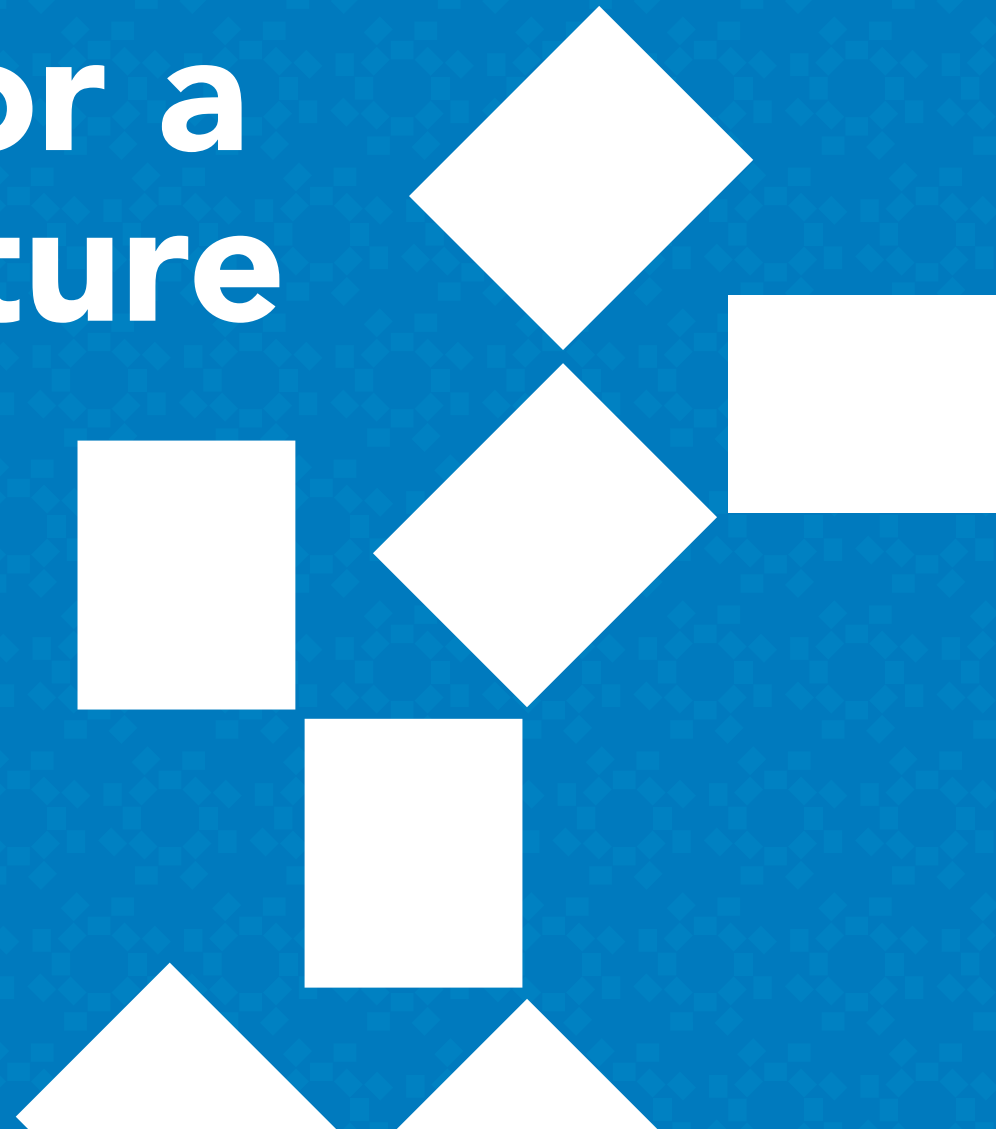




Hackensack
Meridian *Health*

2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

Our Vision for a Healthier Future



Committed to Healthier Communities, One Bold Step at a Time

At Hackensack Meridian *Health*, we are committed to enhancing our patients' quality of life, keeping our communities healthy and delivering exceptional health care. That's our mission: to transform health care and be recognized as the leader of positive change.

But our commitment goes beyond providing great health care. Essential to supporting and advancing our mission is our commitment to Environmental, Social and Governance (ESG) principles. We view ESG as a natural extension of our work as a not-for-profit health network. It reflects our commitment to healthier communities, whether through good governance, addressing impacts on climate and health or supporting our community members' social needs.

