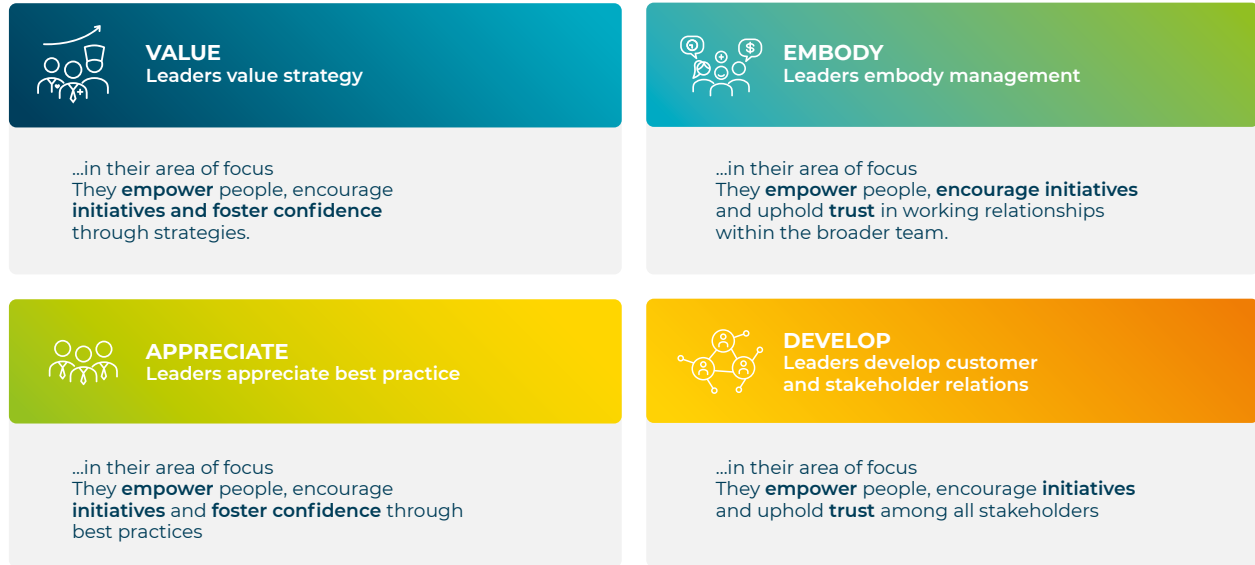
### Continuous training for facility directors

Continuing professional development for facility directors has evolved from s.Keys to WAYS (We are At Your Side). In 2020, Clariane developed the first European training programme for facility directors. Named s.Keys – Skills for Share, this qualifying training programme targets all current facility directors and aims to establish a common management framework across Europe.

Launched on 16 September 2020, the programme has brought together a total of 720 facility directors across six countries (France, Germany, Belgium, Italy, Spain, the Netherlands). The first class graduated on 15 November 2023.

Based on feedback from these three years, a new version of s.Keys, dubbed WAYS, was developed in 2023. The new version is designed to meet individual needs based on learner profiles following an initial assessment. It is also offered for a shorter period of 12 months.

This programme sets out our service leadership model to promote, understand, embody and develop our values of Trust, Responsibility and Initiative. It provides training in business and behavioural skills to improve performance in all dimensions (social, quality of care, environmental, economic, etc.) in line with the Group's objectives as a purpose-driven company.



The first class of 26 facility directors started in France at the end of January 2024. Clariane aims to develop the programme throughout the Group and extend it to all managers. The Group has also incorporated a reference

framework, based on management standard practices and applicable to all sites, into its ISO 9001-aligned quality management system.

### 3.3.4 Be a committed and responsible social player

Locally rooted in all the countries where it operates, the Group plays an essential role in community cohesion and inclusion. The growth of Clariane's activities is closely linked to its regional reach and its social involvement for the benefit of all local stakeholders.

Aware of its social responsibility, Clariane is committed to supporting social integration, the return to work, social cohesion and the inclusion of vulnerable groups.

#### 3.3.4.1 An actor committed to combating violence against women

The Group is particularly committed to preventing violence against women. In 2023 in France, the social services department intensified its communication with teams to publicise key contacts in case of need, such as the 3919 hotline, social services contact information and a QR code for women's rights information centres. It also distributed an unmarked business card listing these contacts, to inform women in need and allow them to access the different services easily.

It has been estimated that 21% of the long-term support provided by our social services in France concerns employees who are victims of intra-family violence. 100% are women. Social services provided them with rehousing assistance, financial aid and legal assistance.

Information campaigns were continued in 2023 to support female victims of violence, in partnership with expert associations in the field, such as the FACE Foundation, which promotes inclusiveness and fights discrimination. Together with FACE, Clariane is a founding member of the first European network of companies committed to combating

violence against women. Known as OneInThreeWomen, this network includes the Kering Foundation, Carrefour, BNP Paribas and L'Oréal.

As part of this network, the Clariane France University has developed an e-learning training module, to inform and raise the awareness of managers and employees on the topic of domestic violence. The Orange the World campaign, to which Clariane committed itself in 2021, provides an opportunity to promote this training widely in all countries each year.

In 2023, Clariane continued its partnership with La Maison des Femmes, in the Paris suburb of Saint Denis. This structure is a place of refuge that welcomes women who are vulnerable or victims of violence, and provides a multidisciplinary team (doctors, nurses, social workers, lawyers, police officers, etc.). The partnership was extended in 2023 to La Maison des Femmes in Tours. Facilities were informed of the role of La Maison des Femmes, and solidarity workshops were organised by the Clariane Foundation.

In Italy, a partnership has been established with Milan-based reintegration non-profit D.i.Re to offer training for facility and regional directors in order to raise their awareness and help them identify signs of violence.

### Orange the World

Under the leadership of the Clariane Women's Club, Clariane mobilised its teams for the third consecutive year on behalf of the "Orange the World" campaign. Supported by the UN since 1991, the campaign began on 25 November 2023, 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 kind and attentive environment that encourages victims to speak up and seek support.

Communication tools were created to support discussions on the subject of violence in all facilities: a brochure explaining Clariane's commitments and a guide to supporting women who are victims of violence.

In France, an explanatory sheet on the duties of social workers has been widely distributed, as well as a "violence detector", a tool intended for women to help them better identify violent behaviour, particularly in the case of economic or verbal abuse. The "violence detector" has been translated and distributed in all countries.

Events were organised at the initiative of facility directors in partnership with local non-profits.

Lastly, a webinar in which the Group Chief Executive Officer and Dr Ghada Hatem of La Maison des Femmes participated was organised by the Group and French management. On this occasion, more than 300 people benefited from Dr Hatem's advice. In Germany, as in 2022, all members of the Management Committee have chosen to get involved again, by relaying its support massively on social networks and internally.

In Belgium, for the third year, the facilities organised a relay walk in which employees, residents, relatives and neighbours were invited to participate.

### PILLAR 3 OF THE CSR STRATEGY

Contribute to finding **innovative solutions**  
for a more inclusive society

#### COMMITMENT

7

Devote 1% of attributable net profit to funding philanthropic initiatives<sup>(1)</sup>

8

Stakeholder Council in each country by 2023

9

Publish 5 scientific articles per year

#### 2023 OUTCOMES

**€2.1m in 2023**  
vs. €1.8m in 2022

**Stakeholder Council in 5 countries**  
(France, Germany, Italy, Belgium and Netherlands)

**82**  
scientific communications  
vs. 109 in 2022  
  
**o/w 31**  
scientific articles in indexed  
journals vs. 21 in 2022

(1) The work carried out by the Foundations that the Group supports is described in section 3.5.6.

#### CLARIANE ESG STRATEGY – CONTRIBUTE TO THE SEARCH FOR INNOVATIVE SOLUTIONS FOR A MORE INCLUSIVE SOCIETY

Our expertise in the field of care for elderly and vulnerable persons entrusts us with a unique role in society and in caregiving services. The Group, through its foundations in France, Germany and Spain and its Medical and Research Departments in these countries, carries out clinical research projects and societal studies, in conjunction with a network of university partners and scientists, focused on four workstreams:

1. age-related diseases and management of loss of autonomy;
2. prevention and care for chronic diseases;
3. the working conditions of caregivers;
4. the usefulness and social role of elderly people.

In each country, solidarity actions are also carried to promote the professional integration of young people and disadvantaged women. In this context, Clariane is actively involved in various programmes and initiatives:

- in France, the Collective of Companies for a More Inclusive Economy, which is committed via a joint programme to the professional integration of young people through apprenticeships and continuous training, as well as integration services;
- the Orange the World campaign supported by the United Nations, to combat violence against women (see section 3.3.4.1 “An actor committed to combating violence against women” in this Universal Registration Document).

Concretely, in the coming years:

- we wish to continue to support and participate in scientific research programmes and our goal is to publish at least five scientific papers, notably through our network of foundations;
- we commit to setting up a Stakeholder Council in each country outside France;
- we pledge to dedicate at least 1% of our annual net profit to research and philanthropic initiatives.



### 3.4 Contribute to finding innovative solutions for a more inclusive society

#### 3.4.1 Support research and innovation for care practices

Clinical research is fundamental to progress in healthcare, and plays a central role at Clariane. It is essential to improve our care and promote our medical specialities through scientific research. With a commitment to geriatrics, rehabilitation and mental health, we aim to make Clariane a key player in the creation and dissemination of universal knowledge. Publishing underlines our role in the collective good, even in a competitive sector, and reflects our commitment to responsibility and transparency.

Our research is based on a multi-disciplinary approach, incorporating the wealth and diversity of the Group's specialities and focusing on vulnerable people. This underpins our determination to make research accessible to everyone, particularly paramedical professionals, an originality that sets us apart and underpins our value of trust. This inclusiveness demonstrates that health and research are not just the preserve of doctors, and sends a powerful message about the importance of collaboration between all health professionals.

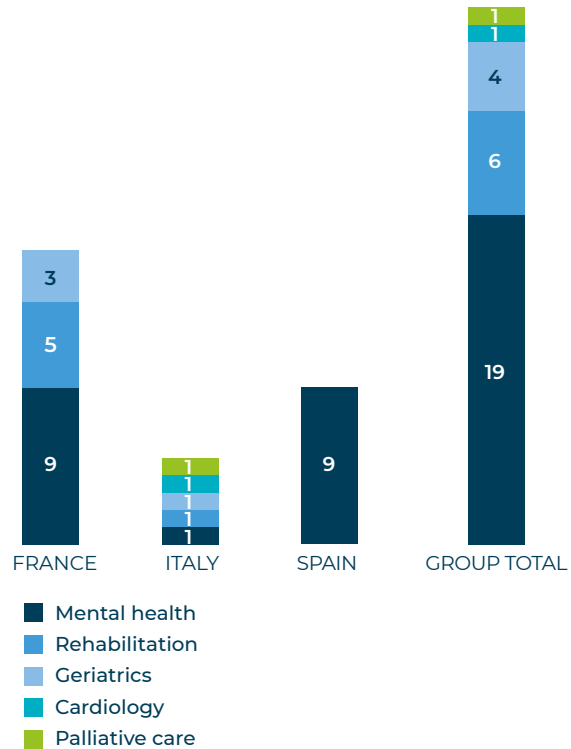
We are developing open and autonomous research, forging essential partnerships and promoting our ideas to respond to issues affecting patients, healthcare professionals and the healthcare system. Our work is supported by our innovation strategy and enshrined in our governance system, embodying our value of initiative.

Our commitment to research underlines the importance of remaining at the forefront of innovation, with 34 clinical trials underway, spanning fields including pulmonology, mental healthcare and rehabilitation. The Group is also interested in new technologies, robotics and artificial intelligence.

**Key 2023 figures: scientific output marked by an increase in the number of articles published**

- 31 scientific articles accessible in indexed journals (compared with 21 in 2022), and 3 articles in specialist journals.  
The main themes of these articles are mental health, rehabilitation and geriatrics.
- 34 oral communications (conference presentations, face-to-face or online).
- 14 posters at conferences.

NUMBER OF ARTICLES INDEXED PER THERAPEUTIC AREA



In 2023, performance indicators were introduced to measure the quality of scientific communications. They are impact factors and quartiles.

The impact factor is an indicator that indirectly estimates the visibility of a scientific journal. It is deemed by some research managers and researchers as a relevant criterion: a journal with a high impact factor can be considered more important than a journal with a low impact factor.

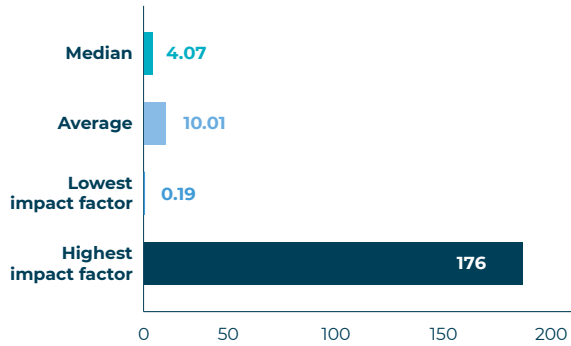
The top 10% of journals have an impact factor greater than four.

For indexed scientific articles, *Journal Citation Reports (JCR)* ranks journals according to their impact factor, from highest to lowest. Within this descending series, JCR determines the quartiles of impact factors, bearing in mind that the first quartile comprises 25% of the first impact factors in the series, i.e., the highest.

Journals with a high profile are in the first quartile (Q1) and those with a somewhat lower profile in the second (Q2), followed by Q3 and Q4.

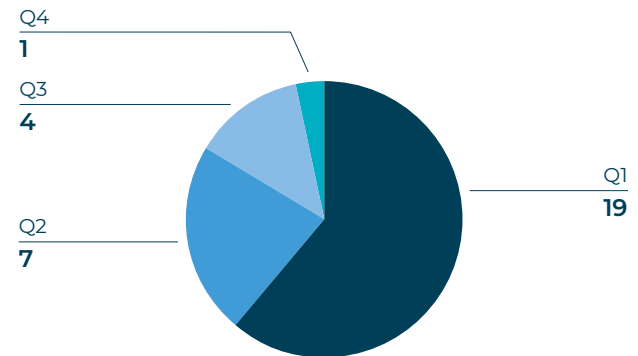
The average impact factor for all publications in the Clariane Group is 10, and 62% of articles are published in Q1 journals.

### IMPACT FACTORS OF THE JOURNALS IN WHICH THE SCIENTIFIC ARTICLES WERE PUBLISHED



### BREAKDOWN OF ARTICLES BY PUBLICATION JOURNAL QUARTILE

Journals with the highest profile are in the first quartile (Q1)



Research topics are in line with the problems encountered in clinical practice and the activities of our facilities.

### Scientific monitoring

The main aim of scientific monitoring is to help researchers keep abreast of what is happening in their fields. More specifically, the scientific monitoring department keeps an eye on research, scientific output and developments.

At Clariane, we encourage our healthcare professionals involved in healthcare research and innovation to attend major medical and scientific conferences to keep up to date with advances in their respective medical specialities. In 2023, the Clariane community of healthcare professionals took part in a number of national and international conferences on topics such as:

- geriatrics;
- rehabilitation;
- mental health.

Their contributions took various forms:

- written communications in the form of posters;
- oral communication during thematic:
  - sessions,
  - workshops,
  - symposia;
- conference registrations.

### TOPICS OF THE GROUP'S 2023 SCIENTIFIC COMMUNICATIONS

#### MENTAL HEALTH

- Eating disorders
- Psychosocial rehabilitation and combating stigma
- rTMS for depression/trauma
- Digital phenotypes (France)
- Hyperactivity (Spain)

#### REHABILITATION

- Respiratory rehabilitation
- Physical activity

#### GERIATRICS







- Social robotics
- Covid-19
- rTMS (France) for Alzheimer's
- Urinary incontinence
- Heart failure

#### CROSS-FUNCTIONAL AND SPECIFIC TOPICS

- Palliative care
- Digital healthcare
- Urinary incontinence
- Heart failure

In 2023, our healthcare professionals presented their work in healthcare research and innovation at 20 high-profile conferences and were also able to update their knowledge. The 12 main conferences in which the Group participated in 2023 are presented below.

**MAIN SCIENTIFIC CONFERENCES IN WHICH THE GROUP PARTICIPATED IN 2023**

COUNTRY	ENTITY	DESCRIPTION	TOPIC	INTERACTION
 <b>GERMANY</b>	ALTEN PFLEGE	Elderly care conference	 Geriatrics	Conference participation
 <b>SPAIN</b>	iaedp	International Association of Eating Disorder Professionals	 Mental health	Research and conference participation
 <b>SPAIN</b>	EDRS	European Eating Disorders Review Society	 Mental health	Conference participation
 <b>SPAIN</b>	SOCAP	Societat Catalana de Pneumologia	 Rehabilitation	Conference participation
 <b>FRANCE</b>	CFP	Congrès français de psychiatrie	 Mental health	Conference participation
 <b>FRANCE</b>	SF3PA	Société francophone de psychogériatrie et de psychiatrie de la personne âgée	 Geriatrics	Research and conference participation
 <b>ITALY</b>	SICV&GIS	Società Italiana di Chirurgie Vertébrale	 Spinal surgery	Research and conference participation
 <b>EUROPE</b>	ECNP	European College of Neuropsychopharmacology	 Mental health	Conference participation
 <b>EUROPE</b>	EPA	European Psychiatric Association	 Mental health	Conference participation
 <b>EUROPE</b>	ERS	European Respiratory Society	 Rehabilitation	Conference participation
 <b>EUROPE</b>	ECSS	European College of Sport Science	 Rehabilitation	Conference participation
 <b>EUROPE</b>	EWMA	European Wound Management Association	 Geriatrics	Conference participation

The Group also enters into partnerships in various forms with learned societies and university organisations (teaching, research, etc.).

#### PARTNERSHIPS WITH LEARNED SOCIETIES AND UNIVERSITY ORGANISATIONS

COUNTRY	ENTITY	DESCRIPTION	TOPIC	INTERACTION
 GERMANY	Universität Bremen	Universität Bremen	 Geriatrics	Health innovation
 SPAIN	iaedp	International Association of Eating Disorder Professionals	 Mental health	Research and conference participation
 SPAIN	UAB	Universitat Autònoma de Barcelona	 Mental health	Research and education
 SPAIN	UCM	Universidad Complutense Madrid	 Mental health	Search
 FRANCE	SF3PA	Société Francophone de Psychogériatrie de Psychiatrie de la Personne Âgée	 Geriatrics	Research and conference participation
 FRANCE	Inserm	Institut national de la santé et de la recherche médicale	 Rehabilitation	Research
 FRANCE	Brain Institute	Institut du cerveau	 Mental health	Research
 FRANCE	NPIS	Non-Pharmacological Intervention Society	 Non-drug therapies	Research
 FRANCE	UVSQ	Université de Versailles Saint-Quentin-en-Yvelines	 Public health	Research
 FRANCE	Gérontopôle Pays de la Loire	Gérontopôle Pays de la Loire	 Geriatrics	Research
 FRANCE	Gérontopôle Toulouse	Gérontopôle Toulouse	 Geriatrics	Research
 FRANCE	Université de Lyon	Université de Lyon	 Rehabilitation	Research
 FRANCE	Université de Toulon	Université de Toulon	 Sports medicine and health	Research
 FRANCE	UAPS	Research unit on the impact of physical activity on health	 Sports medicine and health	Research
 ITALY	SICV&GIS	Società Italiana di Chirurgia Vertebrale	 Spinal surgery	Research and conference participation
 ITALY	UNIPV	Università degli Studi di Pavia	 Gerontology	Research
 ITALY	Fondazione Università Terza Età Torino	Fondazione Università Terza Età Torino	 Gerontology	Education and research

## Deploy a healthcare innovation strategy

In January 2022, the Group created a Medical Strategy and Health Innovation Department within its Medical Department, whose aim is to meet the expectations of residents and patients, as well as those of our business lines, by developing a differentiated care offer for each activity, which incorporates the latest advances in medical research.

The Group is developing a “5 Ps” approach to medicine (preventive, personalised, predictive, participatory, pertinent) within its facilities, by mobilising its medical community around three areas:

- diagnostics and therapy: non-drug treatments, new technologies – artificial Intelligence, digital therapies;






- organisation of care pathways: telemedicine, e-pathways, mobile teams, identifying local care services and expertise;
- research and training: clinical studies and data collection.

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

- identify innovative organisational, technological or research projects that can be deployed more widely;
- support project leaders from piloting a solution to Group deployment;
- establishment and monitoring of institutional medical-scientific partnerships.

In 2023, we set up five research partnerships, each of which involved several Group countries.

### RESEARCH PARTNERSHIPS INVOLVING SEVERAL COUNTRIES

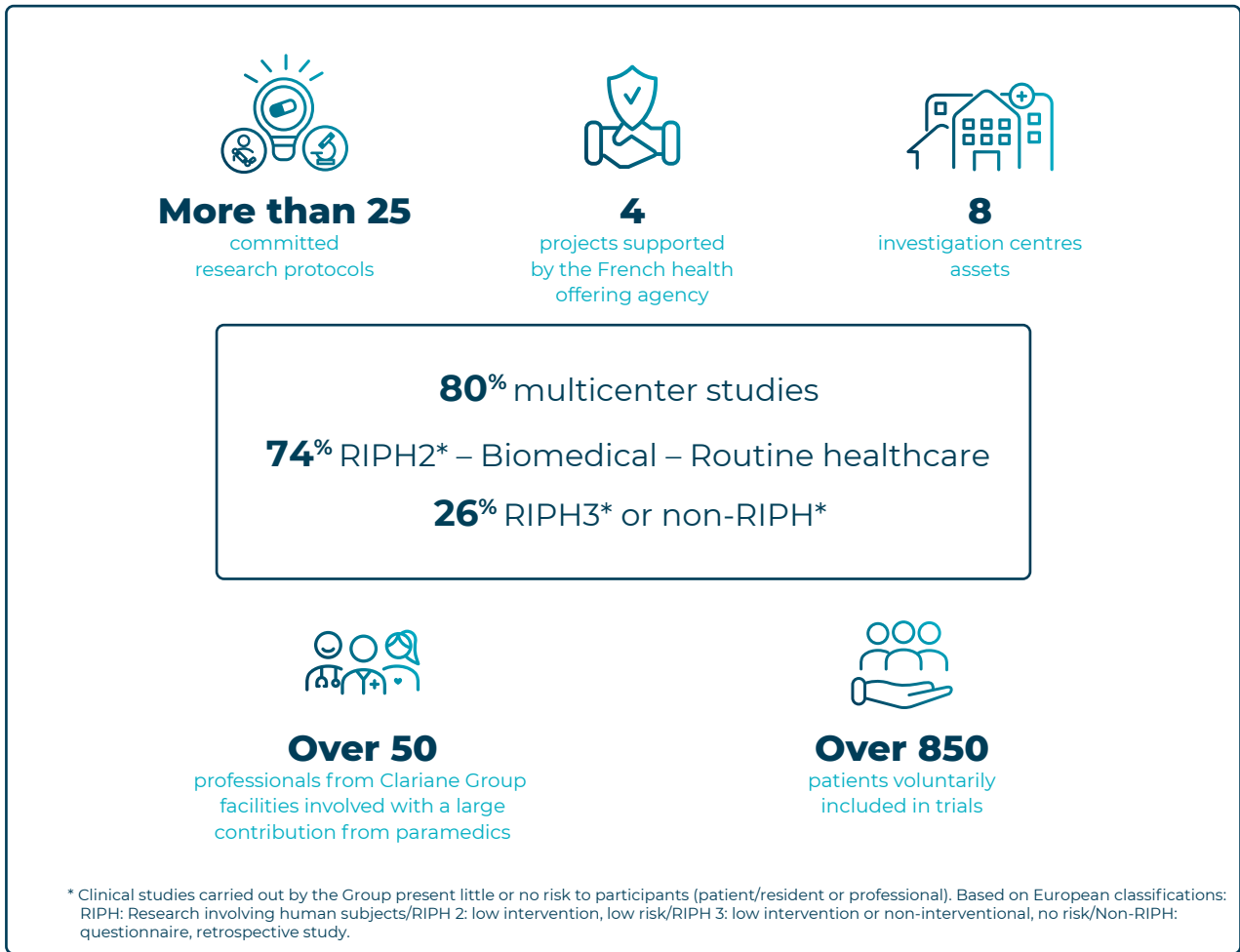
	OBJECTIVE	PARTNER
<p><b>DEPRESSION IN THE ELDERLY</b></p> 	<ul style="list-style-type: none"> <li>• Create a depression detection tool tailored to nursing home residents</li> <li>• Develop dedicated training courses</li> </ul>	SF3PA (French-speaking Society of Psychogeriatry and Elderly Psychiatry)
<p><b>PREVENTION AND OF FALLS IN THE ELDERLY</b></p> 	<ul style="list-style-type: none"> <li>• Scientifically validate the fall detection tool</li> <li>• Evaluate the impact of the tool on stakeholders and the provision of care</li> <li>• Use medical data to prevent falls</li> </ul>	<ul style="list-style-type: none"> <li>• Inserm</li> <li>• IHU HealthAge (Geroscience &amp; prevention)</li> <li>• Lille University Hospital</li> </ul>
<p><b>NON-DRUG THERAPIES (NDTs)</b></p> 	<ul style="list-style-type: none"> <li>• Promote NDTs through:                             <ul style="list-style-type: none"> <li>• Classification of all NDTs currently used at Clariane, and the associated indications</li> <li>• Scientific validation of protocols</li> </ul> </li> </ul>	Non-Pharmacological Interventions Society (NPIS)
<p><b>NEUROSTIMULATION IN THE DEALING WITH TREATMENT-RESISTANT DEPRESSION</b></p> 	<ul style="list-style-type: none"> <li>• Confirm the effectiveness of standardised treatment protocols to improve access to neurostimulation (rTMS)</li> </ul>	Paris Brain Institute
<p><b>INNOVATIVE POST-STROKE PATHWAYS</b></p> 	<ul style="list-style-type: none"> <li>• Develop innovative post-stroke pathways</li> <li>• Reduce “lost to follow-up” patients</li> </ul>	<ul style="list-style-type: none"> <li>• STARTER health collective (innovation and AI for motor learning and maintenance of autonomy)</li> <li>• University of Auckland (New Zealand)</li> </ul>

■ Geriatrics   
 ■ Rehabilitation   
 ■ Mental health

The Health Research and Innovation Department and the country medical departments also directly support and develop research work in the facilities to make tangible improvements in the relevance and quality of care as well as our links to local academics.



## KEY FIGURES FOR THE HEALTH RESEARCH AND INNOVATION DEPARTMENT (FRANCE)



At the end of 2023, 34 clinical studies were underway within the Group. This research concerns pulmonology, mental health, physical medicine and rehabilitation. They aim to:

- better understand the underlying determinants and mechanisms of chronic diseases and ageing;
- improve our diagnostic and assessment tools;

- adapt our care methods to the specific needs of patients and residents (personalised care plans).

The Group also conducts research projects related to new technologies, robotics and artificial intelligence, such as the social robotics project, which aims to explore the potential of robotics and artificial intelligence technologies for ageing well.

### Support for external research projects

In 2023, the Clariane Group supported Fondation FondaMental. The funds are being used for Propsy, a programme focusing on four of the most disabling mental health disorders: bipolar disorder, major depressive disorder, schizophrenia and autism spectrum disorders. Propsy aims to deliver solutions that bring precision medicine to psychiatry.

This approach to research and innovation, deeply rooted in our values of responsibility, transparency, trust and initiative, demonstrates our determination to be an indispensable partner in the healthcare sector, engaged in meaningful collaborations and promoting our own vision for the future.

### 3.4.2 Harness technology to address the sector's major challenges

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

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

- strengthen and personalise the care and services provided to residents, patients and their families;
- enable employees to carry out their assignments under the best possible conditions;
- improve the comfort and safety of everyone;
- reduce the Group's environmental footprint.

The department works closely with the business line communities to identify needs and select or design and deploy solutions in line with these objectives. The various stakeholders are involved in the preliminary phases of projects aimed at confirming the added value of the new product or service.

The department also contributes to the development of a culture of innovation within the Group, in particular through the coordination of a collaborative platform that allows everyone to be a source of innovation by submitting innovative solutions proposed by start-ups.

The projects described below illustrate the contribution of technological solutions to the achievement of the Group's labour, societal and environmental objectives.

#### E-health or digital healthcare

In partnership with Omedys, the Group is helping to develop access to telemedicine in France in order to facilitate access to primary care in medical deserts, avoid unnecessary visits to the emergency room, and support doctors working in isolated practices.

- In medical deserts, Omedys supports the establishment of remote consultation rooms for local general practitioners who dedicate part of their time to such consultations. These doctors respond to requests from the network of remote consultation rooms located in the region, in pharmacies, nursing offices or healthcare centres. Patients are assisted by a healthcare professional during the remote consultation (pharmacist, nurse). Doctors carry out the diagnosis remotely, in accordance with the patient's coordinated care pathway and using the coordination tools necessary for medical follow-up. As a result, patients can avoid long journeys and waiting times when consulting a general practitioner and can, if needed, be redirected to a local specialised doctor.

- In nursing homes, the development of telemedicine makes it possible to improve the medical follow-up of residents by reducing the time needed to receive care, in particular for the growing number of residents who do not have an attending physician. It also contributes to improving the working conditions of caregivers in facilities, while strengthening the collaboration between doctors and caregivers. Within Clariane's French network, 129 care homes have been equipped with remote consultation carts to facilitate the use of remote consultations. All nursing homes are equipped with tablets to access the Omedys service. The solution is thus quickly being adopted; an average of 700 remote consultations are carried out every month in the network, and more than 20,000 have been conducted in total since the implementation of the solution.



### Quality and personalisation of care and services

- Following a successful trial in 2021, the rollout of a fall detection, analysis and prevention system began in 2022 and continued throughout 2023 in France and Belgium. This technology, which is non-intrusive because it does not display an image, reconstructs the configuration of a room in the form of a point cloud, and alerts caregivers in the event of a fall or if the resident concerned has been out of their bed for an abnormally long time, which may indicate a possible fall. At the end of 2023, 15% of French facilities and 25% of Belgian sites were equipped with the system, with benefits observed in terms of caregiver satisfaction and the reduction in the number of falls in facilities.
- In Germany, the Lindera fall prevention application is used by more than 80% of the network, and its rollout is continuing. Based on a video recording to study the resident's movements and responses to a questionnaire covering the main psychosocial factors of falls, the application assesses the resident's risk of falling and generates personalised recommendations for preventive measures.

### Communication between residents, families and facilities

- The e-lío box is a digital tool specifically designed to promote social relationships between care home residents and their relatives (videocalls, messages, photos, etc.) and information sharing between facilities, residents and families through the Korian Familles application. The application, accessible to all family members, makes it possible to generate a paper newsletter containing the photos and messages sent to the resident during the week. In 2023, families sent more than 10,000 messages per month.
- The entire French network of nursing homes has also been equipped with smart televisions making it possible to broadcast the facility's news in shared spaces and to organise video calls with families. The facilities also create their own newsletters including the information sent in by residents' families, which are circulated in print format or digitally via the application.

### Quality of life at work

- In France, the Koala application, a mobile digital companion for facility staff, was rolled out in nine nursing homes and seven clinics in 2023. Its objective is to simplify daily and administrative tasks and reduce the associated workload by facilitating the sharing of information in real time, the digitisation of procedures and the centralisation and interconnection of existing tools.

### Safety, comfort and environmental performance of buildings








- Connected indoor air quality sensors have been deployed throughout the portfolio in Europe. They record the CO<sub>2</sub>, temperature and humidity levels and alert staff if the established thresholds are exceeded. The individual apartments of assisted living facilities in France have also been equipped with smart smoke detectors, in addition to the audible alarm, to alert the manager and indicate the apartment concerned.
- Remote control of heating is also the subject of a Europe-wide project for 2024, designed to optimise comfort and the associated energy consumption. In 2023, several solutions were tested in France and Germany, resulting in savings of 10% to 20% on gas consumption.
- The Alexa voice assistant, which is being tested on several sites (post-acute and rehabilitation care clinics, assisted living facilities, specialised care homes), enables patients and residents to control the lighting and blinds in their room by voice, and to consult the menu and the day's activities.

### 3.4.3 National Stakeholder Councils

At the national level, stakeholder councils advise Clariane on its business, CSR approach, relations with stakeholders and societal issues concerning support for the elderly and vulnerable. At the end of 2023, these bodies were in place in

France, Germany, Belgium, Italy and the Netherlands, in line with the commitment made in 2019 for this geographical scope. A similar body is currently being set up in Spain, following the acquisitions made in that country.

#### STAKEHOLDER COUNCILS

CREATION		REGULATORY OBLIGATION	CHAIR	MEMBERS
 <b>France</b>	2019		Dr Françoise Weber	<ul style="list-style-type: none"> <li>• Representative of residents/families</li> <li>• Associations for the elderly</li> <li>• Patient associations</li> <li>• Employee representative</li> <li>• External experts</li> </ul>
 <b>Netherlands</b>	2020		Dr Jacques Van der Horst	<ul style="list-style-type: none"> <li>• Representatives of residents/families</li> </ul>
 <b>Belgium</b>	2020 2022 (Young Seniors Council)		Dominiek Beelen	<ul style="list-style-type: none"> <li>• External experts</li> <li>• Representatives of young seniors</li> </ul>
 <b>Italy</b>	2022		Prof. Francesco Longo	<ul style="list-style-type: none"> <li>• Representatives of residents/families</li> <li>• Associations for women's health and rights</li> <li>• Employee representative</li> <li>• External experts</li> </ul>
 <b>Germany</b>	2022		Dr Stefan Arend	<ul style="list-style-type: none"> <li>• Representative of residents/families</li> <li>• Patient association</li> <li>• Employee representatives</li> <li>• External experts</li> </ul>
 <b>Spain</b>	Body in the process of being established			

To ensure a link between these national bodies and the Group's governance, the chairs of the stakeholder councils in four countries (Germany, France, Italy and the Netherlands) are also members of the Clariane Mission Committee. Françoise Weber, Chair of the French Stakeholder Council, chairs the Mission Committee.



## France

In 2019, the Group created a Stakeholder Council in France, which was an industry first. It is chaired by Dr Françoise Weber, former Chief Executive Officer of the French institute for public health surveillance (*Institut de veille sanitaire*) and Deputy Chief Executive Officer of the French national agency for food, environment and labour safety (*Agence nationale de sécurité sanitaire de l'alimentation, de l'environnement et du travail* – ANSES), who has also chaired the Clariane Mission Committee since 2023.

At the end of 2023, the Council had eight members:

- a representative of the residents/families;
- an employee representative;
- associations for elderly people and patients;

- qualified experts with experience in line with the Clariane ecosystem (mental healthcare, geriatrics).

The Council met four times in 2023. Its work focused on:

- the mediation mechanism;
- the organisation of care homes in the Group's various host countries;
- care performance indicators;
- the new At Your Side corporate project;
- take-up and acceptance of new therapeutic approaches to mental healthcare by patients and caregivers;
- measuring and improving the resident and patient experience;
- the internal organisation of the Council: expanding its membership and selecting the next topics to focus on.

## Netherlands

Pursuant to local legislation, the Central Customer Council is made up of representatives of residents and their families. The Council's formal approval is required for certain decisions defined by law that most directly affect the day-to-day lives of residents and families, such as changes to the quality policy or complaints management. The Council also issues advisory opinions on a wide range of subjects.

The Central Customer Council is made up of 12 members drawn from the customer councils of Group facilities. Four members of the Council are more specifically involved in its day-to-day management. This tightly-knit team meets every fortnight and has frequent dialogue with the management team (11 meetings in 2023) and regularly meets with other governance bodies (two meetings with the Board of Directors and five with the Works Council, made up of employee representatives).

In 2023, the full Central Customer Council met six times and organised a one-day seminar open to all members of the facilities' customer councils.

The topics most frequently addressed by the Council in 2023 were the quality of care and the participation of residents and families in governance through customer councils in facilities.

The Council formally approved the quality strategy and the changes to the complaints management procedure.

It also issued numerous advisory opinions, in particular on:

- the 2022 business report and the 2023 strategic plan;
- training courses on supporting people with cognitive disorders and on Positive Care;
- appointments of facility directors, team leaders and members of the management team.



## Belgium

An Advisory Board was set up in 2020. At end-2023, it comprised five experts recognised for their research in relation to Clariane's activities: medical philosophy and ethics, health economics, mental healthcare, palliative care, innovation in social welfare and care, and the labour market.

In 2023, the Advisory Board met twice. Its work focused on:

- changes in the various forms of absenteeism and how to address them;
- the opportunities and risks associated with the development of remote care (telemedicine);
- the different models of shared accommodation for elderly people in Europe.

A Young Seniors Council was also set up in 2022. It comprises five external members of the new generation of seniors who have different expectations from those of the current residents. The objective is to better understand how Clariane can evolve to meet the expectations of this emerging generation of seniors.

In 2023, the Young Seniors Council met twice. Its work focused on:

- reports on visits made by members to five facilities (best practices and areas for improvement identified);
- seniors' future expectations of care homes in terms of infrastructure, organisation of spaces and services;
- integrating facilities into their neighbourhoods through various forms of cooperation and keeping residents active in their community.

## Italy

The Stakeholder Council, created in 2022, is chaired by Prof. Francesco Longo, Associate Professor in Health Management at Bocconi University, Milan.

At the end of 2023, the Council had eight members:

- representatives of residents, patients and families;
- an employee representative;
- associations working for women's rights and health;

- qualified experts with experience in line with the Clariane ecosystem (mental healthcare, geriatrics).

The Council met four times in 2023. Its work focused on:

- the Group's medical research activities in Italy and their dissemination throughout the network;
- the human resources management policy in the post-Covid context;
- the Group's environmental footprint.

## Germany

The Stakeholder Council, created in 2022, is chaired by Dr Stefan Arend, who has over 30 years' experience in managing social organisations, including 12 years on the executive committee of a network of facilities for elderly people operating throughout Germany.

At the end of 2023, the Council had eight members:

- a representative of the residents/families;
- employee representatives;
- an association working for people with Alzheimer's disease;
- qualified experts with experience in line with the Clariane ecosystem (nursing, management of healthcare organisations, nutrition, health economics).

The Council met five times in 2023. Its work focused on:

- a review of the initiatives launched as part of the move to purpose-driven company status;
- the detection and prevention of all forms of violence in healthcare settings;
- analysing the results of satisfaction surveys of residents/patients/families and staff;
- regulatory, financing and recruitment issues specific to the care sector in Germany and their strategic consequences for the Company.

## PILLAR 4 OF THE CSR STRATEGY

be a **committed**  
and **responsible local player**

### COMMITMENT

10

70% of purchases made locally (national origin) and 20% from SMEs

11

100% of sites involved in a project with their local community

12

Stakeholder dialogue forum in 100% of facilities (Social Life Committee and User Commissions in France, equivalent in other countries)

### 2023 OUTCOMES

**79%**

of local purchases (national origin)  
vs. 80% in 2022

**40%**

of purchases with SMEs  
vs. 43% in 2022

**97%**

of respondents have a  
local partnership

**97%**

of respondents have a  
forum for dialogue  
vs. 94% in 2022

### CLARIANE ESG STRATEGY – BE A COMMITTED AND RESPONSIBLE LOCAL PLAYER

Our expertise in the field of caring for the elderly and vulnerable people entrusts us with a unique role within the local communities where we operate. We occupy a central role in regions, both as creators of stable, long-term and inclusive jobs and also as active contributors to local public health policies.

Our facilities cover a broad societal range due to our occupations, fixed or mobile healthcare teams and the local intergenerational outreach they generate. Facilities are very often involved in the life of their community through charitable organisations and practical projects, as well as through bodies set up to promote dialogue

between the facility, residents and patients, families, local communities and their representatives. 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 from the countries in which our facilities operate, and at least 20% from SMEs;
- all of our facilities engaged in a project with their local communities;
- all of our facilities equipped with a forum for dialogue with residents, patients and families.

## 3.5 Be a committed and responsible local player

### 3.5.1 Contribution to regional economic and social development

Clariane plays an active role in the economic and social development of the communities in which it operates. The Group has more than 1,300 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” where healthcare coverage is inadequate.

In addition to creating stable jobs that cannot be relocated, the opening of a facility contributes to the local economy, both through the building’s maintenance and the purchase of goods and services necessary for its operations.

For the second consecutive year, a study was carried out by consultancy firm Asterès in 2023 to quantify Clariane’s socio-economic footprint in France. Based on activity data, the study:

- direct impacts, i.e., those directly attributable to Clariane as an operator;
- indirect impacts, i.e., the business generated with our partners and suppliers;
- induced impacts, i.e., the wages paid by Clariane to its employees, who consume and as such generate business for other companies.

Note that chain effects are excluded from the scope, as is the Group’s expenditure in France for its international activities.

The study’s findings show that in 2023:

- the direct, indirect and induced footprint represents the equivalent of €4.9 billion in business revenues in France (€4.7 billion in 2022);

- this corresponds to 46,100 full-time jobs (45,400 in 2022);
- For each €1.00 of revenue recorded by Clariane, €1.10 is generated in the wider economy,
- and each job at Clariane creates the equivalent of 0.4 jobs at suppliers or partners.

In total, Clariane’s footprint in France represents 0.2% of GDP, and the volume of jobs is equivalent to that of cities such as Rouen or Nancy.

Ages & Vie shared housing contributes more specifically to regional integration in rural areas. These homes are inclusive solutions located in the heart of small towns and neighbourhoods, near healthcare centres, local shops, schools and associations. Elderly people thus remain in their home environment. Welcoming to relatives and friends, they facilitate exchanges with residents’ families. The homes are connected to their communities and welcome multiple generations under one roof (in some facilities, caregivers live with their families in staff accommodation on the first floor). They thus offer an intergenerational environment to elderly residents. From the start, the Ages & Vie concept was designed and developed in partnership with municipalities. It closely matches the needs of mayors looking for an innovative solution that creates jobs, in line with the expectations of their constituents.

### Creation of the Business and the Common Good Chair

In order to explore and qualify the mechanisms and actions through which the Company contributes to the common good and to generating economic and societal value in the regions where it operates, the Clariane Group helped create the ICP-ESSEC Business and the Common Good Chair in 2021 in partnership with ICP, ESSEC and alongside six other partner companies (Saint-Gobain, Bayard, Grant Thornton France, Meridiam, Eurazeo and Kea & Partners). The aim of the Chair is to develop multidisciplinary research around the notion of the common good applied

to companies. In particular, it has created a “Business and the Common Good” university diploma as an initial degree and continuing education, in which two Clariane Group employees participate every year. In 2022, the Chair began a research programme on the contribution of companies to the common good through their local presence, which runs until 2024. The research areas are as follows: studying the conditions for a successful regional anchoring policy and measuring the impact of companies at the level of local communities.

## 3.5.2 A purchasing policy that extends the Group’s commitments to its entire value chain

### 3.5.2.1 Purchasing organisation at Clariane

The aim of the Purchasing Department is to guarantee the highest possible level of quality and efficiency in purchasing for all of the Group’s business lines, contributing to value creation and ensuring the control of operational risks. The objective is to obtain the best quality/price/service ratio according to the principle of neutrality, by selecting

proposals adapted to the Group’s functional and technical needs, on the basis of a process that guarantees objectivity, fairness and transparency.

The main missions of the Purchasing Department are to:

- support all countries (including employees from the network and headquarters) in the various stages of the purchasing process;

- list solutions that meet needs;
- implement long-term strategies aimed at increasing performance and efficiency to deal with external risks (inflation, competition, etc.);
- improve the entire purchasing process in collaboration with business line management and control the associated risks;
- ensure that the purchasing policy is consistent with the Group's CSR strategy;
- manage and secure commercial relationships with all service providers and suppliers.

The purchasing policy is driven by the Group's Purchasing Department and is then rolled out in all its subsidiaries. The purchasing team is made up of some 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.).

### 3.5.2.2 Responsible purchasing policy

Responsible purchasing is at the heart of the Group's purchasing policy and actively contributes to Clariane's CSR 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 CSR risks and opportunities related to purchasing and the supply chain;
- providing the Group with the know-how of innovative and efficient suppliers.

To contribute to achieving the Group's CSR objectives, social and environmental performance criteria are integrated into the supplier selection and assessment process.

#### CSR criteria are included in the calls for tenders and in the specifications prepared with business line management

In 2023, the Group carried out harmonisation work on the CSR criteria to be included in calls for tender. The aim is to systematically include these criteria in selecting suppliers retained in the Group supplier base, and for supplier commitments to form part of the contract.

#### Suppliers' compliance with the Group's Responsible Purchasing Charter is contractualised

The Group's Responsible Purchasing Charter defines the reciprocal social, ethical and environmental commitments between the Group and its suppliers. Clariane asks its preferred suppliers to commit to compliance with this charter. In 2023, joint work by the CSR, Purchasing and Legal Departments was undertaken to update the Responsible Purchasing Charter and the contractual CSR clauses in order to strengthen the Group's commitments to its suppliers as well as those expected by the Group from its suppliers.

The 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 business line management;
- 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.);
- financial competitiveness;
- CSR commitments.

All supplier listings are carried out under a rigorous call for tenders with a multi-criteria rating in which the "price" criterion represents on average 25% of the overall score. Referencing decisions are made at the level of the Purchasing Committee of the country concerned and at the level of the Group's Investment Committee.

Clariane regularly discusses the collaboration and performance of its suppliers through performance reviews.

#### 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% reduction in CO<sub>2</sub> emissions (compared with 2010);
- 45% reduction in detergent consumption (compared with 2010);
- 35% reduction in energy consumption (compared with 2010);
- 50% reduction in accidents with work stoppage.

#### The preferred suppliers are assessed by the independent organisation EcoVadis in order to monitor the effective implementation of Clariane's ESG requirement

As part of its responsibility and duty of care, the Clariane Group requires that all preferred suppliers be assessed on their CSR policies, and more specifically those related to the UN Global Compact, of which Clariane is a signatory.

At the end of December 2023, 364 preferred suppliers (excluding the United Kingdom) had been assessed through the EcoVadis platform, representing 44% of the Group's preferred suppliers. The average score of suppliers assessed has risen to 56.6 out of 100 (from 54.7 in 2022). In turn, Clariane also has its own CSR policy assessed by EcoVadis.

Clariane establishes enhanced cooperation and open dialogue with its suppliers, which create value for all its stakeholders.

**The monitoring of ESG performance is included in this dialogue**

As a company that supports the social and economic development of the regions where the Group operates, Clariane is committed to:

**Make 70% of its purchases locally**

Local purchases are defined as purchases of products or services made within the country where the purchasing facility is located. Precise criteria have been established to define the national origin according to the type of purchases,

in order to contribute to local employment and to promote national supplies, including short supply chains, whenever possible (see methodological note).

The Group favours local purchases in order to reduce its environmental impact, but also to contribute to the economic momentum of the regions in which it operates. All the Group's countries therefore monitor a local sourcing indicator, which is included in the ESG objectives. In 2023, 79% of Clariane's purchases (excluding the United Kingdom) from referenced suppliers were for goods and services of national origin, exceeding its target of 70%.

In 2023, for the Group's French facilities, 82% of foodstuffs purchased were of French origin and 17% came from the same administrative region as the facility. Particular attention is paid to sourcing fruit and vegetables locally: 36% of fruit and vegetable purchases (excluding exotic fruit) come from within 150 km (200 km in the Paris region) of the fruit and vegetable depot responsible for supplying the site.



**Promote inclusive purchasing by contributing to the development of SMEs, major sources of local employment**

In addition to local purchases, the Group has set itself the target of making at least 20% of its purchasing by spending from small- and medium-sized enterprises (SMEs). In 2023, 40% of purchases were made from SMEs at Group level (excluding the United Kingdom).

The other area covered by inclusive purchasing at Clariane is the use of suppliers employing workers with disabilities or who are undergoing socioprofessional integration. The Group is a member of the Collective of Companies for a More Inclusive Economy in France and its Chief Financial Officer is a sponsor of the working group on purchasing, which, at Clariane, has led to:

- introduction of an inclusive purchasing clause in all calls for tender and, where possible, a selection criterion based on the supplier's commitment to inclusion;

- integration of inclusion in performance reviews with our main suppliers;
- subscription to a database of inclusive suppliers, so that they are included in calls for tender.

The Group participates in professional events in order to meet and establish contact with these suppliers, such as the fifth session of the TOP Afep, the Impacting Purchasing Tour (as part of the PAQTE – *Pacte avec les quartiers pour toutes les entreprises* – described in section 3.5.5) or Inclusiv'Day, which brings together social innovations and inclusive businesses.

**Reduce our greenhouse gas emissions throughout our supply chain to contribute to the Group's objectives**

(See Section 3.6.4.1 on the decarbonisation of the Group's purchases).

The Responsible Purchasing Charter signed by suppliers includes the commitment to fight against global warming.



### 3.5.3 Ties with associations and local communities

Numerous non-profit associations are involved in the Group's care homes. They provide assistance, offer activities and provide entertainment, making them highly appreciated by both residents and their families. These organisations encourage socialisation, communication and the sharing of personal experiences among residents, help maintain their mental and physical capabilities, and also provide information, training and support to families. They are very varied and representative of the local life and culture: organisation of sports and cultural activities, beauty treatments, intergenerational exchanges, support groups for caregivers, etc.

An annual survey of facilities is carried out to identify local partnerships and share best practices, thereby diversifying and amplifying their impact. A local partnership is defined as a partnership with a local organisation or volunteers, generally formalised by a partnership agreement, with the aim of carrying out regular joint initiatives (at least one a year) with a positive impact on residents/patients/families, our employees and local communities.

In 2023, 97% of the 630 facilities that responded to the survey had at least one local partnership, compared with 99% in 2022 and 97% in 2020. Facilities that did not report a local partnership in 2023 generally have regular interactions with

local communities, particularly schools, although these are not formalised as partnerships. On average, responding sites had six local partnerships.

The most common categories of partners are schools, non-profits, cultural organisations and public partners (municipal governments, local authorities and related bodies). Analysis of the results highlights the variety of partners within these categories and the initiatives carried out with them: events or visits in facilities, intergenerational projects, co-organisation of events, participation of residents in local social and cultural life, organisation of collections for non-profits, etc.

The links between facilities and their local community are also developed through initiatives other than partnerships, such as:

- opening the facility to vulnerable people (e.g., during heat waves);
- opening the facility's restaurant to the general public;
- providing premises/grounds within the facility;
- sharing or lending equipment;
- participating in local governance, for example through the facility director's involvement in the municipal council.

### 3.5.4 Dialogue within facilities with residents, patients, families and local communities

At the level of each facility, platforms for dialogue with residents, patients and families are set up in order to involve them in the life and running of the facility. These mechanisms make it possible to inform them, involve them and allow them to express themselves on the projects and the everyday life of the site. These bodies ensure that users' rights are respected. They are one of the channels used to reinforce dialogue and consideration for stakeholders' expectations in the decisions and life of the facilities, on topics such as care, food, entertainment, administrative issues and the buildings. Through their opinions and proposals, these bodies contribute to the quality of care provided to residents and patients.

The composition and functioning of these bodies have specific characteristics depending on the culture and regulatory framework of the countries in which the Group operates. In care homes, they usually take the form of councils made up of representatives elected by residents

and their families. Other stakeholders, such as employees, non-profit organisations and volunteers working in the facility, and even local authorities, are often represented on these forums,

which are governed by national regulations:

- in France: social life councils for care homes, users' commissions for healthcare facilities;
- in Germany: House Council (*Heimbeirat*) or House Delegate (*Heimfürsprecher*);
- in Belgium; residents' councils or users' councils (*Gebruikersraad*);
- in the Netherlands: Customer Council (*Clëntenraad*).

Similar bodies have been set up on a voluntary basis in Italy, Spain and the United Kingdom. Their operation is inspired by practices in other countries and local practices. They can take the form of elected councils or assemblies open to all residents, patients and families.

An annual survey of facilities is conducted to evaluate the functioning of these bodies and identify best practices to facilitate their operation and amplify their impact.

In 2023, 97% of responding facilities had such bodies, compared with 94% in 2022 and 89% in 2021.

The questionnaire was also sent to members of these bodies in France and Germany for the first time in 2023. A total of 330 people responded, 75% of whom were representatives of residents or their families. The average level of satisfaction with the functioning of the body in which they participate was 8.1/10 in Germany and 8.2/10 in France.

### 3.5.5 A local employer committed to social inclusion

Clariane has more than 1,300 facilities located as close as possible to local communities and employment areas. Establishments are often close to priority urban areas, but also in rural areas, as close as possible to local needs. By their very nature, they provide local services with a strong commitment to an economy of social inclusion and solidarity.

Clariane is thus active in supporting participants in local job integration programmes and also carries out healthcare job discovery initiatives, as well as supporting initiatives to finding employment.

In 2017, Clariane France set up a structured partnership with local initiatives to introduce young people to our occupations. This partnership has since been strengthened with the Second Chance Schools network and many other local players.

### Commitment to the Collective of Companies for a More Inclusive Economy

Since 2018, Clariane has been part of the Collective of Companies for a More Inclusive Economy, which was created as a joint initiative of several major French companies to improve their contribution to an inclusive economy. In 2021, Sophie Boissard, the Group's Chief Executive Officer, took over the position of co-chair of this collective alongside Thomas Buberl, AXA's Chief Executive Officer. Three working groups were created on apprenticeship and training, the offering of goods and services to disadvantaged persons, and inclusive purchasing. In 2022, a fourth working group was set up, specifically dedicated to mentoring. The Collective's activities were stepped up in 2023; it is now present in 15 local communities.

Clariane is also a member of the United Way (*Alliance pour l'Éducation*) association and participates in its flagship "Youth Challenge" programme, which is rolled out in priority

education establishments, with the aim of combating school dropout and supporting students throughout their secondary education to guide them in choosing a career and preparing to enter the workforce.

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 job speed dating days.

Our network is very supportive of interns. In France, it supports nearly 5,000 interns every year in France, both through internships related to career guidance for secondary school students or for job seekers, and through internships within the framework of degree courses.

### 3.5.6 Foundations supported by Clariane

Clariane works for a more inclusive and supportive society through three Foundations: the Clariane Foundation in France dedicated to caregivers and the care professions, the Korean Germany Foundation for Care and Ageing Well and

the FITA Foundation for mental health, founded by ITA Salud Mental, a specialist Spanish group that joined the Clariane community in 2021.

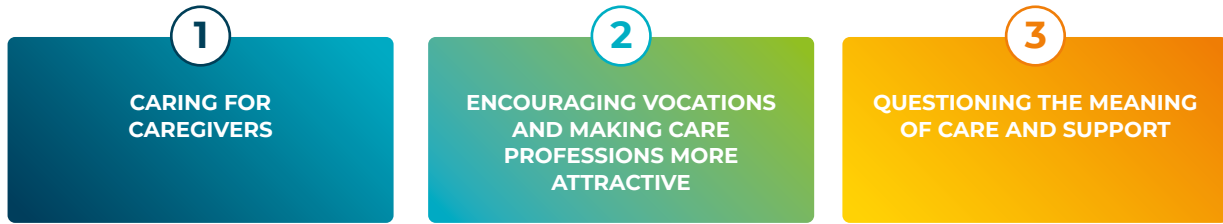
#### 3.5.6.1 Clariane Foundation



In 2023, the Clariane Foundation – formerly the Korean Foundation for Ageing Well, whose goal was to encourage and promote social inclusion among all people with diminishing autonomy, particularly the elderly – was extended for three years and changed its name and purpose. Since 1 January 2023, the Clariane Foundation has been dedicated to caregivers and the care professions.

This new theme aims to raise the profile, visibility and attractiveness of the care professions at a time when the healthcare and nursing sector is suffering from an unprecedented shortage of caregivers. As part of its new roadmap, the Foundation carries out societal studies and social initiatives in partnership with other stakeholders including public authorities and non-profit organisations. Its projects are geared towards supporting a single cause: changing the way people look at the care professions and caregivers.

For its new “Enjoy Caring” cycle, launched in 2023, the Clariane Foundation is working in three main areas:



### 1. Caring for caregivers

Through a wide range of initiatives, the Clariane Foundation aims to contribute to improving the health of caregivers, particularly women caregivers, who are over-represented in the profession. The Foundation's actions are therefore partly aimed at and designed for them: prevention of violence against women, psychological support and prevention in the field of health.

Examples of the Foundation's initiatives in 2023 include:

- **Community outreach: the *Bus du cœur des femmes* women's cardiovascular educational initiative**  
Agir pour le Cœur des Femmes is a non-profit organisation dedicated to raising awareness and educating women about cardiovascular health. The Clariane Foundation has been supporting the Women's *Bus du Cœur* senior health and transport outreach non-profit for several years. Each year, the bus stops in around 15 cities across France, giving women who do not have access to healthcare the opportunity to learn more and get tested. Professionals from Clariane Group facilities volunteer their time to welcome and screen women.
- **Studies and action programmes: SMOKEOUT**  
Launch of a ground-breaking programme to study and prevent smoking among caregivers, in partnership with the Public Health, Prevention, Observation and Regions (SPOT) department at the University of Versailles-Saint-Quentin-en-Yvelines (UVSQ).

### 2. Encouraging vocations and making care professions more attractive

In view of the vocational crisis and the resulting shortage of caregivers, the Foundation is working to promote the sector, raise awareness of the diversity of its professions and give a voice to the “heroes” of care.

Projects and achievements in 2023 include:

- ***La Voix des Soignants*: the Voice of Caregivers** podcast series gives a voice to healthcare professionals. Produced in partnership with the non-profit organisation Partage de Voix, it takes listeners on an immersive tour of care facilities, both during the day and at night. Each episode showcases one or more professions through compelling personal accounts, illustrating the close link between technical expertise and the profound human dimension. The first season, produced in the Occitanie region in France, comprises six episodes in which each caregiver talks about the rewarding experience of caring for people through their work. *La Voix des Soignants* is available on all streaming platforms;
- ***Mémoires de Soignants*: production of a collection of personal accounts (“Memoirs of Caregivers”)**, in collaboration with biographer Régine Zohar. The aim is to illustrate the diversity of professions and careers, and to

highlight the value of caregivers in the different regions of France. The first edition was produced in Provence-Alpes-Côte d'Azur in 2023.

- **Meetings with young people: the Foundation seeks out young people to introduce them to care professions:**
  - in 2023, the United Way (*Alliance pour l'Education*) association, which fights for equal opportunities, organised 11 events in partner schools, enabling Clariane volunteers to introduce their profession to more than 1,200 young people,
  - with C'Possible, it has launched an experiment that twins vocational high schools with two Group healthcare facilities (a post-acute and rehabilitation clinic and outpatient centre), under the name “Le Défilé des Métiers”, to showcase careers and give high school students a chance to learn about the 18 professions represented in the clinic and mix with professionals in the Clariane network. The high school students attended presentations on the various professions and produced portraits of caregivers during a full immersion visit to these two facilities, with the support of a professional photographer;
  - it organises “Quand je serai soignant” (When I'm a caregiver) brunches with students from nursing (IFSI) and nursing assistant (IFAS) schools to discuss their future careers and encourage them to pursue this path. Three meetings were held in 2023 (IFAS in Caen, IFAS/IFSI in Lyon, IFSI in Saint-Denis).

### 3. Questioning the meaning of care and support

The Clariane Foundation's work focuses on current issues and practices, as well as on new professions in the healthcare sector.

Projects and achievements in 2023 include:

- **Debates open to the public:**
  - organisation of four panel discussions to encourage conversations and thinking on the meaning of care and support, on the following themes:
    - presentation of the Foundation's new “Enjoy Caring” cycle,
    - end-of-life support: caring to the end,
    - mediation for conflict resolution in care facilities,
    - the impact of artificial intelligence on healthcare professions;
  - the organisation of two “Exchanging Perspectives” events in care facilities to discuss the following themes:
    - the existential suffering of caregivers in the face of illness, suffering and death (Inicea clinic in Le Perreux-sur-Marne),
    - environment and health (Inicea Gustav Zander clinic).

A recording of each of these events is available on the Foundation's website: <https://fondation.clariane.com>.

- Ipsos study on the attractiveness of healthcare professions among young Europeans:
  - the Clariane Foundation published a study devoted to the attractiveness of health and care professions. 2,100 young people aged 16 to 20 in seven European countries (France, Germany, the United Kingdom, Spain, Italy, Belgium and the Netherlands) were interviewed by Ipsos. Their positive image of the care professions

paradoxically comes with a low level of appeal for the sector. For example, 85% of young French people see the care profession as useful and meaningful. However, the study also shows that their perception of these professions does not correspond to some of their personal criteria for choosing a career, namely work-life balance and flexibility of work organisation.

KEY FIGURES FOR 2023			
<b>some 400</b> Clariane professionals mobilised	<b>18</b> trusted partners	<b>7,000+</b> people supported by these partners	<b>15</b> events organised

The Clariane Foundation works with trusted partners, in line with its cycle dedicated to care and support professions.

FOUNDATION PARTNERS		
<ul style="list-style-type: none"> <li>• Agir pour le Cœur des Femmes</li> <li>• Alliance pour l'Éducation</li> <li>• Bras dessus bras dessous</li> <li>• AP-HP Paris Nord Nursing Sciences Research Chair</li> <li>• Course des Héros</li> <li>• C'Possible</li> </ul>	<ul style="list-style-type: none"> <li>• FFIS – French Federation of Breast Institutes</li> <li>• Girelle Production</li> <li>• Maison des Femmes</li> <li>• Move In Med</li> <li>• Partage de Voix</li> <li>• Pro Bono Lab</li> </ul>	<ul style="list-style-type: none"> <li>• Robotics by Design</li> <li>• Care for healthcare professionals - SPS</li> <li>• Sud Biographie</li> <li>• Télémaque</li> <li>• University of Versailles Saint-Quentin-en-Yvelines</li> <li>• Webschool Factory</li> </ul>

### 3.5.6.2 The Korian Foundation for Care and Ageing Well in Germany

The Korian Foundation for Care and Ageing Well (*Korian Stiftung für Pflege und würdevolles Altern*) was created in 2020. Its actions are focused on the well-being of caregivers and, more generally, all people active in the care sector.

In 2023, the Foundation worked in the following areas in particular:

- stress management: open-access e-learning certification programme, comprising eight modules developed specifically for the healthcare sector (400 participants since 2020). Training has been central to Korian Germany's operations since 2022;
- aromatherapy: in a half-day workshop, employees learned how essential oils help to reduce their own stress and how they can incorporate this knowledge into their daily care (23 workshops completed in 2023);
- healthy nutrition: in partnership with Chef Volker Mehl, recipes, podcasts and videos on how to cook healthily have been shared with employees every month since 2021. Since 2023, Chef Mehl has also been running cooking workshops in the facilities (18 workshops in 2023);
- preventing violence in care homes: half-day workshop developed with a specialist coach and run by an external facilitator, aimed at identifying and preventing the

various forms of violence that can occur in care homes, in particular through non-violent communication with residents and within teams (13 workshops run in 2023).

- end-of-life, death and bereavement support: publication of a guide for professionals in the sector to support them in managing the emotional burden associated with this task and organisation of half-day workshops in facilities on these areas with an invited speaker (11 workshops carried out in 2023).

The German Foundation, in partnership with Korian Germany, the University of Bremen and the Fraunhofer IIS research institute, has participated in the Care 2030 (*Pflege 2030*) project since 2022. The Korian Haus Curanum facility in Karlsfeld was selected as the pilot facility for this three-year project. It is financially supported by the Bavarian Ministry of Health and Care, which aims to measure the contributions of new technologies and innovative planning methods to the quality of care and working conditions. In 2023, interviews with the various professionals and the evaluation of 12 technologies were used to prepare the trial phase, which began at the end of the year with the installation of the technologies tested in the facility and the start of the trial of a new method of managing work schedules.

### 3.5.6.3 FITA Foundation for mental healthcare in Spain

In Spain, Ita Salud Mental, a mental healthcare specialist acquired by the Clariane Group in 2021, created the FITA Foundation in 2002. Its mission is to contribute to the prevention, awareness and understanding of mental health problems. More specifically, its main objectives are to:

- deploy innovative social and support programmes;
- promote training for professionals and their families;
- carry out prevention and awareness-raising campaigns;
- promote and contribute to research projects;
- provide access to specialist treatment through grants.

Key figures and programmes for 2023:

- support and rehabilitation programmes: 44 people benefited from partial or total grants to pay for their care; 73 people benefited from support from the academic and vocational guidance service and the adapted physical activities service; and 14 young people diagnosed with mild mental disorders were monitored as part of a programme to help them become independent adults;

- prevention and training programmes: 97 workshops (online and face-to-face) on behavioural disorders were given to more than 2,500 people; 30 hours of training were given to 30 students on health and emotional well-being, detailing tools for prevention and detection in the school environment; 210 teachers were trained in Andorra; and, in collaboration with the Universities of Girona, Pompeu Fabra (in Barcelona) and the Polytechnic University of Catalonia, 318 students were trained in the prevention and promotion of mental healthcare, including 100 students specifically on eating disorders;
- awareness-raising and communication programmes: two books written on people suffering from mental disorders were promoted, namely "What do you feel when you feel nothing" ("*Qué sientes cuando no sientes nada*") and "Rock, Paper, Scissors" ("*Piedra, papel, tijera*"). The Foundation also took part in a series of conferences, events and webinars, such as the 21<sup>st</sup> Educational Clinical Days on the theme of attention deficit and hyperactivity disorders.

## 3.5.7 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 II Law of 9 December 2016, the Clariane Group has developed an ethics and compliance programme consisting of the following:

- corruption risk mapping: based on the mapping of the Group's processes, the various risk scenarios were identified and assessed for criticality in terms of impact and probability of occurrence, after taking into account the control systems in place. This mapping was updated in 2023;
- Group Ethics Charter and internal policies: the Group Ethics Charter (see section 3.2.5) presents our three values – trust, responsibility and initiative – and translates them into both expected attitudes within the Group, and attitudes to be avoided. It is supplemented by internal policies specifying the rules and setting guidelines for practices in terms of gifts and invitations, conflicts of interest and sponsorship and patronage;
- corruption prevention guide: distributed in 2022, this document contains the Group's compliance policies and procedures. A version for the Group's third parties outlining the behaviours expected by the Group from its third parties, particularly suppliers, will be rolled out in 2024;
- whistleblowing system: the Group has set up a whistleblowing system common to all Group entities, allowing all employees, candidates for a position, Group co-contractors, shareholders, Group customers and their relatives to ask a question or file an alert, in their local

language. The purpose of the whistleblowing system is to identify abnormal situations at all levels of the company so that they can be remedied and prevented.

In addition to situations that directly or indirectly involve the Clariane Group, some of its employees or external people associated with the Group, and which are contrary to the regulations in force, pose a risk of conflict of interest or corruption, or a threat or harm to the general interest, Clariane has extended its internal whistleblowing system to cover breaches of its Ethics Charter, which each of its employees is required to respect. As part of its duty of care, Clariane has opened the system to the reporting of situations involving serious harm to the environment, human health or safety, human rights and fundamental freedoms resulting from its activities and those of its subcontractors or suppliers, when these situations are related to their relationship with Clariane.

In 2023, the whistleblowing system was simplified to make it easier to use. Communication campaigns were also organised at head offices and in facilities to make the system better known.

This system guarantees the anonymity of the person reporting the alert and confidentiality in its handling. This system fulfils the requirements of Articles 6 and 17 of the Sapin II and Duty of Care laws. It is supplemented by Group procedures, applicable from 1 January 2022, on the processing of alerts and the handling of internal investigations. These procedures make it possible to define a clear governance for the monitoring of alerts, and plan for the appointment of "investigation officers" trained on how to conduct internal investigations.



This system is set out on the company's website and intranet, in the Group's Ethics Charter, as well as in the document "Our Values and Ethics Commitments", signed by all new employees;

- training: the Group has set up a specific training plan on corruption and influence peddling. This training plan includes a common core for all Group employees in the form of e-learning, webinars and face-to-face workshops. This common core is supplemented by specific training for populations particularly exposed. In 2023, a new e-learning module was developed by in-house teams, based on real-life situations, to pinpoint corruption and influence peddling risks within the Group. The new module will be rolled out in the Group's countries in 2024. At the end of 2023, 89.5% of top management had completed the anti-corruption training;

- accounting control procedures: the internal control framework has been expanded to incorporate all the corruption prevention measures introduced by the Group;
- assessment of third parties: the Group has adopted a procedure for assessing third parties, both for anti-corruption and influence peddling for aspects related to its duty of vigilance. This procedure specifies the assessment of the entity or partner to be carried out upstream, on the basis of research and documentation collection as well as the action to be taken in the event of a risk. In the context of mergers and acquisitions, a compliance and reputation audit is also systematically carried out;
- assessment of the system: the Compliance Department draws up a system control plan which specifies the departments in charge of control and the control points determined. The Group's Audit and Internal Control Department is in charge of level 3 control and includes issues relating to corruption or fraud in its audit plan.

### 3.5.8 Tax policy

The Group has a central tax unit within the Group Finance team in France. This department coordinates the tax policies in all seven countries in which the Group operates, ensuring compliance with national tax laws and the payment of fair taxes on the basis of the taxable income generated by the Group. Companies undertake to pay all taxes due in each country.

The purpose of the Group's tax approach is to support the Group's operational activity and its mission to serve elderly or vulnerable 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.

Clariane 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.

The Group Tax Department therefore ensures that it complies with national and international standards, including transfer pricing standards (by drafting the necessary documentation), and cooperates actively with local tax authorities.

The Group Tax Department has put in place processes and control tools to detect and resolve tax issues.

	France	Germany	Belgium	Italy	Spain	Netherlands	United Kingdom	Total
Profit/(loss) before tax	47.0	(104.2)	(19.1)	16.9	(15.0)	(4.3)	2.6	(76.2)
<b>Theoretical rate</b>	<b>25.83%</b>	<b>25.83%</b>	<b>25.83%</b>	<b>25.83%</b>	<b>25.83%</b>	<b>25.83%</b>	<b>25.83%</b>	<b>25.83%</b>
Theoretical tax (TT)	(12.1)	26.9	4.9	(4.4)	3.9	1.1	(0.7)	19.7
Effective tax (ET)	3.6	0.6	1.4	(6.9)	3.2	1.2	(0.5)	2.6
Difference ET – TT	15.7	(26.3)	(3.6)	(2.5)	(0.6)	0.1	0.1	(17.1)
<b>Effective tax rate (ETR)</b>	<b>7.6%</b>	<b>-0.6%</b>	<b>-7.2%</b>	<b>-40.8%</b>	<b>-21.6%</b>	<b>-27.4%</b>	<b>-20.4%</b>	<b>-3.37%</b>
Cash out	(29.20)	4.50	(0.90)	(9.50)	(0.80)	(4.20)	(0.30)	(40.60)

In 2023, the effective tax rate was negative, corresponding to a tax benefit of €2.6 million. This tax benefit is directly linked to the use of tax loss carryforwards during the year.

The difference between the tax expense and the cash out amount is primarily attributable to:

- the recognition of deferred taxes on all tax items giving rise to temporary differences;
- the legal time lag between recognition of the tax expense and its final payment with the balance of 2022 corporate income tax, and advance payments for 2023 that were mechanically higher than the final 2023 tax benefit.

## PILLAR 5 OF THE CSR STRATEGY

### Reduce our environmental footprint

#### COMMITMENT

13

Low-carbon roadmap for energy consumption of buildings achieved in 2021 with a target of a 40% reduction by 2030

14

5% reduction in residual waste volume by 2023

15

100% of new buildings<sup>(1)</sup> HQE certified or equivalent from 2020

#### 2023 OUTCOMES

**-29%**

(of kgeqCO<sub>2</sub>/sq.m.)  
vs. 2019

**-16%** kg/bed

residual waste  
vs. 2019

**100%**

of new buildings certified  
vs. 50% in 2019

(1) Includes new property projects added to the portfolio following the first Investment Committee meeting that are HQE-certifiable or equivalent.

#### CLARIANE ESG STRATEGY – REDUCE OUR ENVIRONMENTAL FOOTPRINT

We operate over 1,300 facilities in Europe, with a very dense regional network in urban and rural areas. It is therefore essential that we manage the environmental footprint of our buildings. Our first actions have targeted the optimisation of energy consumption, as well as waste reduction. Next, on the basis of a full carbon footprint audit carried out in 2019, we prepared an initial roadmap to reduce the carbon footprint of our real estate portfolio by 2030 and set ourselves the following three main objectives in 2019:

- reduce the carbon footprint related to the energy consumption of the Group's real estate portfolio by 40% by 2030;

- reduce by 5% residual waste per bed by 2023;
- seek HQE or equivalent certification for all new greenfield buildings.

Beyond these objectives, Clariane is also working towards a more comprehensive decarbonisation of its activities, mainly in its purchases for catering, goods and services, as well as for employee transport. The Group has also joined an initiative to preserve and restore biodiversity in urban environments (the Biodiversity Impulsion Group).

## 3.6 Reduce our environmental footprint

### 3.6.1 EU Taxonomy

#### Background

As part of the European Green Deal, the European Commission is seeking to redirect capital flows towards more sustainable economic activities that contribute directly to limiting the environmental impact of human activities and to guaranteeing and improving human living conditions, particularly in terms of health, housing, education, employment, equity and justice.

To date, only the environmental taxonomy has been codified (EU Taxonomy Regulation 2020/852). Work to define a social taxonomy is still ongoing, and no timetable has been set as yet.

The environmental taxonomy establishes a classification system for environmentally sustainable economic activities.

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;

#### Summary

As its core business is care, health and hospitality for people in times of vulnerability, the Clariane Group's impact is predominantly social. As such, it will only be possible to assess its full value through the social taxonomy, once it has been established by the competent European authorities.

Most of Clariane's turnover is revenue received in exchange for these personal services, care and medical treatment provided to people in vulnerable situations. By definition, this turnover therefore has a social purpose that it will be possible to assess when the social taxonomy is implemented. As the environmental taxonomy currently stands, the Group is unable to recognise this turnover under activity 12.1 "Residential care activities" as part of the climate change adaptation objective. As a result, the only item that can be taken into account under the environmental taxonomy is turnover from property leasing and sales.

- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

In accordance with the EU Taxonomy Regulation, supplemented by Regulation (EU) 2021/2139, as amended by Regulation (EU) 2023/2485, Clariane is reporting for the 2023 financial year, for its entire financial consolidation scope, the proportion of the Group's turnover, capital expenditure (CapEx) and operating expenses (OpEx) associated with economic taxonomy-eligible activities under the six environmental objectives.

The Group is also required to publish the aligned, i.e., sustainable, portion in relation to these indicators for the first two climate objectives, as was the case for the 2022 financial year.

With more than 1,300 facilities in six countries, Clariane contributes to the environmental objectives defined in the taxonomy in a number of ways:

- by constructing, acquiring or owning buildings designed to be energy efficient and resilient to climatic events;
- by improving energy performance, adapting buildings or installing renewable energy production on these sites;
- by implementing waste management solutions; or
- by helping to protect and restore biodiversity in residential developments.

Given the number of investments (CapEx) made by the Group, only projects with a value of more than €1 million were subject to alignment analysis. The Group's various initiatives to improve its environmental footprint are described in section 3.6.2 and the subsequent sections of this Universal Registration Document.

The table below summarises the results of the taxonomy analysis:

	2023		2022	
	Turnover	CapEx	Turnover	CapEx
(as a percentage)				
Eligibility	2%	32%	1%	30%
Alignment	- %	8%	0%	12%

The share of the Group's taxonomy-aligned CapEx decreased from 12% in 2022 to 8% in 2023. This is due to the deconsolidation of the Ages & Vie property companies, which contributed seven points to alignment in 2022. At the

same time, Clariane has improved the taxonomy-aligned proportion of CapEx under activity 12.1 "Residential care facilities" from 4% in 2022 to 8% in 2023.

The difference between the taxonomy-eligible proportion of CapEx (32%) and the taxonomy-aligned share (8%) is mainly due to the fact that systematic analysis of physical climate-related risks has not yet been performed for all of

our facilities. Work is underway to extend climate-related risk analysis to all of the Group's existing facilities in order to clarify the medium- and long-term adaptation action plans.

## Methodology

### Analysis of the eligibility of the Group's activities with regard to the EU Taxonomy Regulation

The Clariane Group has identified which of its various activities (see section 1.4 of the Universal Registration Document for an overview of the Group's activities) are eligible under the six environmental objectives of the EU Taxonomy Regulation.

These eligible activities are presented in the table below:

Target	Activity listed in Annex II of the Taxonomy Regulation Delegated Act (EU) 2021/4987	Description of the Clariane Group's activities	Eligibility		
			Turnover	CapEx	OpEx
1- CLIMATE CHANGE MITIGATION (CCM)	7.1 Construction of new buildings	Sale of furnished apartments for non-professional leasing (Ages & Vie)	Eligible	Eligible	Eligible
	7.7 Acquisition and ownership of buildings	Residential solutions (assisted living facilities and shared housing for elderly people)	Eligible (rent only)	Eligible	Eligible
2- CLIMATE CHANGE ADAPTATION (CCA)	12.1. Residential care activities*	Care homes	Ineligible	Eligible	Eligible
		Post-acute and rehabilitation care clinics and mental healthcare clinics (excluding outpatient activities)	Ineligible	Eligible	Eligible
4-TRANSITION TO A CIRCULAR ECONOMY (CE)	3.1. Construction of new buildings	Sale of furnished apartments for non-professional leasing (Ages & Vie)	Eligible	Eligible	Eligible

\* Non-enabling activity: under the green taxonomy, no turnover can be recognised for this activity.

The Group's Care Homes activities fall under Objective 2, "Adaptation to climate change", Section 12.1 "Residential care activities". Due to the similarity of the services (extended accommodation and medical care) of post-acute and rehabilitation care clinics and mental healthcare clinics (excluding outpatient activities), the latter are also considered to be relevant to Section 12.1.

### Analysis of alignment of the Group's activities with regard to the Climate objectives

The Group has analysed the technical criteria for the activities listed below in accordance with Regulation (EU) 2021/2139, as amended by Regulation (EU) 2023/2485, taking into account the various interpretations and frequently asked questions (FAQs) published by the European Commission, in particular those dated 19 December 2022.

Where an activity is eligible with regard to more than one environmental objective, such as activity 7.7 "Acquisition and ownership of buildings", Clariane has analysed the alignment of these activities under the two climate objectives.

Finally, given the Group's geographical exposure and the volume of eligible investments to be analysed, it has only verified compliance with the technical verification criteria for a selection of material projects (i.e., in excess of €1 million). Other eligible projects are considered non-aligned.

### Climate change mitigation objective

#### Activity 7.7. Acquisition and ownership of buildings

As summarised in the eligibility analysis table, all of the Group's CapEx under activity 7.7. Acquisition and ownership of buildings is considered eligible.

To analyse the alignment of activity 7.7. Acquisition and ownership of buildings with regard to the climate change mitigation objective, the Group focused on investments relating to its co-living solutions offering in France and has taken into account the substantial contribution and DNSH criteria prescribed by Annex 1 to the Climate Regulation.

#### Substantial contribution criterion

For buildings with a building permit dated after 31 December 2020, the analysis was carried out on the basis of the "NZEB minus 10%" thresholds – equivalent in France to either "RT 2012 minus 10%" for buildings with building permits filed under the 2012 Thermal Regulation or to "RE 2020" for buildings with a building permit filed under the 2020 Environmental Regulation.

For buildings with a building permit dated before 31 December 2020, the analysis was based on energy performance certificates and the top 15% primary energy consumption thresholds established by the Observatoire de l'Immobilier Durable in France and by Index ESG (a Deepki initiative) for the rest of the European Union.

**DNSH**

As the Group is located in Europe, Clariane has considered as material the climate risks related to heat waves, drought, soil degradation, severe weather and coastal erosion for its centres close to the sea.

To carry out the physical climate risk analyses, Clariane based itself on the pessimistic projections of the IPCC on the lifespan of its buildings (scenario 8.5). These analyses were carried out on all Ages et Vie sites under construction in 2023.

When a building was particularly exposed to a risk given its geographical position, a plan identifying actions for adapting the asset to the climate risk in question as well as the actions to be implemented was decided.

**Activity 7.1. Construction of new buildings**

Only the sale of furnished apartments for non-professional leasing (Ages & Vie) is eligible with regard to activity 7.1. This represents an immaterial amount at Group level.

**Substantial contribution criterion**

The substantial contribution criteria are the same as those for activity 7.7 and have been subject to the same analysis.

**DNSH**

There are five DNSH criteria to be validated, and it proved difficult or impossible to obtain compelling evidence to validate the technical criteria for each of them. Given the immaterial amounts involved, the Group has therefore chosen to apply FAQ 13 (C/2023/305) of 19 December 2022 and to consider these projects as non-aligned.

As such, there are no aligned projects with regard to this activity.

**Climate change adaptation target****Substantial contribution criterion**

For adaptation activities within the meaning of the taxonomy, an analysis of physical climate-related risks (as described in the previous paragraph, see "DNSH") and the definition and/or implementation of an adaptation plan are required for projects to be considered eligible. This analysis is also used to validate the substantial contribution criterion of adaptation activities.

Such analyses were carried out during the 2023 financial year for a selection of assets in France and Europe in order to assess whether their CapEx related to new construction of facilities, property buybacks and external growth were eligible. No extrapolation was carried out for assets that were not analysed for physical climate risks, which were therefore considered ineligible.

**Activity 7.7. Acquisition and ownership of buildings****DNSH**

Only the DNSH climate change mitigation criterion is applicable with regard to activity 7.7. To validate this DNSH criterion, Clariane analysed:

- for buildings with a building permit dated after 31 December 2020, the analysis was carried out on the basis of the "NZEB%" thresholds – equivalent in France to either "RT 2012 %" for buildings with building permits filed under the 2012 Thermal Regulation or to "RE 2020" for buildings with a building permit filed under the 2020 Environmental Regulation;
- for buildings with a building permit dated before 31 December 2020, the analysis was based on energy performance certificates and the top 30% primary energy consumption thresholds established by the Observatoire de l'Immobilier Durable in France and by Index ESG (a Deepki initiative) for the rest of the European Union.

In addition, none of the Group's buildings are used for the extraction, storage, transport or production of fossil fuels.

**Activity 7.1. Construction of new buildings**

As explained for the climate change mitigation objective, no projects are aligned with regard to this activity.

**Activity 12.1. Residential care activities****DNSH**

Only the DNSH pollution criterion is applicable with regard to activity 12.1. For each country in which it operates, the Group has validated the existence of a waste management plan that addresses infectious healthcare waste while promoting recycling and reuse of other types of waste.

In accordance with the details provided by the European Commission in its frequently asked questions of 19 December 2022, Clariane has counted as aligned within the meaning of activity 12.1:

- only climate change adaptation CapEx for existing buildings;
- for buildings under construction, all CapEx related to the building are taken into account considering that the adaptation measures are included in the various characteristics of the building (for example, the materials used, the depth of the foundations, etc.) and that it is not possible to identify them separately. In addition to the physical climate risk analyses carried out as part of the eligibility, the new standards in force in the countries of these new constructions promote the adaptation to climate change of the building as a whole.



### Minimum safeguards

Clariane has ensured compliance with the minimum safeguards.

- In particular, the Group is subject to and complies with the obligations of the Sapin II and Duty of Care laws (see section 3.7).
- All of the Group's processes related to human rights, labour law, business ethics (see section 3.5.7), corruption and taxation (see section 3.5.8) are in place and ensure compliance with the requirements of the EU Taxonomy Regulation.

- Clariane also verifies the quality of its suppliers by auditing them in order to verify the correct application of its Responsible Purchasing Charter and Ethics Charter (see section 3.5.2.2).

In addition, Clariane has not been subject to any material judicial convictions in relation to the various dimensions of the minimum safeguards.

### Determination of indicators

#### a) Share of revenue associated with taxonomy eligible activities

The share of revenue associated with activities eligible for the EU 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 2023 (see chapter 6, section 6.1 of this document).

Pursuant to Delegated Regulation 2021/4987 published by the European Commission on 6 July 2021 (Appendix I 1.1.1), the revenue from Long-Term Care and healthcare facility activities meeting Objective 2 "Adaptation to climate change" was excluded due to the non-qualifying nature of the activity.

Only the turnover corresponding to leasing income from residential solutions (activity 7.7. Acquisition and ownership of buildings, i.e., €63 million in 2023) and the sale of furnished apartments for non-professional leasing (activity 7.1. Construction of new buildings, i.e., €41 million in 2023) is considered eligible.

This resulted in a percentage of Group eligible revenue of 2% for 2023 (versus 1% for 2022). This percentage stems directly from the classification of the Group's activities as established by the current texts, which do not consider the care and nursing home business, Clariane's main activity, as qualifying under the adaptation criteria. This figure does not in any way reflect the Group's commitment to reducing its environmental impact. However, these activities are included in the basis for calculating the eligibility ratios for CapEx.

Given the immaterial amount of eligible turnover associated with activities 7.1. Construction of new buildings and 7.7. Acquisition and ownership of buildings and the difficulty or impossibility of obtaining supporting documents to validate the substantial contribution criteria, turnover for these activities is not aligned.

The breakdown of revenue eligibility and alignment is presented below:

Economic activities	Code(s)	Year		Substantial contribution criteria								DNSH criteria ("Does Not Significantly Harm")				Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover in 2022	Category enabling activity	Category transitional activity	
		Turnover	Proportion of turnover in 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				Minimum safeguards
		€m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																			
Turnover from environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Of which enabling		-	-															E	
Of which transitional		-	-																T
<b>A.2 Taxonomy-eligible activities but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL									
Construction of new buildings	CCM 7.1/CE 3.1	40.9	1%	EL	N/EL	N/EL	N/EL	EL	N/EL										0%
Acquisition and ownership of buildings	CCM 7.7	63.4	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										1%
<b>Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned-activities – A.2)</b>		<b>104.3</b>	<b>2%</b>	<b>2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>									<b>1%</b>
<b>Turnover of Taxonomy eligible activities (A.1 + A.2) (A)</b>		<b>104.3</b>	<b>2%</b>	<b>2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>									<b>1%</b>
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
Turnover of Taxonomy non-eligible-activities (B)		4,869.3	98%																
<b>TOTAL (A + B)</b>		<b>4,973.5</b>	<b>100%</b>																

For activities identified under several environmental objectives in the taxonomy, the breakdown is as follows:

	Share of turnover/total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	-	2%
CCA	-	-
WTR	-	-
CE	-	1%
PPC	-	-
BIO	-	-

#### b) Share of capital expenditure (CapEx) associated with EU Taxonomy eligible activities

The proportion of CapEx associated with the eligible activities was calculated on the basis of the amounts paid for the 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.

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 2023 (see chapter 6, note 5 "Goodwill, intangible assets and property, plant and equipment"). Capital expenditure (including increases in rights of use) of small amounts (less than €1 million) or that cannot be allocated to a single activity (e.g., headquarters CapEx, IT CapEx, maintenance CapEx not detailed) has been excluded.

The table below shows the reconciliation of total CapEx (including increases and changes in scope) with the Group's consolidated financial statements:

(in millions of euros)	31 December 2023	See
Intangible assets	127	Chapter 6, note 5.2 "Licences"
Property, plant and equipment	401	Chapter 6, note 5.3 "PP&E"
IFRS 16 right-of-use assets	669	Chapter 6, note 5.5 "Leases"
<b>TOTAL CAPEX – TAXONOMY</b>	<b>1,197</b>	



For activities identified under several environmental objectives in the taxonomy, the breakdown is as follows:

	Proportion of CapEx/total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	-	5%
CCA	8%	32%
WTR	-	-
CE	-	4%
PPC	-	-
BIO	-	-

### c) Share of operating expenses (OpEx) associated with EU Taxonomy eligible activities

The overall amount of the Clariane Group's operating expenses meeting the definition of the Taxonomy represented 2.8% of total consolidated operating expenses in 2023 (vs. 3.0% in 2022), i.e., €109 million out of total operating expenses of €3,971 million (vs. €104 million out of €3,531 million in 2022). As in 2022, the Group has chosen to apply the materiality exemption allowed by Paragraph 1.1.3.2 of Appendix I of the Delegated Regulation of July 2021.

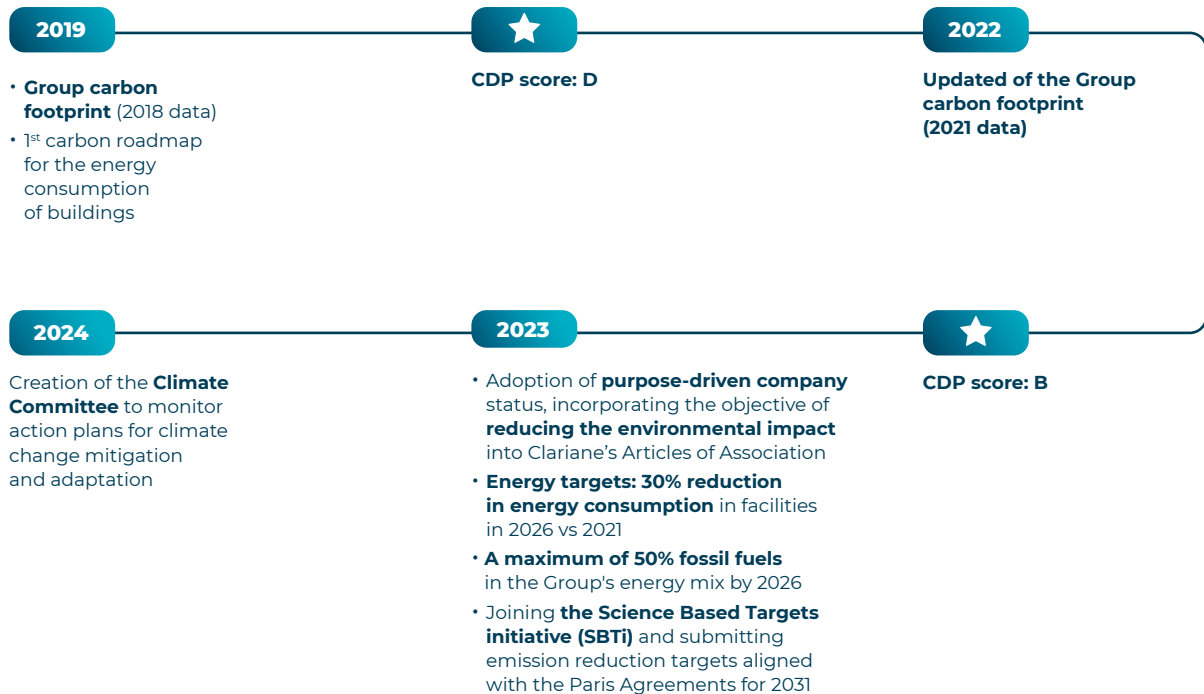
Economic activities	Year		Substantial contribution criteria							DNSH criteria ("Does Not Significantly Harm")					Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx in 2022	Category enabling activity	Category transitional activity	
	Code(s)	OpEx	Proportion of OpEx in 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy				Biodiversity
Text	Currency	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																		
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																		
OpEx of the environmentally sustainable activities (Taxonomy-aligned) (A.1)																		
Of which enabling																		
Of which transitional																		
<b>A.2 Taxonomy-eligible activities but not environmentally sustainable activities (not Taxonomy-aligned activities)<sup>(9)</sup></b>																		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																		
<b>OpEx of Taxonomy eligible activities (A.1+A.2) (A)</b>																		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																		
<b>OpEx of Taxonomy-non-eligible activities (B)</b>																		
<b>TOTAL A + B</b>		<b>109.3</b>	<b>100.0%</b>															



	Proportion of OpEx/total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM		
CCA		
WTR		
CE		
PPC		
BIO		

### 3.6.2 Commit to a low-carbon trajectory

Clariane is committed to a low-carbon roadmap, aimed at limiting the environmental footprint of its activities by improving the energy performance of its buildings, and by adapting its operations to the current climate emergency context.



#### 3.6.2.1 Governance

Environmental issues are reviewed and monitored at the Board of Directors level by the Ethics, Quality and CSR Committee, which met four times in 2023.

Climate risks and the environmental impact of activities are also taken into account in the Group's risk assessment as part of the risk mapping, which includes a risk dedicated to global warming and damage to the environment. The risk assessment and monitoring is presented to the Board of Directors' Audit Committee.

Throughout 2023, environmental issues were brought to the attention of the Group Management Board by the Group's Engagement, Brand and Quality Department. Within this extended organisation, the CSR Department is in charge of implementing the Group's environmental strategy, together with the Group's Real Estate Department for matters related to the real estate portfolio.

The environmental strategy is presented and monitored on a fortnightly basis by the Group's CSR Steering Committee, chaired by the Chief Executive Officer.

The Mission Committee also monitors the progress of environmental initiatives, and more specifically the reduction of the energy-related carbon footprint, defined as a priority action in one of Clariane's five commitments (Sustainability) as a purpose-driven company.

A selection of 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.

In 2023, a working group dedicated to energy management – known as the “Energy Sprint” – created in 2022 and bringing together all countries of operation and their business experts, structured and continued its work.

Its objective is to:

- define and manage a strategy to improve energy efficiency in our facilities;
- reduce the energy consumption of our facilities;
- diversify the Group's energy mix to increase the share of local, green and renewable energies.

The areas of work are as follows:

- raise awareness and train teams on optimising economical and efficient use of energy;
- identify, quantify and plan the deployment of technical mechanisms for improving energy efficiency, reducing the energy consumption of facilities and measuring consumption;
- secure and diversify energy supplies with the aim of significantly increasing the use of local, green and renewable energies.

The country teams are autonomous in the implementation of the initiatives taken to achieve the objectives.

Property projects presented to the Investment Committee now include energy and carbon footprint criteria in their analysis, with requirements linked to the Group's objectives and future regulations. If these requirements are not met, an energy efficiency action plan must also be submitted to the Committee when the project is reviewed.

A Climate Committee was set up in early 2024. It brings together the main Group functions responsible for monitoring climate change mitigation and adaptation action plans.

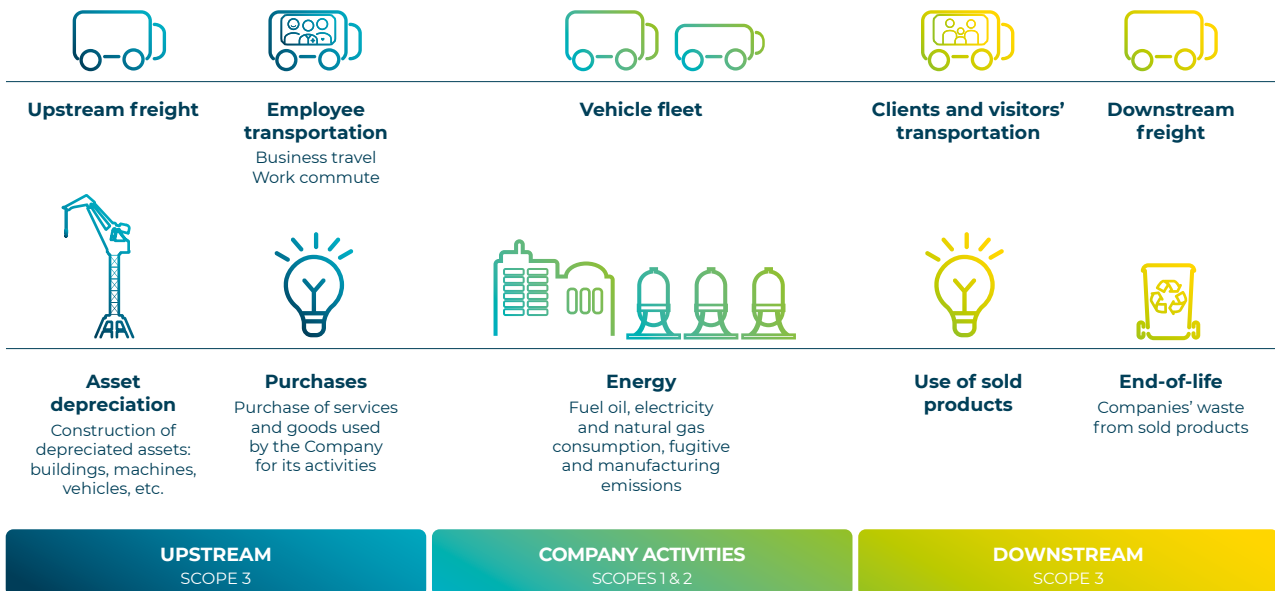
### 3.6.2.2 Identify Clariane's priority environmental challenges

Clariane updated its Carbon Footprint with an independent firm in 2022, using the most accurate data available, in order to have the most robust and comprehensive image possible

of the Group's carbon footprint with regard to its direct and indirect emissions (Scopes 1, 2 & 3, according to the GHG Protocol)<sup>(1)</sup>.

#### Group carbon footprint 2021

#### PRIMARY SOURCES OF EMISSIONS IN A CARBON FOOTPRINT ASSESSMENT



(1) According to the Greenhouse Gas Protocol:

– Scope 1: direct emissions from sources owned or controlled by the reporting entity;

– Scope 2: indirect emissions related to the consumption of electricity, heat or steam necessary for the manufacture of the product or the operation of the reporting entity;

– Scope 3: other indirect emissions related to the supply chain (upstream or downstream) and the use of products and services.