I'm pleased to share with you our 2023 ESG Report that highlights the important initiatives we have launched and an overview of our multi-year strategy. Here are a few of the ways we are driving positive change:

- ▶ We are adopting strategies to cut emissions, conserve energy and invest in renewable sources with a goal of net zero emissions by 2050.
- ▶ We are helping provide healthy, local and sustainable food for communities across New Jersey.
- ▶ We have implemented governance procedures and policies to ensure transparency, accountability and ethical decision-making.

We're on a journey to transform health care through sustainable practices. I invite you to learn more about how this critical work is building stronger, healthier, thriving communities across New Jersey and beyond.



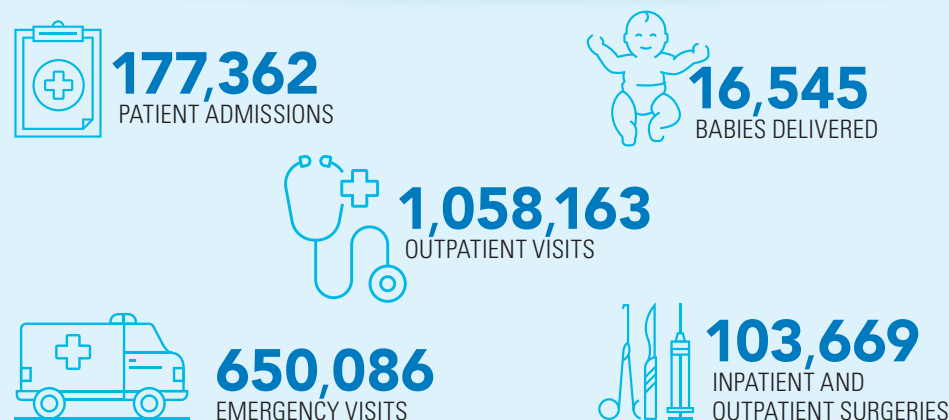
Robert C. Garrett, FACHE, CEO
Hackensack Meridian *Health*

Hackensack Meridian *Health* *By the Numbers*

Who We Are



Care Delivered



Community Investments



Our ESG Strategy

To demonstrate our commitment to playing a key role in creating a more equitable and sustainable future, Hackensack Meridian Health has integrated ESG into our key strategic priorities.



Environmental *Being an Environmental Steward*

We are dedicated to sustainability, reducing our carbon footprint and implementing eco-friendly practices throughout our facilities. Our efforts not only benefit the planet but also ensure a healthier and safer environment for our patients and staff.



Social *Care for Individuals and Communities*

We believe in health equity and access for all, with a focus of making a positive impact on the communities we serve through initiatives ranging from local health education programs to addressing social vulnerability in the region.



Governance *Instilling Trust Through Transparency*

Our robust governance practices ensure transparency, accountability and ethical decision-making. Our commitment to high standards of governance instills trust among our patients, trustees, partners and stakeholders that we prioritize their well-being above all else.

Driving Our Multi-year Framework

Hackensack Meridian Health conducted a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis to help drive our ESG multi-year framework. Key findings included:

Increasing desire for U.S.-specific guidelines to track and measure ESG

Regulatory focus on sustainability

Public health recognition of environmental impact

Reimbursement model shifts to focus on the whole person

Continued commitment to board diversity

Focus on anchor mission as responsible use of resources

Environmental Key Successes and Progress

Our Path to Carbon Neutrality

As one of the original signatories to the White House and U.S. Department of Health and Human Services Climate Pledge, Hackensack Meridian Health is committed to increasing climate resilience. **By 2030, our goal is to reduce greenhouse gas emissions by 50 percent and to net zero by 2050.**

This commitment drives our investment in energy efficiency and renewable energy. To date, we have:



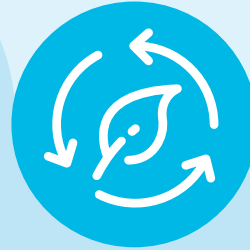
Invested more than \$114 million in energy-efficient infrastructure upgrades



Achieved PEER Gold certification for Hackensack University Medical Center's Central Utility Plant, recognizing our excellence in electricity renewal



Achieved 100 percent compliance with Healthy Building Interior Standards



Served as pilot site for the Joint Commission Sustainability Certification

Recognized for Environmental Excellence

In 2023, three of our hospitals—Hackensack University Medical Center, Jersey Shore University Medical Center and Ocean University Medical Center—received a Top 25 Environmental Excellence Award, Practice Greenhealth's highest honor.