**BREAKDOWN OF CARBON EMISSIONS** (2021 data)

Nearly 600,000 metric tons of CO<sub>2</sub> equivalent were emitted in 2021 and break down as follows, in accordance with the GHG Protocol methodology:

Scope according to the GHG Protocol	TCO <sub>2</sub> e
Scope 1	107,381
Scope 2	42,092
Scope 3	448,576
<b>TOTAL</b>	<b>598,049</b>

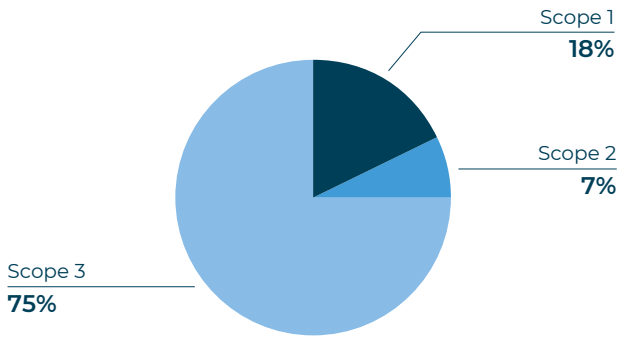
Item (GHG Protocol)	Title of emission item	Emissions (in tCO <sub>2</sub> e)
<b>SCOPE 1</b>		<b>107,381</b>
1-1	Direct emissions from stationary combustion sources	98,816
1-2	Direct emissions from mobile combustion sources	4,340
1-3	Direct emissions from non-energy processes	
1-4	Direct fugitive emissions	4,225
1-5	Emissions from biomass (soil and forests)	
<b>SCOPE 2</b>		<b>42,092</b>
2-1	Indirect emissions from electricity consumption	42,092
2-2	Indirect emissions from the consumption of energy other than electricity (steam, heat, cooling)	-
<b>SCOPE 3</b>		<b>448,576</b>
<b>Scope 3 Upstream</b>		<b>448,576</b>
3-1	Purchases of goods and services	248,299
3-2	Fixed assets	83,501
3-3	Energy-related emissions not included in Scopes 1 & 2	25,427
3-4	Inbound freight	12,936
3-5	Waste	26,902
3-6	Business travel	2,702
3-7	Commuting	48,808
3-8	Leased assets: upstream	
<b>Scope 3 Downstream</b>		-
3-9	Outbound freight	
3-10	Processing of products sold	-
3-11	Use of products sold	-
3-12	End-of-life of products sold	-
3-13	Leased assets: downstream	-
3-14	Franchises	-
3-15	Investments	-
<b>TOTAL</b>		<b>598,049</b>

# 3

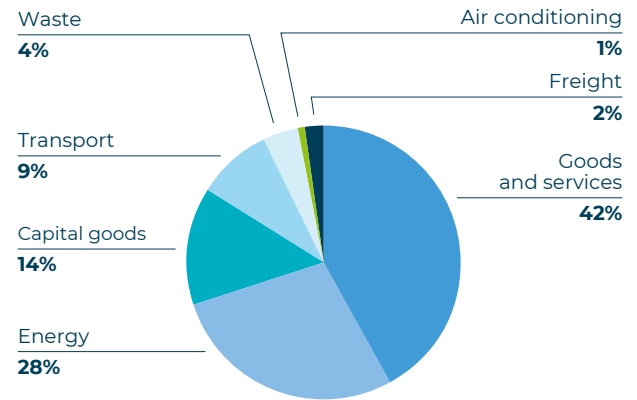
## Environmental, social and corporate governance

Reduce our environmental footprint

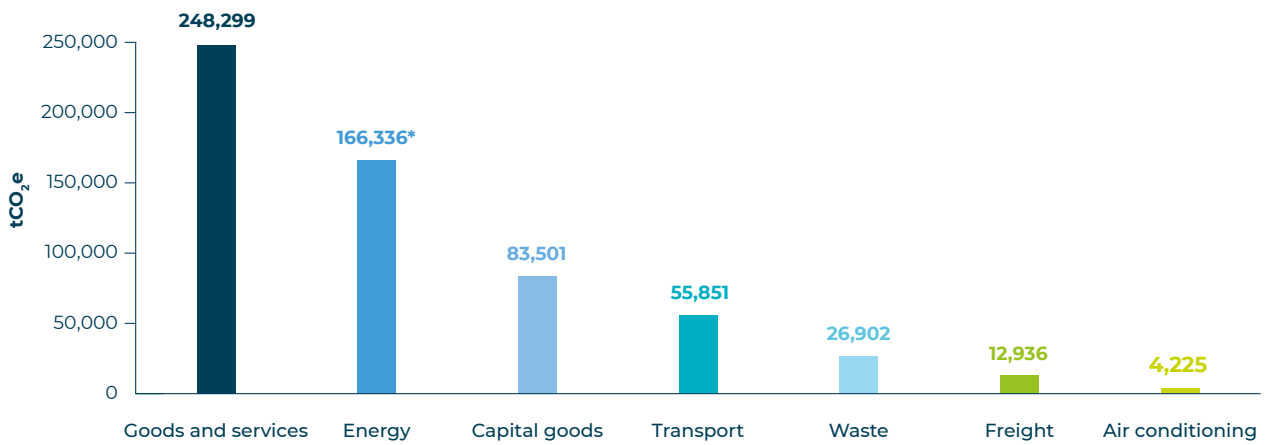
**BREAKDOWN BY SCOPE (2021 DATA)**



**BREAKDOWN BY EMISSIONS SOURCE (2021 DATA)**



**BREAKDOWN OF CARBON EMISSIONS (2021 DATA)**



\* Data adjusted in 2023 to reflect improvements in reporting in terms of completeness, quality and harmonisation of data. See section 3.6.3.

### Commitment to the Science Based Targets initiative

In 2023, the Group committed to the Science Based Targets initiative, and submitted short-term carbon emission reduction targets aligned with the Paris Agreement. Its objectives are currently being reviewed by the SBTi teams with a view to final approval in 2024

### 3.6.3 Reduce the environmental footprint of the Group's real estate portfolio – Scopes 1 & 2 of the carbon footprint assessment

A first specific roadmap for cutting building energy consumption was drawn up in 2020, with a target of a 40% reduction in carbon intensity per sq.m. by 2030 compared to 2019, i.e., versus a baseline of 41 kgCO<sub>2</sub>e per sq.m.

In the context of the energy supply crisis and inflation, the Group has set itself two new objectives for 2026:

- reducing its total energy consumption by 30%, based on 2021 consumption volumes, by adapting its practices, equipment and buildings;

#### Action levers identified for existing buildings

##### Energy improvement work

As part of the Group's energy and low-carbon pathway, these actions led to the definition and implementation of multi-year investment plans (CapEx) consisting in modernising building systems to meet or exceed national energy efficiency standards, incorporating renewable energy sources and integrating intelligent building technologies.

These energy CapEx investment plans were drawn up on the basis of the energy and real estate data in the Clariane portfolio to group together sites with high potential for energy savings, indicating the time horizon of the return on investment and savings in terms of CO<sub>2</sub> per MWh and financial amounts per year.

These were established by country taking into account:

- local building regulations;
- the assessment of the portfolio and its energy performance.

Criteria such as energy performance, building age, size, energy source system and the results of on-site energy audits carried out with certain owners were taken into account.

These plans may evolve according to changes in equipment technologies, investment opportunities in the countries of operation, and public support policies.

Three main programmes have been identified:

- energy efficiency improvements; an Energy Performance Programme was launched aimed at reducing the site's energy consumption and carbon footprint, drawn up based on an analysis of the various key technical levers for improving energy efficiency for each site and by country;

- reducing the share of fossil fuels and energy produced mainly from fossil fuels to 50% of its energy mix.

Each year, the attainment of the objectives set as part of the pathway are verified.

The operational actions and their impacts on reducing energy consumption and greenhouse gas emissions are identified. Further to technical and financial feasibility studies, the action plans are scheduled within the Group's buildings over the short, medium and long term.

These levers include installing energy efficient lighting, heating, ventilation and air conditioning (HVAC) systems, heat pumps, building management systems; and replacing air handling units, insulation, windows and doors;

- identifying renewable energy sources: solar, geothermal and biomass to produce clean energy on site have been studied. In addition, a comprehensive assessment of on-site solar and geothermal potential has been undertaken;
- identifying smart construction technologies: smart building technologies such as energy management systems, smart thermostats, building management systems and energy management systems to optimise energy use have been integrated into the BMS/HMS (Building Management System/Heating Management System) programme.

A pilot programme is underway in France and Germany to assess the potential of these technologies at eight sites, with promising results to date. A comprehensive evaluation of smart meter mapping and the HMS programme has been carried out based on the results of the pilot programme.

Lastly, various contracting strategies have been analysed to determine the most appropriate for the Group. Analysis of the types of contracts available – such as Energy Performance Contracts (CPE) and Power Purchase Agreements (PPA) – allowing for direct or third-party financing. Government incentive and national utility programmes are also monitored, as financial assistance or tax benefits can help offset the cost of improving the energy efficiency of buildings.

In addition, the scheduling of regular maintenance operations through proactive facility maintenance programmes is key to ensuring the optimal operation of energy-efficient systems. Regular maintenance helps to prevent the system's efficiency from deteriorating over time.



**FRANCE**

An energy pathway has been established to significantly reduce energy consumption by 2026. It is largely based on the results of **energy audits carried out on 70 facilities**, and includes the use of renewable energies and smart building control systems. It also includes the introduction of an **energy performance contract** – targeting a 30% reduction in consumption – in **37 of the largest energy users** among the pilot sites.

**GERMANY**

**Thirteen facilities** underwent **energy audits** in 2023, contributing to the construction of the energy pathway.

Over 30 facilities have undergone building renovation, including:

- 23 facilities for LED relamping;
- 7 facilities for hydraulic calibration.

**ITALY**

Buildings continue to be the focus of targeted investments aimed at reducing their energy consumption:

- **automatic energy consumption control and monitoring systems** were implemented at **10 sites** in 2023 and are planned for 14 additional sites in 2024;

**BELGIUM**

**Energy performance contracts** have been in place for a number of years on almost the entire portfolio, i.e., **84 sites**. They define the energy efficiency investments, including the installation of renewable energy systems, as well as the rules and maintenance practices best aligned with achieving the reduction targets.

Buildings continue to be the focus of targeted investment to reduce energy consumption, with boiler and joinery replacements continuing in 2023. Just under **1,100 energy saving initiatives** have been completed across the portfolio as part of the **energy savings certificates** (CEE) scheme. In 2023, energy savings measures focused on **LED** relamping (switch to LED lighting), insulation of hot water and heating networks, and **replacement of thermostatic heads** and showerheads.

**90 sites** have also had their hot water and heating networks insulated.

Automated control and monitoring of energy consumption was implemented in three pilot facilities in 2023, with positive results in terms of reducing consumption by controlling and regulating indoor temperatures in facilities (reducing overheating).

- **Heat pumps** have been installed at **10 sites** to electrify heating and cooling.

In line with the country's energy pathway, a call for tenders for energy performance contracts has been launched for 22 sites with very high energy consumption. The aim is to reduce consumption at these sites by 25%.

Sharing best practices with other Group countries planning to introduce this type of service contract was a key factor in validating this type of contractual strategy and confirming the energy pathways of other countries.

### Changes in the energy mix to promote low-carbon energy and self-consumption

The Group is diversifying its energy mix by reducing the use of fossil energies, such as gas, propane or fuel oil, and by

expanding the purchase or self-consumption of renewable energies, for instance solar panels and geothermal energy.

Solar power potential has been studied on a large scale in France, Italy, Spain and Germany.

**BELGIUM**

By the end of 2023, the **68 facilities** representing 100% of solar potential, i.e., **more than 50% of the portfolio**, were equipped with **solar panels**.

**GERMANY**

Solar potential has been assessed on most of the real estate portfolio. The contracting of solar energy production services for our buildings is currently being examined.

**ITALY**

A study of the solar potential of the portfolio has been carried out, and a first tranche of eight sites have been equipped with **solar systems (generating capacity of**

**SPAIN**

Solar energy potential studies have been carried out at most sites.

**Three sites are already producing solar power**, and 10 other facilities are in the process of finalising their contracts.

**FRANCE**

A schedule has been drawn up to gradually replace all fuel oil boilers still present in the real estate portfolio with less carbon-intensive energy sources.

Solar potential has been assessed on most of the real estate portfolio. Tenders for the installation of solar panels have been launched for 15 sites.

**All electricity consumed in 2023 was covered by green energy certificates.**

**Forty-nine sites** are connected to **local heating networks**, with plans to decarbonise their energy sources in the coming years.

**1.5 GWh per year**). Green energy production service contracts are currently up for tender at **a further 28 sites** in other regions (for a volume of **3.6 GWh per year**).

**All electricity consumed in 2023 was covered by green energy certificates.**

**Thirteen sites** have also been connected to **heating networks**, bringing the total to **20 facilities**.

In addition, **10% of the gas consumed in 2023 was biogas**, reducing the carbon impact of this consumption.

**Monitoring and managing energy consumption**

Since 2021, a central platform has been in place to consolidate energy consumption across the Group. This tool monitors 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 sq.m., or by type of activity, as well as the associated carbon emissions. This tool will also allow energy performance to be compared between similar buildings and against levels required by future regulations.

In 2023, energy-related data governance was formalised, allowing for more granular reporting and data control, and the availability of data in monthly dashboards.

Smart gas, electricity and water meters have been installed in some countries, enabling better monitoring and management of energy and water consumption. This programme will be extended to other countries in the coming years. **More than 50% of the real estate portfolio is also equipped with connected temperature sensors**, allowing energy use to be controlled and adjusted based on temperature data.

A smart heating control system has been tested at nine sites in France and Germany, with convincing results in terms of reduced consumption (as much as 15% to 20% for some sites). Based on these results, a wider rollout will take place in France in 2024.

**FRANCE**

France has a digital energy consumption and temperature monitoring system, with **over 80% of gas and electricity sensors connected**. This allows energy consumption to be constantly monitored and strategies to be adapted in line with building performance.

This year saw the launch of a successful building management system (**BMS**) **pilot at six sites**, which will lead to contracting and large-scale rollout at around a hundred sites in 2024.

**UNITED KINGDOM**

All sites are equipped with connected electricity sensors.

**BELGIUM AND NETHERLANDS**

**All sites in these countries are equipped with connected water, gas and electricity sensors**. This allows energy consumption to be constantly monitored and strategies to be adapted in line with building performance.

**ITALY**

Italy has successfully installed connected water, gas and electricity sensors at a pilot site and is rolling out a plan covering a large part of its portfolio in 2024.

**Raising awareness of usage among teams and service providers**

A European campaign to raise awareness of eco-friendly actions was carried out in 2023, and best practices were identified and shared in each country. An e-learning module on the right things to do in facilities and offices has been produced and given to all employees.

In 2023, training on technical management of heating and air conditioning systems was rolled out in all countries to train technical managers and portfolio managers.

We have increased our calls on our regular servicing and maintenance providers, with a particular emphasis on preventive maintenance, to ensure that energy-efficient systems operate optimally.

**FRANCE**

All portfolio managers and **334 technical managers have been trained in the proper control and maintenance of heating and hot water systems**, which are very important in terms of energy savings.

Awareness has also been raised among project managers, who act as influencers on these issues, and among our maintenance providers, with increased demands for site energy optimisation.

A **newsletter** sharing best practices and outcomes has been rolled out across the network.

**Temperatures are monitored daily** and energy consumption is analysed monthly, based on historical data for the same period and compared with the consumption of facilities in the same geographical area, as well as with sector ratios provided by ADEME<sup>(1)</sup>. The aim is to be able to identify and react to excessive consumption by implementing corrective action plans.

**GERMANY**

A campaign to check the heating systems at 90 sites was carried out by the maintenance service provider, who took the opportunity to train the sites' technical managers on how to better manage the heating and ventilation systems.

A heating management system has also been installed at three sites, and a pilot programme has been launched to initiate the implementation of **ISO 50001 certification**.

(1) French environment and energy management agency.

**BELGIUM AND NETHERLANDS**

Training was provided for heating, ventilation and air conditioning (HVAC) technical managers for the Brussels region in 2023. It will continue in the other regions in

2024. E-learning modules **on relamping, regulation and water consumption were dispensed to all site technical managers in the autumn.**

**ITALY**

Training on **improving the use of these systems was given to all technical managers** before the 2023 heating season.

Communication highlights included an internal “For the Planet” campaign and an e-learning programme rolled out to all employees on everyday eco-friendly actions.

**Action levers for new buildings**

The construction of buildings weighs on the Group’s carbon footprint. In addition to the mechanisms identified for the existing buildings currently operated by Clariane, the Group has also committed, since 2020, to having all of its new construction projects certified with an Environmental Design (LEED) or Building Research Establishment Environmental Assessment Method (BREEAM) in Italy and Belgium, and German Sustainable Building Council (DGNB) in Germany.

These buildings comply with the requirements of thermal and low-carbon regulations, and therefore need less energy. At the end of 2023, 100% of the Group’s portfolio of new projects consisted of projects that will be eligible for certification.

In 2023, 92% of the facilities opened by the Group were certified, i.e., 59 facilities.

**FRANCE**

The “Le Prunelier” care home has obtained the highest level of HQE certification.

Two “Les Essentielles” assisted living facilities also opened in Nice and Le Raincy and obtained HQE certification in 2023.

All the Ages & Vie facilities (shared housing) opened in 2023 – i.e., 47 houses – earned NF HABITAT HQE certification.

**GERMANY**

The facility opened in Haren, with 22 co-living and 19 day care places, has obtained the “KfW-40” label.

**Results in 2023**

**Energy consumption**

**CHANGE IN ENERGY CONSUMPTION VOLUMES (kWh)**

	2021	2022	2023	Change 2021-2023
Total volume	845,101,539	772,457,644	737,493,507	-13%

Retrospective adjustments have been made to the 2021 and 2022 data, as explained below.

**CHANGE IN ENERGY CONSUMPTION VOLUMES BY COUNTRY (kWh)**

	2021	2022	2023
Belgium	112,295,214	108,099,323	104,378,135
Germany	273,997,663	229,464,327	204,328,326
Spain*	14,194,529	13,253,318	12,827,044
France**	338,993,776	303,298,128	288,023,861
Italy	88,957,640	94,510,554	101,583,962
Netherlands	16,662,718	17,342,153	17,586,823
United Kingdom		6,489,841	8,765,356

\* Excluding Grupo 5 sites.

\*\* Excluding Petits-Fils sites.

Retrospective adjustments have been made to the 2021 and 2022 data, as explained below.

### CHANGE IN ENERGY INTENSITY FOR SITES OPERATING CONTINUOUSLY FOR 12 MONTHS

(kWh/sq.m./year)

2021	2022	2023	Change 2021-2023
178	160	151	-15%

Retrospective adjustments have been made to the 2021 and 2022 data, as explained below.

Historical data for 2021 and 2022 have been adjusted compared with previously published information to reflect improvements in reporting in terms of completeness, quality and harmonisation of data. In terms of total energy volumes, the variations linked to adjustments are less than 3% for 2021 and 6.5% for 2022.

The reduction in energy consumption per sq.m. observed between 2021 and 2023 was due to:

- a portfolio using less energy thanks to accelerated renovation of the real estate portfolio, which began in 2018, and new certified buildings aiming for very good thermal performance;
- the behavioural factor, with teams becoming more aware of the environmentally-friendly measures needed to avoid excessive consumption in the context of the energy and environmental crisis (temperature control, regulation of heating);
- the control of consumption related to the measures applied during the Covid-19 pandemic to the operation of ventilation systems and CO<sub>2</sub> sensors to monitor internal temperatures;
- formalised energy consumption data management, a more robust reporting process and the sharing of results internally, within bodies, but also through awareness-raising campaigns.

### Group energy mix

	Electricity	Gas	Fuel oil	Propane gas	Urban heating networks	Solar	Wood
2021	33%	54%	4%	2%	6%	0%	0.5%
2022	36%	52%	3%	2%	6%	0.5%	0.4%
2023	37%	52%	3%	2%	5%	0.6%	0.4%

### Carbon emissions related to energy consumption

#### CO<sub>2</sub> EMISSIONS FROM ENERGY CONSUMPTION (kgCO<sub>2</sub>e)

	2021	2022	2023	Change 2021-2023
Total volume (location-based methodology)	165,810,950	150,164,778	142,738,085	-14%
Total volume (market-based methodology)	-	-	128,596,763	-

As retrospective adjustments have been made to the 2021 energy data, the associated 2021 carbon emissions have also been adjusted in relation to those linked to energy consumption in the Group's 2021 carbon footprint.

	2021	2022	2023
Belgium	24,852,080*	23,246,778*	19,504,498**
Germany	62,921,941*	52,774,034*	30,284,797**
Spain	3,339,278*	3,111,429*	677,091**
French	50,243,402*	43,409,752*	48,234,135**
Italy	20,119,256*	21,373,838*	26,264,424**
Netherlands	4,334,992*	4,682,445*	1,969,289**
United Kingdom	-	1,566,503*	1,662,529**

\* Location-based methodology.

\*\* Market-based methodology.

### CHANGE IN CARBON EMISSION INTENSITY FOR SITES OPERATING CONTINUOUSLY FOR 12 MONTHS

(kgCO<sub>2</sub>e/sq.m.)

	2019	2020	2021	2022	2023
Intensity ratio (location-based methodology)	41.0	37.8	35.0	31.0	29.2
Intensity ratio (market-based methodology)	-	-	-	-	26.3



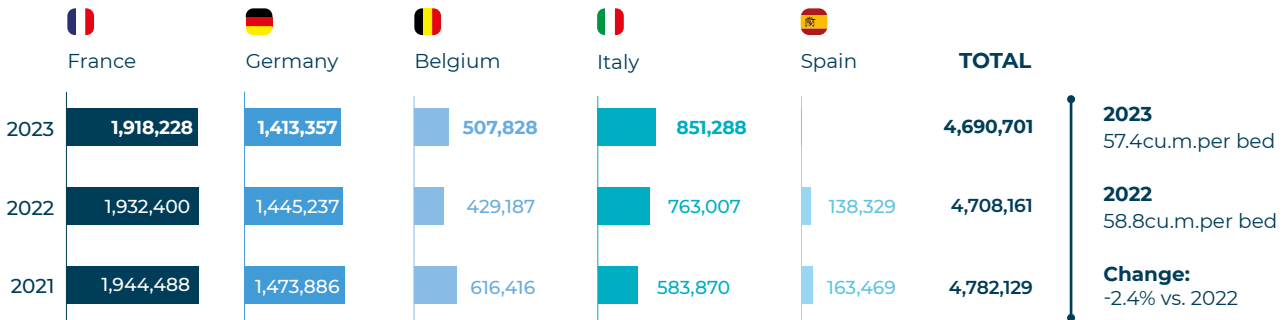
From 2023, the Group will publish a carbon footprint based on market-based methodology, i.e., using the emission factors of its energy suppliers where available, and if not available, those of the Association of Issuing Bodies (AIB) for the residual mix, for volumes of electricity. A location-based methodology, i.e., calculations based on national emission factors issued by the national energy agencies, was used previously. Using the same methodology as in previous years (location-based), the kgCO<sub>2</sub>e/sq.m. ratio for energy consumption would have been 29.21 kgCO<sub>2</sub>e/sq.m.

The reduction in carbon emissions per sq.m., observed between 2023 and 2022 was due to:

- the Group's strategy of promoting less carbon-intensive energy sources;
- improved energy performance of buildings, resulting in lower energy consumption;
- the updating of emission factors in 2023 and the adoption of the market-based calculation methodology, which is more accurate as it is based on suppliers' emission factors rather than average emission factors by country, and allows the Group to benefit from decarbonisation initiatives undertaken as part of its energy purchasing strategy.

The Group also monitors the water consumption at its sites:

**Water consumption (cu.m.)**



Water consumption data for Spain, the United Kingdom and the Netherlands could not be consolidated for the 2023 report. In terms of monitoring water consumption, the smart meters currently being deployed in certain countries will enable swifter data feedback.

Initial analysis was carried out based on 2022 data by asset type, to compare with average consumption of countries and facilities. This initial assessment is an essential first step in establishing a roadmap for the use of water in the Group's operations, which includes reducing water consumption.

Measures to reduce water use – whether through eco-friendly actions, system maintenance or more energy-efficient equipment – also help to improve energy efficiency, which is impacted by consumption of domestic hot water and water for the heating network.

**FRANCE**

All technical managers, maintenance technicians and asset managers receive annual training on water management. Water consumption is analysed on a monthly basis with regard to historical data over the same period, and by comparing it with the consumption of facilities in the same geographical area, as well as with sector ratios provided by ADEME<sup>(1)</sup>, in order to be able

to identify and address overconsumption, in particular by repairing leaks, regulating flushing and automatic watering of green spaces.

An automated solution for monitoring water consumption (smart metering) was identified in 2023. A study on deploying smart metering is to be launched in 2024.

**BELGIUM AND NETHERLANDS**

In order to control their water consumption, the facilities have adopted automated consumption monitoring systems. These automated systems are linked to the

water meter and systematically provide alerts when consumption is above average. A water management system has also been implemented.

**ITALY**

Technical managers in Italy have been trained on the subject of water as part of the “use better and use less” awareness-raising campaign.

(1) French Environment and Energy Management Agency.

## 3.6.4 Reducing the Group's environmental footprint resulting from its value chain – Scope 3 of the carbon footprint

### 3.6.4.1 Decarbonisation of purchasing

Scope 3 emissions account for 75% of Clariane's carbon footprint, including 42% from the purchase of goods and services, so reducing them is key to improving the environmental impact of the Group's activities.

Clariane's Responsible Purchasing Charter was updated in 2023 – for implementation in 2024 – to mention in particular that the Group has committed to the Science Based Targets initiative (SBTi), undertaking to reduce its carbon emissions by adopting a reduction pathway aligned with the Paris Agreement. In order to achieve its reduction targets, supplier commitment is key, and requests to share supplier data enabling the carbon footprint of purchased products and services to be calculated accurately are therefore being stepped up. This is in order to promote supplier initiatives aimed at reducing their own footprint, such as eco-design processes, limiting packaging and optimising logistics.

Incorporating CSR issues into the purchasing process and supplier dialogue is an ongoing area of work for the Group. For example, an initiative has been launched to identify CSR criteria to be included in the tender phase to identify suppliers committed to reducing their environmental footprint.

The analysis of the purchasing function's carbon footprint and reduction levers is based on a study carried out with an independent consulting firm in 2021 and 2022 to:

- identify the most emissions intensive purchasing categories;
- determine the mechanisms for action leading to an impact reduction, without affecting the quality of products or services;
- model the associated emissions reduction potential.

### 3.6.4.2 Catering

More than 80 million meals are served every year within the Group. The menus are based on a food plan validated by accredited dieticians, in accordance with nutritional recommendations. Clariane 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 carbon emissions within the Group. In 2021, the teams in France conducted a study with independent consulting firms, including one specialised in responsible catering. This work made it possible to identify mechanisms for reducing emissions, in the short and medium term, for a sample of menus offered in the facilities. New recipes with equivalent nutritional contributions, but a reduced environmental footprint, have been validated.

Among the mechanisms identified are the following:

- favouring plant-based proteins over animal proteins, when possible;

- favouring white meat over red meat;
- favouring supply of local origin;
- reducing food waste.

Support for local producers also helps to reduce greenhouse gas emissions related to the production and transport of ingredients used to prepare meals in facilities.

During this study, the eating habits of residents, as well as emblematic and regional dishes, were taken into account.

This approach was initially carried out in France, where the identified mechanisms made it possible to develop an action plan for 2022, which included the new references in the food plans. The results were also shared with the purchasing directors of the various countries, in order to roll out the approach to the entire Group over the coming years.

#### FRANCE

All fish served in the facilities come from sustainable fishing (eco-label). Menus are planned for periods of five weeks and are updated each season in accordance with the seasonality of food products.

#### ITALY

A weekly vegetarian day was organised in the facilities.

### 3.6.4.3 Employee transport

Employee transport, including commuting and business travel, represents 9% of the Group's carbon emissions.

For the Group, the challenges of employee mobility are threefold: reducing the carbon footprint, as well as ensuring employee health and safety and well-being at work. It is worth noting that the majority of employees work on site, within the facilities.

The Group's deliberations on how to improve its impact revolve around the means of transport used, the work organisation, the accessibility of the sites and their proximity to the places where employees live, facilities' equipment in terms of parking spaces and charging infrastructure, as well as allowances for the use of public transport or cycling.

Depending on the country of operation concerned, the regulations and infrastructure equipment dedicated to soft mobility or to the charging of electric vehicles differ,

but the Group's travel policy recommends favouring videoconferences, whenever possible, and asks employees to take the train for journeys that last less than four hours.

Car policies are gradually being revised, to reference less emissive vehicle models. In France, a study was carried out in 2023 on the electrification of the company fleet, with implementation planned for 2024. The new policy will allow employees eligible for a company car to choose between an electric vehicle or a sustainable mobility credit to cover travel by train, bicycle or public transport.

In addition to promoting working from home when possible, in some countries a financial contribution to public transport subscriptions and a bicycle mileage allowance have been introduced.

### 3.6.4.4 Waste reduction and recycling strategy

The Group's environmental footprint also includes waste, which accounted for 4% of the Group's greenhouse gas emissions in 2021. The transport, treatment and transformation of waste have impacts on ecosystems. Reusing waste as a resource in order to limit the extraction of raw materials in a circular economy is an issue in terms of climate change, but also a matter of pollution. The Group's environmental strategy therefore includes improving waste management and waste recovery.

The Group's waste management strategy consists of optimising selective sorting in all its facilities, reducing the quantities of residual waste (household waste), with a Group objective – that has been achieved – of a 5% reduction in residual waste per bed by 2023 compared to 2019, and improving the recycling of the various waste streams.

#### 3.6.4.4.1 Optimising waste sorting

Awareness-raising campaigns on sorting instructions (posters, procedures, training in team meetings, etc.) are carried out in the facilities.

#### FRANCE

Waste sorting has been optimised at more than 350 facilities since 2020, enabling more than 6,000 tonnes of waste to be recycled.

This transformation involves various stages within the facilities:

- the implementation of new waste streams with dedicated sorting equipment for deposit and collection. The trolleys of employees responsible for cleaning and maintenance have been adapted to collect three waste streams;

- recourse to an eco-organisation for furniture waste;
- the on-site teams – cleaning and maintenance, nurses, managers and catering staff – have been trained and made aware of the correct use of this new equipment and the changes required in day to day practices.

The optimisation of waste management has led to savings, which have been invested in the implementation of new sorting channels, contributing to better waste recovery.

The Group is working to improve the recovery of its waste, with a particular focus on bio-waste.

#### FRANCE

In 2021, a partnership was signed for 64 facilities in the Paris region to promote the methanisation and composting of kitchen and restaurant room waste. In 2023, this partnership generated around 300 MWh of

renewable gas and 280 metric tons of fertiliser. At the facilities in the Lyon and Marseille region, biowaste collection amounted to 150 metric tons in 2023.

#### NETHERLANDS

A bio-waste sorting campaign has begun to equip all sites with bio-waste sorting containers in order to recycle this organic matter and reduce the tonnage of residual waste.

#### RECYCLING OF IT EQUIPMENT

Used computers are entrusted to an organisation that deconditions, secures and reformats them, and then recycles them for use by other users.

### 3.6.4.4.2 Waste results

#### Residual waste

The Group carried out an assessment of its waste volumes in 2020 based on 2019 data, and set itself the target of reducing its residual waste volumes per bed by 5% by 2023 compared with 2019, residual waste volumes being an indicator of the improvement in waste sorting.

Residual waste (household waste) is defined as any waste remaining after sorting and being sent to available channels for collection and recovery. The reduction in the volume of residual waste is therefore an indication of improved sorting

of waste, the establishment of new waste sorting channels, and successful policies aimed at reducing or avoiding waste at source, for instance by reducing single-use or eliminating overwrapping.

In 2023, the volume of waste per bed (excluding the United Kingdom) is 427 kg, representing a decrease of 16% compared to 2019.

The reporting work carried out in recent years has made it possible to reduce the proportion of data extrapolated on the basis of the 2020 assessment, in favour of estimated or weighted data. Data are consolidated on the basis of supplier reporting and questionnaires.

#### RESIDUAL WASTE VOLUMES IN 2023

France	16,631,888	2023	427 kg of residual waste/bed/year
Italy	3,573,186	2019	509 kg of residual waste/bed/year
Germany	9,285,622		
Belgium	4,950,963	Reduction	-16%
Spain	1,700,448		
Netherlands	516,186		
<b>TOTAL</b>	<b>36,658,293</b>		

#### 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 Group. They provide details about how

to proceed and take the usual precautions to identify, store and eliminate medical waste, including infectious waste, while ensuring the safety of people and the protection of the environment.

Depending on the countries in which the Group operates and their respective regulations, infectious medical waste may be counted with residual waste, collected by the doctors who administer the care, or by pharmacies, which explains why quantitative data cannot be systematically collected separately. A total of 87,434 kg of infectious medical waste was collected in France, Spain and Belgium in 2023.

### 3.6.5 Taking 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, Clariane joined the Biodiversity Impulsion Group's applied research programme in 2021.

This initiative brings together 16 urban actors within the Sustainable Real Estate Observatory. Observing that real estate activities and densification have a strong impact on biodiversity – in particular through the extraction of materials and soil artificialisation – this programme aims to measure and accelerate the contribution of city stakeholders, by defining a common system for measuring and managing the biodiversity of a real estate project in its territory.

In 2022, work was carried out to define common indicators and develop a measurement tool that can be used when developing a new project or in existing projects. This tool was made available on an open source basis in 2023 on the R4RE (Resilience 4 Real-Estate) platform. It can be used to analyse real estate projects:

- sensitivity of the site to environmental challenges;
- biodiversity hosting potential of an existing building;
- land take impact of a real estate development;
- nature-related co-benefits (in particular, reducing urban heat islands, regulating rainwater, improving air quality, and user health and well-being).

An initial biodiversity assessment of the Group's real estate portfolio using this tool is planned for 2024.

#### FRANCE

In 2023, impact studies were carried out in France on new projects including for the Avignon and Juvisy facilities. An initial analysis of the resilience of buildings is carried out for Taxonomy reporting purposes. The study will be extended to other sites in 2024.

Ages & Vie is working on exteriors to improve the quality of green spaces.

#### ITALY

Beehives have been installed on facilities in Italy as part of the "BEE Clariane" programme, protecting 480,000 bees.





## 3.7 Group's Duty of Care Plan

The Group is subject to French Act No. 2017-399 of 27 March 2017 pertaining to the corporate duty of care incumbent on parent companies and contracting companies. As such, Clariane is required to establish and implement a Duty of Care Plan covering the activities conducted by the Group and any subsidiaries it owns.

The duty of care sets out the reasonable duty of care mechanisms in place with a view to identifying and preventing serious breaches with regard to:

- human rights and fundamental freedoms;
- violations of personal health and safety;
- the environment;

ensuing from activities conducted by the companies owned by Clariane, or resulting from the activities carried out by subcontractors or suppliers with which Clariane has an established business relationship.

The Duty of Care 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 Duty of Care Plan first sets out the governance matters relating to the duty of care, the methodology for devising a duty of care plan, and the whistleblowing mechanism covering all risks identified in respect of the duty of care.

The table presented on the following pages lists all of the mechanisms in place (assessment procedures, mitigation actions, tracking systems for the measures used) and the results of these in respect of each of the main risks identified. Cross-referencing is included whenever these systems are detailed in another section of the Universal Registration Document.

### Governance

The implementation of the Duty of Care Plan is overseen by the General Secretariat, together with the key functions. The development and deployment of the Duty of Care Plan are presented to the Risk, Ethics and Compliance Committee, which meets bimonthly.

The General Secretariat decides on the action priorities and the evolution of the plan in close coordination with the Group CSR Department as well as with the Audit and Internal

Control Department through a control questionnaire including action points relating to CSR and the duty of care. The Group's subsidiaries also actively participate in the deployment of the plan through their local manager in charge of implementing compliance actions within their scope.

### Plan formulation methodology

Clariane carries out concrete actions to prevent the risk of violations of human rights, health and safety and the environment. To this end, Clariane conducts continuous identification and monitoring of risks of violations related to commercial activities.

The identification of risks consists of:

- collecting and reviewing existing documentation relating to the identification and prevention of risks within the Group;
- developing a typology of risks related to human rights, fundamental freedoms, health, safety and the environment based on:
  1. the previous risk mapping;
  2. analysis of the present situation;
  3. public sources, particularly with regard to suppliers;

4. relevant international standards on fundamental rights;
5. internal standards on fundamental rights,
6. conducting interviews with key functions,
7. on the basis of the interviews conducted and the risks established, identification of "serious risks" in terms of violations of human rights, health and safety, and the environment,
8. rating of gross risks,
9. rating of net risks,
10. formulation of the risk mapping,
11. validation of risk mapping.

The entire risk mapping is reviewed on an annual basis. It may also be revised at any time if an event were to significantly affect the risk assessment.



## Evaluation of third parties

Clariane has decided to adopt a third-party risk assessment policy. This third-party assessment policy aims to implement the systems in place within the Group to assess the level of risk that a partner of the Group represents, in terms of corruption and the duty of care, (i) before entering into a contractual or commercial relationship with the latter, and (ii) during the relationship, and to set up, where applicable, appropriate risk management systems to reduce the risks identified. Compliance checks must also be carried out before any merger, acquisition or sale transaction.

“Partner” here means all suppliers, service providers, consultants, brokers, intermediaries, target, beneficiaries of sponsorship or patronage actions, etc., in summary, any third party to the Clariane Group whose employees it may come

to know in the context of the selection, negotiation and/or referencing mission or in the context of acquisitions, whether within or outside the European Union.

The assessment of partners consists of three steps:

- Step 1: know the warning signs to be able to detect them;
- Step 2: determine the level of risk attached to the relationship;
- Step 3: implement measures proportionate to the level of risk identified.

The General Secretariat, the Purchasing Department and any other relevant department work together to ensure and control these assessments and their follow-up throughout the business relationship.

## Whistleblowing system

The Group has set up a whistleblowing system common to all Group entities, allowing all employees, candidates for a position, Group co-contractors, shareholders, Group customers and their relatives to ask a question or file an alert, in their native language. The purpose of the whistleblowing system is to identify abnormal situations at all levels of the company so that they can be remedied and prevented.

In addition to situations that directly or indirectly involve the Clariane Group, some of its employees or external people associated with the Group, and which are contrary to the regulations in force, pose a risk of conflict of interest or corruption, or a threat or harm to the general interest, Clariane has extended its internal whistleblowing system to cover breaches of its Ethics Charter, which each of its employees is required to respect. As part of its duty of care, Clariane has opened the system to the reporting of situations involving serious harm to the environment, human health or safety, human rights and fundamental freedoms resulting from its activities and those of its subcontractors or suppliers, when these situations are related to their relationship with Clariane.

In 2023, the whistleblowing system was simplified to make it easier to use. Communication campaigns were also organised at head offices and in facilities to make the system better known.

This system guarantees the anonymity of the person reporting the alert and confidentiality in its handling. This system fulfils the requirements of Articles 6 and 17 of the Sapin II and Duty of Care laws. It is supplemented by Group procedures, applicable from 1 January 2022, on the processing of alerts and the handling of internal investigations. These procedures make it possible to define a clear governance for the monitoring of alerts, and plan for the appointment of “investigation officers”, who will be trained on how to conduct internal investigations;

For employees, the whistleblowing system includes the following alert methods:

- the chain of command;
- human resources;
- Group or Country compliance departments and the Group Security Department;
- a whistleblowing system.

This system is set out on the company's website and intranet, in the Group's Ethics Charter, as well as in the document “Our Values and Ethics Commitments”, signed by all new employees.

## Duty of care measures

The table below shows all the measures required by the duty of care with respect to the Group's business activities and its supply chain. The whistleblowing mechanism, which covers all the risks faced by the Group, is described on the previous page in the introduction to the Duty of Care 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 Care issues	Types of Duty of Care risks	Measures in place (procedures, actions)
 <p><b>HUMAN RIGHTS &amp; FUNDAMENTAL FREEDOMS</b></p>	<b>TREATMENT AND CARE OF PATIENTS</b>	
	<b>Abuse</b>	<ul style="list-style-type: none"> <li>• Publication and communication of recommendations of best practices to all employees</li> <li>• Awareness-raising and prevention campaign at the European level on good treatment (see section 3.2.1.1)</li> <li>• Measuring customer satisfaction through the CSatisfaction barometer and CWelcome analyses (see section 3.2.6)</li> <li>• Ethics Charter including a section on respect for human rights</li> <li>• The "Eval Ethics" platform to enable managers to self-assess on ethics and to deal with practical cases (see section 3.2.5)</li> <li>• ISO 9001 quality management certification (see section 3.2.6)</li> <li>• Clariane Standard (operational components: care homes, home care and medical clinics) deployed</li> <li>• Positive Care pre-requisites identified in the Clariane Standard (quality manual) with the Positive Care Annexes integrated into the Clariane Standard</li> <li>• Positive Care programme (see section 3.2.1): <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 symptom levels with standardised clinical assessment (neuropsychiatric inventory used by healthcare teams such as the NPI-ES, for example)</li> </ul> </li> <li>• Serious adverse event (SAE) procedures (see section 3.2.7.2): <ul style="list-style-type: none"> <li>– immediate actions;</li> <li>– internal reporting and reporting to the competent authorities according to local regulations;</li> <li>– analysis of root causes and any additional actions.</li> </ul> </li> </ul>
	<b>DISCRIMINATION: PATIENTS AND EMPLOYEES</b>	
	<b>Discrimination</b>	<ul style="list-style-type: none"> <li>• Quality of life at work policies (see section 3.3.1)</li> <li>• Clariane Women's Club (see section 3.3.2.4)</li> <li>• Training and awareness-raising campaigns for managers and teams (see section 3.3.2.4)</li> <li>• Combating violence against women: Clariane is a co-founder of the European "One in Three Women" network with the FACE Foundation</li> <li>• Awareness-raising e-learning module, "Orange the World" campaign (see section 3.3.4.2)</li> <li>• Ethics Charter including a section on non-discrimination</li> <li>• Clariane's Human Rights Statement including a section on the fight against discrimination and on promoting equal opportunities</li> <li>• Clariane is a co-founder of the Business Collective for an Inclusive Economy (see section 3.5.2.2)</li> <li>• Clariane is a signatory of the #StOpE initiative against casual sexism in the workplace (see section 3.3.2.4)</li> <li>• 2023 performance share plan including a criterion on the percentage of women in the management committees and within the Group and countries of operation (see section 3.1.1)</li> <li>• European Works Council CSR Working Group</li> <li>• Anonymous, confidential Stimulus hotline open 24/7 for employees in France and Italy (see section 3.3.2.2)</li> <li>• Trusted people in Belgium (see section 3.3.2.2)</li> </ul> <p><b>Best practices:</b></p> <ul style="list-style-type: none"> <li>• Clariane Germany, signatory of the Diversity Charter (see section 3.3.2.4)</li> <li>• Signature by Clariane France of Autre Cercle's commitment charter for the inclusion of LGBT people (see section 3.3.2.4)</li> <li>• Mission handicap France working for professional integration, professional development, and job retention (see section 3.3.2.4)</li> <li>• Partnership with La Maison des Femmes in Saint-Denis and Tours in France and with the D.i.Re association for social reintegration in Italy (see section 3.3.4.1)</li> <li>• Diversity label for Clariane Brussels region (see section 3.3.2.4)</li> <li>• Solidarity funds in France (see section 3.3.2.2)</li> <li>• Social worker service in France (see section 3.3.2.2)</li> </ul>

**System for monitoring actions**

- Audits carried out by the Group's Audit and Internal Control Department based on the plan validated by the Audit Committee
- Internal quality audits (360° quality audits) conducted every other year (see section 3.2.6)
- Verification of the site's compliance with the Clariane Standard (quality manual) and with ISO 9001
- Group and Country whistleblowing and complaints system – Integrity Line and other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)
- Group Risks, Ethics and Compliance Committee, which meets bimonthly: execution of the ethics strategy and monitoring of actions carried out by the Medical, Ethics and Health Innovation Department

**Assessment of the system for monitoring actions – KPIs****Within care homes:**

- Roll-out of Positive Care (equipment for non-drug therapies and associated training in facilities that have been part of the Group for more than two years): 100% of the network (compared to 97% in 2022)
- Quality of care indicators at the end of 2023:
  - Pressure sores rate: 2.7%
  - Physical restraint rate: 15.2%
  - Up-to-date personalised plan rate: 87.7%
- 360° Quality Audits: 72% of facilities rated A or B
- Percentage of facilities with ISO 9001 certification: 100% (Euro PP list of facilities in the Group at 31 December 2019)
- Frequency of serious adverse events; 0.59 per 10,000 days spent in a facility (versus 0.47 in 2022)

- Group and Country whistleblowing and complaints system – Integrity Line and other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)
- Measuring perceptions of discrimination and diversity through the annual Community Pulse satisfaction survey (see section 3.3.2.4)

- Percentage of women on staff: 81%
- Percentage of women in top management: 54%
- Top Employer Europe Label

Duty of Care issues	Types of Duty of Care risks	Measures in place (procedures, actions)
 <p><b>HUMAN RIGHTS &amp; FUNDAMENTAL FREEDOMS</b></p>	<p><b>COMPLIANCE WITH REGULATIONS BOTH WITHIN CLARIANE AND BY SUPPLIERS AND PARTNERS</b></p> <p><b>Non-compliance with the regulations applicable to Clariane's activities:</b></p> <ul style="list-style-type: none"> <li>• 8 Fundamental Conventions of the International Labour Organization (ILO);</li> <li>• Combating undeclared labour</li> </ul>	<ul style="list-style-type: none"> <li>• Social dialogue at the European level with the establishment of a European Company Works Council (see section 3.3.2.5)</li> <li>• European Charter of Fundamental Principles of Social Dialogue (see section 3.3.2.5)</li> <li>• Ethics Charter including a section on respect for human rights and the dignity of persons and the employee's commitment to respect the Ethics Charter</li> <li>• "Let's talk about values" game to bring the Group's values to life through practical scenarios (see section 3.2.1.1)</li> <li>• Clariane's Human Rights Statement including a section on safe working conditions</li> <li>• Responsible Purchasing Charter including a section on respect for human rights and working conditions (see section 3.2.5)</li> </ul>
	<p><b>HEALTH &amp; SAFETY OF PEOPLE</b></p>  <p><b>HEALTH &amp; SAFETY OF PEOPLE</b></p>	<p><b>PANDEMIC/EPIDEMIC</b></p> <p><b>Safety of people and crisis management</b></p> <ul style="list-style-type: none"> <li>• Serious adverse event (SAE) procedures (see section 3.2.7.2): <ul style="list-style-type: none"> <li>– immediate actions;</li> <li>– internal reporting and reporting to the competent authorities according to local regulations;</li> <li>– analysis of root causes and any additional actions.</li> </ul> </li> </ul> <p><b>TREATMENT AND CARE OF PATIENTS</b></p> <p><b>Medication error</b></p> <ul style="list-style-type: none"> <li>• Drug management: the drug circuit, from prescription to administration, complies with the legislation in force in each country and recommendations on the proper use of drugs. The drugs dispensed by the Group's facilities are prescribed by doctors.</li> <li>• Awareness raising and prevention campaign at the European level on the proper use of medication (see section 3.2.7.2)</li> <li>• Clariane Standard on quality management</li> <li>• Training in good treatment, ethics and care for all (BEST programme) in France</li> <li>• Publication and communication of recommendations of best practices to all employees</li> <li>• Serious adverse event (SAE) procedures (see section 3.2.7.2): <ul style="list-style-type: none"> <li>– immediate actions;</li> <li>– internal reporting and reporting to the competent authorities according to local regulations;</li> <li>– analysis of root causes and any additional actions.</li> </ul> </li> </ul> <p><b>SAFETY OF PEOPLE AT CLARIANE FACILITIES</b></p> <p><b>Residents straying from facilities</b></p> <ul style="list-style-type: none"> <li>• Positive Care programme (see section 3.2.1): implementation of behavioural therapies following assessment: vigilance is high in order to detect any wandering, which is reduced by setting up mediation/empathy therapies and other non-drug therapies</li> <li>• Serious adverse event (SAE) procedures (see section 3.2.7.2): <ul style="list-style-type: none"> <li>– immediate actions;</li> <li>– internal reporting and reporting to the competent authorities according to local regulations;</li> <li>– analysis of root causes and any additional actions.</li> </ul> </li> </ul> <p><b>Crisis management: Epidemics, fires, disasters</b></p> <ul style="list-style-type: none"> <li>• Infectious risks prevention and awareness raising rolled out at the European level</li> <li>• Annual epidemic duty of care plan</li> <li>• Sectorisation procedure with isolation of grouped cases and dedicated teams</li> <li>• Roll-out of national and cross-border hygiene network</li> <li>• Weekly vigilance network with an overview of epidemic pressures in Europe</li> <li>• Inventory of personal protective equipment</li> <li>• Heatwave plan (protocols and training on hydration, prevention and treatment of dehydration)</li> <li>• Quality policy (quality manual)</li> <li>• Self-assessment of facilities</li> <li>• Crisis management system and business continuity plans</li> </ul>

**System for monitoring actions**

**Assessment of the system for monitoring actions – KPIs**

- Group Risks, Ethics and Compliance Committee, which meets bimonthly: execution of the ethics strategy and monitoring of actions carried out by the Medical, Ethics and Health Innovation Department
- monthly Values Steering Committee with country ambassadors: coordination of the Group's network of value ambassadors (see section 3.2.5)
- Group and country whistleblowing system – Integrity Line and other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)

- European Works Council: 2 ordinary plenary meetings, 2 additional plenary meetings, 6 ordinary board meetings and 1 additional board meeting, 6 working group meetings and 1 training meeting
- Share of employees covered by a social dialogue or collective agreement system (excluding the United Kingdom): 100%
- Deployment of the Ethics Charter across 100% of the Group's sites and systematic communication to onboarded employees

- Incident committees to analyse and remedy the most serious SAEs in each country
- Group and country whistleblowing system – Integrity Line and other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)

- Within care homes:
- Roll-out of Positive Care (equipment for non-drug therapies and associated training in facilities that have been part of the Group for more than two years): 100% of the network (compared to 97% in 2022)

- Internal quality audits (360° quality audits) conducted every other year (see section 3.2.6)
- Audits carried out by the Group's Audit and Internal Control Department based on the plan validated by the Audit Committee
- Group and Country whistleblowing and complaints system – Integrity Line and other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)

- SAEs relating to the Health, Safety and Security of residents and patients cover the following subjects:
  - Health: falls, medication errors, suicide attempts, suicides, various care-related issues;
  - Safety: violence between residents/patients, unannounced outings;
  - Security: abuse, theft.
- In 2023, the frequency of SAEs relating to the health, safety and security of residents and patients was 0.59 (46% Health, 32% Security, 22% Safety) per 10,000 days billed, versus 0.47 in 2022. By sector of activity, the frequency rate was:
  - 0.54 for the Elderly activity (46% Health, 28% Safety, 26% Security);
  - 0.28 for the Healthcare activity (49% Health, 35% Safety, 16% Security);
  - 2.55 for the Mental Healthcare activity (42% Health, 51% Safety, 7% Security).

- Incident committees to analyse and remedy the most serious SAEs in each country
- Group and country whistleblowing system – Integrity Line and other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)
- Audits carried out by the Group's Audit and Internal Control Department based on the plan validated by the Audit Committee
- Internal quality audits (360° quality audits) conducted every other year (see section 3.2.6)

- Frequency of serious adverse events: 0.59 per 10,000 days spent in a facility (compared with 0.47 in 2022)

- Audits carried out by the Group's Audit and Internal Control Department based on the plan validated by the Audit Committee
- Internal quality audits (360° quality audits) conducted every other year (see section 3.2.6)

- Within care homes:
- Roll-out of Positive Care (equipment for non-drug therapies and associated training in facilities that have been part of the Group for more than two years): 100% of the network (compared to 97% in 2022)
- Frequency of SAEs relating to the health, safety and security of residents and patients: 0.59 per 10,000 days spent in a facility (compared with 0.47 in 2022)

Duty of Care issues	Types of Duty of Care risks	Measures in place (procedures, actions)
 <p data-bbox="161 1079 363 1131"><b>HEALTH &amp; SAFETY OF PEOPLE</b></p>	<b>Harassment and psychosocial risks</b>	<ul style="list-style-type: none"> <li>• Serious adverse event (SAE) procedures (see section 3.2.7.2):               <ul style="list-style-type: none"> <li>– immediate actions;</li> <li>– internal reporting and reporting to the competent authorities according to local regulations;</li> <li>– analysis of root causes and any additional actions.</li> </ul> </li> <li>• Training and awareness-raising campaigns for managers and teams (see section 3.3.2.5)</li> <li>• European protocol on health and safety at work and the reduction of workplace accidents (see section 3.3.2.2)</li> <li>• Joint Declaration of the European Works Council and Clariane on social commitment and the reduction of absenteeism</li> <li>• Implementation of the country standard for social and psychological support for employees (see section 3.3.2.2)</li> <li>• Anonymous, confidential Stimulus hotline open 24/7 for employees in France and Italy (see section 3.3.2.2)</li> <li>• Strengthening of trusted people in Belgium (see section 3.3.2.2)</li> <li>• Mediation in France</li> <li>• Responsible Purchasing Charter that includes a section on compliance with working conditions</li> <li>• Annual variable compensation policy for the Chief Executive Officer for 2024 including a criterion on the reduction in the lost-time accident frequency rate (see section 4.2.1.1)</li> </ul>
	<b>Facility security (infrastructure, hygiene and equipment)</b>	<ul style="list-style-type: none"> <li>• Awareness raising and prevention at the European level on health and safety (see section 3.2.4.2)</li> <li>• Prevention visits organised annually for certain sites as part of the Group insurance programme</li> <li>• Clariane Standard</li> <li>• Serious adverse event (SAE) procedures (see section 3.2.7.2):               <ul style="list-style-type: none"> <li>– immediate actions;</li> <li>– internal reporting and reporting to the competent authorities according to local regulations;</li> <li>– analysis of root causes and any additional actions.</li> </ul> </li> </ul>
	<b>Safety at work and working conditions – Clariane employees</b>	<ul style="list-style-type: none"> <li>• European protocol on health and safety at work (see section 3.3.2.3)</li> <li>• Company agreement in France on “Occupational Health and Occupational Risk Prevention” (see section 3.3.2.2)</li> <li>• Occupational Health Officers appointed in the facilities to increase the visibility of the health and safety at work policy (see section 3.3.2.2)</li> <li>• Dedicated training (<i>Sanitaire Medico Social</i>, formerly HAPA), certified by the French National Institute for Research and Security (<i>Institut National de Recherche et de Sécurité – INRS</i>) and delivered by the Clariane University (see section 3.3.2.2)</li> <li>• Internal Community Pulse barometer to assess the engagement rate of employees (see section 3.3.2.6)</li> <li>• Acciline tool (in France) to monitor all workplace accidents at each site, Economed reporting database in Germany</li> <li>• Anonymous, confidential hotline open 24/7 for employees in France and Italy (see section 3.3.2.2)</li> <li>• Group Health &amp; Safety policy distributed to all managers (see section 3.3.2.2)</li> <li>• Joint Declaration of the European Works Council and Clariane on social commitment and the reduction of absenteeism (see section 3.3.2.1)</li> <li>• Ethics Charter including a section on security</li> <li>• Responsible Purchasing Charter including a section on respect for human rights and working conditions</li> <li>• Performance share plan that includes a target reduction in the lost-time accident frequency rate in the composite Human Resources indicator (see section 4.2.1.1)</li> <li>• Serious adverse event (SAE) procedures (see section 3.2.7.2):               <ul style="list-style-type: none"> <li>– immediate actions</li> <li>– internal reporting and reporting to the competent authorities according to local regulations;</li> <li>– analysis of root causes and any additional actions.</li> </ul> </li> </ul>



**System for monitoring actions**

- Group and country whistleblowing system – Integrity Line and other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)
- Community Pulse employee survey (engagement index): questions on employees' awareness of social and psychological support services

**Assessment of the system for monitoring actions – KPIs**

- Joint Committee of the European Works Council for monitoring the protocol on occupational health and the prevention of occupational risks
- Frequency rate: 37 (versus 41 in 2022)
- Severity rate: 1.36 (versus 1.54 in 2022)
- Psychosocial risk assessment conducted at 90% of sites in Germany (see section 3.3.2.2)

- External audits with accredited bodies (see section 3.2.3.1)
- Internal quality audits (360° quality audits) conducted every other year (see section 3.2.6)

- 360° Quality Audits: 72% of facilities rated A or B
- Percentage of facilities with ISO 9001 certification: 100% (Euro PP list of facilities in the Group at 31 December 2019)
- Frequency of SAEs relating to the health, safety and security of residents and patients: 0.59 per 10,000 days spent in a facility (compared with 0.47 in 2022)

- Psychological support and follow-up systems in place across all Group countries
- Community Pulse employee survey (Commitment index) (see section 3.3.2.6)
- Review of accident data from country business reviews
- Presentation of data and actions to the Mission Committee's Consideration working group (accident prevention, deployment of the social and psychological support standard)
- European Works Council working group on occupational health, safety and accident prevention.
- European Works Council working group on reducing absenteeism.
- Group and country whistleblowing system – Integrity Line and other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)

- Joint Committee of the European Works Council for monitoring the protocol on occupational health and the prevention of occupational risks
- Frequency rate: 37 (versus 41 in 2022)
- Severity rate: 1.36 (versus 1.54 in 2022)
- Top Employer Europe Label
- Frequency of SAEs relating to the health, safety and security of residents and patients: 0.59 per 10,000 days spent in a facility (compared with 0.47 in 2022)

Duty of Care issues	Types of Duty of Care risks	Measures in place (procedures, actions)
 <p><b>HEALTH &amp; SAFETY OF PEOPLE</b></p>	<p><b>DAMAGE TO REPUTATION AND INFORMATION SYSTEMS, PERSONAL AND HEALTH DATA PROTECTION</b></p> <p><b>Personal and health data protection</b></p>	<ul style="list-style-type: none"> <li>• Dedicated compliance programme comprising guidelines issued at Group level covering all GDPR topics (see section 3.2.7.1)</li> <li>• Dedicated governance composed of a Group Data Protection Officer (DPO) and country DPOs in each of the countries where the Group operates (see section 3.2.7.1)</li> <li>• Employee training and awareness campaigns (see section 3.2.7.1)</li> <li>• Review of GDPR risks at Group level (bimonthly) by the Ethics and Compliance Risk Committee and at country level by a dedicated committee</li> <li>• Self-assessment of the system implemented to comply with the GDPR as part of the Group's reference framework of key internal control points (see section 3.2.7.1)</li> <li>• Multi-Factor Authenticator policy implemented throughout the Group (see section 3.2.7.1)</li> <li>• Human Rights Statement including a section on personal data protection</li> </ul>
	<p><b>WORKPLACE HEALTH AND SAFETY ON CLARIANE SUPPLIERS' SITES</b></p> <p><b>Workplace health and safety on suppliers' sites</b></p>	<ul style="list-style-type: none"> <li>• Responsible Purchasing Charter including a section on respect for human rights and working conditions</li> <li>• Protocols for all care and nursing home networks in Europe, which have resulted in an increase in the use of personal protective equipment (PPE)</li> <li>• Serious adverse event (SAE) procedures (see section 3.2.7.2): <ul style="list-style-type: none"> <li>– immediate actions;</li> <li>– internal reporting and reporting to the competent authorities according to local regulations;</li> <li>– analysis of root causes and any additional actions.</li> </ul> </li> </ul>
 <p><b>ENVIRONMENT</b></p>	<p><b>REDUCTION OF THE ENVIRONMENTAL FOOTPRINT</b></p> <p><b>Reduction of energy consumption and the energy-related carbon footprint</b></p>	<ul style="list-style-type: none"> <li>• Assessment of Clariane's carbon footprint in 2021 by an external firm (see section 3.6.2)</li> <li>• Low-carbon roadmap for building energy to 2030, with a target of a 40% reduction compared with 2019 (see section 3.6.3)</li> <li>• HQE or building equivalent certification for all new buildings validated by the Investment Committee (see section 3.6.3)</li> <li>• Campaign to raise awareness of energy-related eco-friendly behaviours (see section 3.6.3)</li> <li>• Multi-year investment plans including targets for reducing energy consumption and decarbonising the energy mix: <ul style="list-style-type: none"> <li>– improve energy efficiency</li> <li>– integration of renewable energy sources</li> <li>– automation of energy management technologies</li> </ul> </li> </ul>
	<p><b>Waste management/ Medical waste management</b></p>	<ul style="list-style-type: none"> <li>• Optimisation of waste sorting and monitoring of residual waste production, waste management (see section 3.6.4.4)</li> <li>• Implementation of a new sorting channel for bio-waste in France, in particular with a partnership in the Paris region enabling the methanisation and composting of kitchen and restaurant waste (see section 3.6.4.4)</li> <li>• Raising awareness of eco-gestures to improve waste sorting in facilities (see section 3.6.3 and 3.6.4.4)</li> <li>• Management of infectious medical waste in accordance with national legislation and the Group's internal procedures for storing and disposing of medical waste, including infectious waste, while ensuring the safety of people and the protection of the environment (see section 3.6.4.4)</li> <li>• Human Rights Statement that includes an environmental section</li> <li>• Protocols for all care and nursing home networks in Europe, which have resulted in an increase in the use of personal protective equipment (PPE)</li> <li>• Serious adverse event (SAE) procedures (see section 3.2.7.2): <ul style="list-style-type: none"> <li>– immediate actions;</li> <li>– internal reporting and reporting to the competent authorities according to local regulations;</li> <li>– analysis of root causes and any additional actions.</li> </ul> </li> </ul>

**System for monitoring actions**

**Assessment of the system for monitoring actions – KPIs**

- GDPR internal audits in all Group countries
- Audits carried out by the Group's Audit and Internal Control Department based on the plan validated by the Audit Committee
- Audit and pentest campaign throughout the Clariane Group
- Internal quality audits (360° audits)
- Group and Country whistleblowing and complaints system – Integrity Line and other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)

- Group maturity of the implementation system to comply with the GDPR as assessed in the reference framework of key internal control points: level 2 (meaning on the assessment scale: satisfactory, although areas for improvement remain, particularly in terms of the formalisation of controls).
- Monitoring of data protection breaches declared to the local authority: 18 cases in 2023

- Group and country whistleblowing system – Integrity Line and other channels (dedicated email addresses, dedicated telephone numbers, line managers, Human Resources)

- Frequency of SAEs relating to the health, safety and security of residents and patients: 0.59 per 10,000 days spent in a facility (compared with 0.47 in 2022)

- Energy audits (see section 3.6.3)
- Group carbon assessment
- Action plans associated with energy audits (see section 3.6.3)
- Low-carbon roadmap for building energy (see section 3.6.3)
- Monitoring and reducing residual waste (see section 3.6.4.4)

- Reduction in energy consumption volumes: 13% reduction (kwh) in 2023 vs. 2021
- Improvement of building energy efficiency: 15% reduction (kwh/sq.m.) in 2023 vs. 2021
- Reduction in kgCO<sub>2</sub>/sq.m. in 2023 vs. 2019: 29%
- Percentage of new Greenfield projects eligible for HQE or an equivalent certification: 100%

- Monitoring of the collection of residual waste and of infectious medical waste (see section 3.6.4.4)

- Residual waste: volume of waste per bed (excluding the United Kingdom): 427 kg/bed, down 16% on 2019.
- Infectious medical waste: volume collected in 2023 (France, Spain, Belgium): 87,434 kg
- Biowaste in France: partnership signed with 64 facilities in the Paris region generating around 300 MWh of renewable gas and 280 metric tons of fertiliser in 2023.
- Lyon and Marseilles facilities: biowaste collection amounted to 150 metric tons in 2023.

## 3.8 Appendices

### 3.8.1 SASB healthcare delivery cross-reference table

The Sustainability Accounting Standards Board (SASB) is an American non-profit organisation that has developed a system for classifying industries according to their ESG risks and opportunities. The SASB standards identify environmental, social and governance issues related to the financial performance of each industry, in order to propose indicators of the company's value that are relevant to both investors and companies. As the SASB standards are based on American practices and regulations, some of the indicators are therefore not applicable to the Group.

Clariane has published a reconciliation of the data included in the 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 healthcare and nursing facilities are monitored medically (mainly for chronic pathologies); the Group's surgical clinics are all located 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	2023	
				Information disclosed by Clariane	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) Clariane publishes the total energy consumed in kWh: Total energy consumption: 737,493,507 kWh in 2023. (2) 37% electricity. (3) Clariane does not publish the consolidated percentage of renewable energy sources. In 2023, the share of solar in its energy mix was 0.6% For more information, see the following paragraph.	3.6.3
<b>Waste management</b>					
HC-DY-150a.1	Total amount of medical waste percentage (a) incinerated, (b) recycled or treated and (c) landfilled	Quantitative	Metric tons (t)	The quantity of infectious medical waste collected in 2023 was 87,434 kg in France, Spain and Belgium (see following paragraph). This waste is collected and processed using regulatory channels in the countries in which Clariane operates. Clariane does not have information on this processing.	3.6.4.4.2
HC-DY-150a.2	Total quantity of: (1) pharmaceutical waste and (2) non-hazardous pharmaceutical waste, percentage (a) incinerated, (b) recycled or treated, and (c) landfilled	Quantitative	Metric tons (t) Percentage (%)	(1) (2) Clariane does not disclose 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 and pharmacies, which set up appropriate collection systems for unused or expired drugs, in accordance with EU Directive 2004/27/EC of 31 March 2004.	

SASB Code	SASB metric	SASB category	SASB measurement unit	2023	
				Information disclosed by Clariane	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 opposite paragraph.	
HC-DY-230a.2	Description of policies and practices to secure protected client health records (PHI) and other personally identifiable information (PII)	Discussion and analysis		Clariane 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 and cybersecurity policies (in accordance with the GDPR). This information can be found in the following paragraphs.	2.1.5 3.2.7.1
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) 18 cases of data breaches were recorded in 2023 (the increase compared to 2022 is due to the development in all countries of a culture of reporting and transparency, linked to the deployment of processes for managing and reporting data breaches. (2) (a) 70% involving nominative data (b) 48% concerning protected health information. (3) Clariane does not publish the number of customers concerned in each category. More information on the Group's strategy in terms of personal data protection and cybersecurity are available in the opposite paragraph.	3.2.7.1
HC-DY-230a.4	Total amount of financial losses as a result of legal proceedings associated with data privacy and data security	Quantitative	Monetary value	No financial losses were attributable to legal proceedings associated with data privacy or data security.	
<b>Accessibility of services for low-income patients</b>					
HC-DY-240a.1	Discussion on the strategy for managing the combination of patient' situations in terms of insurance	Discussion and analysis		This indicator is not applicable in the European context.	Not applicable
HC-DY-240a.2	Disproportionate Share Hospital (DSH) (Hospitals serving a disproportionate proportion of patients covered by Medicare) adjustment payments received	Quantitative	Monetary value	This indicator is not applicable in the European context.	Not applicable

SASB Code	SASB metric	SASB category	SASB measurement unit	2023	
				Information disclosed by Clariane	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 (%)	Clariane publishes the frequency rate of Serious Adverse Events (SAEs) relating to the health, safety and security of residents and patients, according to its own standards. The definition of SAEs is common to all Group entities. The ratio was 0.59 per 10,000 billed days in 2023. Further information can be found in the following paragraph.	3.2.7.2
HC-DY-250a.3	HAC score (nosocomial infection rate) by hospital	Quantitative	Number	<p>Nosocomial illnesses are reportable illnesses, which must be reported to the authorities and monitored as SAEs.</p> <p>However, Clariane does not monitor nosocomial illnesses separately from other SAEs related to treatment. It is not, therefore, possible to provide an infection rate.</p> <p>For the healthcare facilities, the Group's countries concerned 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.</p> <p>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.</p>	
HC-DY-250a.4	Excess readmission rate by hospital	Quantitative	Ratio	This indicator is not considered applicable as Clariane does not operate any hospital activities.	Not applicable
HC-DY-250a.5	Scale of the adjustment of payments for readmission under the Hospital Readmissions Reduction Programme (HRRP)	Quantitative	Monetary value	This indicator is not considered applicable in the context of European legislation.	Not applicable



SASB Code	SASB metric	SASB category	SASB measurement unit	2023	
				Information disclosed by Clariane	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		Clariane follows the regulations in force in the European market. All drugs are subject to marketing authorisation. The drugs dispensed by the Group's facilities have been prescribed by doctors. The drug circuit, from prescription to administration, complies with the legislation in force in each country and recommendations on the proper use of drugs.	
HC-DY-260a.2	Percentage of controlled substance prescriptions written for which a request was sent to a Prescription Drug Monitoring Programme (PDMP) database	Quantitative	Percentage (%)	This indicator is not considered applicable in the context of European legislation.	
<b>Pricing and billing transparency</b>					
HC-DY-270a.1	Description of policies or initiatives to ensure that patients are properly informed about the price before undergoing an operation	Discussion and analysis		For Italy (the only country where the Group has surgical clinics), the cost of the operation is presented and validated in advance by the patient. Depending on the type of surgical procedure, the pricing may be determined by each clinic, which sets its prices out in a contract presented to the patient for validation (the cost depends on the implant, the equipment used, the costs of the staff and doctors, as well as the operating room). The cost borne by patients also depends on the rates and reimbursements charged by their insurance companies.	Regulations and pricing table – chapter 8
HC-DY-270a.2	Discussion on the provision of pricing information for services to the public	Discussion and analysis		Information on the details of the regulations and provisions governing pricing and financing of healthcare and nursing activities in each country where the Group operates can be found in chapter 8 of the Universal Registration Document.	Regulations and pricing table – chapter 8
HC-DY-270a.3	Number of the entity's 25 most common services for which pricing information is publicly available, percentage of total services performed (by volume) represented by these services	Quantitative	Number Percentage (%)	This indicator is not considered relevant due to the Group's activities.	

SASB Code	SASB metric	SASB category	SASB measurement unit	2023	
				Information disclosed by Clariane	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: 37 in 2023 (vs. 41 in 2022). (2) The corresponding indicator is the severity rate: 1.36 (vs. 1.54 in 2022)  Further information can be found in the following paragraph.	3.3.2.2
<b>Employee recruitment, training and retention policy</b>					
HC-DY-330a.1	(1) Voluntary and (2) involuntary employee turnover rate for: (a) doctors, (b) non-doctor healthcare professionals, and (c) all other employees	Quantitative	Rate	(1) Clariane discloses the overall turnover rate for the Group: 21.5% (2) Clariane does not disclose detailed information on turnover rates by category.	
HC-DY-330a.2	Description of talent recruitment and retention efforts for healthcare professionals	Discussion and analysis		Clariane publishes its human resources strategy relating to the attractiveness, recruitment and retention of employees, which breaks down as follows: <ul style="list-style-type: none"> <li>• rallying employees around an ambitious social foundation;</li> <li>• internal social promotion at the heart of Clariane's employer promise</li> <li>• a motivating social contract focused on fulfilment at work;</li> <li>• anticipating and taking appropriate action in view of the talent shortage in the sector;</li> <li>• qualifying training paths.</li> </ul> Clariane hires through internal and external channels and invests in skills development. Internally, the Group is committed to qualifying training paths, 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

SASB Code	SASB metric	SASB category	SASB measurement unit	2023	
				Information disclosed by Clariane	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)   risks related to the increase in the frequency and intensity of extreme weather events are presented in chapter 2 “Risk factors” of the Universal Registration Document (2) This indicator is not monitored by Clariane. Clariane 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>• ensure compliance with European regulatory requirements;</li> <li>• contribute by upholding its responsibility as an actor proactively involved in the fight against global warming, by adapting its activities, and in the preservation of the environment.</li> </ul> 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 Clariane.  Clariane complies with all regulations applicable in the countries in which the Group operates regarding emergency procedures and situations.  In addition, Clariane has set up a centralised crisis management system, which is described in the following paragraph.	3.2.7.3
<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	At 31 December 2023: (1) 1,300 facilities. (2) 92,000 beds	
HC-DY-000.B	Number of (1) inpatient admissions and (2) outpatient visits	Quantitative	Number	(1) (2) In 2023, 900,000 residents and patients were welcomed in care homes, clinics with full hospitalisation, or for outpatient consultations. Clariane does not disclose the breakdown of this figure. It is also worth noting that these are not only hospitalised patients but also residents of care homes or assisted living facilities.	

## 3.8.2 Indexed articles published in 2023

Country	Medical field	Title
Italy	Cardiology	<i>Anaemia and Congestion in Heart Failure: Correlations and Prognostic Role.</i>
France	Geriatrics	<i>Representations of English- and French-speaking Internet users on urinary incontinence: a webometric study.</i>
France	Geriatrics	<i>Associative Network Method.</i>
France	Geriatrics	<i>Impact of the first Covid-19 epidemic wave in a large French network of nursing homes: a cross-sectional study.</i>
Italy	Geriatrics	<i>Integrating Social Assistive Robots, IoT, Virtual Communities and Smart Objects to Assist at-Home Independently Living Elders: the MoveCare Project.</i>
France	Rehabilitation	<i>Time-Course of Changes in Multidimensional Fatigue and Functional Exercise Capacity and Their Associations during a Short Inpatient Pulmonary Rehabilitation Program. COPD</i>
France	Rehabilitation	<i>An individualised mobile health intervention to promote physical activity among adults with obstructive sleep apnea: An intervention mapping approach.</i>
France	Rehabilitation	<i>Impact of a telerehabilitation programme combined with continuous positive airway pressure on symptoms and cardiometabolic risk factors in obstructive sleep apnea patients.</i>
France	Rehabilitation	<i>Complex systems approaches to the adaptability of human functions and behaviour in health, aging, and chronic diseases: protocol for a meta-narrative review</i>
France	Rehabilitation	<i>High Prevalence of Non-Responders based on Quadriceps Force after Pulmonary Rehabilitation in COPD.</i>
Italy	Rehabilitation	<i>Collagen Gene Variants and Anterior Cruciate Ligament Rupture in Italian Athletes: A Preliminary Report.</i>
Spain	Mental health	<i>Family connections in the treatment of relatives of people with eating disorders and personality disorders: study protocol of a randomized control trial.</i>
France	Mental health	<i>Toward a better understanding of fatigue in schizophrenia.</i>
France	Mental health	<i>Transcranial Magnetic Stimulation (rTMS) on the Precuneus in Alzheimer's Disease: A Literature Review.</i>
France	Mental health	<i>Variability in Motor Threshold during Transcranial Magnetic Stimulation Treatment for Depression: Neurophysiological Implications.</i>
France	Mental health	<i>Repetitive Transcranial Magnetic Stimulation (rTMS) in Post-Traumatic Stress Disorder: Study Protocol of a Nationwide Randomized Controlled Clinical Trial of Neuro-Enhanced Psychotherapy "TraumaStim".</i>
Spain	Mental health	<i>Effectiveness of a Personalized, Chess-Based Training Serious Video Game in the Treatment of Adolescents and Young Adults With Attention-Deficit/Hyperactivity Disorder: Randomized Controlled Trial.</i>
Spain	Mental health	<i>Lack of educational impact of video game addiction in children and adolescents diagnosed with ADHD: A cross-sectional study.</i>
Spain	Mental health	<i>Effects of Music on Attention-Deficit/Hyperactivity Disorder (ADHD) and Potential Application in Serious Video Games: Systematic Review.</i>
France	Mental health	<i>Digital Phenotyping: Data-Driven Psychiatry to Redefine Mental Health.</i>
France	Mental health	<i>No place in France for repetitive transcranial magnetic stimulation in the therapeutic armamentarium of treatment-resistant depression?</i>
Spain	Mental health	<i>The stigma of mental health problems: A cross-sectional study in a representative sample of Spain.</i>
Spain	Mental health	<i>Cognitive insight and schizotypy in non-clinical adolescent.</i>
France	Mental health	<i>Pharmacogenetic Guidelines for Psychotropic Drugs: Optimizing Prescriptions in Clinical Practice.</i>
Spain	Mental health	<i>Is Histamine and Not Acetylcholine the Missing Link between ADHD and Allergies? Speer Allergic Tension Fatigue Syndrome Re-Visited.</i>
France	Mental health	<i>Effect of an adapted physical activity program on stress, anxiety, depression in patients with schizophrenia: study protocol of a randomized-controlled trial.</i>
Italy	Mental health	<i>Difficult-to-Treat Depression. Scoping Review.</i>
Spain	Mental health	<i>Complex post-traumatic stress disorder (CPTSD) of ICD-11 in youths with childhood maltreatment: Associations with age of exposure and clinical outcomes.</i>
Spain	Mental health	<i>Investigating the relationship between cross-national suicide rates and Covid-19 first and second waves spread across the world: An exploratory study.</i>
France	Mental health	<i>Adjunctive Antidepressant Maintenance in Bipolar I Depression.</i>
Italy	Palliative care	<i>The role of family functioning, attachment style, and care setting on pre-loss grief symptoms and burden in caregivers of terminal cancer patients.</i>

### 3.8.3 Methodological note

Following the transposition in France of European Directive 2014/95/EU of 22 October 2014 on the publication of social and environmental information (Order 2017-1180 of 19 July 2017, OJ of 21 July 2017; Decree 2017-1265 of 9 August 2017, OJ of 11 August 2017), as amended by Order 2017-1180 of 19 July 2017 and Decree 2017-1265 of 9 August 2017, Clariane publishes a non-financial information statement (NFIS) in its Universal Registration Document.

#### Reporting scope and consolidation method

The indicators published in 2023 concern the Group scope, excluding the acquisitions made in 2023. They therefore concern, with the exceptions mentioned in the SNFP, the following countries: Germany, Belgium, Spain, France, Italy, the Netherlands, and the United Kingdom.

#### Specific features of the reporting scope for ISO 9001 certification

In June 2020, the Group completed a private placement based on non-financial performance criteria: the Sustainability-Linked Euro Private Placement. 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 and closures made since

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 Statement of Non-Financial Performance (SNFP).

A Group framework has been established for the KPIs of the 2019-2023 roadmap (the monitoring table of which is included in the introduction) as well as a dedicated framework for the HR indicators, which together make up the non-financial indicators. The purpose of these documents is to harmonise and formalise the definitions, calculation methods, governance and reporting procedures.

#### Reporting period

The quantitative indicators are calculated for the calendar year, from 1 January to 31 December 2023. Some indicators do not comply with this rule for reasons of data availability

and are calculated on a rolling 12-month basis. This is indicated in the definitions of the indicators concerned, in this methodological note.

#### Data collection

The data relating to the defined scopes were collected by the Group CSR Department, directly from the relevant Group departments or countries.

#### External audit

The ESG information provided was subject to an external audit by Mazars SAS, appointed as an independent third party and member of the Mazars SA network, the Company's Statutory Auditor.

Detailed tests were carried out on the key performance indicators mentioned in the report in section 3.9, and the other data were reviewed for consistency and accuracy.

#### Methodological clarifications and limitations

When data could not be obtained for all countries, changes in the scope are mentioned in this methodological note.

#### Frequency of Serious Adverse Events (SAEs)

The formula for calculating this indicator is as follows: (Number of SAEs relating to the health, safety and security of residents and patients in 2023 / Total number of billed days in 2023) × 10,000:

- safety-related incidents refer to accidents (without malicious intent);
- security-related incidents refer to malicious actions;

The reasons for the incidents used in the calculation of the indicator are those directly related to the health, safety and security of residents and patients. This represents approximately 44% of the total SAEs declared in 2023.

The calculation of the indicator in 2023 takes into account all open (declared) SAEs for the reasons selected.

The excluded categories mainly cover operating incidents at our facilities (e.g., technical failures).

Details of days billed:

- the reception of residents and patients is billed by the day;
- the use of invoiced days makes it possible to put into perspective the number of incidents in relation to the cumulative number of days of attendance during the year.

## Share of Positive Care facilities

This indicator measures the roll-out functional, cognitive and behavioural non-drug therapy equipment and associated training in the Group's care homes that have belonged to the Group for more than two years.

## Quality-of-care indicators

These indicators show the pressure sore rate, restraint rate and up-to-date personalised plan rate for residents in the Group's care homes at a given date, and form part of the facilities' care protocols. They are audited internally and externally by the regulatory authorities.

### Physical restraint rate

Physical restraints are all devices that impede the resident's freedom of movement. There is no consensus in Europe on the definition of a restraint. Restraints are regulated on a regional and/or national basis and are systematically subject to medical prescription. Any use of restraints is recorded in the resident's care plan.

This indicator records the proportion of residents in care at end-December having been subject to one or more types of restraint.

The data are transmitted by the country medical directors on the basis of extracts from the healthcare systems of each country, and are consolidated at Group level. As the Italian care system is currently only deployed to 43 facilities (61% of the Italian care homes), these data only concern this scope.

The figures for France include the following types of restraint, subject to written or digital medical prescription: wrist restraints, bed rails, abdominal belts, pelvic belts and chest belts. They exclude straitjackets and restraining chairs.

For the Netherlands (50 facilities), data at end-December are consolidated on the basis of an extrapolation using a sample of five facilities.

### Pressure sores rate

This indicator records the proportion of long-term care residents (under care in the facility for at least three months) that have developed one or more pressure sores at the reporting date.

For France, the number of residents concerned by pressure sores is reported by the facilities' through a prevalence campaign concerning residents present in the facility at end-November.

The results of the campaign are verified by the facility concerned and at national level. Based on the results of the campaign, the Medical Department and facility directors jointly draw up an action plan aimed at reducing the prevalence of pressure sores.

For the other countries, data are transmitted by the country medical directors on the basis of extracts from the healthcare systems of each country, and consolidated at Group level. As the Italian care system is currently only deployed to 43 facilities (61% of the Italian care homes), these data only concern this scope.

For the Netherlands (50 facilities), data at end-November are consolidated on the basis of an extrapolation using a sample of five facilities.

### Up-to-date personalised plan rate

Personalised plans are considered to be up to date when they are drawn up within three months of the patient's admission and are updated once per year.

The data are transmitted by the country medical directors at the end of December on the basis of extracts from the healthcare systems of each country, and consolidated at Group level. As the Italian care system is currently only deployed to 43 facilities (61% of the Italian care homes), these data only concern this scope.

For the Netherlands (50 facilities), data at end-December are consolidated on the basis of an extrapolation using a sample of five facilities.

## Maturity of the internal control system on GDPR matters

The Clariane Group has had a challenged internal control self-assessment system since 2017. Each country and the Group take part in this assessment.

The reference framework of key internal control points includes an assessment of the system implemented to comply with the requirements of the General Data Protection Regulation (GDPR).

### Description of the GDPR key control:

1. *The company complies with the GDPR. In particular, the security of sensitive items, including names or personal details, especially health-related data, must be guaranteed.*
2. *A general data protection framework, including guidelines for each main component of the GDPR, has been developed at Group level and communicated to each national DPO, and must be implemented at national level.*
3. *A national DPO is appointed in each country and consulted prior to any new data processing operation.*
4. *A privacy impact assessment is carried out for any data processing that may pose a risk to the rights and freedoms of individuals.*
5. *All contracts with suppliers include GDPR clauses relating to personal data when Clariane personal data are processed.*



This self-assessment is led by the Clariane Group Audit Department, which reports to the Chief Executive Officer.

Process owners in each country respond to and comment on the self-assessment. The results are then reviewed and challenged at two levels:

- by the Clariane Group's DPO;
- by the Group Audit team through audits and the resulting recommendations.

The assessment scale has four levels:

1. very satisfactory, full maturity achieved on the subject;

2. satisfactory, although areas for improvement remain, particularly in terms of the formalisation of controls;
3. reasonably satisfactory, with room for improvement in terms of formalisation, regularity and coverage;
4. unsatisfactory, as the system is not mature, does not have sufficient coverage and/or is not formalised.

If the maturity level is between 2 and 4, the Group Audit team defines action plans with the countries concerned to improve the existing system.

## Recruitment

The number of hires covers the number of permanent employees whose contracts started during the period.

## Average seniority

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 lost time multiplied by 1,000,000, divided by the number of hours worked. The frequency rates by country do not include occupational accidents that are not reported directly to the employer. They do not exclude accidents at work whose classification

as occupational accidents has been rejected by local social security bodies. In 2023, cases of relapse (a single accident resulting in multiple work stoppages) were reprocessed for the frequency rate in France, making it possible to refine the indicator.

## 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.

## Turnover rate

Number of departures from the permanent workforce divided by the annual average permanent workforce.

## The number of employees with a disability

This indicator is published excluding the Netherlands and the United Kingdom.

## Share of employees enrolled on qualifying training paths

Number of permanent and temporary employees committed to a qualifying training path during the period divided by the average annual Group FTE.

A qualifying training path 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 paths included are, for example, apprenticeships, the validation of acquired experience (VAE), or the s.Keys facility director training paths. Mandatory or regulatory training courses are not recognised as qualifying training paths.

## Number of scientific communications

Scientific articles published during the period in indexed journals with a Digital Object Identifier System (DOI) number and whose authors include at least one Clariane employee or a person affiliated with one of the foundations supported by Clariane when the article was published are recorded.

Written or oral communications (publication of articles in professional journals, scientific posters and presentations at specialist events) are also recorded when a representative of Clariane or of the foundations supported by the Group is among the authors.

### Share of suppliers assessed using the EcoVadis platform

The Group asks its preferred suppliers, characterised by the purchase amounts and centralised management by the Purchasing Department, to be assessed by the non-financial

rating agency EcoVadis, in order to be able to monitor their ESG performance. This indicator is calculated on the basis of 746 preferred suppliers (excluding the United Kingdom).

### Share of local purchases of national origin from referenced suppliers

Ratio of the volume of domestic purchases of products or services of national origin from suppliers referenced by the Group to the total volume of purchases from referenced suppliers. Referenced suppliers (746 in 2023, excluding the United Kingdom) are defined based on a minimum purchase amount with the Group and represented 69% of the Group's purchasing volumes in 2023.

The amount of purchases of national origin is calculated on the basis of responses to a questionnaire sent to referenced suppliers. The suppliers who provided these data represent 44% of the Group's purchasing volumes in 2023.

This ratio corresponds to the share of revenue generated by these suppliers with the Group for purchases of goods and services of national origin, i.e., products from the same country in which the ordering facility is located.

The criteria used to qualify the origin according to the purchasing category, indicated in the questionnaire, are as follows:

- fruit and vegetables: growing location;
- meat: animal born, raised and slaughtered in the same country;
- fish: fishing zone;
- processed products: the majority of raw materials come from the country in question;
- non-food manufactured products: place of last substantial transformation.

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. The 2022 data for France have been included in the 2023 indicator, as the data for that year could not be updated in the time available for the audit.

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 responses to a questionnaire sent to 869 facilities (care homes and healthcare facilities) at the end of 2023, with a response rate of 72%.

It corresponds to the proportion of responding facilities that had at least one local partnership in 2023. Local partnerships are defined as partnerships with a local organisation or volunteers, generally formalised by a partnership agreement, with the aim of carrying out regular joint initiatives (at least

one per year) with a positive impact on residents/patients/families, our employees and local communities (such as intergenerational projects, facility visits, events, talks, outings, participation in local events or projects, hosting trainees, etc.).

To ensure that the indicator is comparable with historical data, the scope has remained unchanged since the first questionnaire was sent out in 2020. It covers care homes in all Group countries except the United Kingdom (acquisitions dating from 2021) and healthcare facilities in France.

### Share of facilities that have a forum for dialogue with stakeholders (Social Life Committee and User Relations Commission in France, equivalent forums in other countries)

This indicator is calculated on the basis of responses to a questionnaire sent to 869 facilities (care homes and healthcare facilities) at the end of 2023, with a response rate of 72%. It includes the share of facilities that have a forum for dialogue with stakeholders. The composition and functioning of these bodies have specific characteristics depending on the culture and regulatory framework of the countries in which the Group operates. In care homes, they usually take the form of councils made up of representatives

elected by residents and their families. Other stakeholders, such as employees, non-profit organisations and volunteers working in the facility, and even local authorities, are often represented on these forums. To ensure that the indicator is comparable with historical data, the scope has remained unchanged since the first questionnaire was sent out in 2020. It covers care homes in all Group countries except the United Kingdom (acquisitions dating from 2021) and healthcare facilities in France.

## Percentage of new buildings certified to High Environmental Quality (HQE) or equivalent

New Greenfield (new building) projects included in the portfolio following the first Investment Committee, and meeting the certification criteria for HQE or equivalents, are recorded.

## Energy consumption and associated carbon emissions

Each country provided its energy consumption figures, based on 2023 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 (for sites with 12 months of continuous activity), in order to obtain two intensity indicators.

In 2023, the Group reported the carbon footprint of its energy consumption using a market-based methodology, i.e., using the emission factors communicated by its energy suppliers and, where the information was not available, using the emission factor of the residual mix as published by the Association of Issuing Bodies (AIB).

The emission factors were updated in 2023. The emission factors used for the conversions are as follows:

Emission factors for different energy sources (kgCO <sub>2</sub> e/kWh)	Gas	Electricity	Urban heating networks	Fuel oil	Propane gas	Solar	Wood
Belgium	0.202	0.144*	-	0.324	0.269	-	-
Germany	0.182	-	0.28	0.266	0.239	-	0.027
Spain	0.182	-	-	0.324	0.269	-	-
France	0.19746	0.12496*	See table below	0.324	0.272	-	-
Italy	0.214	See table below	0.128	0.324	0.269	-	-
Netherlands	0.1619	-	-	0.324	0.269	-	-
United Kingdom	0.182	0.20707					

\* Residual mix emission factor published by the Association of Issuing Bodies (AIB).

### Facility (France)

Facility (France)	Urban heating network emission factor
LES ESSENTIELLES NANCY	0.121
LES ESSENTIELLES LA ROTONDE	0.036
RÉSIDENCE CASA BARBARA LEVALLOIS	0.203
KORIAN VILLA SPINALE	0.057
KORIAN LE DOUBS RIVAGE	0.092
KORIAN SAINT-SIMON	0.18
KORIAN LES GRANDS CRUS	0.131
KORIAN VILLA DU PRINTEMPS	0.035
KORIAN MARIE D'ALBRET	0.097
KORIAN PARC DES DAMES	0.143
KORIAN LE JARDIN	0.081
KORIAN VILLA BERAT	0.119
KORIAN VILLA SAINT DO	0.261
KORIAN RIVE DE SÉLUNE	0.051
KORIAN MARISOL	0.119
KORIAN CASTEL VOLTAIRE	0.087
KORIAN LES ACACIAS	0.077
KORIAN LES CLARINES	0.04
KORIAN LE PONTET	0.261

Facility (Italy)	Emission factor (kgCO <sub>2</sub> e/kWh)
RSA Santa Giulia e Santa Chiara	0.45715
RSA Vittoria	0.293
Centro Diagnostico Medicina Nucleare	0.45715
CENTRO MEDICO SPECIALISTICO BARLETTA	0.254
CENTRO RADIOLOGICO LAERTINO GIMMA EX CERBERO	0.254
CENTRO RADIOLOGICO LAERTINO RESISTENZA	0.254
CENTRO SPEC. CURA DIABETE	0.254
FAMAST3 – RESIDENZA OLIMPIA	0.293
FIOGERI SANITA' – SAN LUIGI GONZAGA	0.254
GILAR	0.293
IL BOSCO DELLA STELLA	0.293
RSA Le Torri	0.254
IL FOCOLARE	0.293
IL VALENTINO	0.293
LAB. ANALISI CLINICHE DELLE VALLI	0.254
LOB – VILLA BENEDETTA	0.254
LOB – VILLA COSTANZA-MARGHERITA	0.293
LOB – VILLA GUGHI	0.293
MEDICA SUD	0.293
MEDICAL HOUSE	0.293
PARCO DELLE ROSE	0.293
POLIDIAGNOSTICO STATUTO	0.254
RSA La Certosa di Pavia	0.293
SAD	0.254
SAN DOMENICO – VILLA BIANCA	0.254
SAN FILIPPO NERI	0.293
SERENISSIMA	0.293
MILANO VIALE CASSALA	0.293
CASA DI CURA VILLA IDA	0.254
VILLA IRIS LECCE	0.254
VILLA IRIS MESAGNE	0.254
VILLA IRIS TREPUIZZI	0.254
CASA DI CURA LEONARDO DA VINCI	0.293
RSA Villa Antea	0.45715
CENTRO DIAGNOSTICO LEONARDO DA VINCI	0.293
ARETE – LA PINETA	0.45715
MAZZARELLO	0.254
MALEO TRABATTONI	0.45715
MALEO CORAZZA	0.45715
IHG CAMPAGNANO	0.254
IHG CAMPUS GUIDONIA	0.254
IHG CASTEL MADAMA	0.254
IHG ROCCA CANTERANO	0.254
RSA Croce di Malta	0.293
IHG VILLA ADRIANA APP 1° PIANO DX	0.254
IHG VILLAGGIO ADRIANO	0.254
IHG VILLA LETIZIA	0.254
IHG VILLA NOVA	0.254
IHG VILLA PIA	0.254
IHG VILLA SACRA FAMIGLIA	0.254
BORGHI	0.293

Facility (Italy)	Emission factor (kgCO <sub>2</sub> e/kWh)
RSA Antonio Vivaldi	0.45715
RSA San Vincenzo	0.45715
Beregazzo San Giulio	0.423
RSA Il Ronco	0.254
RSA San Giorgio	0.254
RSA Anna e Guido Fossati	0.45715
RSA Ippocrate	0.293
RSA Sacra Famiglia	0.293
Casa di Riposo Città di Verona	0.45715
Instituto Padre Pio	0.254
Instituto Ca, Vio	0.293
RSA Crocetta	0.254
RSA Saccardo	0.45715
Comunità Psichiatrica I Quattro Venti	0.45715
Comunità Soggiorno Maria Teresa	0.45715
RSA Le Cappuccine	0.293
Il Gabbiano – Il Sestante	0.45715
Il Gabbiano Sanremo	0.254
Il Gabbiano Vado Ligure	0.45715
RSA Villa Azzurra	0.254
RSA Santa Lucia	0.293
RSA San Giuseppe	0.254
Villa Silvana	0.293
Residenza Villa Carla	0.254
RSSA San Gabriele	0.293
RSSA Nuova Fenice	0.293
RSSA Villa Giovanna	0.293
RSSA Villa Marica	0.293
FRANGI E RIABILIA	0.254
RSA Santa Marta	0.423
Monte Imperatore	0.293
RSA San Nicola	0.423
Sant Elena	0.45715
San Salvatore	0.293
RSA Smeralda	0.45715
Casa di Cura Kinetika Città di Quartu	0.293
Falciani	0.293
Casa di Cura VDT Marconi	0.254
RSA Heliopolis	0.45715
RSA Le Magnolie	0.293
RSA Villa Michelangelo	0.254
Clinica San Giuseppe Hospital	0.254
RSA Sant'Andrea	0.423
Istituto Clinico Valle D'Aosta	0.293
Hospice Caracciolo	0.254
Clinica San Camillo	0.254
Polo ambulatoriale e diagnostico Fortis	0.293
Casa di cura Barbantini	0.254
Clinica Barbantini	0.293
RSA Santa Marinella	0.293
RSA Villa San Clemente	0.423

Facility (Italy)	Emission factor (kgCO <sub>2</sub> e/kWh)
Frate Sole Clinica	0.254
Sanem 2001	0.254
RSA Giovanni Paolo II	0.423
RESIDENZE VALTELLINA	0.45715
Prealpina	0.45715
Paolo Rivadossi	0.45715
Beato Innocenzo	0.45715
Centro Fisioterapico Tarantini	0.293

## Water consumption

Each country provided its water consumption figures, based on the 2023 invoices, information given by service providers or readings taken by the facilities. These data are consolidated within the same Group tool used for energy consumption and for the calculation of the associated carbon emissions.

The indicator is communicated in relation to the number of beds at the facilities that have reported their consumption, in order to obtain an intensity ratio: volume of water per bed.

## Tonnage of residual waste

The Group's definition of residual waste corresponds to the portion of waste remaining after selective collection and which cannot be reused or recycled.

The weight of residual waste was consolidated in 2023 based on the information provided by the various countries and facilities, sourced from weighing by collection service

providers, estimates based on the volume of waste containers and the frequency of collection, or questionnaires sent to the facility in the case of Italy.

Tonnages of residual waste were collected from 917 facilities in 2023.

## Tonnage of infectious medical waste

Infectious medical waste is inherent to Clariane's care activity and 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.

Depending on the countries in which the Group operates and their respective regulations, infectious medical waste may be counted with residual waste, collected by the doctors who administer the care, or be collected by pharmacies, which explains why quantitative data cannot be systematically reported separately. In 2023, data on the tonnage of infectious medical waste were published in France, Spain and Belgium.

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, readers are reminded that animals may be present in the facilities, and most of the time belong to the residents themselves.



## 3.9 Independent third-party report on the verification of the consolidated non-financial performance statement included in the management report

For the year ended 31 December 2023

*This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

To the Shareholders,

As an independent third-party body, member of the Mazars network, Statutory Auditor of Clariane (hereinafter the "Company" or the "Entity"), accredited by COFRAC Inspection under number 3-1895 (list of sites and scope of accreditation available on [www.cofrac.fr](http://www.cofrac.fr)), we carried out work aimed at formulating a reasoned opinion expressing a reasonable assurance conclusion on the historical information (recorded or extrapolated) of the consolidated non-financial performance statement (hereinafter respectively the "Information" and the "Statement"), as well as, at the request of the Company and outside the scope of accreditation, a limited assurance conclusion on a selection of information, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended 31 December 2023, as presented in Clariane'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.

### Reasonable assurance conclusion

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.

### Comments

Without qualifying our conclusion and in accordance with article A.225-3 of the French Commercial Code, we have the following comments:

- in 2023, the Clariane Group is publishing a composite indicator on the quality of care. The definitions and calculation methods, scope and reporting periods as well as the control processes for the relevant indicators are set out in the methodological note.

### 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 represents 78% of headcount and 81% of environmental information identified by the √ symbol.

We believe this work allows us to express an opinion with reasonable assurance on the information selected by the Company and identified with a √ sign.

### Reasonable assurance conclusion

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 and establishing appropriate criteria for the preparation of the Information;
- preparing a Statement in accordance with applicable 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 reasonable 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.

We performed our work aimed at formulating a reasoned opinion expressing a reasonable assurance conclusion on the historical, recorded or extrapolated information.

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), duty of care and combating corruption 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).

This report was drawn up in accordance with the CSR\_SQ\_Audit\_Programme\_NFIS.

## 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 six people between October 2023 and April 2024 and was carried out over a total period of six weeks.

To assist us in carrying out our work, we called on our specialists in sustainable development and corporate social responsibility. We conducted around 15 interviews with the people responsible for preparing the Statement, representing in particular general management and the risk management, compliance, human resources, health and safety, environment and purchasing departments.

(1) Share of employees enrolled on qualifying training programmes; Share of facilities with ISO 9001 certification; Carbon footprint related to the energy consumption of Clariane Group facilities.

## 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 form a reasonable assurance conclusion:
- 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 of 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 1. For certain risks (Treatment and care; Reputational damage; Information systems, Cybersecurity and personal data protection; Real estate development and construction; Business ethics), our work was carried out at the level of the Consolidating Entity. For the other risks, work was carried out at the level of the Consolidating Entity and in a selection of entities;
- We have verified 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;
- 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 1, we performed:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes therein;
  - detailed tests using sampling techniques or other means of selection, consisting of verifying the proper application of definitions and procedures and reconciling the data with the supporting documents. This work was performed on a selection of consolidated entities and covered between 68% 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 reasonable 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.

The independent third party  
Mazars SAS  
Paris La Défense, 25 April 2024

Stéphane Marfisi  
Partner

Edwige Rey  
CSR & Sustainable Development Partner

## Appendix 1: Information considered to be the most important

List of key performance indicators and other quantitative results considered to be the most important and selection of contributing entities and countries that have been tested in detail.

(√) Information reviewed with reasonable assurance.

Key performance indicators	Audited entities
<ul style="list-style-type: none"> <li>Number of hours of on-site training provided;</li> <li>Share of employees enrolled on qualifying training paths √;</li> <li>Absenteeism rate;</li> <li>Share of employees with a disability;</li> <li>Permanent FTE workforce/Male and female breakdown;</li> <li>Turnover.</li> </ul>	France Italy Germany
<ul style="list-style-type: none"> <li>Share of employees covered by a social dialogue mechanism or a collective agreement;</li> <li>Percentage of women in top management.</li> </ul>	Group
<ul style="list-style-type: none"> <li>Carbon footprint linked to energy consumption at Clariane Group sites √;</li> <li>Energy consumption per sq.m.;</li> <li>Tonnage of residual waste.</li> </ul>	France Italy Germany
<ul style="list-style-type: none"> <li>Proportion of ISO 9001-certified facilities √.</li> </ul>	Group
<ul style="list-style-type: none"> <li>Frequency rate;</li> <li>Severity rate.</li> </ul>	France Italy Germany
<ul style="list-style-type: none"> <li>Percentage of new buildings certified High Environmental Quality (HQE) or equivalent.</li> </ul>	Group
<ul style="list-style-type: none"> <li>Average Group satisfaction score;</li> <li>Net Promoter Score for care homes, assisted living facilities, clinics and home care.</li> </ul>	Group
<ul style="list-style-type: none"> <li>Frequency of Serious Adverse Events;</li> <li>Roll-out of Positive Care.</li> </ul>	Group
<ul style="list-style-type: none"> <li>Share of top management having completed the anti-corruption e-learning course.</li> </ul>	Group
<ul style="list-style-type: none"> <li>Share of preferred suppliers in Europe assessed by EcoVadis.</li> <li>% of purchases made locally and % with SMEs.</li> </ul>	Group
<ul style="list-style-type: none"> <li>Number of scientific communications</li> </ul>	Group
<ul style="list-style-type: none"> <li>Maturity index for the internal control system on GDPR matters.</li> </ul>	Group
<ul style="list-style-type: none"> <li>Quality of care composite indicator at 30 November 2023: <ul style="list-style-type: none"> <li>Prevalence of pressure sores.</li> <li>Number of up-date personalised plans for all residents/patients,</li> <li>Number of passive restraints used.</li> </ul> </li> </ul>	Group









# 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 "**Board of Directors**") at its meeting held on 25 April 2024, acting on the recommendation of the Compensation and Appointments Committee further to its meeting held on 21 March 2024 and with the support of the Group General Secretariat and the Group's Human Resources Department, in accordance with Article L. 225-37 of the French Commercial Code. Among other matters, it reports on:

- the powers of the Chairman of the Board of Directors and the Chief Executive Officer;
- the membership of the Board of Directors;
- the conditions for preparing the work of the Board of Directors and its specialised Committees;
- the application of the Corporate Governance Code\*; and
- the principles and rules for determining the compensation and benefits of all kinds granted to corporate officers.

The conditions for shareholder participation in the General Meeting (the "**General Meeting**") appear in section 7.5 "Conditions for shareholder participation in General Meetings" of this Universal Registration Document.

Information about delegations of authority to increase the share capital is presented in section 7.2.3 "Authorised capital (issued and unissued)" of this Universal Registration Document.

Factors which may have an impact in the event of a takeover bid are set out in section 7.2.5 "Factors which may have an impact in the event of a takeover bid" of this Universal Registration Document.

The restrictions imposed on corporate officers by the Board of Directors relating to the exercise of options and the sale of securities, where share subscription options or performance shares have been granted, are set out in section 7.2.4.3 "Long-term compensation plans" of this Universal Registration Document.

In accordance with Article L. 22-10-71 of the French Commercial Code, the corporate governance report has been presented to the Statutory Auditors.

\* Clariane refers to the Corporate Governance Code of Listed Companies, jointly drafted by the Afep and the Medef, as revised in December 2022 (the "**Afep-Medef Code**") and available on the following website: [www.afep.com/en/](http://www.afep.com/en/).

# 4.1 Administrative and management bodies of the Company

## Clariane's governance

### CHIEF EXECUTIVE OFFICER assisted by the Group Management Board

#### GROUP MANAGEMENT BOARD (including the Chief Executive Officer)

 **12**  
members

 **25%**  
women

 **3**  
nationalities

 **51**  
average age

#### STRATEGIC MEETINGS

 **21**  
meetings

 Participation in Board of Directors' specialised committees and strategic seminars

### BOARD OF DIRECTORS assisted by specialised committees

#### Diverse team

 **13**  
Directors

 **64%**  
independent

 **45%**  
women

 **57**  
average age

 **67%**  
international experience

 **3**  
nationalities

#### Assiduous and engaged

 **13**  
meetings in 2023

 **96%**  
attendance rate

 **1**  
executive session

 **2**  
strategic seminars

#### Varied expertise

**75%** 

 Healthcare industry


**42%** 

 CSR


**50%** 

 Regulation/Control

**58%** 

 International experience

**50%** 

 Finance/Audit and risk

**83%** 

 Executive functions

**83%** 

 Human capital

**50%** 

 Quality management

**42%** 

 Communications

### FOUR SPECIALISED COMMITTEES

INVESTMENT COMMITTEE

ETHICS, QUALITY AND CSR COMMITTEE

COMPENSATION AND APPOINTMENTS COMMITTEE

AUDIT COMMITTEE

## 4.1.1 Governance approach

### 4.1.1.1 Governance

Clariane ("**Clariane**" or the "**Company**") is a European company (*societas europaea*) with a Board of Directors. The Company's shareholders approved the adoption of the purpose-driven company status (*société à mission*) at the General Meeting on 15 June 2023 (the "**2023 General Meeting**").

### 4.1.1.2 Separation of the duties of Chairman and Chief Executive Officer

Article 12 of the Company's Articles of Association defines and specifies the appointment and operating procedures for General Management, in accordance with statutory requirements. The Board of Directors determines how General Management functions are to be performed, and appoints (and, as the case may be, dismisses) the Chief Executive Officer.

On 21 March 2012, the Board of Directors decided to separate the offices of Chairman of the Board of Directors and Chief Executive Officer. The decision became effective on 30 April 2012.

Following the dismissal of the previous Chief Executive Officer on 18 November 2015, these duties were reunited on an interim basis and assigned to Christian Chautard (then Chairman of the Board of Directors) until 26 January 2016, the date on which the separation of duties was reinstated with the appointment of Sophie Boissard as Chief Executive Officer while Christian Chautard remained Chairman of the Board of Directors.

Further to the resignation of Christian Chautard from his duties as Chairman and from his term of office as Director, for personal reasons, the Board of Directors decided, at its meeting of 1 October 2020 and on the recommendation of the Compensation and Appointments Committee, to maintain the separation of duties and to appoint Jean-Pierre Duprieu as Chairman of the Board of Directors. Organised on a long-term basis since 26 January 2016, this corporate governance formula is widely recognised as the best practice for enabling effective and balanced governance.

## 4.1.2 General Management

Sophie Boissard has served as Chief Executive Officer since 26 January 2016. At its meeting of 5 December 2019, in advance of the expiry of her term of office, the Board of Directors decided to reappoint Sophie Boissard as Chief Executive Officer for a term 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 any other 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.

The General Meeting of 22 June 2020, acting on a proposal from the Board of Directors, decided to appoint Sophie Boissard as a Director. By sitting on the Board of Directors, the Chief Executive Officer strengthens the link between the Board and the management teams. She also keeps the Board regularly informed of the progress of the Company's business during plenary sessions and through other means.

At the 2023 General Meeting, Sophie Boissard was also reappointed as a Director for a term of three years, i.e., until the end of the General Meeting that will be called to approve the financial statements for the year ending 31 December 2025.

### 4.1.1.3 Succession plan

In compliance with Article 18.2.2 of the Afep-Medef Code, the Compensation and Appointments Committee ensures the preparation of a succession plan for the Company's management bodies.

The succession plan is the result of a process in which the Compensation and Appointments Committee:

- works closely with the Chief Executive Officer, the Chairman of the Board of Directors and the Group's Human Resources Department to check that (i) the plan complies with the Company's and market practices, (ii) high-potential employees identified within the Company receive appropriate support and training, and (iii) there is adequate monitoring of key posts that may become vacant;
- meets, as necessary, with key executives;
- works, as necessary, with an external consultant;
- presents progress reports on this work to the Board of Directors.

This plan is reviewed each year and is updated as required.

During 2023, the Compensation and Appointments Committee, at its meeting of 28 November 2023, reviewed and commented notably on the work of an external consultant relating to the review of succession plans for General Management and the Group Management Board, as well as internal succession paths.

The Chair of the Compensation and Appointments Committee then presented this work to the Board of Directors at its meetings of 7 December 2023 and 22 March 2024.

Article 11.3 of the Company's Articles of Association and Article 1.4 of the Internal Regulations of the Board of Directors, as updated on 28 February 2024 (the "**Internal Regulations**"), set out the Chief Executive Officer's decisions that must be submitted for approval to the Board of Directors. These decisions are also described in section 4.1.3.2.1 entitled "Duties and powers of the Board of Directors".

Sophie Boissard has undertaken to request the opinion of the Board of Directors if she were to consider holding any new position or any new corporate office in addition to her position as Chief Executive Officer of the Company, in accordance with Article 20.2 of the Afep-Medef Code.

## Profile of the Chief Executive Officer



### Sophie Boissard

Chief Executive Officer and Director of Clariane

**Date of birth:** 11 July 1970  
in Paris, France

**Address:** 21-25, rue Balzac, 75008 Paris

**Nationality:** French

**Date of first appointment as Chief Executive Officer:**  
26 January 2016

**Date of reappointment as Chief Executive Officer:**  
1 January 2020

**Term as Chief Executive Officer expires:**  
31 December 2024

**Date of appointment as Director:**  
General Meeting of 22 June 2020

**Date of latest reappointment:**  
General Meeting of 15 June 2023

**Term as Director expires:**  
General Meeting called to approve the 2025 financial statements

**Shareholding:**  
As of the date of this document, Sophie Boissard held 83,934 Clariane shares

*Sophie Boissard's diverse and multidisciplinary career in the healthcare sector brings considerable industry expertise to the Board of Directors. Her experience on an operational level – particularly internationally – and in development and growth, real estate management, human resources and talent management, as well as her in-depth knowledge of regulations governing the healthcare industry in particular, are major assets for the Group. Her understanding and knowledge of all of the Group's stakeholders and best governance practices also enrich the Board of Directors.*

### Biography

A graduate of the École Normale Supérieure and École Nationale d'Administration, and a former State Councillor, Sophie Boissard has held various positions in the public sphere, including the French Council of State, the Ministry of Labour and Social Affairs and the Ministry of the Economy and Finance.

In 2008, she joined the Executive Committee of the SNCF group, to create and develop SNCF Gares & Connexions, the station management and development division, before joining SNCF Immobilier in 2014, the division dedicated to managing the group's 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, Sophie Boissard has been Chief Executive Officer of the Clariane Group. She is also a member of the Supervisory Board of Allianz.

### Other offices in the Group

**Chair of the Supervisory Board:** Korian Management (Germany)

**Deputy Chair of the Board of Directors:** Segesta (Italy)

**Director:** Korian Belgium

### Offices held outside the Group<sup>(1)</sup>

**Member of the Supervisory Board:** Allianz<sup>(2)</sup>

### Offices within the Group that have expired in the last five years

**Chair of the Supervisory Board:** Korian Deutschland (Germany)

**Director:** Over (Italy)

(1) Sophie Boissard complies with the applicable laws and recommendations on the holding of multiple corporate offices.

(2) Listed company.

### 4.1.2.2 Committees chaired by the Chief Executive Officer<sup>(1)</sup>

The Chief Executive Officer chairs various internal governance bodies.

#### 4.1.2.2.1 Group Management Board

The Group Management Board brings together the executives of the main operating divisions and the Group's main corporate executives.

As of the date of this Universal Registration Document, the membership of the Group Management Board was as follows:

<b>Country/Activity departments</b>	Dominiek Beelen (Executive Vice-President Benelux) Rémi Boyer (Executive Vice President Germany and Group Chief Human Resources Officer) Federico Guidoni (Executive Vice-President Italy) Nicolas Mérigot (Executive Vice-President France) Charles-Antoine Pinel (Group Executive Vice-President Business Development and New Countries)
<b>Group corporate departments</b>	Marion Cardon (Group Chief Engagement, Brand and Quality Officer) Frédéric Duroseau (Group Chief Real Estate and Development Officer) Anne-Charlotte Dymny (Group Chief Information Systems and Digital Transformation Officer) Philippe Garin (Group Chief Financial Officer) Nicolas Pécourt (Group Communications Director) Antoine Piau (Senior Vice President, Medical, Ethics and Health Innovation)

The Group Management Board, whose Executive Secretary is Hortense de Lamaze, meets regularly to monitor the activity, the progress of the corporate project and the main policies deployed within the Group, particularly in terms of digital transformation, operating performance, CSR and risk prevention.

#### 4.1.2.2.2 Other committees

In addition to the Group Management Board, the Chief Executive Officer's duties include chairing various internal standing committees:

- business reviews by country;
- the Group Commitments and Investment Committee;
- the Group Risk, Ethics and Compliance Committee;
- the Engagement and CSR Committee;
- the Inside Information Committee.

## 4.1.3 Board of Directors

### 4.1.3.1 Membership of the Board of Directors

Article 11 of the Company's Articles of Association specifies the conditions and procedures governing the membership and operation of the Board of Directors.

#### SUMMARY OF CHANGES TO THE MEMBERSHIP OF THE BOARD OF DIRECTORS IN 2023 AND IN EARLY 2024

<b>Reappointments</b>	Sophie Boissard (Director and executive corporate officer) <sup>(1)</sup> Philippe Dumont (Institutional Director) <sup>(1)</sup> Guillaume Bouhours (Independent Director) <sup>(1)</sup> Dr Markus Müschenich (Independent Director) <sup>(1)</sup>
<b>Appointments (co-optation)</b>	Matthieu Lance (Institutional Director) <sup>(2)</sup>
<b>Ratifications</b>	Matthieu Lance (Institutional Director) <sup>(3)</sup>
<b>Resignations</b>	Philippe Dumont (Institutional Director) <sup>(4)</sup>

(1) At the 2023 General Meeting.

(2) After the Board meeting on 19 January 2024, to replace Philippe Dumont, who resigned following his retirement from the Crédit Agricole Assurances group.

(3) At the General Meeting of 26 March 2024.

(4) After the Board meeting of 19 January 2024.

(1) As of the date of this Universal Registration Document.



#### 4.1.3.1.1 Members of the Board of Directors

As of the date of this Universal Registration Document, the Company's Board of Directors comprised the following 13 members:

<b>Chairman of the Board of Directors</b>	Jean-Pierre Duprieu (Independent Director)
<b>Director and executive corporate officer</b>	Sophie Boissard (Chief Executive Officer)
<b>Institutional Directors</b>	Predica, represented by Florence Barjou Matthieu Lance Holding Malakoff Humanis, represented by Anne Ramon
<b>Independent Directors</b>	Guillaume Bouhours Dr Jean-François Brin Anne Lalou Philippe Lévêque Dr Markus Müschenich Catherine Soubie
<b>Employee Directors</b>	Marie-Christine Leroux Gilberto Nieddu

##### Chairman of the Board of Directors

The Chairman of the Board of Directors does not have an employment contract with the Company or any other Group company.

In accordance with Article L. 225-51 of the French Commercial Code, Article 11.2.1 of the Company's Articles of Association provides that the Chairman of the Board of Directors organises and directs the work of the Board, reports thereon to the General Meeting, and carries out its decisions.

The Chairman convenes the Board of Directors as often as necessary, and at least once per quarter. He sets the agenda and chairs all meetings of the Board.

The Chairman ensures that the Company's governing bodies run smoothly and that best governance practices are implemented. He also ensures that the Directors are able to perform their duties, in particular by promoting a climate conducive to discussion and constructive decision-making.

In addition, under Article 1.6 of the Internal Regulations, on behalf of the Board of Directors and in close coordination with the Chief Executive Officer, he handles high-level national and international relations with stakeholders and, in particular, discusses corporate governance issues with shareholders. He reports thereon to the Board of Directors.

The Chief Executive Officer informs and consults him on all significant events in relation to the Company's activities.

Lastly, the Board of Directors may occasionally entrust the Chairman with specific missions concerning the monitoring of exceptional operations affecting the structure or scope of the Group. To fulfil these missions, he works closely with the Chief Executive Officer. No such engagement was assigned to him in 2023.

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".



## Jean-Pierre Duprieu

Chairman of the Board of Directors and member of the Investment Committee

**Date of birth:** 13 April 1952  
in Chartres, France

**Address:** 21-25, rue Balzac, 75008 Paris

**Nationality:** French

**Date of appointment:**  
General Meeting of 23 June 2016

**Date of latest reappointment:**  
General Meeting of 22 June 2022

**Term expires:**  
General Meeting called to approve the 2024 financial statements

**Shareholding:**  
As of the date of this document, Jean-Pierre Duprieu held 4,953 Clariane shares

*The diverse and international career of Jean-Pierre Duprieu in the healthcare sector strengthens the skills of the Board of Directors through his extensive industry expertise in development and growth, risk management, including cybersecurity, human capital and talent management, digital transformation and crisis management. His understanding and knowledge of investors, analysts and other stakeholders, as well as best governance practices also enriches the Board of Directors.*

### Biography

An agricultural engineer and graduate of the Institut National Agronomique de Paris-Grignon (AgroParisTech), as well as the Institut de Contrôle de Gestion de Paris and International Forum (advanced management programme associated with Wharton University), Jean-Pierre Duprieu joined the Air Liquide group in 1976 and spent his entire career there. He held various positions at the company, with commercial, operational, strategic and general management responsibilities. For nearly ten years he headed the Europe, Africa and Middle East region, before taking over the Asia Pacific region in 2005 as a member of the group's Executive Committee based in Tokyo, Japan.

Appointed Deputy Chief Executive Officer in 2010, a role he fulfilled until his retirement in 2016, he oversaw industrial activities in Europe and global activities in the healthcare sector (hospital and home care, and strategy through World Business Line Santé). He also supervised the group Purchasing and Information Systems departments. As such, he played an active role in Air Liquide's digital transformation as well as the development of e-health services. Jean-Pierre Duprieu served on Air Liquide's risk committee.

He is currently:

- a member of the Supervisory Board of Michelin and Chairman of its Compensation and Appointments Committee;
- a member of the Board of Directors of the SEB group and Chairman of its Governance and Compensation Committee;
- a member of the Supervisory Board of Dehon;
- Chairman of Fondation Correspondances (as a volunteer).

### Offices held 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 years

None

**Healthcare industry:** Former Executive Vice-President of Air Liquide in charge of global healthcare and the development of e-health services.

**Executive functions:** 20 years as Chief Executive Officer of Air Liquide subsidiaries and the Air Liquide group, and member of the Air Liquide group's Executive Committee.

**International experience:** 20 years as Chief Executive Officer of Air Liquide subsidiaries and the Air Liquide group internationally, including five years based in Japan.

**Strategy/M&A:** Extensive major group corporate strategy experience, notably as Executive Vice-President of the Air Liquide group.

(1) Jean-Pierre Duprieu complies with the applicable laws and recommendations on the holding of multiple corporate offices.

(2) Listed company.

**Other members of the Board of Directors (with the exception of Sophie Boissard, whose profile appears in section 4.1.2.1 of this Universal Registration Document)**



## Matthieu Lance

Director and member of the Compensation and Appointments Committee

### Main position held

Deputy Chief Investment Officer, Head of Real Assets and Investments at Crédit Agricole Assurances

**Date of birth:** 28 December 1968 **Address:** 12, rue Paul Albert, 75018 Paris in Paris, France

**Nationality:** French

### Date of appointment:

Board of Directors meeting of 19 January 2024 (co-opted) and General Meeting of 26 March 2024 (ratified)

### Term expires:

General Meeting called to approve the 2025 financial statements

### Shareholding:

As of the date of this document, Matthieu Lance held no Clariane shares<sup>(1)</sup>

*Matthieu Lance's diverse and multidisciplinary career in the financial sector strengthens the Board of Directors, contributing expertise notably in the areas of investment, asset and real estate management, as well as in mergers and acquisitions. The Board of Directors also benefits from his experience on the boards of other listed companies.*

### Biography

Matthieu Lance began his career at CCF in 1994, working in structured finance.

In 1998, he joined Lazard bank, where he advised major industrial clients and investment funds on mergers and acquisitions.

In 2007, he joined BNP Paribas as Managing Director, Mergers & Acquisitions, and was successively responsible for the Chemicals, Aerospace, Defence and Automotive industry sectors (2007-2012) and later the Mergers & Acquisitions France team (2012-2016).

In 2016, Matthieu Lance joined Crédit Agricole CIB as Deputy Global Head of Mergers & Acquisitions, an activity for which he was appointed Co-Global Head at the end of 2019. Since March 2022, he has been Deputy Chief Investment Officer, Head of Real Assets and Investments at Crédit Agricole Assurances.

### Offices held outside the Group<sup>(2)</sup>

**Deputy Chairman of the Board of Directors:** Ramsay Santé<sup>(3)</sup>

**Member of the Supervisory Board:** Altarea<sup>(3)</sup>

**Director:** Cassini

**Permanent representative of Predica:** Gecina<sup>(3)</sup>, ADP<sup>(3)</sup>

**Permanent representative of Crédit Agricole Assurances:** Innergex France, Semmaris

### Offices that have expired in the last five years

None

<b>Real estate:</b>	Director of real estate companies (Gecina, Altarea). Extensive experience of real estate management through his role as Deputy Chief Investment Officer.
<b>Finance/Audit and risk:</b>	30 years' experience in the finance sector, including as Deputy Chief Investment Officer at Crédit Agricole Assurances.
<b>Executive functions:</b>	Deputy Chief Investment Officer, Head of Real Assets and Investments and member of the Executive Committee of Crédit Agricole Assurances
<b>Strategy/M&amp;A:</b>	30 years' experience in corporate strategy and mergers and acquisitions.

(1) As regards his personal shareholdings, Matthieu Lance complies with all of the relevant obligations set out in the Articles of Association, Internal Regulations and Afep-Medef Code, in view of his position as a Board member appointed on the proposal of Predica.

(2) Matthieu Lance complies with the applicable laws and recommendations on the holding of multiple corporate offices.

(3) Listed company.



## Predica

Director, Chair of the Investment Committee and member of the Audit Committee  
Permanent representative: Florence Barjou

### Main position held

Chief Investment Officer of Crédit Agricole Assurance

**Date of birth:** 11 August 1972  
in Paris, France

**Address:** Predica, 16-18, boulevard de Vaugirard, 75015 Paris

**Registered office:** 16-18, boulevard de Vaugirard, 75015 Paris

**Nationality:** French

*Florence Barjou's diverse and multidisciplinary career in the financial sector strengthens the Board of Directors, in particular through her expertise in the areas of investment, asset and real estate management, as well as in mergers and acquisitions. In addition to her financial skills, her CSR expertise acquired at Lyxor, one of the leaders in responsible investment and ESG, represents a major asset for the Board of Directors, which has placed social, environmental and governance issues at the heart of the Group's strategy and business model. Her various directorships combined with her financial expertise provide the Board with rounded experience that is 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, Florence Barjou began her career in the Economic Research Department of BNP's investment banking division.

In 2006, she joined Lyxor, a leader in responsible investment and ESG, as a Global Macro Strategist and Portfolio Manager. She was then appointed Head of Diversified Management in 2013, Deputy Head of the Absolute Performance & Solutions division in 2014, and Managing Director, Deputy to the Chief Investment Officer, before being appointed to serve as Lyxor's Director of Investments in 2020.

Florence Barjou was appointed Chief Investment Officer of Crédit Agricole Assurances on 1 March 2022.

### Date of appointment:

General Meeting  
of 18 March 2014

### Date of latest reappointment:

General Meeting  
of 27 May 2021

### Term expires:

General Meeting called to  
approve the 2023 financial  
statements

### Shareholding:

As of the date of this  
document, Predica held  
26,358,073 Clariane shares

As of the date of this  
document, Florence Barjou  
held no Clariane shares<sup>(1)</sup>

### Offices held by Predica<sup>(2)</sup>

#### Offices held outside the Group

**Director:** Carmila<sup>(3)</sup>, Covivio<sup>(3)</sup>, Frey<sup>(3)</sup>, Gecina<sup>(3)</sup>, Groupe ADP<sup>(3)</sup>, Française des Jeux<sup>(3)</sup>, Predirungis SASU, Semmaris SA, Fonds Stratégique de Participations SICAV, Fonds Nouvel Investissement 1 SICAV, Fonds Nouvel Investissement 2 SICAV, Lesica SAS, Previso Obseques SA, OPCI Messidor SPPICAV, CAA Commerces 2 SPPICAV, OPCI AEW Immocommercial SPPICAV, Predica Bureaux OPCI, OPCI Logistis SPPICAV, Fonds immobilier Ardian Luxembourg, Défense CB3 SAS.

**Member of the Supervisory Board:** Altea SCA<sup>(3)</sup>, Argan SA<sup>(3)</sup>, Covivio Hotels SCA<sup>(3)</sup>, Patrimoine et Commerce SCA<sup>(3)</sup>, EFFI Invest II SCA, EFFI Invest III SCA, CA Grands Crus SAS, Sopresa SA, Interfimo SA, Ofelia SAS, PREIM Healthcare (substitute), Willow, Unipierre Assurances SCPI.

**Joint legal manager:** Predicare SARL

**Board Observer:** Siparex Associés

#### Offices that have expired in the last five years

**Member of the Supervisory Board:** Effi-Invest I

**Director:** River Ouest OPCI, Sanef<sup>(3)</sup>, Ramsay Générale de Santé SA<sup>(3)</sup>, Louvresses Development I SAS, CA Life Greece SA, Urbis Park, Tivana France Holding SAS, La Médicale de France SA, CAAM Mone Cash SICAV.

### Offices held by Florence Barjou<sup>(4)</sup>

#### Offices held outside the Group

**Director:** Semmaris, CA Vita, Cacéis, Cacéis Bank

**Permanent representative of Predica:**  
La Française des Jeux<sup>(3)</sup>

**Chair in her own name:** Predirungis

#### Offices that have expired in the last five years

**Director:** Cassini

<b>Real estate:</b>	Director of real estate companies. Extensive experience of real estate management through her role as Chief Investment Officer.
<b>Finance/Audit and risk:</b>	25 years' experience in positions in the insurance and finance sectors, including as Chief Investment Officer at Crédit Agricole Assurances.
<b>CSR:</b>	15 years' experience with Lyxor, a leader in ESG and responsible investment.
<b>Strategy/M&amp;A:</b>	More than 15 years' experience in investment, asset and real estate management and mergers and acquisitions, including as Chief Investment Officer at Crédit Agricole Assurances.

(1) As regards her personal shareholdings, Florence Barjou complies with all of the relevant obligations set out in the Articles of Association, Internal Regulations and Afep-Medef Code, in view of her position as permanent representative of Predica.

(2) Predica complies with the applicable laws and recommendations on the holding of multiple corporate offices in accordance with Article L. 225-95-1 of the French Commercial Code, by way of derogation from Article L. 225-21 of the same Code.

(3) Listed company.

(4) Florence Barjou complies with the applicable laws and recommendations on the holding of multiple corporate offices.



## Holding Malakoff Humanis

Director, member of the Ethics, Quality and CSR Committee and the Investment Committee

Permanent representative: Anne Ramon

### Main position held

Communications and Brand Director and Head of CSR and ESG Commitments at Malakoff Humanis

**Date of birth:** 6 September 1967 **Address:** Holding Malakoff Humanis, 21, rue Laffitte, 75009 Paris in Neuilly-sur-Seine, France

**Registered office:** 21, rue Laffitte, 75009 Paris

**Nationality:** French

### Date of appointment<sup>(1)</sup>:

General Meeting of  
18 March 2014

### Date of latest reappointment:

General Meeting of  
27 May 2021

### Term expires:

General Meeting called to  
approve the 2023 financial  
statements

### Shareholding:

As of the date of this  
document, Holding  
Malakoff Humanis held  
8,048,260 Clariane shares

As of the date of this  
document, Anne Ramon  
held no Clariane shares<sup>(2)</sup>

*Anne Ramon's diverse and multidisciplinary career strengthens the Board of Directors thanks to her expertise in communication, reputation and crisis management relating to public health issues. Her extensive experience with stakeholders, including patients, doctors, caregivers and researchers, as well as public bodies, non-profits, and other public healthcare entities is very useful for the Board of Directors, as is her expertise on subjects related to CSR and non-financial reporting.*

### Biography

Anne Ramon graduated from CELSA and holds a degree in political science from Université Paris 1. She began her career in a pharmaceutical laboratory, before joining the French Government's Information department, reporting to the cabinet of the Prime Minister. She then joined the French Committee for Health Education (CFES), a body under the supervision of the Ministry of Health, where she was responsible for communications campaigns for the prevention of AIDS on behalf of the French Ministry of Health, working closely with patient associations, researchers and the Ministry.

She extended her field of expertise to other major public health issues as Director of Communications at Santé Publique France, France's public health agency. In 2005, she was appointed Patient Communications and Information Director at France's national cancer institute (INCA).

In 2016, she joined the Malakoff Humanis group as Communications and Brand Director and member of the group's Executive Committee. She is also in charge of the CSR and ESG Commitment 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>(5)</sup>

#### Offices held outside the Group

**Director:** SCOR<sup>(4)</sup>, Développement Pléiade, Groupe IRD, La Banque Postale Asset Management Holding, Foncière Hosi Grand Ouest<sup>(4)</sup>

**Member of the Supervisory Board:** La Banque Postale Asset Management

#### Offices that have expired in the last five years

**Director:** Ignilife France

**Member of the Supervisory Board:** Quatrem, Sycomore Factory

### Offices held by Anne Ramon<sup>(5)</sup>

#### Offices held outside the Group

None

#### Offices that have expired in the last five years

None

<b>Healthcare industry:</b>	30 years' experience in the healthcare sector through her roles with France's committee for health education, public health agency and national cancer institute, as well as the Malakoff Humanis group.
<b>Regulation/control:</b>	Management of public health issues through her roles in the healthcare sector.
<b>CSR:</b>	CSR Director of Malakoff Humanis; Director of the Malakoff Humanis Handicap Foundation and the Médéric Alzheimer Foundation.
<b>Communications:</b>	20 years' experience as Director of Communications, notably at France's public health agency and national cancer institute, as well as the Malakoff Humanis group.

(1) Holding Malakoff Humanis was appointed by the General Meeting held on 21 March 2012 that adopted a single-tier governance system. In connection with the merger of Medica into Clariane, and subject to its completion, 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 close of the General Meeting called to approve the 2014 financial statements.

(2) As regards her personal shareholdings, Anne Ramon complies with all of the applicable obligations set out in the Articles of Association, Internal Regulations and Afep-Medef Code, in view of her position as permanent representative of Holding Malakoff Humanis.

(3) Holding Malakoff Humanis complies with the applicable laws and recommendations on the holding of multiple corporate offices.

(4) Listed company.

(5) Anne Ramon complies with the applicable laws and recommendations on the holding of multiple corporate offices.



## Guillaume Bouhours

Independent Director and member of the Audit Committee and of the Compensation and Appointments Committee

### Main position held

Executive Vice President Finance, Purchasing and Information Systems at bioMérieux

**Date of birth:** 3 July 1976  
in Neuilly-sur-Seine, France

**Address:** 24, chemin de l'Aigas, 69160 Tassin-la-Demi-Lune

**Nationality:** French

**Date of appointment:**  
Board of Directors  
meeting of 11 January 2021  
(co-optation) and General  
Meeting of 27 May 2021  
(ratification)

*Guillaume Bouhours' diverse and multidisciplinary career strengthens the Board of Directors, in particular through his expertise in the fields of finance, investment, mergers and acquisitions and listed companies. He also brings to the Board of Directors in-depth knowledge of the healthcare sector, digital transformation, cybersecurity and purchasing.*

### Biography

After graduating from the École polytechnique and École des mines de Paris in 2000, 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 in rail transportation, where he was also a member of the Management Board and Management Committee. From 2017 to 2018, he served as President of the Access and Mobility Division and President of the China Region at Wabtec Corporation.

He is currently Executive Vice President in charge of Finance, Purchasing and Information Systems at the 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.

**Date reappointed:**  
General Meeting of  
15 June 2023

**Term expires:**  
General Meeting called to  
approve the 2025 financial  
statements

**Shareholding:**  
As of the date of this  
document, Guillaume  
Bouhours held  
1,178 Clariane shares

### Offices held 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 years

None

<b>Finance/Audit and risk:</b>	23 years' experience in finance. Executive Vice-President of the bioMérieux group, notably in charge of Finance.
<b>Executive functions:</b>	13 years' experience in executive roles and currently Executive Vice-President in charge of Finance, Purchasing and Information Systems for the bioMérieux group.
<b>Human capital:</b>	13 years' experience in executive roles, including extensive team management experience.
<b>Strategy/M&amp;A:</b>	10 years' experience in M&A (advisory and investment). 13 years' experience in strategic level executive roles.

(1) Guillaume Bouhours complies with the applicable laws and recommendations on the holding of 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 and CEO of ES Consulting and ES Business Health

**Date of birth:** 5 April 1964  
in Angers, France

**Address:** Résidences du Port, 795 avenue du Général-de-Gaulle,  
06210 Mandelieu-la-Napoule

**Nationality:** French

*Dr Jean-François Brin's diverse and multidisciplinary career in the fields of medicine and pharmacology brings critical skills to 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 advanced age.*

### 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 in France, where he coordinated a geriatric, post-acute care and long-term care department. He joined Rhône-Poulenc Rorer France in 1993 and went on to hold various positions in the fields of psychiatric, neurodegenerative and rheumatological diseases. He became Vice-President Global Marketing Thrombosis & Internal Medicine when Sanofi took over Aventis, and was appointed Senior Vice-President of the Cardiovascular Division in 2010. Having amassed considerable international expertise in commercial transactions, acquisitions and alliances in the pharmaceutical industry, he left the group at the end of 2015 to create ES Consulting, a healthcare consulting firm specialising in strategic marketing and mergers and acquisitions. He supports several start-ups in their development in this sector, as a shareholder.

### Date of appointment:

General Meeting of  
6 June 2019

### Date of latest reappointment:

General Meeting of  
22 June 2022

### Term expires:

General Meeting called to  
approve the 2024 financial  
statements

### Shareholding:

As of the date of  
this document,  
Dr Jean-François Brin held  
208 Clariane shares

### Offices held outside the Group<sup>(1)</sup>

None

### Offices that have expired in the last five years

None

<b>Healthcare industry:</b>	Doctor of Medicine qualified in clinical pharmacology and with a residency in hospital geriatrics, post-acute care and long-term care. 30 years' experience with major pharmaceutical companies, including Rhône-Poulenc Rorer France, Aventis Europe and Sanofi Global.
<b>Real estate:</b>	Manager of two limited liability companies in the professional furnished leasing and real estate agency sectors. Chairman of a 400-unit condominium association.
<b>Strategy/M&amp;A:</b>	Member of the Task Force in Sanofi's takeover bid for Genzyme in 2011. Founding Chairman of ES Business Health, a healthcare consultancy specialising in strategic marketing and mergers and acquisitions.
<b>Quality management:</b>	Extensive experience in managing the quality of care and the quality of production chains through his experience as a doctor and his work with major pharmaceutical laboratories.

(1) Dr Jean-François Brin complies with the applicable laws and recommendations on the holding of multiple corporate offices.



## Anne Lalou

Independent Director, Chair 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 Chair of the Innovation Factory

**Date of birth:** 6 December 1963 **Address:** 96, rue Didot, 75014 Paris in Paris, France

**Nationality:** French

*Anne Lalou's diverse and multidisciplinary background reinforces the skills of the Board of Directors, in particular through her financial expertise, and her experience of mergers and acquisitions, real estate management and financial markets. She also provides her expertise in the areas of talent training, gender equality and inclusion. Her experience as Chief Executive Officer and Director in the corporate bodies of companies in the fields of banking, investment, innovation and digital transformation is an asset to the Board of Directors.*

### Biography

A graduate of ESSEC, Anne Lalou has been Chief Executive Officer of the Web School Factory since 2012 (digital management school of which she is the founder, offering an educational model based on collaborative work through concrete projects and the acquisition of managerial and technological skills) and Chair of the Innovation Factory (first digital innovation cluster) since 2013.

She started her career at Lazard's M&A Department in London and then Paris, before becoming Head of New Projects and Development at Havas.

She served as Chair and Chief Executive Officer of Havas Édition Électronique before joining Rothschild & Cie as Manager. 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, before being appointed as Deputy Chief Executive Officer of the Distribution division until 2011.

She is a member of the Board of Directors of Natixis, as well as a member of the Compensation and Appointments Committees and Chair of the Strategy Committee and of the CSR Committee. She has also served on Eurazeo's Supervisory Board, Digital Committee and Finance Committee, and chaired its CSR Committee until May 2022.

### Date of appointment:

General Meeting of  
18 March 2014

### Date of latest reappointment:

General Meeting of  
22 June 2022

### Term expires:

General Meeting called to  
approve the 2024 financial  
statements

### Shareholding:

As of the date of this  
document, Anne Lalou held  
1,546 Clariane shares

### Offices held outside the Group<sup>(1)</sup>

**Director:** Natixis<sup>(2)</sup>

**Chief Executive Officer:** Web School Factory

**Chair:** Innovation Factory

### Offices that have expired in the last five years

**Member of the Supervisory Board:** Eurazeo<sup>(2)</sup>, Foncia Holding, Foncia Groupe

<b>Executive functions:</b>	20 years in executive roles at Havas, Rothschild & Cie and Nexity. Chief Executive Officer of the Web School Factory and Chair of the Innovation Factory.
<b>Human capital:</b>	Chief Executive Officer of the Web School Factory, a collaborative digital management school.
<b>CSR:</b>	Former Chair of the Clariane Ethics, Quality and CSR Committee, the Eurazeo CSR Committee and the Natixis CSR Committee.
<b>Strategy/M&amp;A:</b>	Extensive expertise in strategy, M&A and development, notably through her roles as Head of Outlook and Development at Havas and Head of Development at Nexity.

(1) Anne Lalou complies with the applicable laws and recommendations on the holding of multiple corporate offices.

(2) Listed company.



## Philippe Lévêque

Independent Director and Chairman of the Ethics, Quality and CSR Committee

**Date of birth:** 24 December 1959 **Address:** 34, rue des Boulangers, 75005 Paris in Bordeaux, France

**Nationality:** French

### Date of appointment:

General Meeting of  
22 June 2022

### Term expires:

General Meeting called to  
approve the 2024 financial  
statements

### Shareholding:

As of the date of this  
document, Philippe  
Lévêque held 3,471 Clariane  
shares

*Philippe Lévêque's diverse and multidisciplinary career strengthens the Board of Directors thanks to his expertise in the areas of CSR, human capital management and crisis management. His extensive experience in the management of numerous projects in France and abroad aimed in particular at combating extreme poverty, and his relations with stakeholders as well as public bodies, foundations and other public health entities, make him a valuable addition to the Board of Directors, in addition to his experience as a member of stakeholder committees of French industrial companies.*

### Biography

A graduate of Hautes Études Commerciales (HEC), Philippe Lévêque began his career at IBM in 1984, where he held marketing and sales roles. In 1989, he was appointed Marketing Director of Systar, a position he occupied until 1993.

After spending a year in Africa, he volunteered with the NGO Médecins du Monde in 1993, becoming Director of Development in 1994 and Deputy Chief Executive Officer in 1998. During these years, he carried out various missions in France and abroad.

In 2000, he was appointed Chief Executive Officer of CARE France, one of the largest humanitarian aid networks in the world, where he led numerous projects aimed at combating extreme poverty and implementing sustainable development tools, fighting the effects of climate change, protecting the rights of children and women, and systematically responding to humanitarian emergencies. He held this position until his retirement in 2022.

Philippe Lévêque is a member of the Supervisory Board of the CARE International Foundation, and the Board of Directors of Fondation Ensemble (Pierre et Vacances). He also sits on the ESG Committee of the IPDEV 2 investment fund.

He is a member of the Accreditation Commission of Don en Confiance, an organisation that issues a quality and transparency label to organisations that appeal to the generosity of the general public in France.

He has also been a member of the stakeholder committees of Lafarge, Veolia and EDF and a member of the investment committees of the Fondation Financière de l'Échiquier and Fondation Cojean. He is regularly invited to speak at conferences in Europe, Asia and the United States.

### Offices held outside the Group<sup>(1)</sup>

None

### Offices that have expired in the last five years

None

### Executive functions:

Over 20 years' experience in executive roles, including former Deputy Chief Executive Officer of Médecins du Monde and former Chief Executive Officer of CARE France.

### Human capital:

Former Chief Executive Officer of CARE France, and conference speaker in Europe, Asia and the United States. Team management in physically perilous situations and skills development among low-skilled and multi-ethnic employees.

### CSR:

Former Chief Executive Officer of CARE France; Director of CARE International and Fondation Ensemble (Pierre et Vacances); member of the ESG Committee of the IPDEV 2 investment fund; member of the stakeholder committees of Lafarge, Veolia and EDF; member of the investment committees of Fondation Financière de l'Échiquier and Fondation Cojean. Representative of CARE International at the Paris Accord negotiations in 2015 and subsequently during negotiations with the French government and with CAC 40 companies.

### International experience:

Numerous humanitarian missions abroad, particularly in Africa; former Deputy Chief Executive Officer of Médecins du Monde.

(1) Philippe Lévêque complies with the applicable laws and recommendations on the holding of multiple corporate offices.



## Dr Markus MÜschenich

Independent Director and member of the Ethics, Quality and CSR Committee

### Main position held

Managing Partner of Eternity.Health

**Date of birth:** 9 June 1961

**Address:** Askaloner Weg 4, 13465 Berlin, Germany

in Düsseldorf, Germany

**Nationality:** German

### Date of appointment:

General Meeting of  
22 June 2017

### Date of latest reappointment:

General Meeting of  
15 June 2023

### Term expires:

General Meeting called to  
approve the 2025 financial  
statements

### Shareholding:

As of the date of this  
document, Dr Markus  
Müschénich held  
203 Clariane shares

*Dr Markus MÜschenich's diverse and multidisciplinary career, which brings together the practice of medicine, the management of hospital groups, expertise as a startup founder and partner in a venture capital fund, scientific research and technological innovation, strengthens the Board of Directors in the Group's core activities (healthcare, regulation, human capital, CSR, international experience and health and safety).*

### Biography

A graduate of the universities of Düsseldorf (public health) and Münster (medicine), Dr Markus MÜschenich began his career in 1987 as a consultant in the Department of Paediatrics at the University of Düsseldorf where he focused on general paediatrics as well as paediatric oncology, intensive care, neurology and radiology. In 1996, he became an independent management consultant, specialising in strategy, development and restructuring. In 1998, he became an expert in digital healthcare solutions and worked as an assistant to the Chief Executive Officer and the Medical Director of the Berlin Trauma Centre, one of Europe's digital hospitals providing global telemedicine services from 1999 to 2001. In 2002, he became a member of the Board of Directors and Chief Medical Officer of the Paul-Gerhardt-Diakonie Hospital. From 2009 to 2012, he was a member of the Board of Directors and, for the last six months of his tenure, Chief Medical Officer within Sana Kliniken, which operates 60 hospitals providing integrated care services.

Dr Markus MÜschenich is a medical doctor and Managing Partner of Eternity.Health, a holding company in the life sciences, which he created in 2012. Eternity.Health is the parent company of Flying Health, Heal Capital and Ababax. Flying Health offers an ecosystem for the next generation of healthcare by guiding industry leaders and entrepreneurs to future markets, and Heal Capital is a venture capital fund dedicated to investments in digital healthcare innovations. Ababax develops and invests in brain stimulation technologies. In 2021, Dr MÜschenich also created Green.Health, dedicated to sustainability in healthcare.

Dr Markus MÜschenich is also currently a member of the AOK-Bundesverband (regulatory health insurance) Scientific Institute's Quality Management Advisory Board, and a member of the Advisory Board of Apo Asset Management. Dr MÜschenich was previously a member of the Telemedicine Working Group of the German Medical Association and is a member of the Health Innovation Hub of the German Ministry of Health and the Advisory Board of the European Master's programme in Neuroscience Development (ABCD).

### Offices held outside the Group<sup>(1)</sup>

**Chief Executive Officer:** Eternity.Health

**Member of the Executive Board:** Eternity.Health, Ababax,  
Green.Health, Nuuron, L.M. Advisory

### Offices that have expired in the last five years

**Member of the Executive Board:** Flying Health, F.H. Incubator

<b>Healthcare industry:</b>	36 years' experience as a physician, in particular as a consultant in the Department of Paediatrics at the University of Düsseldorf, in the fields of general paediatrics, paediatric oncology, intensive care, neurology and radiology.
<b>CSR:</b>	Founder of Green.Health (2021), a company focused on sustainability in healthcare strategies (particularly climate change).
<b>Cybersecurity/digital:</b>	Expert in digital healthcare solutions as Chief Medical Officer in two hospitals and Managing Partner of Eternity.Health.
<b>Quality management:</b>	Responsible for quality management for 20 years in various management positions (Chief Medical Officer in two hospitals and Managing Partner of Eternity.Health).

(1) Dr Markus MÜschenich complies with the applicable laws and recommendations on the holding of multiple corporate offices.



## Catherine Soubie

Independent Director, Chair of the Audit Committee and member of the Compensation and Appointments Committee

### Main position held

Chief Executive Officer of Arfilia

**Date of birth:** 20 October 1965    **Address:** 137, rue de l'Université, 75007 Paris in Lyon, France

**Nationality:** French

### Date of appointment:

General Meeting of  
18 March 2014

### Date of latest reappointment:

General Meeting of  
27 May 2021

### Term expires:

General Meeting called to  
approve the 2023 financial  
statements

### Shareholding:

As of the date of this  
document, Catherine  
Soubie held 6,900 Clariane  
shares

*Catherine Soubie's diverse and multidisciplinary background strengthens the skills of the Board of Directors, notably through her experience in business consulting, as well as in real estate, finance, banking and investment. Her experience as Chief Executive Officer and as a director of listed companies also enriches the Board of Directors.*

### Biography

A graduate of the École supérieure de commerce de Paris, Catherine Soubie has served as Chief Executive Officer of Arfilia since 2016. Arfilia brings together companies specialising in information, consulting and business services.

She began her career in 1989 at Lazard in London, before joining the Paris office where she served as Director of Financial Affairs. She then held a variety of positions at Morgan Stanley in Paris, notably that of Managing Director. From 2005 to 2010, she was Deputy Chief Executive Officer 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.

Catherine Soubie is also an independent director of listed companies Covivio, in the real estate industry, and Sofina, in the investment sector.

### Offices held outside the Group<sup>(1)</sup>

**Chief Executive Officer:** Arfilia

**Director:** Covivio<sup>(2)</sup>, Sofina<sup>(2)</sup>

### Offices that have expired in the last five years

**Chief Executive Officer:** Alixio, Taddeo (Arfilia group)

**Chair:** Financière Verbateam (Arfilia group)

<b>Real estate:</b>	Director of Covivio. Financial consulting experience in real estate transactions at Morgan Stanley and Barclays.
<b>Finance/Audit and risk:</b>	22 years' experience in the finance sector, notably as Director of Financial Affairs at Lazard; Managing Director at Morgan Stanley; Managing Director, Head of Investment Banking at Barclays France and Benelux.
<b>Executive functions:</b>	Chief Executive Officer of Arfilia; former Deputy Chief Executive Officer of Rallye; Head of Investment Banking at Barclays France and Benelux.
<b>Strategy/M&amp;A:</b>	20 years' experience in investment banking.

(1) Catherine Soubie complies with the applicable laws and recommendations on the holding of multiple corporate offices.

(2) Listed company.



## Marie-Christine Leroux

Employee Director and member of the Compensation and Appointments Committee

### Main position held

Project Manager in the Medical, Ethics and Health Innovation Department

**Date of birth:** 16 February 1961      **Address:** 12, chemin du Houga, 32720 Barcelonne-du-Gers in Merville, France

**Nationality:** French

**Date of appointment:**  
1 September 2019 by UNSA, the most representative union within the Group

**Date of latest reappointment:**  
18 July 2022 by UNSA, the most representative union within the Group

**Term expires:**  
General Meeting called to approve the 2024 financial statements

**Shareholding:**  
As of the date of this document, Marie-Christine Leroux held 750 Clariane shares<sup>(2)</sup>

*Representing the Group's employees, Marie-Christine Leroux strengthens the Board of Directors with the skills she has developed through her diverse and multidisciplinary career. Her experience in the Group's healthcare and facilities management activities as well as her expertise in healthcare and caregiver training provide essential perspective for the discussions and decisions of the Board of Directors.*

### Biography

Marie-Christine Leroux holds a management certificate from ESSEC, an MBA in Human Resources Management from the University of Paris Dauphine and a Master's degree from INSEEC Business School in Bordeaux. She began her career as a self-employed physiotherapist. From 1996 to 2006, she worked as a healthcare executive, training manager and financial controller at Assistance publique – Hôpitaux de Paris teaching hospital.

She joined Clariane in 2006 as Director of a post-acute and rehabilitation care clinic before becoming a care home director in 2012.

From 2015 to 2021, she was director of the Korian Villa Castera and Korian Le Clos d'Armagnac care homes.

In 2021, she joined the Group's Human Resources Department as HR Missions Head before being appointed HR Integration Officer. In September 2022, she became a Project Manager in the Group's Medical, Ethics and Health Innovation Department.

She held several offices within the Group as an elected UNSA employee representative from April 2016 to July 2019.

### Offices held outside the Group<sup>(1)</sup>

None

### Offices that have expired in the last five years

None

<b>Healthcare industry:</b>	26 years' experience in the healthcare sector as a self-employed physiotherapist-masseuse, then health manager, training manager and management controller at Assistance publique – Hôpitaux de Paris and director of medical care clinics and care homes.
<b>Human capital:</b>	Head of Training at Assistance publique – Hôpitaux de Paris; director of medical care clinics and nursing homes.
<b>Strategy/M&amp;A:</b>	16 years' experience in the development of facilities and in the negotiation of new activities with healthcare and nursing authorities to reposition the facilities in their competitive environment.
<b>Quality management:</b>	16 years' experience in quality of care management through her work as a director of medical clinics and care homes.

(1) Marie-Christine Leroux complies with the applicable laws and recommendations on the holding of multiple corporate offices.

(2) The shares held by Marie-Christine Leroux are held indirectly via an employee investment fund (FCPE).





## Gilberto Nieddu

Employee Director and member of the Ethics, Quality and CSR Committee

### Main position held

Home Rehabilitation Services Operations Coordinator

**Date of birth:** 5 June 1989

**Address:** Via Bitetto 20, 70020 Binetto, Italy

in Bari, Italy

**Nationality:** Italian

**Date of appointment:**  
29 June 2022 by the  
European Works Council

**Term expires:**  
General Meeting called to  
approve the 2024 financial  
statements

**Shareholding:**  
As of the date of this  
document, Gilberto Nieddu  
held 17 Clariane shares

*Representing the Group's employees, Gilberto Nieddu strengthens the Board of Directors through the skills he has developed throughout his diverse and multidisciplinary career. His experience in healthcare management and his expertise in the field of rehabilitation provide essential insight for the discussions and decisions of the Board of Directors.*

### Biography

Gilberto Nieddu holds a Bachelor of Science degree in Physiotherapy (University of Bari) and a Master of Science degree in Rehabilitation, and began his career in 2013 as a physiotherapist. He worked in various facilities, including the Clariane rehabilitation centre in Bari, from 2017 to 2022.

In 2022, he was appointed coordinator of home rehabilitation services for the Clariane Group's Aurea Salus and Elia Domus facilities.

Gilberto Nieddu has also completed advanced university studies in healthcare management (SDA Bocconi Management School in Milan).

From 2020 to 2022, he was a member of Clariane's European Works Council. He also took part, within the special negotiation group, in negotiations over the agreement reached on the terms and conditions of employee involvement at the level of the European company.

### Offices held outside the Group<sup>(1)</sup>

None

### Offices that have expired in the last five years

None

<b>Healthcare industry:</b>	Holder of a Bachelor of Science degree in physiotherapy and a Master's degree in rehabilitation sciences, physiotherapist. 10 years' experience in various roles in nursing and healthcare facilities.
<b>Human capital:</b>	Operations coordinator of home rehabilitation services and Italian member of Clariane's European Works Council, involving human resources expertise and team management.
<b>International experience:</b>	Experience in medico-social facilities in Italy.
<b>Quality management:</b>	10 years' experience in managing the quality of care through his work in medico-social and healthcare facilities.

<sup>(1)</sup> *Gilberto Nieddu complies with the applicable laws and recommendations on the holding of multiple corporate offices.*

### Employee representation

In accordance with Article L. 225-27-1 *et seq.* of the French Commercial Code, Article 11.4 of the Company's Articles of Association provides that the Board of Directors must have one (or two) Employee Director(s). Accordingly, and pursuant to said Article, two Employee Directors sit on 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 union within the Group appointed Marie-Christine Leroux as Employee Director with effect from 1 September 2019. This same organisation appointed Marie-Christine Leroux for a new term on 18 July 2022.

On 8 December 2022, the Board of Directors decided to appoint Marie-Christine Leroux as a member of the Compensation and Appointments Committee (in compliance with the Afep-Medef code).

(ii) the second Director is appointed by the European Company Works Council.

On 29 June 2022, the European Works Council appointed Gilberto Nieddu to serve as Employee Director. The European Company Works Council, a body that replaced the European Works Council when Clariane became a European company, will be responsible for appointing a new Employee Director when the current second Employee Director's term ends.

On 8 December 2022, the Board of Directors decided to appoint Gilberto Nieddu to the Ethics, Quality and CSR Committee.

Employee Directors have the same voting rights as other Directors on the Board of Directors, a collective decision-making body which is mandated to act in the Company's best interests at all times.

If the Employee Director is new to their duties, they receive 40 hours of training per year, beginning within four months of their appointment.

A training programme has been organised for Marie-Christine Leroux and Gilberto Nieddu, particularly in the areas of corporate governance and CSR.

In addition, a representative of the Central Social and Economic Committee attends the meetings of the Board of Directors in an advisory capacity.

#### 4.1.3.1.2 Diversity policy

The Board of Directors regularly reviews its own membership and that of its Committees in order to enhance and advance their diversity. Such diversity is essential to ensure objectivity, experience and independence for the Company's shareholders. The procedures governing the Board's organisation and operation are set out in its Internal Regulations, as well as in the ethics rules that its members must observe.

At its meeting of 26 March 2024 and in accordance with Article 7.2 of the Afep-Medef Code, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, reviewed the balance of its membership.

The Board considers that its membership is satisfactory, notably with regard to the mix of genders, nationalities and ages as well as the diversity of skills and professional expertise, and expressed a wish for greater international representation. This multinational and balanced membership, which includes active and committed members with varied and complementary skills, ensures the quality of debates and the appropriateness of the Board's decision-making. As part of the review of its membership, the Board pays particular attention to broadening the expertise provided by its Directors, particularly in the areas of finance, real estate and CSR. The proposed appointments of Patricia Damerval and Sylvia Métayer as directors to be put to the General Meeting called to approve the financial statements for the year ended 31 December 2023 (the "**2024 General Meeting**") are in line with this intention, as they will strengthen the Board's skills in these areas.

### Diversity policy applied to the members of the Board of Directors

Criterion	Target	Implementation and outcomes
Equality	The percentage of Directors of either gender may not be less than 40% at the end of the first Ordinary General Meeting held after 1 January 2017. <i>(Article L. 225-18-1 of the French Commercial Code)</i>	45% women (5 women and 6 men) since the 2022 General Meeting <sup>(1)</sup> .
Balanced representation of women and men on the Board of Directors' Committees	Gender balance in the Committees.	Three of the four Committees are chaired by women (Audit Committee, Compensation and Appointments Committee and Investment Committee).
Nationalities International experience	Balance of national and foreign profiles and/or people with international experience to enhance the Board of Directors' membership, given the Company's European footprint.	The Board of Directors has three nationalities (French, German and Italian). The majority of the Directors have international experience.
Areas of expertise and complementary nature of profiles	Profiles that are complementary in terms of expertise.	Expertise represented: <ul style="list-style-type: none"> <li>• healthcare industry;</li> <li>• real estate;</li> <li>• finance/audit and risk;</li> <li>• regulation/control;</li> <li>• executive functions;</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 varied and complementary nature of the experience in these areas enables realistic and effective decision-making to meet Clariane's challenges.
Independence of Directors	At least 50% Independent Directors. <i>(Article 10.3 of the Afep-Medef Code)</i>	64% Independent Directors.
Age of Directors	At least two-thirds of the Board's members must be under the age of 70. <i>(Article 11.1.1 of the Company's Articles of Association)</i>	With the exception of one Director, all are under the age of 70. The average age is 57 years: ranging from 34 to 72 years.
Length of service of Directors	Balanced representation on the Board of Directors in terms of length of service.	The Board of Directors considers its membership to be balanced: some Directors have historic knowledge of Clariane; others have joined the Board more recently and bring their own experience together with fresh insight.
Employee representation	At least two Employee Directors. <i>(Article L. 225-27-1 of the French Commercial Code and Article 11.4 of the Company's Articles of Association)</i>	Two Employee Directors sit on the Board of Directors.

(1) In accordance with Article L. 225-27-1 II of the French Commercial Code, Marie-Christine Leroux and Gilberto Nieddu, Employee Directors, are excluded from this calculation.

Expertise represented on the Board of Directors



	Healthcare industry	Real estate	Finance/Audit and risk	Regulation/Control	Executive functions	Human capital	CSR <sup>(1)</sup>	International experience	Strategy/M&A	Cybersecurity/Digital	Quality management	Communications
<b>TOTAL</b>	<b>75%</b>	<b>42%</b>	<b>50%</b>	<b>50%</b>	<b>83%</b>	<b>83%</b>	<b>42%</b>	<b>58%</b>	<b>83%</b>	<b>25%</b>	<b>50%</b>	<b>42%</b>
Jean-Pierre Duprieu	●			○	●			●	●			○
Matthieu Lance	○	●	●	○	●	○			●			
Florence Barjou	○	●	●	○	○	○	●		●			
Anne Ramon	●			●	○	○	●					●
Guillaume Bouhours	○		●		●	●		○	●	○	○	
Dr Jean-François Brin	●	●			○	○		○	●		●	
Anne Lalou		○	○		●	●	●		●	○		
Philippe Lévêque			○		●	●	●	●	○			○
Dr Markus Müschenich	●			○	○	○	●	○	○	●	●	
Catherine Soubie		●	●	○	●			○	●		○	○
Marie-Christine Leroux	●					●			●		●	○
Gilberto Nieddu	●					●		●			●	

● Core skills ○ Other skills

(1) Directors with CSR skills have expertise in social, environmental, climate and governance issues.

**Definitions:**

**Healthcare industry:** medico-social, pharmaceutical, laboratory, research and healthcare sectors.

**Real estate:** acquisitions, disposals and management of real estate, hospitality, land, and tourism assets.

**Finance/Audit and risk:** financial and insurance sectors, finance businesses, audit and risk management.

**Regulation/Control:** compliance with regulations, laws, legal advice.

**Executive functions:** member of a governing management or executive body, 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 incorporation 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 offices 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 and supply chain.

**Communications:** communication, marketing, crisis management.

Table summarising the composition of the Board of Directors

Director	Date of appointment	Seniority on the Board	Date of reappointment	Current term of office	Committees	Age	Gender	Nationality	Number of terms of office at listed companies <sup>(1)</sup>	International experience
<b>CHAIRMAN</b>										
<b>Jean-Pierre Duprieu</b>	GM of 23 June 2016	7 years	GM of 22 June 2022	GM approving the 2024 financial statements	Investment Committee	72	M	French	3	Europe Africa Middle East Asia
<b>DIRECTOR AND EXECUTIVE CORPORATE OFFICER</b>										
<b>Sophie Boissard</b>	GM of 22 June 2020	3 years	GM of 15 June 2023	GM approving the 2025 financial statements	-	53	F	French	2	Europe
<b>INSTITUTIONAL DIRECTORS</b>										
<b>Matthieu Lance</b>	Board meeting of 19 January 2024 (co-optation)	4 months	-	GM approving the 2025 financial statements	Compensation and Appointments Committee	55	M	French	3	Europe
<b>Predica – represented by Florence Barjou</b>	GM of 18 March 2014	10 years	GM of 25 June 2015 GM of 14 June 2018 GM of 27 May 2021	GM approving the 2023 financial statements	Investment Committee (Chair) Audit Committee	51	F	French	11 <sup>(2)</sup> 2 <sup>(3)</sup>	-
<b>Holding Malakoff Humanis – represented by Anne Ramon</b>	GM of 18 March 2014	10 years	GM of 25 June 2015 GM of 14 June 2018 GM of 27 May 2021	GM approving the 2023 financial statements	Ethics, Quality and CSR Committee Investment Committee	56	F	French	3 <sup>(4)</sup> 1 <sup>(5)</sup>	-
<b>INDEPENDENT DIRECTORS</b>										
<b>Guillaume Bouhours</b>	Board meeting of 11 January 2021 (co-optation)	3 years	GM of 15 June 2023	GM approving the 2025 financial statements	Audit Committee Compensation and Appointments Committee	47	M	French	1	United Kingdom China United States
<b>Dr Jean-François Brin</b>	GM of 6 June 2019	4 years	GM of 22 June 2022	GM approving the 2024 financial statements	Investment Committee Ethics, Quality and CSR Committee	60	M	French	1	-
<b>Anne Lalou</b>	GM of 18 March 2014	10 years	GM of 23 June 2016 GM of 6 June 2019 GM of 22 June 2022	GM approving the 2024 financial statements	Compensation and Appointments Committee (Chair) Ethics, Quality and CSR Committee	60	F	French	2	United Kingdom
<b>Philippe Lévêque</b>	GM of 22 June 2022	2 years	-	GM approving the 2024 financial statements	Ethics, Quality and CSR Committee (Chairman)	64	M	French	1	Europe Africa Asia United States

Director	Date of appointment	Seniority on the Board	Date of reappointment	Current term of office	Committees	Age	Gender	Nationality	Number of terms of office at listed companies <sup>(1)</sup>	International experience
<b>Dr Markus Müschenich</b>	GM of 22 June 2017	6 years	GM of 22 June 2020 GM of 15 June 2023	GM approving the 2025 financial statements	Ethics, Quality and CSR Committee	62	M	German	1	Germany
<b>Catherine Soubie</b>	GM of 18 March 2014	10 years	GM of 25 June 2015 GM of 14 June 2018 GM of 27 May 2021	GM approving the 2023 financial statements	Audit Committee (Chair) Compensation and Appointments Committee	58	F	French	3	United Kingdom Benelux

#### EMPLOYEE DIRECTORS

<b>Marie-Christine Leroux</b>	1 September 2019	4 years	18 July 2022	GM approving the 2024 financial statements	Compensation and Appointments Committee	63	F	French	1	-
<b>Gilberto Nieddu</b>	29 June 2022	2 years	-	GM approving the 2024 financial statements	Ethics, Quality and CSR Committee	34	M	Italian	1	Italy

(1) Including offices held within the Company.

(2) Number of offices in listed companies held by Predica.

(3) Number of offices in listed companies held by Predica, for which Florence Barjou acts as permanent representative.

(4) Number of offices in listed companies held by Holding Malakoff Humanis.

(5) Number of offices in listed companies held by Holding Malakoff Humanis, for which Anne Ramon acts as permanent representative.

#### 4.1.3.1.3 Independence of Directors

In accordance with Article 10.3 of the Afep-Medef Code, more than half of the members of the Board of Directors are independent. The Employee Directors are excluded from this calculation.

In accordance with Article 10.4 of the Afep-Medef Code, the Board of Directors examines the independence of the Directors at the time of their appointment, and then annually, on the recommendation of the Compensation and Appointments Committee.

The independence criteria applied by the Board of Directors, which are set out below, comply with Article 10.5 of the Afep-Medef Code in this area:

**Criterion 1: Employee or corporate officer within the previous 5 years**

The Director is not, and has not been, in the course of the previous five years:

- an employee or executive corporate officer of the Company;
- an employee, executive corporate officer or Director of a company consolidated within the Company;
- an employee, executive corporate officer or Director of the Company's parent company or a company consolidated within this parent company.

**Criterion 2: Cross-directorships**

The Director is not an executive corporate officer of a company in which the Company holds a Directorship, directly or indirectly, or in which an employee appointed for such purpose or an executive corporate officer of the Company (currently or within the past five years) is a Director.

**Criterion 3: Significant business relationships**

The Director is not a customer, supplier, investment banker, commercial banker or adviser that is:

- significant to the Company or its Group; or
- for which the Company or its Group represents a significant portion of its activity.

It is the Board's responsibility to assess the significance of the relationship with the Company or its Group. The quantitative and qualitative criteria for this assessment (continuity, economic dependence, exclusivity, etc.) are explained in the corporate governance report.

**Criterion 4: Family ties**

The Director does not have any close family ties with a corporate officer.

**Criterion 5: Statutory Auditor**

The Director has not been a Statutory Auditor of the Company within the past five years.

**Criterion 6: Term of office exceeding 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 their appointment.

**Criterion 7: Status of non-executive corporate officer**

A non-executive corporate officer is not considered to be independent if he/she receives variable compensation in cash or securities or any compensation linked to the performance of the Company or the Group.

**Criterion 8: Status of major shareholder**

Directors representing major shareholders in the Company or its parent company may be deemed independent if they are non-controlling shareholders. Where, however, the shareholding or voting rights exceed a threshold of 10%, the Board, based on a report prepared by the Compensation and Appointments Committee, will systematically assess whether the independence criteria are met, taking into account the Company's ownership structure and the existence of any potential conflicts of interest.

Every year, the Directors complete, sign and submit to the Board Secretary a form declaring their offices and any existing or potential conflicts of interest. The Directors must inform the Board Secretary of any change in their situation occurring during the year. The Board Secretary informs the Chairman of the Board of Directors and the Chief Executive Officer thereof. With regard to criterion 3 "Significant business relationships", the Board of Directors adopted a multi-criteria approach at its meeting of 5 December 2019:

- from a **quantitative** perspective, with thresholds based on:
  - the Group's total cost for purchases and services provided to Clariane and the Group's purchases as a proportion of the supplier's revenue,
  - the Group's total net debt under loans subscribed by Clariane and the Group's loans as a proportion of the bank's revenue,
  - the Group's total leasing expenditure under leases granted to Clariane 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 decides 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 meeting on 7 December 2023, the Board of Directors, in accordance with the aforementioned recommendations of Article 10.4 of the Afep-Medef Code, and after obtaining the opinion of the Compensation and Appointments Committee, reviewed the independence of the Directors.

The Compensation and Appointments Committee reviewed the business relationships that may exist between the Company and the companies in which these Directors

hold offices and concluded that the independent members either have no business relationships or no significant business relationships with the Company.

The Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, considered that seven Directors were independent, namely Jean-Pierre Duprieu, Guillaume Bouhours, Dr Jean-François Brin, Anne Lalou, Philippe Lévêque, Dr Markus Mûschenich and Catherine Soubie, i.e., 64% of the Directors (the Employee Directors are excluded from this calculation).

### Summary of each Director's situation with regard to the independence criteria set out in Article 10 of the Afep-Medef Code<sup>(a)</sup>

	1 Employee or corporate officer	2 Cross- directorships	3 Significant business relationships	4 Family ties	5 Statutory Auditor	6 Term of office exceeding 12 years	7 Status of non- executive corporate officer	8 Status of major shareholder	Qualification chosen
Jean-Pierre Duprieu	●	●	●	●	●	●	●	●	Independent
Sophie Boissard	● <sup>(b)</sup>	●	●	●	●	●	●	●	Non-independent
Matthieu Lance	●	●	●	●	●	●	●	● <sup>(c)</sup>	Non-independent
Predica (Florence Barjou)	●	●	●	●	●	●	●	●	Non-independent
Holding Malakoff Humanis (Anne Ramon)	●	●	●	●	●	●	●	●	Non-independent
Dr Jean-François Brin	●	●	●	●	●	●	●	●	Independent
Guillaume Bouhours	●	●	●	●	●	●	●	●	Independent
Anne Lalou	●	●	●	●	●	●	●	●	Independent
Philippe Lévêque	●	●	●	●	●	●	●	●	Independent
Dr Markus Mûschenich	●	●	●	●	●	●	●	●	Independent
Catherine Soubie	●	●	●	●	●	●	●	●	Independent
Marie-Christine Leroux <sup>(d)</sup>					N/A				Employee Director
Gilberto Nieddu <sup>(d)</sup>					N/A				Employee Director

(a) In this summary table, ● represents a satisfied independence criterion and ● represents an unsatisfied independence criterion.

(b) Sophie Boissard has served as Chief Executive Officer of Clariane since 26 January 2016.

(c) Matthieu Lance is Deputy Chief Investment Officer, responsible for real assets and equity interests at Crédit Agricole Assurances, Predica's parent company and a shareholder of more than 10% in the Company.

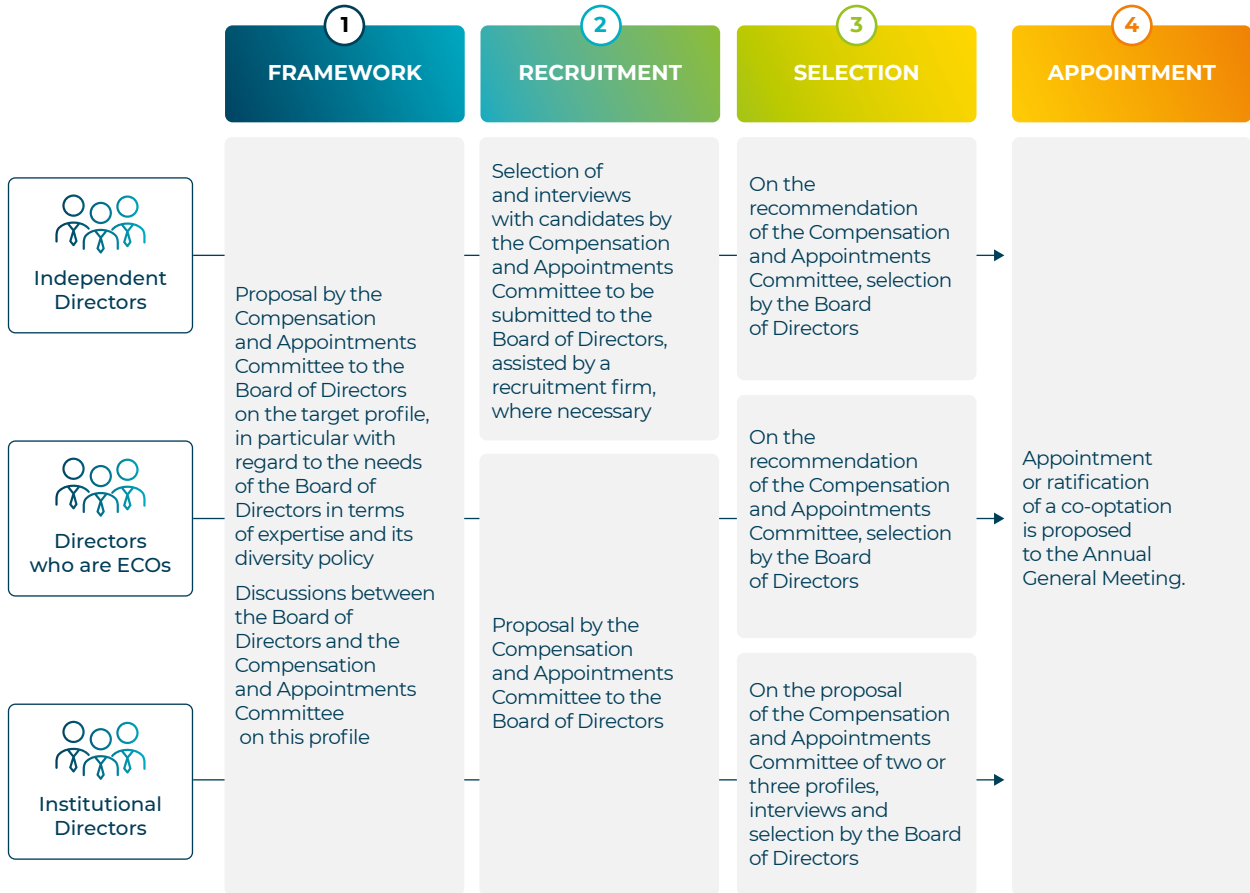
(d) In accordance with Article 10.3 of the Afep-Medef Code, Employee Directors are not included in the calculation of the percentage of the Board of Directors' independence rate.

It is also specified that Anne Lalou, Philippe Lévêque and Catherine Soubie, Independent Directors, chair respectively the Compensation and Appointments Committee, the Ethics, Quality and CSR Committee and the Audit Committee.

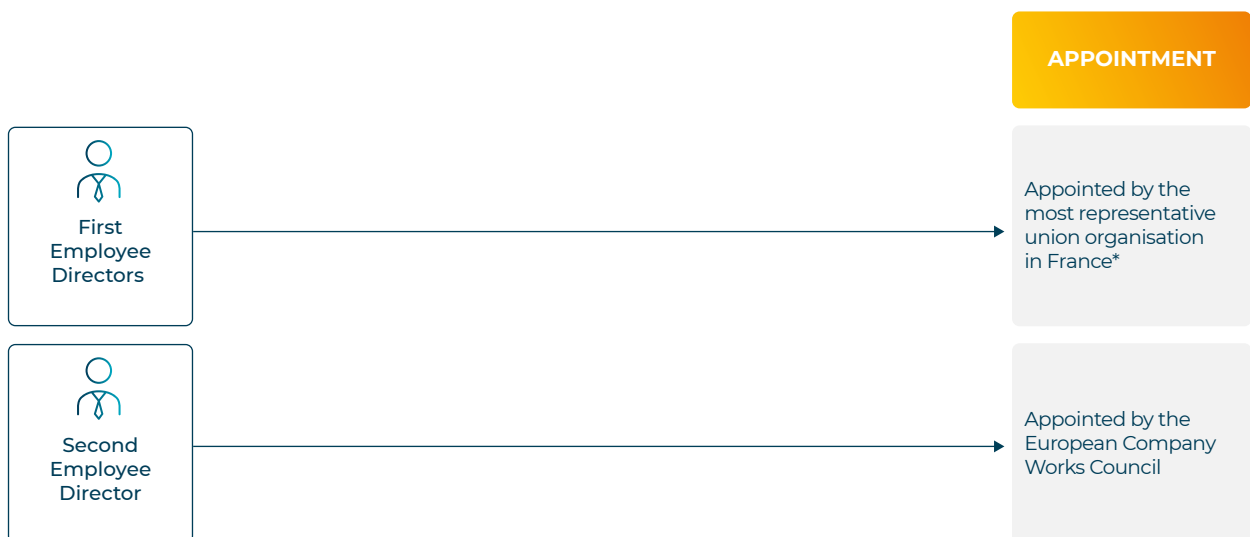
#### 4.1.3.1.4 Appointment and onboarding process

##### PROCESS FOR APPOINTING A NEW DIRECTOR

There are four categories of Director on Clariane's Board of Directors: Independent Directors, executive corporate officers, Institutional Directors and Employee Directors, and a specific appointment process for each category



##### PROCESS FOR APPOINTING 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

Following a four-stage onboarding process, new Directors:

- (i) receive from the Board Secretary all the documents they need to assume their duties (Company's Articles of Association, Internal Regulations, Universal Registration Document, half-year financial report, stock market and ethics charters, minutes of Board of Directors meetings and Committee meetings of which they are members, Company press releases for the current year, risk map, Group organisation chart, Group ESG commitments, etc.) as part of a presentation of the functioning of the Board of Directors and its Committees;
- (ii) meet with the Group's key executives and notably with the members of the Group Management Board;
- (iii) visit sites in the countries in which the Group operates and attend a presentation on the business lines; and
- (iv) receive dedicated training on the key points monitored by the committees of which they are members.

If they deem it necessary, each new Director may undertake additional training covering the Company's specific characteristics, its business lines and its activities.

Throughout their term of office, each Director can also take training courses to develop specific skills.

Following her appointment to the Compensation and Appointments Committee on 8 December 2022, Marie-Christine Leroux received specific training on the operation of the Compensation and Appointments Committee in 2023. This training enabled her to gain a greater insight into the membership of the committee, the various components of executive compensation, and the expectations of shareholders, investors and regulators on these matters.

### 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 stipulate that the term of office of the Company's Directors is three years. In addition, the terms of office are staggered, with one-third of the Directors being reappointed each year. Furthermore, the Employee Directors also have three-year terms. Terms of office expire at the close of the General Meeting called to approve the financial statements and held during the year in which they expire.

The table below shows the duration of each Director's term of office:

Directors whose term of office expires after the General Meeting called to approve the 2023 financial statements	Directors whose term of office expires after the General Meeting called to approve the 2024 financial statements	Directors whose term of office expires after the General Meeting called to approve the 2025 financial statements
Predica represented by Florence Barjou	Jean-Pierre Duprieu (Chairman of the Board of Directors)	Sophie Boissard
Holding Malakoff Humanis represented by Anne Ramon	Dr Jean-François Brin (Independent Director)	Matthieu Lance <sup>(3)</sup>
Catherine Soubie (Independent Director)	Anne Lalou (Independent Director)	Guillaume Bouhours (Independent Director)
	Philippe Lévêque (Independent Director)	Dr Markus Müschenich (Independent Director)
	Marie-Christine Leroux (Employee Director) <sup>(1)</sup>	
	Gilberto Nieddu (Employee Director) <sup>(2)</sup>	

(1) In accordance with the procedures described under "Employee representation" in section 4.1.3.1.1 of this Universal Registration Document, Marie-Christine Leroux was appointed by the most representative union, within the meaning of the applicable laws.

(2) Gilberto Nieddu, in accordance with the procedures described in "Employee representation" in section 4.1.3.1.1 of this Universal Registration Document, was appointed by the European Works Council.

(3) Matthieu Lance was co-opted by the Board of Directors on 19 January 2024 to replace Philippe Dumont, who resigned. The General Meeting of 26 March 2024 ratified his appointment as a Director.

## FOCUS: CHANGE IN THE MEMBERSHIP OF THE BOARD OF DIRECTORS PROPOSED TO THE 2024 GENERAL MEETING

### Proposed reappointments of Directors

Insofar as Catherine Soubie has indicated that she is not seeking reappointment, as she would cease to be an Independent Director during her next term of office, having served on the Board for 12 years in March 2026, the Board of Directors has decided, acting on the recommendation of the Compensation and Appointments Committee, to propose to the 2024 General Meeting the reappointment of the following directors:

- Predica;
- Holding Malakoff Humanis,

for a three-year term expiring at the close of the General Meeting called to approve the financial statements for the year ending 31 December 2026.

### Proposed appointment of new Independent Directors

The Board of Directors also decided, acting on the recommendation of the Compensation and Appointments Committee, to propose to the 2024 General Meeting the appointment of the following Independent Directors:

- Sylvia Métayer;
- Patricia Damerval,

for a three-year term expiring at the close of the General Meeting called to approve the financial statements for the year ending 31 December 2026.

At the close of the 2024 General Meeting, and subject to approval by this Meeting of the appointments and reappointments of the Directors proposed by the Board of Directors, the Board of Directors would comprise 50% women and 67% Independent Directors.

## 4.1.3.2 Organisation, operations and activities of the Board of Directors

### 4.1.3.2.1 Duties and powers of the Board of Directors

#### Role of the Board of Directors

The Board of Directors determines the Company's business strategy and ensures that it is carried out in accordance with the Company's interests. In doing so, the Board takes into consideration the social and environmental issues associated with the Company's business activity. Subject to the powers expressly granted to shareholders' General Meetings and within the limits of the corporate purpose, the Board studies all matters relating to the proper operation of the Company and through its decisions resolves issues concerning it. As such, the Board performs all checks it deems appropriate, at any time of the year. The Board may request from General Management any documents that it considers useful in the performance of its duties. The Board of Directors reviews the Group's financial press releases and presentations made to the French Society of Financial Analysts (*Société française des analystes financiers – SFAF*).

In addition, the members of the Board of Directors are informed of changes in the markets, the competitive environment and the main challenges facing the Company and the Group, particularly in the areas of ethics, quality and CSR. They are also informed of the Company's financial position, cash position and commitments.

The Board of Directors is responsible for the quality of the information provided to shareholders and to the market. Guided by the strategy it has set, the Board regularly reviews the Group's financial, legal, operational, social and environmental opportunities and risks, and the steps taken as a consequence. Where appropriate, the Board ensures

that a system is in place to prevent and detect corruption and influence peddling and that a non-discrimination and diversity policy is applied by the management bodies.

The financial delegations and authorisations granted to the Board of Directors, following the deliberations of the 2022, 2023 and 26 March 2024 General Meetings, are described in section 7.2.3.1 of this Universal Registration Document.

#### Active shareholder dialogue

Over the last few years, the Group has been engaged in proactive dialogue with its shareholders, with a view to continually improving its governance practices and its CSR commitments.

In accordance with Article 1.6 of the Internal Regulations, Jean-Pierre Duprieu, in his capacity as Board Chairman, works closely with Sophie Boissard in her capacity as Chief Executive Officer, to promote dialogue with shareholders on corporate governance issues, on which he then reports to the Board of Directors.

The financial community was invited to attend governance roadshows with the Chairman of the Board of Directors, the Investor Relations team and the General Secretary.

These valuable and instructive discussions provide the Board of Directors and General Management with valuable input on a number of topics and allow them to ensure that shareholders receive all relevant information on the Company in line with their expectations.

Meetings between the Company's management, major investors and proxy advisors also help to promote transparency and debate. During these exchanges, the expectations and positions of investors and proxy advisors are discussed with a view to preparing Annual General Meetings.

### Internal rules governing operations requiring authorisation by the Board of Directors

Article 11.3 of the Company's Articles of Association and Article 1.4.2 of the Internal Regulations list the matters that must be submitted for authorisation by the Board of Directors:

- (a) approval of the Company's strategic business plan and subsequent amendments;
- (b) approval of the annual budget;
- (c) disposal by the Group of real estate properties with a value exceeding €15 million;
- (d) the total or partial sale by the Group of equity interests with a value exceeding €15 million;
- (e) entering into loans for the Group with a value exceeding €50 million;
- (f) the acquisition of assets (including companies or equity interests) with an enterprise value exceeding €15 million by the Group;
- (g) any investment by the Group outside the Group's pre-existing activities/business lines (considered at a local level) or in a new country;
- (h) entry into strategic partnerships (including the acquisition of non-controlling interests) that may have a structural impact on the Group;
- (i) entering into any agreement or settlement concerning a dispute involving the Group for an amount exceeding €5 million.

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 except (i) where the transaction is carried out by Clariane SE and/or (ii) where the transaction has a material impact on the Group;
- g), h) and i) above do not require the Board of Directors' authorisation where they are carried out between Group companies, except in the case where they have a material impact on the Group as a whole.

The Board of Directors also expresses its opinion on:

- sureties, endorsements and guarantees given by the Company, under the conditions provided for by Article L. 225-35 paragraph 4 of the French Commercial Code; and
- agreements within the scope of Article L. 225-38 *et seq.* of the French Commercial Code.

#### 4.1.3.2.2 Internal Regulations of the Board of Directors

The Internal Regulations both describe the operation of the Board of Directors and set out the rules of conduct its members are required to follow. The aim is to ensure a high level of transparency and good corporate governance, enabling the Board to perform its supervisory duties effectively and in accordance with generally accepted market practices. In particular, the Internal Regulations set out:

- the Directors' duties and the business ethics principles they are required to follow, especially with regard to preventing conflicts of interest, holding Company securities, fair practices, due diligence, confidentiality and information;

- the frequency of meetings and practical aspects thereof (the use of telecommunications and video conferencing 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, most recently on 28 February 2024 to give the Audit Committee responsibility for monitoring the process for preparing sustainability information and the process used to determine what information should be disclosed pursuant to the transposition of the Corporate Sustainability Reporting Directive (CSRD) into French law in December 2023.

In accordance with the recommendations of the Afep-Medef Code, the Internal Regulations are freely available for download from the Company's website ([www.clariane.com](http://www.clariane.com)).

#### 4.1.3.2.3 Operation of the Board of Directors

The Board of Directors meets as often as necessary, and at least once per quarter. Directors are invited to attend these meetings by any means.

The meetings of the Board of Directors are held at the registered office or at any other location specified in the convening notice. The meetings are chaired by the Chairman of the Board of Directors.

To facilitate Board of Directors meetings and improve their efficiency, the Internal Regulations also stipulate that Board meetings may, under certain conditions, be held using means of telecommunications or video conference. This allows one or more members who cannot travel to participate (with the exception of meetings devoted to the decisions for which the French Commercial Code prohibits the use of these techniques).

In accordance with Article L. 225-37 of the French Commercial Code, the Company's Articles of Association provide for the possibility for the Board of Directors to take certain decisions by written consultation.

The Board of Directors may meet subject to 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 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.

Executive sessions were held on 3 March 2023 and on 22 March 2024.

### 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 2023, the strategic seminar enabled the Directors to focus on healthcare activities in France. The Directors met at the Inicea Clinic in Le Perreux-sur-Marne. Following discussions with the clinic's managers about their experiences as healthcare professionals and a visit of the clinic's facilities, the Directors met with the Chief Executive Officer of Clariane France to discuss the strategy initiated in 2016, for transforming and repositioning the Group's healthcare activities. The Directors were also able to meet with the team in charge of the clinic's catering over a lunch prepared on site.

In October 2023, the Directors met at the Company's head office in Paris for a seminar focused on strategy. This seminar provided an opportunity to discuss the At Your Side corporate project and to review the refinancing in the light of the debt maturities in the coming years. The Directors were also able to talk to the German management teams about the challenges facing the country.

Strategy seminars strengthen the relationship between the Directors and the operational divisions, thereby improving the Group's governance, and provide a practical understanding of the specific issues faced by the various facilities and countries.

#### Discussions between the Board of Directors, the Group Management Board and top management

As part of the work of the Board of Directors and its Committees, its members liaise with the members of the Group Management Board and the key members of top management with expertise on the issues examined. These experts also attend meetings of the Board of Directors and/or its Committees in order to present the relevant topics, alongside the Chief Executive Officer, and provide any useful clarifications to the members of the Board of Directors and the Committees. The Chair of each Committee of the Board of Directors prepares for the

Committee meeting in advance with the relevant members of the Group Management Board, who are also invited to attend the committee meeting in question.

The Chief Executive Officer's presence on the Board of Directors ensures that the Board has 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 such as site visits and Board of Directors' strategic seminars.

#### 4.1.3.2.4 Attendance rate and main work of the Board of Directors

During 2023, the Board of Directors met 13 times with an overall attendance rate of 96%, which is very high considering that a number of extraordinary meetings were convened at short notice.

Directors	Attendance rate at Board of Directors meetings
Jean-Pierre Duprieu (Chairman)	100%
Sophie Boissard	100%
Predica (represented by Florence Barjou)	100%
Philippe Dumont	85%
Holding Malakoff Humanis (represented by Anne Ramon)	92%
Guillaume Bouhours	85%
Dr Jean-François Brin	92%
Anne Lalou	100%
Philippe Lévêque	100%
Dr Markus Müschenich	100%
Catherine Soubie	100%
Marie-Christine Leroux	100%
Gilberto Nieddu	100%

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 2022, adding topics of interest to the Board of Directors and its specialised Committees as dictated by changes in activity and current events. The diagram hereafter summarises the main areas of work of the Board of Directors and its specialised 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 improves communication between them.

In addition, Jean-Pierre Duprieu, Chairman of the Board of Directors, attends all specialised Committees, ensuring a steady flow of information.

The specialised Committees report on their work to the Board of Directors, submit proposals to the Board and prepare its meetings. The quality of the work and recommendations of the specialised Committee meetings has helped to inform and streamline the decisions of the Board of Directors.



MAIN WORK OF THE BOARD OF DIRECTORS AND ITS COMMITTEES\*

BOARD OF DIRECTORS

<ul style="list-style-type: none"> <li>• Financial 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>• Investments</li> </ul>	<ul style="list-style-type: none"> <li>• Strategy</li> <li>• Ethics</li> <li>• Quality</li> <li>• ESG strategy and indicators</li> <li>• Public health situation</li> <li>• Annual General Meeting: notice of meeting and approval of the agenda, draft resolutions and reports of the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>• Work with a view to adopting purpose-driven company status (proposing a corporate purpose, along with ESG commitments; appointment of the members of the Mission Committee)</li> <li>• Proposal for the appointment of a new Independent Director</li> <li>• Extension of the term of the syndicated facility</li> <li>• Sustainability-linked Euro PP financing</li> </ul>	<ul style="list-style-type: none"> <li>• Definition of the plan to strengthen the financial structure</li> <li>• Planned real estate partnerships included in the plan to strengthen the financial structure</li> <li>• Real-estate bridge loan</li> <li>• Monitoring of the disposal plan as part of the plan to strengthen the financial structure</li> <li>• Prior approval of regulated related-party agreements</li> </ul>
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AUDIT COMMITTEE

Financial results

- Review of and closing procedures for the 2022 annual and consolidated financial statements and management report
- Appropriation of profit and setting of the dividend
- Closing procedures for the 2023 half-year financial statements and half-year financial report
- Approval of interim management documents
- Opinions and reports of the Statutory Auditors
- Financial communications (SFAF and press releases)

Risk management, internal control and internal audit

- Review and monitoring of internal audit and internal control
- Update of the risk map
- Cybersecurity
- Review of pricing and other regulatory changes

Audits and relations with external auditors

- Annual review of new and ongoing related-party agreements
- Review of ordinary agreements and commitments entered into on arm's length terms
- Approval of non-audit services

Financial management

- Approval of the annual budget
- Review of security interests granted by Clariane SE in 2022
- Authorisation of guarantees, pledges and securities
- Financing, debt and liquidity strategy and monitoring of the market situation
- Forecasts
- 2023 schedule of closed periods
- 2023/2024 financial communications schedule

- Monitoring of the market situation and of financing
- Extension of the term of the syndicated facility
- Sustainability-linked Euro PP financing
- Planned real estate partnerships, including with regard to the plan to strengthen the financial structure
- Review of related-party agreements

- Recurring topics
- One-off topics

\* Non-exhaustive list

COMPENSATION AND APPOINTMENTS COMMITTEE

Governance

- Annual assessment of the functioning of the Board of Directors
- Corporate governance report
- Succession plan for executive corporate officers
- Independence of Directors
- Monitoring of the process to assess the materiality of Independent Directors' relationships with the Company
- Assessment of diversity and the diversity policy of the Board of Directors and management bodies
- Summary presentation of governance roadshows

Appointments

- Human resources policies
- Review of the talent and high-potential management policy
- Review of the succession plan for key functions
- Review of the terms of office of Directors expiring at the 2023 General Meeting and drafting of proposed reappointments
- Review of the Board's skills matrix
- Proposed appointment of a new Independent Director
- Review of the membership of the Board of Directors' committees

Compensation

- Approval of the compensation of executive corporate officers
- Approval of the compensation of Directors
- Information on the compensation of the Group's key executives and employees
- Implementation and monitoring of free share plans

- Compensation of the members of the Mission Committee
- Transposition of the CSRD and impact on the role and membership of the Board committees

INTERACTIONS BETWEEN COMMITTEES

- Audit Committee
- Compensation and Appointments Committee
- Investment Committee
- Ethics, Quality and CSR Committee

INVESTMENT COMMITTEE

Investment

- Monitoring of disposals, acquisitions and real estate investments
- Monitoring of and follow-up on the integration of acquisitions
- Monitoring of the CapEx plan

Strategy

- Review of the Group's strategic development outlook
- Review of the portfolio management strategy

- Monitoring of the integration of Grupo 5
- Monitoring of the disposal plan forming part of the plan to strengthen the financial structure

ETHICS, QUALITY AND CSR COMMITTEE

Ethics

- Monitoring of ethics alerts and processes implemented
- Monitoring of the ethics and compliance plan at Group level

Quality

- Monitoring of Group key performance indicators and SAEs
- Results of the annual family satisfaction survey in 2023
- Monitoring of 360° quality audits performed in 2022 and 2023
- Monitoring of the roll-out of ISO 9001 certification for the Group's facilities
- Monitoring of complaints from family and friends
- Monitoring of internal and external controls and action plans

CSR

- Review of CSR key performance indicators
- Monitoring of the 2019-2023 CSR roadmap achievements
- Approval of the 2024-2028 CSR roadmap
- Monitoring of the carbon roadmap and the climate plan

Public health situation

- Monitoring of the public health situation

- Monitoring of the work with a view to adopting purpose-driven company status
- Presentation of regulatory changes relating to the transposition of the CSRD and to non-financial reporting
- Monitoring the Group's brand strategy

**FOCUS: PARITY IN THE GROUP'S SENIOR EXECUTIVE POSITIONS**

Promoting diversity and gender equality is at the heart of the Group's Human Resources policies and is reflected in numerous commitments and agreements within the Group. In 2023, the Group structured its diversity policy for the management bodies around six main targets, **with a view to achieving parity in the Group's senior executive positions by 2023**. The Group:

1. created, in 2019, a "Clariane Executive Women's Club", tasked with promoting diversity in all company policies, which became the "Clariane Women's Club" in 2021; this network focuses in particular on issues of women's leadership and empowerment;
2. makes the early and systematic detection of women with potential an integral part of the duties of the Company's career committees, with the aim of increasing female representation in succession plans, in particular in relation to positions with operational responsibility;
3. ensures the presence of at least one woman among the internal or external candidates shortlisted for managerial positions;
4. routinely uses internal and external salary surveys and studies to compare the compensation paid to women and men in equivalent managerial positions;
5. proactively participates in diversity monitoring groups in the countries where the Group operates, and is actively involved in drives to encourage the promotion of women to positions with high levels of responsibility. As such, Clariane joined the Women's Empowerment Principles (WEP) programme of the United Nations in 2020. It selected three of the seven topics, namely: (i) health and safety of women in the workplace, (ii) qualifying training programmes and (iii) communicating about progress made in the area of gender equality. In this respect, the Group's European Company Works Council is regularly informed of the application of the "WEP" programme, particularly with regard to health and safety and raising awareness of violence against women;
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 Clariane Foundation in France and the Korian Foundation in Germany.

At the end of 2023, women accounted for 54% of Clariane's top management, with the objective of achieving parity by 2023 exceeded at the end of 2022.

Under the new 2024-2028 CSR roadmap, for which the indicators and targets were approved by the Board of Directors on 28 February 2024 on the recommendation of the Ethics, Quality and CSR Committee, the objective was set to have 45% women on the management committees of the Group's various countries and within the corporate departments by 2026 across all of the Group's countries.

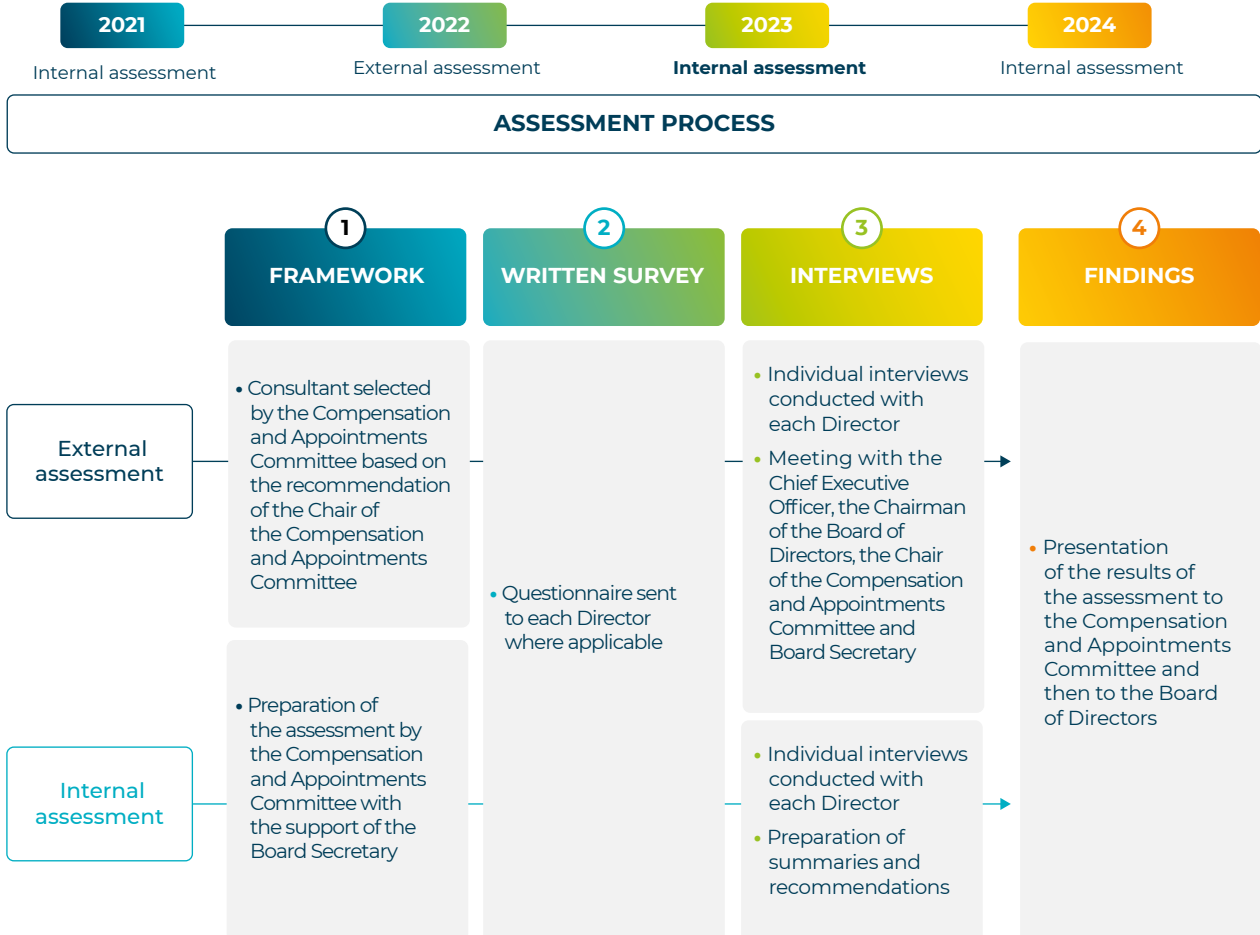
To achieve this target, all candidate lists for strategic and senior management positions must include at least one woman.