Our Holistic Approach to Environmental Stewardship



Energy and waste reduction



Sustainable food options



Safer chemicals



Responsible purchasing

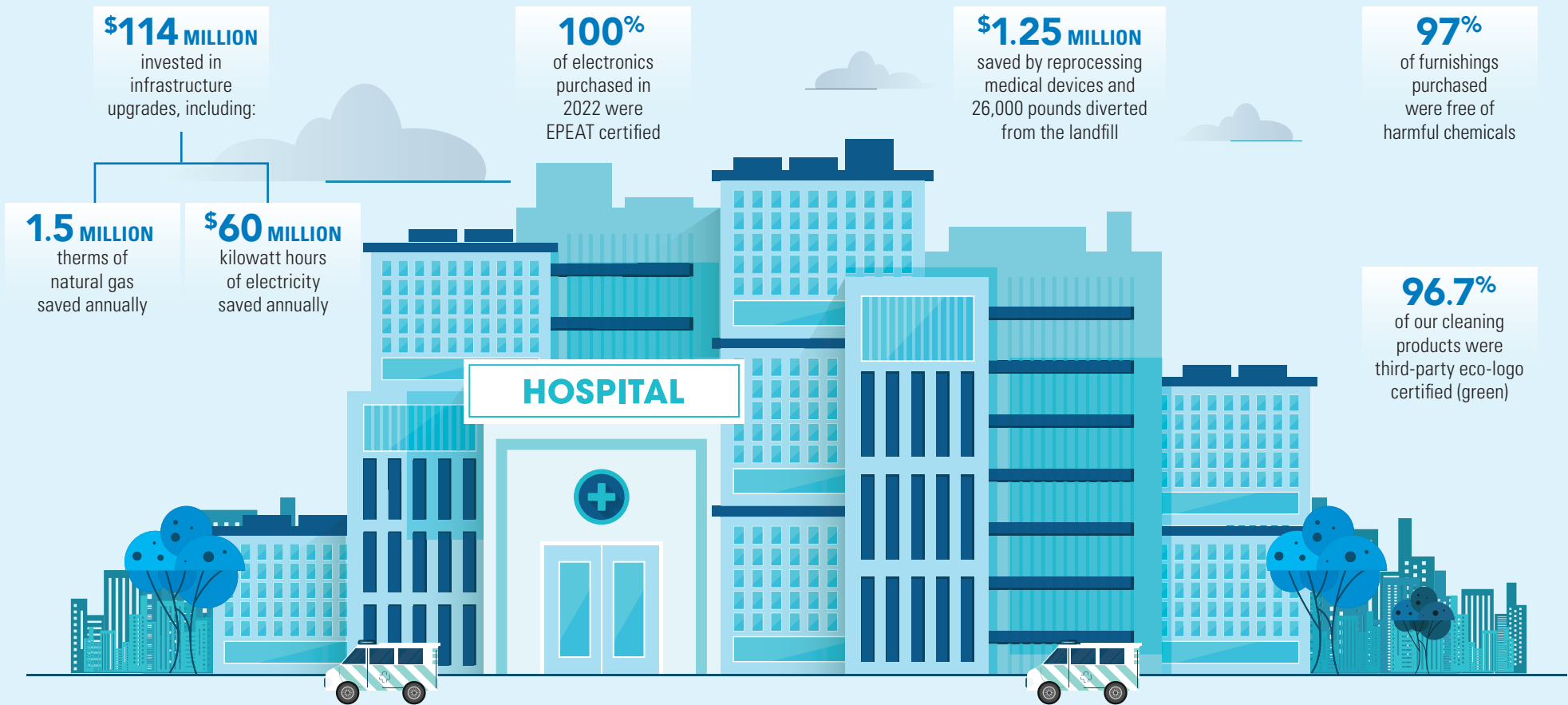
A Leader in Sustainability

Hackensack Meridian Health has established itself as a national leader in sustainability through speaking engagements, public relations efforts and partnerships.



Kyle Tafuri, vice president of sustainability at Hackensack Meridian Health, was invited to speak at an event hosted by Montclair State University's Green Teams Internship Program, which targets upper-level undergraduates who are interested in sustainability.

Successes to Date



Social Key Successes and Progress

Diversity, Equity and Inclusion

Hackensack Meridian Health ranks #1 in the U.S. on the 2023 DiversityInc Top Hospitals and Health Systems list, a prestigious honor that recognizes the network's expansive efforts to create a more diverse, equitable and inclusive workforce and to address disparities in health outcomes. We have integrated additional diversity demographic data into our quality data dashboards.