<b>Management</b>	<b>% women</b>
Group Management Board	25%
Top management	54%
Facility directors	71%

4.1.3.2.5 Assessment of the Board of Directors

Assessment of the Board of Directors

Every year, the Board of Directors assesses its operations. This assessment is carried out with the assistance of an independent consultant firm at least every three years.



For 2023, the Compensation and Appointments Committee conducted the assessment of the Board of Directors using an internal self-assessment questionnaire completed by the Directors.

This self-assessment enabled each Director to reflect on how well the Board is working and to assess his or her individual contribution to the Board's work and decisions.

The assessment carried out in 2023 focused in particular on the following points:

- operation of the Board of Directors;
- membership of the Board of Directors and expertise and skills represented;
- relations with General Management and other stakeholders;
- operation and membership of the Committees of the Board of Directors.

An executive session was organised on 22 March 2024 to present the conclusions of the self-assessment, resulting in an exchange of views and a debate between the directors. These results were also presented at the Board of Directors' meeting held on 26 March 2024 in the presence of the Chief Executive Officer.

The results of this self-assessment confirmed the conclusions of the previous assessment, in particular:

- the appropriateness of the Board's membership, its dynamics and the skills represented;
- the cohesion and efficiency of the work of the Board and its Committees at a time when access to financing markets was challenging;
- the very positive assessment of the quality of the dialogue between the Board and the Group's management, which was particularly important in those times;
- the desire to strengthen its real estate expertise with the proposed appointment of a Director with recognised experience in this field;
- regular updates at meetings of the Compensation and Appointments Committee and the Board on work relating to the succession plan for executive corporate officers and, more generally, on work relating to succession plans and the evaluation of executive officers' performance;
- the Board and its Committees' constant attention to and continuous improvement of monitoring risk factors.

The next assessment will be carried out for 2024 on the basis of an internal questionnaire, under the direction of the Compensation and Appointments Committee, with the support of the Board Secretary.

### 4.1.3.3 Committees of the Board of Directors

The Board of Directors has set up four specialised Committees: the Audit Committee, the Compensation and Appointments Committee, the Investment Committee and the Ethics, Quality and CSR Committee. The members of the Committees are, unless decided otherwise, appointed for the duration of their term of office as Director.

Given the prevailing market uncertainty, the conditions of access to financing related to the industry environment and the financial restructuring of a major industry player, combined with higher interest rates and the strategic challenges facing the Company, the Board of Directors' meeting of 27 July 2023 decided to set up a temporary Special Committee to advise it on the work undertaken by General Management. This Committee is made up exclusively of Independent Directors and is chaired by Catherine Soubie. The Special Committee met eight times between 6 September 2023 and the end of 2023.

In particular, the Special Committee closely monitored the pressure experienced by the Company following the publication of third-quarter 2023 revenue and worked to inform the Board of Directors about the options open to the Company, which led to the signing of the Memorandum of Understanding with Predica and the publication on 14 November 2023 of the plan to strengthen the financial structure. The Special Committee is monitoring the implementation of the Memorandum of Understanding signed by Clariane and Predica.

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, except where 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, conduct or commission studies on matters within their remit, to be paid for by the Company, with a view to enabling the Board of Directors to make informed decisions. In the event that the Committees commission external experts, they must ensure that the experts in question carry out such work objectively and independently. The Committee reports back on the opinions received.

The Board of Directors designates, from among its members, the members of the committees as well as their chairs, and determines, where applicable, the terms of office of the 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 one other member. Committee decisions require a majority vote of the members present or represented.

The membership of the Committees complies with applicable laws and the recommendations of the Afep-Medef Code.

## CHANGES IN THE MEMBERSHIP OF THE COMMITTEES IN 2023 AND IN EARLY 2024

### Changes between 1 January 2023 and 31 December 2023

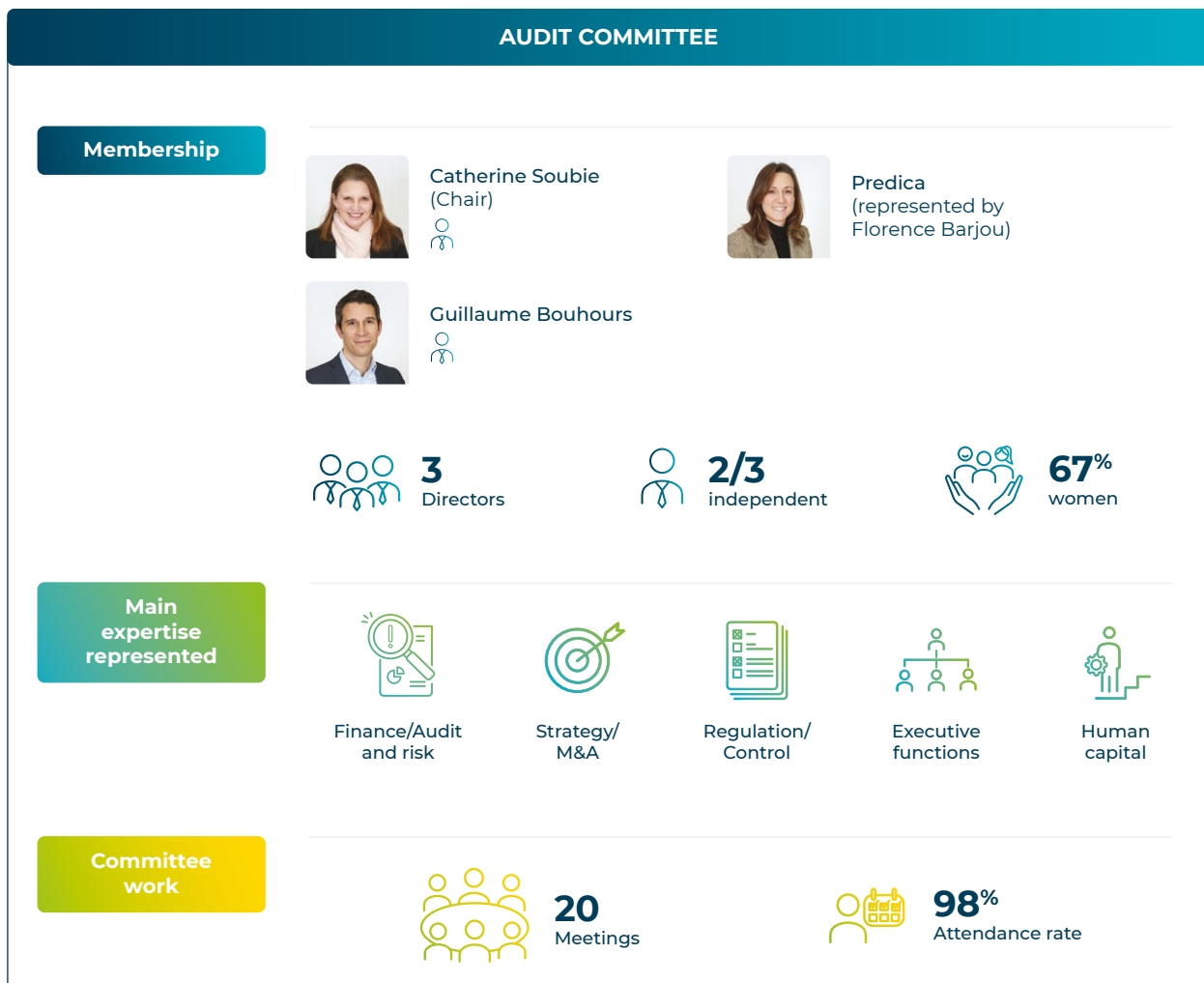
	Term expires	Appointments	Reappointments
Audit Committee	-	-	-
Compensation and Appointments Committee	-	-	-
Investment Committee	-	-	-
Ethics, Quality and CSR Committee	-	-	-
Special Committee	-	Catherine Soubie (Chair) Jean-Pierre Duprieu Guillaume Bouhours Dr Jean-François Brin Anne Lalou	-

### Changes between 1 January 2024 and the date of publication of this Universal Registration Document

	Term expires	Appointments	Reappointments
Audit Committee	-	-	-
Compensation and Appointments Committee	Philippe Dumont <sup>(1)</sup>	Guillaume Bouhours Matthieu Lance	-
Investment Committee	-	-	-
Ethics, Quality and CSR Committee	-	-	-
Special Committee	-	-	-

(1) Director whose term of office expired on 19 January 2024.

## 4.1.3.3.1 Audit Committee

**Attendance of the members of the Audit Committee in 2023**

During 2023, the Audit Committee met twenty times with an overall attendance rate of 98%, which is very high considering that a number of extraordinary meetings were convened at short notice.

**Members of the Audit Committee**

Catherine Soubie (Chair) (Independent Director)  
 Predica (represented by Florence Barjou)  
 Guillaume Bouhours (Independent Director)

**Attendance rate at Audit Committee meetings**

100%  
 95%  
 100%

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 comprises 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 or present positions, the members of the Audit Committee have financial or accounting expertise enabling them to carry out their duties. In this respect, the Company complies with the provisions of Article L. 821-67

of the French Commercial Code, the recommendations of Article 17.1 of the Afep-Medef Code and Article 4.1 of the Internal Regulations.

In addition, the Group Chief Financial Officer, Deputy Chief Financial Officer, Audit and Internal Control Director, Management Control Director and General Secretary participate in Committee meetings depending on the topics on the agenda. The Statutory Auditors are invited and participate in numerous Committee meetings.

The Chairman of the Board of Directors and the Chief Executive Officer attend all meetings of the Committee but are not members.

### Duties and powers of the Audit Committee

The Audit Committee's duties include, in particular:

- reviewing the accounting methods and the valuation of assets of the Group and ensuring the proper implementation of procedures to monitor the preparation of financial reporting;
- monitoring the process for preparing sustainability information and the process used to determine the information to be disclosed pursuant to the sustainability reporting standards adopted under Article 29b of Directive 2013/34;
- 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;
- reviewing the sustainability information disclosed in the management report before it is presented to the Board;
- ensuring the implementation of the rotation rules of the audit firms and of the main signatories pursuant to the law, in particular by overseeing the selection procedure of the Statutory Auditors of the Company and by submitting the outcome of this selection process to the Board of Directors. The Audit Committee also makes a recommendation to the Board on the Statutory Auditors or independent third-party organisation responsible for preparing a report on the certification of sustainability information;
- monitoring the performance of the statutory audit and the sustainability information certification engagement, and taking account of the findings and conclusions of the French audit regulator (H2A);
- reviewing regulated related-party agreements falling 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 financial and sustainability disclosures to shareholders and the market;
- monitoring the effectiveness of the internal control and risk management systems as regards the preparation and processing of financial and accounting information relating to sustainability disclosures;
- examining the risks, risk levels and procedures for prevention as well as reviewing off-balance sheet commitments;
- examining the organisation and implementation of the compliance system, in particular with regard to the prevention of corruption; and
- reviewing any agreement or settlement concerning a dispute involving the Group for an amount exceeding €5 million.

The Audit Committee's review of the financial statements is accompanied by a presentation by the Company's Statutory Auditors on the key audit findings (in particular, audit adjustments and material internal control weaknesses identified during the course of the work as regards procedures used to prepare and process financial and accounting information) and on the accounting options

adopted. To assist in the review of the financial statements, the Chief Financial Officer also gives a presentation describing the Company's risk exposure and significant off-balance sheet commitments.

The Audit Committee's review of sustainability information is accompanied by a presentation by the Statutory Auditors or by the independent third-party organisation on the key findings of their engagement (including, where appropriate, any changes they feel should be made to the sustainability report, making any useful observations on the measurement methods used in this respect).

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 weaknesses 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. 821-63 of the French Commercial Code.

The Audit Committee regularly meets with the Statutory Auditors and, where appropriate, the independent third-party organisation responsible for certifying sustainability information (if different from the Statutory Auditors), including without executives being present, particularly at meetings discussing the review of the process for preparing financial and sustainability information and the review of the financial statements, in order to report to the Board on the performance of the Statutory Auditors' engagement and the findings 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 and/or independent third party;
- their auditing procedure; and
- any difficulties they encountered in their task.

The Audit Committee must also meet with the heads of finance, accounting and treasury, the heads of internal audit and risk management and the heads of CSR, where appropriate without General Management being present.

The Audit Committee reports regularly to the Board on the performance of its duties. It also reports on the findings of the statutory audit and sustainability information certification engagements, and on the way in which these engagements have contributed to the reliability of financial and sustainability information. The Committee reports on the role it played in this process and promptly informs the Board of any difficulties encountered.

The Audit Committee ensures that the Statutory Auditors and, where applicable, the independent third-party organisation, comply with the rules on independence when performing their statutory audit and certification engagements, in particular by examining the risks to which the Company is exposed and the measures taken to mitigate these risks, by approving non-audit services performed by the Statutory Auditors or services to certify the Company's sustainability information within the context defined by the H2A, and by ensuring that the fees paid by the Company and its Group or the proportion of revenue they represent for the firms and networks concerned are not likely to compromise the independence of the Statutory Auditors.

In addition, once a year, the Audit Committee reviews the auditing procedures based on a risk map, the audit plan and the resources and budget of the Internal Audit Department.



The Audit Committee is also regularly informed by the Group Audit and Internal Control Director of the degree of progress and results of the annual audit plan; it receives a periodic summary of internal audit reports.

Lastly, the Audit Committee has direct access to the Group Audit and Internal Control Director and gives its opinion on the organisation of the department.

Pursuant to the transposition of the Corporate Sustainability Reporting Directive (CSRD) into French law in December 2023, the Audit Committee is responsible for monitoring the process for preparing sustainability information and the process used to determine what information should be

disclosed. Once a year, the Chair of the Ethics, Quality and CSR Committee is invited to attend a meeting of the Audit Committee, for which the agenda includes an update on sustainability information.


The Audit Committee reports on its work to the Board of Directors, provides its opinions and suggestions and brings to the Board's attention any matters that require a Board of Directors' decision.

The Audit Committee approved 15 non-audit services provided by the Statutory Auditors between December 2022 and December 2023 for a total amount of approximately €152,302.


#### 4.1.3.3.2 Compensation and Appointments Committee


COMPENSATION AND APPOINTMENTS COMMITTEE

Membership





**Anne Lalou**  
(Chair)







**Matthieu Lance**<sup>(1)</sup>







**Guillaume Bouhours**<sup>(2)</sup>






**Catherine Soubie**







**Marie-Christine Leroux**  
(Employee Director)



**5**  
Directors




**3/4**<sup>(3)</sup>  
independent




**50%**<sup>(4)</sup>  
women


Main expertise represented




Regulation/  
Control




Executive  
functions



Human  
capital




Finance/  
Audit and risk




Strategy/  
M&A

Committee work



**5**  
Meetings



**95%**  
Attendance rate

(1) Matthieu Lance was appointed member of the Compensation and Appointments Committee by decision of the Board of Directors taken on 25 January 2024.

(2) Guillaume Bouhours was appointed member of the Compensation and Appointments Committee by decision of the Board of Directors taken on 25 January 2024.

(3) Marie-Christine Leroux, Employee Director, is not included in this calculation, in accordance with Article 10.3 of the Afep-Medef Code.

(4) Marie-Christine Leroux, Employee Director, is not included in this calculation, in accordance with Article L. 225-27-1, II of the French Commercial Code.

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### Attendance of the members of the Compensation and Appointments Committee in 2023

During 2023, the Compensation and Appointments Committee met five times with an overall attendance rate of 95%.

Member of the Compensation and Appointments Committee	Attendance rate at Compensation and Appointments Committee meetings
Anne Lalou (Chair) (Independent Director)	100%
Philippe Dumont <sup>(1)</sup>	80%
Catherine Soubie (Independent Director)	100%
Marie-Christine Leroux (Employee Director)	100%

(1) Philippe Dumont resigned as a director of the Company on 19 January 2024.

Chaired by an Independent Director, the membership of the Compensation and Appointments Committee does not include any executive corporate officers. Three-quarters of the members are Independent Directors and one is an Employee Director. In this respect, the Company complies with the recommendations of the Afep-Medef Code and Article 3.1 of the Internal Regulations. In accordance with Articles 18.3 and 19.2 of the Afep-Medef Code, the Chief Executive Officer participates in the work of the Compensation and Appointments Committee, in particular on matters affecting key managers who are not corporate officers, except where its work concerns her personally.

The Chairman of the Board of Directors also participates in the Committee's work, particularly on matters relating to appointments and governance, except where its work concerns him personally.

The Group Chief Human Resources Officer and the Group General Secretary also attend all Committee meetings.

#### Duties and powers of the Compensation and Appointments Committee

The Compensation and Appointments Committee's duties include:

- issuing proposals for candidates for appointment as Directors and organising a procedure to select future Directors, as well as carrying out its own research into potential candidates before approaching them;
- proposing the candidacies of Committee members and Chairs;
- issuing an opinion on proposals for the appointment of the Chief Executive Officer and, where applicable, Deputy Chief Executive Officers;
- issuing an opinion on proposals for the appointment of Mission Committee members and Chair;
- issuing proposals on the reappointment of Directors;
- making proposals to the Board of Directors on the compensation of corporate officers, including the Chief Executive Officer, and, where applicable, the Deputy Chief Executive Officers;

- making proposals to the Board of Directors regarding stock options and programmes awarding free shares or other benefit plans for the Group's employees and/or corporate officers and the plan rules proposed by the Chief Executive Officer;
- issuing an opinion on the budget for and distribution of Directors' annual compensation;
- deliberating and making recommendations on corporate governance, changes to the duties of the Board of Directors and its Committees and any changes to be made to the Company's Articles of Association and/or the Internal Regulations;
- reviewing the corporate governance report; and
- staying informed of human resources policies as well as succession plans for key functions.

In addition, it periodically assesses the operation of the Board of Directors and is responsible for making proposals to the Board of Directors after reviewing in detail all the items that it must take into account in its deliberations: it seeks in particular an appropriate balance in the membership of the Board of Directors given the composition and changes in the Company's ownership structure, the gender balance on the Board of Directors, the search for and evaluation of potential candidates in terms of nationality, international experience and expertise.

Under the direction of the Compensation and Appointments Committee, the Board conducts an annual assessment of its membership, operating procedures and organisation and those of its Committees, which is then discussed at a Board meeting. Once every three years, this assessment is conducted with the assistance of an independent consultant.

Each year, the Committee reviews the situation of each Director on a case-by-case basis in relation to the independence criteria of the Afep-Medef Code.

The Compensation and Appointments Committee is required to prepare a succession plan for executive corporate officers.

Lastly, the Committee is informed by the Chief Executive Officer of the compensation policy for managers reporting directly to her.

4.1.3.3 Investment Committee

INVESTMENT COMMITTEE

Membership



Predica (Chair)  
(represented by  
Florence Barjou)



Jean-Pierre Duprieu



Holding Malakoff Humanis  
(represented by  
Anne Ramon)



Dr Jean-François Brin



**4**  
Directors



**1/2**  
independent



**50%**  
women

Main expertise represented



Strategy/M&A



Healthcare industry



Real estate



International experience



CSR

Committee work



**6**  
Meetings



**92%**  
Attendance rate

**Attendance of the members of the Investment Committee in 2023**

During 2023, the Investment Committee met six times with an overall attendance rate of 92%.

Members of the Investment Committee	Attendance rate at Investment Committee meetings
Predica (Chair) (represented by Florence Barjou)	100%
Jean-Pierre Duprieu (Independent Director)	100%
Holding Malakoff Humanis (represented by Anne Ramon)	83%
Dr Jean-François Brin (Independent Director)	83%

**Duties and powers of the Investment Committee**

The Investment Committee's duties include, in particular, the review of:

- acquisition and disposal transactions referred to in Article 11.3 of the Company's Articles of Association and Article 1.4.2 of the Internal Regulations;
- any investment by the Group outside the Group's pre-existing activities/business lines (considered at a local level) or in a new country;
- entry into strategic partnerships (including the acquisition of non-controlling interests) that may have a structural impact on the Group; and
- the monitoring of the disposal plan launched by the Company on 14 November 2023.

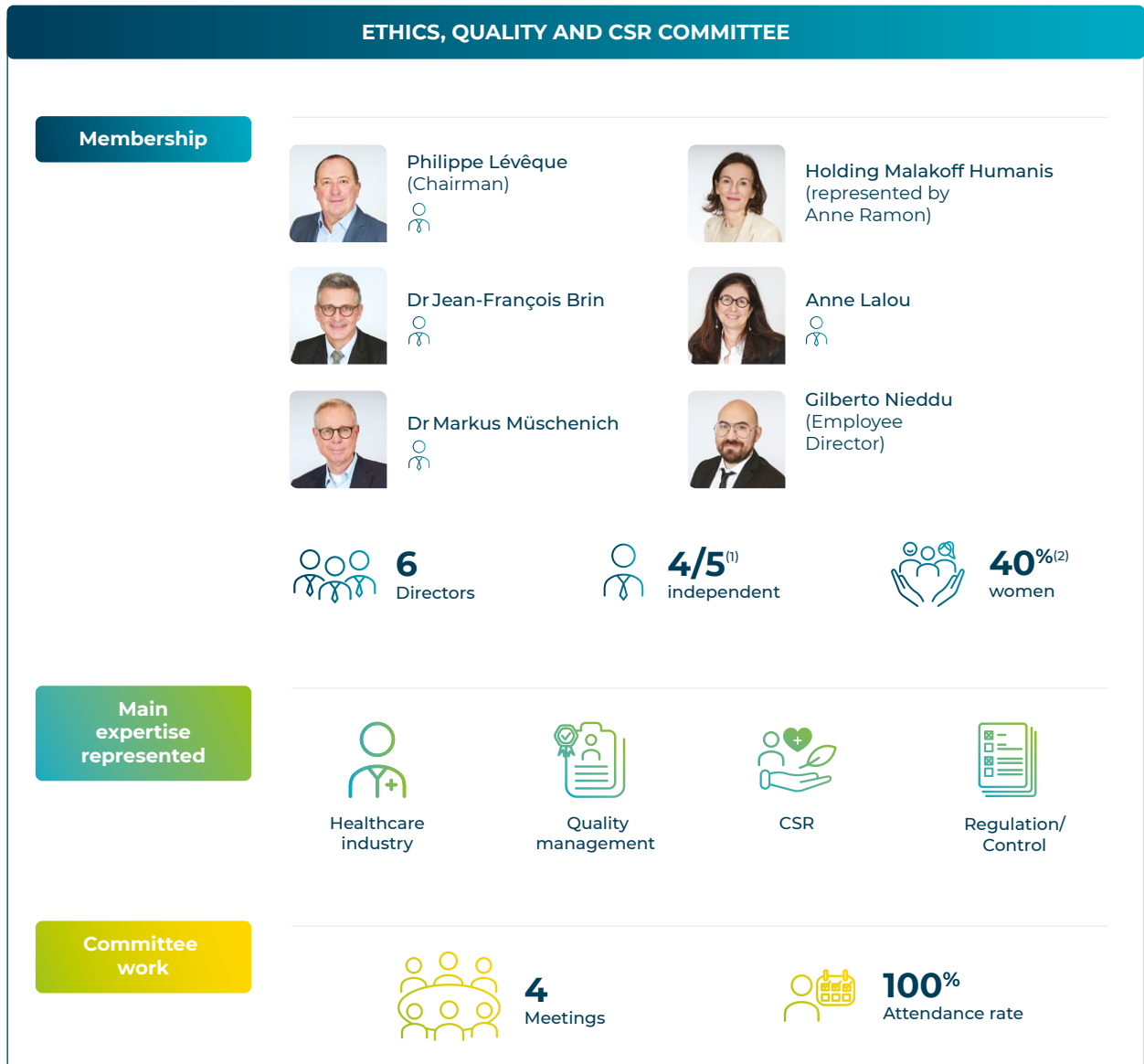
By way of exception, the transactions referred to above do not require the Board of Directors' authorisation where they are carried out between Group companies.

The Chief Executive Officer attends all meetings of the Committee. The chief executive officers at country level, the Group Chief Real Estate and Development Officer, the Group Chief Financial Officer, the Group Executive Vice President Development and New Countries, and the Chief M&A and International Business Development Officer may be called to attend the Investment Committee's meetings.

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## 4.1.3.3.4 Ethics, Quality and CSR Committee



(1) Gilberto Nieddu, Employee Director, is not included in this calculation, in accordance with Article 10.3 of the Afep-Medef Code.

(2) Gilberto Nieddu, Employee Director, is not included in this calculation, in accordance with Article L. 225-27-1, II of the French Commercial Code.

**Attendance of the members of the Ethics, Quality and CSR Committee in 2023**

During 2023, the Ethics, Quality and CSR Committee met nine times with an overall attendance rate of 100%.

<b>Members at meetings of the Ethics, Quality and CSR Committee</b>	<b>Attendance rate at Ethics, Quality and CSR Committee meetings</b>
Philippe Lévêque (Chairman)	100%
Holding Malakoff Humanis (represented by Anne Ramon)	100%
Dr Jean-François Brin (Independent Director)	100%
Anne Lalou (Independent Director)	100%
Dr Markus Müschenich (Independent Director)	100%
Gilberto Nieddu (Employee Director)	100%

### Duties and powers of the Ethics, Quality and CSR Committee

The Ethics, Quality and CSR Committee's duties include, in particular:

- approving and monitoring the implementation of the Group's ethics and quality approach;
- evaluating crisis management and communication procedures and the follow-up of the treatment of reported serious adverse events;
- approving the compliance risk map directly related to the Group's business, as consolidated by Internal Audit, as well as the quality approach within Group subsidiaries;
- submitting proposals to the Board of Directors on the improvement or implementation of specific additional quality control procedures for care;

- examining the conclusions of the quality reviews conducted at the level of the subsidiaries in order to evaluate the level of control of the Group's quality procedures;
- reviewing, at least annually, the CSR actions carried out and the corresponding outcomes; and
- preparing the work of the Board of Directors on the ESG strategy.

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 Engagement, Brand and Quality Officer, the Group Chief Human Resources Officer, the Group Chief Medical, Ethics and Health Innovation Officer, the Group Chief Quality Officer, the CSR Director and the Group General Secretary, who is also in charge of compliance within the Group, attend meetings of the Ethics, Quality and CSR Committee.

## 4.1.4 Mission Committee

At the 2023 General Meeting, the Company's shareholders approved the adoption of the status of a purpose-driven company (*société à mission*). Based on the Group's three core values of trust, initiative and responsibility, Clariane has set itself the following corporate purpose: "Take care of each person's humanity in times of vulnerability", and has enshrined five social and environmental objectives linked to its activities in its Articles of Association: fairness, consideration, innovation, sustainability and locality.

A Mission Committee, an advisory body separate from the corporate bodies, was set up to monitor the implementation of the mission and the related operational objectives, as defined by the Board of Directors.

The members of the Mission Committee are appointed by the Board of Directors on the proposal of the Chief Executive Officer. One of these members is appointed by the European Company Works Council (within the meaning of Articles L. 225-27-1 *et seq.* of the French Commercial Code) from among its members.

The Chair of the Mission Committee is appointed by the Board of Directors on the proposal of the Chief Executive Officer from among the members of the Committee who are not employees of the Clariane Group.

The Mission Committee is structured into three Groups in order to represent Clariane's main stakeholders in a balanced manner. The first Group represents employees, the second Group represents patients and residents, families and local communities and the third Group represents qualified experts. The diversity of the nationalities of its members reflects that of the Group's main locations.

The Mission Committee's duties are to:

- assess the social and environmental commitments that Clariane has set itself;
- assess the coherence of the operational objectives with regard to the social and environmental objectives and the coherence of the key performance indicators with the operational objectives;
- monitor the trajectories, actions and outcomes of key performance indicators;
- evaluate the effectiveness of the measures taken and the actions put in place by the Group to achieve the mission.

The Mission Committee is also responsible for preparing an annual report on its monitoring of the actions taken by the Company in the context of the achievement of its social and environmental objectives. This report is then presented to the Annual General Meeting.

In addition, it may carry out any verification it deems appropriate and shall obtain from General Management any document necessary to monitor the performance of the mission.

As part of its mission, it establishes a close link with the independent third-party organisation mandated with verifying the effectiveness of the implementation of the mission's initiatives and the substance of the indicators produced. The Mission Committee meets as often as necessary, and at least three times per year.

For further information on the membership and work of the Mission Committee in 2023, readers are invited to refer to the Mission Committee report available on the Company's website.

## 4.1.5 Implementation of the recommendations of the Afep-Medef Code

In accordance with the "Comply or Explain" principle set out in section 4 of Article L. 22-10-10 of the French Commercial Code and Article 28.1 of the Afep-Medef Code, the Company deems that its practices comply with the recommendations of the Afep-Medef Code.

## 4.1.6 Information on conflicts of interest

### 4.1.6.1 Transactions carried out in 2023 on Clariane securities and/or financial instruments by senior executives and closely related persons

To the Company's knowledge, the following transactions were carried out by senior executives and closely related persons within the meaning of Article L. 621-18-2 of the French Monetary and Financial Code (*Code monétaire et financier*) during 2023:

First name, last name/ company name	Position	Type of transaction	Financial instrument	Date of transaction	Price (in euros)	Transaction volume
<b>TRANSACTIONS IN SECURITIES CARRIED OUT BY EACH OFFICER</b>						
Philippe Lévêque	Director	Acquisition	Shares	24.02.2023	7.360	3,385
	Chief Executive Officer and Director	Vesting of free performance shares				
Sophie Boissard			Shares	31.07.2023	7.19	7,774
<b>TRANSACTIONS IN SECURITIES CARRIED OUT BY CLOSELY RELATED PERSONS</b>						
None						

### 4.1.6.2 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.

Each year, the Directors complete and sign the form provided by the Board Secretary 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 Board Secretary any changes made to the information on said form during the year. The Board Secretary informs the Chairman of the Board of Directors and the Chief Executive Officer thereof.

Article 1.8.3 of the Internal Regulations stipulates that, as a general principle, each person who takes part in the Board of Directors' work, whether as a Director or as a permanent representative of a legal entity that is a Director, has an obligation to do their utmost to determine in good faith whether a conflict of interest exists, and is required to inform the Board of Directors, on being appointed and his/her term of office, as soon as they become aware thereof, of any situation liable to constitute a conflict of interest between (i) 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 (ii) the Company or any company within its Group.



A process to prevent conflicts of interest in relation to matters submitted to the Board of Directors and/or to the Committees is also in place. Upon receipt of the agenda, all members of the Board of Directors or Committee must, after doing their utmost to determine in good faith whether a conflict of interest exists, inform the Chairman of the Board of Directors or of the relevant Committee (who will immediately inform the Chairman of the Board of Directors) of any conflict of interest. If a member discloses a conflict of interest, the member concerned does not receive the corresponding presentation documents and is prohibited from attending the portion of the meeting of the Board of Directors or the Committee devoted to the review of the corresponding item(s) on the agenda.

In the event that a conflict of interest comes to light during discussions on a particular matter, the member in question shall, upon becoming aware the conflict of interest, immediately notify the Chairman of the Board of Directors or of the relevant Committee and return the documents in their possession. That member is then prohibited from participating further in the portion of the Board of Directors or Committee meeting devoted to the relevant matters.

Each year, when reviewing the financial statements, the Board considers any conflicts of interest that arose during the year on significant transactions.

Other than the regulated related-party agreements set out in the preceding section, to the Company's knowledge, as of 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 with regard 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.

#### 4.1.6.3 Agreements within the scope of Article L. 225-37-4 2° of the French Commercial Code entered into during 2023

A number of related-party agreements and commitments were entered into by Clariane and authorised by the Board of Directors in 2023 in connection with the implementation of the plan announced on 14 November 2023 to strengthen the Group's financial structure.

These agreements are governed by the regulated related-party agreements procedure, which is designed to prevent potential conflicts of interest. In accordance with applicable legislation, the Directors concerned (i.e., Predica, represented by Florence Barjou, Philippe Dumont (Director

To the Company's knowledge and as of the date of this Universal Registration Document:

- no corporate officer has accepted any restrictions on the sale of their interest in the Company's share capital, with the exception of the Chief Executive Officer, who is required to keep 25% of free shares allocated by the Company in registered form until the termination of her term of office;
- 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.

until 19 January 2024), and Matthieu Lance (Director since 19 January 2024)) did not take part in the discussions or vote on these agreements.

The shareholders approved these regulated related-party agreements at the General Meeting of 26 March 2024, it being noted that Predica did not take part in the vote on the relevant resolution dealing with agreements directly or indirectly concerning it.

A summary of these regulated related-party agreements is also available on the Company's website. For more details, please consult the table below.

Date of agreement	Type of agreement	Parties to the agreement	Terms
13 November 2023	Agreement on the plan to strengthen Clariane's financial structure	- Clariane - Predica	<p>The agreement notably provides for:</p> <ul style="list-style-type: none"> <li>the entry into exclusive negotiations with Predica, with a view to finalising, before 15 December 2023, a real estate partnership covering 19 French assets representing a gross asset value of €267.8 million, excluding transfer duties. Predica will subscribe for €140 million worth of bonds issued by the Group's real estate subsidiary holding these assets (SPV), redeemable in SPV shares, with a seven-year maturity and a fixed coupon of 10.5%;</li> <li>a commitment by the Company to actively pursue and use its best efforts to finalise negotiations with a third-party investor regarding a second real estate partnership involving 11 UK assets with a gross asset value of approximately €227 million, excluding transfer duties, with the objective of finalising these negotiations as quickly as possible and completing this partnership before 30 November 2023. In the event that no firm agreement concerning said real estate partnership is reached before 30 November 2023, Predica undertakes to take the place of the potential investor and to negotiate in good faith and as quickly as possible the legal documentation relating to this partnership for a total investment amount of approximately €90 million. Predica has undertaken to use its best efforts to complete the real estate partnership and disburse the subscription price no later than 31 December 2023. Alternatively, Predica has undertaken to consider and negotiate in good faith any real estate partnership or extension of an existing real estate partnership proposed by the Company for an equivalent amount on market terms;</li> <li>the proposed capital increase of the Company with preferential subscription rights for existing shareholders, in order to raise an amount of €300 million to strengthen its equity, the completion of which will be guaranteed by (i) Predica, which will subscribe for up to €200 million on an irreducible and reducible basis, and (ii) for the balance, by an underwriting agreement to be entered into with a syndicate of banks. The capital increase may be preceded by a reduction in the nominal value of the shares. Otherwise, the capital increase would be partially paid up in cash for an amount lower than the nominal value of the shares and, for the balance, by incorporation of premiums or reserves on the Company's balance sheet. The subscription price, which will be set by the Board of Directors, will be equal to the theoretical ex-rights price (TERP), subject to a discount in accordance with market practices;</li> <li>the implementation by the Company, from 2024 onwards, of a disposal programme of operating and real estate assets, as well as capital partnerships, for proceeds of around €1 billion, helping to improve its financial leverage and reduce its debt.</li> </ul>
28 February 2024	Amendment to the original agreement		<p>The purpose of the amendment is to reflect certain commitments made by Predica in connection with its application to the AMF for exemption from the obligation to file a takeover bid, granted on 8 February 2024 on the basis of Articles 234-8, 234-9 2° and 234-10 of the AMF's General Regulations, in the event that Predica crosses the trigger threshold for filing a mandatory takeover bid as a result of subscribing to the capital increase. The amendment sets out the following clarifications and adjustments:</p> <ul style="list-style-type: none"> <li>Predica's commitment to cap its voting rights at one-third of the voting rights of the shareholders present or represented at the General Meeting held on 26 March 2024, for the resolutions relating to the capital increase and only for these resolutions;</li> <li>Predica's commitment to subscribe to the capital increase on a reducible basis may also partly or wholly take the form of a guarantee commitment. This underwriting commitment on a reducible basis and/or guarantee may be reduced in favour of underwriting commitments and/or guarantees made by third-party shareholders or institutional investors. Predica undertakes to vote on the Company's Board of Directors in favour of any solution that would facilitate both the success of the capital increase and the reduction of Predica's underwriting commitment and/or guarantees;</li> <li>in the event that Predica acquires control of the Company following completion of the capital increase, Predica undertakes to maintain the Company's listing and not to increase its equity interest for a minimum period of 12 months (instead of the six months provided for in the initial agreement).</li> </ul>

Date of agreement	Type of agreement	Parties to the agreement	Terms
14 November 2023	Letter of commitment	- Clariane - Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Île-de-France - Crédit Lyonnais - Crédit Agricole Corporate and Investment Bank	The main financial terms and conditions of the letter of commitment are as follows: <ul style="list-style-type: none"> <li>• type of loan: real-estate bridge loan;</li> <li>• amount: €200 million;</li> <li>• maturity: 31 January 2025;</li> <li>• drawdown: in addition to the customary conditions precedent and structural conditions, the drawdown is subject to the effective completion of the two real estate partnerships mentioned above;</li> <li>• mandatory early repayment clause: in addition to the customary provisions, the bridge term loan will have to be repaid early in the event the proposed capital increase of €300 million (cash subscription amount) is abandoned, unless the Company has an alternative plan to raise equity or quasi-equity financing for a minimum amount of €300 million;</li> </ul>
15 December 2023	Agreement for the implementation of a real estate partnership involving 19 French assets representing a gross asset value of €263.6 million, excluding transfer duties	- Clariane - Predica	The agreement notably provides for: <ul style="list-style-type: none"> <li>• the implementation of a real estate partnership involving 19 French assets representing a gross asset value of €263.6 million, excluding transfer duties (the "<b>French Vehicle</b>"). Predica has subscribed to €140 million worth of bonds issued by Korian &amp; Partenaires Immobilier 12 ("<b>KPI 12</b>"), redeemable in KPI 12 preferred shares (the "<b>French ORAs</b>");</li> <li>• the French ORAs will be issued with a seven-year maturity and a fixed coupon of 10.5% per annum;</li> <li>• the main terms and conditions of the real estate partnership are as follows: <ul style="list-style-type: none"> <li>– a return of 10.5% per annum for Predica, increased by 2.5% assuming capitalisation of interest due,</li> <li>– redemption of the French ORAs in preferred shares at maturity, i.e., seven years after their issuance,</li> <li>– an additional return of 5% per annum for Predica as from the redemption of the French ORAs in preferred shares,</li> <li>– an option for the Company to redeem the French ORAs from Predica at any time during the six years and ten months following their issuance,</li> <li>– a seven-year ban on the transfer of KPI 12 securities for Predica and the Company, and a ten-year ban on pledging KPI 12 securities,</li> <li>– an option for Predica to leave the French Vehicle from the seventh year, with a priority right in favour of the Company,</li> <li>– if Clariane fails to exercise its priority right, an option for Predica to launch a process for the sale of all or part of the French Vehicle (assets or securities) from the seventh year, with the possibility of appointing a Deputy Chief Executive Officer to lead this sale and a priority transfer of the proceeds of the sale to Predica,</li> <li>– sufficient power of the Company over key decisions to continue to fully consolidate the French Vehicle in the financial statements prior to the conversion of the French ORAs,</li> <li>– default events, including in particular the opening of insolvency proceedings against the Company, leading to accelerated redemption of the French ORAs in KPI 12 preferred shares and a right for Predica to buy back KPI 12 shares or assets at a 20% discount, with the exception of the shares and assets of its development vehicles in respect of which the Company has been granted a put option;</li> </ul> </li> <li>• KPI 12 will use the amount of the French ORAs subscribed by Predica as follows: <ul style="list-style-type: none"> <li>– to repay the Company's shareholder current account within KPI 12 in the amount of €31.8 million,</li> <li>– to create a cash reserve of €25 million, which will be reduced to €10 million as options are exercised on ongoing leases,</li> <li>– to potentially invest part of KPI 12's cash in the context of a long-term loan of up to €40 million granted to the Company and the Clariane Group's cash pooling agreement, and</li> <li>– to progressively invest KPI 12's equity indirectly in a real estate partnership with Banque des Territoires up to a limit of €30.8 million.</li> </ul> </li> </ul> <p>The amendment specifies the key decisions over which the Company will be able to exercise its control in order to continue to fully consolidate the French Vehicle in its accounts prior to the conversion of the French ORAs and to ensure its accounting treatment in equity.</p>
27 December 2023	Amendment to the original agreement		

Date of agreement	Type of agreement	Parties to the agreement	Terms
27 December 2023	Agreement to implement a real estate partnership covering 11 assets and one plot of land in the United Kingdom representing a gross asset value of GBP 198 million, excluding transfer duties, at 30 June 2023	- Clariane - Predica	<p>The agreement notably provides for:</p> <ul style="list-style-type: none"> <li>the implementation of a real estate partnership involving 11 assets and one plot of land in the United Kingdom representing a gross asset value of GBP 198 million, excluding transfer duties, at 30 June 2023 (the "UK Vehicle"). Predica subscribed for €90 million worth of bonds issued by Clariane &amp; Partenaires Immobilier 5 ("CPI 5"), redeemable in CPI 5 preferred shares (the "English ORAs");</li> <li>the English ORAs were issued with a five-year maturity and a fixed coupon of 8% per annum;</li> <li>the main terms and conditions of the real estate partnership are as follows: <ul style="list-style-type: none"> <li>a return of 8% per annum for Predica, increased by 2.5% assuming capitalisation of interest due,</li> <li>redemption of the English ORAs in preferred shares at maturity, i.e., five years after their issuance,</li> <li>an additional return of 2.5% per annum for Predica as from the redemption of the English ORAs in preferred shares and a priority right in favour of Predica in the event of distribution of the proceeds from the sale of CPI 5 assets,</li> <li>an option for the Company to redeem the English ORAs from Predica at any time during the four years and ten months following their issuance,</li> <li>a five-year ban on the transfer of CPI 5 securities for Predica and the Company and a ten-year ban on pledging CPI 5 securities,</li> <li>an option for Predica to leave the UK Vehicle from the fifth year with a priority right in favour of the Company,</li> <li>if the Company fails to exercise its priority right, an option for Predica or CPI 5 to launch a process for the sale of all or part of the UK Vehicle's shares or assets from the fifth year, with the possibility of appointing a Deputy Chief Executive Officer to lead the sale,</li> <li>sufficient power of the Company over key decisions in order to continue to fully consolidate the UK Vehicle in the accounts prior to the conversion of the English ORAs and to ensure its accounting treatment in equity,</li> <li>default events, including in particular the opening of insolvency proceedings against the Company, leading to accelerated redemption of the English ORAs in CPI 5 preferred shares and a right for Predica to buy back CPI 5 securities or assets at a 20% discount;</li> </ul> </li> <li>CPI 5 will use the amount of English ORAs subscribed by Predica to repay the Company's shareholder current account within CPI 5.</li> </ul> <p>The amendment was entered into in the context of the Group's disposal of all its activities and assets in the United Kingdom and sets out the conditions under which the English ORAs will be redeemed in CPI 5 preferred shares, the terms of conversion of the preferred shares into ordinary CPI 5 shares and the distribution by CPI 5 of the proceeds in the event of the disposal of assets.</p>
28 February 2024	Amendment to the original agreement		
28 December 2023	Real estate bridge loan	- Clariane - Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Île-de-France - LCL - Crédit Agricole Corporate and Investment Bank	<p>The bridge loan notably provides for:</p> <ul style="list-style-type: none"> <li>the signature of the loan to finance and refinance the Group's real estate investments;</li> <li>amount: €200 million;</li> <li>maturity: 31 January 2025;</li> <li>mandatory early repayment clause: in addition to the customary provisions, the loan will have to be repaid early in the event the proposed capital increase of €300 million (cash subscription amount in cash) is abandoned, unless the Company has an alternative plan to raise equity or quasi-equity financing for a minimum amount of €300 million;</li> <li>collateral: the lenders were granted collateral in the form of pledges of shares in certain Company subsidiaries securing the loan.</li> </ul>

#### 4.1.6.4 Agreements within the scope of Article L. 225-37-4 2° of the French Commercial Code authorised since the end of 2023

On 28 February 2024, an amendment to the agreement was signed concerning the plan to strengthen Clariane's financial structure.

For further details, please refer to the summary table above.

#### 4.1.6.5 Agreements within the scope of Article L. 22-10-12 of the French Commercial Code

In accordance with Article L. 22-10-12 of the French Commercial Code, the Board of Directors, on the recommendation of the Audit Committee, established a procedure to regularly assess whether the agreements entered into in the ordinary course of business and on arm's length terms do indeed meet these conditions.

This procedure classifies the agreements by type (related party, entered into in the ordinary course of business and on arm's length terms, prohibited) and defines the concepts that enable them to be distinguished (indirect interest, transactions in the ordinary course of business, arm's length terms, etc.).

The Group General Secretary is notified, prior to any negotiations, of any agreements that may fall within one of these classifications. Jointly with the Finance Department, they determine the classification of the draft agreement based on the criteria and definitions set out in

the procedure and inform the Chief Executive Officer of the classification. In the event of doubt, the Statutory Auditors are asked to provide their opinion on the matter.

The Group General Secretary ensures that the agreement complies with the rules associated with its classification.

The Board of Directors is notified each year of the results of the assessments carried out as part of the procedure.

Under this procedure, the results of the review carried out in 2023 by the Group General Secretary and the Group Finance Department were presented to the Board of Directors at its meeting of 7 December 2023. The Chief Executive Officer was also informed of these results. This review confirmed that all of the agreements examined involved transactions in the ordinary course of business and were entered into on arm's length terms.

#### 4.1.6.6 Service contracts with members of the administrative and management bodies

There are no service agreements between members of the administrative and management bodies and the Company or any of its subsidiaries that grant benefits under the terms of said agreements.

## 4.2 Compensation



### MESSAGE FROM THE CHAIR OF THE COMPENSATION AND APPOINTMENTS COMMITTEE

Following a year shaped both by the Group's strong operating performance and by difficulties in access to financing, on behalf of the Committee, I want to commend the tremendous commitment shown each day by all of our teams. I would also like to thank the Chief Executive Officer, the Chairman of the Board of Directors and the management teams for their unwavering mobilisation throughout the year.

The Compensation and Appointments Committee, three-quarters of whose members are independent, met five times this year to address numerous topics within its remit.

### COMMITTEE'S WORK ON APPOINTMENTS

In view of the expiry of Catherine Soubie's term of office at the 2024 General Meeting and her decision not to seek reappointment as she would cease to be an Independent Director in March 2026, as well as the forthcoming expiry of other directors' terms of office, in particular that of Jean-Pierre Duprieu and my own, the Committee worked throughout the year on projecting the membership of the Board of Directors over the next three years. To this end, the Committee conducted research into director candidates with the assistance of a nationally renowned specialist recruitment firm, and interviewed several candidates. As a result of this research, the Committee recommended that the Board of Directors put forward Sylvia Métayer and Patricia Damerval for appointment as directors at the 2024 General Meeting. The recognised experience of Sylvia

Métayer and Patricia Damerval will strengthen the Board's skills, particularly in the areas of finance, real estate and CSR.

The Committee also paid particular attention to the stability and long-term viability of the management teams in a year rocked by various crises (inflation, access to finance). As it does every year, the Committee worked on the succession plan for the Chief Executive Officer, taking care to identify potential successors, preferably from within the Group. In the context of the implementation of the plan to strengthen the Group's financial structure, the Committee recommended that stabilising the Group's organisation once this plan has been implemented should be one of the criteria for the Chief Executive Officer's annual variable compensation for 2024.

### COMMITTEE'S WORK ON COMPENSATION

As in previous years, the Committee assessed the compensation policies for the Chief Executive Officer, the Chairman of the Board of Directors, Directors, non-executive corporate officers and all Group employees.

With regard to the variable compensation of the Chief Executive Officer for 2023, the work of assessing the achievement of the criteria was carried out in cooperation with the various committees responsible for monitoring said performance criteria (the Audit Committee for financial criteria and the Ethics, Quality and CSR Committee for non-financial criteria). The Committee noted the very high level of achievement on non-financial criteria, demonstrating the depth of the work undertaken in recent years on these subjects and the robustness of Clariane's non-financial performance. The Committee also assessed the extent to which the qualitative criteria had been met, and considered that the criterion relating to the implementation of the new governance structure as part of the adoption of purpose driven company status had been accomplished very satisfactorily through the establishment of the Mission Committee, as well as through the interaction between the Committee and the Group's various contacts, which was

necessary to enable it to gain a better understanding of the Group. However, the Committee considered that in view of the financing difficulties encountered by Clariane leading to the announcement of the plan to strengthen the Group's financial structure on 14 November 2023, the criterion relating to the ongoing implementation of the real estate strategy and the diversification of sources of financing had not been met. The Committee also noted that performance with regard to the financial leverage criterion had not been achieved and that the targets for the organic growth and EBITDA financial criteria had only been partially met. As a result of this analysis, the overall rate of achievement of the performance criteria for the Chief Executive Officer's annual variable compensation for 2023 was 82%.

Readers are reminded that the payment of variable compensation is subject to approval at the 2024 General Meeting.

With regard to the compensation policy for the Chief Executive Officer for 2024, the Committee proposed that her fixed compensation should remain unchanged compared to 2023.



With regard to annual variable compensation, it was proposed to maintain a similar structure of financial (50%), non-financial (30%) and qualitative (20%) performance criteria, in line with the Group's CSR commitments and Clariane's corporate project.

The Committee focused on the satisfaction of Clariane's three main stakeholders: employees, residents and patients and their families, and shareholders. The Committee therefore considers that the performance criteria chosen for both the short-term and long-term compensation of the Chief Executive Officer, which are set out in the compensation policy for the Group's leadership, should serve its three stakeholders and act as a means of ensuring exemplary quality of care, the execution of the plan to

strengthen the financial structure necessary for the Group's long-term future and consideration for the Group's employees.

The Committee also decided to maintain the compensation policy for the Chairman of the Board of Directors unchanged, along with the total annual compensation allocated to non-executive corporate officers for 2024.

I would like to thank the Committee members for their commitment. I would also like to express my gratitude to all of the Group's stakeholders for their confidence in our work.

Anne Lalou,  
*Chair of the Compensation  
and Appointments Committee.*

## Introduction

Section 4.2 of this Universal Registration Document describes the policy and the components of compensation for Clariane's corporate officers, as required by law and the 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 Clariane's corporate officers. It then submits this policy to the vote of shareholders at the Annual General Meeting.

If the policy is rejected, pending the proposal of a revised policy at the next General Meeting (stating how the new policy reflects the shareholders' vote and any opinions expressed at the General Meeting):

- the previously approved compensation policy will continue to apply;
- in the event that there is no previously approved compensation policy, compensation will be determined in accordance with the compensation awarded in respect of the previous financial year;

- in the event no compensation was awarded in respect of the previous financial year, the compensation will be determined in accordance with the Company's existing practices.

The Company may not determine, award or pay any compensation of any kind whatsoever that is not compliant with the approved compensation policy or, failing that, that is not compliant with prior compensation or practices. The Company may not make any commitments with respect to compensation, indemnities or benefits that may be due following the assumption, termination or change of duties of corporate officers, or subsequent to the exercise of said duties.

### Approval of the compensation paid during or awarded in respect of 2023 to corporate officers

In accordance with Article L. 22-10-34 of the French Commercial Code, the 2024 General Meeting is asked to approve, based on the information in this section, the report on compensation paid during or awarded in respect of 2023 to corporate officers, including the information referred to in Article L. 22-10-9 of the French Commercial Code.

If the report is not approved, the Board of Directors will submit a new compensation policy reflecting the shareholders' vote, to be approved at the subsequent General Meeting. The payment of compensation to the members of the Board of Directors in respect of the financial year in progress will be suspended until the revised compensation policy is approved. When reinstated, the payment will include the arrears since the last General

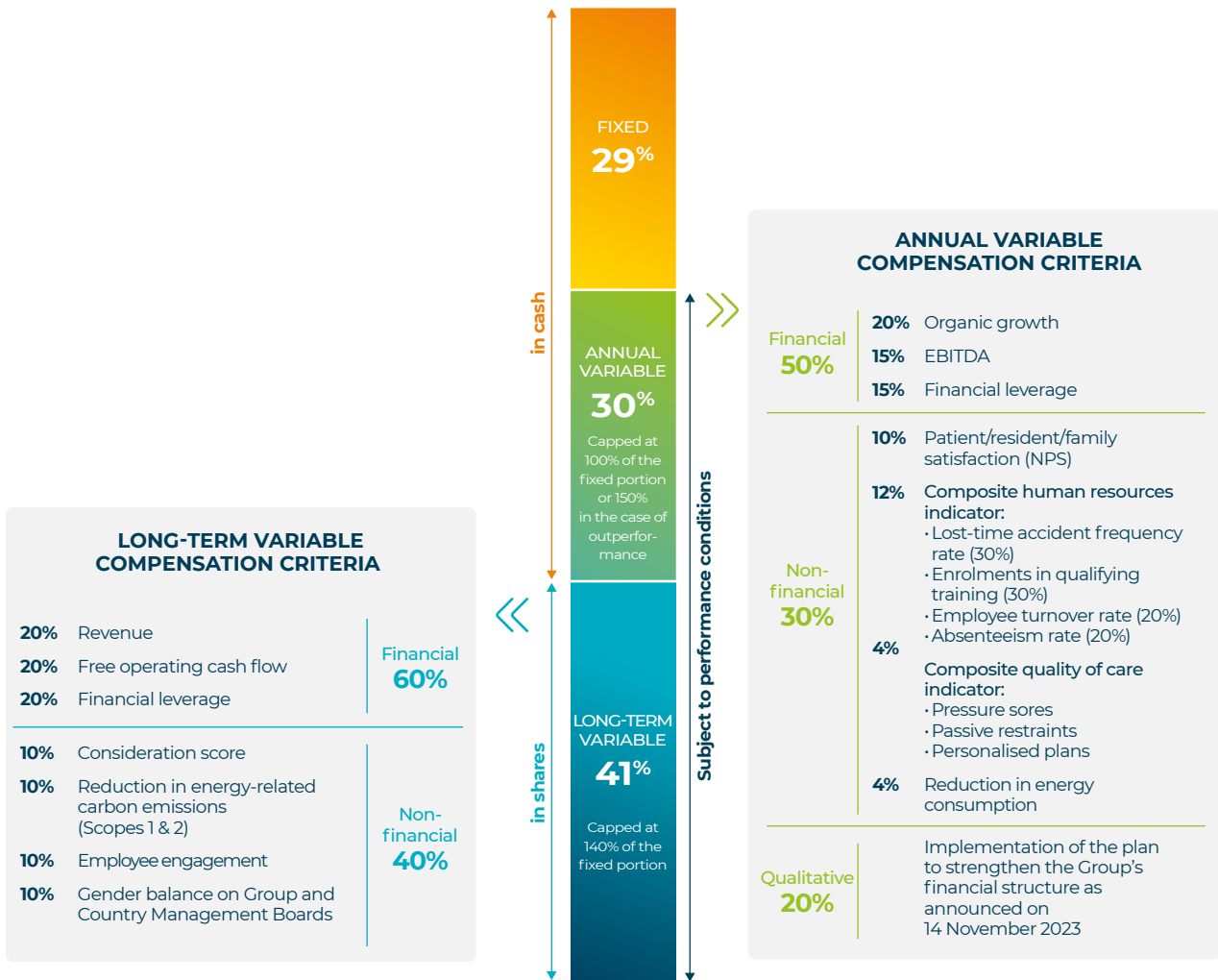
Meeting. If the General Meeting does not approve the new proposed resolution (a second negative vote), the suspended compensation will ultimately not be paid.

Furthermore, in accordance with Article L. 22-10-34 of the French Commercial Code, the 2024 General Meeting is also requested to approve, in separate resolutions, the fixed, variable and exceptional components of the total compensation and benefits in kind paid during the past financial year or awarded in respect of said year to the Chairman of the Board of Directors and the Chief Executive Officer. If rejected, the variable and extraordinary components of the compensation awarded in respect of the past financial year may not be paid.

### 4.2.1 Compensation policy for corporate officers (ex ante say-on-pay)

#### Compensation policy for the Chief Executive Officer for 2024

##### COMPENSATION CHARACTERISTICS AND COMPONENTS



##### LINKS BETWEEN COMPENSATION CRITERIA AND STAKEHOLDERS

###### RESIDENTS/PATIENTS/FAMILIES >>

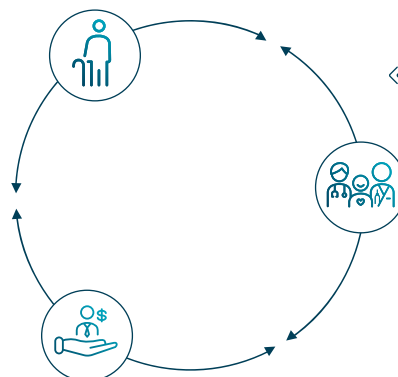
- Patient/resident/family satisfaction (NPS)
- Quality of care composite indicator
- Reduction in energy consumption
- Consideration score
- Reduction in energy-related carbon emissions (Scopes 1 & 2)

###### SHAREHOLDERS AND INVESTORS >>

- Organic growth
- EBITDA
- Financial leverage
- Revenue
- Free operating cash flow

###### << EMPLOYEES

- Composite human resources indicator
- Employee engagement
- Gender balance on Group and Country Management Boards



- Annual variable compensation performance criteria
- Long-term variable compensation performance criteria

The governance of compensation is described in section 4.3 of this Universal Registration Document.

#### 4.2.1.1 Compensation policy for executive corporate officers (*ex ante* say-on-pay)

##### General principles applicable to the compensation of executive corporate officers

The Board of Directors ensures that the compensation policy is adapted to the Company's strategy and the environment in which it operates. The Board also ensures that the policy promotes medium- and long-term performance and competitiveness.

The general principles governing the compensation policy for executive corporate officers are set in accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, it being specified that the Chairman of the Board of Directors receives only fixed compensation<sup>(1)</sup>. As such, these principles take account of the following aspects:

<b>Inclusion in the Company's strategy</b>	The compensation policy for the Chief Executive Officer is directly linked to the business strategy. Her performance is assessed on the same basis as the Company's performance, using the same criteria, particularly in financial terms. The policy aims to promote the implementation of the strategy year after year.
<b>Consistency with the Company's interests</b>	The variable component of the compensation of the Chief Executive Officer largely integrates quantitative 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 components of compensation</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 components of compensation are taken into account so that compensation may be assessed in overall terms.
<b>Balance between the components of compensation</b>	Each component of the compensation must be clearly substantiated and correspond to the corporate interest.
<b>Comparability</b>	Assessment of the compensation based on the Company's reference market, as well as on the responsibilities, results achieved and work performed.
<b>Consistency</b>	The compensation is calculated in a manner consistent with that of the Company's other executives 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 components of compensation, together with the Company's interests and the compensation of the Company's employees.

##### Compensation policies for executive corporate officers for 2024

On the recommendation of the Compensation and Appointments Committee, the Board of Directors, at its meetings of 7 December 2023, 28 February 2024 and 26 March 2024, established the compensation policies for executive corporate officers as set out below. These policies will be submitted to the 2024 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 2024

The compensation of the Chairman of the Board of Directors comprises:

- fixed compensation; and, where applicable
- extraordinary compensation in specific circumstances.

(1) And possibly extraordinary compensation in the very specific circumstances indicated below.

### 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 annual fixed compensation of the Chairman of the Board of Directors is determined at the time of their appointment for the duration of their term of office. It is not systematically reviewed each year. However, the Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, may re-examine when making reappointments 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 discrepancy with the market practices of listed companies in similar business sectors and of comparable corporate purpose and size.

Gross annual fixed compensation amounts to €345,000, unchanged since the previous Chairman of the Board of Directors (Christian Chautard) took office on 25 March 2015.

When Jean-Pierre Duprieu was appointed as Chairman of the Board of Directors to replace Christian Chautard on 1 October 2020, these provisions remained unchanged. The Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, decided to renew these provisions when Jean-Pierre Duprieu was reappointed as Chairman of the Board of Directors at the meeting of 22 June 2022 held at the close of the 2022 General Meeting during which he was also reappointed as a Director.

The Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, decided at its meeting of 7 December 2023 to leave the gross annual fixed compensation of the Chairman of the Board of Directors unchanged for 2024.

### Extraordinary compensation

The Board of Directors reserves the right to grant extraordinary compensation to the Chairman of the Board of Directors in highly specific circumstances. These should be characterised by their importance for the Company, the involvement they demand, and the difficulties they present (for example, overseeing major 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 annual fixed compensation and its payment would be subject to the approval of the shareholders General Meeting.

No extraordinary compensation is expected to be paid to the Chairman of the Board of Directors in 2024.

### No other components of compensation

The Chairman of the Board of Directors does not receive any other components of compensation (variable, long-term, benefits, severance payment or non-compete compensation) and does not receive any compensation for his duties as Director.

### Compensation policy for the Chief Executive Officer for 2024

The compensation policy for the Chief Executive Officer is determined on her appointment for the duration of her term of office. The Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, reviews this policy each time the Chief Executive Officer is reappointed. The compensation policy may also be reviewed if the responsibilities attached to the office change or if there is a significant discrepancy with the market practices of listed companies in similar sectors of activity and of comparable corporate purpose and size.

The compensation of the Chief Executive Officer comprises:

- annual fixed compensation paid on a monthly basis;
- annual variable compensation (paid further to 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 employee benefits).

The Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, ensures that the compensation structure for the Chief Executive Officer is balanced, with the proportion of the annual variable compensation and long-term variable compensation being sufficiently significant when compared with the fixed compensation. The purpose is to align the compensation policy with the Company's short- and long-term strategy and performance.

### Fixed compensation

At its meeting of 28 February 2024, the Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, decided to maintain this fixed compensation unchanged (versus 2023) for 2024 at €520,000.

### Annual variable compensation

Annual variable compensation and long-term variable compensation are set as a percentage of gross annual fixed compensation subject to the achievement of performance targets.

The objective of the annual variable compensation is to encourage the achievement of the various annual performance targets set by the Board of Directors, on the recommendation of the Compensation and Appointments Committee, in line with the Group's strategic objectives.

Given the industry in which the Company operates and in line with the compensation policy applied for 2023, the determination of variable compensation intentionally gives significant weighting to non-financial criteria, with a weighting of 30% for non-financial information and of 20% for qualitative criteria, which are representative of the expected overall performance and in line with the Group's corporate project, in accordance with the recommendations of the French corporate governance watchdog (*Haut Comité de gouvernement d'entreprise*) and the Afep-Medef Code.

Variable compensation may represent up to 100% of the gross annual fixed compensation when the target levels of these criteria are reached, and may be increased up to 150% of the gross annual fixed compensation in the event of outperformance across all categories of criteria.

For 2024, at its meeting of 28 February 2024, the Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, set the following financial, non-financial and qualitative performance criteria along with the corresponding targets based on the 2024 budget adopted by the Board of Directors on 14 December 2023, taking into account the situation leading up to the Company's announcement of a plan to strengthen the Group's financial structure. The Audit Committee and the Ethics, Quality and CSR Committee also provided their respective opinions, prior to the recommendation of the Compensation and Appointments Committee, on the proposed financial and non-financial performance criteria.

- The financial criteria used (50% weighting) are:
  - organic growth (20%);
  - EBITDA (15%); and
  - financial leverage (15%).
- The non-financial criteria used (30% weighting), covering the entire scope of the Group, are:
  - patient/resident/family satisfaction (NPS) between 36 and 40 (10%). This indicator covers all of the Group's activities (excluding Ages et Vie) and is based on a common and comparable definition, enabling the Group to monitor the quality of service provided to patients and residents over time;
  - composite human resources indicator (lost-time accident frequency rate between 33 and 37, number of qualifying training paths between 5,700 and 6,500, staff turnover rate after trial period between 20% and 23% and absenteeism rate between 10.5% and 8%) (12%). Consistent with previous years, this composite human resources indicator, harmonised across the Group's countries, enables Clariane's operational HR performance to be measured over time;
  - composite indicator on the quality of care, created in 2022 and serving as a basis for measuring the Group's requirements in terms of quality of care (4%). This criterion scores the Group according to three technical criteria defined by the Group's Medical, Ethics and Health Innovation Department and representing, among a series of quality of care indicators, a representative sample of the quality criteria common to all care professions in the Group's various geographies and activities:
    - the pressure sore rate: between 3% and 8%;
    - the percentage of passive restraint measures in line with Clariane's approach to non-drug therapies and Positive Care: between 10% and 20%, and
    - the percentage of residents who have an up-to-date personalised therapeutic plan (document drawn up together with the resident, their family and the care teams to adapt the resident's daily care [care planning, social life, non-drug therapies, personalisation of their room, etc.]): between 85% and 100%;
  - reduction in energy consumption compared with 2023 of between 3% and 8% (4%). This indicator, measured in terms of energy consumption with no adjustments for seasonal variations (HDD), was adjusted in 2023 to take account of the rise in energy prices following the outbreak of the Russia-Ukraine conflict and thereby gauge the measures taken to adapt short-term

consumption. This will also help achieve the long-term decarbonisation goals included in long-term variable compensation.

- Qualitative criteria (20% weighting) are detailed in a memorandum presented by the Compensation and Appointments Committee to the Board of Directors, which is used to determine the extent to which these criteria have been achieved:
  - in the context of the announcement of the plan to strengthen the Group's financial structure on 14 November 2023, all qualitative criteria relate to the execution of this plan, namely:
    - implementation of the disposal plan as approved by the Board of Directors,
    - completion of the planned capital increase,
    - stabilising the Group's organisation once the plan to strengthen the financial structure has been implemented.

The Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, reviews the level of achievement of the performance targets for annual variable compensation. The achievement of non-financial criteria is also audited by the independent third-party organisation responsible for reviewing the non-financial performance statement.

If the Group's scope of consolidation changes in 2024, the targets for the financial and non-financial performance criteria will be adjusted based on the method approved by the Board of Directors at its meeting on 26 March 2024. Under this approach, adjustments are to be made on a like-for-like, same-scope basis.

In the event that the Chief Executive Officer were to leave her position during the 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 annual variable compensation awarded in respect of 2024 will be subject to a vote at the General Meeting called to approve the financial statements for the year ending 31 December 2024.

### Three-year summary of the achievement of performance criteria applicable to annual variable compensation

Year	Achievement rate
2022	98.50%
2021	129.4% <sup>(1)</sup>
2020	62%

<sup>(1)</sup> The rate of achievement of the performance criteria for the 2021 annual variable compensation was capped at 120% in accordance with the Chief Executive Officer's 2021 compensation policy.

### 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 a long-term perspective, as well as to retain the Chief Executive Officer and promote the alignment of her interests with those of the Company and of the shareholders.



Accordingly, acting on the recommendation of the Compensation and Appointments Committee, a clearer distinction has been made since 2023 between the performance criteria applicable to annual variable compensation and those applicable to long-term variable compensation, in order to avoid any overlap.

The various share award plans and performance conditions for the Chief Executive Officer are detailed in section 7.4.2.3 of this Universal Registration Document.

#### Performance targets

Vesting of the shares granted is subject to internal and external performance conditions which are set by the Board of Directors on the recommendation of the Compensation and Appointments Committee. The Audit Committee and the Ethics, Quality and CSR Committee also give their respective opinions, prior to the recommendation of the Compensation and Appointments Committee, on the proposed financial and non-financial performance targets.

Performance is measured over three years. The Board of Directors, on the recommendation of the Compensation and Appointments Committee, reviews the level of achievement. The achievement of the non-financial targets is also reviewed by the independent third-party organisation responsible for certifying the non-financial performance statement, and by the Ethics, Quality and CSR Committee.

The performance targets reflect the Group's strategy and aim to create long-term value with challenging performance conditions.

The weighting of each criterion may be reviewed for each new award, based on the Group's strategic priorities.

The objectives for long-term variable compensation are based on financial criteria (60% weighting) and non-financial criteria (40% weighting).

The financial criteria are as follows:

- revenue (20%);
- free operating cash flow (20%);
- financial leverage (20%).

The non-financial criteria are as follows:

- consideration score (10%);
- reduction of energy-related carbon emissions in line with the revised SBTi (Science Based Targets initiative) objectives for Scopes 1 & 2, i.e., based on estimates to date, a 27% reduction in emissions compared with 2021 (10%);
- employee engagement (10%);
- the percentage of women on the Group Management Board and on country management boards, with the aim to have at least 40% of women members, in line with regulations in the Group's various countries, and to continue the momentum of previous long-term compensation plans, thanks to which the Group achieved gender equality in Top Management (10%) at the end of 2022.

At the end of the three-year vesting period, the level of achievement of each performance target will be assessed individually. For financial criteria, the minimum allocation for each criterion is 0% and the maximum allocation is capped at 100%. For non-financial performance criteria, the maximum allocation for each criterion is also capped at 100%. As a result, the final overall allocation will be between 0% and 100%, with no outperformance taken into account. There is no offsetting mechanism between criteria.

#### Vesting period

The length of the vesting period for the shares granted is fixed at three years.

#### Continued service condition

The ultimate vesting of the shares is conditional on the Chief Executive Officer's continued service within the Group on the vesting date.

However, in accordance with the long-term compensation plan rules, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, may decide to maintain the outstanding long-term compensation plans awarded to the Chief Executive Officer and her right to the definitive grant of the shares not yet vested at the time of her departure, where applicable on a pro rata basis, subject to the achievement of performance conditions.

#### Holding obligation

In accordance with Article L. 225-197-1 of the French Commercial Code, the Chief Executive Officer must hold throughout her term of office 25% of the shares ultimately granted to her at the end of the vesting period further to a review of the performance conditions.

Like all other beneficiaries of performance share plans, the Chief Executive Officer also undertakes not to hedge any of the performance shares that may be definitively granted at any point during her term as Chief Executive Officer.

To the best of the Company's knowledge, no hedging instruments have been put in place for options, shares resulting from the exercise of options or performance shares.

#### Cap

The amount of long-term compensation awarded to the Chief Executive Officer may not exceed, at the time of its grant (initial grant value), the equivalent of 140% of the gross annual fixed compensation due in respect of the year in which the performance shares are awarded. See section 7.2.4.3 of this Universal Registration Document for the history of long-term compensation plans.

#### Extraordinary compensation

There are currently no plans to pay any extraordinary compensation to the Chief Executive Officer in 2024.

In accordance with the recommendations of the Afep-Medef Code, the Board of Directors may only award such compensation on an *ex post* basis under highly specific circumstances. Such circumstances must be characterised by their importance for the Company, the involvement they demand, and the difficulties they present (for example, overseeing major 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 annual fixed compensation, and its payment is subject to approval by the General Meeting.

### Severance payment

#### Principle

In connection with the reappointment of the Chief Executive Officer in advance of the expiry of her term of office, on 5 December 2019, the Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, authorised the renewal of the severance package based 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, except in the case of serious or gross misconduct. The Severance Payment would be conditional on the achievement of performance targets 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 specified below.

#### Performance conditions

The Severance Payment is subject to performance conditions determined on the basis of the level of achievement of the criteria used to calculate the variable component of the annual compensation for the three years preceding the date of termination or non-reappointment.

Rate of achievement of the criteria	Severance payment
<40%	No payment
≥40% and <60%	50% of the Target Severance Payment (1 x Reference Annual Compensation)
≥60 and ≤100%	100% of the Target Severance Payment (2 x Reference Annual Compensation)

### Non-compete compensation

In connection with the reappointment of the Chief Executive Officer, on 5 December 2019, the Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, authorised the renewal of the non-compete compensation based 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, in respect of any business or company which is in competition with the Company and that specialises in medium- and long-term care homes (clinics, care homes, assisted living facilities, etc.) in all of the countries in which Clariane operates at the time of the termination.

In accordance with the Afep-Medef Code, no Severance Payment will be paid if the Chief Executive Officer is able to claim her pension rights.

#### Reference Annual Compensation

Reference Annual Compensation is understood as the gross annual fixed and variable compensation received for the 12 months immediately prior to the date on which her office is terminated or not renewed, excluding compensation received under the medium- or long-term incentive plans arranged for the management teams, and the extraordinary compensation that may be awarded to her by the Board of Directors on a one-off and discretionary basis.

#### Circumstances of forced departure

A change of strategy is a change from the Company's strategy as set out in the most recent financial communication approved by the Chief Executive Officer, or a significant transaction for the Group that does not fall within the scope of the latest medium-term plan approved by the Board of Directors in agreement with the Chief Executive Officer.

A change of control is the 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.

In consideration, the Chief Executive Officer is entitled to non-compete compensation. This corresponds to 50% of the gross annual fixed 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 would be reduced accordingly).

The Company may waive the non-compete obligation no later than 15 days from the Termination Date.

In accordance with the Afep-Medef Code, no non-compete compensation is paid if the Chief Executive Officer claims her pension rights, and in any event, no such compensation may be paid beyond the age of 65.

## Benefits

**Supplementary pension plan**

The Chief Executive Officer does not benefit from a supplementary pension plan.

**Company vehicle**

The Chief Executive Officer has benefited from the use of 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.

**Group life and healthcare insurance**

The Chief Executive Officer benefits from the same Group healthcare and disability, invalidity and death insurance plans as the Company's salaried managers, as well as from corporate officer civil liability insurance.

**Unemployment insurance**

As the Chief Executive Officer does not have an employment contract with the Company, the Company has taken out a private unemployment insurance policy with GSC that provides coverage for the Chief Executive Officer in the event of termination of her duties.

For 2024, the cost of the Chief Executive Officer's private unemployment insurance policy is €14,606.

### SUMMARY OF THE BENEFITS AWARDED TO THE CHIEF EXECUTIVE OFFICER AT THE END OF HER TERM OF OFFICE

	<b>Voluntary departure/ Termination for gross negligence or wilful misconduct</b>	<b>Non-reappointment/Termination associated with a change of strategy or control (excluding gross negligence or wilful misconduct)</b>	<b>Retirement</b>
<b>Severance Payment<sup>(1)</sup></b>	No benefits	<p>Criteria achievement rate<sup>(2)</sup> &lt;40%:</p> <ul style="list-style-type: none"> <li>no compensation paid.</li> </ul> <p>Criteria achievement rate<sup>(2)</sup> between ≥40% and &lt;60%:</p> <ul style="list-style-type: none"> <li>100% of the gross annual fixed and variable compensation<sup>(3)</sup> received for the preceding 12 months.</li> </ul> <p>Criteria achievement rate<sup>(2)</sup> between ≥60% and ≤100%:</p> <ul style="list-style-type: none"> <li>200% of the gross annual fixed and variable compensation<sup>(3)</sup> received for the preceding 12 months.</li> </ul>	No benefits
<b>Non-compete compensation<sup>(1)(4)</sup></b>	50% of the gross annual fixed compensation <sup>(3)</sup> received for the 12 months preceding the date on which the event triggering the departure occurred, payable monthly over the duration of the non-compete commitment.	50% of the gross annual fixed compensation <sup>(3)</sup> received for the 12 months preceding the date on which the event triggering the departure occurred, payable monthly over the duration of the non-compete commitment.	No benefits
<b>Supplementary pension plan</b>	N/A	N/A	N/A
<b>Performance share plans that have not yet vested<sup>(5)</sup></b>	Service condition deemed not met unless the Board of Directors decides to deem the condition as met and maintain the rights, where applicable on a pro rata basis, subject to the fulfilment of the performance conditions.	Service condition deemed not met unless the Board of Directors decides to deem the condition as met and maintain the rights, where applicable on a pro rata basis, subject to the fulfilment of the performance conditions.	Service condition deemed met on the date of retirement. Performance conditions measured as of 31 December of the year preceding the retirement date. In the absence of a benchmark, the performance criteria will be deemed to have been met.

(1) The Severance Payment, combined, where applicable, with non-compete compensation, may not exceed twice the Reference Annual Compensation corresponding to the gross annual fixed and variable compensation received for the 12 months preceding 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) Concerns 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 obligation 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 request the definitive granting of all the Clariane shares within six months of the date of death, the performance criteria being deemed to have been fully met. 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 Clariane shares will be definitively granted as from the occurrence of the disability, subject to and within the limit of the extent to which the performance criteria have been met.

#### 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 was set at €400,000 by the General Meeting held on 23 June 2016 (10<sup>th</sup> resolution).

In view of the increase from 10 to 13 Directors between 2016 and 2023, at its meeting of 21 February 2023, the Board of Directors decided, acting on the recommendation of the Compensation and Appointments Committee, to propose an increase to €500,000 in the total annual amount allocated to Directors in consideration of their duties at the 2023 General Meeting. The shareholders approved this compensation policy at that General Meeting.

At its meeting of 28 February 2024, the Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, decided to propose to the

2024 General Meeting to maintain the total annual amount allocated to Directors in consideration for their duties at €500,000.

In accordance with the proposal of the Chairman at the Board meeting of 1 October 2020, and in line with that made by his predecessor Christian Chautard at the Board meeting of 22 June 2017, the Board of Directors decided not to pay any compensation to its Chairman in respect of his duties as Director. Similarly, the Chief Executive Officer does not receive any compensation for her duties as Director. Consequently, only the other Directors, including the Employee Directors, are entitled to compensation for their office as Director in accordance with the rules set out above.

On 28 February 2024, the Board of Directors decided, on the recommendation of the Compensation and Appointments Committee, to propose to the 2024 General Meeting that the compensation policy for Directors be set as follows.

Components	Description
<b>Annual compensation</b>	<p>The amount of the annual budget allocated to the Directors as compensation for their activities in the amount of €500,000 is distributed based on the following rules:</p> <ul style="list-style-type: none"> <li>• maximum compensation set at €30,000 for the Independent Directors and €15,000 for the Non-Independent Directors;</li> <li>• maximum compensation set at €25,000 for committee chairs who are Independent Directors and €12,500 for committee chairs who are Non-Independent Directors;</li> <li>• maximum compensation set at €10,000 per committee attended for committee members who are Independent Directors and €5,000 per committee attended for committee members who are Non-Independent Directors, it being understood that: <ul style="list-style-type: none"> <li>– (i) the payment of 60% of the maximum overall compensation will be subject to members' attendance at meetings of the Board of Directors and of the specialised committees of which they are members, and that (ii) this amount will be determined pro rata to members' effective attendance at said meetings, and</li> <li>– Directors' attendance at meetings of the Board of Directors, its committees and the Mission Committee entitles them to the same compensation irrespective of the method of attendance (in-person, video conference, or other audiovisual means);</li> </ul> </li> <li>• attendance by the Chairman of the Ethics, Quality and CSR Committee at meetings of the Mission Committee is treated as attendance at a committee meeting as a member and is compensated in accordance with the same rules;</li> <li>• if a Committee holds more than two meetings in addition to those provided for in the schedule of meetings communicated at the beginning of the year, the Board of Directors may, on the recommendation of the Compensation and Appointments Committee, decide to compensate the committee chair for these additional meetings at a rate of €2,000 and committee members at a rate of €1,000, with effect from the third additional meeting. If, as a result of this additional compensation, the amount to be paid to the Directors exceeds the annual budget allocation, the compensation of all the Directors will be reduced in the same proportions up to the limit of the annual budget;</li> <li>• if a new committee is set up (i.e., a committee separate from the Audit Committee, Ethics, Quality and CSR Committee, Investment Committee and Compensation and Appointments Committee), the Board of Directors may, on the recommendation of the Compensation and Appointments Committee, adjust the rules for allocating the compensation of the chair and members of the said committee as described above, within the limits of the annual budget.</li> </ul> <p>The record of Directors' attendance and the corresponding breakdown of the annual compensation for the year is prepared by the Compensation and Appointments Committee and then approved by the Board of Directors at its last meeting of the financial year.</p>
<b>Exceptional duties</b>	<p>The Board of Directors may entrust exceptional duties to certain Directors (which are temporary and fall outside their duties as a Director) that entitle them to compensation.</p> <p>Any such compensation is subject to approval by the 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, upon presentation of receipts, of travel expenses incurred to attend the meetings of the Board of Directors and of the Committees, subject to compliance with the travel policy communicated to them by the Board Secretary.</p>

## 4.2.2 Components of compensation paid during or awarded in respect of 2023 to corporate officers (ex post say-on-pay)

### 4.2.2.1 Components of compensation paid during or awarded in respect of 2023 to Jean-Pierre Duprieu, Chairman of the Board of Directors (ex post say-on-pay)

The Board of Directors, at its meeting held on 1 October 2020 and on the recommendation of the Compensation and Appointments Committee, decided to award to Jean-Pierre Duprieu the same gross annual fixed compensation as that awarded to the previous Chairman of the Board of Directors, Christian Chautard, i.e., €345,000. The Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to renew these provisions for 2023 at its meeting of 21 February 2023.

For 2023, the gross annual fixed compensation of Jean-Pierre Duprieu in consideration of his office as Chairman of the Board of Directors therefore amounts to €345,000.

The components of compensation paid during or awarded in respect of 2023 to Jean-Pierre Duprieu in his capacity as Chairman of the Board of Directors and presented below comply with the compensation policy approved by the 2023 General Meeting.

#### SUMMARY OF THE COMPONENTS OF COMPENSATION PAID DURING OR AWARDED IN RESPECT OF 2023 TO JEAN-PIERRE DUPRIEU, CHAIRMAN OF THE BOARD OF DIRECTORS, SUBMITTED TO THE VOTE OF THE SHAREHOLDERS

Components of compensation put to the vote	Amounts awarded in respect of the year	Comments
Fixed compensation	€345,000 gross (amount paid)	The Board of Directors, which met on 1 October 2020, decided, on the proposal of the Compensation and Appointments Committee, to award Jean-Pierre Duprieu the same gross annual fixed compensation as that awarded to the previous Chairman of the Board of Directors, Christian Chautard, i.e., gross annual fixed compensation of €345,000. The Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, decided to renew these provisions when Jean-Pierre Duprieu was reappointed as Chairman of the Board of Directors at the meeting of 22 June 2022 held at the close of the 2022 General Meeting during which he was also reappointed as a Director. The Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to renew these provisions for 2023 at its meeting of 21 February 2023. Accordingly, the gross annual fixed compensation of Jean-Pierre Duprieu for his office as Chairman of the Board of Directors for 2023 is €345,000. This compensation was paid on a monthly basis.
Annual variable compensation	None	Jean-Pierre Duprieu does not receive any annual variable compensation.
Multi-annual variable compensation	None	Jean-Pierre Duprieu does not receive any multi-annual variable compensation.
Extraordinary compensation	None	Jean-Pierre Duprieu does not receive any extraordinary compensation.
Stock options, performance shares and other long-term benefits	None	Jean-Pierre Duprieu is not entitled to any stock options, performance shares or other long-term benefits.
Compensation for holding a Directorship	None	In accordance with Jean-Pierre Duprieu's proposal at the Board of Directors meeting of 1 October 2020, the Board of Directors decided not to pay compensation for his duties as Director.
Value of benefits in kind	None	Jean-Pierre Duprieu does not receive any benefits in kind.
Severance payment	None	No severance payment has been agreed for Jean-Pierre Duprieu.
Non-compete compensation	None	No commitment has been made to pay non-compete compensation to Jean-Pierre Duprieu.
Supplementary pension plan	None	Jean-Pierre Duprieu does not benefit from a supplementary pension plan.
Group life and healthcare insurance	None	Jean-Pierre Duprieu is not covered by any social protection plans.

#### 4.2.2.2 Components of compensation paid during or awarded in respect of 2023 to the Chief Executive Officer (ex post say-on-pay)

##### SUMMARY OF THE COMPONENTS OF COMPENSATION PAID DURING OR AWARDED IN RESPECT OF 2023 TO SOPHIE BOISSARD, CHIEF EXECUTIVE OFFICER, PUT TO A SHAREHOLDERS' VOTE

Components of compensation put to the vote	Amounts paid in respect of the year	Maximum amounts awarded in respect of the year – Definitive grant subject to continued service and performance conditions	Comments
Fixed compensation	€520,000 gross (amount paid)	-	<p>On 21 February 2023, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to increase the gross annual fixed compensation of the Chief Executive Officer from €450,000 to €520,000 for 2023.</p> <p>In accordance with the decision of the Board of Directors, Sophie Boissard received gross compensation of €520,000 in respect of 2023. This compensation was paid on a monthly basis.</p>
Annual variable compensation	€426,400 gross subject to approval by the 2024 General Meeting	-	<p>At its meeting on 21 February 2023, the Board of Directors, acting 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 annual fixed compensation, in the event that performance conditions are met, and at a maximum of 150% of her gross annual fixed compensation in the event that these conditions are exceeded.</p> <p>For 2023, at its meeting of 21 February 2023, the Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, set the following financial, non-financial and qualitative performance criteria:</p> <ul style="list-style-type: none"> <li>• financial criteria (representing 50% of annual variable compensation): <ul style="list-style-type: none"> <li>– organic growth (20%),</li> <li>– EBITDA (15%); and</li> <li>– financial leverage (15%);</li> </ul> </li> <li>• quantitative non-financial criteria (representing 30% of annual variable compensation): <ul style="list-style-type: none"> <li>– ISO 9001 certification for 100% of facilities in order to complete certification of the entire scope (10%). This indicator marks the logical continuation and completion of the previous plans, and aims to finalise achievement of the objective set in 2020 as part of the In Caring Hands corporate project, to have all Group facilities ISO 9001-certified by the end of 2023,</li> <li>– composite human resources indicator (lost-time accident frequency rate between 41 and 36; number of employees on qualifying training paths between 6,000 and 7,000; average seniority between 6.2 to 7.5 years) (10%). Consistent with previous years, this composite human resources indicator, harmonised across the Group's countries, enables Clariane's operational HR performance to be measured over time,</li> <li>– patient/resident/family satisfaction (NPS) between 20 and 36 (5%). For the first time this indicator, which has now been harmonised, covers all of the Group's activities (excluding home care services) and is based on a common and comparable definition, enabling the Group to monitor the quality of service provided to patients and residents over time,</li> <li>– reduction in energy consumption compared with 2021 of between 10% and 20% (5%). This indicator, measured in terms of energy consumption with no adjustments for seasonal variations (HDD), was adjusted in 2023 to take account of the rise in energy prices following the outbreak of the Russia-Ukraine conflict and thereby gauge the measures taken to adapt short-term consumption. This will also help achieve the long-term decarbonisation goals included in long-term variable compensation;</li> </ul> </li> </ul>

Components of compensation put to the vote	Amounts paid in respect of the year	Maximum amounts awarded in respect of the year – Definitive grant subject to continued service and performance conditions	Comments
		-	<ul style="list-style-type: none"> <li>qualitative criteria (representing 20% of the annual variable compensation, assessed globally): <ul style="list-style-type: none"> <li>implementation of the new governance structure in connection with the adoption of the status of a purpose-driven company, creation of contact points between the country stakeholder councils and the Mission Committee, definition of operational objectives and performance indicators, and dissemination of the mission across the Group, from Clariane SE to the entities within each country,</li> <li>ongoing implementation of the real estate strategy and diversification of sources of financing.</li> </ul> </li> </ul> <p>On 28 February 2024, the Board of Directors, on the recommendation of the Compensation and Appointments Committee and after consulting the Audit Committee on the achievement of financial criteria and the Ethics, Quality and CSR Committee on the achievement of non-financial criteria, assessed the level of achievement of said performance criteria (as detailed in the summary table of the Chief Executive Officer's annual variable compensation shown below).</p> <p>The Board of Directors noted the high level of achievement on non-financial criteria, which demonstrates the depth of the work undertaken in recent years on these subjects and the robustness of Clariane's non-financial performance. The Committee also assessed the extent to which the qualitative criteria had been met, and considered that the criterion relating to the implementation of the new governance structure as part of the adoption of purpose driven company status had been accomplished very satisfactorily through the establishment of the Mission Committee, as well as through the interaction between the Committee and the Group's various contacts, which was necessary to enable it to gain a better understanding of the Group. However, the Committee considered that in view of the financing difficulties encountered by Clariane leading to the announcement of the plan to strengthen the Group's financial structure on 14 November 2023, the criterion relating to the ongoing implementation of the real estate strategy and the diversification of sources of financing had not been met. The Board also noted that performance with regard to financial leverage had not been achieved and that the targets for the organic growth and EBITDA financial criteria had only been partially met.</p> <p>Following this assessment, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, decided to grant Sophie Boissard the sum of €426,400 in respect of her variable compensation for 2023 (corresponding to an achievement level of 82%).</p> <p><i>In accordance with the law, the payment of annual variable compensation is subject to the approval of the 2024 General Meeting.</i></p>
Multi-annual variable compensation	None	-	Sophie Boissard did not receive any multi-annual variable compensation during 2023.
Extraordinary compensation	None	-	Sophie Boissard did not receive any extraordinary compensation during 2023.



Components of compensation put to the vote	Amounts paid in respect of the year	Maximum amounts awarded in respect of the year – Definitive grant subject to continued service and performance conditions	Comments
Stock options, performance shares and other long-term benefits		€342,550 total IFRS value of the 52,700 shares granted subject to continued service and performance conditions	<p>During 2023, on the recommendation of the Compensation and Appointments Committee, the Board of Directors decided at its meeting of 15 June 2023 to grant Sophie Boissard 52,700 performance shares (vesting on 15 June 2026, subject to continued service and performance conditions).</p> <p>This grant complies with the allocation ceilings set by the 28<sup>th</sup> resolution of the 2023 General Meeting.</p> <p>The vesting period for the shares granted was set at three years.</p> <p>The vesting of the shares granted is subject to internal and external performance conditions measured over three years. The Board of Directors, on the recommendation of the Compensation and Appointments Committee, set the following financial and non-financial performance criteria:</p> <ul style="list-style-type: none"> <li>• financial criteria (representing 50% of the long-term compensation): <ul style="list-style-type: none"> <li>– revenue (25%); and</li> <li>– earnings per share (EPS) (25%);</li> </ul> </li> <li>• non-financial criteria (representing 50% of long-term compensation): <ul style="list-style-type: none"> <li>– a composite indicator on the quality of care, created in 2022 and serving as a basis for measuring the Group's requirements in terms of quality of care. This criterion scores the Group according to three technical criteria defined by the Group's Medical, Ethics and Health Innovation Department in connection with operating activities in 2022 and representing, among a set of quality of care indicators, a representative sample of the quality criteria applied to all care professions in the Group's various geographies and activities: the pressure sore rate, the percentage of passive restraint measures in line with Clariane's approach to non-drug therapies and Positive Care, and the percentage of residents with an up-to-date personalised therapeutic plan (20%),</li> <li>– the rate of reduction of carbon emissions aligned with the revised SBTi (Science Based Targets initiative) objectives for Scopes 1 &amp; 2, i.e., based on estimates to date, a 22% reduction in GHG emissions (15%);</li> <li>– the percentage of women on the Group Management Board and on country Management Boards, with the aim to have at least 40% of women members, in line with regulations in the Group's various countries, and to continue the momentum of previous long-term compensation plans, thanks to which the Group achieved gender equality in top management (15%) at the end of 2022.</li> </ul> </li> </ul> <p>The vesting of the shares is also conditional on Sophie Boissard's continued service within the Group on the vesting date. However, in accordance with the long-term compensation plan rules, the Board of Directors, on the recommendation of the Compensation and Appointments Committee, may decide to maintain the outstanding long-term compensation plans awarded to the Chief Executive Officer and her right to the definitive grant of the shares not yet vested at the time of her departure, where applicable on a pro rata basis, subject to the achievement of performance conditions.</p> <p>Sophie Boissard is required to hold 25% of any shares that are definitively granted to her at the end of the vesting period, after application of the performance conditions, as registered shares throughout her term of office.</p> <p>Furthermore, Sophie Boissard undertakes not to enter into hedging instruments in relation to any of the performance shares definitively granted to her.</p>
Compensation for office as Director	None	-	Sophie Boissard did not receive any compensation for her duties as Director of the Company.
Value of benefits in kind	€16,063	-	<p>Since 28 March 2020, Sophie Boissard has benefited from the use of a company vehicle and from payments of unemployment insurance contributions to an external organisation.</p> <p>The amount paid in 2023 for unemployment insurance and the benefit in kind, represented by the use of a company vehicle, was €16,063.</p>

Components of compensation put to the vote	Amounts paid in respect of the year	Maximum amounts awarded in respect of the year – Definitive grant subject to continued service and performance conditions	Comments
Severance payment	No payment	-	<p>In the event of dismissal or non-reappointment due to a change of strategy or control (except in the case of serious or gross misconduct), performance will be measured by the average achievement rate of the criteria used to calculate the variable portion of Sophie Boissard's annual compensation in respect of the three financial years preceding the date of dismissal or non-reappointment, as follows:</p> <ul style="list-style-type: none"> <li>the achievement rate for criteria used to calculate the variable component of annual compensation for the three financial years preceding the date of dismissal or non-reappointment &lt;40%: no severance payment will be due;</li> <li>40% ≤ the achievement rate for criteria used to calculate the variable component of annual compensation for the three financial years preceding the date of dismissal or non-reappointment &lt;60%: severance payment equal to 100% of the Reference Annual Compensation will be due;</li> <li>60% ≤ the achievement rate for criteria used to calculate the variable component of annual compensation for the three financial years preceding the date of dismissal or non-reappointment ≤100%: severance payment equal to 200% 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 under the 9<sup>th</sup> resolution by the General Meeting of 23 June 2016.</p>
Non-compete compensation	No payment	-	<p>Sophie Boissard has entered into a non-compete agreement with the Company. This non-compete agreement was renewed by the Board of Directors on 5 December 2019, acting on the recommendation of the Compensation and Appointments Committee. Pursuant to this commitment, she is prohibited from holding a corporate office or executive position or providing any consultancy services, for a period of two years as from the termination of her duties. This applies to any business or company which is in competition with the Company and that specialises in medium- and long-term care homes (clinics, care homes, assisted living facilities, etc.) in all of the countries in which Clariane operates at the time of the termination.</p> <p>In consideration, Sophie Boissard is entitled to non-compete compensation equal to 50% of the gross annual fixed 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>"), payable monthly throughout the duration of the commitment and combined, if applicable, with any severance payment. However, the sum of the two benefits may not exceed twice the annual fixed and variable compensation (in which case, the severance payment would 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 obligation no later than 15 days after the Termination Date.</p> <p>In accordance with the Afep-Medef Code, no non-compete compensation is paid if the Chief Executive Officer claims her pension rights, and in any event, no such compensation may be paid beyond the age of 65.</p> <p>In accordance with the provisions of Article L. 225-42-1 of the French Commercial Code (now repealed), this non-compete compensation was approved under the 9<sup>th</sup> resolution by the General Meeting of 23 June 2016.</p>
Supplementary pension plan	None	-	Sophie Boissard did not benefit from a supplementary pension plan.
Group life and healthcare insurance	Yes	-	Sophie Boissard was covered by social protection schemes equivalent to those in place for salaried managers (healthcare and life insurance), as well as by civil liability and unemployment insurance policies.

ACHIEVEMENT RATE OF ANNUAL VARIABLE COMPENSATION CRITERIA BY THE CHIEF EXECUTIVE OFFICER<sup>(1)</sup>

Criteria		Minimum	Target	Maximum	Effective <sup>(5)</sup>		
<b>Financial criteria</b> 50% of annual fixed compensation (target)	Organic growth <sup>(2)</sup>	Value of the indicator	7.5%	9.7%	11%	8.4%	
		<i>As a % of fixed compensation</i>	10%	20%	30%	14%	
	EBITDA <sup>(3)</sup>	Value of the indicator	€590m	€623.6m	€655m	€614m	
		<i>As a % of fixed compensation</i>	7.5%	15%	22.5%	13%	
	Financial leverage <sup>(4)</sup>	Value of the indicator	3.7	3.5	3.4	3.8	
		<i>As a % of fixed compensation</i>	7.5%	15%	22.5%	0%	
<b>Total financial criteria</b>			<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>27%</b>	
<b>Non-financial criteria</b> 30% of annual fixed compensation (target)	Reduction in energy consumption versus 2021	Value of the indicator	-10%	-15%	-20%	-14%	
		<i>As a % of fixed compensation</i>	0%	5%	7.5%	4%	
	Satisfaction of patients, residents and families (Net Promoter Score, NPS)	Value of the indicator	20	28	36	44	
		<i>As a % of fixed compensation</i>	0%	5%	7.5%	7.5%	
	Composite human resources indicator	Value of the indicator	0%	100%	150%	135%	
		<i>As a % of fixed compensation</i>	0%	10%	15%	14%	
	Lost-time accident frequency rate (30%)	Value of the indicator	41	37	36	37	
	Increase in the number of employees on qualifying training paths (40%)	Value of the indicator	6,000	6,800	7,000	7,274	
	Increase in average seniority within the Group (30%)	Value of the indicator	6.2	7.3	7.5	7.5	
	ISO 9001 certification for 100% of facilities	Value of the indicator	700	781	800	914	
		<i>As a % of fixed compensation</i>	0%	10%	15%	15%	
	<b>Total non-financial criteria</b>			<b>0%</b>	<b>30%</b>	<b>45%</b>	<b>40%</b>
	<b>Qualitative criteria</b> 20% of annual fixed compensation (target)	Introduction of the new governance structure in connection with the adoption of the status of a purpose-driven company		0%	20%	30%	15%
Ongoing implementation of the real estate strategy and diversification of sources of financing							
<b>Total qualitative criteria</b>			<b>0%</b>	<b>20%</b>	<b>30%</b>	<b>15%</b>	
<b>TOTAL VARIABLE COMPONENT</b> (as a % of fixed compensation)			<b>25%</b>	<b>100%</b>	<b>150%</b>	<b>82%</b>	

(1) The percentages in this table concern annual fixed compensation, and are rounded to the nearest whole number.

(2) 100% is payable if the 2023 organic growth rate is at least 9.7%.

0% is payable if the 2023 organic growth rate is less than 7.5% (adjusted on a straight-line basis between 7.5% and 9.7%).

The bonus is increased to 150% of the base if the 2023 organic growth rate reaches 11% (adjusted on a straight-line basis between 9.7% and 11%).

(3) 100% is payable if 2023 EBITDA is at least €623.6 million.

0% is payable if 2023 EBITDA is less than €590 million (adjusted on a straight-line basis between €590 million and €623.6 million).

The bonus is increased to 150% of the base if 2023 EBITDA is €655 million or more (adjusted on a straight-line basis between €623.6 million and €655 million).

(4) 100% is payable if the 2023 financial leverage is equal to 3.5.

0% is payable if the 2023 financial leverage is greater than 3.7 (adjusted on a straight-line basis between 3.7 and 3.5).

The bonus is increased to 150% of the base if the 2023 financial leverage reaches 3.4 (adjusted on a straight-line basis between 3.5 and 3.4).

(5) The payment of annual variable compensation for 2023 is subject to prior approval by the 2024 General Meeting.