Our DEI business case pillars include:

- Enhancing patient care and outcomes to create more equitable health care
- Supporting and strengthening partnerships with the diverse communities we serve
- Attracting, retaining, developing and promoting the advancement of diverse talent to drive innovation and growth
- Engaging and supporting local and diverse businesses with a focus on historically underrepresented business owners

Supporting Communities in Need

According to the Lown Institute Hospitals Index, Hackensack Meridian Health ranks #6 in the nation and #1 New Jersey with a \$74 million fair share surplus—meaning we spend more in charity care and community investments than the value of our tax exemption.

Compassionate Care Program

2,200+
patients enrolled

\$36 MILLION
in cost reductions provided

Healthy Connections

950,000+
patients screened

3 MILLION
referrals provided

7,000
community health worker assisted patients

Human Dimension Program

757
students

450
families cared for

97
community health projects

200+
community partners

138
K-12 schools partnered with, across 11 school districts

A Diverse Workforce

63%

of our leadership is female

76%

of all team members are female

35%

of our leadership represents a diverse culture

46%

of all team members represent a diverse culture

How We Are Addressing Social Determinants of Health

Hackensack Meridian Health is committed to addressing the top social determinants of health (SDoH)—utilizing data from our network screening tool to drive our interventions. To date, the network has screened 950,000 patients and provided 3 million referrals.

Fresh Match Program

In 2023, Hackensack Meridian Health launched the Fresh Match program that will make fresh produce more accessible to families in need. With support from a \$3 million grant from the State of New Jersey, a \$500,000 grant from the USDA's National Institute of Food and Agriculture and a \$500,000 match from donors to the Hackensack Meridian Health Foundation, we are partnering with grocery retailers to provide families receiving Supplemental Nutrition Assistance Program (SNAP) benefits with a dollar-for-dollar match to buy fresh produce.



Circle of Compassion Program

Through our Circle of Compassion program, Hackensack Meridian Health has provided financial support to team members facing emergent and unforeseen catastrophic events. Since its inception in 2019, the program has provided more than \$3 million to nearly 2,500 team members. The program recently added committee members from our SDoH team, which has helped us reshape the fund to better meet the emergent and underlying needs of our team members.

Human Dimension Curriculum

We are training the next generation of doctors about these critical social needs. The Human Dimension is ingrained in the Hackensack Meridian School of Medicine through service-learning experiences and integrated curriculum, which allows students to learn about the many determinants of health.



Robert C. Garrett, FACHE, CEO of Hackensack Meridian Health, with Nicole Harris-Hollingsworth, Ed.D., MCHES, vice president of Social Determinants of Health at Hackensack Meridian Health

Access to Housing While Pursuing Nursing Education

JFK Medical Center Foundation refurbished the Audrey Snyder Single Parent Residence at the JFK-Muhlenberg Harold B. & Dorothy A. Snyder School of Nursing in Plainfield, New Jersey. The Single Parent Program provides full scholarships and rent-free living for single-parent nursing students and their children—critical support to help each student achieve the dream of becoming a registered nurse. The updates were made possible thanks to a \$35,000 grant from the Harold B. and Dorothy A. Snyder Foundation, combined with a gift from the Hyde and Watson Foundation.

Keeping Our Communities Healthy

23,550+ free preventive health screenings and counseling provided to community members

5,570+ community members participated in trauma and injury prevention education programs, such as Stop the Bleed

31,600+ community members received education and resources to take charge of their own health

31,600+ individuals trained in life-saving CPR and AED use

3,445 flu vaccinations provided to adults and children, free of charge

53,603 free Lyft rides provided to patients in need

3,900+ patients assisted with Medicare enrollment

950,000 patients screened

3 MILLION referrals provided



Governance Key Successes and Progress

Transparency, Accountability and Ethical Decision-making

Hackensack Meridian *Health* has prioritized efforts to ensure robust governance practices that bring about transparency, accountability and ethical decision-making in order to build trust among our communities. This year, our efforts have included:

- ▶ Revising our data privacy policy to address reproductive rights, 21st Century Cures Act and the evolving impact of artificial intelligence
- ▶ Integrating sustainability into our Enterprise Risk Management Program

ESG Board Oversight at Hackensack Meridian Health

Multiple committees of the Hackensack Meridian *Health* Board of Trustees, the HMM Hospitals Corporation Board and the Hackensack Meridian School of Medicine Board of Governors have oversight of various pieces of ESG. In 2024, ESG leadership will deliver quarterly written ESG reports and an annual verbal report directly to the Hackensack Meridian *Health* Board of Trustees.