At its meeting of 28 February 2024, the Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, assessed the extent to which the qualitative criteria had been met, and considered that the criterion relating to the implementation of the new governance structure as part of the adoption of purpose driven company status had been accomplished very satisfactorily through the establishment of the Mission Committee, as well as through the interaction between the Committee and the Group's various contacts, which was necessary to enable it to gain a better understanding of the Group. However, in view of the financing difficulties encountered and leading to the announcement of the plan to strengthen the Group's financial structure on 14 November 2023, the Committee concluded that the criterion relating to the ongoing implementation of the real estate strategy and the diversification of sources of financing had not been met. The Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, therefore considered that the achievement rate of the qualitative criteria was 15%.

The Board of Directors decided to award Sophie Boissard variable compensation for 2023 of €426,400 (corresponding to an achievement rate equal to 82% of gross annual fixed compensation). She will receive this amount subject to approval by the 2024 General Meeting.

### Long-term variable compensation

#### Performance shares awarded in 2020 and vesting in 2023

At its meeting of 30 July 2020, the Board of Directors, acting on the recommendation of the Compensation and Appointments Committee, decided to award a performance share plan to the Chief Executive Officer. This award was made pursuant to the authorisation granted under the terms of the 27<sup>th</sup> resolution of the General Meeting of 22 June 2020.

On 30 July 2020, the Chief Executive Officer was therefore granted 21,384 performance shares (after adjusting for the capital increase carried out in December 2020 with preferential subscription rights for existing shareholders), the vesting of which was subject to performance conditions.

The number of performance shares vesting on 31 July 2023 depended on the level of achievement of four independent and performance conditions, namely:

- 2022 consolidated revenue compared with the consolidated revenue target (25% of the grant);
- 2022 free operating cash flow compared with target free operating cash flow (25% of the grant);
- Clariane's TSR compared with the TSR of SBF 120 companies over two reference periods, from 1 April 2020 to 30 June 2020 inclusive, and from 1 March 2023 to 30 June 2023 (40% of the grant);
- CSR criterion: the proportion of women in Clariane's top management and the volume of apprenticeship contracts leading to a qualification (10% of the grant).

The following achievement levels were observed, representing an overall achievement rate of 36.4%:

Performance targets	Weighting	Objectives	Effective	Achievement rate
Revenue	25%	Minimum 80% = €4,590m Target 100% = €4,720m Maximum 120% = €4,760m	€4,534m	0%
Free operating cash flow	25%	Minimum 80% = €325m Target 100% = €360m Maximum 120% = €400m	€371m	26.3%
Clariane TSR	40%	Minimum 50% = 95 Target 70% = 100 Maximum 100% = 120	62	0%
Percentage of women in Clariane's top management	5%	Three-year average percentage of women in top management, measured at end-December 2020, 2021 and 2022 = 50%	50%	5%
Apprenticeship contracts leading to a qualification	5%	Two-fold increase in the number of employees on a qualifying training path between 31 December 2019 and 31 December 2022	3,002 in 2019 6,808 in 2022 (x 2.5)	5%
<b>TOTAL</b>				<b>36.4%</b>

A total of 7,774 shares vested for the Chief Executive Officer, who is required to hold 25% of the vested shares until she ceases to hold corporate office.

For details concerning the grant of performance shares to the Chief Executive Officer during 2023, see the "Stock options, performance shares and other long-term benefits" section of the table hereafter.

## Summary of the compensation of executive corporate officers for 2023

**TABLE 1 – SUMMARY TABLE OF COMPENSATION AND OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER (AMF NOMENCLATURE)**

	2022	2023
<b>Sophie Boissard, Chief Executive Officer since 26 January 2016</b>		
Compensation granted in respect of the financial year (detailed in Table 2)	€908,772	€962,463 <sup>(1)</sup>
Valuation of multi-annual variable compensation granted during the financial year	-	-
Valuation of options granted during the financial year (detailed in Table 4)	-	-
Valuation of performance shares granted in 2022 and 2023, vesting in 2025 and 2026 respectively subject to continued service and performance conditions (detailed in Table 6)	€511,512	€342,550
Valuation of other long-term compensation plans	-	-
<b>Jean-Pierre Duprieu, Chairman of the Board of Directors since 1 October 2020</b>		
Compensation granted in respect of the financial year (detailed in Table 2)	€345,000	€345,000
Valuation of multi-annual variable compensation granted during the financial year	-	-
Valuation of options granted during the financial year (detailed in Table 4)	-	-
Valuation of free shares granted (detailed in Table 6)	-	-
Valuation of other long-term compensation plans	-	-

(1) Readers are reminded that the payment of the annual variable compensation remains subject to the approval of the 2024 General Meeting.

**TABLE 2 – SUMMARY TABLE OF THE COMPENSATION OF EACH EXECUTIVE CORPORATE OFFICER (AMF NOMENCLATURE)**

	Amounts awarded	2022	2023	
		Amounts paid <sup>(1)</sup>	Amounts awarded	Amounts paid <sup>(1)</sup>
<b>Sophie Boissard, Chief Executive Officer since 26 January 2016</b>				
Fixed compensation	€450,000	€450,000	€520,000	€520,000
Annual variable compensation	€443,250	€540,000	€426,400 <sup>(2)</sup>	€443,250
Multi-annual variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Compensation awarded for holding an office as Director <sup>(3)</sup>	-	-	-	-
Benefits in kind <sup>(4)</sup>	€15,522	€15,522	€16,063	€16,063
<b>TOTAL</b>	<b>€908,772</b>	<b>€1,005,522</b>	<b>€962,463</b>	<b>€979,313</b>
<b>Jean-Pierre Duprieu, Chairman of the Board of Directors since 1 October 2020</b>				
Fixed compensation	€345,000	€345,000	€345,000	€345,000
Annual variable compensation	-	-	-	-
Multi-annual variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Compensation awarded for holding an office as Director <sup>(5)</sup>	-	-	-	-
Benefits in kind	-	-	-	-
<b>TOTAL</b>	<b>€345,000</b>	<b>€345,000</b>	<b>€345,000</b>	<b>€345,000</b>

(1) Except for the other compensation shown in this table, the annual variable compensation in respect of the previous year is paid during the current year.

(2) The criteria used to calculate the components of compensation of the Chief Executive Officer's annual variable compensation or the circumstances in which they were established (reasons for payment, criteria for granting, methods for determining the amount) are set out on page 251 of this Universal Registration Document. Readers are reminded that the payment of the annual variable compensation remains subject to the approval of the 2024 General Meeting.

(3) Sophie Boissard does not receive any compensation in respect of her duties as a Director.

(4) This is the amount paid to an external organisation for the unemployment insurance taken out by the Company on behalf of the Chief Executive Officer and the benefit in kind represented by the use of a company vehicle.

(5) In accordance with Jean-Pierre Duprieu's proposal at the Board of Directors' meeting of 1 October 2020, he does not receive any compensation for his office as Director.

TABLE 4 – STOCK OPTIONS GRANTED DURING THE 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	N/A	N/A	N/A	N/A	N/A	N/A

TABLE 5 – STOCK OPTIONS EXERCISED DURING THE YEAR BY EACH EXECUTIVE CORPORATE OFFICER (AMF NOMENCLATURE)

Executive corporate officers	Number and date of plan	Number of options exercised during the year	Exercise price
Sophie Boissard, Chief Executive Officer	-	-	-
Jean-Pierre Duprieu, Chairman of the Board of Directors	N/A	N/A	N/A

TABLE 6 – FREE SHARES GRANTED DURING THE YEAR TO EACH CORPORATE OFFICER (AMF NOMENCLATURE)

Corporate officers	Plan date	Number of shares granted during the year	Valuation of shares according to the method used for the consolidated financial statements	Vesting date	Availability date	Performance conditions
Sophie Boissard	15 June 2023	52,700	€342,550	15 June 2026	15 June 2026 <sup>(1)</sup>	<sup>(2)</sup>
Jean-Pierre Duprieu	-	-	-	-	-	-
Philippe Dumont	-	-	-	-	-	-
Predica	-	-	-	-	-	-
Holding Malakoff Humanis	-	-	-	-	-	-
Guillaume Bouhours	-	-	-	-	-	-
Dr Jean-François Brin	-	-	-	-	-	-
Anne Lalou	-	-	-	-	-	-
Philippe Lévêque	-	-	-	-	-	-
Dr Markus Müschenich	-	-	-	-	-	-
Catherine Soubie	-	-	-	-	-	-
Marie-Christine Leroux	-	-	-	-	-	-
Gilberto Nieddu	-	-	-	-	-	-

(1) Sophie Boissard is required to hold 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) The performance conditions are described in section 4.2.2.1 of this Universal Registration Document.

TABLE 7 – FREE SHARES GRANTED THAT BECAME AVAILABLE DURING THE YEAR TO EACH EXECUTIVE CORPORATE OFFICER (AMF NOMENCLATURE)

Executive corporate officers	Number and date of plan	Number of shares that became available	Performance conditions
Sophie Boissard, Chief Executive Officer	30 July 2020	7,774	-



### Employment contract/corporate office

The table below presents the information required in accordance with the recommendations of the Afep-Medef Code concerning the existence for the benefit of the executive corporate officers, where appropriate, of (i) an

employment contract in addition to the corporate office held, (ii) supplementary pension plans, (iii) commitments by the Company in respect of benefits or payments due or liable to be due on account of the termination of, or change in, an executive corporate officer's duties, or thereafter, and (iv) non-compete compensation.

**TABLE 11 – EMPLOYMENT CONTRACT, RETIREMENT INDEMNITIES AND INDEMNITIES OR BENEFITS IN THE EVENT OF TERMINATION OF THE DUTIES OF THE EXECUTIVE CORPORATE OFFICERS (AMF NOMENCLATURE)**

Executive corporate officers	Employment contract	Supplementary pension plan	Termination or change-in-role benefits	Non-compete compensation
Sophie Boissard, Chief Executive Officer (from 26 January 2016 through to 31 December 2024)	NO	NO	YES	YES
Jean-Pierre Duprieu, Chairman of the Board of Directors (from 1 October 2020 through to the 2025 General Meeting)	NO	NO	NO	NO

### 4.2.2.3 Change in the compensation of executive corporate officers compared with the performance and compensation of employees

Pursuant to Article L. 22-10-9 I of the French Commercial Code, for the calculation of the average and median compensation, the scope used is that of Clariane SE, which is representative of the head office functions of the Clariane Group and includes in particular the Medical, Ethics and Health Innovation Department, the Human Resources Department, the Finance Department, the Engagement, Brand and Quality Department, the Communications Department, the Real Estate Department, the Information Systems and Digital Transformation Department and the Group Development and New Countries Department, i.e., 150 employees at 31 December 2023.

To ensure that data are comparable, the workforce considered in the calculation of average and median compensation is the full-time equivalent workforce from one year to the next and excludes the executive corporate officers.

Compensation is calculated based on all amounts paid and any performance shares that vest in the course of the relevant financial year.

The components of employees' and executive corporate officers' compensation included in the calculation are:

- annual fixed compensation paid during the relevant year;
- annual variable compensation paid during the relevant year in respect of the previous year;
- other components of annual compensation paid during the relevant year;
- performance shares that vest during the year, valued in accordance with the IFRS applied when drawing up the consolidated financial statements.

Changes in the average and median compensation as well as changes in the ratios, were contextualised using changes in the Group's economic performance, i.e., changes in revenue and EBITDA.

### Compensation ratio between the 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 Clariane SE in accordance with the texts in force.

In accordance with the Afep-Medef Code, for 2021 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.

Taking into account all compensation paid, including annual and long-term variable compensation, the ratio compared to the median compensation of Group employees comes out at less than 35 over the period. This ratio reflects a compensation structure in line with the nature of the Company's missions and consistent with the industry.

## Ratio between the compensation of executive corporate officers and the average and median compensation of Clariane's employees

### TABLE OF RATIOS IN ACCORDANCE WITH AFEP'S GUIDELINES UPDATED IN FEBRUARY 2021

#### Ratio between the compensation of the Chief Executive Officer and the average and median compensation of Clariane employees

	2019	2020	2021	2022	2023
<b>FINANCIAL PERFORMANCE OF THE COMPANY</b>					
Revenue (in millions of euros)	3,611	3,874	4,311	4,534	5,047
Change (as a %) since the previous financial year	8.2%	7.3%	11.3%	5.2%	11.4%
EBITDA (in millions of euros)	535	525	597	607	614
Change (as a %) since the previous financial year	12.2%	-1.9%	13.7%	1.7%	1.1%
Change (as a %) in the total compensation of the Chief Executive Officer <sup>(1)</sup>	48%	11%	-49%	35% <sup>(2)</sup>	21.3% (5)
<b>CLARIANE SE</b>					
Change (as a %) in the average compensation of employees	4%	2%	-1%	69% <sup>(3)</sup>	-0.2% <sup>(6)</sup>
<b>Ratio compared to the average compensation of employees</b>	<b>18</b>	<b>19</b>	<b>10</b>	<b>8</b>	<b>10</b>
Change in the ratio (as a %) since the previous financial year	44%	8%	-47%	-20%	22%
<b>Ratio compared to the median compensation of employees</b>	<b>24</b>	<b>25%</b>	<b>13</b>	<b>12</b>	<b>14</b>
Change in the ratio (as a %) since the previous financial year	46%	6%	-48%	-7.7%	17.5%
<b>CLARIANE GROUP<sup>(4)</sup></b>					
Change (as a %) in the average compensation of employees	-	-	-	4.4%	0.6%
<b>Ratio compared to the average compensation of employees</b>		<b>21</b>		<b>27</b>	<b>33</b>
<b>Ratio compared to the median compensation of employees</b>					<b>45</b>

(1) The Chief Executive Officer's total compensation for the purposes of calculating the ratio includes compensation and benefits in kind paid or awarded during the financial year.

(2) The Chief Executive Officer's total compensation for the purposes of calculating the ratio includes compensation and benefits in kind paid or awarded during the financial year. The change in compensation paid between 2021 and 2022 is solely explained by the amount of the variable compensation paid in 2021 in respect of 2020, with a payout rate of 62% compared to a payout rate of 120% for the variable compensation in respect of 2021 paid in 2022.

(3) The 69% change in the average compensation of Clariane SE employees is due to the change in organisation within Clariane SE. Following the partial contribution of assets carried out on 1 August 2021, the legal entity Clariane SE only concerns the Group's head office functions, i.e., 133 employees at 31 December 2022, whereas in previous years the scope included all head office functions in France, i.e., 638 employees.

(4) In accordance with the Afep-Medef Code, for 2021, 2022 and 2023 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.

(5) The change in compensation paid between 2022 and 2023 is due in particular to the vesting in 2023 of the shares awarded in 2020, whereas no shares vested in 2022.

(6) The change in the average compensation paid to employees between 2022 and 2023 is due in particular to the reduction in the payment of variable compensation from 120% in 2022 in respect of 2021 to 98.2% in 2023 in respect of 2022.

#### Ratio between the compensation of the Chairman of the Board of Directors and the average and median compensation of Clariane employees

	2019	2020	2021	2022	2023
Change (as a %) in the compensation of the Chairman of the Board of Directors	0%	-25%	0%	0%	0%
<b>CLARIANE SE</b>					
Change (as a %) in the average compensation of employees	4%	2%	-1%	69% <sup>(1)</sup>	-0.2%
<b>Ratio compared to the average compensation of employees</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>3</b>
Change in the ratio (as a %) since the previous financial year	0%	-21%	25%	-40%	0%
<b>Ratio compared to the median compensation of employees</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>4</b>	<b>4</b>
Change in the ratio (as a %) since the previous financial year	0%	-17%	20%	-33%	0%
<b>CLARIANE GROUP<sup>(2)</sup></b>					
Change (as a %) in the average compensation of employees	-	-	-	4.4%	0.6%
<b>Ratio compared with the average compensation of Group employees</b>			<b>10</b>	<b>9</b>	<b>9</b>
<b>Ratio compared to the median compensation of employees</b>					<b>13</b>

(1) The 69% change in the average compensation of Clariane SE employees is due to the change in organisation within Clariane. Following the partial contribution of assets carried out on 1 August 2021 between Clariane SE and Clariane France, the legal entity Clariane SE only concerns the Group's head office functions, i.e., 133 employees at 31 December 2022, whereas in previous years the scope included all head office functions in France, i.e., 638 employees.

(2) In accordance with the Afep-Medef Code, for 2021, 2022 and 2023 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 2023 to 31 December 2023

The compensation paid to Directors for the period from 1 January 2023 to 31 December 2023 complies with the 10<sup>th</sup> resolution adopted by the General Meeting of 15 June 2023, which set the total annual amount of said compensation at €500,000 from 2023 and for subsequent financial years, until otherwise decided.

In accordance with the proposal made by the Chairman of the Board of Directors at the Board of Directors' meeting held on 1 October 2020, the Board of Directors decided not to pay the Chairman compensation for his duties as Director. Similarly, the Chief Executive Officer does not receive any compensation for her duties as Director. Consequently, the total annual amount of the compensation awarded to the Directors is divided among the other Directors, including the Employee Directors.

For 2023, Predica and Philippe Dumont each requested that the sums to which they would normally have been entitled under the rules for allocating Directors' annual compensation be paid to the Clariane Foundation.

##### Summary of the components of compensation paid or awarded to Directors from 1 January 2023 to 31 December 2023

In respect of 2023, a gross amount of €447,379 was paid as compensation to the members of the Board of Directors.

The members of the Board of Directors are also entitled to reimbursement, upon presentation of receipts, of travel expenses incurred to attend the meetings of the Board of Directors and of the specialised committees. The Directors, other than the Chairman of the Board of Directors and the Chief Executive Officer, did not receive any other compensation from the Company in respect of 2023.

The applicable rules governing the distribution of the Directors' compensation for 2023 are as follows:

- maximum compensation set at €30,000 for the Independent Directors and €15,000 for the Non-Independent Directors;
- maximum compensation set at €25,000 for committee chairs who are Independent Directors and €12,500 for committee chairs who are Non-Independent Directors;
- maximum compensation set at €10,000 per committee attended for committee members who are Independent Directors and €5,000 per committee attended for committee members who are Non-Independent Directors, it being understood that:

(i) the payment of 60% of the maximum overall compensation is subject to members' attendance at meetings of the Board of Directors and of the specialised committees of which they are members, and that (ii) this amount is determined pro rata to members' effective attendance at said meetings, and

Directors' attendance at meetings of the Board of Directors, its committees and the Mission Committee entitles them to the same compensation irrespective of the method of attendance (in-person, video conference, or other audiovisual means);

- attendance by the Chairman of the Ethics, Quality and CSR Committee at meetings of the Mission Committee is treated as attendance at a committee meeting as a member and is compensated in accordance with the same rules.

The record of this attendance and the corresponding breakdowns of the annual compensation for the financial year are prepared by the Compensation and Appointments Committee and then approved by the Board of Directors at its last meeting of the financial year.

TABLE 3 – COMPENSATION ALLOCATED FOR DIRECTORSHIPS AND OTHER COMPENSATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS (AMF NOMENCLATURE)

Non-executive corporate officers	Amounts awarded in respect of 2022 <sup>(1)</sup>	Amounts awarded in respect of 2023 <sup>(1)</sup>
Sophie Boissard <sup>(2)</sup>	-	-
Jean-Pierre Duprieu <sup>(3)</sup>	-	-
Philippe Dumont <sup>(4)</sup>	€21,533	€18,015
Predica <sup>(4)</sup>	€23,845	€32,350
Holding Malakoff Humanis	€30,370	€23,798
Guillaume Bouhours	€37,275	€39,731
Dr Jean-François Brin	€39,537	€49,915
Anne Lalou	€55,472	€67,320
Philippe Lévêque <sup>(5)</sup>	€29,521	€65,000
Dr Markus Müschenich	€37,349	€40,000
Catherine Soubie	€65,384	€71,250
Marie-Christine Leroux	€18,946	€20,000
Gilberto Nieddu	€6,527	€20,000
Markus Ruckerl <sup>(6)</sup>	€11,235	-
<b>TOTAL</b>	<b>€376,994</b>	<b>€447,379</b>

(1) Gross amount.

(2) Sophie Boissard does not receive any compensation in respect of her duties as a Company Director.

(3) In accordance with Jean-Pierre Duprieu's proposal at the Board of Directors meeting of 1 October 2020, the Board of Directors decided not to pay him any compensation for his duties as Director from this date.

(4) In accordance with the proposal, the sums that would normally have been paid for 2022 and 2023 in application of the customary distribution rules for Directors adopted by the Board were not paid over and were not redistributed to the other Directors, but remained available to the Company which paid them over to the Clariane Foundation.

(5) Since his appointment on 22 June 2022.

(6) Director whose term of office expired with his departure from the Group on 31 May 2022.

## 4.3 Governance of compensation

### Parties involved

#### Human Resources Department

**The Group's Human Resources Department participates in the following aspects of the process of formulating and determining the compensation of corporate officers:**

- it ensures that the compensation policy for corporate officers complies with the various laws and best practices, in particular say-on-pay, jointly with the Group General Secretary;
- it engages suitable experts to carry out external compensation benchmarking studies, which allow for an objective assessment of the compensation policy and determine whether it is competitive;
- it selects external compensation experts to provide input to the meetings of the Compensation and Appointments Committee;
- it makes recommendations to the Compensation and Appointments Committee;
- it ensures that the compensation offered is fair and consistent with internal and external policies;
- it ensures that the compensation policy complies with the Group's strategy using the associated performance criteria.

#### Ethics, Quality and CSR Committee

The Ethics, Quality and CSR Committee is consulted on the selection and achievement of the non-financial criteria relating to the annual variable compensation and the long-term variable compensation of the Chief Executive Officer and the members of the Group Management Board.

For further information:

- See section 4.1.3.3.4 "Ethics, Quality and CSR Committee" of the 2023 Universal Registration Document.

## Audit Committee

The Audit Committee is consulted on the selection and achievement of financial criteria relating to the annual variable compensation and the long-term variable compensation of the Chief Executive Officer and the members of the Group Management Board.

For further information:

- See section 4.1.3.3.1 "Audit Committee" of the 2023 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;
- loyalty programmes for managers and key senior executives;
- the selection of quantitative and qualitative targets for the Chief Executive Officer's annual variable compensation;
- the determination of achievement thresholds for the performance criteria to be met for the variable and long-term compensation of the Chief Executive Officer and the key senior executives concerned;

- 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:

- See section 4.1.3.3.2 "Compensation and Appointments Committee" of the 2023 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 key senior executives.

It ensures, in particular, that the performance criteria, conditions and targets of the annual and long-term variable components of compensation 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 personal situations.

For further information:

- See section 4.1.3.2.1 "Duties and powers of the Board of Directors" of the 2023 Universal Registration Document.

## Shareholders

In accordance with the applicable laws and regulations, Clariane's shareholders are invited to vote on:

- the compensation policy for corporate officers;
- the total compensation for their office and benefits in kind paid to all corporate officers during or awarded in respect of the financial year; and
- the total compensation for their office and benefits in kind paid to all executive corporate officers during or awarded in respect of the financial year.

They are also periodically asked to vote on resolutions relating to the granting of free shares or capital increases reserved for employees in connection with the group savings plan.

In order to maintain dialogue with its stakeholders, Clariane regularly communicates with its shareholders and proxy advisors. The Group consults these stakeholders in advance on compensation policies. In line with this, during the 12 months preceding the publication of this Universal Registration Document, the Group organised several meetings prior to its Annual General Meeting.

### Historical say-on-pay votes at the General Meeting

The high approval rate of resolutions relating to the compensation policy and the components of compensation for executive corporate officers is testament to the quality, transparency and consistency of the dialogue between Clariane and its stakeholders.

		General Meetings			
		2020	2021	2022	2023
<b>Chairman of the Board of Directors</b>	Compensation policy	98.7%	97.1%	98.46%	98.93%
	Components of compensation	98.7%	99.9% <sup>(a)</sup>	99.87%	99.41%
<b>Chief Executive Officer</b>	Compensation policy	98.8%	92.3%	90.07%	98.58%
	Components of compensation	98.5%	91.5%	96.61%	98.98%
<b>Directors</b>	Compensation policy	98.7%	98.4%	99.82%	99.26%

(a) At the 2021 General Meeting, the shareholders were asked to approve the components of compensation paid or awarded to 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 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 votes cast.







# 5

## Analysis of activities and performance

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## 5.1 Significant events in 2023

At 31 December 2023, the network consisted of 1,327 care homes and nursing facilities compared to 1,195 in 2022, representing almost 92,000 beds versus around 88,000 in 2022. In 2023, the Group's 60,000 healthcare professionals cared for 900,000 residents and patients in the seven European countries in which it operates.

The Long-term Care business, which accounted for 61.7% of the Group's activity in 2023 compared to 64% in 2022, generated revenue of €3,116 million, up from €2,922 million in the previous year, representing reported growth of 6.7% and organic growth of 8.0%.

This growth reflects price adjustments in response to cost inflation, particularly in Germany, France and Belgium, and a further rise business volumes, especially in the mature network with the occupancy rate averaging 88.5% compared to 86.6% in 2022 on the back of a gradual return to normal operating conditions post-Covid and the ramp-up of newly introduced capacity. In December 2023, the occupancy rate in this segment was 89.4%.

The Specialty Care business generated revenue of €1,305 million in 2023, 25.9% of the Group total, equating to reported growth of 17.4% and organic growth of 6.4%. In France (under the Inicea brand), Italy and Spain, the Group's healthcare facilities cared for more than 700,000 patients during the period.

Activity for the Specialty Care business breaks down as follows:

- medical and rehabilitation care: new technical platforms came into service and new areas of specialist care were developed, particularly in oncology and neurology;
- mental health: the integration of Grupo 5 in Spain strengthened the Group's position in the mental healthcare sector;
- revenue from outpatient activities (consultations and partial hospitalisation) rose by more than 25% (11% on an organic basis) across this segment.

Revenue in the Community Care business, whose brands include Petits-Fils and Ages & Vie, amounted to €626 million in 2023, representing 12.4% of the Group total and growth of 25.3% (15.4% on an organic basis). Over the period as a whole, some 80,000 patients used Clariane's services in this segment.

This momentum reflects:

- ongoing development of the community care offering, with 38 new Ages & Vie residences;
- further strong growth in the homecare network, with 20 new Petits-Fils branches.

In addition, on 14 November 2023, Clariane announced a plan to secure and accelerate its debt reduction and benefit from a financial structure adapted to a more challenging economic environment due to inflation, rising interest rates and tighter debt and real estate markets, and ultimately to provide room for manoeuvre in the execution of its strategy. The four components of this plan are described in more detail in section 5.3.2 "Financial position" of the Universal Registration Document.

## ESG and social performance

The year was characterised by a solid ESG performance, having achieved or exceeded all targets set in 2019 as part of its first 2019-2023 ESG roadmap, which was strengthened in 2023 by the adoption of purpose-driven company status and the establishment of a Mission Committee.

- As regards care provided to residents and patients, the Group rolled out its Positive Care approach (non-drug therapies and related training) across all care homes that have been part of the Group for more than two years (compared to 72% in 2019).
- As regards implementing consistent quality standards across all of its networks, in 2023 the Group completed the ISO 9001 certification programme it had begun in 2020: 100% of facilities that were part of the Group's scope in 2019 had ISO 9001 certification from independent third-party organisations (e.g., AFNOR Certification in France, DNV in Italy and Spain, Dekra in Germany) at the end of the year versus 8% in 2019.
- As regards employee health and safety, the accident frequency rate was reduced significantly to 37, compared to 52 in 2019.
- As regards skills development, 7,274 staff members took part in qualifying training in 2023, i.e., some 12% of the Group's workforce compared to 4% in 2019.
- Team stability continued to improve, with an average length of service of 7.5 years in 2023 versus 6.7 years in 2019.
- The residents, patients and families NPS, measured by an independent third-party organisation based on the responses of more than 93,000 people, was 44, up 8 points compared to 2022, with increases in all of our business areas and 10 points higher than the Group's main comparable peers in the same geographies as measured by the same independent third-party organisation.

During the period, the Group also continued to work on the quality of its dialogue with residents and families and with the Company's Mission Committee, which met three times in 2023, with the following results:

- mediation arrangements in place in all countries in which the Group operates;
- Stakeholder Councils established in five countries and in the process of being set up in Spain;
- forums for dialogue with residents, patients and families in 97% of sites (Social Life Committee and User Relations Commission in France, equivalent forums in other countries).

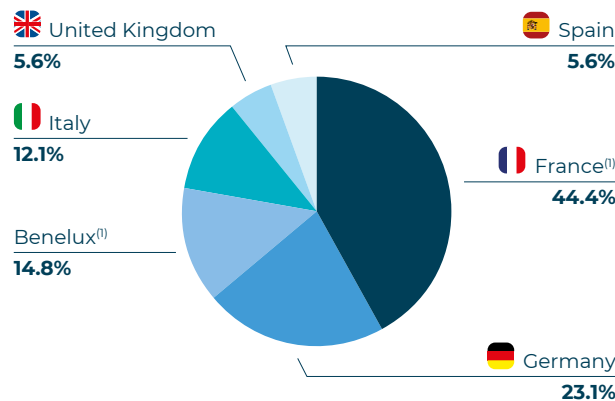
As regards the environment, in 2023, the Group significantly reduced its environmental impact by continuing to adjust practices and refurbish properties in order to emit less greenhouse gas and consume fewer resources. Carbon intensity fell by 36% between 2019 and 2023. Clariane reaffirmed its commitment to the environment by submitting carbon emission reduction targets aligned with the Paris Agreements to the Science Based Targets initiative (SBTi);

- the improvement in facilities' energy efficiency is contributing to the Group's pathway for reducing carbon emissions, in line with the targets submitted to the SBTi:
  - energy consumption (kWh) down 14% versus 2021,
  - energy intensity (kWh/sq.m.) down 16% versus 2021,
  - significant reduction in residual waste generated by our business activities (down 16% versus 2019) due to improved waste sorting in facilities and the introduction of new waste collection and recovery methods in certain countries (e.g., biowaste recovery in France);
- 100% of real estate plans submitted to the Investment Committee comply with HQE standards or equivalent.

In early 2024, Clariane received Top Employer Europe 2024 certification from the Top Employers Institute, becoming the first group in the healthcare and nursing industry to achieve European level certification. This recognises the Clariane Group's commitment to employees' working conditions and career development. Five of the Group's host countries also obtained Top Employer certification. In Germany, Clariane obtained certification for the fourth consecutive year, in France for the third, in Belgium and Italy for the second and in the United Kingdom for the first time.

## 5.2 Analysis of revenue

ANALYSIS OF REVENUE



(1) Including the Netherlands.

In millions of euros	Group		France		Germany		Benelux <sup>(a)</sup>		Italy		Spain and United Kingdom	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	5,047.5	4,534.1	2,243.0	2,080.9	1,166.1	1,082.0	747.8	667.0	609.4	559.0	281.2	145.2
EBITDAR excl. IFRS 16	1,126.8	1,090.7	557.2	544.6	220.4	253.9	167.4	142.0	129.3	117.2	52.5	32.9
<b>Margin (as a % of revenue)</b>	<b>22.3%</b>	<b>24.1%</b>	<b>24.8%</b>	<b>26.2%</b>	<b>18.9%</b>	<b>23.5%</b>	<b>22.4%</b>	<b>21.3%</b>	<b>21.2%</b>	<b>21.0%</b>	<b>18.7%</b>	<b>22.7%</b>

(a) Including the Netherlands.

Revenue in 2023 totalled €5,047.5 million, representing growth of 11.3% on a reported basis and 8.4% like for like.

Reported revenue growth was supported by:

- growth in business volumes, which had a net positive €134 million impact (higher occupancy rate in mature facilities, additional capacity coming onstream), with €171 million of additional revenue more than offsetting the non-recurrence of compensation payments, which had a negative impact of €38 million compared to 2022;
- price increases had a positive €243 million impact, particularly in France, Germany and Belgium;
- changes in scope had a net positive €137 million impact resulting mainly from the acquisition of Grupo 5 in Spain, partly offset by disposals (Germany and France) and the closure of facilities and networks, particularly in Belgium (Brussels) and Germany.

EBITDAR excluding IFRS 16 was €1,127 million in 2023, versus €1,091 million in 2022, representing reported growth of 3.3%.

EBITDAR in France amounted to €557 million in 2023, versus €545 million in 2022. Amid high cost inflation only partly offset by higher prices and a decrease in the contribution of real estate activities, the EBITDAR margin fell 140 basis points in 2023 compared to 2022.

EBITDAR in Germany amounted to €220 million in 2023, versus €254 million in 2022, pushing down the EBITDAR margin by 460 basis points. Accordingly, the Group is continuing to refocus its network in Germany. Between 2023 and 2024, the Group will discontinue operations at 11 loss-making facilities, helping to restore profitability.

In the Benelux region, given the limited impact of cost inflation, EBITDAR came out at €167 million in 2023, compared to €142 million in 2022, and the EBITDAR margin increased by 110 basis points.

In Italy, taking into account the limited impact of cost inflation, EBITDAR totalled €129 million in 2023, versus €117 million in 2022, and the EBITDAR margin increased by 20 basis points.

In the Spain and United Kingdom region, EBITDAR amounted to €52.5 million in 2023, compared to €33 million in 2022. The change in the business mix resulting from the integration of Grupo 5 weighed on the EBITDAR margin, which contracted by 400 basis points.



## 5.3 Review of consolidated results and financial position at 31 December 2023

### 5.3.1 Consolidated results

The key financial indicators Clariane uses to monitor its performance exclude IFRS 16.

#### 5.3.1.1 Simplified consolidated income statement

EBITDAR is Clariane's main indicator for measuring operating performance independently of its real estate strategy. It is calculated as operating income before

lease expenses not eligible for accounting under IFRS 16, depreciation, amortisation, impairment and provisions, and other operating income and expenses.

EBITDA corresponds to EBITDAR after lease expenses, reflecting the performance of the Group's real estate strategy.

	2023 excl. IFRS 16	IFRS 16 adjustments	2023 incl. IFRS 16	2022 excl. IFRS 16	IFRS 16 adjustments	2022 incl. IFRS 16	Change 2023 vs. 2022
Revenue and other income	5,047.5	-	5,047.5	4,534.1	-	4,534.1	+11.3%
EBITDAR	1,126.8	(31.1)	1,095.7	1,090.7	(18.4)	1,072.3	+3.3%
<i>as a % of revenue</i>	22.3%	-	21.7%	24.1%	-	23.6%	-180 bps
External rents	(513.2)	438.8	(74.4)	(483.5)	414.5	(69.0)	+6.1%
EBITDA	613.6	407.6	1,021.2	607.1	396.1	1,003.2	+1.1%
<i>as a % of revenue</i>	12.2%	-	20.2%	13.4%	-	22.1%	-120 bps
Operating income	141.6	21.6	163.2	239.5	33.0	272.5	-40.9%
Net financial expense	(156.2)	(83.1)	(239.3)	(144.2)	(70.4)	(214.6)	+8.3%
<b>PROFIT (LOSS) BEFORE TAX</b>	<b>(14.6)</b>	<b>(61.6)</b>	<b>(76.2)</b>	<b>95.4</b>	<b>(37.4)</b>	<b>57.9</b>	<b>-115.3%</b>
<b>ATTRIBUTABLE NET PROFIT/(LOSS)</b>	<b>(63.2)</b>	<b>(42.0)</b>	<b>(105.2)</b>	<b>52.0</b>	<b>(30.0)</b>	<b>22.1</b>	<b>-226.0%</b>

EBITDA excluding IFRS 16 amounted to €614 million versus €607 million in 2022, equating to reported growth of 1.1%. This performance reflects resilient margins despite persistently high inflation in 2023, in all regions except Germany where margins fell significantly due to particularly tough industry conditions and delays implementing the new pricing framework intended to offset inflation.

The increase in EBITDA was driven by the positive impact of:

- higher business levels (positive €68 million impact);
- higher prices (positive €243 million impact);
- the net impact of changes in scope (positive €9 million impact).

These positive effects more than offset the negative impact of:

- a decrease in compensation payments for loss of business (negative €38 million impact);
- cost inflation, net of subsidies (negative €269 million impact);
- a decrease in the contribution of real estate activities (negative €7 million impact).

As a result, EBITDA margin came out at 12.2% in 2023, compared to 13.4% in 2022.

Two-thirds of the decrease in the EBITDA margin was attributable to the specific situation in Germany.

The Group made a €49 million net loss from continuing operations in 2023, versus net profit of €67 million in 2022.

The €116 million decrease in this item was mainly due to the following factors:

- a €15 million increase in depreciation, amortisation, impairment and provisions from €292 million in 2022 to €307 million in 2023, chiefly attributable to the opening of new facilities;
- a €12 million increase in financial expense from €144 million in 2022 to €156 million in 2023, with the impact of higher interest rates only partly offset by the positive effect of unwinding the Group's hedging positions;
- an €89 million increase in non-recurring expense to €165 million in 2023 from €76 million in the prior year, including €60 million in impairment of assets held for sale (mainly in the United Kingdom and the Netherlands), as well as around €30 million of restructuring and reorganisation costs in Germany and Belgium.

Adjusted for impairment on asset disposals in the United Kingdom and the Netherlands and other impairment (Italy and Spain) in a total amount of €60 million (€51 million net of the €9 million tax effect, the Group made net profit

from continuing operations, excluding IFRS 16 and asset impairment, of €2 million in 2023 as opposed to net profit from continuing operations of €67 million in 2022.

### 5.3.1.2 Simplified consolidated balance sheet

In millions of euros	31.12.2023	31.12.2022
<b>Non-current assets</b>	12,682.4	12,655.8
<b>Current assets</b>	1,977.0	1,788.1
Assets held for sale	521.5	129.7
<b>TOTAL ASSETS</b>	<b>15,180.9</b>	<b>14,573.6</b>

In millions of euros	31.12.2023	31.12.2022
<b>Total equity</b>	3,937.5	3,867.9
<b>Non-current liabilities</b>	7,857.6	7,743.4
<b>Current liabilities</b>	3,118.7	2,822.9
Liabilities related to assets held for sale	267.1	139.4
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,180.9</b>	<b>14,573.6</b>

#### Assets

Non-current assets break down as follows:

- goodwill of €3,287.5 million, an increase of €50.3 million year on year, mainly due to the provisional allocation of the purchase price of Grupo 5 in Spain (€124.6 million), partially offset by the final allocation of the purchase price of Italian Hospital Group and Maleo Group in Italy (negative €24 million), and by the reclassification of goodwill in the United Kingdom as assets held for sale for €53.2 million;
- intangible assets amounting to €2,343 million;
- property, plant and equipment totalling €3,144.4 million, down €408.2 million year on year;
- right-of-use assets for €3,652.3 million versus €3,451.9 million at end-2022, with the increase attributable to sale and leaseback transactions with Ages & Vie real estate companies, restated in accordance with IFRS 16.

Current assets mainly comprise:

- trade receivables amounting to €637 million;
- other receivables and current assets totalling €829.1 million;
- cash and cash equivalents in the amount of €677.9 million.

#### Equity and liabilities

- Total equity amounted to €3,937.5 million, up €69.6 million versus end-2022.
- Gross borrowings and financial debt amounted to €4,532 million, up €23.7 million year on year.
- Lease liabilities totalled €4,022.9 million versus €3,762.2 million at end-2022. The increase in lease liabilities includes a €217 million increase resulting from sale and leaseback transactions with Ages & Vie real estate companies, restated in accordance with IFRS 16.

## 5.3.2 Financial position

The Group's net debt increased from €3,775 million at 31 December 2022 to €3,780 million at 31 December 2023.

The increase in net debt reflects:

- gross borrowings and financial debt of €4,532 million at 31 December 2023, versus €4,508 million at 31 December 2022;
- a cash position of €678 million at 31 December 2023 versus €734 million at 31 December 2022.

After restating the Ages & Vie real estate receivables of €74 million, real estate debt stood at €1,838 million at 31 December 2023. With a real estate portfolio valued at €3,007 million, this represents a Loan-to-Value (LTV) ratio of 61% versus 55% at 31 December 2022.

On that basis, the Group's financial leverage, as defined in the syndicated facility agreement (SFA) announced on 25 July 2023, was 3.8x at 31 December 2023, in line with the target announced on 24 October 2023.

### Update on the refinancing plan

As regards the refinancing plan announced on 14 November 2023, the Company completed the first two stages in December 2023:

- formation of the Gingko real estate partnership, raising €140 million (see press release of 15 December 2023) followed by the Juniper real estate partnership, raising €90 million (see press release of 28 December 2023);
- arrangement of a €200 million real-estate-backed bridge term loan with Crédit Agricole Mutuel de Paris et d'Île de France (CADIF), LCL and Crédit Agricole Corporate

and Investment Bank (CACIB) (see press release of 28 December 2023). The proceeds from the bridge term loan were used to repay real-estate-backed loans maturing in the first quarter of 2024 in an amount of €190 million. As well as the customary early redemption clauses, the bridge loan will need to be redeemed early if the planned capital increase is abandoned, unless the Company proposes an alternative plan to raise at least €300 million through equity or quasi-equity funding or other funding of a similar nature.

In millions of euros	31.12.2023	31.12.2022
Borrowings from credit institutions and financial markets	2,582.9	2,571.6
Real estate debt owed to financial counterparties (excluding IFRS 16)	1,911.8	1,914.0
Other miscellaneous financial debt	26.8	22.0
Bank overdrafts	10.6	0.7
<b>Borrowings and financial debt (A)</b>	<b>4,532</b>	<b>4,508.3</b>
Marketable securities	82	11.9
Cash at bank and in hand	595.9	721.8
<b>Cash and cash equivalents (B)</b>	<b>677.9</b>	<b>733.7</b>
<b>NET DEBT (A) - (B)</b>	<b>3,854.2</b>	<b>3,774.6</b>
Lease liabilities and commitments	4,022.9	3,762.2
<b>NET DEBT AND LEASE LIABILITIES AND COMMITMENTS</b>	<b>7,877.1</b>	<b>7,536.8</b>

### 5.3.3 Clariane SE annual financial statements

#### 5.3.3.1 Clariane SE income statement

In millions of euros	2023	2022
Revenue	30.5	32.3
Other operating income, reversals of provisions and expense transfers	6.4	6.2
<b>Total operating income</b>	<b>36.9</b>	<b>38.6</b>
Change in inventories	0.0	0.0
Other external purchases and expenses	(60.2)	(55.1)
Taxes and contributions	(1.4)	(1.2)
Staff costs	(28.0)	(48.6)
Depreciation, amortisation, impairment and provisions	(12.1)	(7.9)
Other expenses	(0.6)	(0.4)
<b>Total operating expenses</b>	<b>(102.3)</b>	<b>(113.2)</b>
<b>Net operating profit/(loss)</b>	<b>(65.4)</b>	<b>(74.6)</b>
Share of profit or loss	(0.9)	(0.3)
<b>Net financial income</b>	<b>85.8</b>	<b>93.9</b>
<b>Net non-recurring income</b>	<b>0.3</b>	<b>2.2</b>
Income tax benefit	(19.3)	(33.9)
<b>NET PROFIT/(LOSS)</b>	<b>39.1</b>	<b>55.0</b>

#### 5.3.3.2 Analysis of the income statement

##### Operating income and expense

Clariane obtains its revenue from the invoicing of the corporate services it provides to its French and foreign subsidiaries (invoicing of corporate expenses, head office rental and staff expenses).

In 2023, staff costs represented around 27% of total operating expenses, amounting to €28 million.

##### Financial income and expense

As the Group's holding company, Clariane receives dividends from its subsidiaries, which decreased from €116 million in 2022 to €64.5 million in 2023.

Clariane carries most of the Group's debt and financial instruments. Financial expenses on borrowings and debt totalled €136.5 million in 2023, an increase of €59.5 million on 2022, attributable to higher interest rates. Clariane

recognised net income from financial instruments of €45.4 million in 2023 and made a net provision reversal of €4.9 million for foreign exchange losses on a GBP loan amounting to €6.3 million at end-2023 (versus €10.9 million at the end of December 2022).

As the head of the Group's cash pool, Clariane paid €24 million in current account interest in 2023 (versus €2.3 million in 2022) and received €61.6 million in current account interest from subsidiaries (versus €16.3 million in 2022). The year-on-year change in this item is mainly due to the sharp rise in Euribor 2023 versus 2022, and to the volume effect of intra-group transactions.

##### Non-recurring income and expense

Non-recurring income totalled €0.3 million, down €1.9 million versus 2022.

## 5.3.3.3 Clariane SE balance sheet

	31.12.2023	31.12.2022
<b>ASSETS</b>		
Intangible assets	41.5	29.8
Property, plant and equipment	1.7	1.2
Non-current financial assets	5,169.6	4,857.2
<b>Total non-current assets</b>	<b>5,212.7</b>	<b>4,888.1</b>
Raw materials and supplies		
Advances and deposits paid on orders		
Trade receivables	71.3	22.8
Other receivables	1,332.9	1,401.1
Cash and cash equivalents	507.1	418.4
Prepaid expenses	13.8	14.6
<b>Total current assets</b>	<b>1,925.1</b>	<b>1,856.8</b>
Debt issuance costs and bond redemption premiums	22.2	27.5
<b>TOTAL ASSETS</b>	<b>7,160.1</b>	<b>6,772.5</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
Share capital	534.1	532.5
Reserves and share premiums	1,477.0	1,473.7
Retained earnings	37.7	12.0
Net profit	39.1	55.0
Regulated provisions	1.9	1.9
<b>Net financial position</b>	<b>2,089.8</b>	<b>2,075.0</b>
Provisions for risks and expenses	6.9	11.8
Borrowings and financial debt	4,917.6	4,594.6
Trade payables	20.1	8.4
Tax and social security liabilities	16.3	11.2
Other liabilities	30.4	61.2
<b>Total operating liabilities</b>	<b>4,991.4</b>	<b>4,687.1</b>
Deferred income	77.0	0.0
Unrealised foreign exchange gains	2.0	10.4
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>7,160.1</b>	<b>6,772.5</b>

At 31 December 2023, Clariane SE's total assets stood at €7,160 million. This figure essentially comprised the following:

**Assets**

- Non-current assets totalled €5,213 million, accounting for nearly 73% of the total balance sheet. Non-current assets consisted of:
  - €4,332 million in equity interests and advances;
  - €838 million in other non-current financial assets;
  - €43.2 million in property, plant and equipment and non-current intangible assets.
- The other main items on the assets side of the balance sheet position break down as follows:
  - current accounts with subsidiaries in the amount of €1,288.6 million;
  - cash and cash equivalents of €507 million;

- prepaid expenses of €13.8 million, corresponding to balancing cash payments on swaps and interest expense on derivative instruments.

**Liabilities**

- The net financial position stood at €2,090 million, up €15 million year on year, mainly reflecting net profit for the year and the payment of dividends in respect of 2022.
- Borrowings and financial debt totalled €4,918 million at 31 December 2023, breaking down as €2,489 million in bonds, €1,489.7 million in loans and other borrowings with credit institutions, and €939 million in loans and other borrowings, including €899 million in current accounts with subsidiaries.
- Trade payables totalled €20.1 million, up €11.7 million versus end-2022.

### 5.3.3.4 Customer and supplier payment times

In accordance with Articles L. 441-14 and D. 441-6 of the French Commercial Code, information on payment periods on payables owed to suppliers and receivables owed by customers are shown in the table below.

	Article D. 441-I 1°: Invoices received, outstanding at year-end and past due						Article D. 441-I 2°: Invoices issued, outstanding at year-end and past due					
	0 days (for information)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day or more)	0 days (for information)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day or more)
<b>(A) PAYMENTS IN ARREARS BY TIME PERIOD</b>												
Number of invoices	230	118	378	30	140	666	0	2	11	0	62	75
Total amount of invoices (incl. VAT)	1,776,962	710,107	920,727	1,085,515	1,280,981	3,997,330	-	109,634	6,812,578	0	745,787	7,667,999
Percentage of total purchases (incl. VAT) for the year	2.57%	1.03%	1.33%	1.57%	1.85%	5.78%						
Percentage of revenue (incl. VAT) for the year							0.00%	1.33%	82.84%	0.00%	9.07%	93.24%
<b>(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED PAYABLES AND RECEIVABLES OR NOT RECORDED IN THE ACCOUNTS</b>												
Number of invoices excluded												
Total amount of invoices excluded												
<b>(C) REFERENCE PAYMENT TERMS (CONTRACTUAL OR STATUTORY)</b>												
	Contractual payment terms:						Contractual payment terms:					
Payment terms used to assess late payments	the invoice due date less the document date						the invoice due date less the document date					
	Statutory payment terms: 45 days from the invoice date						Statutory payment terms: 45 days from the invoice date					

### 5.3.3.5 Expenses and overheads to be added back

Expenses subject to Article 39-4 of the French Tax Code amounted to €176,710 for the year ended 31 December 2023.

### 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 2023 it had five branches located at:

- Parc de la Duranne 3, 165 avenue Galilée – 13857 Aix-en-Provence;
- Allée de Roncevaux, 31420 L'Union;
- 2, rue du Chemin de Femmes – 91300 Massy;
- Zone Industrielle, 25870 Devecey;
- 59, rue Denuzière, 69002 Lyon.



## 5.3.3.7 Five-year financial summary

	31.12.2023	31.12.2022	31.12.2021	31.12.2020	31.12.2019
Duration of period	12 months	12 months	12 months	12 months	12 months
<b>FINANCIAL POSITION</b>					
a) Share capital	€534,142,680	€532,526,030	€527,968,290	€525,190,790	€413,641,350
b) Number of shares issued	106,828,536	106,505,206	105,593,658	105,038,158	82,728,270
<b>RESULTS OF OPERATIONS</b>					
a) Revenue excluding taxes	€30,535,358	€32,340,053	€23,543,623	€139,053,371.25	€130,980,560
b) Profit before taxes, employee profit-sharing, depreciation, amortisation and provisions	€31,877,333	€29,041,815	€(48,299,365)	€(3,863,364)	€71,657,468
c) Income tax	€(19,267,999)	€(33,855,527)	€(31,010,733)	€(27,313,116)	€(10,173,504)
d) Profit after taxes, and before depreciation, amortisation and provisions	€51,145,332	€62,897,342	€(17,288,632)	€23,449,752	€81,830,972
e) Profit after taxes, employee profit-sharing, depreciation, amortisation and provisions	€39,072,296	€55,004,898	€(25,638,960)	€4,980,816	€66,961,178
f) Dividends paid	-	€26,626,302	€36,957,780	€31,511,447	-
g) Employee profit-sharing	-	-	-	-	-
<b>EARNINGS PER SHARE</b>					
a) Earnings after taxes, and before depreciation, amortisation and provisions	€0.48	€0.59	€(0.16)	€0.22	€0.99
b) Earnings after taxes, depreciation, amortisation and provisions	€0.37	€0.52	€(0.24)	€0.05	€0.81
c) Dividend per share		€0.25	€0.35	€0.30	-
d) Other distributions		-	-	-	-
<b>EMPLOYEES</b>					
a) Headcount	178	150	443	623	513
b) Total payroll	€19,424,983	€19,803,572	17,741,064	€47,972,614	€39,413,810
c) Amounts paid for employee benefits	€8,544,342	€28,828,197	€7,802,087	€22,683,494	€17,188,802

## 5.3.3.8 Research and development

In 2017, the Group established the corporate Clariane Foundation to facilitate research and studies in human and social sciences at its facilities in partnership with university research centres. This work has not resulted in any patent applications of any significance for Clariane's business.

The various projects are used to develop and evaluate new therapies centred on non-drug therapies and to improve existing drug prescriptions. Research is also under way to

determine the potential impact of robotics and artificial intelligence on quality of life for facility residents and on quality of work life for caregivers.

Clariane provided €410,750 in funding to the Clariane Foundation in 2023.

## 5.4 Proposed appropriation of net profit

### 5.4.1 Dividends paid in the last three financial years

The payment of dividends or any other distribution depends on the Group's financial results – notably net profit – and investment policy, as well as any loan agreements that place restrictions on dividend payouts.

The dividend policy is set out in section 7.3.6 of the Universal Registration Document. The table below shows the amounts of the dividends and distributed profit eligible for the 40% allowance provided for in Article 158-3-2° of the French Tax Code (*Code général des impôts*) in respect of the last three financial years:

Financial year (year of distribution)	Number of shares comprising the share capital	Number of shares eligible for distribution	Dividend per share	Distribution per share	
				Amount eligible for the 40% allowance provided for under Article 158-3-2° of the French Tax Code	Amount not eligible for the 40% allowance provided for under Article 158-3-2° of the French Tax Code
2022 (2023)	106,505,206	106,179,916	€0.25	€0.25 <sup>(1)</sup>	€0
2021 (2022)	105,618,550	103,280,392	€0.35	€0.35 <sup>(2)</sup>	€0
2020 (2021)	105,038,158	104,943,487	€0.30	€0.30 <sup>(3)</sup>	€0

(1) The General Meeting of 15 June 2023 granted each shareholder of the Company the option of receiving payment of the dividend in cash or in shares.

(2) The General Meeting of 22 June 2022 granted each shareholder of the Company the option of receiving payment of the dividend in cash or in shares.

(3) The General Meeting of 27 May 2021 granted each shareholder of the Company the option of receiving payment of the dividend in cash or in shares.

### 5.4.2 Appropriation of 2023 net profit

At its meeting of 28 February 2024, the Board of Directors noted that 2023 net profit amounted to €39,072,296.36 and decided to make the following proposals for the appropriation of net profit to the 2024 General Meeting:

- to note that the financial leverage was 3.8x at 31 December 2023, which under the terms of the syndicated loan, precludes the payment of a dividend;
- to deduct €1,953,614.82 from 2023 net profit and appropriate it to the legal reserve, in accordance with the provisions of Article L. 232-10 of the French Commercial Code;
- to note that distributable profit, comprising the balance of 2023 net profit, i.e., €37,118,681.54, plus retained earnings of €36,956,236.65, amounted to €74,074,918.19; and
- to decide to appropriate distributable profit in full to "retained earnings".

## 5.5 Legal and arbitration proceedings

There are currently no governmental, court or arbitration proceedings involving the Company, including any pending or threatened proceedings of which the Company is aware, which may have, or have had over the past 12 months, a material impact on the financial position or profitability of the Company or the Group.

## 5.6 Significant changes in the Group's financial position since the end of the last financial year

Clariane is 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 issued.

## 5.7 Material events since the year end

### Asset disposals

On 5 February 2024, Clariane announced the sale of its 50% stake in a real estate portfolio in the Netherlands to its partner Aedifica. This transaction, with a total contractual sale value of around €25 million, is part of the Group's debt reduction policy. Further to this transaction, Aedifica owns 100% of the six buildings concerned, which Clariane continues to operate under the "Stepping Stones", "Het Gouden Hart" and "Hestia" brands.

On 28 February 2024, Clariane announced the sale of all of its business activities and assets in the United Kingdom to Elevation Healthcare Property, a UK real-estate investment fund specialising in retirement homes and healthcare facilities and managed by Elevation Advisors LLP, for a gross amount of GBP 207 million (approximately €243 million).

This transaction forms part of the Group's refinancing plan announced on 14 November 2023, under which the Company has undertaken to implement, from 2024, a programme of disposals of operating and real estate assets, as well as capital partnerships, for an expected amount of around €1 billion in gross proceeds from disposals, designed to reduce its debt and financial leverage. An impairment loss of €40 million was recorded in the 2023 financial statements in respect of this transaction, corresponding to the difference between the sale price and the acquisition value of the assets as recognised in the Company's financial statements, principally driven by the unfavourable trend in real estate capitalisation rates over the period.

### Proposed capital increase

On 8 February 2024, Clariane announced that, in the context of its refinancing plan unveiled on 14 November 2023, the French securities regulator (*Autorité des marchés financiers* – AMF) granted Predica, a subsidiary of the *Crédit Agricole Assurances* group and Clariane's largest reference shareholder, an exemption from the requirement to file a draft tender offer based on Articles 234-8, 234-9 2° and 234-10 of the AMF's General Regulation (AMF decision no. 224C0227 of 8 February 2024), in the event that Predica crosses the trigger threshold for filing a mandatory public offer as a result of its subscription to the capital increase.

This exemption removes the first pre-condition for the completion of its proposed capital increase and brand project, and is therefore an important stage of its refinancing plan.

On 26 March 2024, the Combined General Meeting approved by a large majority all of the resolutions submitted for their approval, in particular those concerning the €300 million capital increase. This represents a further step towards the completion of the capital increase, scheduled for the end of June 2024 or September 2024.

The capital increase remains subject to the following conditions precedent:

- obtaining an authorisation from the competition authorities for Predica's possible acquisition of control of Clariane in the event that Predica's commitment subscription to the capital increase leads to such an acquisition of control;

- obtaining an amendment to the terms and conditions of the OCEANE bonds maturing in 2027 (0.875% – FR0013489739) in order to exclude early redemption provisions the case of Predica's acquisition of control of Clariane as a result of the capital increase;
- submission by an independent expert appointed by Clariane's Board of Directors of a fairness opinion confirming the fairness of the terms and conditions of the capital increase and the related agreements, including the underwriting commitments;
- obtaining approval of the prospectus for the capital increase by the AMF.

It should be noted that the capital increase provides for shareholders' preferential subscription rights to be maintained so that shareholders can subscribe in order to maintain their stake while taking advantage of the discount. Otherwise, shareholders who do not wish to exercise their preferential subscription rights will be subject to significant dilution, which may be offset in whole or in part by the sale of their preferential subscription rights.

Lastly, the Company points out that the capital increase is an essential condition of its refinancing plan and that if the plan is not carried out, the Company would be obliged to place itself under appropriate protection in order to renegotiate its debt with its creditors.

## 5.8 Foreseeable changes – Outlook

In 2024, the Group will continue to focus on the balanced development of its performance and on maintaining a high level of quality in all its activities, in line with the At Your Side corporate project.

In this respect, Clariane expects organic revenue growth to continue at a level above 5%, supported by a steady increase in business volumes and the continuation of price adjustments.

Given the expected absence of a contribution from real estate development activities in 2024, EBITDA excluding IFRS 16 on a pro forma basis taking account of expected disposals should remain stable in value terms.

In terms of non-financial indicators, adjusted for the impact of disposals, the Clariane Group has set quantitative targets for the 19 non-financial indicators of its new CSR roadmap, notably:

- maintaining a Net Promoter Score (NPS) for residents/patients and families of 40 or above;
- maintaining the number of employees on qualifying training paths at more than 7,000, in line with Clariane's mission commitments;
- reducing the lost-time accident frequency rate by at least a further 8%;
- implementing an energy decarbonisation pathway consistent with the Paris Agreements, validated by the Science Based Targets initiative (SBTi).

These targets will be adjusted to reflect changes in scope resulting from the disposal plan.

In line with the refinancing plan presented on 14 November 2023, the Group has made improving cash flow generation and controlling debt levels its chief priorities. In terms of investment, the Group will keep maintenance spending at a normative level, expected to be around €100 million. Growth capital expenditure is expected to average around €200 million in 2024 and 2025, i.e., at a much lower level than in 2023.

In addition, the Group is aiming to reduce its financial leverage to below 3.0x and its LTV to 55% by the end of 2025. The speed with which the Group reduces its debt and financial leverage in 2024 will be closely related to the pace at which the refinancing plan is implemented, through the €1 billion disposal programme and the completion of the planned capital increase.

As the financial leverage ratio at 31 December 2023 was above 3.5x, the Group will not pay a dividend in respect of 2023, in accordance with the terms of the unsecured syndicated loan agreement.

Lastly, the Group will present its medium-term plan to the market on 21 May 2024.









# 6

## Financial statements at 31 December 2023

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## 6.1 Consolidated financial statements at 31 December 2023

### Consolidated income statement

In thousands of euros	Notes	2023	2022
<b>Revenue</b>	<b>3.2</b>	<b>4,995,583</b>	<b>4,438,296</b>
Other income	3.2	51,900	95,779
<b>Revenue and other income</b>		<b>5,047,483</b>	<b>4,534,075</b>
Purchases used in the business	3.3	(403,297)	(351,936)
Payroll expenses	4	(3,022,956)	(2,718,482)
External expenses	3.3	(544,626)	(457,828)
Taxes and duties		(53,354)	(39,225)
Other operating income and expenses		(2,034)	36,626
<b>EBITDA</b>		<b>1,021,216</b>	<b>1,003,230</b>
Depreciation/amortisation and impairment	3.3	(693,155)	(654,882)
Other income and expenses	3.4	(164,880)	(75,820)
<b>Operating income</b>	<b>3.1</b>	<b>163,181</b>	<b>272,528</b>
Cost of net debt	9.1	(105,074)	(95,147)
Other financial income and expense	9.1	(134,261)	(119,446)
<b>Net financial expense</b>	<b>9.1</b>	<b>(239,336)</b>	<b>(214,593)</b>
<b>Pre-tax income (loss)</b>		<b>(76,155)</b>	<b>57,935</b>
Income tax	11	2,568	(12,162)
<b>Profit/(loss) from consolidated companies</b>		<b>(73,587)</b>	<b>45,773</b>
Profit/(loss) from equity-accounted companies (net of tax)		(6,700)	(754)
<b>Net profit/(loss) from continuing operations</b>		<b>(80,287)</b>	<b>45,019</b>
Net profit/(loss) from discontinued operations (net of tax)		(12,805)	(13,681)
<b>Net profit/(loss)</b>		<b>(93,092)</b>	<b>31,338</b>
Non-controlling interests	*	(12,153)	(9,278)
<b>NET PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE GROUP</b>		<b>(105,245)</b>	<b>22,060</b>
Earnings/(loss) per share attributable to owners of the Group (in euros)	8	(0.99)	0.21
Diluted earnings/(loss) per share attributable to owners of the Group (in euros)	8	(0.89)	0.13
Earnings (loss) per share from continuing operations attributable to owners of the Group (in euros)	8	(0.87)	0.34
Diluted earnings/(loss) per share from continuing operations attributable to owners of the Group (in euros)	8	(0.79)	0.25
<b>Net profit/(loss) attributable to owners of the Group</b>		<b>(105,245)</b>	<b>22,060</b>
Recyclable items: impact of IFRS 9 and IFRS 2 (measurement of hedging instruments and free share plans), net of tax	*	(37,296)	124,374
Non-recyclable items: impact of IAS 19 (actuarial gains and losses)	*	10,214	7,373
<b>Gains and losses recognised directly in equity (attributable to owners of the Group)</b>	<b>*</b>	<b>(27,082)</b>	<b>131,747</b>
<b>Gains and losses recognised directly in equity (non-controlling interests)</b>	<b>*</b>	<b>(1,425)</b>	<b>3,120</b>
Net profit/(loss) and gains and losses recognised directly in equity (attributable to owners of the Group)	*	(132,327)	153,807
Net profit/(loss) and gains and losses recognised directly in equity (non-controlling interests)	*	10,729	12,398
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>		<b>(121,598)</b>	<b>166,205</b>

\* See consolidated statement of changes in equity.

## Consolidated statement of financial position

### Assets

In thousands of euros	Notes	31.12.2023	31.12.2022
Goodwill	5.1	3,287,524	3,237,256
Intangible assets	5.2	2,342,997	2,256,714
Property, plant and equipment	5.3	3,144,386	3,552,538
Right-of-use assets	5.5	3,652,322	3,451,897
Non-current financial assets		108,941	50,973
Equity-accounted investments	6	58,831	19,501
Deferred tax assets	11.3	87,412	86,934
<b>Non-current assets</b>		<b>12,682,413</b>	<b>12,655,813</b>
Inventories	3.5	28,297	28,623
Trade receivables and related accounts	3.5	565,166	440,368
Other receivables and current assets	3.5	669,054	422,888
Current tax receivables		26,631	27,777
Financial instruments with a positive fair value	9.2/9.3	10,008	134,717
Cash and cash equivalents	9.3.1	677,879	733,710
<b>Current assets</b>		<b>1,977,035</b>	<b>1,788,083</b>
Assets held for sale	2	521,463	129,666
<b>TOTAL ASSETS</b>		<b>15,180,911</b>	<b>14,573,562</b>

### Equity and liabilities

In thousands of euros	Notes	31.12.2023	31.12.2022
Share capital		534,143	532,526
Additional paid-in capital		1,206,250	1,205,655
Reserves and retained income		1,843,361	1,801,041
<b>Equity attributable to owners of the Group</b>		<b>3,583,754</b>	<b>3,539,222</b>
Non-controlling interests		353,716	328,655
<b>Total equity</b>		<b>3,937,470</b>	<b>3,867,877</b>
Provisions for pensions		78,130	87,620
Deferred tax liabilities	11.3	546,932	603,680
Other provisions	10	50,718	46,528
Borrowings and financial debt	9.2	3,494,575	3,560,264
Non-current lease liabilities	5.5	3,610,000	3,371,411
Other non-current liabilities		77,236	73,941
<b>Non-current liabilities</b>		<b>7,857,591</b>	<b>7,743,444</b>
Current provisions	10	74,067	15,786
Trade payables and related accounts	3.5	649,190	570,717
Other payables and accruals	3.5	921,356	865,883
Current tax payables		23,020	31,540
Current borrowings and bank overdrafts	9.2	1,037,472	948,077
Current lease liabilities	5.5	412,885	390,793
Financial instruments with a negative fair value	9.2/9.3	740	86
<b>Current liabilities</b>		<b>3,118,730</b>	<b>2,822,882</b>
Liabilities related to assets held for sale	2	267,120	139,359
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,180,911</b>	<b>14,573,562</b>

## Consolidated statement of cash flows

In thousands of euros	Notes	2023	2022
<b>Net profit/(loss) from continuing operations</b>		<b>(80,287)</b>	<b>45,019</b>
Income tax expense		(2,568)	12,162
Net depreciation/amortisation, impairment and provisions		750,308	617,158
Profit from equity-accounted companies		6,700	753
Changes in fair value and non-cash items		(3,442)	(141)
Elimination of dividend income		289	(183)
Gains on disposals of assets		3,102	19,346
Elimination of acquisition costs of securities		3,313	5,070
Elimination of cost of net debt		237,895	214,364
<b>Cash flow before cost of net debt</b>		<b>915,310</b>	<b>913,548</b>
Change in inventories	3.5	(1,440)	(828)
Change in trade receivables	3.5	3,420	(58,207)
Change in trade payables	3.5	73,917	4,598
Change in other items	3.5	(157,489)	89,958
<b>Change in working capital</b>		<b>(81,592)</b>	<b>35,521</b>
<b>Income taxes paid</b>		<b>(40,552)</b>	<b>(87,368)</b>
<b>Net cash from operations</b>		<b>793,165</b>	<b>861,701</b>
Impact of changes in scope (acquisitions)	2	(211,756)	(285,945)
Impact of changes in scope (disposals)	2	(53,625)	40,282
Investments in property, plant and equipment and intangible assets	5.4	(484,114)	(622,201)
Other financial investments		22,668	1,695
Proceeds from disposals of non-current assets (excluding securities)		57,312	95,905
<b>Net cash used in investing activities</b>		<b>(669,516)</b>	<b>(770,264)</b>
<b>Net cash flow</b>		<b>123,650</b>	<b>91,437</b>
Corporate actions		334,719	36,310
Treasury shares charged to equity		(493)	(6,474)
Increase in borrowings	9.2	1,148,304	811,055
Repayment of borrowings and financial debt	9.2	(1,033,204)	(725,780)
Repayment of lease liabilities	5.5	(403,502)	(392,791)
Other cash flow related to financing activities		(33,176)	(34,586)
Net interest paid	9.2	(140,581)	(180,039)
Dividends		(65,678)	(57,826)
<b>Net cash used in financing activities</b>		<b>(193,611)</b>	<b>(550,131)</b>
Impact of discontinued operations		10,987	(125)
Impact of exchange rate fluctuations		1,312	(5,906)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>(57,662)</b>	<b>(464,725)</b>
<b>Cash and cash equivalents at start of period</b>		<b>732,841</b>	<b>1,197,566</b>
<b>Cash and cash equivalents at end of period</b>		<b>675,179</b>	<b>732,841</b>
<b>o/w:</b>			
Cash and cash equivalents of discontinued operations		7,863	(129)
Marketable securities	9.3.1	81,985	11,918
Cash at bank and in hand	9.3.1	595,894	721,792
Bank overdrafts	9.2	(10,563)	(740)

## Consolidated statement of changes in equity

In thousands of euros	Share capital	Additional paid-in capital	Shares and equity instruments	Investments	Cash flow hedges and cost of hedging	Employee benefits	Reserves and retained income	Equity attributable to owners of the Group	Non-controlling interests	Total equity
<b>At 31 Dec. 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>1,285,582</b>	<b>3,493,287</b>	<b>271,130</b>	<b>3,764,417</b>
Dividends paid							(36,958)	(36,958)	(15,609)	(52,567)
Capital increase	4,558	9,403					(4,895)	9,066	56,556	65,622
Business combinations										
Treasury shares			(10,397)					(10,397)		(10,397)
Equity instruments				(532)			(30,203)	(30,735)		(30,735)
Acquisition of non-controlling interests and other changes							(38,660)	(38,660)	4,180	(34,480)
<b>NET PROFIT/(LOSS) FOR THE PERIOD</b>							<b>22,060</b>	<b>22,060</b>	<b>9,278</b>	<b>31,338</b>
Impact of IAS 19 (actuarial gains and losses)						7,373		7,373	(14)	7,359
Measurement of hedging derivatives and free share plans			3,715		120,659			124,374	3,134	127,508
Currency translation differences							(187)	(187)		(187)
<b>Total comprehensive income/(loss)</b>			<b>3,715</b>		<b>120,659</b>	<b>7,373</b>	<b>22,060</b>	<b>153,807</b>	<b>12,398</b>	<b>166,205</b>
<b>At 31 Dec. 2022</b>	<b>532,526</b>	<b>1,205,655</b>	<b>(14,530)</b>	<b>533,543</b>	<b>111,115</b>	<b>(25,825)</b>	<b>1,196,738</b>	<b>3,539,222</b>	<b>328,655</b>	<b>3,867,877</b>
Dividends paid							(26,545)	(26,545)	(25,765)	(52,310)
Capital increase	1,617							1,617		1,617
Business combinations										
Treasury shares			(493)					(493)		(493)
Equity instruments							(11,534)	(11,534)		(11,534)
Acquisition of non-controlling interests and other changes		594					213,219	213,813	40,097	253,910
<b>NET PROFIT/(LOSS) FOR THE PERIOD</b>							<b>(105,245)</b>	<b>(105,245)</b>	<b>12,153</b>	<b>(93,092)</b>
Impact of IAS 19 (actuarial gains and losses)						10,214		10,214	92	10,306
Measurement of hedging derivatives and free share plans			3,720		(42,389)			(38,669)	(1,517)	(40,186)
Currency translation differences							1,373	1,373		1,373
<b>Total comprehensive income/(loss)</b>			<b>3,720</b>		<b>(42,389)</b>	<b>10,214</b>	<b>(103,872)</b>	<b>(132,327)</b>	<b>10,729</b>	<b>(121,598)</b>
<b>AT 31 DEC. 2023</b>	<b>534,143</b>	<b>1,206,250</b>	<b>(11,303)</b>	<b>533,543</b>	<b>68,726</b>	<b>(15,611)</b>	<b>1,268,006</b>	<b>3,583,754</b>	<b>353,716</b>	<b>3,937,470</b>

## Notes to the consolidated financial statements

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The head office of the Clariane Group's parent company, Clariane SE, is located at 21-25, rue Balzac, 75008 Paris, France.

The consolidated financial statements for the year ended 31 December 2023 were reviewed by the Audit Committee on 26 February 2024 and approved by the Board of Directors on 28 February 2024.

The Group and its subsidiaries are:

- companies operating care homes for elderly people who, due to their dependency, can no longer live at home. Their mission is to provide these people with dignified support and care, irrespective of their level of dependency;
- companies operating specialist clinics for convalescent or disabled patients. Their mission is to reduce the physical and/or psychological disabilities of these patients and restore their autonomy so that they will be able to return to their home, family, friends and work;
- companies operating assisted living facilities that offer independent seniors an environment that suits their lifestyle, while facilitating social interaction;
- companies operating home care networks, which provide an alternative to hospitalisation;
- companies owning the real estate of the Group's facilities.



## Note 1 Accounting principles

### 1.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the international accounting standards and interpretations issued by the International Accounting Standards Board (IASB) and adopted by the European Union at the reporting date. These standards include IFRS (International Financial Reporting Standards) and IAS (International Accounting Standards), as well as their interpretations, available at the following European Union website:

[https://finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/international-accounting-standards-regulation\\_en](https://finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/international-accounting-standards-regulation_en)

### 1.2 IFRS standards, amendments and interpretations applied by the Group

The consolidated financial statements were prepared using the same accounting policies and methods that were used to prepare the consolidated financial statements for the year ended 31 December 2022, with the exception of standards, amendments and interpretations effective for reporting periods beginning on or after 1 January 2023 which the Group did not early adopt and which were still being analysed at that time:

- IFRS 17 “Insurance Contracts” (including amendments).
- Amendments to IAS 1 “Presentation of Financial Statements” and the Materiality Practice Statement: “Disclosure of Accounting Policies”.
- Amendment to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”.
- Amendments to IAS 12 “Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction”.

This aforementioned standard and amendments did not have a material impact on the Group's consolidated financial statements at 31 December 2023.

### 1.3 IFRS standards, amendments and interpretations applicable after 2024 and not early adopted by the Group

- Amendments to IAS 1 “Presentation of Financial Statements: Classification of Liabilities as Current or Non-current”.
- Amendments to IFRS 16 “Leases: Lease Liability in a Sale and Leaseback”.
- Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures – Supplier Finance Arrangements.”
- Amendments to IAS 12 “Income Taxes: International Tax Reform – Pillar Two Model Rules.”
- Amendments to IAS 21 “The Effect of Changes in Foreign Exchange Rates – Lack of Exchangeability.”

Analyses of the impact of the application of these amendments are in progress.

### 1.4 Presentation of the financial statements

The Group's consolidated financial statements are prepared on a historical cost basis except for assets and liabilities recognised at fair value in accordance with IFRS 9 (see note 9 “Financing and financial instruments”). Current assets and liabilities are those held for use or sale during the normal operating cycle, i.e., less than one year. A current liability is an obligation that is expected to be settled within a short period of time as part of the company's normal operating cycle.

The consolidated financial statements are presented in thousands of euros unless otherwise indicated.

## Critical accounting estimates and judgements

To prepare the consolidated financial statements, the Group applies estimates and judgements that are regularly updated and that are based on historical experience and other factors, including expectations of future events deemed reasonable in view of the circumstances. For impairment tests on goodwill and intangible assets incorporating assumptions and estimates, the sensitivity of the carrying amounts concerned to the key assumptions used was tested and the results are provided in the relevant notes.

In preparing the financial statements, the Group made significant estimates and judgements on the following items:

### a) Business combinations (notes 2 and 5)

For acquisitions, pursuant to IFRS 3 "Business Combinations", the Group measures at fair value the assets acquired (in particular operating licences) and the liabilities assumed. Liabilities, contingent price consideration and options related to commitments to purchase non-controlling interests are measured on the basis of information or situations existing at the date the financial statements are prepared (medium-term business plan), which may prove to be different from actual outcomes.

Changes in the fair value of liabilities related to 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 value in use of intangible assets and property, plant and equipment is derived from the Group's internal valuations, based on the medium-term business plans. The main assumptions used in this measurement (medium-term growth rate, discount rate, margin and perpetuity growth rate) are

estimated by the Group. The discount rates and long-term growth rates are determined by the Group with assistance from an independent expert.

The carrying amounts of assets are reviewed at least annually and whenever events or circumstances indicate that they may be impaired. Such events and circumstances may be the result of material adverse changes of a lasting nature that affect either the business environment or the assumptions or objectives used at the previous reporting date.

### c) Leases (note 5)

Pursuant to IFRS 16, lease liabilities are determined using a lease term for real estate leases that corresponds to the non-cancellable period, plus any renewal options the Group is reasonably certain to exercise.

The Group has elected not to apply the exemption for identifiable low-value leases signed in France and Germany in relation to work clothing, or 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 discount rate, salary growth rate, employee turnover and retirement age. Any change in these assumptions has an impact on the carrying amount of employee benefit obligations. Further information is provided in note 4 "Employee benefits and expenses".

### e) CVAE classification (note 11)

The Group has reviewed the accounting treatment of French CVAE tax on corporate added value in light of IFRS. According to its analysis, the CVAE meets the definition of an income tax as set out in IAS 12.2 "Income taxes based on taxable profits".

## Going concern

The financial statements have been prepared on a going concern basis. The Group's liquidity is provided by:

- (i) the financing structure currently in place, including the full drawdown made by the Group on 3 November 2023 on its €500 million revolving credit facility (RCF) for a period of six months amid deteriorating market conditions and access to financing;
- (ii) the refinancing plan announced on 14 November 2023, the implementation of which is already underway and will continue over the next 12 months. The plan includes a capital increase and further disposals under the Group's asset disposal programme.

On 14 November 2023, the Group announced a refinancing plan based on the elements outlined below. These

are described in further detail in note 2.2 "Financing transactions and plan to strengthen the financial structure":

- two equity-based real-estate partnerships totalling €230 million. These partnerships were signed on 15 December 2023 and 28 December 2023, respectively;
- a €200 million real-estate-backed bridge term loan maturing on 31 January 2025, arranged on 27 December 2023. This loan will have to be repaid early if the planned capital increase is abandoned, unless the Group were to adopt an alternative plan to raise equity, quasi-equity or similar funding for a minimum equivalent amount;
- implementation from 2024 of the first stages of a disposal programme for operating and real estate assets, as well as capital partnerships, for a total estimated amount of around €1 billion. On 5 February 2024, the

Group completed the sale of six real estate assets in the Netherlands. On 28 February 2024, the Group announced that it had signed an agreement to sell its UK businesses. These transactions are described in note 13 "Events after the reporting date";

- completion of a proposed capital increase for a gross cash amount of approximately €300 million. Predica has undertaken to underwrite €200 million of this transaction. The Group has also received expressions of interest from banks to underwrite the balance of the capital increase.

This capital increase should be completed before the end of the third quarter, provided that the remaining conditions precedent (pre-conditions) are met and market conditions are appropriate.

On 8 February 2024, the French securities regulator (*Autorité des marchés financiers* – AMF) granted Predica an exemption from the requirement to file a draft tender

offer in the event that Predica crosses the trigger threshold for filing a mandatory tender offer as a result of subscribing to the capital increase. This exemption removes the first pre-condition for the completion of the proposed capital increase.

The effective completion of the first stages of this refinancing plan confirms the likelihood of completing the next major stages in 2024, notably the capital increase planned before the end of the third quarter of 2024 and the effective disposal of certain assets which, given the current state of play, should be completed in 2024.

These elements support the Group's 12-month cash flow forecast, which today confirms the Group's ability to meet its financing deadlines and to comply with its covenants over the period, in particular its consolidated leverage ratios at 30 June 2024 and 31 December 2024 as well as the minimum liquidity requirement at 3 May 2024 and at subsequent RCF rollover dates.

## Impairment of property, plant and equipment, intangible assets and goodwill

The carrying amounts of assets are reviewed periodically as follows:

- for non-amortisable intangible assets (operating licences) and goodwill: at each reporting date, or more frequently if there are indications of impairment;
- for all other assets: whenever indications of impairment are identified.

Two types of impairment indicators may trigger impairment testing:

- external indicators (market indicators, changes in regulations, major changes in the economic environment, etc.);
- internal indicators (decrease in occupancy, obsolescence, weaker-than-expected performance, etc.).

Depending on the type of asset, impairment testing is performed either on cash-generating units (CGUs) or on a group of CGUs (goodwill).

CGUs are homogeneous groups of assets whose continuing use generates cash inflows independently of other CGUs.

The recoverable amount of a CGU is the higher of its fair value net of disposal costs and the value in use.

The value in use applied by the Group is the value of the future economic benefits expected from the use of the CGU. It is determined by reference to future cash flows, which are based on economic assumptions and on the business conditions foreseen by the Group's management, in accordance with the following principles:

- pre-tax cash flows are derived from the budget for the following year as approved by the Board of Directors, and from the business plan, as reviewed by the Board of Directors;

- the discount rate, determined on the basis of the Group's weighted average cost of capital, and the long-term growth rate, determined by the Group with assistance from an independent expert.

### First-level impairment testing

Intangible assets and property, plant and equipment (see note 5) are tested at the level of the CGUs to which they are allocated. Until 31 December 2017, CGUs were defined at the level of the nursing home or clinic.

In response to changes in its regulatory environment, markets and business activities, in late 2018, the Group revised its operational management approach to take advantage of potential synergies between its facilities and the possibility of leveraging its operating licences at departmental and regional levels, in conjunction with the regional health authorities (ARS). The Group therefore considered that for each of its business activities (nursing home, clinic or mental health facility), CGUs corresponded to a geographic organisation, i.e., an administrative department in France, and an administrative region in Italy and Belgium.

The purpose of first-level testing is to check that the recoverable amount of the CGU (which is the higher of its value of use and fair value) is at least equal to its net carrying amount.

### Second-level impairment testing

The second-level of impairment testing, which includes goodwill, is conducted on all of the CGUs of a given country. The purpose of this test is to ensure that the recoverable amount of each country is at least equal to the Group's consolidated net assets (including goodwill) for each country.

If any impairment is identified, it is recognised and allocated first to goodwill (as this impairment is irreversible) and then to licences and property, plant and equipment (where goodwill alone cannot absorb the full impairment amount).

## Note 2 Significant events

### 2.1 Changes to the Articles of Association

On 15 June 2023, the General Meeting approved a number of amendments to the Articles of Association:

- the adoption of a corporate purpose, "Taking care of each person's humanity in times of vulnerability";
- the adoption of the status of a purpose-driven company (*société à mission*) within the meaning of Article L. 210-10 of the French Commercial Code (*Code de commerce*);
- change of name of the European company, the Group's parent, to Clariane.

### 2.2 Financing transactions and plan to strengthen the financial structure

#### 2.2.1 New financing

On 25 July 2023, Clariane announced that it had secured an extension to its syndicated term loan facility for €505 million, slightly higher than the initial principal of €500 million. This loan now falls due in May 2026, which corresponds to the due date for the Group's €500 million revolving credit facility (RCF)<sup>(1)</sup>. All existing partner banks remain part of the extended facility, and two new banks joined the syndicate. Some *Schuldschein* lenders transferred their positions into the extended syndicated facility.

The documentation for this renewed syndicated facility includes the following commitments:

- the existing financial leverage covenant will be progressively lowered, from 4.5x in December 2023 to 3.75x from December 2025 onwards<sup>(2)</sup>;
- introduction of a 65% loan-to-value covenant<sup>(3)</sup>;
- a minimum liquidity condition of €300 million for RCF drawdowns and renewals;
- restrictions on the use of the Group's liquidity for as long as its financial leverage is above 3.5x (no dividends may be paid) and above 3.0x (proceeds from disposals [excluding real estate] must be for the purpose of the priority and early repayment of lenders, and repayment of GBP hybrid debt and ODIRNANE bonds is restricted).

Alongside this transaction, in July 2023 Clariane also arranged an innovative sustainability-linked private placement with the Eiffel Investment group. In accordance with the Group's new ESG roadmap, this loan's financial terms take into account the non-financial commitments made by the Group in terms of quality of care and occupational health and safety. The incentive-driven interest rate structure means that the interest rate may be increased or reduced, depending on the extent to which non-financial targets are met.

On 23 June 2023, the Clariane Group announced that it had raised €120 million in equity from a group of investors comprising Amundi Immobilier, Covéa, Crédit Agricole Assurances and Malakoff Humanis (see note 2.3 "Real estate partnerships").

Throughout the first half of 2023, the Group also arranged real estate financing in various countries for a total of €130 million.

#### 2.2.2 Plan to strengthen the Group's financial structure

Following the publication of the Group's third-quarter revenue, the sharp fall in its share price, triggered by the revised leverage target for 31 December 2023 (increased from 3.5x to 3.8x), caused concern among some financial partners, jeopardising the completion of the two real estate partnership projects under negotiation, slated for completion by the end of 2023.

With access to financing having deteriorated sharply after the end of October 2023 in a downbeat market environment, on 3 November 2023 the Group drew down the full amount of its €500 million revolving credit facility (RCF).

On 14 November 2023, Clariane announced a plan to secure and accelerate debt reduction, enabling the Group to benefit from a financial structure adapted to a more challenging economic environment due to inflation, rising interest rates and tighter debt and real estate markets, and ultimately to provide room for manoeuvre in the execution of its strategy.

The plan includes the following components:

#### Finalisation of two real estate partnerships for a total amount of €230 million

In December 2023, Clariane signed two real estate partnerships with Predica for €140 million and €90 million, respectively, as detailed in note 2.3 "Real estate partnerships" and note 14.1 "Related-party transactions":

- the first, signed on 15 December 2023, concerns 19 French assets representing a gross asset value of €267.8 million, excluding duties;
- the second, signed on 28 December 2023, concerns 11 UK assets with a gross asset value of around €227 million, excluding duties. The assets concerned by this partnership will be sold along with the Group's operating activities in the UK, as indicated in note 13 "Post-balance sheet events".

#### Securing real estate loan lines

Clariane arranged a €200 million real-estate-backed bridge term loan with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Île-de-France (CADIF), Crédit Lyonnais and Crédit Agricole Corporate and Investment Bank (CACIB).

(1) The revolving facility will be reduced to €492.5 million from May 2024.

(2) 4.5x in December 2023, 4.5x in June 2024, 4.25x in December 2024, 4.0x in June 2025 and 3.75x in December 2025.

(3) (Real estate debt/value of real estate portfolio), with real estate debt restated for receivables relating to non-consolidated real estate vehicles.

The main terms and conditions of this loan, which was finalised on 27 December, include:

- maturity at 31 January 2025;
- interest at Euribor plus 4%, then 5% from the seventh month, and finally 6.5% from the tenth month.

This bridge loan will have to be repaid early if the planned capital increase of around €300 million (cash subscription amount) provided for in the refinancing plan is abandoned, unless the Group adopts an alternative plan to raise equity, quasi-equity or similar funding for a minimum equivalent amount.

The bridge loan was used to pay down €190 million of debt falling due at the beginning of 2024.

### Asset disposal programme

At the start of 2024, the Group embarked on the stages of a disposal programme of its operating and real estate assets, as well as capital partnerships, for a total estimated amount of around €1 billion in gross disposal proceeds, which should help reduce its financial leverage and debt.

This disposal programme will be decided by the Board of Directors on the basis of prevailing market conditions and expressions of interest received. In particular, it will be accompanied by a reduction in the number of countries in which the Group operates. Subject to the implementation of information and consultation procedures with the relevant employee representative bodies, it could involve Clariane's activities in Belgium and the Netherlands, for which the Group has received expressions of interest, as well as other assets. The implementation of the programme will be regularly monitored by the Board of Directors and its Investment Committee. With the sale of its UK business and of six real estate assets in the Netherlands announced on 5 February 2024, the Group has completed more than a quarter of its asset disposal programme. These transactions are described in note 13 "Post-balance sheet events".

### Proposed capital increase

The Board of Directors approved a proposed capital increase for a gross cash amount of approximately €300 million. This capital increase, which will be carried out in cash with preferential rights for existing shareholders, is expected to be launched between the second and third quarters of 2024, provided that the remaining pre-conditions are met and market conditions are appropriate. This project received the support of Crédit Agricole Assurances, the Group's main shareholder with 24.8% of its capital held through Predica, which has undertaken to subscribe, subject to the fulfilment of the pre-conditions as well as the customary market conditions for this type of transaction, for its proportionate share and beyond, up to a total maximum amount of €200 million (see note 14.1.1 "Related-party agreements").

On 8 February 2024, the AMF granted Predica, a subsidiary of the Crédit Agricole Assurances group and Clariane's biggest shareholder, an exemption from the requirement to file a draft tender offer based on Articles 234-8, 234-9 2°

and 234-10 of the AMF's General Regulation (AMF decision no. 224C0227 of 8 February 2024), in the event that Predica crosses the trigger threshold for filing a mandatory public offer as a result of its subscription to the capital increase. This exemption removes the first pre-condition for the completion of the proposed capital increase.

The Group also received expressions of interest from banks to underwrite the balance of the capital increase, subject to pre-conditions, i.e., up to a maximum of €100 million. Shareholders will be able to exercise their preferential rights to subscribe to this capital increase in order to maintain their shareholding. Failing this, their shareholdings will be significantly diluted, although such dilution will be partly or wholly offset by the value of their preferential subscription rights.

## 2.3 Real estate partnerships

The Group pressed ahead with its real estate strategy, setting up long-term partnerships in the form of special-purpose vehicles holding its non-development assets. Based on an analysis of these partnerships in light of IFRS 10, Clariane was not found to control these vehicles.

### Real estate partnerships

In June 2023, the Company entered into a long-term real estate partnership with Amundi Immobilier, Covéa, Crédit Agricole Assurances and Malakoff Humanis.

This partnership covers a pan-European portfolio of 46 assets, located in France (13 assets), Italy (13 assets), Spain (9 assets), Germany (7 assets) and the Netherlands (4 assets), representing a value of around €500 million. The partnership is approximately 40%-leveraged. The partners hold around 42% of the capital, for a total investment to date of €120 million.

The amounts released by the investors at closing were used to repay intra-group current account receivables, mainly generated when the vehicle was set up.

This partnership comes in the wake of previous partnerships valued at around €1.3 billion:

- in 2020 with BNP Paribas Cardif and EDF Invest for a total of €336 million, representing 49% of the real estate vehicle, worth €1 billion;
- in 2021 with BAE Systems Pension Funds for a total of €98 million, also representing 49% of the real estate vehicle, worth €320 million.

This partnership provides for:

- a term of 15 years;
- a guarantee for investors of a level of return between a specified floor and a cap. This means that if an investor exits with an IRR below the floor, Clariane will compensate the loss so that the investor's IRR is equivalent to the floor. Conversely, if the investor achieves an IRR higher than the cap, Clariane will receive the amount needed to return the investor's IRR to a level equivalent to the cap (the IRR cap may be increased in certain specific cases);



- decisions on payouts of dividends and other issue premiums to be made annually by the parties. The partners' projected annual remuneration in the form of dividends is 5% over the term of these business plans;
- a non-transferability period of eight years applicable to the shares, except in the case of unrestricted transfers provided for in the shareholders' agreement;
- at the end of this period, an option for investors to sell their shares during two annual windows (a single window for the partnership with BAE Systems Pension Funds), subject to Clariane's right of first refusal;
- if Clariane does not exercise its right of first refusal, or if Clariane's offer is rejected by the seller, the seller may appoint an investment bank to organise a sale process;
- a tag-along right for investors in the event of the sale of shares in the vehicle by Clariane;
- an obligation for investors to sell their shares in the vehicle (drag-along) if Clariane receives an offer for 100% of its shares;
- a call option for Clariane, between the tenth and fourteenth anniversaries of the transaction, at a price enabling each investor to achieve a defined IRR;
- unwinding of the vehicle after 14 years, through the sale of investors' shares or, failing that, the sale of portfolio assets;
- Clariane has a majority on the vehicle's Supervisory Board and unanimous decisions are considered to be protective rights for investors;
- in the event of a delisting or a takeover bid for the Company's shares (unless the Company is ultimately controlled by the Covéa group, the Crédit Agricole Assurances group, the Malakoff Humanis group and/or the Amundi group), end of the non-transferability period, early exercise of the Clariane call option or early launch of the fourteenth-year vehicle unwinding mechanism.

### Real estate partnerships with Predica

#### Assets located in France

On 15 December 2023, Clariane signed a real estate partnership agreement with Predica for €140 million, as part of the refinancing plan announced on 14 November. This real estate partnership concerns 19 French assets representing a gross asset value of €263.6 million, excluding duties. Predica subscribed to €140 million worth of bonds issued by Korian & Partenaires Immobilier 12 ("KPI 12"), redeemable in KPI 12 preferred shares (the "French ORAs").

The main terms and conditions of the real estate partnership are as follows:

- a return of 10.5% per annum for Predica, increased by 2.5% assuming capitalisation of interest due;
- redemption of the French ORAs in preferred shares at maturity, i.e., seven (7) years after their issuance;
- an additional return of 5% per annum for Predica as from the redemption of the French ORAs in preferred shares;
- an option for Clariane to redeem the French ORAs from Predica at any time during the six years and ten months following their issuance;
- a seven-year ban on the transfer of KPI 12 securities for Predica and the Company, and a ten-year ban on pledging KPI 12 securities;
- an option for Predica to leave the vehicle from the seventh year, with a right of priority in favour of the Company;
- if Clariane fails to exercise its right of priority, an option for Predica to launch a process for the sale of all or part of the vehicle (assets or securities) from the seventh year, with the possibility of appointing a Deputy Chief Executive Officer to lead this sale and a priority transfer of the proceeds of the sale to Predica;
- power of Clariane over key decisions;
- restrictive events of default or early redemption, including in particular non-compliance with certain key provisions of the agreements, leading to accelerated redemption of the French ORAs in KPI 12 preferred shares and a right for Predica to buy back KPI 12 shares or assets at a discount.

KPI 12 used the amount of the French ORAs subscribed by Predica in particular to progressively increase its equity in a real estate partnership with Banque des Territoires up to a limit of €30.8 million.

#### Assets located in the United Kingdom

On 27 December 2023, the Company entered into a second real estate partnership with Predica for €90 million, as part of the refinancing plan announced on 14 November. This real estate partnership concerns 11 UK assets representing a gross asset value of around €227 million, excluding duties. Predica subscribed for €90 million in bonds issued by Clariane & Partenaires Immobilier 5 ("CPI 5"), redeemable in CPI 5 preferred shares (the "English ORAs"), with a five-year maturity and a fixed coupon of 8.0%.

The main terms and conditions of the real estate partnership are as follows:

- a return of 8% per annum for Predica, increased by 2.5% assuming capitalisation of interest due;
- redemption of the English ORAs in preferred shares at maturity, i.e., five (5) years after their issuance;
- an additional return of 2.5% per annum for Predica as from the redemption of the English ORAs in preferred shares and a right of priority in favour of Predica in the event of distribution of the proceeds from the sale of CPI 5 assets;
- an option for the Company to redeem the English ORAs from Predica at any time during the four years and ten months following their issuance;
- a five-year ban on the transfer of CPI 5 securities for Predica and the Company and a ten-year ban on pledging CPI 5 securities;
- an option for Predica to leave the vehicle from the fifth year with a right of priority in favour of the Company;



- if the Company fails to exercise its right of priority, an option for Predica or CPI 5 to launch a process for the sale of all or part of the vehicle's shares or assets from the fifth year, with the possibility of appointing a Deputy Chief Executive Officer to lead the sale;
- power of Clariane over key decisions;
- restrictive events of default, including in particular non-compliance with certain key provisions of the agreements, leading to accelerated redemption of the English ORAs in CPI 5 preferred shares and a right for Predica to buy back CPI 5 securities or assets at a discount.

### Overview of existing partnerships

In addition to the aforescribed real estate partnerships entered into in 2023, the Company is also party to the following real estate partnerships:

- the partnership entered into in 2020 with BNP Paribas Cardif and EDF Invest for a total of €336 million, representing 49% of the shares in the real estate vehicle, worth €1 billion.

This partnership provides for:

- a term of 15 years;
- a guarantee for investors of a level of return between a specified floor and a cap. This means that if an investor exits with an IRR below the floor, Clariane will compensate the loss so that the investor's IRR is equivalent to the floor. Conversely, if the investor achieves an IRR higher than the cap, Clariane will receive the amount needed to return the investor's IRR to a level equivalent to the cap (the IRR cap may be increased in certain specific cases);
- decisions on payouts of dividends and other issue premiums to be made annually by the parties. The annual remuneration anticipated in the business plan in the form of dividends is 4.5% on average over the term of the plan;
- a non-transferability period of seven years, except in the case of unrestricted transfers provided for in the shareholders' agreement;
- at the end of this period, an option for investors to sell their shares during two annual windows, subject to Clariane's right of first refusal;
- if Clariane does not exercise its right of first refusal, or if Clariane's offer is rejected by the seller, the seller may appoint an investment bank to organise a sale process;
- a tag-along right for investors in the event of the sale of shares in the vehicle by Clariane;
- an obligation for investors to sell their shares in the vehicle (drag-along) if Clariane receives an offer for 100% of its shares;

- unwinding of the vehicle after 14 years, through the sale of investors' shares or, failing that, the sale of portfolio assets;
  - Clariane has the majority of seats on the Supervisory Board and unanimous decisions are considered to be protective rights for investors.
- The partnership entered into in 2021 with BAE Systems Pension Funds for a total of €98 million, also representing 49% of the shares in the real estate vehicle, worth €320 million.

This partnership provides for:

- a term of 15 years;
- a guarantee for investors of a level of return between a specified floor and a cap. This means that if an investor exits with an IRR below the floor, Clariane will compensate the loss so that the investor's IRR is equivalent to the floor. Conversely, if the investor achieves an IRR higher than the cap, Clariane will receive the amount needed to return the investor's IRR to a level equivalent to the cap (the IRR cap may be increased in certain specific cases);
- decisions on payouts of dividends and other issue premiums to be made annually by the parties. The annual remuneration anticipated in the business plan in the form of dividends is 4.5% on average over the term of the plan;
- a non-transferability period of seven years, except in the case of unrestricted transfers provided for in the shareholders' agreement;
- at the end of this period or if the Company is delisted, an option for investors to sell their shares once a year, subject to Clariane's right of first refusal;
- if Clariane does not exercise its right of first refusal, or if Clariane's offer is rejected by the seller, the seller may appoint an investment bank to organise a sale process;
- a tag-along right for investors in the event of the sale of shares in the vehicle by Clariane;
- an obligation for investors to sell their shares in the vehicle (drag-along) if Clariane receives an offer for 100% of its shares;
- a purchase option for Clariane, between the tenth and the fourteenth anniversary of the transaction;
- unwinding of the vehicle after 14 years, through the sale of investors' shares or, failing that and in certain cases, the sale of portfolio assets;
- Clariane has the majority of seats on the Supervisory Board and unanimous decisions are considered to be protective rights for investors.

Overall, the Group's real estate portfolio, valued at €3,007 million<sup>(1)</sup>, is 75%-held under partnerships through the various holding structures described above.

(1) Fair value of Clariane real estate assets as appraised at each reporting date by Cushman & Wakefield.

## 2.4 Development partnerships

### 2.4.1 Development of Ages & Vie partnerships

Following the amendment on 30 June 2023 of the shareholders' agreement for the Ages & Vie real estate companies reflecting new decision-making processes (investors' right of veto on the approval of the business

plan and on any investment), the Group considers that it no longer exercises more than a significant influence over the vehicles in which its shareholding is 30%.

The table below provides condensed financial information on the impact of the transition to the equity method for Ages & Vie real estate companies on the Group's statement of financial position.

#### ASSETS

In thousands of euros	30 June 2023	Impact of the transition to equity accounting for A&V real estate companies	30 June 2023 before the transition to equity accounting
Goodwill	3,287,524		3,287,524
Intangible assets	2,342,997		2,342,997
Property, plant and equipment	3,144,386	(316,850)	3,461,236
Right-of-use assets	3,652,322	147,050	3,505,272
Non-current financial assets	108,941	75,164	33,777
Equity-accounted investments	58,831	27,789	31,042
Deferred tax assets	87,412		87,412
<b>Non-current assets</b>	<b>12,682,413</b>	<b>(66,847)</b>	<b>12,749,260</b>
Inventories	28,297		28,297
Trade receivables and related accounts	565,166	83,853	481,313
Other receivables and current assets	669,054	(21,914)	690,968
Current tax receivables	26,631	(1)	26,632
Financial instruments with a positive fair value	10,008		10,008
Cash and cash equivalents	677,879	(58,259)	736,138
<b>Current assets</b>	<b>1,977,035</b>	<b>3,679</b>	<b>1,973,356</b>
Assets held for sale	521,463		521,463
<b>TOTAL ASSETS</b>	<b>15,180,911</b>	<b>(63,168)</b>	<b>15,244,079</b>

#### EQUITY AND LIABILITIES

In thousands of euros	30 June 2023	Impact of the transition to equity accounting for A&V real estate companies	30 June 2023 before the transition to equity accounting
Share capital	534,143		534,143
Additional paid-in capital	1,206,250		1,206,250
Reserves and retained income	1,843,361		1,843,361
<b>Equity attributable to owners of the Group</b>	<b>3,583,754</b>		<b>3,583,754</b>
Non-controlling interests	353,716	(64,840)	418,556
<b>Total equity</b>	<b>3,937,470</b>	<b>(64,840)</b>	<b>4,002,310</b>
Provisions for pensions	78,130		78,130
Deferred tax liabilities	546,932	1,936	544,996
Other provisions	50,718		50,718
Borrowings and financial debt	3,494,575	(86,475)	3,581,050
Non-current lease liabilities	3,610,000	143,530	3,466,470
Other non-current liabilities	77,236		77,236
<b>Non-current liabilities</b>	<b>7,857,591</b>	<b>58,991</b>	<b>7,798,600</b>
Current provisions	74,067		74,067
Trade payables and related accounts	649,190	(314)	649,504
Other payables and accruals	921,356	(57,695)	979,051
Current tax payables	23,020		23,020
Current borrowings and bank overdrafts	1,037,472	(2,830)	1,040,302
Current lease liabilities	412,885	3,520	409,365
Financial instruments with a negative fair value	740		740
<b>Current liabilities</b>	<b>3,118,730</b>	<b>(57,319)</b>	<b>3,176,049</b>
Liabilities related to assets held for sale	267,120		267,120
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,180,911</b>	<b>(63,168)</b>	<b>15,244,079</b>

The Ages & Vie partnerships were signed with Banque des Territoires and Crédit Agricole Assurance, which each subscribed to 35% of the shares, with the remaining 30% subscribed by the Company.

These vehicles were created on 23 July 2019 and 7 July 2022, respectively, to support Ages & Vie projects, namely the construction of living units for the elderly operated by the Company. A total of 288 homes were delivered under the first phase of the project, representing an aggregate investment of €300 million, and to date 31 homes have been delivered under the second phase, representing an aggregate investment of €83 million.

The partnerships provide for:

- a term of 20 years;
- annual dividends to represent at least 80% of the net profit for the financial year in question, provided that distributable profits exist;
- a non-transferability period of seven years, except in the case of unrestricted transfers;
- at the end of this period, the right for each party to propose the sale of these shares to the other partners, who have a preferential right. If beneficiaries do not exercise their preferential right, any sale to a third party must be approved by the General Meeting;
- a tag-along right for each party in the event of a sale of shares in the vehicle by the other party;
- two of the three partners acting in concert may force the sale by the third partner to a third party in the event of an offer by the third party to acquire all the shares comprising the capital of an A&V vehicle (drag-along);
- the agreements also contain an anti-dilution clause, allowing each party to maintain its stake in the capital;
- possible unwinding of the vehicle by one or more parties from the twelfth year, with the non-transferring parties having a preferential right to buy back the shares of the transferring partners;
- a governance structure that gives the Group significant influence over the decisions of these vehicles.

#### 2.4.2 Development partnership with Banque des Territoires

In June 2023, Clariane signed a new partnership with Banque des Territoires to support the development of its healthcare network in France. Under this new partnership,

Banque des Territoires acquires a 49% stake in the capital of an investment vehicle, with Clariane holding the remaining 51%.

Five projects in France have been identified for the first phase, representing a target investment of around €150 million over a four-year period. The Group exercises joint control over this investment vehicle. The business plan for the vehicle and any investments are subject to the agreement of all investors. At the end of December 2023, this investment vehicle had equity of €22.9 million.

This partnership provides for:

- a term of 15 years;
- decisions on payouts of dividends and other issue premiums to be made annually by the parties;
- a non-transferability period of eight years applicable to the shares, except in the case of unrestricted transfers provided for in the shareholders' agreement;
- at the end of this period, an option for the partners to leave the vehicle during two annual windows, with the other partner then having a preferential right to buy the shares held by the selling party. If beneficiaries do not exercise their preferential right, any sale to a third party must be approved by the General Meeting;
- a tag-along right for each party in the event of a sale of shares in the vehicle by the other party;
- an option for Clariane to purchase Banque des Territoires shares in 2031 and 2032, then in 2035 and 2036.

#### 2.5 Changes in the consolidation scope

At 31 December 2023, in addition to the parent company Clariane SE, the consolidation scope included 703 consolidated companies, five of which are accounted for by the equity method (see note 6 "Equity-accounted investments"). The number of consolidated companies was 714 at 31 December 2022.

The year to 31 December 2023 saw the Group acquire Grupo 5 in Spain, an operator specialising in mental health. This acquisition was completed on 11 January 2023.

Clariane is the third-largest private player in the mental health sector in Europe, generating revenue of €368.7 million in 2023 in France, Spain and Italy.

#### 2.6 Material information on significant changes in scope

Impact on cash of acquisitions and disposals of subsidiaries and joint ventures and changes in consolidation method:

In thousands of euros	31.12.2023	31.12.2022
<b>Purchase price of subsidiaries [A]</b>	<b>221,774</b>	<b>268,012</b>
Cash out/cash in [B]	216,568	302,397
<b>Remainder to be disbursed/cashed in [C] = [A] - [B]</b>	<b>5,206</b>	<b>(34,385)</b>
Disposal price [D]	2,535	54,163
Cash acquired [E]	4,812	16,452
Cash divested [F]	(56,160)	(13,881)
<b>IMPACT OF CHANGES IN SCOPE [G] = [E] - [F] - [B] + [D]</b>	<b>(265,381)</b>	<b>(245,663)</b>

Taken individually, the subsidiaries acquired during the year are not material. Accordingly, the opening IFRS statements of financial position at the acquisition date are presented on an aggregate basis.

The table below shows the impact on the consolidated statement of financial position of the subsidiaries acquired and of the provisional allocation of their purchase price over the period:

In thousands of euros	<b>Assets acquired</b>	<b>Liabilities assumed</b>
<i>Goodwill</i>	103,470	
Intangible assets	68,364	
Property, plant and equipment	59,218	
Right-of-use assets	9,424	
Equity-accounted investments	29,585	
Non-current financial assets	842	
Deferred tax assets	1,825	
Financial instruments with a positive fair value	165	
<b>Non-current assets</b>	<b>272,893</b>	
Inventories	0	
Trade receivables and related accounts	12,529	
Other receivables and current assets	3,475	
<b>Current assets</b>	<b>16,004</b>	
<b>Non-controlling interests</b>		<b>(603)</b>
Provisions for pensions		0
Deferred tax liabilities		21,923
Other provisions		607
Borrowings and financial debt		12,211
Non-current lease liabilities		8,448
Other non-current liabilities		566
<b>Non-current liabilities</b>		<b>43,755</b>
Current provisions		11,642
Trade payables and related accounts		6,100
Other payables and accruals		6,757
Borrowings due within one year		22,121
Current lease liabilities		964
Financial instruments with a negative fair value		0
<b>Current liabilities</b>		<b>47,584</b>
<b>ASSETS ACQUIRED</b>	<b>288,897</b>	
<b>LIABILITIES ASSUMED</b>		<b>90,736</b>
<b>NET CONTRIBUTION</b>	<b>198,161</b>	

## 2.7 Assets held for sale

In accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", assets or disposal groups held for sale are presented on a separate line in the statement of financial position.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell. These assets are classified as held for sale only if their sale is highly probable within 12 months, if they are available for immediate sale and if management has committed to a sale plan and sufficient progress has been made. In assessing whether a sale is highly probable, the Group takes into account, in particular, indications of interest and offers received from potential buyers, as well as the performance risks specific to certain transactions.

In addition, if assets or disposal groups held for sale represent a separate major line of business within the meaning of IFRS 5, they are presented as discontinued operations. When a business activity is classified as a discontinued operation, the comparative income statement and cash flow statement are restated as if the activity had met the criteria of a discontinued operation as of the start of the comparative period. Discontinued operations are presented on a single line in the Group income statement. This line item, "Profit/(loss) from discontinued operations", includes the net profit after tax of operations sold or in the process of being sold up to the date of disposal.

In response to medium-term changes in its businesses and corporate project, the Group has revised its strategy for its assisted living facilities dedicated to seniors and has decided to sell this activity. In 2022, this notably resulted in the termination of its partnership in this business in Italy, the conversion of its Como facility into a long-term care

nursing home and the sale of four assisted living facilities in the first quarter of 2023. At 31 December 2023, the sale of the remaining assisted living facilities is highly probable. The net profit or loss from these activities is presented separately in the income statement within discontinued operations.

Net profit/(loss) from discontinued operations (after tax) is composed of the following:

In thousands of euros	2023	2022
<b>Revenue</b>	<b>24,921</b>	<b>20,045</b>
Other income		
<b>Revenue and other income</b>	<b>24,921</b>	<b>20,045</b>
Purchases used in the business	(4,539)	(3,725)
Payroll expenses	(12,813)	(11,201)
External expenses	(9,154)	(8,839)
Taxes and duties	(992)	(1,121)
Other operating income and expenses	706	5,694
<b>EBITDA</b>	<b>(1,871)</b>	<b>853</b>
Depreciation/amortisation and impairment	(13,151)	(12,300)
Other income and expenses	2,244	(158)
<b>Operating income/(loss)</b>	<b>(12,778)</b>	<b>(11,605)</b>
<b>Net financial expense</b>	<b>(2,800)</b>	<b>(2,084)</b>
<b>Pre-tax income/(loss)</b>	<b>(15,578)</b>	<b>(13,689)</b>
Income tax	2,773	873
<b>Profit/(loss) from consolidated companies</b>	<b>(12,805)</b>	<b>(12,816)</b>
Profit/(loss) from equity-accounted companies	0	(865)
<b>Net profit/(loss) from discontinued operations</b>	<b>(12,805)</b>	<b>(13,681)</b>

Cash flow of discontinued operations includes the following:

In thousands of euros	2023	2022
<b>Net profit/(loss) from discontinued operations attributable to owners of the Group</b>	<b>(12,805)</b>	<b>(13,681)</b>
Net cash from operating activities – Discontinued operations	19,405	13,363
Net cash from investing activities – Discontinued operations	11,976	3,303
Net cash used in financing activities – Discontinued operations	(7,589)	(3,110)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>10,987</b>	<b>(125)</b>

As part of the asset disposal programme announced on 14 November 2023 in connection with the Group's debt reduction policy (see note 2.2 "Financing transactions and plan to strengthen the financial structure"), in 2023 Clariane initiated the disposal of its operating assets in the United Kingdom in 2023 among other disposals. On 28 February, the Group announced that it had signed an agreement to sell all of its UK activities and assets (see note 13 "Events after the reporting date").

On 5 February 2024, the Group sold its interest in a real estate portfolio in the Netherlands to its partner Aedifica (see note 13 "Events after the reporting date"). These assets had been developed under a partnership and co-investment agreement signed in 2020. This transaction is also part of

the plan to strengthen Clariane's financial structure (see note 2.2 "Financing transactions and plan to strengthen the financial structure").

Since the Group does not consider these disposal groups in the United Kingdom and in the Netherlands to represent a separate major line of business within the meaning of IFRS 5, they are presented within continuing operations.

The assets of activities sold or in the process of being sold and the related liabilities are presented on separate lines of the Group's statement of financial position, without restatement of prior periods. The resulting net asset, determined based on the present value of future cash flows projected by management, is less than the carrying amount.

Assets and liabilities related to discontinued operations break down as follows:

## ASSETS

In thousands of euros	<b>31.12.2023</b>
Goodwill	69,276
Intangible assets	168
Property, plant and equipment	307,173
Right-of-use assets	98,656
Non-current financial assets	13
Equity-accounted investments	
Deferred tax assets	14,374
<b>Non-current assets</b>	<b>489,660</b>
Inventories	308
Trade receivables and related accounts	4,872
Other receivables and current assets	18,249
Current tax receivables	4
Financial instruments with a positive fair value	(810)
Cash and cash equivalents	9,180
<b>Current assets</b>	<b>31,803</b>
<b>ASSETS HELD FOR SALE</b>	<b>521,463</b>

## LIABILITIES

In thousands of euros	<b>31.12.2023</b>
Provisions for pensions	63
Deferred tax liabilities	35,629
Other provisions	255
Borrowings and financial debt	44,089
Non-current lease liabilities	107,366
Other non-current liabilities	
<b>Non-current liabilities</b>	<b>187,402</b>
Current provisions	
Trade payables and related accounts	27,458
Other payables and accruals	37,402
Current tax payables	295
Current borrowings and bank overdrafts	1,033
Current lease liabilities	13,530
Financial instruments with a negative fair value	
<b>Current liabilities</b>	<b>79,718</b>
<b>LIABILITIES RELATED TO ASSETS HELD FOR SALE</b>	<b>267,120</b>



## Note 3 Segment reporting – EBITDAR – Working capital

### 3.1 Operating segments

IFRS 8 requires the disclosure of segment-based information on the components of the Group, reviewed and measured by the Group's management. These components (operating segments) are identified on the

basis of internal reports that are regularly reviewed by the Group's operational management when deciding to allocate resources to these sectors and when assessing their performance.

The Clariane Group is organised into five operating segments: France, Germany, Benelux, Italy and Spain & United Kingdom.

The Group's operational management chiefly monitors revenue and EBITDAR (Earnings Before Interest, Taxes, Depreciation, Amortisation and Rent), as shown in the table below.

EBITDAR, which is calculated based on the Group's income and expenses from ordinary operations, measures the Group's operating performance. This indicator is used in Clariane's profession to exclude the impact of real estate policies when assessing operational performance.

The Group's current revenue for each segment has a similar profile in that it derives from similar types of services, customers and contracts.

In order to remain consistent with the Group's management structure, and following the significant increase in the proportion of revenue generated in Spain & United Kingdom as a proportion of total revenue – particularly since the acquisition of Grupo 5 in Spain – a geographical segment comprising Spain and the United Kingdom was added to the operating segments.

#### OPERATING SEGMENTS AT 31 DECEMBER 2023

In thousands of euros	Total	France	Germany	Benelux*	Italy	Spain & UK
Revenue and other income	5,047,483	2,242,959	1,166,114	747,823	609,408	281,179
EBITDAR	1,095,662	526,049	220,387	167,451	129,315	52,460
	21.7%	23.5%	18.9%	22.4%	21.2%	18.7%
<b>Reconciliation of EBITDAR to operating income for 2023</b>						
<b>EBITDAR</b>	<b>1,095,662</b>					
Lease expenses	(74,446)					
<b>EBITDA</b>	<b>1,021,216</b>					
Depreciation/amortisation, impairment and provisions	(693,155)					
Other income and expenses	(164,880)					
<b>OPERATING INCOME</b>	<b>163,181</b>					

\* Includes €130.9 million of revenue in the Netherlands.

#### OPERATING SEGMENTS AT 31 DECEMBER 2022

In thousands of euros	Total	France	Germany	Benelux*	Italy	Spain & UK
Revenue and other income	4,534,075	2,080,923	1,081,971	666,992	559,033	145,155
EBITDAR	1,072,264	530,757	249,371	142,002	117,186	32,949
	23.6%	25.3%	23.0%	21.3%	21.0%	22.7%
<b>Reconciliation of EBITDAR to operating income for 2022</b>						
<b>EBITDAR</b>	<b>1,072,264</b>					
Lease expenses	(69,034)					
<b>EBITDA</b>	<b>1,003,230</b>					
Depreciation/amortisation, impairment and provisions	(654,882)					
Other income and expenses	(75,820)					
<b>OPERATING INCOME</b>	<b>272,528</b>					

\* Includes €104.1 million of revenue in the Netherlands.

### 3.2 Revenue and other income

Clariane is organised around three main business units: Long-term Care, Specialty Care and Community Care. The main sources of revenue are accommodation, medical care and dependency care services. Revenue from these services is recognised when these services have been delivered, regardless of the source of payment.

Revenue and other income totalled €5,047 million for the year to 31 December 2023, an increase of €513 million compared to the previous period.

Other income includes €18.3 million in compensation payments for loss of business in France and the Netherlands, as well as €33.6 million in Ségur de la Santé financing for the medical, post-acute and rehabilitation care business (Ségur Senior financing is included in revenue).

Revenue and other income from each business activity is shown below:

In thousands of euros	2023	2022
Long-term Care	3,116,128	2,922,184
Specialty Care	1,304,956	1,111,787
Community Care	626,399	500,103
<b>TOTAL</b>	<b>5,047,483</b>	<b>4,534,075</b>

### 3.3 Other information on current performance

Purchases used in the business correspond mainly to purchases of raw materials, energy and various supplies, which increased by €51.4 million during the year, including approximately €6.6 million owing to higher energy costs.

External expenses consist mainly of fees and other remuneration paid to various intermediaries for €108.1 million, rental expenses under leases outside

the scope of IFRS 16 for €74.4 million (see note 5.5 “Lease commitment”), upkeep and maintenance costs for €34.9 million, and subcontracting costs totalling €62.5 million.

“Depreciation/amortisation, impairment and provisions” includes (i) €693.2 million of depreciation and amortisation, of which €661.9 million related to depreciation charged against right-of-use assets and (ii) impairment and provisions in an amount of €31.2 million.

### 3.4 Other income and expenses

These items represent the impact of major events during the accounting period that could distort the interpretation of the Group’s performance, particularly of EBITDAR (Earnings Before Interest, Taxes, Depreciation, Amortisation and Rent), which is the Group’s preferred indicator for financial reporting purposes.

To facilitate the interpretation of operating performance, these income and expense items are presented separately in the income statement.

They mainly consist of:

- capital gains and losses on the disposal of investments, and significant and unusual impairment of non-current assets (property, plant and equipment and intangible assets);

- transaction costs for the period;
- certain restructuring or merger expenses, consisting mainly of restructuring costs that, because of their unusual nature and size, would distort operating income from ordinary operations (impact of real estate asset refinancing transactions and disposals carried out in connection with merger and acquisition transactions);
- other income and expenses such as provisions for material litigation.

In thousands of euros	2023	2022
Reorganisation and restructuring costs	(62,938)	(32,991)
Acquisition and growth project costs	(29,523)	(28,948)
Impairment	(59,773)	
Other	(12,646)	(13,881)
<b>TOTAL OTHER INCOME AND EXPENSES</b>	<b>(164,880)</b>	<b>(75,820)</b>

Other income and expenses mainly include:

- restructuring costs of €62.9 million, primarily comprising:
  - €21.2 million in Germany relating to costs associated with the restructuring of the head office, the closure of 11 facilities and a provision for the risk of non-payment following the sale of several facilities in 2022,
  - €14.4 million in Belgium relating mainly to costs in connection with the forthcoming closure of facilities in the Brussels region,
  - smaller amounts in Spain and Italy linked to restructuring costs following recent acquisitions;
- €59.8 million in impairment losses, including €44.5 million in provisions for losses on the disposal of operations in the United Kingdom (€40 million) and in the Netherlands (€4.5 million), and €6.2 million in impairment losses on licences in Italy (see note 5.2 “Intangible assets”);
- €29.5 million of acquisition and development project costs, in particular following the acquisition of Grupo 5 in Spain and the Group’s refinancing plan (see note 2.2 “Financing transactions and plan to strengthen the financial structure”).

### 3.5 Working capital

#### Current assets

##### A) Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories of raw materials, goods for resale, personal protective equipment and other supplies consists of the purchase price excluding taxes, less discounts, rebates and other deductions

obtained, plus incidental purchasing costs (transport, unloading charges, customs duties, purchasing commissions, etc.). These inventories are measured using the first-in first-out (FIFO) method.

In thousands of euros	31.12.2023	31.12.2022
Gross value	32,587	31,884
Impairment	(4,290)	(3,261)
<b>NET VALUE</b>	<b>28,297</b>	<b>28,623</b>

##### B) Receivables

Trade and other receivables are recognised at their nominal value, i.e., the fair value at the date of initial recognition.

An impairment loss is recognised as from the date of initial recognition of the receivable as required by IFRS 9. The level of provisioning depends both on the level of loss experienced in previous years and on the risk assessment performed on the receivables in each of the countries in which the Group operates.

Trade receivables rose by €127.7 million in 2023 to €610.4 million at the end of the year. This increase reflects the equity accounting of the Ages & Vie entities (see note 2.4.1 “Changes in Ages & Vie partnerships”).

Impairment recognised against trade receivables at 31 December 2023 can be analysed as follows:

In thousands of euros	Receivables not due at end of period	0 to 6 months	6 to 12 months	1 to 2 years	2 to 4 years	More than 4 years	Total at end of period
Trade receivables	307,415	122,540	56,143	74,123	28,437	21,698	610,357
Impairment	(8)	(9,004)	(2,666)	(12,603)	(7,945)	(12,964)	(45,191)
<b>NET VALUE</b>	<b>307,406</b>	<b>113,536</b>	<b>53,478</b>	<b>61,520</b>	<b>20,492</b>	<b>8,735</b>	<b>565,166</b>

Impairment recognised against trade receivables at 31 December 2022 can be analysed as follows:

In thousands of euros	Receivables not due at end of period	0 to 6 months	6 to 12 months	1 to 2 years	2 to 4 years	More than 4 years	Total at end of period
Trade receivables	252,589	119,807	33,267	37,524	21,321	18,085	482,593
Impairment	(5,869)	(5,495)	(4,857)	(7,465)	(7,422)	(11,117)	(42,225)
<b>NET VALUE</b>	<b>246,720</b>	<b>114,312</b>	<b>28,410</b>	<b>30,059</b>	<b>13,899</b>	<b>6,968</b>	<b>440,368</b>

In accordance with IFRS 9, the Group's impairment rules for trade receivables depend on the sector, country and nature of the receivable.

Some receivables in certain countries, such as Italy and Germany, are more than four years old. In these countries, debts owed by residents are collected through dunning and

court-ordered enforcement. As an execution order is valid for several years, and in many cases the Group must wait until a resident's former home is sold, receivables more than four years past due have not been written off.

#### Transfer and use of financial assets

As part of its financing policy, the Group has factoring agreements that allow a portion of trade receivables held by certain subsidiaries to be sold to a group of financial institutions. These transactions transfer substantially all the risks and rewards related to those receivables.

Based on the test of risks and rewards required under IFRS 9, the Group has derecognised almost all of the receivables assigned under these factoring agreements.

The receivables assigned by the Italian subsidiaries are sold at their nominal value less an initial charge of 0.3% to 0.6%, which is recognised in "Other expenses", to which interest at Euribor plus a margin is added and recorded as a financial expense.

This strategy has been implemented in Italy with *pro soluto* factoring and in France with Natixis factoring (2022).

At 31 December 2023, receivables assigned, derecognised and not yet collected by the factoring company represented €43.7 million of the current amounts assigned and

derecognised during the year in Italy, i.e., 15% of the current receivables assigned and derecognised over this period. At 31 December 2022, this amount represented €56.6 million, i.e., 20% of the current amounts assigned and derecognised during the year in Italy and France.

#### Quarterly breakdown of receivables assigned in 2023 under *pro soluto* factoring arrangements

In thousands of euros

	2023	First-quarter 2023	Second-quarter 2023	Third-quarter 2023	Fourth-quarter 2023
Receivables assigned	294,600	61,890	86,238	62,039	84,432
Receivables collected	294,011	57,623	89,313	63,586	83,489
Fees for the management and collection of assigned receivables	(1,873)	(301)	(522)	(383)	(666)
Corresponding financial expense	(2,533)	(451)	(716)	(606)	(760)
<b>Profit/(loss) on assignment</b>	<b>(4,406)</b>	<b>(752)</b>	<b>(1,238)</b>	<b>(989)</b>	<b>(1,426)</b>
<b>NET CASH RECEIVED</b>	<b>289,606</b>	<b>56,871</b>	<b>88,075</b>	<b>62,596</b>	<b>82,063</b>

#### C) Other receivables and current assets

Other receivables and current assets consist of the following:

In thousands of euros	31.12.2023	31.12.2022
Tax receivables, excluding current taxes	162,785	99,628
Social security receivables	24,023	7,308
Advances and down payments	70,667	35,099
Prepaid expenses	47,262	60,521
Other debtors	323,581	241,862
<b>Other receivables and current assets in working capital</b>	<b>628,318</b>	<b>444,418</b>
Receivables on disposals and acquisitions of non-current assets	63,146	(9,127)
Impairment of other receivables	(24,126)	(15,260)
<b>VALUE OF OTHER RECEIVABLES</b>	<b>667,338</b>	<b>420,031</b>

The countries accounting for most of the “Other debtors” line are France, Germany and Italy.

In thousands of euros	31.12.2023	31.12.2022
Deposits and guarantees	1,679	2,221
Other non-current financial assets	36	636
<b>VALUE OF OTHER CURRENT FINANCIAL ASSETS</b>	<b>1,715</b>	<b>2,857</b>
<b>TOTAL OTHER RECEIVABLES AND CURRENT ASSETS</b>	<b>669,054</b>	<b>422,888</b>

#### D) Trade payables, other payables and accruals

Trade and other payables are recognised at historical cost (which is the amortised cost).

In thousands of euros	31.12.2023	31.12.2022
Trade payables	649,190	570,717
<b>TOTAL TRADE PAYABLES AND RELATED ACCOUNTS</b>	<b>649,190</b>	<b>570,717</b>

In thousands of euros	31.12.2023	31.12.2022
Residents' deposits	64,941	62,287
Advances and down payments made on orders	78,896	44,648
Non-corporate income tax liabilities	159,886	95,935
Payroll liabilities	364,133	356,817
Other liabilities	121,837	117,648
Deferred income	26,477	25,473
<b>TOTAL PAYABLES AND ACCRUALS IN WORKING CAPITAL</b>	<b>816,170</b>	<b>702,808</b>
Payables to suppliers of non-current assets	104,494	162,637
Dividends payable	694	438
<b>TOTAL OTHER PAYABLES AND ACCRUALS</b>	<b>921,356</b>	<b>865,883</b>

#### Change in working capital

Working capital includes the following items:

In thousands of euros	31.12.2022	Changes in scope	Change in working capital	Other changes	31.12.2023
Inventories [A]	31,884	(5)	1,440	(732)	32,587
Trade receivables and related accounts [B]	482,593	14,128	68,425	117,056	682,202
Other receivables and current assets [C]	444,418	(15,503)	372,696	13,237	788,374
Trade payables and related accounts [D]	(570,717)	(4,276)	125,155	280	(700,428)
Other payables and accruals [E]	(702,806)	(17,901)	235,814	76,114	(996,833)
<b>WORKING CAPITAL [F] = [D] + [E] - [A] - [B] - [C]</b>	<b>(314,628)</b>	<b>12,245</b>	<b>81,592</b>	<b>26,693</b>	<b>194,098</b>

The Group excludes tax receivables and payables and investment-related receivables and payables from its calculation of working capital. Working capital is based on the gross value of inventories and receivables.

## Note 4 Employee expenses and benefits

### 4.1 Payroll expenses

In thousands of euros	2023	2022
Wages and salaries	2,143,872	1,924,079
Payroll taxes	657,338	605,000
Compulsory employee profit sharing	10,477	8,636
Free share awards	4,453	4,611
Other payroll expenses	206,816	176,156
<b>TOTAL</b>	<b>3,022,956</b>	<b>2,718,482</b>

### 4.2 Employee share ownership plan

In 2022, the Group set up a leveraged employee share ownership plan that offers employees the possibility to purchase the Group's shares at a discounted price. To calculate the IFRS 2 expense used to measure the employee benefit, the Group adjusts the amount of the discount granted to employees on the share subscription price in accordance with the following two factors:

- the cost of the five-year "lock-in", or non-transferability period, that applies to the shares granted to employees. This cost takes into account the five years during which the shares may not be sold or otherwise transferred, and is equivalent to the cost of a two-step investment strategy in which a market participant sells the shares at the end of the five-year period and borrows the amount necessary to buy an equivalent number of immediately transferable shares, this being financed by means of the forward sale of the shares and the dividends paid during the lock-in period. This cost is calculated on the basis of the following factors:

- the share subscription price is the volume-weighted average price of Clariane shares over the 20 previous trading days, less a discount,
- the award date of the rights under the plan is the date on which employees are informed of its specific terms and conditions, and of the share subscription price in particular,
- the lending rate offered to employees, which is used to determine the non-transferability cost of the shares, is the rate that a bank would offer to an individual with an average risk profile for a balloon-payment consumer loan with a term equal to the duration of the plan;
- the opportunity gain offering employees the possibility of benefiting from the same market conditions as the Group.

No new employee share ownership plan was set up by the Group in 2023.

### 4.3 Employee benefits

Employee benefits are accounted for in accordance with IAS 19 and are composed of post-employment benefits (lump-sum retirement benefits) and long-term benefits such as anniversary bonuses and long-service awards.

The Group's obligation in respect of defined contribution plans is limited to the contributions it pays into the plan. These contributions are expensed in the period in which they are incurred. Where applicable, a provision is recorded for contributions that remain to be paid for the period.

In the case of a defined benefit plan (post-employment benefits and other long-term benefits), the Group makes a provision on the statement of financial position that represents its obligation at the date the

financial statements were issued. This is the case for IDR (*indemnités de départ à la retraite*) in France and TFR (*trattamento di fine rapporto*) in Italy.

Except for the discount rate, the actuarial assumptions (i.e., employee turnover, mortality, wage and salary growth, and retirement age) vary in accordance with the demographic and economic conditions of the country of the relevant plan.

Since the countries in which the Group operates are all in the eurozone, the Group uses a single discount rate at each reporting date. This rate is based on the rate paid by AA-rated corporate bonds with a maturity of at least 10 years (source: iBoxx index).



## France

### A) Lump-sum retirement benefits

Lump-sum retirement benefits represent defined post-employment benefits subject to the national collective bargaining agreement for the private hospitals, real estate and personal services sectors. When employees retire, the Group pays them a lump-sum benefit, the amount of which depends on their final salary and the number of years they have worked for the Company.

Following the vote approving pension reform in France, the Group changed its retirement assumptions. The change in retirement age was treated as a change in actuarial assumptions and not as a plan amendment. The impact of this change in assumption (negative €2.5 million) was recognised in past service costs at the date of the change.

### B) Long-service awards and bonuses

In some cases, the collective bargaining agreements of the Group's French companies may provide for the payment of a bonus when a long-service award is granted or simply the payment of a long-service bonus. These benefits are treated as long-term benefits under IAS 19.

Some Clariane Group facilities in France grant anniversary bonuses to their employees when they have been employed for a certain number of years. Clariane has five anniversary bonus schemes. Facilities with anniversary bonus schemes do not benefit from the long-service award scheme described below.

When the French government awards a long-service medal to an employee, some Clariane Group facilities will pay the employee a bonus at the employee's request. The amount paid varies based on the same scale as that used for long-service bonuses.

### C) Supplementary pension plans

The Group has not granted employees any supplementary pension plans in addition to the minimum statutory pension.

## Germany

Company collective bargaining agreements provide for long-service bonus awards. These benefits are treated as long-term benefits under IAS 19.

## Belgium

A supplementary pension plan for certain members of management has been arranged with an insurance group.

## Italy

The TFR (*trattamento di fine rapporto*) plan is a defined benefit plan that is subject to Article 2120 of the Italian Civil Code. Under this plan, each period of work entitles the employee to a benefit that is not directly available to the employee except under certain circumstances, namely upon departure from the Company, making certain real estate purchases, or death. Depending on the situation, the plan may be outsourced to a third party (in which case it becomes a defined contribution plan) or managed by the employer, in which case it continues to be a post-employment defined benefit plan.

In thousands of euros	Lump-sum retirement benefits	Anniversary bonuses	Long-service awards	Total France	TFR Italy	Total Germany	Total Benelux*	Total
<b>1 CHANGE IN PROVISION IN 2023</b>								
<b>Provision at 31 December 2022</b>	<b>56,917</b>	<b>1,578</b>	<b>595</b>	<b>59,090</b>	<b>21,640</b>	<b>6,987</b>	<b>(97)</b>	<b>87,620</b>
Interest cost	1,492	49	10	1,551	708	239		2,498
Service cost	3,218	221	118	3,557	2,293	2,609	195	8,654
Curtailement gain	(2,911)			(2,911)				(2,911)
Benefits paid including payroll taxes	(3,233)	(62)	(90)	(3,385)	(2,451)	(2,518)	(1)	(8,355)
<b>Changes in structure excluding benefits paid</b>	<b>(1,434)</b>	<b>208</b>	<b>38</b>	<b>(1,188)</b>	<b>549</b>	<b>330</b>	<b>194</b>	<b>(115)</b>
Actuarial gains/(losses) on long-term benefit plans								
<b>2023 expense</b>	<b>(1,434)</b>	<b>208</b>	<b>38</b>	<b>(1,188)</b>	<b>549</b>	<b>330</b>	<b>194</b>	<b>(115)</b>
Actuarial gains/(losses) recognised in OCI	(7,786)	(324)	(28)	(8,138)	(1,504)	68		(9,574)
Changes in scope	175	24		199				199
<b>Provision at 31 December 2023</b>	<b>47,872</b>	<b>1,486</b>	<b>605</b>	<b>49,963</b>	<b>20,685</b>	<b>7,385</b>	<b>97</b>	<b>78,130</b>
<b>2 SENSITIVITY TO DISCOUNT RATES</b>								
Impact of a 0.5% increase in the discount rate	44,351	1,589	628	46,568	19,642	7,016	(93)	73,133
Impact of a 0.5% decrease in the discount rate	48,505	1,664	646	50,815	21,810	7,755	(103)	80,277
<b>3 SENSITIVITY TO SALARY INCREASE RATES</b>								
Impact of a 0.5% salary increase	48,518	N/A	N/A	48,518	N/A	N/A	(93)	48,425
Impact of a 0.5% salary decrease	44,333	N/A	N/A	44,333	N/A	N/A	(103)	44,230

\* Includes €0.2 million in provisions for long-service awards in the Netherlands.

	France Lump-sum retirement benefits	France Long-service awards and bonuses	Italy TFR	Germany Long-service awards and retirement benefits	Belgium
<b>MAIN ASSUMPTIONS</b>					
Discount rate	3.77%	3.77%	3.77%	4.15%	3.95%
Salary increase rate	3.00%	N/A	N/A	N/A	2.00%
Mortality table	TGHF05	TGHF05	ISTAT 2013	HEUBECK-RICHTTAFELN 2018G	MR-5/FR-5
Retirement age of managerial-grade staff ( <i>cadres</i> )					
• Born 1950 or earlier	63.0	63.0	66.7	65.0	65.0
• Born between 1951 and 1952	64.0	64.0	66.7	65.0	65.0
• Born 1953 or later	65.0	65.0	66.7	65.0	65.0
Retirement age of non-managerial-grade staff					
• Born 1950 or earlier	60.0	60.0	66.7	65.0	65.0
• Born between 1951 and 1952	61.0	61.0	66.7	65.0	65.0
• Born 1968 or later	64.0	64.0	66.7	65.0	65.0
Type of retirement	voluntary	voluntary	voluntary	voluntary	voluntary

#### 4.4 Share-based payments

In accordance with IFRS 2, share-based payments – such as free share and performance unit plans granted to employees and officers – are expensed over the vesting period.

The Clariane Group has set up two types of plans:

- performance units that feature both a cash-settled and equity-settled component within the meaning of IFRS 2;
- free share plans, which are considered to be equity-settled within the meaning of IFRS 2:
  - equity-settled plans are settled with the delivery of Clariane shares, for which an expense and an increase in equity are recognised. For these plans,

the fair value of the equity instruments granted is the Clariane share price at the grant date less the expected dividends over the vesting period. The number of equity instruments granted may be reviewed during the vesting period to account for anticipated non-compliance with “non-market related” performance conditions or the turnover rate of the beneficiaries,

- cash-settled plans, for which an expense and a liability of the same amount are recorded. These plans are remeasured at fair value at each reporting date.

In millions of euros	2020 free share plan #1	2020 free share plan #2	2021 free share plan #1	2021 free share plan #2	2021 free share plan #3	2022 free share plan #1	2022 free share plan #2	2023 free share plan #1	2023 free share plan #2	Total
<b>A. PLAN CHARACTERISTICS</b>										
Terms of grant	Free	Free	Free	Free	Free	Free	Free	Free	Free	
Subject to service conditions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Subject to performance conditions	No	Yes	No	Yes	Yes	No	Yes	No	Yes	
Vesting date	31.07.2023	31.07.2023	15.03.2024	15.03.2024	15.03.2024	22.06.2025	22.06.2025	15.06.2023	15.06.2023	
Number of shares outstanding	17,884	341,237	48,974	278,935	127,000	108,004	589,490	155,750	872,200	2,539,474
Accounting expense for 2020 excluding payroll taxes	0.04	0.64	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.68
Accounting expense for 2021 excluding payroll taxes	0.11	1.27	0.36	1.22	0.22	N/A	N/A	N/A	N/A	3.18
Accounting expense for 2022 excluding payroll taxes	0.12	1.35	0.52	1.06	(0.07)	0.21	0.85	N/A	N/A	4.04
Accounting expense for 2023 excluding payroll taxes	0.00	1.15	0.42	1.94	0.11	0.42	0.40	0.14	0.42	5.00
<b>B. CHANGE IN NUMBER OF SHARES OUTSTANDING</b>										
Number of shares initially granted	13,150	320,025	61,478	348,247	132,000	114,972	639,438	161,000	897,400	2,687,710
Number of shares cancelled in 2020	0	3,685	0	0	0	0	0	0	0	3,685
Number of shares cancelled in 2021	526	33,163	2,084	23,451	0	0	0	0	0	59,224
Number of shares cancelled in 2022	1,052	18,424	4,168	25,535	5,000	0	15,391	0	0	69,570
Number of shares cancelled in 2023	2,630	13,688	6,252	20,326	0	6,968	34,557	5,250	20,200	109,871
Number of shares cancelled in 2024	0	0	0	0	0	0	0	0	5,000	5,000
<b>NUMBER OF SHARES VESTED</b>	<b>8,942</b>	<b>90,172</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>99,114</b>
<b>NUMBER OF SHARES OUTSTANDING</b>	<b>8,942</b>	<b>251,065</b>	<b>48,974</b>	<b>278,935</b>	<b>127,000</b>	<b>108,004</b>	<b>589,490</b>	<b>155,750</b>	<b>872,200</b>	<b>2,440,360</b>
<b>C. IFRS 2 VALUATION</b>										
Share price at the grant date	32.21 <sup>(a)</sup>	32.21 <sup>(a)</sup>	30.5	30.5	30.5	14.83	14.83	7.51	7.51	
Expected volatility	N/A	32.40%	N/A	33.50%	N/A	N/A	N/A	N/A	N/A	
			€0.30 in 2022 and 2023	€0.30 in 2022 and 2023	€0.30 in 2022 and 2023	€0.35 in 2022 €0.42 in 2023	€0.35 in 2022 €0.42 in 2023	€0.30 in 2023 €0.33 in 2024	€0.30 in 2023 €0.33 in 2024	
Annual dividend	€0.60 <sup>(b)</sup>	€0.60 <sup>(b)</sup>	€0.60 in 2024	€0.60 in 2024	€0.60 in 2024	€0.51 in 2024	€0.51 in 2024	€0.34 in 2025	€0.34 in 2025	
Risk-free interest rate	N/A	-0.80%	N/A	-0.71%	N/A	N/A	N/A	N/A	N/A	
<b>IFRS 2 FAIR VALUE OF THE PLAN EXCLUDING PAYROLL TAXES</b>	<b>0.28</b>	<b>4.41</b>	<b>1.39</b>	<b>4.53</b>	<b>0.37</b>	<b>1.25</b>	<b>2.45</b>	<b>0.78</b>	<b>2.31</b>	<b>17.77</b>
Equity-settled component	0.28	4.41	1.39	4.53	0.37	1.25	2.45	0.78	2.31	17.77
Cash-settled component	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) Adjusted to account for Clariane's share issue with preferential subscription rights at the end of 2020.

(b) Dividends in respect of fiscal year 2021 and 2022.

The fair value of options and rights was determined by an external expert using valuation models that take into account the plan's specific characteristics, market data observed at the grant date and certain assumptions by the Group's management.

### Free share plans implemented since 2020

For all free share plans granted to certain employees who are members of General Management and corporate officers, the vesting of free shares is subject to the conditions that the beneficiary remain employed by the Group throughout the vesting period and that the following performance targets are achieved in relation to:

- for the 2020 plan: 2022 revenue, Clariane's share price compared to the SBF 120 index over two reference periods, 2022 operating cash flows and CSR criteria (percentage of women in top management and number of apprenticeship contracts leading to a qualification);
- for the 2021 plan: 2023 revenue, Clariane's share price compared to the SBF 120 index over two reference periods, 2023 earnings per share and CSR criteria (percentage of women in top management, number of apprenticeship contracts leading to a qualification and reduction in carbon emissions);
- 2022 plan: 2024 revenue, 2024 earnings per share and CSR criteria (lost-time accident frequency rate and satisfaction rate among residents/patients and their families).

In 2020, 2021 and 2022, three plans without performance requirements were granted to several members of staff identified as high potential employees and key resources for the Group, and to specific medical functions.

Lastly, a third growth-oriented free share plan was set up in 2021 for the managers of new business activities, subject to the achievement of specific revenue and EBITDA targets for these new activities. This plan vests in 2025.

Vested shares may be freely transferred, except for those of Clariane SE's corporate officers, who must retain 25% of the shares granted.

### 2023 free share plans

Two plans were implemented in 2023:

1. a free share plan with no performance requirements for members of staff identified as high potential employees and key resources for the Group, and for specific medical functions;
2. a free share plan for certain employees who are members of General Management and corporate officers, which are subject to the following discrete performance conditions:
  - 2025 revenue,
  - 2025 earnings per share,
  - a composite indicator on the quality and safety of care, created in 2022, which will serve as a basis for measuring the Group's requirements in terms of quality of care. The quality and safety of care indicator scores the Group according to three technical criteria defined by the Group Medical, Ethics and Health Innovation Department in connection with operating activities in 2022. These constitute, among a series of quality of care indicators, a representative sample of the quality criteria applied to all care professions in the Group's various geographies and activities: the pressure sore rate, the percentage of passive restraint measures in line with Clariane's approach to non-drug therapies and Positive Care, and the percentage of residents who have been with the Group for more than three months and have a personalised therapeutic plan,
  - the rate of reduction of carbon emissions aligned with the revised SBTi (Science Based Targets initiative) objectives for Scopes 1 & 2,
  - the percentage of women on the Group Management Board and on country Management Boards, with the aim to have at least 40% of women members at all times, in line with regulations in the Group's various countries, and to continue the momentum of previous long-term compensation plans, thanks to which the Group achieved gender equality in top management at the end of 2022.

Vested shares may be freely transferred, except for those of Clariane SE's corporate officers, who must retain 25% of the shares granted.

## Note 5 Goodwill, intangible assets and property, plant and equipment

### 5.1 Goodwill

In compliance with IFRS 3, business combinations are accounted for as follows at the acquisition date:

- the identifiable assets acquired and the liabilities assumed are measured at fair value at the acquisition date;
- non-controlling interests are measured either at fair value (i.e., with goodwill allocated to non-controlling interests – the “full goodwill method”) or at the proportionate share of the fair value of the acquired entity’s identifiable net assets (i.e., with no goodwill allocated to non-controlling interests – the “partial goodwill method”). This option may be decided individually for each business combination;
- acquisition costs are expensed when incurred and are recorded under “Gain/(loss) on acquisitions and disposals of consolidated entities” in the consolidated income statement;
- any earn-out payments on business combinations are recognised at fair value at the acquisition date. After the acquisition date, earn-outs are recognised at fair value at each reporting date. Beyond one year after the acquisition date, any change in this fair value is recognised in income. Within this one-year period,

any change in this fair value that is explicitly linked to events subsequent to the acquisition date will also be recognised in income. Other changes will be recognised against goodwill.

At the 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, where a business combination takes place in several stages, the fair value at the acquisition date of the acquirer’s previously held equity interest in the acquiree, which is remeasured in the income statement;
- the net fair value of identifiable assets acquired and liabilities assumed at the acquisition date, measured at fair value.

Goodwill is not amortised. In accordance with IAS 36 “Impairment of Assets”, goodwill is tested for impairment annually, and more frequently if there is evidence of impairment. The impairment test procedures are described in note 1 “Impairment of property, plant and equipment, intangible assets and goodwill”.

In thousands of euros	2023	2022
<b>Gross goodwill at start of period</b>	3,237,256	3,213,838
Changes in scope	126,759	97,739
Final allocation of goodwill	(23,289)	(58,104)
Valuation of commitment to purchase non-controlling interests		
Disposals		(749)
Reclassifications and other impacts	1,074	(3,010)
Assets held for sale	(54,276)	(12,458)
<b>Gross goodwill at end of period</b>	3,287,524	3,237,256
Impairment at start of period		
<i>Impairment during the period</i>		
Impairment at end of period		
<b>Net goodwill at start of period</b>	3,237,256	3,213,838
<b>NET GOODWILL AT END OF PERIOD</b>	<b>3,287,524</b>	<b>3,237,256</b>



Changes in goodwill in 2023 are as follows:

In thousands of euros	Group	France	Germany	Benelux*	Italy	Spain & UK
<b>Net goodwill at start of period</b>	<b>3,237,256</b>	<b>1,571,154</b>	<b>721,672</b>	<b>268,960</b>	<b>454,672</b>	<b>220,798</b>
Changes in scope	127,833	2,150				125,683
Final allocation of goodwill	(23,289)	711			(24,000)	
Assets held for sale	(54,276)					(54,276)
<b>NET GOODWILL AT END OF PERIOD</b>	<b>3,287,524</b>	<b>1,574,015</b>	<b>721,672</b>	<b>268,960</b>	<b>430,672</b>	<b>292,205</b>

\* Includes €75.4 million in goodwill relating to the Netherlands.

Most of the goodwill arose from the recognition of licences, real estate developments and leases. Most of the changes in goodwill in 2023 are attributable to:

- in Italy: the impact of the final allocation of the purchase price of the Italian Hospital group and the Maleo group;

- in Spain: the impact of the provisional allocation of the purchase price of Grupo 5 for €124.6 million;
- in the United Kingdom: the impact of reclassifying goodwill within assets held for sale for €53.2 million.

In 2023, the Group tested goodwill of the countries listed in the table below for impairment. The main assumptions used in the goodwill impairment test were prepared in conjunction with an independent expert and are as follows:

Country	WACC		Long-term growth rate	
	2023	2022	2023	2022
France	6.75%	6.25%	2.3%	1.8%
Germany	5.75%	6.15%	1.7%	2.3%
Belgium	7.0%	6.5%	3.0%	1.8%
Netherlands	6.25%	6.15%	2.2%	2.3%
Italy	7.3%	7.5%	2.0%	2.2%
Spain	7.25%	7.3%	2.0%	2.3%
United Kingdom	6.75%	7.4%	1.8%	2.4%

The change in discount rates compared with those used in 2022 in France is mainly due to the increase in the risk-free rate and in the spreads, weighted in the other countries by fluctuating differences between the average inflation rate projected over the next 20 years and that for France. The long-term growth rate has been updated for each country to account for their macroeconomic environment, and in particular their average inflation rate projected over the next 20 years. The discount rates and long-term growth rates are determined by the Group with assistance from an independent expert.

With regard to operating assumptions, pre-tax cash flows are derived from:

- the Group's budget for Y+1, approved by the Board of Directors; and
- the business plan drawn up with input from each business unit, reviewed by the Board of Directors. This business plan is based on a compound annual growth

rate (CAGR) of over 4% in organic revenue for 2023-2028, with EBITDA excluding IFRS 16 rising at a rate close to that recorded by the business.

These tests revealed no impairment losses.

At 31 December 2023, an unfavourable 1% increase in the discount rates used for each country would have resulted in goodwill impairment of approximately €71 million for Italy, but no impact for other countries, assuming no change in their long-term growth rates.

An unfavourable 0.5% decrease in the long-term growth rate would have no impact on any country, assuming no change in their discount rates.

Regarding the sensitivity of goodwill to operating assumptions, a 1% decrease in the terminal value of EBITDAR would have led to the recognition of impairment representing approximately €34 million against goodwill in Italy and no impact for the Group's other countries.

## 5.2 Intangible assets

In accordance with IFRS 3, at the date the control of a subsidiary is acquired, the identifiable assets acquired and liabilities assumed are measured at fair value.

### Measurement of intangible assets

Operating licences acquired (intangible assets) are measured at the acquisition date at their fair value, which is determined using a multi-criteria approach that takes into account the characteristics of the facility, such as its revenue multiple, and the cash flow forecast in the business plan for the acquisition.

In France, licences to operate nursing homes are granted for a period of 15 years, and those for follow-up care and rehabilitation clinics, along with mental health clinics, for a renewable period of seven years. Operating licences may only be revoked if the facility fails to comply with its regulatory operating obligations, and in particular with minimum standards of competence and care, as verified by assessment records and/or compliance visits. As a result, licences are considered to be for an indefinite period and are not amortised in the consolidated financial statements.

In Germany, a licence granted by the government is not required to operate facilities, which are essentially subject to technical standards. Therefore, operating rights do not meet the definition of an identifiable intangible asset and accordingly are not recognised and included in goodwill.

In Belgium, the long-term care market is subject to substantial regulatory barriers to entry, with regulation at regional level, operating licence requirements, and price controls on accommodation rates. Licences are therefore recognised as intangible assets.

In Italy, national regulations impose minimum structural requirements. Each region transposes these regulations at its particular level. Italian institutions are subject to supervision by the regulatory authorities under agreements entered into with those authorities.

In Spain, a government licence is not required to operate retirement facilities, which are essentially subject to technical standards. Therefore, operating rights do not meet the definition of an identifiable intangible asset. However, facilities may share beds with other facilities under a regional funding programme. The licence required for this may be classified as an intangible asset and subsequently amortised over the term of the concession granted by the region.

In the Netherlands, operating licences exist but they are not particularly difficult to obtain. However, when a facility has been opened, it may enter into a contract with a private health insurer and provide home care under the VPT regime. These contracts make it possible to charge higher rates and provide more services to residents. Accordingly, contracts of this type in existence at the acquisition date are therefore recognised and measured as intangible assets.

In the United Kingdom, government licences are required to operate facilities but they are not particularly difficult to obtain. Once a facility has been opened, the Care Quality Commission ensures that it complies with quality and safety standards. Therefore, operating rights do not meet the definition of an identifiable intangible asset.

Impairment testing is conducted annually in accordance with the method described in note 1 "Critical accounting estimates and judgements" in the section entitled "Goodwill, intangible assets and property, plant and equipment".

Intangible assets are shown in the table below:

In thousands of euros	Licences	Other	Total
<b>Gross value at start of period</b>	<b>2,095,837</b>	<b>346,749</b>	<b>2,442,586</b>
Changes in scope	54,554	8,752	63,306
Disposals	0	(6,205)	(6,205)
Acquisitions	531	63,479	64,010
Transfers	283	3,486	3,769
<b>Gross value at end of period</b>	<b>2,151,205</b>	<b>416,261</b>	<b>2,567,466</b>
<b>Amortisation and impairment at start of period</b>	<b>16,974</b>	<b>168,898</b>	<b>185,872</b>
Changes in scope	(2,500)	(1,563)	(4,063)
Disposals	0	(1,250)	(1,250)
Amortisation and impairment	8,176	37,624	45,800
Transfers	(1)	(1,889)	(1,890)
<b>Amortisation and impairment at end of period</b>	<b>22,649</b>	<b>201,820</b>	<b>224,469</b>
<b>Net carrying amount at start of period</b>	<b>2,078,863</b>	<b>177,851</b>	<b>2,256,714</b>
<b>NET CARRYING AMOUNT AT END OF PERIOD</b>	<b>2,128,556</b>	<b>214,441</b>	<b>2,342,997</b>

Licences are broken down as follows for each operating segment:

In thousands of euros	France	Benelux*	Italy	Spain & UK	Total
Gross value at start of period	1,426,722	228,297	396,780	44,038	2,095,837
Impairment	13,905	197		2,872	16,974
<b>NET CARRYING AMOUNT AT START OF PERIOD</b>	<b>1,412,817</b>	<b>228,100</b>	<b>396,780</b>	<b>41,166</b>	<b>2,078,863</b>
Gross value at end of period	1,426,944	227,406	435,915	60,940	2,151,205
Impairment	13,905	197	3,713	4,832	22,649
<b>NET CARRYING AMOUNT AT END OF PERIOD</b>	<b>1,413,039</b>	<b>227,209</b>	<b>432,202</b>	<b>56,108</b>	<b>2,128,556</b>

\* Includes €9 million of goodwill in the Netherlands.

No single licence represents a material amount for the Group.

For 2023, the CGU tests led to the accrual of €6,216 thousand to the provision in respect of a region in Italy. These impairment tests were performed using the method described in note 1 in the section entitled "Impairment of intangible assets, property, plant and equipment and goodwill".

### 5.3 Property, plant and equipment

Property, plant and equipment are reported at their acquisition cost, less any investment subsidies. Property, plant and equipment acquired as part of a business combination are measured at fair value at the acquisition date.

Key components of a non-current asset that have a useful life that is shorter than that of the asset itself are identified so that they may be depreciated over their own useful life.

At each reporting date, the historical cost is reduced by accumulated depreciation and any provisions for impairment determined as described in note 1 in the section entitled "Impairment of property, plant and equipment, intangible assets and goodwill".

### LEASES

Since 1 January 2019, the Group has applied IFRS 16, which results in:

- the recognition of right-of-use assets and lease liabilities;
- the reclassification of assets and liabilities recognised under existing finance leases;
- the reclassification of lease incentives as a reduction in right-of-use assets.

#### 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 (in years):

Category	Useful life	Method
Structures	60	Straight line
Construction components	7 to 30	Straight line
Machinery and equipment	5 to 15	Straight line
Other improvements, fixtures and fittings	3 to 5	Straight line
Medical equipment	2 to 10	Straight line
Other equipment and furniture	2 to 10	Straight line
Software	1 to 7	Straight line
Vehicles	5	Straight line

In thousands of euros	Land	Buildings	Plant, machinery and other property, plant and equipment	Assets in progress and down payments	Total
<b>Gross value at start of period</b>	<b>402,282</b>	<b>2,939,982</b>	<b>1,578,610</b>	<b>401,655</b>	<b>5,322,529</b>
Changes in scope	3,422	(88,420)	6,075	(157,666)	(236,589)
Disposals	(245)	(7,433)	(28,673)	(34,175)	(70,526)
Acquisitions	11,270	89,015	97,845	193,618	391,748
Transfers	(68,231)	(173,337)	6,055	(96,068)	(331,581)
Other	1,298	3,844	460	0	5,602
<b>Gross value at end of period</b>	<b>349,795</b>	<b>2,763,651</b>	<b>1,660,371</b>	<b>307,364</b>	<b>5,081,181</b>
<b>Accumulated depreciation at start of period</b>	<b>789</b>	<b>800,321</b>	<b>967,742</b>	<b>1,139</b>	<b>1,769,991</b>
Changes in scope	0	(3,639)	2,972	0	(667)
Additions	0	107,156	106,529	1,004	214,689
Disposals	0	(9,972)	(11,326)	(637)	(21,935)
Other	0	(6,282)	(19,004)	0	(25,286)
<b>Accumulated depreciation at end of period</b>	<b>789</b>	<b>887,585</b>	<b>1,046,914</b>	<b>1,506</b>	<b>1,936,794</b>
<b>Net carrying amount at start of period</b>	<b>401,493</b>	<b>2,139,661</b>	<b>610,868</b>	<b>400,516</b>	<b>3,552,538</b>
<b>NET CARRYING AMOUNT AT END OF PERIOD</b>	<b>349,006</b>	<b>1,876,066</b>	<b>613,457</b>	<b>305,858</b>	<b>3,144,386</b>

### Borrowing costs

Pursuant to IAS 23, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (buildings in particular) are included in the cost of that asset.

The rate that may be used is the average cost of the Group's debt after hedging.

Borrowing costs for 2023 totalled €2,720 thousand versus €4,396 thousand in 2022.

### 5.4 Changes in cash flows relating to acquisitions of non-current assets

Cash flows relating to acquisitions of property, plant and equipment and intangible assets are shown below:

In thousands of euros	31.12.2023	31.12.2022
Acquisitions of intangible assets	(69,119)	(59,368)
Change in payables on acquisitions of intangible assets	5,799	(6,176)
Acquisitions of property, plant and equipment	(430,072)	(565,299)
Change in payables on acquisitions of property, plant and equipment and other assets	9,278	8,642
<b>INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS</b>	<b>(484,114)</b>	<b>(622,201)</b>

### 5.5 Leases

Right-of-use assets recognised include the value of the associated lease liabilities, to which the following may be added where appropriate:

- lease payments made before the asset is made available;
- the initial direct costs incurred to obtain the lease, less any incentives received.

Right-of-use assets are depreciated on a straight-line basis over the term of the lease.

Lease liabilities represent the present value of:

- future lease payments (these include payments that are fixed or fixed in substance and those pegged to an index or rate);
- any incentives receivable;
- amounts that Clariane expects to pay under residual value guarantees;
- the exercise price of asset purchase options that the Group is reasonably certain to exercise;
- as well as any penalties that may be required to terminate the lease.

Lease liabilities under IFRS 16 were calculated using a lease term for real estate leases that corresponds to the non-cancellable period of the lease plus any renewal options the Group is reasonably certain to exercise. The Group recognises an average lease term of 13 years.

The discount rates used are reviewed for each country at the end of each year and more frequently if necessary. These rates depend on the average incremental borrowing rate and average maturity for each country, as well as on the Group's leverage. The Group's average rate as of January 2023 is 2.91%

Real estate accounts for 99.2% of all leases. The remaining leases are for vehicles, power equipment, work clothes and medical equipment.

The Group applies a single accounting method for all of its leases, except for certain short-term (i.e., less than 12 months) or low-value leases.

Payments on these exempted leases and variable payments continue to be recognised directly in operating expenses.

In thousands of euros	31.12.2023	31.12.2022
Short-term leases	(18,494)	(15,904)
Low value leases	(18,746)	(19,923)
Other lease expenses (fees and taxes)	(37,207)	(33,207)
<b>TOTAL</b>	<b>(74,446)</b>	<b>(69,034)</b>

#### CHANGE IN RIGHT-OF-USE ASSETS BY CATEGORY OF UNDERLYING ASSETS

In thousands of euros	
<b>Right-of-use assets at 31 December 2022</b>	<b>3,451,897</b>
Inflows of assets, net of renegotiations	481,268
Depreciation and impairment	(440,786)
Lease terminations	(101)
Changes in scope	187,324
Other changes	(27,280)
<b>RIGHT-OF-USE ASSETS AT 31 DECEMBER 2023</b>	<b>3,652,322</b>
• of which right-of-use real estate assets	3,624,086
• of which right-of-use non-real estate assets	28,236

The increase in lease liabilities includes a €217 million increase resulting from sale and leaseback transactions with Ages & Vie real estate companies, restated in accordance with IFRS 16.

#### CHANGE IN LEASE LIABILITIES

In thousands of euros	
<b>Lease liabilities at 31 December 2022</b>	<b>3,762,204</b>
Present value of debt and new leases	481,268
Repayment of debt	(403,502)
Change in lease term/lease amount	(11,569)
Changes in scope	202,472
Other changes	(7,988)
<b>LEASE LIABILITIES AT 31 DECEMBER 2023</b>	<b>4,022,885</b>

#### CHANGE IN CASH OUTFLOW ON LEASES

In thousands of euros	2023	2022
Repayment of lease liabilities	(403,502)	(392,791)
Interest on lease liabilities	(116,530)	(108,684)
<b>RENTAL EXPENSE UNDER LEASES</b>	<b>(520,032)</b>	<b>(501,475)</b>

#### MATURITY OF LEASE LIABILITIES AT 31 DECEMBER 2023

In thousands of euros	Total	<1 year	1 to 5 years	>5 years
<b>LEASE LIABILITIES</b>	<b>4,022,885</b>	<b>412,885</b>	<b>1,344,556</b>	<b>2,265,444</b>

## Note 6 Equity-accounted investments

The respective contributions of associates and joint ventures to the statement of financial position at 31 December 2023 and 31 December 2022 and to the income statement for the years then ended are shown below:

In thousands of euros	Total at 31 Dec. 2023	Vivason	Centro Clinico Colle Cesarano S.r.l.	Foncière A&V	Foncière A&V 2	SCI Korian Étoile Immobilier 3
Country		France	Italy	France	France	France
<b>Percentage of shares held</b>		<b>50%</b>	<b>30%</b>	<b>30%</b>	<b>30%</b>	<b>51%</b>
<b>Statement of financial position</b>						
Equity-accounted investments	58,831	18,625	745	23,576	4,221	11,664
<b>Income statement</b>						
Profit/(loss) from equity-accounted companies	(6,700)	(119)	(12)	(4,533)	(1,730)	(305)

In thousands of euros	Total at 31 Dec. 2022	Vivason	Centro Clinico Colle Cesarano S.r.l.
Country		France	Italy
<b>Percentage of shares held</b>		<b>50%</b>	<b>30%</b>
<b>Statement of financial position</b>			
Equity-accounted investments	19,501	18,744	757
<b>Income statement</b>			
Profit/(loss) from equity-accounted companies	(754)	(753)	(1)

## Note 7 Equity

There are no rights, privileges or restrictions attached to the shares that comprise the share capital. Nor are there any shares reserved for issue under share sale agreements or options.

Share capital totalled €534,142,680 at 31 December 2023, comprising 106,828,536 fully paid-up shares, all of the same class and having a par value of €5 each.

Following approval of shareholders at the Ordinary and Extraordinary General Meeting on 15 June 2023, the Group paid a dividend of €0.25 per share, with an option for payment in new shares (based on a price of €6.86 per share). Dividends paid during the year, in cash and in shares, totalled €27 million.

### 7.1 Hybrid bonds

On 1 September 2021, the Group issued new undated unsubordinated bonds optionally redeemable in cash and/or in new and/or existing shares (ODIRNANE bonds), with cancellation of preferential subscription rights, for a nominal amount of €332.5 million. These bonds were issued with the following characteristics:

- a nominal value of €44.28 each, representing a conversion premium of 30.0% over the reference share price;

- interest due until 8 September 2026 at a fixed nominal annual rate of 1.875% paid half-yearly and initially on 8 March 2022;
- and as of 8 September 2026, interest at an annual rate equal to six-month Euribor plus 900 basis points, payable half-yearly in arrears on each interest payment date, and initially, if applicable, on 8 March 2027, unless interest payments are suspended.

At 31 December 2023, the applicable conversion ratio is 1,059 Clariane shares for 1 ODIRNANE bond.

In accordance with IAS 32, these hybrid financial instruments were recognised as equity instruments for an amount net of interest and issue costs of €324.3 million at 31 December 2023 (€329.4 million at 31 December 2022). The ODIRNANE contract also provides for a 500-basis-point increase in the coupon if Clariane decides not to redeem the bonds following a change of control (defined as holding (i) the majority of the voting rights attached to the shares or if none of the Company's shareholders hold a higher percentage, or (ii) more than 40% of these voting rights).



## 7.2 Placement of a GBP 200 million non-convertible green hybrid bond

On 8 June 2021, Clariane announced the successful placement of a GBP 200 million non-convertible hybrid green perpetual bond paying a 4.125% coupon and with an initial optional redemption at par between 15 March and 15 June 2024. If there is no redemption in this period, the coupon will be reset the first time as from 15 June 2024 and for the following five years on the basis of the five-year gilt yields observed on that date plus 9.079% per annum. The same will apply every five years thereafter, on 15 June, if the bond is not redeemed. If the bond is not redeemed in 2024, it will be redeemable at par on 15 June of each year (anniversary date). The revised coupon may therefore be payable for the first time on 15 June 2025.

Following the renewal of the Group's syndicated loan in July 2023, the Company undertook not to redeem any hybrid debt if its financial leverage covenant was 3.0x or above, unless the hybrid bond were to be refinanced with hybrid debt or the Group's own equity.

The proceeds of this green bond will be used to upgrade, purchase and develop real estate assets, primarily in the UK, with appropriate currency matching. The entire issue was recognised in equity.

## 7.3 OCEANE bonds

On 3 March 2020, Clariane announced the successful placement of its issue of bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE) maturing in 2027 for a nominal amount of approximately €400 million.

The bonds were issued at par and their nominal value was set at €61.53 each, resulting in a conversion premium of 55% over the Company's reference share price.

The cancellation of 640,000 OCEANE bonds in the first half of 2022 reduced the nominal value to €360 million. The applicable conversion ratio is 1.168 Clariane shares for 1 OCEANE bond at 31 December 2023. In accordance with IAS 32, the cancellation of these OCEANE bonds reduced the fair value of the redemption option sold to holders to €30 million. The OCEANE contract provides holders with the option of requesting redemption of the instrument at par plus interest accrued to the redemption date in the event of a change of control (defined as holding (i) the majority of the voting rights attached to the shares or if none of the Company's shareholders holds a higher percentage, or (ii) more than 40% of these voting rights).

## Note 8 Earnings per share

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.

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".

	2023	2022
Net profit/(loss) attributable to owners of the Group (in thousands of euros)	(105,245)	22,060
Net profit/(loss) from continuing operations attributable to owners of the Group (in thousands of euros)	(92,440)	35,741
Weighted average number of shares outstanding (in thousands)	106,385	104,821
<b>EARNINGS/(LOSS) PER SHARE</b> (in euros)	<b>(0.99)</b>	<b>0.21</b>
<b>EARNINGS/(LOSS) PER SHARE FROM CONTINUING OPERATIONS</b> (in euros)	<b>(0.87)</b>	<b>0.34</b>
Net profit/(loss) attributable to owners of the Group (in thousands of euros)	(105,245)	22,060
Impact of remuneration of equity items	(4,622)	(6,215)
Weighted average number of shares outstanding (in thousands)	106,385	104,821
Average number of shares in relation to stock options and free share adjustments	1,713	1,152
Average number of shares in relation to hybrid and OCEANE bond adjustments	14,797	14,483
Average number of shares used to calculate diluted earnings/(loss) per share	122,894	120,457
<b>DILUTED EARNINGS/(LOSS) PER SHARE</b> (in euros)	<b>(0.89)</b>	<b>0.13</b>
<b>DILUTED EARNINGS/(LOSS) PER SHARE OF CONTINUING OPERATIONS</b> (in euros)	<b>(0.79)</b>	<b>0.25</b>

## Note 9 Financing and financial instruments

### 9.1 Net financial expense

Net financial expense consists of cost of net debt and other financial items.

Cost of net debt consists of interest expense on bank and bond debt, costs related to hedging, interest capitalised in accordance with IAS 23, the impact of amortising capitalised issuance costs and amortisation impacts related to the renegotiation and restructuring of debt and hedging instruments.

Other financial items are primarily bank fees and charges paid (including factoring expenses), the interest cost on employee benefits and financial expenses in relation to the recognition of right-of-use assets under leases.

In thousands of euros	2023	2022
<b>Cost of gross debt</b>	<b>(158,287)</b>	<b>(86,393)</b>
Cost of hedging	53,213	(8,742)
Income from cash and cash equivalents	0	(12)
<b>Cost of net debt</b>	<b>(105,074)</b>	<b>(95,147)</b>
Bank fees and commissions	(12,593)	(7,048)
Financial expenses on lease liabilities	(119,598)	(109,495)
Other financial income and expenses	(2,070)	(2,903)
<b>Other financial items</b>	<b>(134,261)</b>	<b>(119,446)</b>
<b>NET FINANCIAL EXPENSE</b>	<b>(239,336)</b>	<b>(214,593)</b>

Taking into account the hedges put in place, the sensitivity of financial expenses to a change in market rates over one year was as follows at the reporting date:

- a 1% (100-basis-point) increase would increase the Group's financial expenses by around €27 million;

- a 1% (100-basis-point) decrease would decrease the Group's financial expenses by around €13.1 million.

### 9.2 Net financial debt

Net financial debt consists of gross debt less liquid financial assets, i.e., marketable securities and cash.

In thousands of euros	31.12.2023	31.12.2022
Borrowings from credit institutions and financial markets	2,582,887	2,571,598
Real estate debt owed to financial counterparties (excluding IFRS 16)	1,911,767	1,914,046
Other miscellaneous financial debt	26,830	21,957
Bank overdrafts	10,563	740
<b>Borrowings and financial debt (A)</b>	<b>4,532,047</b>	<b>4,508,341</b>
Marketable securities	81,985	11,918
Cash at bank and in hand	595,894	721,793
<b>Cash and cash equivalents (B)</b>	<b>677,879</b>	<b>733,710</b>
<b>NET DEBT (A) - (B)</b>	<b>3,854,168</b>	<b>3,774,631</b>

The Group's gross debt at 31 December 2023 breaks down as follows:

- a syndicated bank loan comprising a term tranche of €555 million, of which €50 million falls due in May 2024 and €505 million in May 2026, and a revolving tranche of €500 million, on which the amount currently drawn falls due on 3 May 2024;

- bonds placed with private investors and borrowings from credit institutions for a total amount of €1,580 million;
- real estate debt of €1,912 million, consisting mainly of leases and bank loans used for bridge finance;
- other miscellaneous financial debt of €26.8 million;
- bank overdraft facilities totalling €10.6 million.

Moreover, at the end of the period, the Group's net cash position stood at €678 million, excluding bank overdrafts.

At 31 December 2023, debts secured by in rem security interests, such as pledges, mortgages and finance leases, accounted for 28.9% of gross debt.

The equity-accounted consolidation of the Ages & Vie entities had a favourable impact of €31 million on net debt, in line with the net amount of cash and debt in the vehicles. However, the Group continues to carry debt granted by the European Investment Bank, the sole purpose of which is

to finance Ages & Vie. The Group also has a receivable on similar terms with Ages & Vie for €74 million, presented under non-current assets. Including this receivable, the Group's net debt represented €3,780 million. This amount was the reference net debt used to calculate operating leverage under the syndicated loan signed by the Group with its banking partners on 25 July 2023.

### Change in borrowings

In thousands of euros	31.12.2022	New borrowings	Repayments of borrowings	Changes in scope	Other	31.12.2023	Current	Non-current
Borrowings	4,486,199	1,191,668	(1,060,264)	(76,635)	(69,342)	4,471,627	999,407	3,472,219
Compulsory employee profit sharing	75			(30)		45		45
Other loans and similar liabilities	21,327	(159)	1,407	(58,298)	85,537	49,813	26,980	22,833
<b>TOTAL BORROWINGS AND FINANCIAL DEBT</b>	<b>4,507,601</b>	<b>1,191,509</b>	<b>(1,058,857)</b>	<b>(134,963)</b>	<b>16,195</b>	<b>4,521,485</b>	<b>1,026,387</b>	<b>3,495,097</b>

In thousands of euros	New borrowings in 2023	Cash	Non-cash	Repayments of borrowings in 2023	Cash	Non-cash
Borrowings	1,191,668	1,181,693	9,975	(1,060,264)	(1,060,264)	
Other loans and similar liabilities	(159)	(33,389)	33,230	1,407	27,060	(25,653)
<b>TOTAL BORROWINGS AND FINANCIAL DEBT</b>	<b>1,191,509</b>	<b>1,148,304</b>	<b>43,205</b>	<b>(1,058,857)</b>	<b>(1,033,204)</b>	<b>(25,653)</b>

### Floating and fixed-rate financial debt

At 31 December 2023, 48% of the Group's gross financial debt was at floating rates.

In thousands of euros		31.12.2023	31.12.2022
Fixed rate	52%	2,353,285	2,722,737
Floating rate	48%	2,178,762	1,785,604
<b>TOTAL</b>		<b>4,532,047</b>	<b>4,508,341</b>

### Financial debt by maturity

In thousands of euros	31.12.2023	31.12.2022
<1 year	1,037,472	948,271
<b>Short-term financial debt</b>	<b>1,037,472</b>	<b>948,271</b>
1 to 5 years	2,510,026	1,850,241
>5 years	984,549	1,709,829
<b>Long-term financial debt</b>	<b>3,494,575</b>	<b>3,560,070</b>
<b>TOTAL</b>	<b>4,532,047</b>	<b>4,508,341</b>

### Breakdown of short-term net debt

In thousands of euros	2024
Real estate debt owed to financial counterparties	205,697
Syndicated bank loan	55,192
Bonds placed with private investors and debts placed with credit institutions	246,690
Other miscellaneous financial debt and bank overdrafts	37,393
<b>SHORT-TERM REPAYMENTS</b>	<b>544,972</b>
Revolving credit facility (rollover in May 2024)	492,500
<b>TOTAL SHORT-TERM FINANCIAL DEBT</b>	<b>1,037,472</b>

At 31 December 2023, the full drawdown on the syndicated RCF facility falls due on 3 May 2024 and will be rolled over in an amount of €492.5 million. The RCF facility matures in May 2026.

### Bank covenants at 31 December 2023

The Group's €1,055 million syndicated loan (comprising a €555 million term tranche and a €500 million RCF) is subject to a financial covenant. The extension of the term tranche in July 2023 led to a review of the formula for

calculating the leverage ratio for the syndicated loan and the resulting inclusion of the aforementioned receivable from Ages & Vie.

The leverage ratio formula is also used in the documentation for the €200 million real-estate-backed bridge loan taken out with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Île-de-France, LCL and Crédit Agricole Corporate and Investment Bank in December 2023, which was subject to a similar covenant at the reporting date.

These two contracts are also subject to a loan-to-value (LTV) covenant calculated at the level of the Group and set at 65%.

	Clariane ratio	Maximum ratio authorised at 31 December
Contractual leverage <sup>(a)</sup>	3.8x	<4.5x
LTV ratio under the terms of the contracts <sup>(b)</sup>	61%	≤65%

(a)  $(\text{Consolidated net debt} - \text{real estate debt}) / (\text{EBITDA} - 5.8\% \times \text{real estate debt})$ , with real estate debt restated for receivables from non-consolidated real estate vehicles.

(b)  $(\text{Real estate debt} / \text{value of real estate portfolio})$ , with real estate debt restated for receivables from non-consolidated real estate vehicles and the value of the real estate portfolio as appraised by Cushman & Wakefield.

On the basis of the covenant calculation formula for the syndicated loan, the Group has headroom in relation to the 4.5x threshold at 31 December 2023. This represents around €70 million of EBITDA, or around €300 million of net debt, assuming all other calculation inputs remain the same.

### Bond covenants at 31 December 2023

Euro PP, *Schuldschein* and *Namensschuldverschreibung* bonds are also subject to covenants. Investors are notified annually of any changes to covenants.

The contracts all include covenants based on a secured debt ratio and a leverage ratio. The €40 million Euro PP issued in July 2023 is also subject to an LTV covenant.

	Clariane ratio	Maximum/minimum ratio authorised as at 31 December
Contractual leverage ratio for bonds issued since the second half of 2021 <sup>(a)</sup>	3.8x	<4.5x
Contractual leverage ratio for bonds issued since the first half of 2021 <sup>(b)</sup>	3.9x	<4.5x
Contractual leverage ratio for bonds issued before 2021 <sup>(c)</sup>	4.0x	<4.5x
Secured debt ratio <sup>(d)</sup>	2.4x	>1.5x
LTV ratio <sup>(e)</sup>	61%	≤65%

(a)  $(\text{Consolidated net debt} - \text{real estate debt}) / (\text{EBITDA} - 5.8\% \times \text{real estate debt})$ , with real estate debt restated for receivables from non-consolidated real estate vehicles.

(b)  $(\text{Consolidated net debt} - \text{real estate debt}) / (\text{EBITDA} - 5.8\% \times \text{real estate debt})$ .

(c)  $(\text{Consolidated net debt} - \text{real estate debt}) / (\text{EBITDA} - 6.5\% \times \text{real estate debt})$ .

(d)  $(\text{Total assets} - \text{secured debt}) / \text{non-secured debt}$ .

(e)  $(\text{Real estate debt} / \text{value of real estate portfolio})$ , with real estate debt restated for receivables from non-consolidated real estate vehicles and the value of the real estate portfolio as appraised by Cushman & Wakefield.

### Liquidity risk

The Group's liquidity has been the focus of particular attention in recent months, as access to credit has deteriorated:

- between January to July 2023, in line with its financing strategy, Clariane SE negotiated with its banking syndicate an "amend and extend" agreement for its syndicated facility, on which the €500 million term loan was set to fall due in May 2024. These negotiations took place in an increasingly tight debt market for borrowers given the rise in interest rates. For companies in the healthcare and nursing industry, the market was also shaped by the impact of the restructuring of a company in the sector on the disintermediated debt markets in France (Euro PP, SSD, NSV, short debt, etc.);

- the Group's financing outlook deteriorated sharply at the end of October 2023 after the publication of its third-quarter revenue on 24 October 2023, which included a revised leverage outlook. The slump in Clariane's share price jeopardised the completion of two real estate partnerships under negotiation at that time and nonetheless essential to the Group's financing;
- on 14 November 2023, Clariane published a press release providing:
  - a description of financing conditions, with the gradual closure of the parts of the market that had been used by the Group as a source of funding as from the second half of 2022, with those parts of the market areas inaccessible from 24 October 2023,

- an update on the Group's ability to access real estate and corporate finance, which had been significantly reduced, jeopardising the rollover of various short-term borrowings falling due between the publication of this third-quarter press release and June 2024 representing €650 million and corresponding mainly to real estate debt,
- details of a €1.5 billion refinancing plan (press release largely reproduced in note 2.2 "Significant events").

At 31 December 2023, the Group had deployed all the short-term measures in the refinancing plan presented on 14 November 2023, enabling it to comply with its covenants at the end of 2023, with liquidity of €678 million. The next major stages of the refinancing plan, in particular the completion of the capital increase planned before the end of the third quarter of 2024 and the effective disposal of certain assets, will support the Group's ability to meet its financing deadlines and comply with its covenants over the period, in particular the consolidated leverage ratios at 30 June 2024 and 31 December 2024 as well as the minimum liquidity requirement at 3 May 2024 and at subsequent RCF rollover dates.

To optimise the use of its international cash resources, Clariane put in place a cash pooling arrangement to centralise cash management. The raising of new bank or market financing is managed by the Group's central services. The Group's subsidiaries may obtain financing from outside the Group, mainly to fund real estate projects.

### Cross-default risk

Most of Clariane SE's loan, bank credit and bond debt agreements (including Euro PP and *Schuldschein*/NSV), except agreements relating to hybrid debt) contain default or accelerated repayment clauses ("Events of Default").

These default clauses cover events that give the lenders/carriers the right to demand immediate and unconditional early repayment and to block all new drawdowns in the case of revolving credit facilities.

The Group's bank and bond financing generally contain default clauses that are customary for these types of agreement, including but not limited to the following:

- a. Payment default concerning a debt due and payable (interest or principal at maturity) gives rise to an event of default under said financing agreement:
  - all Clariane SE financing agreements contain this type of payment default clause;
  - the shareholders' agreements for the Group's various real estate vehicles are not affected.
  - If Clariane SE defaults on a given debt, this automatically triggers an event of default on the agreement concerned.
  - These agreements generally provide for a grace period, with default triggered only if the debt in question remains unpaid following expiry of the grace period (usually a few days) stipulated in the financing agreement.
- b. Non-compliance with bank and/or bond covenants stipulated in the agreement:
  - bank and bond covenants (see above);
  - financial difficulties:
    - Events of default stipulated in the financing agreements are usually linked to financial difficulties experienced by Clariane SE and/or its subsidiaries (or main subsidiaries), and in particular known or expected financial difficulties, discontinued operations, insolvency proceedings, enforcement proceedings and material adverse effects.
    - If Clariane SE or one of its subsidiaries were to find itself in one of the above situations, this would automatically lead to an event of default on the financing agreement concerned;
    - disputes and judicial and/or arbitration decisions:
      - Some financing agreements also stipulate events of default linked to disputes over a certain amount or to a failure to comply with a court and/or arbitration ruling.
      - A grace period is applicable to any such events of default.
    - the financing agreements stipulate that a failure by the borrower to meet its obligations under the agreement will constitute an event of default, subject to a grace period;
    - certain specific financing agreements such as green bonds and sustainability-linked notes stipulate events of default relating to specific criteria in the event of a failure to comply with the obligations set out in the agreement, primarily the required delivery of certificates stating compliance with the contractual commitments.
- c. Cross-default/cross-acceleration clauses
  - (i) Cross-payment default: in a cross payment default, payment default on a debt due and payable (in excess of the trigger thresholds set out below) automatically leads to an event of default in the agreement containing the cross-payment default clause.
    - With the exception of a credit agreement with BPI, all Clariane SE's bank loan and credit agreements along with *Schuldschein*/NSV debt contain this type of cross-payment default clause. If Clariane SE or one of its subsidiaries defaults on another debt, this automatically triggers an event of default on the agreements concerned. These agreements generally stipulate that the cross-default event is only triggered if the debt in question remains unpaid following expiry of the grace period (usually a few days) stipulated in the agreement for the other loan.
    - With the exception of *Schuldschein*/NSV debt, the cross-default clauses in the terms and conditions of bond issues (including Euro PPs) do not cover defaults on other debt (which therefore do not result in a cross-default on the bond debt).

(ii) Cross-acceleration clause or termination or suspension of covenants: in this case, the acceleration (i.e., early repayment call) by financial creditors of another debt due to the occurrence of any event of default (e.g., breach of covenant or non-compliance with an obligation) stipulated in the related agreement) automatically triggers an event of default under the agreement containing the cross-acceleration clause. Some agreements also include a cross-default provision in the event that lenders (e.g., of a revolving credit facility) decide to terminate or suspend their financing commitment as a result of an event of default.

- For cross-acceleration to be triggered, (i) an event of default must have occurred on the other debt and (ii) the lenders of the other debt must, as a result, have decided to accelerate the debt.
- With the exception of agreements for hybrid or *Schuldschein*/NSV debt and two credit agreements (with BPI and CIC), all agreements for Clariane SE's bank loans and borrowings and bond debt contain a cross-acceleration clause.
- This means that if an event of default occurs on a financing agreement and the creditors concerned accelerate the related debt, this triggers an event of default on virtually all of Clariane SE's bank and bond debt.
- Certain bank loan and credit agreements (including the syndicated facility) also stipulate that if an event of default occurs on an agreement for a given debt (e.g., revolving credit facility) and the lenders concerned decide to suspend or terminate their commitment, this will trigger an event of default on these agreements.

(iii) Cross-default clause: in a cross-default clause, the occurrence of any event of default in a agreement for a given debt automatically triggers an event of default in the agreement containing the cross-default clause.

- This clause allows the beneficiary creditors to take advantage of an event of default on any other debt, even if the creditors under this other debt do not demand early repayment. This type of clause therefore entails a greater risk of contagion.
- However, with the exception of three credit agreements (and for these to a limited extent), none of the agreements for Clariane SE's bank

and bond debt contain this type of extended cross-default clause, thereby limiting the risk of contagion in the event of default.

- The credit agreement with BAML does however contain such a clause. In these agreements, however, the scope of the cross-default clause is limited as it does not cover all events of default but only the non-performance (upon expiry of any applicable grace period) by a Group entity of its obligations under a different agreement for another debt, unless challenged in good faith. This means that the cross-default clause in this agreement can only be triggered in the event of a breach of an obligation (such as a financial covenant, a leverage limit or a negative pledge) but not in the event of another type of event of default.

In the case of Clariane SE's bank and bond financing, cross-default clauses are not triggered if the total amount of the debt affected by the default(s) is lower, depending on the agreement, than either €20 million or €30 million (subject to certain contracts providing for a lower threshold).

### Interest rate risk management

The Group uses derivative financial instruments (swaps and caps) to hedge against interest rate risk on its floating-rate debt. The Group applies cash flow hedge accounting when the IFRS 9 hedging criteria are met.

The Group has reassessed its future exposure to interest rate risks in light of its goal of reducing its operating leverage and future debt. Following its assessment, the Group decided to unwind certain hedges in line with its gradual hedging policy, as illustrated by the main changes shown in the table below. Some of these unwound hedges were considered ineffective in light of the new debt plan and were therefore recognised directly in income for an amount of €29.1 million.

The net market value of instruments purchased to hedge interest rate risk at 31 December 2023 was €6.7 million, after adjusting for counterparty default risk.

At the reporting date, the sensitivity of the market value of derivatives to a change in market interest rates, before adjusting for counterparty default risk, was as follows:

- a 0.1% (10-basis-point) increase in interest rates would lead to a negative market value of €27 million;
- a 0.1% (10-basis-point) decrease in interest rates would lead to a negative market value of €13.1 million.



The table below presents the items of income, expenses, gains and losses recognised in income and in equity at 31 December 2023 for each type of financial instrument (before deferred taxes).

In thousands of euros	Impact on equity	Impact of hedging on net profit	Impact of non-eligible hedges on net profit	Impact of counterparty default risk
Financial instruments eligible for hedge accounting	(130,509)	(11)		5,276
Financial instruments not eligible for hedge accounting			(120)	
<b>TOTAL</b>	<b>(130,509)</b>	<b>(11)</b>	<b>(120)</b>	<b>5,276</b>

## ASSETS

	31.12.2022	Changes in scope	Increase	Decrease	31.12.2023
Interest rate swaps	90,194	165		(86,445)	3,914
Currency swaps					
Hedging options			449		449
Options	48,509		73	(44,129)	4,453
<b>Total hedging instruments (positive fair value)</b>	<b>138,703</b>	<b>165</b>	<b>522</b>	<b>(130,574)</b>	<b>8,816</b>
Interest rate swaps	99			(99)	
Options					
<b>Total non-eligible financial instruments (positive fair value)</b>	<b>99</b>			<b>(99)</b>	
<b>Total impact of counterparty default risk – Credit value adjustment</b>	<b>(4,085)</b>		<b>5,276</b>		<b>1,191</b>
<b>TOTAL FINANCIAL INSTRUMENTS (POSITIVE FAIR VALUE)</b>	<b>134,717</b>	<b>165</b>	<b>5,798</b>	<b>(130,673)</b>	<b>10,008</b>

## LIABILITIES

	31.12.2022	Changes in scope	Increase	Decrease	31.12.2023
Interest rate swaps	79		1,231		1,310
Currency swaps					
Hedging options					
Options				(599)	(599)
<b>Total hedging instruments (negative fair value)</b>	<b>79</b>		<b>1,231</b>	<b>(599)</b>	<b>711</b>
Interest rate swaps	8		21		29
Options					
<b>Total non-eligible financial instruments (negative fair value)</b>	<b>8</b>		<b>21</b>		<b>29</b>
<b>Total impact of counterparty default risk – Debit value adjustment</b>	<b>(1)</b>			<b>1</b>	
<b>TOTAL FINANCIAL INSTRUMENTS (NEGATIVE FAIR VALUE)</b>	<b>86</b>		<b>1,252</b>	<b>(598)</b>	<b>740</b>
<b>TOTAL NET</b>	<b>134,631</b>	<b>165</b>	<b>4,547</b>	<b>(130,075)</b>	<b>9,268</b>

### Currency risk

The Group is exposed to currency risk on intra-group financing flows (mainly at parent company level) and on future investments in a foreign currency.

Where appropriate, most of these financial flows are hedged, with the exception of those that are an integral part of the net investment in subsidiaries.

The Group uses plain vanilla hedging instruments (currency swaps, forward sales/purchases and options) to hedge its currency risk, and applies net investment or fair value hedge accounting when the IFRS 9 hedging criteria are met.

At 31 December 2023, the Group's hedging instruments represented a notional amount of GBP 72 million, virtually all of which corresponded to the pooled cash outstanding between Clariane and its UK subsidiaries.

### Counterparty risk

For its financial activities (in particular, cash management and derivatives hedging interest rate and currency risks), the Group has set up risk management and allocation procedures and works with leading financial institutions.

### 9.3 Financial assets and liabilities

Financial assets and liabilities comprise:

- non-current financial assets: equity interests in non-consolidated companies, related receivables, and guarantees and deposits granted;
- current financial assets: short-term financial derivatives, cash and cash equivalents (marketable securities);
- non-current financial liabilities: borrowings and financial debt, and other miscellaneous liabilities;
- current financial liabilities: short-term derivatives, short-term borrowings and financial debt, trade payables and other miscellaneous liabilities.

In accordance with IFRS 9, financial assets and liabilities are classified into one of the following three categories:

- items carried at amortised cost;
- items carried at fair value through other comprehensive income;
- items carried at fair value through profit or loss.

Cash and cash equivalents consist of immediately available liquidities (cash at bank and in hand) and short-term, highly liquid investments that are readily convertible into known amounts of cash and are exposed to an insignificant risk of changes in value (short-term deposits with an initial term of less than three months and euro-denominated SICAV money market funds classified in the AMF's "short-term money market fund" category).

The carrying amounts of financial assets and liabilities are representative of their fair value.

#### 9.3.1 Cash and cash equivalents

In thousands of euros	31.12.2023	31.12.2022
Marketable securities	81,985	11,918
Cash at bank and in hand	595,894	721,792
<b>TOTAL</b>	<b>677,879</b>	<b>733,710</b>

Marketable securities comprise term deposits and euro-denominated SICAV money market funds classified in the AMF's "short-term money market fund" category and compliant with IAS 7, i.e., they are highly liquid, readily convertible into known amounts of cash and subject to an insignificant risk of changes in value.

#### 9.3.2 Fair value of financial assets and liabilities

The table below analyses financial instruments recognised at fair value by measurement method. The following measurement methods have been defined:

- Level 1: fair value based on prices quoted on an active market;
- Level 2: fair value measured using observable market inputs (other than quoted prices included in level 1);
- Level 3: fair value measured using unobservable market inputs (amortised cost).

In thousands of euros	31.12.2023	Financial assets at fair value through profit or loss					Financial assets at fair value through other comprehensive income	Fair value measurement		
		Financial assets at amortised cost	Cash and cash equivalents	Non-consolidated equity investments	Derivatives not eligible for hedge accounting	Impact of counterparty default risk – Credit value adjustment	Cash flow hedging derivatives	Level 1	Level 2	Level 3
								Active markets	Observable inputs	Unobservable inputs
<b>Non-current assets</b>										
<i>Non-consolidated equity investments</i>	687			687					687	
<i>Security deposits</i>	106,792	106,792							106,792	
<i>Other long-term investments</i>	1,462	1,462							1,462	
<b>Non-current financial assets</b>	<b>108,941</b>	<b>108,254</b>		<b>687</b>					<b>108,941</b>	
<b>Current assets</b>										
<b>Trade receivables and related accounts</b>	<b>565,166</b>	<b>565,166</b>							<b>565,166</b>	
<i>Other receivables</i>	667,339	667,339							667,339	
<i>Deposits and guarantees</i>	1,715	1,715							1,715	
<b>Other receivables and current financial assets</b>	<b>669,054</b>	<b>669,054</b>							<b>669,054</b>	
<b>Derivative instruments (positive fair value)</b>	<b>10,008</b>					<b>1,191</b>	<b>8,817</b>	<b>10,008</b>		
<i>Marketable securities</i>	81,985						81,985			
<i>Cash at bank and in hand</i>	595,894	595,894						595,894		
<b>Cash and cash equivalents</b>	<b>677,879</b>	<b>677,879</b>					<b>81,985</b>	<b>595,894</b>		

The carrying amounts of financial assets and liabilities (except for derivatives) are representative of their fair value.

In thousands of euros	31.12.2023	Financial liabilities at fair value through profit or loss			Financial liabilities at fair value through other comprehensive income	Fair value measurement			
		Financial liabilities at amortised cost	Fair value derivatives	Derivatives not eligible for hedge accounting		Impact of counterparty default risk – Debit value adjustment	Level 1	Level 2	Level 3
							Cash flow hedging derivatives	Active markets	Observable inputs
<b>Non-current liabilities</b>									
Loans from credit institutions	1,966,150	1,966,150						1,966,150	
Funding of real estate debt	1,506,069	1,506,069						1,506,069	
Compulsory employee profit sharing	45	45						45	
Other miscellaneous financial debt	22,311	22,311						22,311	
<b>Borrowings and financial debt</b>	<b>3,494,575</b>	<b>3,494,575</b>						<b>3,494,575</b>	
<b>Commitment to purchase non-controlling interests</b>	<b>29,046</b>	<b>29,046</b>						<b>29,046</b>	
<b>Other non-current liabilities</b>	<b>48,190</b>	<b>48,190</b>						<b>48,190</b>	
<b>Current liabilities</b>									
Loans from credit institutions	616,737	616,737						616,737	
Funding of real estate debt	405,698	405,698						405,698	
Bank overdrafts	10,563	10,563						10,563	
Other miscellaneous financial debt	4,474	4,474						4,474	
<b>Current borrowings and bank overdrafts</b>	<b>1,037,472</b>	<b>1,037,472</b>						<b>1,037,472</b>	
<b>Derivative instruments (negative fair value)</b>	<b>740</b>			<b>29</b>		<b>711</b>	<b>740</b>		
<b>Trade payables and related accounts</b>	<b>649,190</b>	<b>649,190</b>						<b>649,190</b>	
Residents' deposits	64,941	64,941						64,941	
Other liabilities	856,415	856,415						856,415	
<b>Other payables and accruals</b>	<b>921,356</b>	<b>921,356</b>						<b>921,356</b>	

## Note 10 Provisions

A provision is recognised at the reporting date when the Group has a present legal or constructive obligation and it is probable that an outflow of resources from which no future economic benefits are expected will be required to settle this obligation.

Provisions are discounted if the effect of time is material. Increases in provisions due to the passage of time are recognised as financial expenses.

A provision for restructuring can only be recognised if there is a detailed formal plan for the restructuring and a valid expectation has been raised in those affected that the plan has been implemented – either by starting to implement the plan or announcing its main features to those affected at the reporting date.

A provision is recognised for disputes (e.g., employee disputes, tax audits, commercial disputes, etc.) if the Group has an obligation towards a third party at the reporting date. The amount of the provision reflects the best estimate of future expenditures.

## 10.1 Non-current provisions

In thousands of euros	Tax	Social contributions	Other	Total
<b>Opening balance</b>	<b>5,849</b>	<b>11,590</b>	<b>29,089</b>	<b>46,528</b>
Additions	34	7,364	14,436	21,834
Reversals (utilisations)	(1,611)	(4,578)	(9,427)	(15,616)
Reversals (surplus)		(882)	(384)	(1,266)
Changes in scope		157	450	607
Reclassifications		(77)	(1,292)	(1,369)
<b>CLOSING BALANCE</b>	<b>4,272</b>	<b>13,574</b>	<b>32,872</b>	<b>50,718</b>

## 10.2 Current provisions

In thousands of euros	Tax	Social contributions	Other	Total
<b>Opening balance</b>	<b>3,424</b>	<b>4,097</b>	<b>8,265</b>	<b>15,786</b>
Additions	1,113	4,813	56,842	62,768
Reversals (utilisations)	(3,005)	(441)	(7,181)	(10,627)
Reversals (surplus)		(1,038)	(4,817)	(5,855)
Changes in scope			11,642	11,642
Reclassifications		8	345	353
<b>CLOSING BALANCE</b>	<b>1,532</b>	<b>7,439</b>	<b>65,096</b>	<b>74,067</b>

## 10.3 Tax disputes outside the scope of IAS 12

Provisions for tax disputes falling outside the scope of IAS 12 (e.g., VAT disputes) include provisions for tax reassessments and for disputes where the amounts concerned have been contested. No individual dispute represented a material amount at 31 December 2023.

## 10.4 Employee disputes

The provisions recognised cover labour court disputes and employment termination benefits. No individual dispute represented a material amount at 31 December 2023.

## 10.5 Other risks

Other provisions mainly comprise:

- a provision for losses on the disposal of UK businesses (€40 million);
- provisions for litigation arising from contractual disputes involving suppliers and real estate transactions, and disputes over medical liability. No individual dispute represented a material amount at 31 December 2023.

# Note 11 Income tax

## 11.1 Breakdown of income tax

In thousands of euros	2023	2022
Current taxes	(36,180)	(72,273)
Deferred taxes	38,748	60,111
<b>INCOME TAX (EXPENSE)/BENEFIT</b>	<b>2,568</b>	<b>(12,162)</b>

With regard to the future implementation of the OECD Pillar Two Model Rules, the Group has no operations in countries where a minimum income tax could be due. It does not therefore expect any impact from the introduction of Pillar Two.

The Group also applied the minimal tests under country-by-country reporting (CbCR) and Pillar Two rules to ensure that it is eligible for the transitional Pillar Two safe harbours.

## 11.2 Reconciliation of actual with theoretical income tax (expense)/benefit

Since the Group considers that the French corporate value added tax (CVAE) component of the economic territorial contribution (CET) meets the definition of an income tax under IAS 12, it recognises it as such in the consolidated financial statements for its French subsidiaries.

In thousands of euros	2023	2022
Net profit/(loss) attributable to owners of the Group	(105,245)	22,060
Non-controlling interests	12,153	9,278
Profit from equity-accounted companies	6,700	754
Net profit from discontinued operations	12,805	13,681
Income tax	2,568	(12,162)
<b>Pre-tax income/(loss)</b>	<b>(76,155)</b>	<b>57,935</b>
Theoretical tax rate	25.83%	25.82%
<b>Theoretical income tax</b>	<b>19,671</b>	<b>(14,961)</b>
Permanent differences	(1,362)	10,752
Impact of non-deductible financial expenses	(7,695)	(1,383)
Unrecognised tax losses for the year	(8,348)	(9,460)
Use of unrecognised tax losses	(2,460)	870
Adjustment of deferred taxes recognised in prior years	3,676	12,928
Adjustment of income taxes recognised in prior years	718	493
Tax at reduced rate	(145)	(1,400)
Impact of CVAE net of tax in France	(5,110)	(10,013)
Impact of tax credits	1,169	450
Impact of IRAP in Italy	(3,227)	(2,507)
Impact of tax-exempt earnings		
Difference between parent company and subsidiary tax rates	4,009	1,879
Impact of equity-accounted companies	1,672	190
<b>ACTUAL TAX EXPENSE</b>	<b>2,568</b>	<b>(12,162)</b>
<i>Effective tax rate</i>	3.37%	20.99%

### 11.3 Deferred taxes

Deferred taxes are recorded using the balance sheet liability method on temporary differences existing at the reporting date between the tax base of assets and liabilities and their carrying amount, as well as on any tax losses.

Deferred tax assets are recorded when it is likely that the Group will generate future taxable income against which unused tax losses can be offset.

For deferred tax assets on tax loss carryforwards, the Group uses a multi-criteria approach that takes into account the recovery horizon based on financial forecasts, and also the long-term tax loss recovery strategy for each country.

Deferred taxes are calculated for each entity. They are offset when the tax is payable to the same tax authority and relates to the same taxable entity (e.g., the tax consolidation group in France and Germany).

Deferred tax assets and liabilities are measured at the income tax rate that is expected to apply in the year when the asset is to be realised or the liability is to be settled, on the basis of applicable tax regulations and using the tax rates that have been enacted or substantively enacted at the reporting date.

Deferred taxes are presented on the statement of financial position under specific headings within non-current assets and non-current liabilities.

Accordingly, the temporary differences of French, Belgian, Italian and German entities recorded at 31 December 2023 are recorded at the tax rates most recently enacted, i.e.:

- for France: 25.83%;
- for Italy: 27.90% since 1 January 2017, consisting of a basic rate (IRES) of 24%, plus an additional contribution of between 3.9% and 4.82% depending on the region;

- for Belgium: 25.00%;
- for Germany: 15.83% or 30.44% depending on the Company;
- for the United Kingdom: 25%.



**Deferred taxes**

In thousands of euros	31.12.2023	31.12.2022
Intangible assets	494,627	485,182
Property, plant and equipment	108,472	118,700
CVAE temporary differences	839	839
Financial instruments	637	31,497
Tax loss carryforwards	(52,300)	(51,687)
Provisions for pensions	(10,762)	(14,003)
Other provisions	(5,691)	(1,611)
Other temporary differences	(27,340)	(19,769)
Other assets/liabilities	(27,710)	(42,251)
Assets held for sale and related liabilities	(21,251)	9,850
<b>NET DEFERRED TAX ASSET (LIABILITY)</b>	<b>459,520</b>	<b>516,746</b>

**Net change in deferred taxes**

In thousands of euros	2023	2022
Opening balance	516,746	526,027
Expense (income)	(38,748)	(34,402)
Changes in scope	24,888	22,710
Charged to equity	(9,958)	7,977
Other changes	(33,408)	(5,566)
<b>CLOSING BALANCE</b>	<b>459,520</b>	<b>516,746</b>

The Group recognised deferred tax assets on tax loss carryforwards for €48.2 million at 31 December 2023 and €51.7 million at 31 December 2022. This mainly concerns France, Germany, Belgium, the United Kingdom and Netherlands, where tax losses may be carried forward indefinitely. However, the Group may decide not to recognise a deferred tax asset on a case-by-case basis.

At 31 December 2023, deferred tax assets on tax loss carryforwards which were deemed unlikely to be utilised totalled €19.6 million (€30.6 million at 31 December 2022). These unrecognised deferred tax assets at 31 December 2023 mainly concerned the following countries:

- France for €7.7 million, arising on losses generated before the tax consolidation and which can only be used subject to strict conditions;
- Germany for €9.4 million, arising on losses generated by entities outside the tax consolidation group and not recognised given the low probability that they will be utilised;
- Italy for €0.4 million, arising on losses generated by entities outside the tax consolidation group; and
- Belgium for €2.1 million, arising on losses generated by non-profit associations (ASBL) which cannot be used for tax purposes.

**Note 12 Contingent liabilities and commitments**

As of the publication date of this document, to the best knowledge of the Group and its legal advisers, there are no disputes that are liable to have a material impact on the Group's business, results or financial position for which provisions have not been made.

## Note 13 Events after the reporting date

On 5 February 2024, Clariane announced the sale of its 50% stake in a real estate portfolio in the Netherlands to its partner Aedifica. This transaction, with a total contractual sale value of around €25 million, is part of the Group's debt reduction policy. Further to this transaction, Aedifica owns 100% of the six buildings concerned, which Clariane continues to operate under the Stepping Stones, Het Gouden Hart and Hestia brands.

On 8 February 2024, Clariane announced that, in the context of its global refinancing plan unveiled on 14 November 2023, the French securities regulator (AMF) had granted Predica, a subsidiary of the Crédit Agricole Assurances group and Clariane's largest reference shareholder, an exemption from the requirement to file a draft tender offer based on Articles 234-8, 234-9 2° and 234-10 of the AMF's General Regulation (AMF decision no. 224C0227 of 8 February 2024), in the event that Predica crosses the trigger threshold for filing a mandatory public offer as a result of its subscription to the capital increase.

This exemption removes the first pre-condition for the completion of its proposed capital increase (see note 14.1.1 "Related-party agreements") and is therefore an important stage of its refinancing plan (see note 2.2 "Significant events").

The Company will hold its General Meeting called to approve the capital increase by 26 March 2024.

On 28 February 2024, Clariane announced the sale of all its activities and assets in the United Kingdom to Elevation Healthcare Property, a UK investment fund specialising in retirement and healthcare real estate, managed by Elevation Advisors LLP, for a gross sale value of GBP 207 million (approximately €243 million). This transaction forms part of the plan to strengthen the Group's financial structure announced on 14 November 2023, under which the Group has undertaken to implement, from 2024, a programme of disposals of operating and real estate assets, as well as capital partnerships, for an expected amount of around €1 billion in gross proceeds from disposals, designed to reduce its debt and financial leverage. An impairment loss of €40 million was recorded in the 2023 financial statements in respect of this transaction, corresponding to the difference between the sale price and the acquisition value of the assets as recognised in the Group's financial statements, principally driven by the unfavourable trend in real estate capitalisation rates over the period. The full net proceeds from this sale, after repayment of (i) the real estate debt lodged in the United Kingdom for GBP 38 million and (ii) the GBP 90 million of bonds redeemable in shares subscribed by Predica and backed by these real estate assets, will be used to pay down approximately €100 million of the Group's outstanding debt.

## Note 14 Other information

### 14.1 Related-party transactions

#### 14.1.1 Related-party agreements

All related-party agreements described in this section were authorised by the Company's Board of Directors in accordance with Article L. 225-38 of the French Commercial Code and will be submitted to the General Meeting for approval.

#### Predica

On 13 November 2023, Clariane entered into a related-party agreement with Predica, its largest shareholder, in which it holds 24.8% of the capital and voting rights. Predica is also a member of the Company's Board of Directors as a legal entity and provides a second natural-person director appointed by the General Meeting on the Board's recommendation.

This agreement was entered into as part of the plan to strengthen Clariane's financial structure, the main terms of which were described in a press release issued by the

Company on 13 November 2023 ("Clariane strengthens its financial structure"). In particular, it provides for:

1. The entry into exclusive negotiations with Predica, as part of the real estate partnerships respectively worth €140 million and €90 million signed in December 2023 and described in note 2 "Significant events".
2. The proposed capital increase of the Company with pre-emptive rights for existing shareholders, in order to raise a gross amount of €300 million to strengthen its equity, the completion of which will be guaranteed by (i) Predica, which will subscribe for up to €200 million place on an irreducible and reducible basis, and (ii) for the balance, by an underwriting agreement to be entered into with a syndicate of banks. The capital increase may be preceded by a reduction in the nominal value of the shares. Otherwise, the capital increase would be partially paid up in cash for an amount lower than the nominal value of the shares and, for the balance, by incorporation of premiums or reserves on the Company's balance sheet. The subscription price, which will be set by the Board of Directors, will

be equal to the theoretical ex-right share price (TERP) of the share, subject to a discount in accordance with market practices. The launch of the capital increase is subject to the following conditions precedent (the "Pre-Conditions"):

- (i) obtaining an exemption from the AMF from the requirement to file a tender offer for all the Company's shares in the event that Predica crosses the trigger threshold for filing a mandatory tender offer as a result of its subscription to the capital increase; this exemption will be requested by Predica on the basis of Article 234-9 2° of the AMF's General Regulation;
- (ii) obtaining an authorisation from the relevant competition authorities for Predica's possible acquisition of control of the Company, in the event that Predica's subscription to the capital increase leads to such an acquisition of control;
- (iii) where applicable, obtaining any other regulatory authorisation required under the Foreign Subsidies Regulation (FSR);
- (iv) obtaining an amendment to the terms and conditions of the OCEANE bonds maturing in 2027 (0.875% – FR0013489739) in order to exclude from the early redemption provisions the case of Predica's acquisition of control of Clariane as a result of the capital increase;
- (v) submission by an independent expert appointed by the Company's Board of Directors of a fairness opinion confirming the fairness, from a financial point of view, of the terms of the capital increase and of Predica's underwriting commitments on an irreducible and reducible basis;
- (vi) obtaining approval of the prospectus for the capital increase by the AMF.

The pre-conditions may only be waived further to mutual agreement between the Company and Predica.

In the context of the capital increase, Predica made the following commitments:

- (i) to vote in favour of the resolutions required to implement the capital increase;
- (ii) to subscribe, subject to the waiver of the Pre-Conditions and the customary conditions for this type of transaction, (i) on an irreducible basis, for its share in the capital by exercising all the preferential subscription rights it will receive and (ii) on an irreducible basis, for a total cash subscription amount of €200 million (including the shares subscribed on an irreducible basis);
- (iii) to hold its Clariane shares until the date of completion of the capital increase;
- (iv) to confirm, following completion of the capital increase, its intention to maintain the Company's listing and not to increase its equity interest in the Company for a minimum period of six (6) months, in particular to enable shareholders who may or may not have participated in the capital increase to benefit from the value creation resulting from the Company's new trajectory.

In the context of the capital increase, the Company undertook to use commercially reasonable efforts to enter into an underwriting agreement for the capital increase representing at least €100 million and, with Predica's support, to actively seek institutional investors willing to participate in the capital increase.

Lastly, following the capital increase, the membership of the Board of Directors will continue to comply with the principles set out in the Afep-Medef Code and will include a number of directors put forward by Predica that will reflect its percentage equity holding following the capital increase.

3. Implementation by the Company, from 2024 onwards, of a disposal programme of operating and real estate assets, as well as capital partnerships, for proceeds of around €1 billion, helping to reduce its financial leverage and debt. The disposal programme will be decided by the Board of Directors, based on the prevailing market conditions and expressions of interest received, with any decision subject to compliance with information and consultation procedures as regards employee representative bodies and with the requisite third-party authorisations. In particular, it will be accompanied by a reduction in the number of countries in which the Group operates. This could involve Clariane's activities in Belgium and the Netherlands, for which the Group has received expressions of interest, as well as other assets. The implementation of the programme will be regularly monitored by the Board of Directors and its Investment Committee.

On 28 February 2024, Clariane and Predica signed an amendment to the agreement to reflect the commitments made by Predica in connection with its application for exemption from the obligation to file a tender offer submitted to the AMF, namely:

- to cap its voting rights at one-third of the voting rights of the shareholders present or represented, such that at least a majority of the other shareholders present or represented will have to be in favour of the capital increase for it to be able to go ahead, the decision therefore ultimately being taken by a majority of Clariane's shareholders other than Predica;
- in the context of Clariane's search for third-party shareholders and institutional investors willing to participate in the capital increase, to vote on Clariane's Board of Directors in favour of any solution that would facilitate (i) the success of the capital increase and (ii) the reduction of Predica's underwriting commitment on a reducible basis and/or guarantee in favour of underwriting commitments and/or guarantees made by third-party shareholders or institutional investors;
- in the event that Predica acquires control of Clariane, to maintain Clariane's listing and not increase its equity interest for a minimum period of 12 months (instead of the six months provided for in the initial agreement of 13 November 2023), in order to give Clariane shareholders who may or may not have participated in the capital increase more time to benefit from the share price increase that Clariane hopes to see after having strengthened its financial structure and throughout its asset disposal programme.

The purpose of the agreement with Predica is to contribute to the success of the plan to strengthen the financial structure through the aforementioned commitments.

### Real estate partnerships with Predica

#### Assets located in France

On 15 December 2023, the Company signed a real estate partnership with Predica for €140 million, as part of the refinancing plan announced on 14 November. This real estate partnership concerns 19 French assets representing a gross asset value of €263.6 million, excluding duties. Predica subscribed for €140 million in bonds issued by the Group's real estate subsidiary (SPV) holding these assets, redeemable in SPV shares, with a seven-year maturity and a fixed coupon of 10.5%.

On 27 December 2023, an amendment was signed specifying the key decisions.

See note 2 "Significant events" for a more detailed description of this partnership.

#### Assets located in the United Kingdom

On 27 December 2023, the Company entered into a second real estate partnership with Predica for €90 million, as part of the refinancing plan announced on 14 November. This real estate partnership concerns 11 UK assets representing a gross asset value of around €227 million, excluding duties. Predica subscribed for €90 million in bonds issued by the Group's real estate subsidiary holding these assets, redeemable in the subsidiary's shares, with a five-year maturity and a fixed coupon of 8.0%.

On 28 February 2024, as part of the sale by the Group of all its activities and assets in the United Kingdom, an amendment was signed to specify the conditions under which the bonds redeemable in preference shares will be repaid in preference shares, the terms and conditions for converting the preference shares into ordinary shares and the distribution by the real estate vehicle of the proceeds in the event assets are sold.

See note 2 "Significant events" for a more detailed description of this partnership.

### Real-estate-backed bridge term loan

On 28 December 2023, Clariane SE (the "Company") entered into a real-estate-backed bridge term loan (the "Loan") with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Île-de-France, LCL and Crédit Agricole Corporate and Investment Bank (together, the "Arrangers").

As:

- this Loan was signed as part of the plan to strengthen Clariane's financial structure, the main terms of which were described in a press release issued by the Company on 14 November 2023;
- this Loan followed the signature of a letter of commitment on 14 November 2023 between the Company and the Arrangers, previously authorised by the Company's Board of Directors in accordance with the procedure for regulated related-party agreements;
- the Company's Board of Directors decided to authorise the Loan as required, in accordance with the same procedure.

This Loan enabled the repayment of €190 million of debt maturing between the beginning of 2024 and 31 January 2025.

The agreement notably provides for:

1. the signature of the Loan to finance and refinance the Group's real estate investments;
2. an amount of €200 million;
3. maturity at 31 January 2025;
4. mandatory early repayment clause: in addition to the customary provisions, the Loan will have to be repaid early in the event the proposed capital increase of €300 million (cash subscription amount) announced on 14 November 2023 is abandoned, unless the Company has an alternative plan to raise equity or quasi-equity financing for a minimum amount of €300 million;
5. collateral: the lenders were granted:
  - (i) a pledge under Luxembourg law by the Company of 100% of CHL 1 shares,
  - (ii) a pledge under Luxembourg law by CHL 1 of 100% of CHL 2 shares,
  - (iii) a pledge by CHL 2 of 100% of CHI shares.

### 14.1.2 Executive compensation

The General Meeting of 15 June 2023 approved the resolution on the compensation policy for Directors for 2024, increasing the total annual amount allocated to Directors as compensation for their duties to €500,000.

The General Meeting of 15 June 2023 also approved the resolution relating to the 2024 compensation policy for the Chief Executive Officer, which notably provides for annual gross fixed compensation of €520,000 (versus €450,000 previously), i.e., a 15.6% increase on 1 January 2023. This is still lower than the average salary increases recorded over the same period in the main countries in which the Group operates.

In euros	2023 Amounts paid	2022 Amounts paid
<b>Chief Executive Officer since 26 January 2016</b>		
Annual fixed compensation	520,000	450,000
Annual variable compensation	443,250	540,000
Benefits in kind	16,063	15,522
<b>TOTAL</b>	<b>979,313</b>	<b>1,005,522</b>
<b>Chairman of the Board of Directors since 1 October 2020</b>		
Annual fixed compensation	345,000	345,000
<b>TOTAL</b>	<b>345,000</b>	<b>345,000</b>

## 14.2 Statutory Auditors' fees

Pursuant to Decree No. 2008-1487, Statutory Auditors' fees for all Group companies in 2023 are shown in the table below.

In thousands of euros	Mazars 2023	Ernst & Young 2023	Mazars 2022	Ernst & Young 2022
<b>Statutory audit</b>				
Issuer	335	386	314	329
Fully consolidated companies	2,094	1,966	1,770	1,688
<b>Sub-total</b>	<b>2,429</b>	<b>2,352</b>	<b>2,084</b>	<b>2,017</b>
<b>Non-audit services</b>				
<b>Sub-total</b>	<b>334</b>	<b>411</b>	<b>364</b>	<b>148</b>
<b>TOTAL</b>	<b>2,763</b>	<b>2,763</b>	<b>2,448</b>	<b>2,165</b>

Non-audit services are mainly due diligence engagements carried out during the year in connection with acquisitions and other share capital transactions, and expense certifications.

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

## 14.3 Climate change risk in the financial statements

The Clariane Group is constantly analysing sustainable development risks in the areas of climate change and water scarcity. The Group has decided to adapt its existing buildings to increase their resistance to extreme weather phenomena, where necessary.

It has defined a roadmap based on its carbon footprint, allowing it to meet its target of a 40% reduction in greenhouse gas (GHG) emissions by 2030. This roadmap has five components for each of the most significant carbon emission factors:

- energy consumption of buildings;

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

The potential impact of transition risk was analysed in the context of the Group's 2023 consolidated financial statements, based on the facts and assumptions mentioned above. No significant impact was identified, either on the useful life or value of assets, on cash flows generated by existing activities or on the Group's business model.

## 14.4 List of consolidated entities

### Subsidiaries

Subsidiaries are entities controlled directly or indirectly by the Group. A subsidiary is considered to be controlled if the Group:

- has the power to determine, directly or indirectly, its business and financial policies;
- obtains variable returns from the subsidiary's business activities;

- is able to use its power to affect the amount of those returns.

Controlled companies are generally those in which Clariane directly or indirectly holds more than 50% of the voting rights.

### Partnerships and associates

The Group has partnerships which it accounts for using the equity method and partnerships under joint control. Partnerships classified as joint arrangements are consolidated on a line-by-line basis, in proportion to the Group's equity interest.

All the German subsidiaries listed below (with the exception of Seniorenpflegeheim GmbH Bad Neustadt a.d. Saale, Korian Management Grundbesitz GmbH, Munich and Korian Management AG, Munich) and included on the consolidated statement of financial position are exempted –

pursuant to Articles 264, 264b and 291 of the German Commercial Code (*Handelsgesetzbuch* – HGB) – from the obligation to publish consolidated and individual financial statements and Group management reports, pursuant to Article 325 of the above Code, for the 2023 financial year.

The Group's parent company is Clariane SE.

The percentages shown below correspond to the percentage equity interest held:

- FC: fully consolidated;
- EM: equity method.

#### Legal entity

##### BELGIUM

Cleaning at home	100	FC
Cleaning for you	100	FC
Cordia Holding	100	FC
Cura Family Services	100	FC
De Mouterij SPRL	100	FC
De Nootelaer	100	FC
FDL Berckenbosch	100	FC
Finecare Thuisverplegingsteam BV	100	FC
Gérisart	100	FC
Golden Morgen	100	FC
Groendorp	100	FC
Home Ingendael	100	FC
Home Résidence du Plateau	100	FC
Houba Pharmacy	100	FC
Huyse Elckerlyc	100	FC
Johan Vrijdaghs	100	FC
Korian HQ	100	FC
Les Sittelles	100	FC
LYS BVBA	100	FC
Maasmeander	100	FC
Maison de repos du XX août	100	FC
Manoir de la Quiétude	100	FC
MRS Le Richemont	100	FC
Nouvelle Résidence Le Saule	100	FC
OTV Home Care	100	FC
OTV Onafhankelijke Thuiszorg Vlaanderen	100	FC
OTV Residentie Seniorplaza	100	FC
OTV Seniorplaza Concept	100	FC
OTV Seniorplaza Invest	100	FC



**Legal entity**

Plaza Catering	100	FC
Résidence 3 SA	100	FC
Résidence Au Bon Vieux Temps	100	FC
Résidence Aux Deux Parcs	100	FC
Résidence Béthanie	100	FC
Résidence Claire de Vie	100	FC
Résidence du Parc	100	FC
Résidence La PasserINETTE	100	FC
Résidence L'Air du Temps	100	FC
Résidence Le Progrès	100	FC
Résidence Les Buissons	100	FC
Résidence Les Charmilles	100	FC
Résidence Les Cheveux d'Argent	100	FC
Résidence Les Récollets	100	FC
Résidence Mélopée	100	FC
Résidence Reine Astrid	100	FC
Résidence Ry du Chevreuil	100	FC
Résidence Seigneurie du Val	100	FC
Residentie Boneput	100	FC
Residentie De Laek	100	FC
RESIDENTIE 'DE OUDE MELKERIJ' BV	100	FC
Residentie Edelweis	100	FC
Residentie Kasteelhof	100	FC
Residentie Milsenhof	100	FC
Residentie Paloke	100	FC
Residentie Prinsenpark	100	FC
Residentie Sporenpark	100	FC
Residentie Vaerenhof	100	FC
RVT Dellebron	100	FC
Saint Charles SPRL	100	FC
Senior Housing	51	FC
Seniorenresidentie Aurora	100	FC
Seniorie de Maretak	100	FC
Séniservices	100	FC
SL Finance	100	FC
SL Immo	100	FC
SL Invest	100	FC
Ten Prins	100	FC
Van Zande	100	FC
WELFARE ESTATES NV	52.23	FC
Wielant – Futuro	100	FC
Woon & Zorg Exploitatie Ichtegem	100	FC
Woonzorgcampus Sint-Lenaartshof	100	FC
<b>GERMANY</b>		
Alpheide-Seniorenzentrum GmbH, Munich	100	FC
Alten- Pflegeheim Veitsbronn GmbH, Munich	100	FC
Altenheim Betriebsgesellschaft West GmbH, Munich	100	FC
ALTER EGO Siebenundvierzigste Beteiligungsgesellschaft mbH, Munich	100	FC
Ambulante Pflege NINO Allee GmbH, Munich	100	FC
Ambulante Pflege QV GmbH, Munich	100	FC
Ambulante Pflege Schauinsland GmbH, Munich	100	FC

**Legal entity**

Bad Schwartauer AVG Altenheim-Vermietung GmbH & Co. KG, Munich	100	FC
Betreuung und Pflege Zuhause Hunderdorf GmbH & Co. KG, Munich	100	FC
Blitz 07-712 GmbH, Munich	100	FC
BuP Betreuung und Pflege GmbH, Munich	100	FC
CASA REHA Altenpflegeheim GmbH, Munich	100	FC
CASA REHA Betriebs- und Beteiligungsgesellschaft mbH, Munich	100	FC
CASA REHA Heimbetriebsgesellschaft mbH, Munich	100	FC
CASA REHA IX Immobilien Beteiligungsgesellschaft Objekt Lollar mbH, Munich	100	FC
CASA REHA Seniorenpflegeheim GmbH, Munich	100	FC
CASA REHA VIII Immobilien Verwaltungsgesellschaft Objekt Lollar mbH, Munich	100	FC
CASA REHA VIII Immobiliengesellschaft Objekt Lollar mbH & Co. KG, Munich	100	FC
CR Korian Holding GmbH, Munich	100	FC
CURANUM Betriebs GmbH Mitte, Munich	100	FC
CURANUM Betriebs GmbH West, Munich	100	FC
CURANUM Betriebs GmbH, Munich	100	FC
CURANUM Franziskushaus GmbH, Munich	100	FC
CURANUM Liesborn GmbH & Co. KG, Munich	100	FC
CURANUM Verwaltungs GmbH, Munich	100	FC
Evergreen Holding GmbH, Munich	100	FC
Evergreen Pflege- und Betreuungszentrum Bergneustadt GmbH, Munich	100	FC
evergreen Pflege- und Betreuungszentrum Butzbach 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
Evergreen Pflegezentrum Am Alten Poststadion GmbH, Munich	100	FC
GAP Media Service GmbH, Munich	100	FC
Go Drachenfelssee 506. VV GmbH, Munich	100	FC
Go Drachenfelssee 510. VV GmbH, Munich	100	FC
Haus Altkönig Heimbetriebsgesellschaft mbH, Munich	100	FC
Haus Amselhof Seniorenresidenz GmbH, Munich	100	FC
Häusliche Krankenpflege Charlotte König GmbH & Co KG, Munich	100	FC
Helvita Seniorenzentren GmbH, Munich	100	FC
Intensivpflegedienst Lebenswert GmbH, Ellwangen	100	FC
Johannes Seniorendienste GmbH, Munich	100	FC
Klinik am Stein Projektentwicklungsgesellschaft mbH & Co. KG, Munich	100	FC
Klinik am Stein Verwaltungs GmbH, Munich	100	FC
König Beteiligungs-Verwaltungs-GmbH, Munich	100	FC
Korian Akademie GmbH, Munich	100	FC
Korian Care X Betriebs-GmbH, Munich	100	FC
Korian Care X Vermietungs-GmbH, Munich	100	FC
Korian COMO Betriebs GmbH, Munich	100	FC
Korian Deutschland GmbH, Munich	100	FC
Korian Häusliche Krankenpflege Beteiligungs-GmbH, Munich	100	FC
Korian Holding GmbH, Munich	100	FC
Korian Immobilien GmbH, Munich	100	FC
Korian Management AG, Munich	100	FC
Korian Management AG, Salzburg	100	FC
Korian Management Grundbesitz GmbH, Munich	53.5	FC
Korian Personaldienstleistung GmbH, Munich	100	FC
Korian Services GmbH, Munich	100	FC

**Legal entity**

Korian Textilservice GmbH, Munich	100	FC
Korian Wäscheservice GmbH, Kaisersesch	100	FC
Lebenswert Immobilienverwaltungs- und Beteiligungs- GmbH, Ellwangen	100	FC
Lebenswert Wohnen GmbH & Co. KG, Ellwangen	100	FC
Pflege aus einer Hand GmbH, Munich	100	FC
PflegeExperten GmbH, Munich	100	FC
PHÖNIX – Haus Roggenberg – Pflegeheim GmbH, Munich	100	FC
Phönix – Haus Silberdistel – Alten u. Pflegeheim GmbH, Munich	100	FC
PHÖNIX – Haus Sonnengarten Wohn- und Pflegezentrum GmbH, Munich	100	FC
PHÖNIX – Seniorenzentrum Ulmenhof GmbH, Dreieich	100	FC
PHÖNIX Sozialzentrum im Lerchenfeld GmbH, Munich	100	FC
PHÖNIX Sozialzentrum Windsbach GmbH, Munich	100	FC
PHÖNIX-ambulante intensive Pflege GmbH, Munich	100	FC
PHÖNIX-Haus am Steinsgraben Senioren- und Pflegezentrum GmbH, Munich	100	FC
PHÖNIX-Haus Rosmarin Senioren- und Pflegezentrum GmbH, Munich	100	FC
PHÖNIX-Lebenszentren GmbH, Munich	100	FC
PHÖNIX-Seniorenresidenz Am Teichberg GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Ahornhof GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Am Bodenseering GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Am Muppberg GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Am Schlossteich GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Evergreen GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Evergreen Maxhütte GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Fronmüllerstraße GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Gartenstadt GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Graf Tilly GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Herzog Albrecht GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Hessenallee GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum im Brühl GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Mainparksee GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Neuperlach GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum St. Hedwig GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Weidenpesch GmbH, Munich	100	FC
PHÖNIX-Seniorenzentrum Zwei Linden GmbH, Munich	100	FC
ProVITA Heimbetriebsgesellschaft mbH, Munich	100	FC
QV Beteiligungs GmbH, Munich	100	FC
QV Service Wohnen GmbH, 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
Schauinsland Pflegebetriebs-GmbH, Munich	100	FC
Senioren- und Fachpflegezentrum GmbH (Gretel-Egner-Haus), Munich	100	FC
Senioren- und Pflegeheim Ilsede Am Markt GmbH, Munich	100	FC
Seniorenbetreuungsgesellschaft Stelle GmbH & Co. KG, Munich	100	FC
Senioren-Domizil Familie Wohnsiedler GmbH, Munich	100	FC
Seniorenheim an der Paar GmbH, Munich	100	FC
Seniorenpflege Haßloch GmbH, Munich	100	FC
Seniorenpflegeheim GmbH Bad Neustadt a.d. Saale, Bad Neustadt a.d. Saale	75	FC
Seniorenresidenz am Erlenhofsee Betriebsgesellschaft mit beschränkter Haftung, Munich	100	FC
Seniorenresidenz Dettelbach GmbH, Munich	100	FC
Seniorenwohnanlage Oettingen GmbH, Munich	100	FC

**Legal entity**

Seniorenzentrum Am Pfarrgarten GmbH, Munich	100	FC
Senioren-Zentrum Am See GmbH & Co. KG, Munich	100	FC
Senioren-Zentrum Am See Verwaltungs- GmbH, Munich	100	FC
Seniorenzentrum Langenkamp GmbH, Munich	100	FC
Seniorenzentrum Lübbecke GmbH, Munich	100	FC
Seniorenzentrum Nienhagen QV GmbH, Munich	100	FC
Seniorenzentrum Peine Am Herzberg GmbH, Munich	100	FC
Sentivo Eitorf GmbH, Munich	100	FC
Sentivo GmbH, Munich	100	FC
Sentivo Mönchengladbach GmbH, Munich	100	FC
Sentivo Rhöndorf GmbH, Munich	100	FC
Sentivo Solingen GmbH, Munich	100	FC
Service Gesellschaft West GmbH, Munich	100	FC
SOLIDARIA Seniorenresidenzen gGmbH, Munich	100	FC
SOTERIA Managementgesellschaft mit beschränkter Haftung, Munich	100	FC
Sozialkonzept Barbarahof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	FC
Sozialkonzept Betriebs- und Beteiligungs GmbH, Munich	100	FC
Sozialkonzept Cäcilienhof Betriebsgesellschaft sozialer Einrichtungen mbH, Munich	100	FC
Sozialkonzept Charlottenhof Betriebsgesellschaft sozialer Einrichtungen mbH, Munich	100	FC
Sozialkonzept Christinenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	FC
Sozialkonzept Dorotheenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	FC
Sozialkonzept Friederikenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	FC
Sozialkonzept Helenenhof 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
Sozialkonzept Katharinenhof Betriebsgesellschaft sozialer Einrichtungen mbH, Munich	100	FC
Sozialkonzept Loretthof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	FC
Sozialkonzept Luisenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	FC
Sozialkonzept Magdalenenhof Betriebsgesellschaft sozialer Einrichtungen mbH, Munich	100	FC
Sozialkonzept Marienhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	FC
Sozialkonzept Mariettenhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	FC
Sozialkonzept Schulze-Kathrinhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	FC
Sozialkonzept Sophienhof GmbH Betriebsgesellschaft sozialer Einrichtungen, Munich	100	FC
Tagespflege QV GmbH, Munich	100	FC
WBW GmbH, Munich	100	FC
XX. Casa Reha Verwaltungs- und Immobilienerwerbs GmbH & Co. KG, Munich	100	FC
XXIV. CASA REHA Immobilienverwaltungsgesellschaft mbH, Munich	100	FC
XXVIII. CASA REHA Immobilienverwaltungsgesellschaft mbH, Munich	100	FC

**SPAIN**

KORIAN ACTIVOS 2021 SL	51	FC
Grupo 5 Acción y Gestión Social S.A.U	100	FC
Servicios Gériátricos de la Alpujarra SL	100	FC
Consulting Asistencial Sociosanitario S.L.	100	FC
CCFIV G5 Holding S.L.	100	FC
Korian Concesiones 2022	57.1	FC
Residencia Geriátrica El Parque	100	FC
Grupo 5 Gestión Social Nuevos Desarrollos S.L.	100	FC
Itacare Asistencial S.L.	100	FC
Ita Clinic BCN S.L.	100	FC
Korian Activos 2023 SL	100	FC
KORIAN RESIDENCIAS SPAIN 2018 SLU	100	FC

**Legal entity**

Korian Immobiliaria 2022 SL	57.1	FC
MANACOR SENIOR SA	100	FC
GROUPE OMEGA ESPANA SL	100	FC
PICAFORT SENIORS SAU	100	FC
RESIDENCIAS FAMILIARES PARA MAYORES SL	100	FC
CLARIANE WILLOW SPAIN S.L.	57.1	FC
<b>FRANCE</b>		
ABILONE	100	FC
ACCUEIL MEUNIÈRES	100	FC
ÂGES & VIE GESTION	100	FC
ÂGES & VIE HABITAT	100	FC
ALEXMAR	100	FC
ANTIN INFRASTRUCTURE PARTNERS Luxembourg	100	FC
ATRIA	100	FC
AVANT'ÂGE 44	51	FC
AVANT'ÂGE 85	51	FC
AVS BESANÇON	100	FC
BAZEILLE DÉVELOPPEMENT	100	FC
BEL ÂGE À DOM	51	FC
BELLECOMBE	100	FC
BOIS LONG	100	FC
CARE-X IMMOBILIER	100	FC
CARLOUP SANTÉ	100	FC
CENT RÉÉDUC FONCTION SIOUVILLE	99.83	FC
CENTRE AUBERGENVILLOIS DE PSYCHIATRIE AMBULATOIRE	100	FC
CENTRE BENESSAIS DE PSYCHIATRIE AMBULATOIRE	100	FC
CENTRE CALADOIS DE PSYCHIATRIE AMBULATOIRE	100	FC
CENTRE DE PSYCHIATRIE AMBULATOIRE DE CENON	100	FC
CENTRE DE RÉADAPTATION FONCTIONNELLE DE CAEN	100	FC
CENTRE DE RÉADAPTATION FONCTIONNELLE ET DE SOINS	100	FC
CENTRE LYONNAIS DE PSYCHIATRIE AMBULATOIRE EN ABRÉGÉ CLPA-INICEA	100	FC
CENTRE MÉDICAL DIÉTÉTIQUE LES PALMIERS	100	FC
CENTRE MÉDICAL INFANTILE MONTPRIBAT	100	FC
CENTRE MONTOIS DE PSYCHIATRIE AMBULATOIRE	100	FC
CENTRE NABORIEN DE PSYCHIATRIE AMBULATOIRE	100	FC
CENTRE PSYCHIATRIQUE LIVRYEN AMBULATOIRE	100	FC
CENTRE SPINALIEN DE PSYCHIATRIE AMBULATOIRE	100	FC
CENTRE WILLIAM HARVEY	100	FC
CHAMBÉRY JORCIN	100	FC
CHAMTOU	100	FC
CHÂTEAU DE LA VERNÈDE	100	FC
Clariane Holding Immobilier 1	100	FC
Clariane Immobilier Allemagne	51	FC
Clariane Immobilier Allemagne 1	51	FC
Clariane Immobilier Allemagne 10	100	FC
Clariane Immobilier Allemagne 11	57.1	FC
Clariane Immobilier Allemagne 12	57.1	FC
Clariane Immobilier Allemagne 2	51	FC
Clariane Immobilier Allemagne 3	51	FC
Clariane Immobilier Allemagne 4	51	FC
Clariane Immobilier Allemagne 5	51	FC

**Legal entity**

Clariane Immobilier Allemagne 6	51	FC
Clariane Immobilier Allemagne 7	51	FC
Clariane Immobilier Allemagne 8	51	FC
Clariane Immobilier Allemagne 9	100	FC
CLINIDOM	100	FC
CLINIQUE ALMA SANTÉ	100	FC
CLINIQUE CARDIOLOGIQUE DE GASVILLE	100	FC
CLINIQUE DE CONVALESCENCE DU CHÂTEAU DE CLAVETTE	100	FC
CLINIQUE DE LIVRY-SULLY	100	FC
CLINIQUE DE REGENNES	100	FC
CLINIQUE DE SACLAS	100	FC
CLINIQUE DE SANTÉ MENTALE DE PIÉTAT	100	FC
CLINIQUE DE SANTÉ MENTALE DU GOLFE	100	FC
CLINIQUE DE SANTÉ MENTALE SAINT MAURICE	100	FC
CLINIQUE DE SANTÉ MENTALE SOLISANA	100	FC
CLINIQUE DE SANTÉ MENTALE VILLA BLEUE	100	FC
CLINIQUE DE SOINS DE SUITE ET RÉADAPTATION CHÂTEAU DE GLETEINS	100	FC
CLINIQUE DE SOUFFLE LA VALLONIE	100	FC
CLINIQUE DE VONTES	100	FC
CLINIQUE DES VALLÉES	100	FC
CLINIQUE DU CANAL DE L'OURCQ	100	FC
CLINIQUE DU MONT VENTOUX	100	FC
CLINIQUE DU PAYS DE SEINE	100	FC
CLINIQUE DU SOUFFLE LA SOLANE	100	FC
CLINIQUE DU SOUFFLE LE PONTET	100	FC
CLINIQUE DU SOUFFLE LES CLARINES	100	FC
CLINIQUE DU VAL DE SEINE	99.85	FC
CLINIQUE JEANNE D'ARC	100	FC
CLINIQUE LA MARE Ô DANS	100	FC
CLINIQUE LE CLOS DE BEAUREGARD	100	FC
CLINIQUE LES BRUYÈRES	100	FC
CLINIQUE LES HORIZONS	100	FC
CLINIQUE MAYLIS	100	FC
CLINIQUE MED PHY RÉADAP FONCT LES CHÊNES	100	FC
CLINIQUE MONTJOY	100	FC
CLINIQUE NAPOLÉON	100	FC
CLINIQUE VILLA DES ROSES	100	FC
CLOS D'ARMAGNAC	100	FC
COMPAGNIE FONCIÈRE VERMEILLE	51	FC
CPA TOURANGEAU	100	FC
DLS GESTION	100	FC
DOMAINE DES TROIS CHEMINS	100	FC
DOMI 33	51	FC
EMPLOIDOM	51	FC
Foncière A&V	30	MEE
Foncière A&V 2	30	MEE
FONCIÈRE JOUVENCE NUTRITION	100	FC
FONCIÈRE VAL JOSSELIN	100	FC
GCS SIPS	95.65	FC
GCS SOINS DE SUITE ET DE RÉADAPTATION DU NORD COTENTIN	50	FC
GEM VIE	100	FC



**Legal entity**

GÉNÉRATION BIENVEILLANTE	51	FC
GÉNÉRATION CC	51	FC
GRAND'MAISON	100	FC
GV SERVICES 79	51	FC
H.ECO	51	FC
HAD YVELINES SUD	100	FC
HENRIADE	100	FC
HOLDING AUSTRUY BUREL	99.16	FC
HOLDING AVANT'ÂGE	51	FC
HOLDING HOSPITALIÈRE DE TOURAINE	100	FC
HÔTELLERIE MÉDICALISÉE RETRAITE	100	FC
IMMO 2	51	FC
IMMOBILIÈRE DES ROSES	100	FC
IMMOBILIÈRE DES VALLÉES	100	FC
INICEA CAP FERRIÈRES	100	FC
INICEA FONCIÈRE 1	100	FC
INICEA IMMO AUXERRE	51	FC
INICEA IMMO BORDEAUX	51	FC
INICEA IMMO ÉPINAL	51	FC
INICEA IMMO HOLDING	51	FC
INICEA IMMO SAINT-AVOLD	51	FC
INICEA IMMO SAINT-BRIEUC	51	FC
INICEA JOUVENCE NUTRITION	100	FC
INICEA VAL JOSSELIN	96	FC
INVAMURS	100	FC
ISÈRE SANTÉ	100	FC
JMELL SERVICES	51	FC
JONGKIND	100	FC
KD H	100	FC
KD Santé Sécurité	100	FC
KD SAP	100	FC
KORIAN & PARTENAIRES IMMOBILIER 1	51	FC
KORIAN & PARTENAIRES IMMOBILIER 11	100	FC
KORIAN & PARTENAIRES IMMOBILIER 12	100	FC
KORIAN & PARTENAIRES IMMOBILIER 2	51	FC
KORIAN & PARTENAIRES IMMOBILIER 3	51	FC
KORIAN & PARTENAIRES IMMOBILIER 4	57.1	FC
KORIAN & PARTENAIRES IMMOBILIER 5	100	FC
KORIAN & PARTENAIRES IMMOBILIER 6	100	FC
KORIAN & PARTENAIRES IMMOBILIER 7	100	FC
KORIAN & PARTENAIRES IMMOBILIER 8	100	FC
KORIAN & PARTENAIRES IMMOBILIER 9	57.1	FC
KORIAN AU FIL DU TEMPS	100	FC
KORIAN BOLLÉE CHANZY	100	FC
KORIAN BRUNE	100	FC
KORIAN CLOS DES VIGNES	100	FC
KORIAN Domiciles	100	FC
KORIAN DRÔME PROVENÇALE	100	FC
KORIAN FLORIAN CARNOT	100	FC
KORIAN FRANCE	100	FC
KORIAN GEORGES MORCHAIN	100	FC

**Legal entity**

KORIAN GERLAND	100	FC
KORIAN GLANUM	100	FC
KORIAN JARDINS D'HUGO	100	FC
KORIAN LA BRESSANE	100	FC
KORIAN LA CÔTE PAVÉE	100	FC
KORIAN LA FONTANIÈRE	100	FC
KORIAN LA RIVIÈRE BLEUE	100	FC
KORIAN LA SAULX	100	FC
KORIAN LA SEILLONNE	100	FC
KORIAN LA VILLA PAPYRI	100	FC
KORIAN L'ASTRÉE	100	FC
KORIAN LE BOURGENAY	100	FC
KORIAN LE CAP SICIE	100	FC
KORIAN LE DIAMANT	100	FC
KORIAN LE GÂTINAIS	100	FC
KORIAN LE HAUT LIGNON	100	FC
KORIAN LE MAS BLANC	100	FC
KORIAN LE TINAILLER	100	FC
KORIAN LES ALCIDES	100	FC
KORIAN LES ALPILLES	100	FC
KORIAN LES ARCADES	100	FC
KORIAN LES ARCADES IMMOBILIER	57.1	FC
KORIAN LES CASSISSINES	100	FC
KORIAN LES CLÉMATITES	100	FC
KORIAN LES OLIVIERS	100	FC
KORIAN LES PINS VERTS	100	FC
KORIAN LES RESTANQUES IMMOBILIER	51	FC
KORIAN LES ROSES	91.7	FC
KORIAN L'ESCONDA	100	FC
KORIAN L'IMPÉRIAL	100	FC
KORIAN MAISON DES AULNES	100	FC
KORIAN MAS DE LAUZE	100	FC
KORIAN PARC DES DAMES IMMOBILIER	51	FC
KORIAN PASTORIA	100	FC
KORIAN PAYS DES TROIS PROVINCES	100	FC
KORIAN PLAISANCE	100	FC
KORIAN RIVE DE SÉLUNE	100	FC
KORIAN SAVERNE	100	FC
KORIAN SOLUTIONS	100	FC
KORIAN TOP GROUPE	100	FC
KORIAN VAL AUX FLEURS	100	FC
KORIAN VAL DES SOURCES	100	FC
KORIAN VILLA AMARELLI IMMOBILIER	51	FC
KORIAN VILLA D'ALBON	100	FC
KORIAN VILLA LOUISA	99.16	FC
KORIAN VILLA SPINALE	100	FC
KORIAN VILL'ALIZE	100	FC
L'AIR DU TEMPS RÉSID STRASB ROBERTSAU	100	FC
LA COLOMBE	100	FC
LA DÉTENTE	100	FC
LA FONTAINE BAZEILLE	100	FC

**Legal entity**

LA LOUISIANE	100	FC
LA REINE BLANCHE	100	FC
LA REINE MATHILDE	100	FC
LA ROSERAIE	100	FC
LA SAISON DORÉE	100	FC
LA VALLÉE BLEUE	100	FC
LAFFITTE SANTÉ	100	FC
LASIDOM	100	FC
LE BELVÉDÈRE	100	FC
LE BELVÉDÈRE-PLAGE	100	FC
LE BOIS DU CHEVREUIL	100	FC
LE CLOS CLÉMENT 77	100	FC
LE CLOS DE L'ORCHIDÉE	100	FC
LE HAMEAU DE PRAYSSAS	100	FC
LE MAIL SANTÉ	100	FC
LE MONT BLANC	99.16	FC
LE MONT SOLEIL	100	FC
LE NORD-COTENTIN	100	FC
LE VAL D'ESSONNE	100	FC
LES ACACIAS	100	FC
LES ACACIAS CENTRE DES MALADIES RESPIRATOIRES ET ALLERGIQUES	100	FC
LES ALLÉES DE POURTALES	100	FC
LES BLÉS D'OR	100	FC
LES COTEAUX DE L'YVETTE	100	FC
LES DOMAINES DE CESTAS	99.84	FC
LES ESSENTIELLES COMPIÈGNE	100	FC
LES ESSENTIELLES FLAUBERT	100	FC
LES ESSENTIELLES LE VESINET	100	FC
LES ESSENTIELLES LEVALLOIS	100	FC
LES ESSENTIELLES LIVRY-GARGAN	100	FC
LES ESSENTIELLES NICE	100	FC
LES ESSENTIELLES POITIERS	100	FC
LES ESSENTIELLES SOISY	100	FC
LES FLÔTS	100	FC
LES FONTAINES	100	FC
LES HAUTS D'ANDILLY	100	FC
LES ISSAMBRES	100	FC
LES JARDINS D'HESTIA	99.92	FC
LES LIERRES GESTION	100	FC
LES OMÉGADES	100	FC
LES PINS BLEUS	100	FC
LES ROSES DU BASSIN	100	FC
LES SERVICES D'ÉMILIE	53.6	FC
LES TAMARIS	100	FC
LES TEMPS BLEUS	100	FC
LES TERRASSES DU XX <sup>ÈME</sup>	100	FC
LES TROIS CHEMINS	100	FC
LES TROIS TOURS	100	FC
L'image Montbazon	100	FC
LIMEIL RÉSIDENCE SENIOR	100	FC
MAD94	51	FC

**Legal entity**

MAISON DE RETRAITE LE CHALET	100	FC
MAISON DE RETRAITE LES ALYSSES	100	FC
MAISON DE RETRAITE LES GARDIOLES	100	FC
MAISON RETRAITE LES JARDINS D'ÉPARGNES	100	FC
MARIENIA	100	FC
MASSENET SANTÉ	100	FC
MEDI'DEP FONCIER	100	FC
MEUDON TYBILLES	100	FC
MIMH	71.5386	FC
MOVE IN MED	100	FC
OMEGA & CO	51	FC
OMEGA 81	51	FC
OMEGA AUTONOMIE	51	FC
OPPCI KORIAN IMMOBILIER	100	FC
OREGON	100	FC
PASTHIER PROMOTION	100	FC
PB EXPANSION	100	FC
PÉRIER RETRAITE	51	FC
PETITS-FILS	100	FC
PETITS-FILS DÉVELOPPEMENT	100	FC
POLE DE SANTÉ MENTALE LA CONFLUENCE	100	FC
PREMIADOM	51	FC
PSYSTORS	100	FC
QUAI DE BEZONS	100	FC
QUALIVERSAP	51	FC
REANOTEL	100	FC
RÉSIDENCE POUR PERSONNES ÂGÉES LA CHÊNAIE	100	FC
RÉSIDENCE ADAMOISE SENIOR	100	FC
RÉSIDENCE AGAPANTHE	100	FC
RÉSIDENCE BELLEVUE	100	FC
RÉSIDENCE DE CHAINTREAUVILLE	100	FC
RÉSIDENCE FOCH SENIOR	100	FC
RÉSIDENCE FRÉDÉRIC MISTRAL	100	FC
RÉSIDENCE FRONTENAC	100	FC
RÉSIDENCE LA GRANDE PRAIRIE	100	FC
RÉSIDENCE LES AJONCS	100	FC
RÉSIDENCE LES ESSENTIELLES VINCENNES	100	FC
RÉSIDENCE LES MATHURINS	100	FC
RÉSIDENCE MAGENTA	100	FC
RÉSIDENCE PÉRIER	100	FC
RÉSIDENCE SCAMARONI SENIOR	100	FC
ROSA BELLA	100	FC
SA LA PINÈDE	100	FC
SAINT CYR GESTION	100	FC
SAINT FRANÇOIS DU LAS	100	FC
SARL DE BIOUX SANTÉ	100	FC
SARL DE SOULLE	100	FC
SARL DU CHÂTEAU	100	FC
SARL GASTON DE FOIX	100	FC
SARL LA CORNE DE L'ABONDANCE	90	FC
SARL LA GALICIA	99.25	FC

**Legal entity**

SARL LE CASTELLI	100	FC
SARL RÉSIDENCE LES AÎNÉS DU LAURAGAIS	100	FC
SAS BLANCHE	51	FC
SAS ENTRE DEUX MERS	100	FC
SAS KORIAN ASSET & PROPERTY MANAGEMENT	100	FC
SAS LA CHÉNERAIE	100	FC
SAS LA VILLA DU CHÊNE D'OR	100	FC
SAS MS FRANCE	60	FC
SAS OMEGA	100	FC
SAS RÉSIDENCE DE PONTLIEUE	100	FC
SCI ALMA SANTÉ	100	FC
SCI BADERA	51	FC
SCI DE SAINT MALO	100	FC
SCI DES SABLES	100	FC
SCI DU CENTRE MÉDICAL DES ALPILLES	100	FC
SCI F P M	100	FC
SCI FALCA	51	FC
SCI GARIBALDI SIERROZ	51	FC
SCI KORIAN BEZONS IMMOBILIER	51	FC
SCI KORIAN DÉVELOPPEMENTS IMMOBILIERS	100	FC
SCI KORIAN ÉTOILE IMMOBILIER	57.1	FC
SCI KORIAN ÉTOILE immobilier 2	57.1	FC
SCI KORIAN ÉTOILE Immobilier 3	51	MEE
SCI KORIAN IMMOBILIER	51	FC
SCI KORIAN LA COTONNADE IMMOBILIER	51	FC
SCI KORIAN LES CATALAUNES IMMOBILIER	51	FC
SCI KORIAN LIVRY SULLY IMMOBILIER	51	FC
SCI KORIAN MORNAY IMMOBILIER	51	FC
SCI KORIAN ONCOPOLE TOULOUSE IMMOBILIER	51	FC
SCI KORIAN Oullins Immobilier	51	FC
SCI KORIAN RSS IMMOBILIER	100	FC
SCI KORIAN SANTÉ IMMOBILIER	51	FC
SCI KORIAN SAVERNE IMMOBILIER	51	FC
SCI LA CONFLUENCE SAINT-CYR	100	FC
SCI LA PALOUMÈRE	100	FC
SCI LA VARENNE	100	FC
SCI LAXOU MAXEVILLE	51	FC
SCI LE MAIL IMMOBILIER	100	FC
SCI LE TEILLEUL	100	FC
SCI LE ZANDER	51	FC
SCI NAPOLÉON	51	FC
SCI SAINT GEORGES DE DIDONNE	100	FC
SCI VALMAS	100	FC
SCP R	100	FC
SERIENCE SOINS DE SUITE ET DE RÉADAPTATION	100	FC
SERVICES DES COLLINES	51	FC
SNC ST FRANÇOIS DE SALES	100	FC
SOC ÉTUDES RÉALISATIONS NOUVEL ÂGE	100	FC
SOC EUROPÉENNE FONCIÈRE D'INVESTISSEMENT	100	FC
SOC GÉRONTOLOGIQUE DU CENTRE OUEST	100	FC
SOC IMMOBILIÈRE JANIN	100	FC

**Legal entity**

SOC NOUVELLE DE LA CLINIQUE DU MESNIL	100	FC
SOCIÉTÉ CIVILE IMMOBILIÈRE DE MONTVERT	100	FC
SOCIÉTÉ D'EXPLOITATION DE LA CLINIQUE MÉDICALE SAINT CÔME À JUVISY	100	FC
SOCIÉTÉ DU CHÂTEAU DE LORMOY	100	FC
SOCIÉTÉ HOLDING LES ACACIAS	100	FC
SOCIÉTÉ HOSPITALIÈRE DE TOURAINE	100	FC
SOCIÉTÉ IMMOBILIÈRE DE DINARD	100	FC
STE EXPLOITATION CLINIQUE PERREUX	100	FC
SYR IMMOBILIER	100	FC
TECHNOSENS ÉVOLUTION	100	FC
THALATTA	100	FC
VAL PYRÈNE	100	FC
VEPEZA	100	FC
VILLA BONTEMPS SARL	100	FC
VILLA SAINT DOMINIQUE	100	FC
VILLANDIÈRES NÎMES	100	FC
Vivason	49.71	MEE

**ITALY**

ASSISI PROJECT SPA	60	FC
AUREA SALUS SRL	100	FC
CARE SERVICE SPA	100	FC
Casa di Cura Fondazione G&P Borghi S.r.l.	100	FC
CASA DI CURA LEONARDO SRL	95	FC
CASA DI CURA SAN CAMILLO SRL	94	FC
Centro Clinico Colle Cesarano S.r.l.	30	MEE
CENTRO FISIOTERAPICO TARANTINI SRL	100	FC
Centro Medico Sanitario S.r.l.s.	100	FC
CENTRO MEDICO SPECIALISTICO SRL	92.66	FC
CENTRO RADIOLOGICO LAERTINO SRL	90	FC
CENTRO SPECIALISTICO PER LA CURA DEL DIABETE SRL	90	FC
CRCT IL GBBIANO SRL	100	FC
CROCE DI MALTA SRL	100	FC
Domus S.r.l.	100	FC
ELIA DOMUS SRL	100	FC
ELIDE SRL	95	FC
FAMAST 3 SRL	100	FC
FIOGERI SANITÀ SRL	100	FC
FORTIS SRL	94	FC
FRATESOLE SRL	100	FC
GERESS SRL	50	*
GILAR SPA	100	FC
IDEASS SPA	90	FC
IL CHIOSCO SRL	100	FC
IL FAGGIO SRL	100	FC
IL FOCOLARE SRL	90	FC
IMMOBILIARE MARINA DI SORSO SRL	100	FC
ISAV SPA	100	FC
Italian Hospital Group 3 S.p.A.	100	FC
Italian Hospital Group S.p.A.	100	FC
KINETIKA SARDEGNA SRL	100	FC
LEONARDO DA VINCI – CDM SPA	100	FC



**Legal entity**

LOB SRL	100	FC
MEDICA SUD SRL	90	FC
MONTE BURIASCO SRL	51	FC
MOSAICO HOME CARE SRL	100	FC
MSH SRL	100	FC
NATIVITAS SRL	51	FC
PARCO DELLE ROSE 92 S.R.L.	100	FC
PLATINUM SPA	100	FC
RESIDENZA CHALLANT SRL	100	FC
Residenze Assistite Maleo S.r.l.	100	FC
RSA BERZO INFERIORE SRL	100	FC
RSA BORNO SOCIETA DI PROGETTO SPA	100	FC
SANEM 2001 SRL	100	FC
SANTA CHIARA SRL	94	FC
SANTA CROCE SRL	100	FC
SEGESTA GESTIONI SRL	100	FC
SEGESTA LATINA SPA	100	FC
SEGESTA MEDITERRANEA SRL	100	FC
SEGESTA SERVIZI SOCIETA' CONSORTILE PER AZIONI	100	FC
SEGESTA SPA	100	FC
SEGESTA2000 SRL	100	FC
SERVIZI ASSISTENZIALI DOMICILIARI SRL	100	FC
SILVER IMMOBILIARE SRL	57.1	FC
SMERALDA RSA DI PADRU SRL	100	FC
SOGEMI SRL	100	FC
SONDRIO RINNOVA SRL	100	FC
VILLA DELLE TERME SPA	100	FC
VILLA SAN CLEMENTE SRL	100	FC
VILLA SILVANA SPA	100	FC
VITTORIA SRL	70	FC

**NETHERLANDS**

AK JV NL	50	*
Korian Holding Nederland B.V.	100	FC
Korian Management Services B.V.	100	FC
Korian Zorg B.V.	100	FC
Korian Zorg Holding B.V.	100	FC
Senior Living B.V.	100	FC
Stepping Stones Home & Care Vastgoed B.V.	57.1	FC

**UNITED KINGDOM**

ACTIVE LIVES CARE LTD	100	FC
BERKLEY CARE (BADMINTON) LIMITED	100	FC
BERKLEY CARE (BRISTOL) LIMITED	100	FC
BERKLEY CARE (CHESHAM) LIMITED	100	FC
Berkley Care (Jubilee House) Limited	100	FC
BERKLEY CARE (PORTOBELLO PLACE) LIMITED	100	FC
BERKLEY CARE (TOURNAMENT FIELDS HOLDCO) LIMITED	100	FC
BERKLEY CARE (TOURNAMENT FIELDS PARENT) LIMITED	100	FC
BERKLEY CARE (TOURNAMENT FIELDS) LIMITED	100	FC
BERKLEY CARE 3 LIMITED	100	FC
BERKLEY CARE BLENHEIM LIMITED	100	FC
BERKLEY CARE FERNHILL LIMITED	100	FC

**Legal entity**

BIRSTALL CARE HOLDINGS LIMITED	100	FC
BIRSTALL CARE HOMES LIMITED	100	FC
BIRSTALL CARE SERVICES LIMITED	100	FC
BURCOT GRANGE CARE HOME LIMITED	100	FC
BURCOT HOLDINGS LIMITED	100	FC
BURCOT LIMITED	100	FC
FERNHILL HOUSE LIMITED	100	FC
KORIAN REAL ESTATE UK LIMITED	100	FC
KORIAN REAL ESTATE UK MIDCO 1 LIMITED	100	FC
KORIAN UK LIMITED	100	FC
REFLECTIONS CARE HOME LIMITED	100	FC
REFLECTIONS CARE LIMITED	100	FC
RYEFIELD COURT CARE LIMITED	100	FC
SHINFIELD LODGE CARE LIMITED	100	FC
<b>LUXEMBOURG</b>		
CHL 1 S.à r.l.	100	FC
CHL 2 S.à r.l.	100	FC

\* Joint business operations are recognised to the extent of Clariane's interest.

## 6.2 Statutory Auditors' report on the consolidated financial statements

For the financial year ended 31 December 2023

*This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

### Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying consolidated financial statements of Clariane for the year ended 31 December 2023.

The consolidated financial statements were approved by the Board of Directors on 28 February 2024. They were the subject of a first report, dated 11 March 2024, in which we expressed an unqualified opinion. The financial statements provided by the Company and attached to this first report included a draft version of the "Change in working capital" table in note 3.5 to the consolidated financial statements. We have therefore issued a new report, to which the definitive version of the financial statements is appended, to replace our first report of 11 March 2024.

We certify that the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group, comprising the entities and business activities included in the scope of consolidation, at 31 December 2023 and of the results of its operations for the year then ended in accordance with International Reporting Standards as adopted by the European Union.

The opinion expressed above is consistent with our report to the Audit Committee.

### Basis for opinion

#### Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

#### Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2023 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

### Justification of assessments – Key audit matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

## Measurement of goodwill and operating licences

### DESCRIPTION OF RISK

At 31 December 2023, the carrying amount of goodwill and operating licences totalled €5,416 million, including:

- Goodwill, determined as set out in note 5.1 "Goodwill" to the consolidated financial statements, recognised for an amount of €3,288 million in the statement of financial position.
- Operating licences acquired in business combinations, which are non-amortisable intangible assets, recognised for an amount of €2,072 million, which corresponds to the value attributed to the operating licences granted by the supervisory authorities primarily in France, Belgium and Italy. Operating licences are valued at fair value at the acquisition date, as described in note 5.2 "Intangible assets" to the consolidated financial statements.

At each reporting date, or more frequently if there is any indication of impairment, management ensures that the carrying amount of goodwill and operating licences does not exceed their recoverable amount. The recoverable amount is the higher of fair value net of disposal costs and value in use. Impairment tests are performed either at the level of cash-generating units (CGUs) or groups of CGU (goodwill):

- for goodwill, the CGU corresponds to a group of CGUs in a given country: France, Germany, Belgium, Netherlands, Italy, Spain and the UK;
- For operating licences, the CGU corresponds to a *département* in France, a region in Italy and Belgium, and a specific type of business activity (nursing homes or clinics).

The methods and details of the assumptions used for these tests are presented in note 5 "Goodwill, intangible assets and property, plant and equipment" to the consolidated financial statements.

The value in use of these assets is determined on the basis of the discounted future cash flows of the CGUs or groups of CGUs, as set out in the 2024 budgets approved by the Board of Directors and the business plans prepared by management and reviewed by the Board of Directors. The discount rates and long-term growth rates applied are determined by the Group with the assistance of an independent expert.

The measurement of goodwill and operating licences is a key audit matter due to their significance in the consolidated financial statements and the importance of management's judgement in determining the assumptions on which the value in use estimates are based.

### HOW OUR AUDIT ADDRESSED THIS RISK

We reviewed the impairment testing methodology to verify its compliance with the applicable accounting standards. We also conducted a critical review of the manner in which these impairment tests are applied. In particular, we:

- checked whether management had tested all goodwill and operating licences by comparing the data in the accounting databases with the figures presented in the consolidated financial statements;
- examined the methods used to calculate value in use on the basis of discounted future cash flows. In order to do this, we:
  - reviewed the budget process and the key controls associated with this process,
  - reviewed the criteria used by management to determine CGUs for each type of business activity corresponding to a given geographic department or region,
  - examined, using sampling techniques, the consistency of the cash flow forecasts with the 2024 budgets approved by the Board of Directors and the business plans prepared and reviewed by the Board of Directors,
  - compared, using sampling techniques, the cash flow forecasts used for previous impairment tests with actual cash flows to assess the extent to which previous targets had been achieved;
- examined the perpetual growth rates and discount rates used by management to calculate the value in use and compared these rates to the estimates of our own financial valuation experts;
- verified, using sampling techniques, the arithmetical accuracy of the calculations of value in use applied.

We also assessed the appropriateness of the disclosures provided in note 5 "Goodwill, intangible assets and property, plant and equipment" to the consolidated financial statements and verified the arithmetical accuracy of the sensitivity analysis presented.

## Group liquidity

### DESCRIPTION OF RISK

As described in notes 2.2 "Financing transactions and plan to strengthen the financial structure" and 1.4 "Presentation of the financial statements" to the consolidated financial statements, discussions with the Group's various financial partners led to the announcement on 14 November 2023 of a plan to strengthen Clariane's financial structure. The plan consists of the following steps:

- the signing of two real estate partnerships totalling €230 million in December 2023;
- the arrangement of a €200 million real-estate-backed bridge term loan;
- the implementation from 2024 of a disposal programme for operating and real estate assets for a total estimated gross amount of around €1 billion;
- the approval by the Board of Directors of a proposed capital increase with preferential subscription rights for a gross cash amount of approximately €300 million.

Management has indicated that the successive implementation of the various measures in this plan will determine the Group's ability to meet its financing deadlines in 2024 and beyond.

We therefore considered the Group's liquidity to be a key audit matter, given that the 2023 financial statements were prepared on a going concern basis and based on cash flow forecasts for the next 12 months.

### HOW OUR AUDIT ADDRESSED THIS RISK

Our work consisted of:

- obtaining and analysing the documentation relating to the agreements signed on 14 November 2023 and assessing the impact of these agreements on the Group's liquidity;
- monitoring the implementation of the refinancing plan announced on 14 November 2023 up to the date of our report and analysing, where appropriate, the accounting treatment:
  - finalisation of the partnerships for a total of €230 million,
  - arrangement and drawdown of the €200 million real-estate-backed bridge term loan with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Ile de France (CADIF), Crédit Lyonnais and Crédit Agricole Corporate and Investment Bank (CACIB),
  - exemption granted by the French securities regulator (*Autorité des marchés financiers* – AMF) to Predica from the requirement to file a draft tender offer in the event that Predica crosses the trigger threshold for filing a mandatory tender offer as a result of subscribing to the capital increase,
  - disposal of the Group's UK operations;
- comparing the covenants at 31 December 2023 with the thresholds set out in the documentation for bonds and borrowings from credit institutions;
- obtaining the 2024-2025 cash flow plan presented to the Board of Directors on 28 February 2024 and reconciling it with the cash flow plan prepared when the refinancing plan and the 2024 budget approved by the Board were announced;
- verifying that the cash flow plan includes the figures for the actions described above;
- questioning management on the main assumptions impacting the cash flow plan;
- carrying out a sensitivity analysis on the 2024-2025 cash flow plan;
- obtaining confirmation of the provisional timetable for the capital increase (before the end of the third quarter of 2024);
- verifying the arithmetical accuracy of the cash flow forecasts;
- examining the maturities of bonds and borrowings and debt with credit institutions, on the basis of signed agreements, and reconciling these maturities with those indicated in the 2024-2025 cash flow plan presented to the Board of Directors;
- obtaining a legal analysis of Clariane's commitments included in its documentation on bonds and borrowings and debt with credit institutions (safeguard clauses, cross-default clauses, minimum required cash position, etc.) and assessing their implications, if any, on cash flow forecasts;
- assessing the appropriateness of the disclosures provided in the notes to the consolidated financial statements, in particular those relating to the going concern assumption used to prepare the consolidated financial statements for the financial year ended 31 December 2023.

## Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also performed the specific verifications on the information pertaining to the Group presented in the Board of Directors' Management Report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the Board of Directors' management report includes the consolidated non-financial performance statement required under Article L. 225-102-1 of the French Commercial Code. However, in accordance with Article L. 823-10 of the French Commercial Code, we have not verified the fair presentation and consistency with the consolidated financial statements of the information given in that statement, which will be the subject of a report by an independent third party.

## Other verifications and information pursuant to legal and regulatory requirements

### Presentation of the consolidated financial statements to be included in the Annual Financial Report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the consolidated financial statements to be included in the Annual Financial Report referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018. As it relates to the consolidated financial statements, our work included verifying that the markups in the financial statements comply with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the Annual Financial Report complies, in all material respects, with the single European electronic reporting format.

Due to the technical limitations inherent in the macro-tagging of consolidated financial statements in the single European electronic reporting format, some of the tags in the notes may not correspond exactly to the consolidated financial statements attached to this report.

It is not our responsibility to ensure that the consolidated financial statements to be included by the 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

Mazars was appointed as Clariane's (formerly Korian's) Statutory Auditor in its constitutive Articles of Association of 2003, while Ernst & Young et Autres was appointed at the General Meeting of 23 June 2011.

At 31 December 2023, Mazars was in the twenty-first consecutive year of its engagement (including eighteen years since the Company's shares were admitted to trading on a regulated market) and Ernst & Young et Autres was in its thirteenth consecutive year.

Prior to this, Ernst & Young Audit had been a Statutory Auditor of the Company since 2006.

## Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted in the European Union, and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

## Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

### Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.



As specified in Article L. 821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

## Report to the Audit Committee

We submit a report to the Audit Committee which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required 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, as defined in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Paris-La Défense, 21 March 2024

The Statutory Auditors

Mazars  
Stéphane Marfisi

Ernst & Young et Autres  
Anne Herbein

## 6.3 Annual financial statements at 31 December 2023

Company financial statements (unless otherwise indicated, all amounts are expressed in thousands of euros).

### Balance sheet

#### Assets

Assets	31.12.2023	31.12.2022
Intangible assets	41,527	29,776
Property, plant and equipment	1,653	1,170
Non-current financial assets	5,169,563	4,857,176
<i>Of which equity interests and related receivables</i>	4,331,733	3,760,276
<b>Total non-current assets</b>	<b>5,212,743</b>	<b>4,888,122</b>
Advances and deposits paid on orders		
Raw materials and supplies		
Trade receivables	71,340	22,840
Other receivables	1,332,926	1,401,055
Cash and cash equivalents	426,064	404,814
Marketable securities	81,035	13,551
Prepaid expenses	13,776	14,569
<b>Total current assets</b>	<b>1,925,141</b>	<b>1,856,829.2</b>
Debt issuance costs/Bond redemption premiums	22,239	27,546
<b>TOTAL ASSETS</b>	<b>7,160,123</b>	<b>6,772,497</b>

#### Liabilities and shareholders' equity

Liabilities and shareholders' equity	31.12.2023	31.12.2022
Share capital	534,143	532,526
Share premium	1,307,250	1,306,655
Legal reserve	41,271	38,521
Retained earnings	37,660	11,950
Other reserves	128,516	128,516
Net profit	39,072	55,005
Regulated provisions	1,865	1,853
<b>Shareholders' equity</b>	<b>2,089,777</b>	<b>2,075,026</b>
Provisions for risks and expenses	6,934	11,800
Other bond debt	2,488,975	2,824,558
Loans from credit institutions	1,489,664	1,107,824
Miscellaneous loans and other liabilities	938,987	662,177
Trade payables	20,139	8,392
Tax and social security liabilities	16,259	11,165
Payables to suppliers of non-current assets	1,098	194
Other liabilities	29,310	60,958
<b>Total operating liabilities</b>	<b>4,991,365</b>	<b>4,687,067</b>
Deferred income	76,977	0
Unrealised foreign exchange gains	2,004	10,405
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>7,160,123</b>	<b>6,772,498</b>

## Income statement

	2023	2022
Operating income	30,535	32,340
Sale of goods purchased for resale	0	0
Revenue	30,535	32,340
Capitalised production	6,193	5,220
Operating subsidies	0	0
Reversals of provisions and expense transfers	129	978
Other income	2	22
<b>Total</b>	<b>36,859</b>	<b>38,559</b>
Change in inventories	0	0
Goods purchased for resale	7	9
Other external purchases and expenses	60,240	55,066
Taxes and duties	1,441	1,186
Wages	19,425	19,804
Payroll taxes	8,544	28,828
Depreciation, amortisation, impairment and provisions		
• depreciation and amortisation on non-current assets	12,073	7,892
• on current assets	0	0
• provisions for risks and expenses	0	0
Other expenses	555	378
<b>TOTAL OPERATING EXPENSES</b>	<b>102,285</b>	<b>113,163</b>
<b>Net operating profit/(loss)</b>	<b>(65,426)</b>	<b>(74,604)</b>
<b>Share of profit or loss</b>	<b>(920)</b>	<b>(336)</b>
Financial income	259,474	196,790
Financial expenses	173,627	102,899
<b>Net financial income</b>	<b>85,847</b>	<b>93,891</b>
<b>Net recurring income</b>	<b>19,500</b>	<b>18,950</b>
Non-recurring income	377	21,574
Non-recurring expenses	73	19,375
<b>Net non-recurring income</b>	<b>304</b>	<b>2,199</b>
Income tax	(19,268)	(33,856)
<b>NET PROFIT</b>	<b>39,072</b>	<b>55,005</b>

## Notes to the Company financial statements

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As the ultimate controlling party, Clariane SE, which has its registered office in Paris, France at 21-25 rue Balzac – 75008, prepares the consolidated financial statements.

### Note 1 Accounting rules and methods

The financial statements were prepared in compliance with Regulation No. 2014-03 of the French accounting standards setter (*Autorité des normes comptables* – ANC), the French General Chart of Accounts (*Plan comptable général*) and any subsequent rules and regulations in effect. The general accounting conventions of the French General Chart of Accounts were observed, in accordance with the principle of conservatism and on the basis of the following assumptions:

- going concern;

- accruals principle;
- consistency of accounting methods between accounting periods; and
- in compliance with the rules that generally apply to the preparation and presentation of annual financial statements.

The basic valuation method used is the historical cost method. The main accounting methods used are described below.

### Note 2 Main accounting methods

#### 2.1 Going concern

The financial statements have been prepared on a going concern basis. The Group's liquidity is provided by:

- the financing structure currently in place, including the full drawdown made by the Group on 3 November 2023 on its €500 million revolving credit facility (RCF) for a period of six months amid deteriorating market conditions and access to financing;
- the refinancing plan announced on 14 November 2023, the implementation of which is already underway and will continue over the next 12 months. The plan includes a capital increase and further disposals under the Group's asset disposal programme.

On 14 November 2023, the Group announced a refinancing plan based on the following elements:

- two equity-based real-estate partnerships totalling €230 million. These partnerships were signed on 15 December 2023 and 28 December 2023, respectively;
- a €200 million real-estate-backed bridge term loan maturing on 31 January 2025, arranged on 27 December 2023. This loan will have to be repaid early if the planned capital increase is abandoned, unless the Group were to adopt an alternative plan to raise equity, quasi-equity or similar funding for a minimum equivalent amount;
- implementation from 2024 of the first stages of a disposal programme for operating and real estate assets, as well as capital partnerships, for a total estimated

amount of around €1 billion. On 5 February 2024, the Group completed the sale of six real estate assets in the Netherlands. On 28 February 2024, the Group announced that it had signed an agreement to sell its UK businesses;

- completion of a proposed capital increase for a gross cash amount of approximately €300 million. Predica has undertaken to underwrite €200 million of this transaction. The Group has also received expressions of interest from banks to carry out the remainder of the capital increase.

This capital increase should be completed before the end of the third quarter, provided that the remaining conditions precedent (pre-conditions) are met and market conditions are appropriate.

On 8 February 2024, the French securities regulator (*Autorité des marchés financiers* – AMF) granted Predica an exemption from the requirement to file a draft tender offer in the event that Predica crosses the trigger threshold for filing a mandatory tender offer as a result of subscribing to the capital increase. This exemption removes the first pre-condition for the completion of the proposed capital increase.

The effective completion of the first stages of this refinancing plan confirms the likelihood of completing the next major stages in 2024, notably the capital increase planned before the end of the third quarter of 2024 and the effective disposal of certain assets. Given the current situation, these asset disposals are expected to close in 2024.

These elements support the Group's 12-month cash flow forecast, which today confirms the Group's ability to meet its financing deadlines and to comply with its covenants over the period, in particular its consolidated leverage ratios at 30 June 2024 and 31 December 2024 as well as the minimum liquidity requirement at 3 May 2024 and at subsequent RCF rollover dates.

## 2.2 Intangible assets

Non-current assets are carried at their historical cost, which includes the purchase price and any directly attributable costs. Software licences are capitalised and amortised over a period of five years. Purchased software is capitalised and amortised over a period of three years, while stand-alone applications developed internally are capitalised and amortised over a period of five years. When the useful life of an IT development is particularly long, IT project costs may be amortised for up to seven years.

## 2.3 Property, plant and equipment

Property, plant and equipment are carried at their historical cost, which includes the purchase price and any directly attributable costs.

Depreciation is calculated on a straight-line basis over the following expected useful lives (in years):

- building fixtures  
(depending on type): 7 to 50
- industrial equipment: 5 to 15
- furniture and office equipment: 10
- IT equipment: 3

## 2.4 Equity interests and other long-term investments

Equity interests are measured at their acquisition cost plus any incidental expenses, which are amortised at an accelerated rate over five years. If the carrying amount of equity interests exceeds value in use or fair value, an impairment loss is recognised for the difference.

Fair value is based on recent observed market prices.

The value in use of each subsidiary's equity is the difference between enterprise value and net debt at the reporting date.

Enterprise value is calculated using expected future cash flows, based on management's economic assumptions and business forecasts, in accordance with the following principles:

- pre-tax cash flows are derived from the budget for the following year as approved by the Board of Directors, and from the business plan, as reviewed by the Board of Directors;

- the discount rate, determined on the basis of the Group's weighted average cost of capital, and the long-term growth rate, defined by the Group with assistance from an independent expert;
- the discount rates used are 6.75% for France, 5.75% for Germany, 7.0% for Belgium, 6.25% for the Netherlands, 7.25% for Spain, 7.3% for Italy and 6.75% for the United Kingdom.

The remeasurement of equity interests at 31 December 2023 did not result in the recognition of any additional impairment.

## 2.5 Receivables

Receivables are measured at the par value. Where necessary, an impairment allowance is recognised to account for past or potential collection difficulties.

## 2.6 Financial instruments and hedge accounting

The rules for hedge accounting are specified in articles 628-6 to 628-17 of the French General Chart of Accounts, introduced by ANC Regulation 2015-05 on derivatives and hedging transactions. They apply to all hedges regardless of type.

## 2.7 Marketable securities

Marketable securities are valued at the lower of cost and market value. Treasury shares are recognised at cost. An impairment loss is recognised when cost exceeds the market value.

## 2.8 Cash

A cash pooling agreement with the Company was signed in 2018 by most of the Group's French and foreign companies. Other subsidiaries obtain financing from Clariane through loans or current accounts.

## 2.9 Currency risk

Since the acquisition of Berkley Care in 2021, Clariane SE has conducted business in the United Kingdom as well as in the eurozone.

## 2.10 Interest rate risk

Approximately half of the Company's debt is subject to variable interest rates and is hedged by derivative instruments.

## 2.11 Bond issuance and borrowing costs

Bond issuance and borrowing costs are recorded under external expenses and are amortised over the life of the bond.

## Note 3 Highlights of the year

### 3.1 Changes to the Articles of Association

On 15 June 2023, the General Meeting approved a number of amendments to the Articles of Association:

- the adoption of a new corporate purpose, "Taking care of each person's humanity in times of vulnerability";
- the adoption of the status of a purpose-driven company (*société à mission*) within the meaning of Article L. 210-10 of the French Commercial Code (*Code de commerce*);
- change of name of the European company, the Group's parent, to Clariane.

### 3.2 Main financing activities

On 25 July 2023, Clariane announced that it had secured an extension to its syndicated term loan facility for €505 million, slightly higher than the initial principal of €500 million. This loan now falls due in May 2026, which corresponds to the due date for the Group's €500 million revolving credit facility (RCF)<sup>(1)</sup>. All existing partner banks remain part of the extended facility, and two new banks joined the syndicate. Some *Schuldschein* lenders transferred their positions into the extended syndicated facility.

The documentation for this renewed syndicated facility includes the following commitments:

- the existing financial leverage covenant will be progressively lowered, from 4.5x in June 2024 to 3.75x from December 2025 onwards;
- introduction of a 65% loan-to-value covenant;
- definition of a minimum liquidity condition of €300 million for RCF drawdowns and renewals;
- restrictions on the use of the Group's liquidity for as long as its financial leverage is above 3.5x (no dividends may be paid) and above 3.0x (proceeds from disposals [excluding real estate] must be for the purpose of the priority and early repayment of lenders, and repayment of GBP hybrid debt, ODIRNANE bonds and any debt classified as equity, unless refinanced with similar debt).

Alongside this transaction, in July 2023 Clariane also arranged an innovative sustainability-linked private placement with the Eiffel Investment group. In accordance with the Group's new ESG roadmap, this loan's financial terms take into account the non-financial commitments made by the Group in terms of quality of care and occupational health and safety. The incentive-driven

interest rate structure means that the interest rate may be increased or reduced, depending on the extent to which non-financial targets are met.

On 14 November 2023, Clariane announced a plan to secure and accelerate debt reduction, enabling the Group to benefit from a financial structure adapted to a more challenging economic environment due to inflation, rising interest rates and tighter debt and real estate markets, and ultimately to provide room for manoeuvre in the execution of its strategy. The plan includes a proposed asset disposal enabling subsidiaries to reduce their debt to Clariane SE, and a proposed capital increase for a gross cash amount of approximately €300 million.

The Group plans to hold the General Meeting called to approve the capital increase by 26 March 2024.

### 3.3 Share capital and stock dividend

Further to shareholders' approval of the financial statements at the General Meeting of 15 June 2023, the Company paid a dividend of €0.25 per share, with a scrip option for payment in new shares (based on an issue price of €6.86). The exercise of this option resulted in the issuance of 323,330 new shares on 13 July 2023. They have since been incorporated in the body of ordinary shares that constitutes the Company's share capital. A cash dividend of €24 million was paid.

At 31 December 2023, the Company's share capital stood at €534,142,680 (versus €532,526,030 at 31 December 2022), breaking down into 106,828,536 shares (106,505,206 at 31 December 2022).

### 3.4 Non-current financial assets

Equity interests increased by €571 million, mainly due to:

- an increase in the value of the shares by receivables from Korian Deutschland (€150 million), Korian Residencias Spain (€133 million), Korian Holding Nederland (€60 million), Korian Partenaires Immobilier 4 (€7 million) and Korian Partenaires immobilier 9 (€80 million);
- capital increases to strengthen the balance sheets of certain subsidiaries: Korian Belgium (€120 million), Korian Residencias Spain (€3 million), Foncière A&V 2 (€2 million);
- the creation of a new subsidiary: CHL1 through the contribution of company shares and by offsetting receivables (€16 million).

(1) The revolving facility will be reduced to €492.5 million from May 2024.



## Note 4 Main balance sheet items

### 4.1 Non-current assets, depreciation and amortisation

Non-current assets	31.12.2022	Acquisitions	Transfers	Disposals	31.12.2023
Concessions, patents and similar rights	14,751	5,011	9,195		28,957
Non-current assets in progress	20,153	10,345	(9,195)		21,303
Business goodwill (technical merger loss)	0				0
Building fixtures	1,240	293			1,528
Office and IT equipment	1,487	61			1,553
Non-current assets in progress	0	391			391
Equity interests and related receivables	3,765,662	571,457		0	4,337,119
Other non-current financial assets	1,096,900	187,712		446,783	837,830
<b>TOTAL</b>	<b>4,900,194</b>	<b>775,271</b>		<b>446,783</b>	<b>5,228,683</b>

Depreciation and amortisation	31.12.2022	Additions	Reversals	31.12.2023
Concessions, patents and similar rights	5,128	3,606	0	8,734
Building fixtures	407	125	0	530
Office and IT equipment	1,151	136	0	1,290
<b>TOTAL</b>	<b>6,686</b>	<b>3,868</b>	<b>0</b>	<b>10,554</b>

Impairment	31.12.2022	Additions	Reversals	31.12.2023
On equity interests	5,386	0	0	5,386
On the technical merger loss	0			0
On borrowings	0			0
<b>TOTAL</b>	<b>5,386</b>	<b>0</b>	<b>0</b>	<b>5,386</b>

Depreciation and amortisation expenses are recognised under operating expenses. Adjustments to impairment of equity interests are recognised under financial items.

“Non-current assets in progress” consists mainly of capitalised production and service provider costs for developing and deploying internal software packages, applications and IT hardware (€21,303 thousand). During 2023, intangible assets brought into service amounted

to €9,195 thousand, mainly attributable to the Kofi Oracle project (€6,926 thousand), the TMS Kyriba project (€823 thousand) and the Gestion Locative lease project (€610 thousand).

## 4.2 Equity interests

Clariane is the Group's consolidating entity. It holds the shares of the companies listed in the table below (amounts are in euros).

### LIST OF SUBSIDIARIES AND EQUITY INTERESTS AT 31 DECEMBER 2023

In thousands of euros	Gross value of securities	Net value of securities	% of share capital held by Clariane SE	Share capital	Net profit of last fiscal year	Equity (other than share capital)	Dividends recognised during the year	Loans and advances granted but not repaid
<b>FRENCH SUBSIDIARIES</b>								
MEDICA France	858,536	858,536	100%	50,976	(6,728)	172,477	0	175,793
CLARIANE SOLUTIONS	1	1	100%	1	326	(5,898)	0	8,406
SAS LA MOULINIÈRE	149,357	147,442	76%	14,228	4,430	168,126	0	0
MEDIDEP FONCIER	2,875	2,875	100%	8	2,529	538	2,193	7,453
SCI LE TEILLEUL	3,548	1,740	100%	2,750	71	153	0	0
KORIAN ASSET – PROPERTY MANAGEMENT	1	1	100%	1	119	473	0	0
CLARIANE FRANCE	772,755	772,755	100%	219,548	(12,730)	419,893	40,000	312,138
CLARIANE & PARTENAIRES IMMOBILIER 6	10	10	100%	10	(95)	55	0	778
CLARIANE & PARTENAIRES IMMOBILIER 7	0.01	0.01	100%	0	580	561	0	27,471
CLARIANE & PARTENAIRES IMMOBILIER 8	10	0	100%	10	(5)	(6)	0	0
KORIAN & PARTENAIRES IMMOBILIER 10	10	10	100%	0	0	0	0	0
KSL	288,321	288,321	100%	1,000	5,281	146,221	0	0
SCI KORIAN DÉVELOPPEMENTS IMMOBILIERS	213	213	98%	1	(939)	0	0	26,734
<b>FOREIGN SUBSIDIARIES</b>								
KORIAN BELGIUM	262,823	262,823	100%	145,596	(5,325)	57,395	0	54,883
KORIAN DEUTSCHLAND	619,728	619,728	100%	121	(106,949)	442,020	0	322,206
KORIAN MANAGEMENT	800	415	100%	120	189	8,676	0	0
KORIAN RESIDENCIAS SPAIN	298,156	298,156	100%	298,159	(10,753)	(8,002)	0	87,948
SEGESTA	585,511	585,511	100%	10,863	(3,086)	503,113	0	44,900
KORIAN HOLDING NEDERLAND	113,913	113,913	100%	18	(176)	125,815	0	0
KORIAN UK	2,642	2,642	100%	81,708	(3,309)	(12,446)	0	57,537
CHL	318,455	318,455	100%	179,727	(36)	138,728	0	1
<b>EQUITY INTERESTS</b>								
Foncière A&V	25,135	25,135	30%	0	0	0	0	95,623
Foncière A&V 2	5,951	5,951	30%	0	0	0	0	9,072
KORIAN IMMOBILIER Allemagne	619	619	11%	10	2,769	1	332	0
KORIAN & PART IMM 3	20,378	20,378	19%	60	(1,788)	121,672	3,002	0
SCI KORIAN RSS IMMO	0.001	0.001	0%	1	(592)	(722)	0	5,105
INICEA HOLDING	5,521	5,521	6%	103,672	(33,490)	85,409	0	32,898
Société Gérantologique du Centre Ouest – SGCO (La Ménardière)	34	34	5%	38	(932)	(423)	0	2,403
LES FLOTS	967	399	4%	16	8	1,918	0	0
L'ESTRAN	538	86	1%	96	(898)	(1,938)	0	3,327
FURTADO GESTION	248	0	0%	0	0	0	0	0
LE MONT VERRIER - SAS LE MONT BLANC	2	2	0%	960	897	715	0	0
SCI PERREUX	61	61	22%	0	0	0	0	0
KORIAN & PARTENAIRES IMMOBILIER 11	0.01	0.01	1%	1	221	0	0	0

### 4.3 Receivables maturity schedule

<b>Schedule of receivables – 31 December 2023</b>	<b>Total</b>	<b>Due in ≤1 year</b>	<b>Due in &gt;1 year</b>
Loans and advances to equity interests	781,862	-	781,862
Other non-current financial assets	2,283	-	2,283
Other trade receivables	71,340	71,340	-
Employees and related accounts	237	237	-
Payroll taxes and other social contributions	308	308	-
Government and local authorities			
• Income tax	10,720	10,720	-
• Value-added tax	26,106	26,106	-
• Other taxes and similar payments	28	28	-
• Miscellaneous	-	-	-
Group and associates	1,288,617	1,288,617	-
Miscellaneous debtors	6,912	6,912	-
Prepaid expenses	13,776	13,776	-
<b>TOTAL</b>	<b>2,202,188</b>	<b>1,418,044</b>	<b>784,145</b>

<b>Schedule of receivables – 31 December 2022</b>	<b>Total</b>	<b>Due in ≤1 year</b>	<b>Due in &gt;1 year</b>
Loans and advances to equity interests	1,068,390	-	1,068,390
Other non-current financial assets	2,377	-	2,377
Other trade receivables	22,840	22,840	-
Employees and related accounts	55	55	-
Payroll taxes and other social contributions	145	145	-
Government and local authorities			
• Income tax	8,527	8,527	-
• Value-added tax	12,542	12,542	-
• Other taxes and similar payments	26	26	-
• Miscellaneous	-	-	-
Group and associates	1,373,292	1,373,292	-
Miscellaneous debtors	7,785	7,785	-
Prepaid expenses	14,569	14,569	-
<b>TOTAL</b>	<b>2,510,548</b>	<b>1,439,782</b>	<b>1,070,767</b>

### 4.4 Marketable securities and cash

Cash at bank is recorded at face value.

Clariane's treasury shares are valued at their weighted average price. The table below shows the change in treasury shares over the year.

	<b>Number</b>	<b>Amount</b>
<b>Balance at 31 December 2022</b>	<b>301,469</b>	<b>3,699</b>
Purchases in 2023	1,821,303	11,835
Disposals in 2023	1,823,473	14,163
Net gain/(loss) in 2023		(2,821)
<b>BALANCE AT 31 DECEMBER 2023</b>	<b>299,299</b>	<b>1,372</b>

#### 4.5 Prepaid expenses

Prepaid expenses consisted of the following:

Prepaid expenses	2023	2022
Balancing cash payments on swaps and interest expense on derivative instruments	11,879	13,318
Miscellaneous transactions	1,896	1,218
Rents	0	33
<b>TOTAL</b>	<b>13,776</b>	<b>14,569</b>

#### 4.6 Accrued income and expenses

Income or expense item	Income	Expense
Accrued interest on loans	52,685	7,103
Accrued interest on bonds		25,450
Accrued interest on swaps	87	0
Trade payables, invoices not received	0	14,302
Non-Group trade receivables, invoices to be issued	4,408	298
Group trade receivables, invoices to be issued	58,557	124
Accrued payroll liabilities	0	3,691
Payroll taxes on accrued payroll liabilities	0	2,990
Accrued income/expenses – State	7	104
Accrued interest on current accounts	61,567	23,981
Accrued bank interest	131	87
Miscellaneous		0
<b>TOTAL</b>	<b>177,442</b>	<b>78,130</b>

#### 4.7 Changes in shareholders' equity

##### STATEMENT OF CHANGES IN EQUITY

Opening balance	2,075,026
Capital increase	1,617
Share and merger premium	594
Legal reserve	2,750
Other reserves	0
Retained earnings	25,710
Appropriation of 2022 net profit	(55,005)
2023 net profit	39,072
Regulated provisions	13
<b>CLOSING BALANCE</b>	<b>2,089,777</b>

Regulated provisions correspond to the accelerated amortisation of share buyback costs.

#### 4.8 Provisions for risks and expenses

Provisions for risks and expenses consisted of the following:

	31.12.2022	Additions	Reversals		31.12.2023
			Used	Surplus	
Other provisions for risks and expenses	921	245	0	500	665
Provision for foreign exchange losses	10,879	6,268	0	10,879	6,268
Provision for employee-related disputes	0	0	0	0	0
<b>TOTAL</b>	<b>11,800</b>	<b>6,513</b>	<b>0</b>	<b>11,379</b>	<b>6,934</b>

Provisions for employee-related disputes mainly concern labour tribunal proceedings. Other provisions correspond to miscellaneous disputes. Provisions for foreign exchange losses concern a GBP denominated loan.

#### 4.9 Other bond debt

Other bond debt mainly comprises:

- convertible bonds (OCEANE and ODIRNANE) totalling €693 million excluding accrued interest;
- non-convertible bonds and private placements (Euro PP) totalling €839 million excluding accrued interest;
- *Schuldschein* private placements for €730 million.

#### 4.10 Financial debt

Amounts owed to credit institutions	2023	2022
Bank overdrafts	6,470	0
Bond redemption premiums	211	258
<b>Total</b>	<b>6,681</b>	<b>258</b>
Bank loans		
<1 year	621,500	243,750
>1 year	854,398	663,815
Accrued interest	6,998	2,401
<b>Total bank loans</b>	<b>1,482,896</b>	<b>909,966</b>
Issuance of marketable securities	86	197,600
<b>TOTAL BANK DEBT</b>	<b>1,489,664</b>	<b>1,107,824</b>

At 31 December 2023, Clariane's gross bank debt broke down as follows:

- a syndicated bank loan comprising a term tranche of €555 million, of which €50 million falls due in May 2024 and €505 million in May 2026, and a revolving tranche of €500 million, on which the amount currently drawn falls due on 3 May 2024;
- short-term loans totalling €72 million;
- other medium- and long-term loans (notably real-estate-backed bridge loans) totalling €349 million;
- accrued interest totalling €7 million.

#### 4.11 Debt maturity schedule

Debt maturities at 31 December 2023	Total	≤1 year	>1 year and ≤5 years	>5 years
Other bond debt	2,488,975	132,950	1,972,025	384,000
Loans and other borrowings	1,489,664	635,266	756,833	97,565
Miscellaneous loans and other financial liabilities	40,077	18	40,000	59
Trade payables and related accounts	20,139	20,139	0	0
Employees and related accounts	3,786	3,786	0	0
Payroll taxes and other social contributions	2,806	2,806	0	0
State: income tax	0	0	0	0
State: VAT	8,542	8,542	0	0
State: other taxes	1,126	1,126	0	0
Payables to suppliers of non-current assets	1,098	1,098	0	0
Group and associates	898,910	898,910	0	0
Other liabilities	29,310	29,310	0	0
Deferred income	76,977	20,359	42,859	13,760
<b>TOTAL</b>	<b>5,061,409</b>	<b>1,754,308</b>	<b>2,811,717</b>	<b>495,384</b>

Deferred income (€76,977 thousand) corresponds to the deferred payment of the balance cash payment for swaps received in 2023.

Debt maturities at 31 December 2022	Total	≤1 year	>1 year and ≤5 years	>5 years
Other bond debt	2,824,558	324,478	1,574,080	926,000
Loans and other borrowings	1,107,824	443,798	585,404	78,622
Miscellaneous loans and other financial liabilities	(725)	(725)	-	-
Trade payables and related accounts	8,392	8,392	-	-
Employees and related accounts	4,569	4,569	-	-
Payroll taxes and other social contributions	3,511	3,511	-	-
State: income tax	-	-	-	-
State: VAT	2,308	2,308	-	-
State: other taxes	778	778	-	-
Payables to suppliers of non-current assets	194	194	-	-
Group and associates	662,901	662,901	-	-
Other liabilities	60,958	60,958	-	-
Deferred income	-	-	-	-
<b>TOTAL</b>	<b>4,675,268</b>	<b>1,511,162</b>	<b>2,159,484</b>	<b>1,004,622</b>

## Note 5 Main income statement items

### 5.1 Revenue

Most revenue – which in France represented €22,352 thousand (€25,435 thousand in 2022) and outside France, €8,183 thousand (€6,905 thousand in 2022) – corresponds to the rebilling of the following services to subsidiaries:

	2023	2022
Corporate expenses rebilled to subsidiaries	27,546	28,338
Service agreements	0	566
Employee expenses rebilled to subsidiaries	333	481
Property rental expenses	2,656	2,956
Misellaneous expenses	-	-
<b>TOTAL</b>	<b>30,535</b>	<b>32,340</b>

### 5.2 Operating expenses

#### Purchases and external charges

The most significant purchases and external charges are shown below:

	2023	2022
Professional fees	34,196	29,591
Maintenance	3,800	1,637
Other expenses	3,462	4,771
Subcontracting	254	266
Real estate leasing	3,501	3,794
Banking services	4,092	5,297
Telecommunications	214	193
Travel expenses	1,004	1,407
Purchases to be rebilled to subsidiaries	8,284	6,947
Equipment rental expenses	240	204
Temporary employee expenses	995	719
Recruitment costs	202	249
<b>TOTAL</b>	<b>60,247</b>	<b>55,075</b>



## Taxes and similar payments

See the table below:

	2023	2022
Income and compensation-based taxes	1,015	759
Corporate value-added tax/Corporate real-estate contribution	41	122
Real estate tax	209	126
Non-recoverable VAT	0	0
Vehicle tax	22	16
"Organic" tax	65	84
Other taxes	89	79
<b>TOTAL</b>	<b>1,441</b>	<b>1,186</b>

## Wages and payroll taxes

See the table below:

	2023	2022
Salaries and wages	19,425	19,804
Payroll taxes	8,544	28,828
<b>TOTAL</b>	<b>27,969</b>	<b>48,632</b>

The change in payroll taxes is mainly related to the cost of the 2022 employee share ownership plan amounting to €19.9 million (€1.5 million in top-up contributions and €18.4 million in losses on treasury shares sold as part of the plan).

## 5.3 Average headcount

The average headcount over the year was 178 employees.

Category	2023	2022
Managerial staff	157	135
Other employees	21	15
<b>TOTAL</b>	<b>178</b>	<b>150</b>

## 5.4 Financial income and expenses

See the table below:

	2023		2022	
	Income	Expense	Income	Expense
Financial income from equity interests	64,511		115,962	
Interest on current accounts	61,567	23,981	16,278	2,317
Interest on borrowings	0	136,481	0	77,041
Cost of financial instruments	46,132	748	13,879	5,443
Income from loans	53,211	0	27,712	0
Provisions	11,574	6,920	6,023	11,541
Miscellaneous	22,477	5,497	16,935	6,556
<b>TOTAL</b>	<b>259,474</b>	<b>173,627</b>	<b>196,790</b>	<b>102,899</b>

Miscellaneous income includes €1.9 million in investment income, €5.8 million in rebilled costs related to the financing of the care allowance, €6.8 million in rebilled guarantees and €7.9 million in foreign exchange gains.

Miscellaneous expenses include €1.9 million in foreign exchange losses, €2.8 million in disposals of marketable securities and €0.7 million in bank interest.

## 5.5 Non-recurring income and expenses

See the table below:

	2023		2022	
	Income	Expense	Income	Expense
Disposal of property, plant and equipment and intangible assets	0	0	2	2
Excess tax depreciation	0	13	0	13
Corporate actions	0	0	8	100
Miscellaneous non-recurring income and expenses	377	60	21,564	18,940
Provisions and reversals	0	0	0	320
<b>TOTAL</b>	<b>377</b>	<b>73</b>	<b>21,574</b>	<b>19,375</b>

## Note 6 Main balance sheet and income items of related companies

Main items at 31 December 2023	Related companies	Equity interests
Loans	762,773	73,774
Gross equity interests	4,305,724	31,086
Debtor current accounts	1,257,490	31,127
Creditor current accounts	900,214	
Financial expenses	23,981	
Financial income	189,780	1,949

Main items at 31 December 2022	Related companies
Loans	1,095,524
Gross equity interests	3,765,352
Debtor current accounts	1,418,512
Creditor current accounts	(709,426)
Financial expenses	2,317
Financial income	(166,351)

## Note 7 Off-balance-sheet commitments

### Commitments granted

Clariane provides an annual letter of support in order to release subsidiaries Curanum AG and Korian Management AG from their obligation to publish their corporate accounts in Germany.

### Disputes

To the best knowledge of the Company and its legal advisors, there are no legal disputes which are likely to have a material impact on its business, profits or financial position that are not covered by provision.

### Pension commitments

The present value of the Company's lump-sum retirement benefit obligations to all employees was determined on the following basis:

- the projected credit unit method;
- women's mortality table: TGF05;
- men's mortality table: TGH05;
- discount rate: 3.77%;
- collective bargaining agreement: CCU;
- retirement age: 60 to 65 years;
- retirement is at the employee's initiative.

At at 31 December 2023, total lump-sum retirement benefits amounted to €386 thousand, and were stable compared to end-2022. No provision was made for this amount in the Company accounts.

## Derivative financial instruments (fair value)

The Company uses derivative financial instruments (swaps, swaptions and caps) to hedge against the interest rate risk arising from the variable-rate component of its financing policy.

The fair value of these instruments is shown in the table below.

In millions of euros	Value at 31.12.2023	Nominal
Swap	1	52
Options	4	300

## Asset and liability guarantees received

In accordance with the Group's policy, guarantees were obtained on the liabilities of its acquisitions.

## Asset and liability guarantees given

When disposing of companies outside of the Group, Clariane has granted liability guarantees in accordance with current market practices.

## Financial covenants

On 21 July 2016, Clariane entered into a syndicated credit agreement, which was amended and extended in July 2023. The drawn portion will mature in May 2026, which corresponds to the maturity of the €500 million revolving credit facility<sup>(1)</sup> (RCF).

The documentation for this renewed syndicated facility includes the following commitments:

- the existing financial leverage covenant will be progressively lowered, from 4.5x in June 2024 to 3.75x from December 2025 onwards<sup>(2)</sup>;
- a 65% loan-to-value covenant;
- definition of a minimum liquidity condition of €300 million for RCF drawdowns and renewals;
- restrictions on the use of the Group's liquidity for as long as its operating leverage is above 3.5x (no dividends may be paid) and above 3.0x (proceeds from disposals [excluding real estate] must be for the purpose of the priority and early repayment of lenders, and repayment of GBP hybrid debt and ODIRNANE bonds is restricted).

Under the terms of this agreement, compliance with the leverage ratio (net debt – real estate debt)/(EBITDA – 5.8% of real estate debt) must be tested at Group level every six months.

The extension of the term tranche in July 2023 led to a review of the formula for calculating the leverage ratio for the syndicated loan and the the aforementioned receivable from Ages & Vie.

The leverage ratio formula is also used in the documentation for the €200 million real-estate-backed bridge loan taken out with the Crédit Agricole group in December 2023, which was subject to a similar covenant at the reporting date.

These two contracts are also subject to a loan-to-value (LTV) covenant calculated at the level of the Group and set at 65%.

The euro private placement (Euro PP), *Schuldschein* and *Namenschuldverschreibung* bonds are also subject to covenants. Investors are notified annually of any changes to covenants.

The leverage ratio formula on all bonds containing covenants issued since 2021 has been aligned with that used for the syndicated credit agreement, i.e., (net debt – real estate debt)/(EBITDA – 5.8% of real estate debt). Older bond issues use the previous formula, i.e., (net debt – real estate debt)/(EBITDA – 6.5% of real estate debt).

The leverage ratio formula has evolved over the years and differs depending on the agreement. The €40 million Euro PP issued in July 2023 is also subject to an LTV covenant.

## Guarantees given

Clariane issues warranties in the form of parent company or bank guarantees, mainly to the lessors of its subsidiaries and to banks for bank loans or leases arranged by its subsidiaries. At 31 December 2023, these guarantees amounted to €1.3 billion.

## Share-based payments

### Free share plans implemented since 2020

For all free share plans granted to certain employees who are members of General Management and corporate officers, the vesting of free shares is subject to the conditions that the beneficiary remain employed by the Group throughout the vesting period and that the following performance targets are achieved in relation to:

- for the 2020 plan: 2022 revenue, Clariane's share price compared to the SBF 120 index over two reference periods, 2022 operating cash flows and CSR criteria (percentage of women in top management and number of apprenticeship contracts leading to a qualification);
- for the 2021 plan: 2023 revenue, Clariane's share price compared to the SBF 120 index over two reference periods, 2023 earnings per share and CSR criteria (percentage of women in top management, number of apprenticeship contracts leading to a qualification and reduction in carbon emissions);
- 2022 plan: 2024 revenue, 2024 earnings per share and CSR criteria (lost-time accident frequency rate and satisfaction rate among residents/patients and their families).

(1) The revolving facility will be reduced to €492.5 million from May 2024.

(2) 4.5x in December 2023, 4.5x in June 2024, 4.25x in December 2024, 4.0x in June 2025 and 3.75x in December 2025.

In 2020, 2021 and 2022, three plans without performance conditions were granted to several employees identified as high potential and key resources for the Group, and to specific medical functions.

Lastly, a third growth-oriented free share plan was set up in 2021 for the managers of new business activities, subject to the achievement of specific revenue and EBITDA targets for these new activities. This plan vests in 2025.

Vested shares may be freely transferred, except for those of Clariane SE's corporate officers, who must retain 25% of the shares granted.

### 2023 free share plans

Two plans were implemented in 2023:

1. a free share plan with no performance requirements for members of staff identified as high potential employees and key resources for the Group, and for specific medical functions;
2. a free share plan for certain employees who are members of General Management and corporate officers, which are subject to the following discrete performance conditions:
  - 2025 revenue,
  - 2025 earnings per share (EPS) of the Clariane Group,
  - a composite indicator on the quality and safety of care, created in 2022, which will serve as a basis for measuring the Group's requirements in terms of quality

of care. The quality and safety of care indicator scores the Group according to three technical criteria defined by the Group Medical, Ethics and Health Innovation Department in connection with operating activities in 2022. These constitute, among a series of quality of care indicators, a representative sample of the quality criteria applied to all care professions in the Group's various geographies and activities: the pressure sore rate, the percentage of passive restraint measures in line with Clariane's approach to non-drug therapies and Positive Care, and the percentage of residents who have been with the Group for more than three months and have a personalised therapeutic plan,

- the rate of reduction of carbon emissions aligned with the revised SBTi (Science Based Targets initiative) objectives for Scopes 1 & 2,
- the percentage of women on the Group Management Board and on country Management Boards, with the aim to have at least 40% of women members at all times, in line with regulations in the Group's various countries, and to continue the momentum of previous long-term compensation plans, thanks to which the Group achieved gender equality in top management at the end of 2022.

Vested shares may be freely transferred, except for those of Clariane SE's corporate officers, who must retain 25% of the shares granted.

## Note 8 Other information

### Compensation paid to members of the Company's management bodies

Compensation paid in 2023 to members of the Company's management bodies breaks down as follows:

- 2023 fixed compensation: €520 thousand;
- variable compensation: €443 thousand;
- other benefits including use of a company car: €16 thousand.

### Compensation paid to Board and committee members

Board members were paid a gross amount of €447,379 in 2023.

The Directors are also entitled to reimbursement, upon presentation of receipts, of travel expenses incurred to attend the meetings of the Board of Directors and of the specialised committees, subject to compliance with the travel policy communicated to them by the Board Secretary.

The 2023 compensation policy provides for an overall budget for Directors of €500,000, which was allocated as follows:

- a maximum compensation set at €30,000 for the Independent Directors and €15,000 for the Non-Independent Directors;

- a maximum compensation set at €25,000 for committee chairs who are Independent Directors and €12,500 for committee chairs who are Non-Independent Directors;
- a maximum compensation set at €10,000 per participation in a committee for the members of the committee who are Independent Directors and €5,000 per participation in a committee for the members of the committee who are Non-Independent Directors,

it being understood that the payment of 60% of the maximum compensation to be received is subject to the member's attendance at meetings of the Board of Directors and the committees in which the member participates.

The participation of the Chairman of the Ethics, Quality and CSR Committee in the Mission Committee is considered as participation in a committee as a member and remunerated according to the same rules.

At its meeting on 21 February 2023, the Board of Directors decided, acting on the recommendation of the Compensation and Appointments Committee, to award Jean Pierre Duprieu annual gross fixed compensation of €345,000. In accordance with the Chairman of the Board of Directors, the Board of Directors decided at its meeting on 21 February 2023 not to pay the Chairman compensation for his duties as a Director.

## Note 9 Tax consolidation

In the absence of a written tax consolidation agreement, the principle of neutrality governs the relationships between the tax-consolidated companies. This means that these companies bear their tax expense as if they were taxed separately. Any tax savings realised by the tax consolidation group from tax deficits, tax adjustments and tax credits are retained by the Clariane as head of the tax group, and are recognised as a tax benefit for the year. The parent company, Clariane, bears any tax expense resulting from the Group's taxable profit.

The tax consolidation group headed by Clariane comprised a total of 238 companies in 2023. If no tax consolidation agreement had applied, the Group's net income tax

expense for 2023 would have been €28,812 thousand. Tax consolidation resulted in tax savings of €21,913 thousand, which was recognised by the parent company. The consolidated tax group's ordinary taxable income for 2023 is €28,363 thousand.

Clariane also received €536 thousand in tax credits in respect of its corporate philanthropy initiatives. Clariane SE alone generated tax income of €19,268 thousand, the main components of which were the tax consolidation gain of €21,913 thousand, its individual income tax of €3,235 and philanthropy tax credits of €536 thousand.

### Breakdown of tax – 2023

	Before tax	Tax	After tax
Net recurring income	19,500	-	19,500
Net non-recurring income	304	-	304
Impact of tax consolidation and tax credits	-	(19,268)	(19,268)
Accounting profit/(loss)	19,804	(19,268)	39,072

### Increases and reductions in future tax liabilities in 2023

#### Increases

• Reallocation of subsidiary tax deficits to subsidiaries	106,622
• Future tax expense of	27,535

#### Reductions

• "Organic" tax	65
• Future tax reduction of	18

### Breakdown of tax – 2022

	Before tax	Taxes	After tax
Net recurring income	18,950	-	18,950
Net non-recurring income	2,199	-	2,199
Impact of tax consolidation and tax credits	-	(33,856)	(33,856)
Accounting profit/(loss)	21,149	(33,856)	55,005

### Increases and reductions in future tax liabilities in 2022

#### Increases

• Reallocation of subsidiary tax deficits to subsidiaries	75,283
• Future tax expense of	19,445

#### Reductions

• "Organic" tax	84
• Future tax reduction of	22

## 6.4 Statutory Auditors' report on the financial statements

### For the financial year ended 31 December 2023

*This is a free translation into English of the Statutory Auditors' report on the annual financial statements issued in French and is provided solely for the convenience of English speaking readers. This statement should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

To the Shareholders,

### Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying financial statements of Clariane for the year ended 31 December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at 31 December 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The opinion expressed above is consistent with our report to the Audit Committee.

### Basis for opinion

#### Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

#### Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2023 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

### Justification of assessments – Key audit matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

### Measurement of equity interests and related receivables

#### Description of risk

At 31 December 2023, the carrying amount of equity interests and related receivables recognised as assets was €4,332 million. They are recognised at their acquisition cost plus any incidental expenses. If this value exceeds their value in use and their fair value, an impairment loss is recognised for the difference.

As stated in note 2.4 "Equity interests and other long-term investments" to the financial statements, the value in use of each subsidiary is the difference between its enterprise value and net debt. Enterprise value is calculated using discounted future cash flows, which are based on management's economic assumptions and business forecasts. The discounted future cash flows are derived from the Group's 2024 budget as approved by the Board of Directors, and from the five-year business plan, as reviewed by the Board of Directors.

Fair value is based on recent observed market prices.

Due to the weight of equity interests and related receivables on the balance sheet and the importance of management's judgement in determining the assumptions on which the value in use estimates are based, we deemed the measurement of equity interests and related receivables to be a key audit matter.



### How our audit addressed this risk

To assess the reasonableness of the estimated value in use of equity interests and related receivables, based on the information provided to us, our work consisted primarily of:

- reviewing the budget process and the key controls associated with this process;
- assessing the assumptions used to calculate value in use, in particular cash flow and operating forecasts for the facilities operated by the entities representative of these equity interests and related receivables, in order to:
  - assess their consistency with the 2024 budgets prepared by management and approved by the Board of Directors,
  - assess the assumptions used to forecast cash flows over the period from 2025 to 2028 inclusive,
  - examine the perpetual growth rates and discount rates used by management to calculate value in use and compare these rates to the estimates of our own financial valuation experts;
- comparing the cash flow forecasts used for previous impairment tests with actual cash flows to assess the extent to which previous targets had been achieved;
- verifying, using sampling techniques, the arithmetical accuracy of the calculations of value in use applied by the Company;
- assessing the recoverability of the related receivables in light of the analyses of the equity investments.

Finally, we examined the appropriateness of the market data used by management to determine fair value.

## The Company's liquidity

### Description of risk

As described in note 2.1 "Going concern" to the financial statements, discussions with the Group's various financial partners led to the announcement on 14 November 2023 of a plan to strengthen Clariane's financial structure. The plan consists of the following steps:

- the signing of two real estate partnerships totalling €230 million in December 2023;
- the arrangement of a €200 million real-estate-backed bridge term loan;
- implementation from 2024 of a disposal programme for operating and real estate assets for a total estimated gross amount of around €1 billion;
- the approval by the Board of Directors of a proposed capital increase with preferential subscription rights for a gross cash amount of approximately €300 million.

Management has indicated that the successive implementation of the various measures in this plan will determine the Group's ability to meet its financing deadlines in 2024 and beyond.

We therefore considered the Group's liquidity to be a key audit matter, given that the 2023 financial statements were prepared on a going concern basis and based on cash flow forecasts for the next 12 months.

### How our audit addressed this risk

Our work consisted of:

- obtaining and analysing the documentation relating to the agreements signed on 14 November 2023 and assessing the impact of these agreements on the Group's liquidity;
- monitoring the implementation of the refinancing plan announced on 14 November 2023 up to the date of our report and analysing, where appropriate, the accounting treatment:
  - finalisation of the partnerships for a total of €230 million,
  - arrangement and drawdown of the €200 million real-estate-backed bridge term loan with Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Île de France (CADIF), Crédit Lyonnais and Crédit Agricole Corporate and Investment Bank (CACIB),
  - exemption granted by the French securities regulator (*Autorité des marchés financiers* – AMF) to Predica from the requirement to file a draft tender offer in the event that Predica crosses the trigger threshold for filing a mandatory tender offer as a result of subscribing to the capital increase,
  - disposal of the Group's UK operations;
- comparing the covenants at 31 December 2023 with the thresholds set out in the documentation for bonds and borrowings from credit institutions;
- obtaining the 2024-2025 cash flow plan presented to the Board of Directors on 28 February 2024 and reconciling it with the cash flow plan prepared when the refinancing plan and the 2024 budget approved by the Board of Directors were announced;
- verifying that the cash flow plan includes the figures for the actions described above;
- questioning management on the main assumptions impacting the cash flow plan;

- carrying out a sensitivity analysis on the 2024-2025 cash flow plan;
- obtaining confirmation of the provisional timetable for the capital increase (before the end of the third quarter of 2024);
- verifying the arithmetical accuracy of the cash flow forecasts;
- examining the maturities of bonds and borrowings and debt with credit institutions, on the basis of signed agreements, and reconciling these maturities with those indicated in the 2024-2025 cash flow plan presented to the Board of Directors;
- obtaining a legal analysis of Clariane's commitments included in its documentation on bonds and borrowings and debt with credit institutions (safeguard clauses, cross-default clauses, minimum required cash position, etc.) and assessing their implications, if any, on cash flow forecasts;
- assessing the appropriateness of the disclosures provided in the notes to the financial statements, in particular those relating to the going concern assumption used to prepare the financial statements for the financial year ended 31 December 2023.

## Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

### Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' Management Report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about payment terms referred to in Article D. 441-6 of the French Commercial Code.

### Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code relating to remuneration and benefits paid or awarded to corporate officers and any other commitments made in their favour, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements, and, where applicable, with the information obtained by the Company from controlled companies within its scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Concerning the information given in accordance with the requirements of Article L. 22-10-11 of the French Commercial Code relating to those items the Company has deemed liable to have an impact in the event of a takeover bid or exchange offer, we have verified its consistency with the underlying documents that were disclosed to us. Based on this work, we have no matters to report with regard to this information.

### Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

## Other verifications or information pursuant to legal and regulatory requirements

### Presentation of the financial statements to be included in the Annual Financial Report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the financial statements to be included in the Annual Financial Report referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the presentation of the financial statements to be included in the Annual Financial Report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to ensure that the financial statements to be included by the 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

Mazars was appointed as Clariane's (formerly Korian's) Statutory Auditor in its Articles of Association of 1 January 2003, while Ernst & Young et Autres was appointed at the General Meeting of 23 June 2011.

At 31 December 2023, Mazars was in the twenty-first consecutive year of its engagement (including eighteen years since the Company's shares were admitted for trading on a regulated market) and Ernst & Young et Autres was in its thirteenth consecutive year.

Prior to this, Ernst & Young Audit had been a Statutory Auditor of the Company since 2006.

## Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

## Responsibilities of the Statutory Auditors relating to the audit of the financial statements

### Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with the professional standards relative to Statutory Auditors appointed for six financial years in small companies, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

**Report to the Audit Committee**

We submit a report to the Audit Committee which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required 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, as defined in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

The Statutory Auditors

Ernst & Young et Autres  
Paris-La Défense, 11 March 2024  
Anne Herbein

Mazars  
Courbevoie, 11 March 2024  
Stéphane Marfisi









# 7

## Information on the Company, share capital and shareholding structure

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**Clariane is a European company (*societas europaea*) subject to French law and listed on the Paris stock market. This chapter presents key information concerning its legal form and Articles of Association, as well as the share capital. Information on the Clariane share and its market is also provided in this chapter.**

## 7.1 Information on the Company

### 7.1.1 Legal information

#### Registered office, legal form and applicable legislation

Company name	Clariane
Registered office	21-25, rue Balzac – 75008 Paris
Telephone number and website	+33 1 55 37 52 00 <a href="http://www.clariane.com">www.clariane.com</a>
Legal form	European company ( <i>societas europaea</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
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.clariane.com/en](http://www.clariane.com/en).

#### 7.1.2.1 Changes to the Company's Articles of Association

The Company's Articles of Association are up to date with the 17<sup>th</sup> resolution approved by the shareholders at the 2023 General Meeting, relating to the Company's adoption of purpose driven company status and the change in the Company's name.

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 payment of the dividend in newly issued shares. It also includes the Board of Directors' decision to carry out a capital reduction not motivated by losses by decreasing the par value of existing shares in accordance with the 1<sup>st</sup> resolution approved by the shareholders at the General Meeting of 26 March 2024.

#### 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 attached 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."*

### 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*

#### 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 Meeting.*

*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."*

*French Commercial Code. Investment fund management companies are required to provide this information for all shares in the Company held by the funds they manage.*

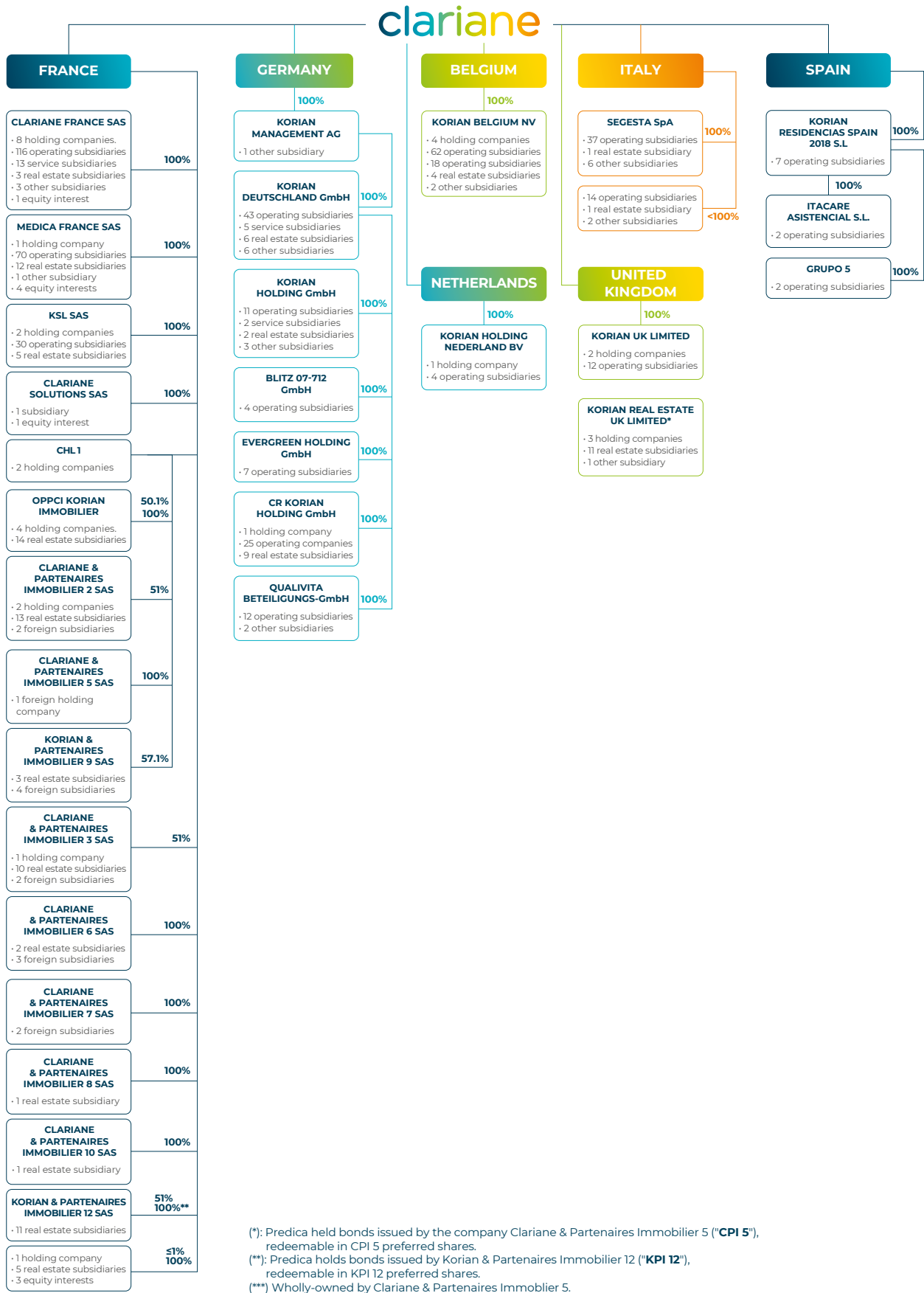
*In determining the thresholds set in the previous paragraph, shares that are fungible with shares held and attached voting rights are taken into account in accordance with Articles L. 233-7 and L. 233-9 of the French Commercial Code.*

*If they are not regularly disclosed in accordance with the conditions set forth above, any shares in excess of the fraction that should have been disclosed are, within the conditions and limits laid down by law, deprived of voting rights in all shareholders' meetings for a period of two (2) years following the date on which proper disclosure is made.*

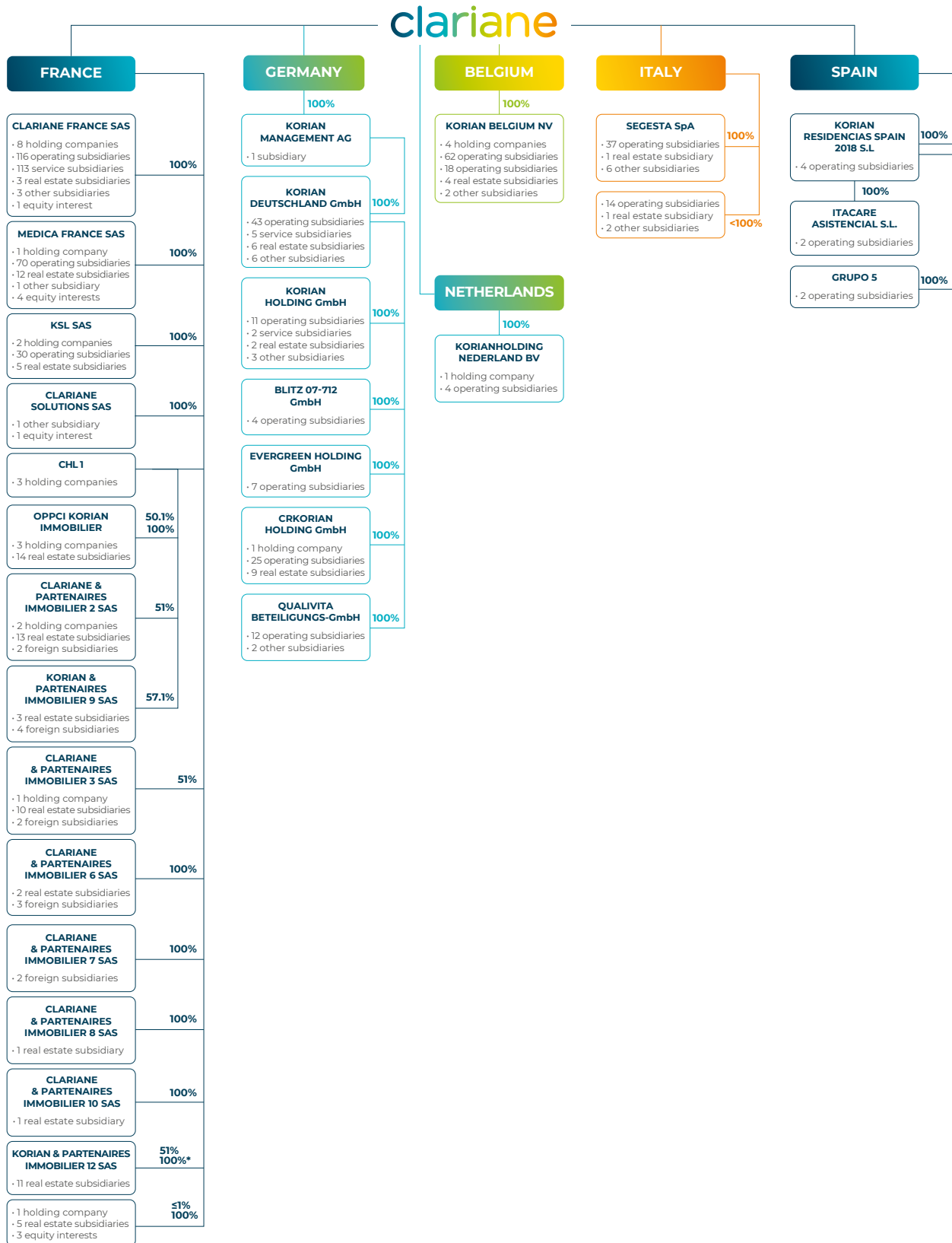
*This penalty will only be applied at the request of one or more shareholders holding at least two-hundredths (0.5%) of the Company's share capital or voting rights, such request being included in the minutes of the Ordinary General Meeting."*

7.1.3 Legal organisation charts

7.1.3.1 Simplified legal organisation chart of the Group at 31 December 2023

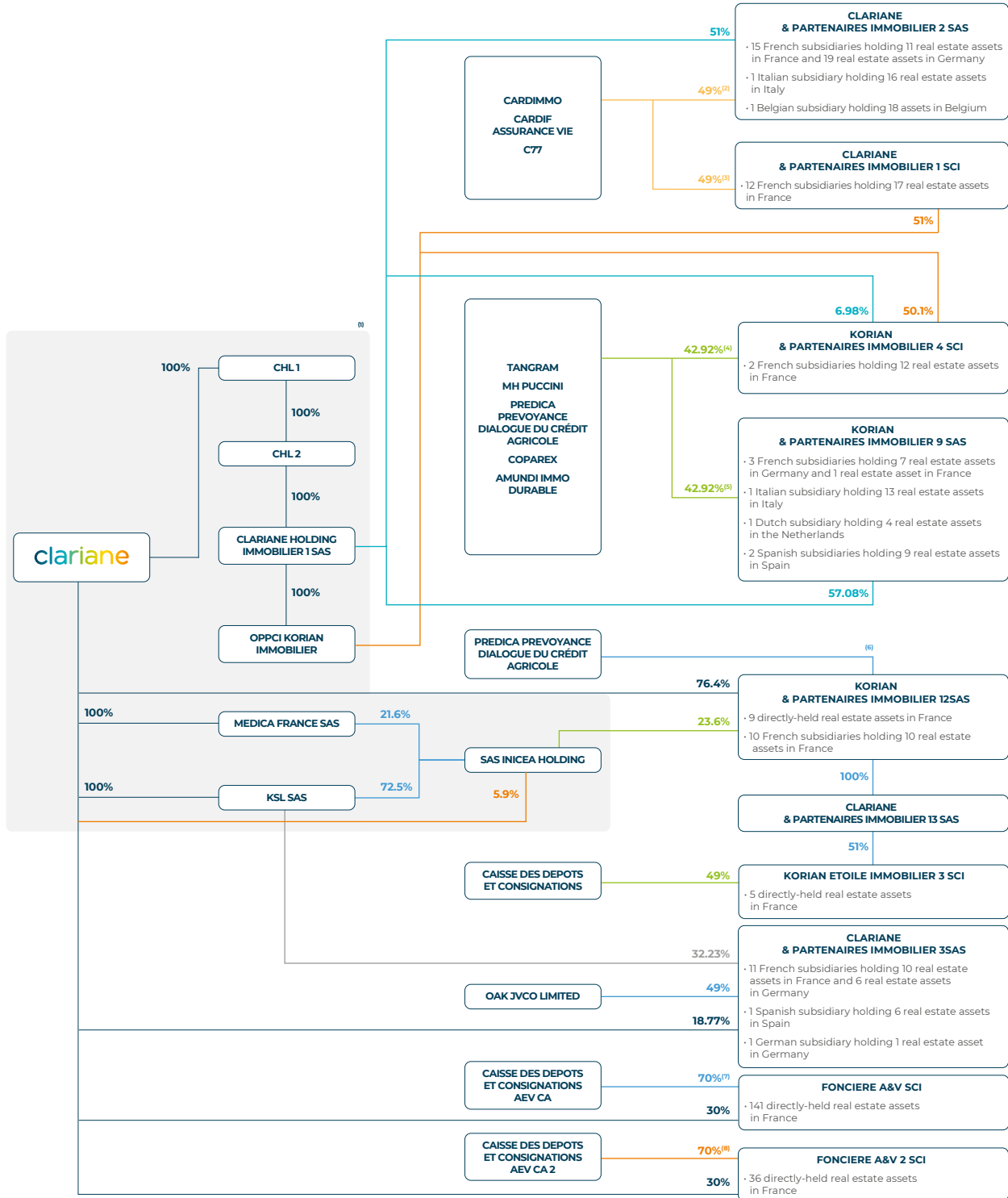


7.1.3.2 Simplified legal organisation chart of the Group at 25 April 2024



(\*): Predica holds bonds issued by Korian & Partenaires Immobilier 12 ("KPI 12"), redeemable in KPI 12 preferred shares.

7.1.3.3 Simplified legal organisation chart of Clariane SE's real estate vehicles at 25 April 2024



(1) Clariane Group companies. Predica holds bonds issued by Korian & Partenaires Immobilier 12 ("KPI 12"), redeemable in KPI 12 preferred shares.

(2) 49% of the share capital of Clariane & Partenaires Immobilier 2 is held by investors from outside the Clariane Group, i.e., 12.25% by Cardimmo, 12.25% by Cardif Assurance Vie and 24.50% by C77.

(3) 49% of the share capital of Clariane & Partenaires Immobilier 1 is held by investors from outside the Clariane Group, i.e., 12.25% by Cardimmo, 12.25% by Cardif Assurance Vie and 24.50% by C77.

(4) 42.92% of the share capital of Korian & Partenaires Immobilier 4 is held by investors outside the Clariane Group, i.e., 24.48% by Coparex, 7.68% by Predica Prévoyance Dialogue Du Crédit, 3.84% by Tangram, 3.84% by Amundi Immo Durable and 3.07% by MH Pucini.

(5) 42.92% of the share capital of Korian & Partenaires Immobilier 9 is held by investors outside the Clariane Group, i.e., 24.48% by Coparex, 7.68% by Predica Prévoyance Dialogue Du Crédit, 3.84% by Tangram, 3.84% by Amundi Immo Durable and 3.07% by MH Pucini.

(6) Predica holds bonds issued by Korian & Partenaires Immobilier 12 ("KPI 12"), redeemable in KPI 12 preferred shares.

(7) 70% of the share capital of Foncière A&V is held by investors outside the Clariane Group, i.e., 35% by Caisse des Dépôts et Consignations and 35% by AEV CA.

(8) 70% of the share capital of Foncière A&V 2 is held by investors outside the Clariane Group, i.e., 35% by Caisse des Dépôts et Consignations and 35% by AEV CA 2.



## 7.2 Information on the share capital

### 7.2.1 Share capital of the Company

At 31 December 2023, Clariane's share capital was divided into 106,828,536 shares with a par value of €5 each, for a total of €534,142,680. 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.

On 13 July 2023, the Company's share capital was increased by €1,616,650 through the issue of 323,330 new shares with a par value of €5 each, following the payment of the dividend in new shares.

As of the date of this Universal Registration Document, Clariane's share capital was divided into 106,969,229 shares with a par value of €0.01 each, for a total of €1,069,692.29, after the following corporate actions:

- on 15 March 2024, the Company's share capital was increased by €703,465, through the issue of 140,693 new shares with a par value of €5 each, following the issuance of fully vested shares to certain employees and corporate officers (see section 7.2.4.3 of this Universal Registration Document);
- on 25 April 2024, the Company's share capital was reduced by an amount of €533,776,452.71 by reducing the nominal value of the shares from €5 to €0.01.

### 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/decrease	Issue premium	Nominal value	Number of shares	Amount of share capital
29 June 2021	Confirmation by the Chief Executive Officer of the creation of shares in respect of dividend payments in newly issued 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 granted to certain employees and corporate officers in respect of the 2018 free performance share 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 granted to certain employees and corporate officers in respect of the 2018 free performance share 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 granted to certain employees and corporate officers in respect of the 2018 free performance share plan	359	€1,795		€5	105,593,658	€527,968,290
6 June 2022	Confirmation by the Chief Executive Officer of the creation of new shares granted to certain employees and corporate officers in respect of the 2019 free performance share plan	24,892	€124,460		€5	105,618,550	€528,092,750

# 7 Information on the Company, share capital and shareholding structure

## Information on the share capital

Date	Type of transaction	Number of shares issued	Capital increase/decrease	Issue premium	Nominal value	Number of shares	Amount of share capital
21 July 2022	Confirmation by the Chief Executive Officer of the completion of the capital increase pursuant to the 19 <sup>th</sup> resolution of the General Meeting of 27 May 2021 in respect of the employee shareholding plan	108,813	€544,065		€5	105,727,363	€528,636,815
21 July 2022	Confirmation by the Chief Executive Officer of the completion of the capital increase pursuant to the 20 <sup>th</sup> resolution of the General Meeting of 27 May 2021 in respect of the employee shareholding plan	152,235	€761,175		€5	105,879,598	€529,397,990
21 July 2022	Confirmation by the Chief Executive Officer of the creation of shares in respect of dividend payments in newly issued shares	625,608	€3,128,040		€5	106,505,206	€532,526,030
13 July 2023	Confirmation by the Chief Executive Officer of the creation of shares in respect of dividend payments in newly issued shares	323,300	€1,616,650		€5	106,828,536	€534,142,680
15 March 2024	Confirmation by the Chief Executive Officer of the creation of new shares granted to certain employees and corporate officers in respect of the 2021 free performance share plan	140,693	€703,465		€5	106,969,229	€534,846,145
25 April 2024	Decision by the Board of Directors to reduce the share capital pursuant to the 1 <sup>st</sup> resolution of the General Meeting of 26 March 2024	N/A	€(533,776,452.71)		€0.01	106,969,229	€1,069,692.29

## 7.2.3 Authorised capital (issued and unissued)

### 7.2.3.1 Financial delegations and authorisations valid and used during 2023 and until 25 April 2024

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 reductions and the extent to which these were used during 2023 and until 25 April 2024.

Nature of authorisation/ delegation	Date of the General Meeting (resolution number)	Maximum authorisation granted	Duration (Expiry date)	Use in 2023 or at the beginning of 2024	Residual authorised capital increase amount as at 25 April 2024
Authorisation to trade in the Company's shares	22 June 2022 (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>	15 June 2023 (the 16 <sup>th</sup> resolution of the 2023 General Meeting having cancelled this delegation)	310,814 treasury shares held under the liquidity agreement (191,150 shares) and share buybacks (119,664 shares), representing 0.29% of the share capital as at 15 June 2023	N/A
Authorisation to trade in the Company's shares	15 June 2023 (16 <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>€479,273,400</b>	18 months (15 Dec. 2024)	301,049 treasury shares held under the liquidity agreement (280,499 shares) and share buybacks (20,550 shares), representing 0.28% of the share capital as at 31 December 2023	-
Authorisation to reduce the share capital by cancelling treasury shares (currently held by the Company or as part of the share buyback programme)	15 June 2023 (18 <sup>th</sup> )	<b>10% of the share capital</b> per 24-month period	26 months (15 August 2025)	None	-
Authorisation to carry out a reduction in the share capital not for the purpose of absorbing losses by reducing the par value of shares, and allocation of the amount of the reduction to an issue premium account not available for distribution	26 March 2024 (1 <sup>st</sup> )	<b>€534,646,329.47</b>	12 months (26 March 2025)	Capital reduction on 25 April 2024 in the amount of €533,776,452.71	N/A
Delegation of authority to issue, outside takeover bid periods, ordinary shares in the Company with preferential subscription rights	26 March 2024 (2 <sup>nd</sup> )	<b>€300,000,000<sup>(1)</sup></b>	Latest of (i) 12 months (26 March 2025) and (ii) the date of the General Meeting called to approve the financial statements for the year ending 31 December 2024	None	-
Delegation of authority to issue, outside takeover bid periods, by way of a public offering, excluding the offers referred to in Article L. 411-2 of the French Monetary and Financial Code, ordinary shares of the Company and/or transferable securities giving access to the Company's share capital and/or debt securities, without preferential subscription rights	15 June 2023 (20 <sup>th</sup> )	<b>€53,252,600</b> for equity securities <sup>(1)(2)</sup> <b>€1,000,000,000</b> for the transferable securities representing debt securities conferring access to the share capital <sup>(2)</sup>	26 months (15 August 2025)	None	-

# 7 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 in 2023 or at the beginning of 2024	Residual authorised capital increase amount as at 25 April 2024
Delegation of authority to issue, outside takeover bid periods, by way of a public offering pursuant to Article L. 411-21° 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	15 June 2023 (21 <sup>st</sup> )	<b>10% of the share capital<sup>(1)(2)</sup></b> <b>€1,000,000,000</b> for the transferable securities representing debt securities conferring access to the share capital <sup>(2)</sup>	26 months (15 August 2025)	None	-
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	15 June 2023 (22 <sup>nd</sup> )	<b>15% of the initial issue<sup>(1)(2)</sup></b>	26 months (15 August 2025)	None	-
Authorisation in the event of an issuance, outside takeover bid periods, of ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital and/or the right to receive debt securities, without preferential subscription rights, in order to set the issue price in accordance with the terms and conditions decided by the General Meeting	15 June 2023 (23 <sup>rd</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 20 <sup>th</sup> or 21 <sup>st</sup> resolution proposed to the 2023 General Meeting), and deducted from said ceiling <sup>(1)(2)</sup>	26 months (15 August 2025)	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, 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	15 June 2023 (24 <sup>th</sup> )	<b>€53,252,600</b> for equity securities <sup>(1)(2)</sup> <b>€1,000,000,000</b> for the transferable securities representing debt securities conferring access to the share capital <sup>(2)</sup>	26 months (15 August 2025)	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	15 June 2023 (25 <sup>th</sup> )	<b>€53,252,600</b> for equity securities <sup>(1)(2)</sup> <b>€1,000,000,000</b> for the transferable securities representing debt securities conferring access to the share capital <sup>(2)</sup>	26 months (15 August 2025)	None	-
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	15 June 2023 (26 <sup>th</sup> )	<b>€53,252,600</b> for equity securities <sup>(1)(2)</sup> <b>€1,000,000,000</b> for the transferable securities representing debt securities conferring access to the share capital <sup>(2)</sup>	18 months (15 Dec. 2024)	None	-
Delegation of authority to decide, outside takeover bid periods, on the capital increase by incorporation of reserves, profits, premiums or other funds	26 March 2024 (5 <sup>th</sup> )	<b>€534,646,329.47</b>	26 months (26 May 2026)	None	-

Nature of authorisation/ delegation	Date of the General Meeting (resolution number)	Maximum authorisation granted	Duration (Expiry date)	Use in 2023 or at the beginning of 2024	Residual authorised capital increase amount as at 25 April 2024
Authorisation to grant free shares in the Company, either existing and/or to be issued, to employees and/or corporate officers of Clariane and its subsidiaries	15 June 2023 (28 <sup>th</sup> )	<b>1% of the share capital (and 0.1% of the share capital for the executive corporate officers of the Company)</b>	38 months (15 August 2026)	Grant of 1,058,400 shares on 15 June 2023 (including 52,700 shares to the Chief Executive Officer)	0.99% of the share capital (and 0.05% of the share capital for the Company's executive corporate officers)
Delegation of authority to issue ordinary shares in the Company and/or transferable securities conferring access to the Company's share capital, immediately or at some future time, for members of a company or group savings plan, without preferential subscription rights	26 March 2024 (3 <sup>rd</sup> )	<b>10% of the share capital</b>	26 months (26 May 2026)	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, to certain categories of beneficiary for the purpose of an employee shareholding scheme	26 March 2024 (4 <sup>th</sup> )	<b>5% of the share capital</b> , this ceiling being subtracted from the overall ceiling of 10% of the share capital as provided for in the 3 <sup>rd</sup> resolution of the 26 March 2024 General Meeting	18 months (26 September 2025)	None	-
Delegation of authority to decide on any merger, spin-off or contribution of assets	15 June 2023 (31 <sup>st</sup> )	<b>10% of the share capital</b>	26 months (15 August 2025)	None	-

(1) Ceiling common to resolution 2 of the 26 March 2024 General Meeting and resolutions 20, 21, 22, 24, 25 and 26 of the 2023 General Meeting as described in this table.

(2) Ceiling common to resolutions 20, 21, 22, 24, 25 and 26 of the 2023 General Meeting as described in this table.

### 7.2.3.2 Financial delegations and authorisations proposed to the 2024 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 financial delegations that will be proposed to the 2024 General Meeting will be described in the convening notice for the 2024 General Meeting.

### 7.2.3.3 Securities not representing share capital

There are no securities not representing capital.

### 7.2.4 Potential share capital

#### 7.2.4.1 Purchase and new issuance of ODIRNANE

On 1 September 2021, Clariane announced that it had successfully placed a new issuance of 7,508,009 undated, unsubordinated and unsecured bonds with an option for redemption in cash and/or new and/or existing shares (the "ODIRNANE"), without preferential subscription rights, for a nominal amount of approximately €332.5 million.

The purpose of the ODIRNANE issuance was to finance the buyback of 100% of the pre-existing ODIRNANE bonds issued in June 2017 and September 2018 as well as to fund the Company's general requirements.

The ODIRNANE were issued at a nominal value of €44.28 each and an issue price of 100% of the nominal unitary value of the ODIRNANE. The ODIRNANE will bear interest at a fixed rate of 1.875% until the first optional redemption date scheduled at the end of a period of approximately five years, then from this first optional redemption date at

an annual rate equal to the six-month EURIBOR rate plus 900 basis points. The ODIRNANE were settled and delivered on 8 September 2021.

The ODIRNANE were proposed via an accelerated book-building process through a private placement arranged exclusively with investors in France and/or outside France (excluding the United States of America, Canada, Australia and Japan). This placement was conducted in accordance with Article L. 411-2 1° of the French Monetary and Financial Code, as per the 20<sup>th</sup> resolution approved by the General Meeting of 22 June 2020. An application was made for admission of the ODIRNANE to trading on Euronext in Paris with effect one month after the issue date. The maximum potential dilution of all the ODIRNANE represents 7.4% of the share capital as at 31 December 2023, corresponding to a parity of 1.059 Clariane shares for 1 ODIRNANE.

#### 7.2.4.2 OCEANE bonds issued in 2020

On 3 March 2020, Clariane announced that it had successfully completed the placement of bonds convertible into and/or exchangeable for new and/or existing shares ("OCEANE bonds") for a nominal amount of approximately €400 million.

The net proceeds from this issuance are to be used to fund the Company's general requirements and growth, including investments in real estate and acquisitions and the refinancing of acquisitions in the first quarter of 2020. The OCEANE 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 OCEANE bonds will bear a nominal annual coupon of 0.875%, to be paid annually in arrears on 6 March of each year.

The holders of OCEANE bonds will have the right to grant/exchange new and/or existing Company shares at an initial conversion/exchange ratio of one share per OCEANE bond, subject to any subsequent adjustments. The OCEANE 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 OCEANE bond to trading on Euronext in Paris with effect as from the issuance date.

As a result of the capital increase on 2 November 2020, the conversion/exchange ratio increased from 1 Clariane share per OCEANE bond to 1.091 Clariane shares per OCEANE bond (calculated to three decimal places by rounding up to the nearest thousandth).

In addition, with respect to this capital increase, the ability to exercise OCEANE conversion rights was suspended from 12 October 2020 to 12 January 2021, as per the Chief Executive Officer's decisions of 2 October 2020.

During 2022, a nominal amount of approximately €39.4 million, corresponding to 640,000 OCEANE bonds, was repurchased by Clariane. The shares purchased were cancelled on Euronext on 20 June 2022.

After adjustments to the conversion ratio, the maximum potential dilution of all outstanding OCEANE bonds represented 6.4% of the share capital as at 31 December 2023, corresponding to a parity of 1.168 Clariane shares for 1 OCEANE bond.



### 7.2.4.3 Long-term compensation plans

#### Share subscription or stock option plans

At 31 December 2023, there were no Company share subscription or share purchase plans underway.

**TABLE 8 – HISTORY OF SHARE SUBSCRIPTION OR SHARE PURCHASES GRANTED (AMF NOMENCLATURE)**

Information on subscription or purchase options	Plan
Date of General Meeting	-
Date of Board of Directors meeting	-
Total number of shares that may be subscribed or purchased	-
Corporate officers	-
Starting point for exercising options	-
Expiration date	-
Subscription or purchase price	-
Exercise procedures	-
Number of shares subscribed	-
Cumulative number of cancelled or lapsed share subscription or stock options	-
Share subscription or stock options remaining at year-end	-

In accordance with Article L. 225-184 of the French Commercial Code, the Company confirms that it has not granted any stock option and/or share buyback plans in respect of the ten main non-corporate officer employees who were allocated the highest number of shares, nor are any such plans currently being exercised by them.

**TABLE 9 – STOCK OPTIONS GRANTED TO THE TEN MAIN NON-CORPORATE OFFICER EMPLOYEES AND OPTIONS EXERCISED BY THEM (AMF NOMENCLATURE)**

Share subscription or stock options granted to the ten main non-corporate officer employees and options exercised by them	Total number of options granted/ shares subscribed or purchased	Weighted average price	Plan
Options granted, during the financial year, by the Company and any company included in the scope of stock option grants, to the ten main employees of the Company and of any company included in this scope, for which the number of options thus granted is highest (aggregate information)	-	-	-
Options held on the Company and the aforementioned companies, exercised during the financial year by the ten main employees of the Company and of these companies, for which the number of options thus purchased or subscribed is the highest (aggregate information)	-	-	-

#### Free shares and performance shares plans

The 2023 General Meeting authorised the Board of Directors, for a period of 38 months, to grant free existing and/or new shares to employees, or certain categories thereof of the Company and/or companies or groups directly or indirectly related to it under the conditions provided for by Article L. 225-197-2 of the French Commercial Code, on the one hand, and to corporate officers, or some of them, of Clariane 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 share plans and the outstanding shares are provided in the following table.

**TABLE 10 – HISTORY OF FREE SHARE GRANTS AS AT 31 DECEMBER 2023 (AMF NOMENCLATURE)**

Information on grants of performance shares	2020 plan <sup>(a)</sup>	2020 plan <sup>(a)</sup>	2021 plan	2021 plan	2021 plan	2022 plan	2022 plan	2023 plan	2023 plan
Date of General Meeting	22 June 2020	22 June 2020	22 June 2020	22 June 2020	22 June 2020	22 June 2022	22 June 2022	15 June 2023	15 June 2023
Date of Board of Directors meeting	30 July 2020	30 July 2020	24 February 2021 29 July 2021	24 February 2021	24 February 2021	22 June 2022	22 June 2022	15 June 2023	15 June 2023
Total number of performance shares and free shares granted	320,025	13,150	348,247	132,000	61,478	639,438	114,972	897,400	161,000
of which the number granted to Sophie Boissard, Chief Executive Officer	21,384	0	21,175	N/A	N/A	37,750	N/A	52,700	N/A
Vesting date of shares and performance shares <sup>(b)</sup>	31 July 2023	31 July 2023	15 March 2024 1 Sept. 2024	14 March 2025	15 March 2024	22 June 2025	22 June 2025	15 June 2026	15 June 2026
Performance conditions	Revenue, operating free cash flow, performance of the Clariane share price relative to the SBF 120 performance and CSR criteria	N/A	Revenue, earnings per share, performance of the Clariane share price relative to the SBF 120 performance and CSR criteria	Revenue and EBITDA	N/A	Revenue, earnings per share and CSR criteria	N/A	Revenue, earnings per share and CSR criteria	N/A
Number of shares and performance shares vested as at 26 March 2024	90,172	8,942	102,139	N/A	38,554	N/A	N/A	N/A	N/A
Total number of shares and performance shares cancelled or lapsed as at 26 March 2024 <sup>(c)</sup>	68,870	4,208	98,270	5,000	21,882	99,024	12,194	82,800	8,750
Total number of shares and performance shares outstanding as at 26 March 2024	N/A	N/A	N/A	127,000	1,042	540,414	102,778	814,600	152,250

(a) 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.

(b) 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.

(c) Due to the departure of the beneficiary.

In accordance with the provisions of Article L. 225-197-1 of the French Commercial Code, following the definitive grant of 99,114 shares to certain employees and corporate officers on 31 July 2023 (free share allocation plan approved by the Board of Directors on 30 July 2020), the Chief Executive Officer, acting in accordance with the sub-delegation of powers granted by the Board of Directors on 15 June 2023, decided, pursuant to the 16<sup>th</sup> resolution of the 15 June 2023 General Meeting, to deduct the 99,114 vested shares from the Company's treasury shares and allocate them to the plan beneficiaries.

The ten Group executive and non-executive corporate officer beneficiaries to whom the highest number of shares were allocated in 2023 were granted 220,000 performance shares, valued at €7.4665 per share, based on the average of the closing price of the Clariane share on the Euronext Paris regulated market for the 20 trading sessions preceding the meeting of the Board of Directors of 15 June 2023 that decided the allocations. In 2023, these 220,000 performance shares represented a total value (according to IFRS standards) at the time of their allocation, of approximately €1,488,500.

## 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 liquidity agreement;
- the agreements providing for benefits for executive corporate officers in the event their positions are terminated, notably due to a takeover bid, are discussed in section 4.2.1.1 "Severance payment" of this Universal Registration Document;
- the financing contracts entitling the Company's creditors to accelerate the repayment of loans made to the Company in the event of a change of control of the Company are described in section 5.3.2.2 and note 8 of section 6.1 of this Universal Registration Document;
- in accordance with Article L. 214-165 of the French Monetary and Financial Code, the Supervisory Boards of the mutual funds managing the Company's employee shareholding plans ("Korian Actionnariat" et "Korus") decide on the contribution of shares to be made to tender or exchange offers.

## 7.2.6 Significant acquisitions of equity interests or controlling interests

In accordance with Article L. 233-6 of the French Commercial Code, all acquisitions completed during the financial year ended on 31 December 2023 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 Ownership structure

### 7.3.1 Changes in the share capital over the last three years

The changes in the allocation of the Company's share capital between 31 December 2021 and 31 December 2023 are shown in the table below.

Shareholder	31.12.2023			31.12.2022			31.12.2021		
	Number of shares	% of share capital	% of voting rights <sup>(a)</sup>	Number of shares	% of share capital	% of voting rights <sup>(a)</sup>	Number of shares	% of share capital	% of voting rights <sup>(a)</sup>
Predica	26,358,073	24.67%	24.67%	26,358,073	24.75%	24.75%	25,799,978	24.43%	24.43%
Holding Malakoff Humanis	8,048,260	7.53%	7.53%	8,048,260	7.56%	7.56%	8,048,260	7.62%	7.62%
Investissements PSP <sup>(b)</sup>	6,839,996	6.40%	6.40%	6,839,996	6.42%	6.42%	6,839,996	6.48%	6.48%
Clariane <sup>(c)</sup>	301,049	0.28%	0.28%	301,469	0.28%	0.28%	562,217	0.53%	0.53%
Free float	65,281,158	61.11%	61.10%	64,957,408	60.99%	60.99%	64,343,207	60.94%	60.94%
<b>TOTAL</b>	<b>106,828,536</b>	<b>100%</b>	<b>100%</b>	<b>106,505,206</b>	<b>100%</b>	<b>100%</b>	<b>105,593,658</b>	<b>100%</b>	<b>100%</b>

(a) Percentage of the voting rights = gross voting rights, including rights attaching to treasury shares. Treasury shares do not carry rights to vote at General Meetings. Number of exercisable voting rights as at 31 December 2023: 106,527,487.

(b) The term of office of Investissements PSP as a Director ended at the close of the General Meeting of 22 June 2020.

(c) Treasury shares held under the liquidity agreement (280,499 shares as at 31 December 2023) and the share buyback programme (20,550 shares as at 31 December 2023).

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 2022 to 31 December 2023.

In addition, at 31 December 2023, the employee mutual funds "Korian Actionnariat" and "Korus" held 131,687 and 2,438,706 Clariane shares, respectively.

### 7.3.2 Treasury shares

#### 7.3.2.1 Treasury shares owned by Company subsidiaries

None of the Company's subsidiaries own treasury shares.

#### 7.3.2.2 Treasury shares owned by the Company

At 31 December 2023, the Company held 301,049 treasury shares representing 0.28% of the share capital, broken down as follows:

- 280,499 treasury shares held under the liquidity agreement signed with Oddo BHF and Natixis, i.e., 0.26% of the share capital; and
- 20,550 treasury shares under the share buyback programme, i.e., 0.02% of the share capital.

These shares do not carry voting rights and are not entitled to dividends or redemption of share premiums.

#### Liquidity agreement

The liquidity agreement entrusts responsibility for the share buyback programme to the investment services provider (ISP) BNP Paribas Arbitrage, 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 securities regulator (*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 and issues half-yearly statements on the liquidity agreement which it publishes on its website.

Pursuant to the liquidity agreement with BNP Paribas Arbitrage and Natixis concerning Clariane's shares, the following assets were booked in the liquidity account at the trading date of 31 December 2023:

- 280,499 Clariane shares;
- €10,322.34.

As a reminder, when the agreement was set up, the following assets were included in the dedicated liquidity account:

- 219,607 Clariane shares;
- €348,335.51.

Over the period from 1 January 2023 to 31 December 2023, the following trades were carried out:

- 1,579 purchases;
- 1,852 sales.

Over the same period, the volumes traded represented:

- 1,824,803 shares and €11,834,895 for purchase;
- 1,726,109 shares and €11,342,222 for sale.

### Transactions carried out by the Company on its own shares during the 2023 financial year

The 2022 and 2023 General Meetings authorised the Board of Directors to purchase, or arrange for purchase of Company shares, up to a limit of 10% of the Company's share capital.

In addition, the 2022 and 2023 General Meetings authorised the Board of Directors to reduce the share capital by cancelling shares purchased, up to a limit of 10% of the share capital per 24-month period.

The characteristics of these authorisations in force are detailed in section 7.2.3.1 of this Universal Registration Document.

The table below, prepared in accordance with Article L. 225-211 of the French Commercial Code, summarises the transactions carried out by the Company on its own shares during the 2022 financial year.

In number of shares unless otherwise indicated	Liquidity agreement	Purpose: employee shareholding programmes and free performance share plans	Total
<b>Balance as at 31 December 2022</b>	<b>181,805</b>	<b>119,664</b>	<b>301,469</b>
<i>Percentage of the share capital held by the Company as at 31 December 2022</i>	<i>0.17%</i>	<i>0.11%</i>	<i>0.28%</i>
<b>From 1 January 2023 to 31 December 2023</b>			
Purchase	1,824,803	-	1,824,803
<i>Average price (in euros)</i>	<i>6.49</i>	<i>-</i>	<i>6.49</i>
<i>Amount of trading costs (in euros)</i>	<i>-</i>	<i>-</i>	<i>-</i>
Sale	1,726,109	-	1,726,109
<i>Average price (in euros)</i>	<i>6.57</i>	<i>-</i>	<i>6.57</i>
<i>Amount of trading costs (in euros)</i>	<i>-</i>	<i>-</i>	<i>-</i>
Cancellations	-	-	-
<b>Balance as at 31 December 2023</b>	<b>280,499</b>	<b>20,550</b>	<b>301,049</b>
<i>Percentage of the share capital held by the Company as at 31 December 2023</i>	<i>0.26%</i>	<i>0.02%</i>	<i>0.28%</i>
<i>Value measured at purchase price (in euros)</i>	<i>1,819,197</i>	<i>435,309</i>	<i>2,254,506</i>
<i>Nominal value (in euros)<sup>(1)</sup></i>	<i>1,402,495</i>	<i>102,750</i>	<i>1,505,245</i>

(1) Based on a par value of €5 per Clariane share.

No shares allocated to a planned objective of the share buyback programme were reallocated to another objective of this programme during the 2023 financial year.

### 7.3.2.3 Description of the share buyback programme

At the 2024 General Meeting, the Company will request the renewal of the 16<sup>th</sup> resolution of the 2023 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 will replace the authorisation granted by the 16<sup>th</sup> resolution approved at the 2023 General Meeting.

The programme was established in accordance with Article 241-1 *et seq.* of the AMF's General Regulations and Commission Delegated Regulation (EU) 2016/1052, supplementing Regulation (EU) 596/2014 with regard to regulatory technical standards for the conditions applicable to buyback programmes, as well as market practices approved by the French securities regulator. 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 2024 General Meeting.

<b>Securities concerned</b>	<b>Ordinary shares</b>
Maximum amount of the capital for which the purchase has been authorised by the General Meeting	<p>The number of shares purchased in respect of this authorisation will be subject to a dual limitation, such that:</p> <p><b>a.</b> the number of shares purchased by the Company in the course of the buyback programme may not exceed 10% of the 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 2024 General Meeting, it being specified that: (i) when the Company's shares are purchased to promote liquidity in accordance with the requirements of the AMF's General Regulations, the number of shares taken into account to calculate the aforementioned 10% limit is the number of shares purchased, less the number of shares resold during the term of the authorisation, and (ii) the number of shares purchased with a view to retaining them and subsequently delivering them for the purpose of payment or exchange during a merger, spin-off or contribution of assets may not exceed 5% of its share capital;</p> <p><b>b.</b> the number of shares held by the Company at any given time does not exceed 10% of the shares constituting the capital of the Company on the date in question.</p>
Maximum purchase price	€20 (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	€213,938,440 (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 statutory 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 Clariane 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 Clariane 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 a merger, spin-off or 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>• allow the Company to trade in the Company's shares for any other purpose authorised or that may come to be authorised by the law or regulations in force, including any market practice that is or may be accepted by the French securities regulator (<i>Autorité des marchés financiers</i> – AMF) after the 2024 General Meeting. 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 legal and regulatory provisions that are applicable or that may become so 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 2024 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 2023 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).

At 31 December 2023, the Company had not used any derivatives in connection with its share buyback programme and had no open positions (buy or sell).

### 7.3.3 Employee share ownership

At 31 December 2023, the portion of Clariane's share capital owned by its employees and former employees was 2.4%, i.e., 2,570,393 shares, within the framework of collective employee mutual investment funds, of which 131,687 shares within the "Korian Actionnariat" fund and 2,438,706 shares within the "Korus" fund.

### 7.3.4 Shareholders' agreement on the securities composing the Company's share capital

To the Company's knowledge, there is no shareholders' agreement or shareholders' pact in place with respect to the securities composing the Company's share capital.

### 7.3.5 Individuals or legal entities acting in concert

To the Company's knowledge, there are no individuals or legal entities acting in concert.

### 7.3.6 Dividend distribution policy

The payment of dividends or any other distribution depends on the general environment and on the Group's financial situation, notably its net profit and investment policy.

For several years and until 2019, the Company paid a dividend of €0.60 per share, with an option for payment in new shares.

Faced with the scale of the health crisis, and in solidarity with all of the Group's stakeholders, the Board of Directors, at its meeting of 29 April 2020, decided to submit a motion to the 2020 General Meeting that all distributable income be allocated to the "Retained earnings" account. There was therefore no distribution of dividends in respect of the 2019 financial year.

On 24 February 2021, the Board of Directors proposed to the 2021 General Meeting to distribute a dividend of €0.30 per share, with an option for payment in new shares.

On 25 April 2022, the Board of Directors proposed to the 2022 General Meeting to distribute a dividend of €0.35 per share, with an option for payment in new shares.

On 21 February 2023, the Board of Directors proposed to the 2023 General Meeting to distribute a dividend of €0.25 per share, with an option for payment in new shares.

On 25 July 2023, Clariane announced that it had secured an extension to its syndicated term loan facility for €505 million. As the documentation for this renewed syndicated facility stipulates that no dividends may be paid as long as financial leverage exceeds 3.5x, and as financial leverage stood at 3.8x at 31 December 2023, no dividend will be paid in respect of 2023.

The table in section 5.4.1 of this Universal Registration Document summarises the distribution of dividends over the last three financial years.

### 7.3.7 Threshold-crossing disclosures during the financial year

Any individual or legal entity, acting alone or in concert with others, who acquires shares or voting rights in excess of the regulatory thresholds in force (Article L. 233-7 of the French Commercial Code), must disclose all the information required by said regulations. The same disclosure rules apply when holdings of shares or voting rights fall below the regulatory thresholds in force.

Threshold-crossing disclosures filed by the Company's shareholders and disclosures filed by corporate officers in connection with their transactions involving the Company's shares are available on the AMF's website ([www.amf-france.org](http://www.amf-france.org)).

# 7 Information on the Company, share capital and shareholding structure

Market for Clariane shares

The following legal threshold crossing was notified by a shareholder to the Company and the AMF during the 2023 financial year:

Declarer	Date of threshold crossing	Date of transaction	Direction	Threshold crossed	Number of shares <sup>(a)</sup>	% of share capital <sup>(b)</sup>	% of voting rights <sup>(c)</sup>	Reference of the AMF publication
Helikon Investments Limited acting on behalf of Helikon Long Short Equity Fund Master ICAV	29 December 2022	3 January 2023	Drop	5%	5,113,764	4.80%	4.80%	223C0019

(a) Number of shares held by the reporting shareholder following the declaration.

(b) Percentage of share capital held by the reporting shareholder following the declaration.

(c) Percentage of voting rights held by the reporting shareholder following the declaration.

## 7.4 Market for Clariane shares

### 7.4.1 Listing market and indices

Clariane is listed on the Euronext Paris stock exchange (Compartment A) and is eligible for the deferred settlement system (SRD).

#### Share profile – Clariane

	ISIN code	FR0010386334
	Stock markets	Ongoing trading on Euronext (Compartment A) of the Euronext Paris stock exchange Ticker CLARI.PA (Euronext), CLARI.PA (Reuters), CLARI.FP (Bloomberg)
	Present on main indices	CAC Health Care, CAC Health Care & Equipment & Services, CAC Mid & Small and MSCI Global Small Cap
	Share eligibility	SRD (deferred settlement system) and PEA (share savings plan)
	Nominal value	€0.01
	Number of outstanding shares as at 31 December 2023	106,828,536
	Share price as at 31 December 2023	€2.40
	Market capitalisation as at 31 December 2023	€257 million

## 7.4.2 Clariane share price and transaction volumes

### Change in adjusted share price

Month	Share price (in euros)			Number of shares traded	Share capital (in euros)
	Average (closing)	High	Low	Monthly volumes	Monthly total
January 2023	10.12	10.97	9.40	473,908	4,835,505
February 2023	8.84	9.80	7.02	1,088,238	9,132,956
March 2023	7.12	7.77	6.26	534,531	3,803,684
April 2023	7.20	7.88	6.66	317,605	2,303,155
May 2023	7.63	8.05	7.26	208,200	1,591,645
June 2023	7.16	7.81	6.55	321,188	2,290,196
July 2023	6.50	7.25	6.26	348,320	2,281,795
August 2023	6.27	7.05	5.40	381,991	2,328,894
September 2023	6.01	6.57	5.40	355,211	2,112,415
October 2023	4.88	5.92	3.03	602,540	2,571,169
November 2023	3.03	3.94	2.12	974,644	2,803,311
December 2023	2.29	2.55	2.03	755,457	1,726,164
<b>High, low and average for the period</b>	<b>6.42</b>	<b>7.13</b>	<b>5.62</b>	<b>530,153</b>	<b>3,148,407</b>
<b>TOTAL</b>				<b>6,361,833</b>	<b>37,780,889</b>

Source: Euronext Paris (monthly information, high, low and average for the period).

#### Management of the shareholder register

The shareholder register is managed by the following institution:

Uptevia

90-110, Esplanade du Général de Gaulle –  
92931 Paris La Défense Cedex.

#### Management of the liquidity agreement

At 31 December 2023, the liquidity agreement was managed by BNP Paribas Arbitrage.

#### Analyst coverage

Alpha Value

Berenberg (discontinuation of monitoring notified on 6 February 2024)

Exane-BNP Paribas

Gilbert Dupont

Jefferies

Kepler Cheuvreux

Oddo BHF

Portzamparc

Société Générale

Stifel

## 7.4.3 Shareholder information policy

### 7.4.3.1 2024 financial communication schedule

**28 February 2024:** 2023 annual earnings.

**25 April 2024:** Q1 2024 revenue.

**10 June 2024:** 2024 General Meeting.

**30 July 2024:** Revenue and results for H1 2024.

**23 October 2024:** Q3 2024 revenue.

This schedule is purely indicative and subject to change.

Publications will be issued after the close of trading on Euronext Paris.

### 7.4.3.2 Information for individual shareholders and institutional investors

Since its listing on the stock market, Clariane has maintained a trusting relationship – founded on dialogue and transparency – with both its individual and institutional investors.

Clariane 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, Clariane 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.clariane.com](http://www.clariane.com).

#### Universal Registration Document, Annual Financial Report and Integrated Report

These documents are available for download on the Clariane website and may be obtained from the Company in printed form, free of charge, upon request.

#### Shareholder meetings

Clariane 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

Clariane's General Meeting is one of the recurring highlights of the Company's relationship with shareholders, providing an opportunity for debate 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. Through the General Meeting, all shareholders can take part in important decisions concerning the Group and express their opinions via the resolutions put to the vote.

#### Investor meetings

Clariane takes part in numerous one-to-one meetings with institutional investors, industry conferences and roadshows, in France and abroad.

#### Information meetings and site visits

The Group organises an SFAF analysts' meeting to coincide with the publication of its annual financial statements, to which the financial community (investors, analysts, financial press) is invited. The Group also holds a web conference call to coincide with the publication of its interim financial statements and its first- and third-quarter revenue figures.

In addition, Clariane 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 16 of the Company's Articles of Association.

In accordance with Article 16 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 26 March 2024 on first call.









# 8

## Additional 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: 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, 30 April 2024  
 Sophie Boissard  
 Chief Executive Officer

## 8.2 Person responsible for auditing the financial statements

The Statutory Auditors are selected by the Board of Directors on the recommendation of the Audit Committee, which is responsible for ensuring compliance with the rules requiring the rotation of firms and key signatory partners, in accordance with legal and regulatory provisions and appointed by the Shareholders' General Meeting.

### 8.2.1 Principal Statutory Auditors

Name	Date of reappointment	End of term of office
<b>Mazars</b> Tour Exaltis 61, rue Henri-Regnault 92400 Courbevoie	27 May 2021	General Meeting called to approve the financial statements for the year ending 31 December 2026
<b>Ernst &amp; Young et Autres</b> Tour First 1, place des Saisons 92037 Paris-La Défense	15 June 2023	General Meeting called to approve the financial statements for the year ending 31 December 2028

Mazars and Ernst & Young et Autres comply with the regulations on the rotation of signing partners (Article L. 822-34 of the French Commercial Code and Article 17 of Regulation (EU) No. 537/2014) as:

- Stéphane Marfisi, the signing partner of Mazars, audited the Company's financial statements for the first time for the financial year ended 31 December 2023;

- Anne Herbein, the signing partner of Ernst & Young et Autres, audited the Company's financial statements for the first time for the financial year ended 31 December 2022.

### 8.2.2 Alternate Statutory Auditor

The Company does not have an alternate Statutory Auditor.

## 8.3 Highly regulated activities








Activities relating to the support of vulnerable people are highly regulated and supervised.

The processes for obtaining operating authorisations, as well as the regulatory framework, vary between countries and sometimes even within regions of the same country.




The pricing of dependency care facilities is regulated in all of the countries in which the Group operates. 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 funding of healthcare and nursing activities in the six countries in which the Group operates.

FRANCE			
BUSINESS ACTIVITY	REGULATIONS	PRICING	FUNDING
 <b>Care homes</b>	<p>Authorisations are issued jointly by the Regional Health Agency (<i>Agence régionale de santé – ARS</i>) and the Departmental Council, valid for 15 years (renewable by tacit agreement).</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>• an overall dependency fee set by the Departmental Council;</li> <li>• accommodation and ancillary services, which can be set freely on admission, with an annual revaluation set by ministerial decree.</li> </ul>	<p>Care: financed by the French Health Insurance scheme.</p> <p>Dependency: partially covered through the personal independence allowance (<i>Allocation personnalisée d'autonomie – APA</i>).</p> <p>Accommodation: may be covered by means-tested social assistance or personal housing assistance (APL).</p>
 <b>Assisted living facilities</b>	<p>Not subject to authorisation.</p>	<p><b>The price has two components:</b></p> <ul style="list-style-type: none"> <li>• rent, rental expenses 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>Possibility of benefiting from means-tested social assistance or personal housing assistance (APL or ALS).</p>
 <b>Shared housing</b>	<p>For home assistance and support services (HASS): authorisations are 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>Tax credit for personal services.</p>
 <b>Medical, post-acute and rehabilitation care</b>	<p>Authorisations are 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 and/or the ministry of health;</li> <li>• allocations set by the ARS and/or the ministry of health;</li> <li>• ancillary services, which are set freely.</li> </ul>	<p>Hospital expenses 80% reimbursed by the mandatory French Health Insurance scheme.</p> <p>The user fee and daily flat rate (20%) are covered by private health insurance or by the patient unless exempted.</p>
 <b>Mental health clinics</b>	<p>Authorisations are 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 and/or the ministry of health;</li> <li>• allocations set by the ARS and/or the ministry of health;</li> <li>• ancillary services, which are set freely.</li> </ul>	<p>Hospital expenses 80% reimbursed by the mandatory French Health Insurance scheme.</p> <p>The user fee and daily flat rate (20%) are covered by private health insurance or by the patient unless exempted.</p>
 <b>Home community nursing services</b>	<p>Authorisation issued by the ARS for a period of 15 years (renewable by tacit agreement).</p>	<p>Covered in full by the mandatory French Health Insurance scheme via a global care allocation according to the number of places.</p>	<p>Financed through the mandatory French Health Insurance scheme on medical prescription.</p>
 <b>Hospital Home Care</b>	<p>Authorisations are issued by the ARS, valid for 7 years (renewable).</p>	<p>National rates set by the ministry of health.</p>	<p>Hospital expenses 80% reimbursed by the mandatory French Health Insurance scheme.</p> <p>The user fee and daily flat rate (20%) are covered by private health insurance or by the patient unless exempted.</p>






 GERMANY





BUSINESS ACTIVITY	REGULATIONS	PRICING	FUNDING
 <p><b>Care homes</b></p>	<p>An administrative authorisation is sufficient to open a care home.</p> <p>To obtain financing from the dependency funds, prior agreement with the organisation on the nature, content and volume of the services is necessary.</p> <p>There are specific regulations in certain <i>Länder</i> on the rate of single rooms in care homes, with compliance deadlines that may vary from case to case.</p>	<p>Operators negotiate certain components of their prices independently with social assistance bodies and/or the health insurance funds:</p> <ul style="list-style-type: none"> <li>• care: all expenses other than accommodation and catering;</li> <li>• services: all expenses related to accommodation and catering;</li> <li>• investment: rent and related charges;</li> <li>• training: financing of apprentice training.</li> </ul>	<p>Distinction between three types of funding:</p> <ul style="list-style-type: none"> <li>• <b>nursing coverage:</b> (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;</li> <li>• <b>capital expenditure:</b> (expenditure on construction or renovation of buildings, purchases of capital goods, etc.): partly financed by public funds from the <i>Länder</i> or the municipalities. The balance is paid by the residents, who may be eligible for social assistance to cover this;</li> <li>• <b>accommodation and catering:</b> payable by the resident, who may be eligible for social assistance to cover accommodation costs. Facilities may also offer ancillary services that are payable by the resident.</li> </ul>
 <p><b>Assisted living facilities/shared housing</b></p>	<p>Regulated autonomously by the <i>Landesheimgesetz</i> of each <i>Bundesland</i>.</p>	<p>Pricing is set freely set by operators, taking market prices into consideration. If the resident needs social assistance, the social welfare authority may cap the prices.</p>	
 <p><b>Home care</b></p>	<p>An administrative authorisation is sufficient to carry out a home care activity.</p> <p>Prior approval is required to obtain financing from the dependency funds and from the health insurance scheme.</p>	<p>Pricing for home care is negotiated with the health insurance funds at the level of the <i>Länder</i>, on the basis of a standard service catalogue.</p> <p>Any additional services are determined freely by the operator, but cannot correspond to services included in the catalogue that are already priced.</p>	<p>Financing by the health insurance scheme, depending on the degree of dependency. Coverage is capped.</p>

 BELGIUM			
BUSINESS ACTIVITY	REGULATIONS	PRICING	FUNDING
 <p><b>Care homes (including nursing homes for the elderly and nursing and care homes)</b></p>	<p>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).</p> <p>Special approval is required to open a nursing and care home (<i>Maison de Repos et de Soins – MRS</i>). This is the responsibility of the regions, which also monitor and control the facilities under their authority.</p>	<p>Meals and accommodation: the daily price paid by residents is set freely at the opening of a care home. It is then indexed to the consumer price index with annual increase ceilings.</p> <p>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.</p>	<p>Dependency care was funded by a federal health and disability insurance institution (Inami) until 2019. Since 2019, reimbursements have been managed by the three regions.</p> <p>Around 44% of the daily cost is reimbursed by social security.</p> <p>Care is reimbursed according to the degree of dependency and the pathology of the residents (Katz Index).</p>
 <p><b>Assisted living facilities/shared housing</b></p>	<p>In Flanders, the construction of assisted living facilities is no longer governed by a schedule. Simple registration is now sufficient.</p> <p>In Wallonia, construction is not governed by a schedule either. However, approval from the public authorities remains essential.</p>	<p>The daily price is determined freely when a home opens, but any change in price thereafter is subject to strict regulations.</p>	
 <p><b>Home care</b></p>	<p>A caregiver diploma is required.</p>	<p>Home care is regulated by the three regions based on two categories:</p> <ul style="list-style-type: none"> <li>• interventions subsidised by the regional government, on the basis of a limited number of hours allocated to caregivers;</li> <li>• material interventions paid for by service vouchers.</li> </ul>	<p>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.</p>

 ITALY			
BUSINESS ACTIVITY	REGULATIONS	PRICING	FUNDING
 <b>Care homes</b>	<p>The opening of a care home is subject to an authorisation and accreditation system, the minimum framework of which has been set at federal level.</p> <p>However, the regions may set their own quality standards (which may exceed the minimum threshold).</p>	<p>Care services are provided free of charge by ASLs (local care units) in facilities.</p> <p>Care home pricing breaks down as follows:</p> <ul style="list-style-type: none"> <li>• care price: 30% to 50% of the overall price;</li> <li>• accommodation rate: 50% to 70% of the overall price. It is determined by the regional supervisory authorities. However, some regions (Lombardy, Veneto) give operators the freedom to set the rate;</li> <li>• supplements: related to comfort services and paid by residents who request them.</li> </ul>	<p>Funding from regional authorities is subject to obtaining accreditation.</p> <p>The regions have introduced a system of budgeting for the expenses of care homes, which must be set annually in some regions and every three years in others.</p> <p>Care services are fully covered by the ASLs.</p> <p>Depending on the resident's situation, accommodation services may be covered by municipalities or mutual insurance companies.</p>
 <b>Specialised clinics</b>	<p>The opening of a specialist clinic is subject to an authorisation and accreditation system, the framework of which has been set at federal level.</p> <p>However, the regions may set their own quality standards (which may exceed the minimum threshold).</p>	<p>Pricing is set by the regional authorities, but comfort services are set freely by operators.</p> <p>They are subject to a supplementary fee that is paid by the resident who requests them.</p>	<p>The financing of specialised clinics is based on the "Diagnosis Related Group" methodology, which is set by national law (with slightly different economic values depending on the regions).</p> <p>Comfort services are payable by the patient who requests them.</p>
 <b>Assisted living facilities</b>	<p>Activity requiring authorisation, however there are no specific regulations related to this service.</p>	<p>Pricing is set freely by operators.</p>	<p>Financing may only be obtained in certain specific situations, in particular for trial projects.</p>
 <b>Home care</b>	<p>Activity subject to an authorisation and accreditation system, the minimum framework of which has been set at national level. The accreditation system is reviewed every 3 to 5 years.</p>	<p>Pricing is set by each region according to the procedures performed.</p>	<p>Fully funded by the ASLs.</p>



 <b>SPAIN</b>			
BUSINESS ACTIVITY	REGULATIONS	PRICING	FUNDING
 <p><b>Care homes</b></p>	<p>Opening permits are issued by the municipality (indefinite period).</p> <p>Operating licences issued by each regional government (indefinite period) and accreditation (for additional beds) issued by the regional government (renewable every five years).</p>	<p>The prices of private beds are set by the operator. All prices for subsidised beds, including all services, care, accommodation and catering, are set by the autonomous communities.</p>	<p>Three financing methods:</p> <ul style="list-style-type: none"> <li>• private: paid by the resident;</li> <li>• subsidised: the autonomous government pays a rate regulated by the regional government (social services) and the resident pays 75% of his or her pension. Pricing is generally updated annually by decree;</li> <li>• service-related: the government pays residents an amount to help pay for accommodation.</li> </ul>
 <p><b>Mental health clinics (including homes for people with disabilities and therapeutic apartments) and brain rehabilitation clinics</b></p>	<p>Opening permits are issued by the municipality (indefinite period).</p> <p>Activity licences are issued by the municipality (indefinite period).</p> <p>Approval for healthcare centres, hospitals, day hospitals and any other healthcare activity approved by the autonomous government, the duration of which is set by each autonomous community.</p>	<p>The prices of private beds are set by the operator.</p> <p>All prices for subsidised beds, including all services, care, accommodation and catering, are set by the autonomous communities.</p>	<p>Financing may be covered by the private health insurance with which the patient is affiliated.</p>
 <p><b>Day centres</b></p>	<p>Specific licences and accreditations are granted by the autonomous communities.</p>	<p>All prices for subsidised places, including all services, care, accommodation and catering, are set by the autonomous communities.</p>	<p>Part of the financing of subsidised places is covered by the autonomous government.</p>
 <p><b>Centres and activities (mental healthcare, disability, social emergencies) managed under a public tender</b></p>	<p>Specific licences and accreditations are granted by the autonomous communities.</p>	<p>All prices for activities, including all services, care, accommodation and catering, are set by the autonomous communities as part of the public tender process.</p>	<p>Fully funded by the autonomous government.</p>

 <b>NETHERLANDS</b>			
BUSINESS ACTIVITY	REGULATIONS	PRICING	FUNDING
 <b>Care homes</b>	Operating licences are issued by the ministry of health.	<p>The prices of care, including accommodation and catering, are determined by the ministry of health and health insurance companies.</p> <p>The prices of ancillary services are set freely and are indexed annually on the basis of contractual agreements.</p> <p>The government has placed a cap on annual rent indexation until 1 May 2027.</p>	<p>A portion of the funding is provided by the ministry of health. Anyone with a healthcare card may benefit from it.</p> <p>The remainder is payable by the insurance company with which the resident is affiliated.</p>
 <b>Assisted living facilities</b>	Operating licences are issued by the ministry of health.	<p>The prices of care, including accommodation and catering, are determined by the ministry of health and health insurance companies.</p> <p>The prices of ancillary services are freely set and are indexed annually on the basis of contractual agreements.</p> <p>The government has placed a cap on annual rent indexation until 1 May 2027.</p>	<p>A portion of the funding is provided by the ministry of health. Anyone with a healthcare card may benefit from it.</p> <p>The remainder is payable by the insurance company with which the resident is affiliated.</p>
 <b>Medical and rehabilitation care</b>	Operating licences are issued by the ministry of health.	<p>The prices of care, including accommodation and catering, are determined by the ministry of health and health insurance companies.</p> <p>The prices of ancillary services are freely set and are indexed annually on the basis of contractual agreements.</p> <p>The government has placed a cap on annual rent indexation until 1 May 2027.</p>	<p>A portion of the funding is provided by the ministry of health. Anyone with a healthcare card may benefit from it.</p> <p>The remainder is payable by the insurance company with which the resident is affiliated.</p>

## 8.4 Cross-reference tables

### Cross-reference table with sections of Annexes 1 and 2 of European Regulation No. 2019/980

The cross-reference table below identifies the information in this Universal Registration Document that is referred to in the different sections of Annexes 1 and 2 of Commission Regulation (EC) No. 2019/980 of 14 March 2019.

Information	Chapters	Pages
<b>1 Persons responsible, third-party information, experts' reports and competent authority approval</b>	<b>8.1</b>	<b>402</b>
1.1 Persons responsible for the information	8.1.1	402
1.2 Statement by persons responsible	8.1.2	402
1.3 Experts' statement or report	N/A	
1.4 Third-party information	N/A	
1.5 Statement without prior approval of the competent authority	N/A	
<b>2 Statutory Auditors</b>	<b>8.2</b>	<b>402</b>
2.1 Information about the Company's Statutory Auditors	8.2.1	402
2.2 Information about auditors that have resigned or not been reappointed	8.2.2	402
<b>3 Risk factors</b>	<b>2</b>	<b>35</b>
<b>4 Information about the Company</b>	<b>7.1</b>	<b>378</b>
4.1 Legal and commercial name of the Company	7.1.1	378
4.2 Place of registration of the Company and its registration number	7.1.1	378
4.3 Date of incorporation and length of life of the Company	7.1.1	378
4.4 Domicile and legal form of the Company and legislation under which it operates	7.1.1	378
<b>5 Business overview</b>		
5.1 Principal activities	1	7
5.1.1 Description of the nature of the Company's operations and its principal activities	1	7
5.1.2 New products and/or services	1	7
5.2 Principal markets	1	7
5.3 Important events in the development of the Company's business	1	7
5.4 The Company's business strategy and objectives	1	7
5.5 The extent to which the Company is dependent on patents or licences, industrial, commercial or financial contracts, or new manufacturing processes	N/A	
5.6 Competitive position	N/A	
5.7 Investments	1	7
5.7.1 Description of the Company's material investments	1, 5.7, 6.1, note 2	7, 277, 282, 290
5.7.2 Description of any material investments in progress or for which firm commitments have already been made	N/A	
5.7.3 Significant joint ventures and undertakings	6.1, note 2, note 6, note 13	282, 290, 316, 330
5.7.4 Environmental issues that may affect the Company's use of property, plant and equipment	3.6	136
<b>6 Organisational structure</b>		
6.1 Description and organisational structure of the Group	7.1.3	380
6.2 List of the Company's significant subsidiaries	6.1, note 14.4	282, 334

Information	Chapters	Pages
<b>7 Operating and financial review</b>		
7.1 Financial position	5.3.2	271
7.1.1 Review of the development and performance of the Company's business	5.2, 5.3, 6	267, 268, 281
7.1.2 The Company's likely future development and activities in the field of research and development	5.3.3.8	275
7.2 Operating results	5.2, 5.3, 6.1, note 3	267, 268, 282, 299
7.2.1 Factors materially affecting income from operations	5.1, 5.2, 6.1, note 2	266, 267, 290
7.2.2 Narrative discussion of material changes in revenue	5.2	267
<b>8 Capital resources</b>		
8.1 Information on capital resources	5.3.2, 6.1, 6.3,	271, 282, 354
8.2 Sources and amounts and a narrative description of the Company's cash flows	5.3.2, 6.1	271, 282
8.3 Information on the borrowing requirements and funding structure of the Company	5.3.2, 6.1, note 1, note 2, note 9, note 14	271, 282, 287, 290, 318, 330
8.4 Information regarding any restrictions on the use of capital resources that have affected, or could affect, the Company's operations	6.1, note 1, note 2, note 9, note 13, note 14	282, 287, 290, 318, 330
8.5 Anticipated sources of funds needed to fulfil the Company's commitments	5.3.2, 6.1, note 1, note 2, note 9, note 13, note 14	271, 282, 287, 290, 318, 330
<b>9 Regulatory environment</b>	<b>1, 8.3</b>	<b>7, 403</b>
<b>10 Trend information</b>		
10.1 Most significant recent trends and any significant change in financial performance since the end of the last financial year	5.7	277
10.2 Known trends or uncertainties that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year	5.7, 5.8	277, 278
<b>11 Profit forecasts or estimates</b>		
11.1 Published profit forecasts or estimates	N/A	
11.2 Principal assumptions	N/A	
11.3 Statement of comparability with historical financial information and consistency with accounting policies	N/A	
<b>12 Administrative, management and supervisory bodies and General Management</b>		
12.1 Information about the members of the administrative and management bodies	4.1.1-4.1.5	194-232
12.2 Conflicts of interest within the administrative, management and supervisory bodies and General Management	4.1.6	232
<b>13 Compensation and benefits</b>		
13.1 Amount of compensation paid and benefits in kind granted to members of the administrative and management bodies	4.2	238
13.2 Total amounts set aside or accrued by the Company or its subsidiaries to provide for pension, retirement or similar benefits	6.1, note 4	282, 304
<b>14 Board practices</b>		
14.1 Date of expiry of current terms of office	4.1.2.1, 4.1.3.1.2	194, 212
14.2 Service contracts with members of the administrative and management bodies	4.1.6.6	237
14.3 Information about the Audit Committee and the Compensation Committee	4.1.3.3.1, 4.1.3.3.2	225, 227
14.4 Statement as to whether the Company complies with the applicable corporate governance regime	4.1	192
14.5 Potential material impacts on corporate governance	4.1.3.1.4	218
<b>15 Employees</b>		
15.1 Number of employees	3.3.1	90
15.2 Shareholdings and stock options	6.1, note 4	282, 304
15.3 Arrangements for involving employees in the capital of the Company	7.2.4.3	389

Information	Chapters	Pages
<b>16 Major shareholders</b>		
16.1 Shareholders with more than 5% of the capital	7.3.1	392
16.2 Shareholders with different voting rights	7.1.2.3	379
16.3 Ownership or control of the Company	7.3.2	392
16.4 Arrangements which may result in a change in control	7.2.5	391
<b>17 Related-party transactions</b>	<b>6.1, note 14</b>	<b>282, 304</b>
<b>18 Financial information concerning the Company's assets and liabilities, financial position and profits and losses</b>		
18.1 Historical financial information		
18.1.1 Audited historical financial information	6.1, 6.3	282, 354
18.1.2 Change of accounting reference date	N/A	
18.1.3 Accounting standards	6.1	282
18.1.4 Change of accounting framework	N/A	
18.1.5 Information included in the audited financial information	N/A	
18.1.6 Consolidated financial statements	6.1	282
18.1.7 Age of financial information	6	281
18.2 Interim and other financial information	N/A	
18.3 Auditing of historical annual financial information		
18.3.1 Audit report	6.2, 6.4	349, 370
18.3.2 Other audited information	N/A	
18.3.3 Unaudited financial information	N/A	
18.4 Pro forma financial information	N/A	
18.5 Dividend policy		
18.5.1 Description	7.3.6	395
18.5.2 Dividend per share	7.3.6, 5.4, 5.8	395, 276, 278
18.6 Legal and arbitration proceedings	5.5	276
18.7 Significant change in the Company's financial position	5.6	276
<b>19 Additional information</b>		
19.1 Share capital		
19.1.1 Amount of issued capital and information about each class of share capital	7.2.1	383
19.1.2 Number and characteristics of shares not representing share capital	7.2.3.3	387
19.1.3 Number, book value and face value of shares held by or on behalf of the Company itself or by subsidiaries of the Company	7.3.2.1, 7.3.2.2	392
19.1.4 The amount of any convertible or exchangeable securities or securities with warrants	7.2.4	388
19.1.5 Information about and terms of any acquisition rights and/or obligations over authorised but unissued capital or an undertaking to increase the capital	7.2.3	385
19.1.6 Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option	N/A	
19.1.7 A history of the share capital for the period covered by the historical financial information	7.2.2	383
19.2 Memorandum and Articles of Association		
19.2.1 Corporate purpose	7.1.2.2	378
19.2.2 Rights, preferences and restrictions attaching to each class of existing shares	7.1.2.3	378
19.2.3 Provisions that would delay, defer or prevent a change in control of the Company	7.2.5	391
<b>20 Material contracts</b>	<b>N/A</b>	
<b>21 Documents available</b>	<b>7.4.3.2</b>	<b>398</b>

**Incorporation by reference**

Pursuant to Article 19 of Regulation (EC) 2017/1129, this Universal Registration Document incorporates by reference the following information which readers are invited to consult:

- for the year ended 31 December 2022: Management Report, consolidated financial statements, annual financial statements as well as the related Statutory Auditors' reports disclosed in the 2022 Universal Registration Document filed with the French securities regulator (*Autorité des marchés financiers* – AMF) on 27 April 2023 under reference D. 23-0359;

- for the year ended 31 December 2021: Management Report, consolidated financial statements, annual financial statements as well as the related Statutory Auditors' reports disclosed in the 2021 Universal Registration Document filed with the French securities regulator (*Autorité des marchés financiers* – AMF) on 28 April 2022 under reference D. 22-0380.

The information included in these two Universal Registration Documents, other than that mentioned above, is superseded or updated by the information included in this Universal Registration Document. These two Universal Registration Documents are available at the Company's registered office and on its website [www.clariane.com](http://www.clariane.com).

## Cross-reference table with information required in the management report

The cross-reference table below identifies the information in this Universal Registration Document that constitutes the management report in accordance with the applicable legal and regulatory provisions and in particular with Articles L. 225-100 *et seq.* of the French Commercial Code.

Topics	Chapters	Pages
<b>1 Information about the Company's business</b>		
1.1 Presentation of the business activity (particularly progress and difficulties) and results of the Company, each subsidiary and the Group	5.1, 5.2	266, 267
1.2 Analysis of changes in the revenue, earnings, financial position and in particular the debt of the Company and the Group	5.3, 6.1, note 9	266, 282, 318
1.3 Foreseeable development of the Company and/or Group	5.8	278
1.4 Key financial and non-financial indicators of the Company and the Group	1, 3.1.1, 3.1.2, 3.1.4, 5.2, 5.3	7, 58, 65, 68, 267, 269
1.5 Material events since the Company's and Group's year-end	5.7, 6.1, note 13	277, 282, 330
1.6 Indications about objectives and policy with respect to hedging each main category of planned transaction for which hedge accounting is used, and about its exposure to price, credit, liquidity and cash risks. These indications include the use by the Company of financial instruments	6.1, note 9	282, 318
1.7 Description of the Company and Group's main risks and uncertainties	2.1, 2.2, 2.3, 2.4	37, 41, 42, 45
1.8 Indicators on the financial risks related to the effects of climate change and presentation of the measures taken by the Company to reduce them by implementing a low-carbon strategy in all aspects of its business	2.3.2, 3.6	43, 137
1.9 Information about the Company and Group's research and development	5.3.3.8	275
1.10 Main features of the internal control and risk management procedures implemented by the Company for the purposes of preparing and processing financial and accounting information	2	35
1.11 References to existing branches	5.3.3.6	274
1.12 Activity and results of the consolidated Company, its subsidiaries and the companies that it controls, by business segment	5.2	267
<b>2 Legal, financial and tax information about the Company</b>		
2.1 Breakdown, identity and changes in the ownership structure	7.3.1	392
2.2 Names of controlled companies holding the Company's treasury stock and the share of the capital they hold	7.3.2.1	392
2.3 Significant equity investments during the year in companies incorporated in France	7.2.6	391
2.4 Disclosure of ownership of more than 10% of the capital of another joint-stock company; disposals of cross-shareholdings	N/A	
2.5 Share buybacks	7.3.2.3	394
2.6 Acquisition and disposal by the Company of its own shares with a view to allocating them to its employees (share buybacks)	7.3.2.3	394
2.7 Employee share ownership	7.3.3	395
2.8 Opinion of the Works Council on changes in the Company's legal or economic organisation	N/A	



Topics	Chapters	Pages
2.9 Five-year financial summary	5.3.3.7	275
2.10 Results for the financial year and proposed allocation of profit	5.4.2	276
2.11 Issue of securities conferring rights to capital: <ul style="list-style-type: none"> <li>information on the data used to calculate adjustments; and the results of these adjustments</li> </ul>	7.2.4	388
2.12 Amount of dividends paid out for the previous three financial years	5.4.1, 7.3.6	276, 395
2.13 Non-deductible expenses and charges	5.3.3.5	274
2.14 Payment periods and breakdown of outstanding trade payables and receivables by due date	5.3.3.4	274
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 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 in registered form some or all of the shares resulting from options already exercised 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 related persons	4.1.6.1	232
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 free shares granted to them before leaving office; or</li> <li>impose a lower limit on the proportion of shares they must keep in registered form until they leave office (specifying the proportion).</li> </ul>	7.2.4.3, 4.2.1.1, 6.1, note 4	389, 241, 281, 304
<b>4 The Company's CSR information</b>		
4.1 Statement of non-financial performance	3	55
4.2 Information on installations classified as at-risk	N/A	
<b>5 Other information</b>		
5.1 Amount of loans of less than two years granted by the Company, as an ancillary occupation to its main occupation, to micro-enterprises, SMEs or intermediate-sized enterprises with which it has economic links justifying such a loan	N/A	
5.2 Information about payments made to the authorities of each of the states or territories where the Company carries out the following operations: exploration, prospecting, discovery, mining or extraction of hydrocarbons, coal and lignite, metal ores, stone, sand and clay, chemical minerals and mineral fertilisers, peat, salt and other mineral resources or resources mined from primary forests	N/A	
5.3 Information relating to the use of CICE tax credits	N/A	
5.4 Special report on 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 Duty of Care 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, 3.7 3.5.2, 3.7 2.5 3.7 3.7	53, 160 127, 160 49 160 160

## Cross-reference table with information required in the annual financial report

The cross-reference table below identifies the information in this Universal Registration Document that constitutes the annual financial report in accordance with Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulations of the French securities regulator (*Autorité des marchés financiers* – AMF).

Topics	Chapters	Pages
1 Statement made by the natural persons responsible for the annual financial report	8.1	8.1
2 Management report	See cross-reference table of the management report	Cross-reference table with information required in the management report
3 Financial statements and reports		
3.1 Individual financial statements	6.3	354
3.2 Statutory Auditors' report on the individual financial statements	6.4	370
3.3 Consolidated financial statements	6.1	282
3.4 Statutory Auditors' report on the consolidated financial statements	6.2	349

## Cross-reference table with the information required in the corporate governance report

The cross-reference table below identifies the information in this Universal Registration Document that constitutes the corporate governance report in accordance with the applicable legislative and regulatory provisions and in particular with Article L. 225-37 of the French Commercial Code.

Topics	Chapters	Pages
1 List of terms of office and duties exercised by each corporate officer in any company during the financial year	4.1.2.1, 4.1.3.1.1	194, 197
2 Agreements entered into, either directly or through an intermediary, between a corporate officer or shareholder holding more than 10% of the share capital and another company in which the former directly or indirectly holds more than half of the share capital	4.1.6.3, 4.1.6.4, 6.1, note 14	233, 237, 282, 330
3 Summary of currently valid delegations of authority granted by the General Meeting in respect of capital increases and describing the use made of these delegations during the financial year	7.2.3.1	385
4 Choice of methods for performing general management functions	4.1.1	194
5 Policy applicable to the compensation of corporate officers	4.2.1.1, 4.2.1.2	241, 247
6 Components of compensation for corporate officers	4.2.1.1, 4.2.2	241, 248
7 Disclosures relating to pension commitments	4.2.1.1, 4.2.2.1-4.2.2.2, 6.1, note 4, 6.3	241, 248, 249, 282, 304, 354
8 Membership of the Board of Directors and conditions for preparing and organising the work of the Board	4.1.3	196
9 Any limitations that the Board of Directors imposes on the powers of the Chief Executive Officer	4.1.2.1	194
10 Corporate Governance Code selected and any of the code's provisions that were set aside	4, 4.1.5	191, 232
11 Special procedures for participating in General Meetings	7.5	398
12 Information about factors which may have an impact in the event of a takeover bid	7.2.5	391
13 Application of the principle of balanced representation of men and women on the Board of Directors and Supervisory Board	4.1.3.1.2	210
14 Pay ratio and information on the compensation gap between corporate officers and employees	4.2.2.3	257

## Cross-reference table of social, environmental and corporate responsibility information

### Statement of non-financial performance

Topics	Chapters	Pages
1 Presentation of the Company's or Group's business model	1.7	24-25
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	35, 65
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	35, 55
4 Outcomes of these policies, including key performance indicators	2, 3	35, 55
5 The report must cover the following topics: <ul style="list-style-type: none"> <li>• the impact of the Company's operations on climate change and the use made of the goods and services it produces;</li> <li>• the Company's societal commitment towards: <ul style="list-style-type: none"> <li>– sustainable development,</li> <li>– the circular economy,</li> <li>– preventing food waste,</li> <li>– preventing food insecurity,</li> <li>– respect for animal welfare,</li> <li>– responsible, fair and sustainable food;</li> </ul> </li> <li>• collective agreements signed by the Company and their impact on its financial performance and on the working conditions of its employees;</li> <li>• measures aimed at tackling discrimination and promoting diversity;</li> <li>• measures taken in support of people with disabilities.</li> </ul>	3	55
6 References to standards adhered to and indication of the recommendations set out in said standards	3.8.3	177





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