Left: A robust cyber security program is a critical component of good governance. Hackensack Meridian Health has accelerated our digital transformation by moving to Google Cloud, which enables greater security along with efficiency and innovation. Right: In 2024, ESG leadership will deliver quarterly written reports and an annual verbal report directly to the Hackensack Meridian Health Board of Trustees. Pictured here are CEO Robert C. Garrett, FACHE (left), and Keith Banks, chairman of the Board of Trustees.



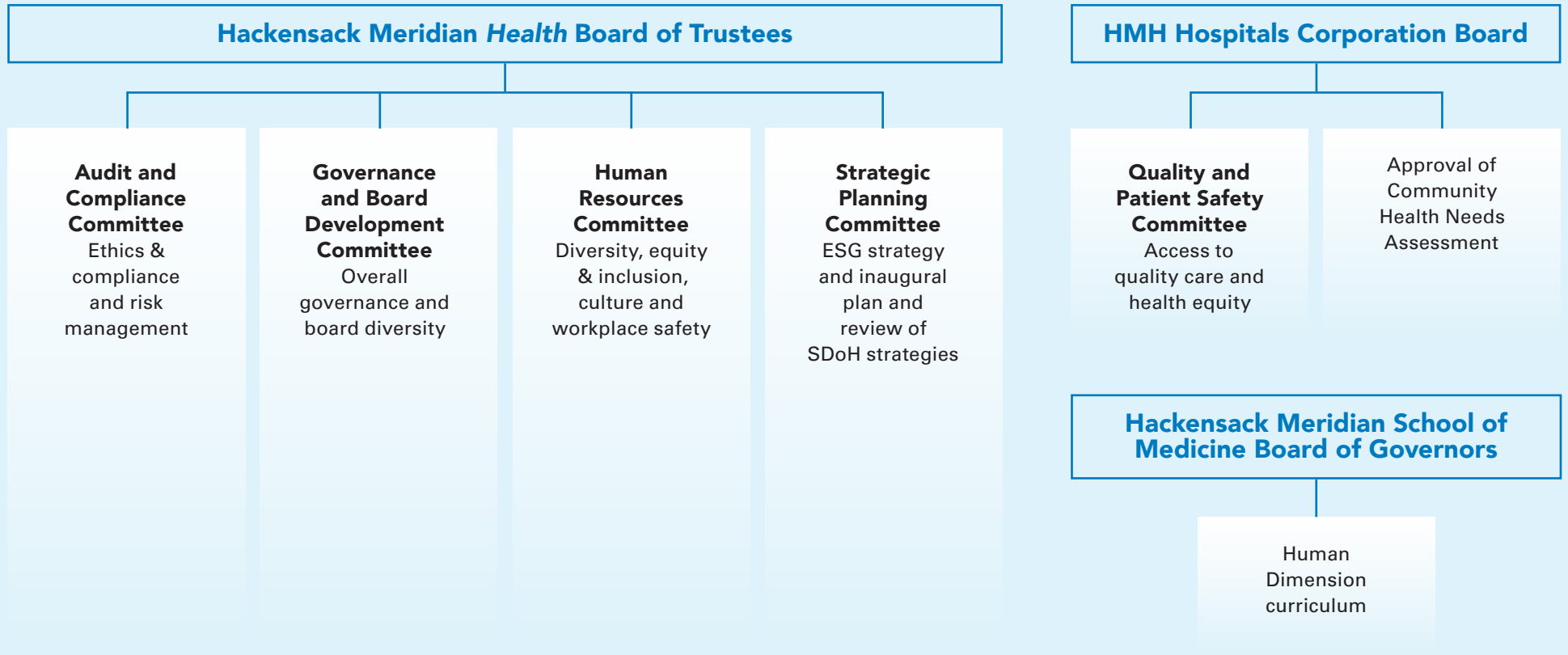
Using AI to Improve Health Outcomes

In late 2023, Hackensack Meridian *Health* joined 27 other hospital systems from across the country in a commitment to move toward safe, secure and trustworthy purchasing and use of artificial intelligence (AI) technology. The White House highlighted this voluntary commitment as a key part of the federal government's whole-of-society efforts to advance AI for the health and wellbeing of Americans.

ESG Organizational Structure

To ensure our commitment to ESG principles remains at the center of our mission, ESG work is embedded into our organizational and oversight structure.

Our ESG Council is chaired by the senior vice president, chief of external affairs, who is the executive sponsor of ESG. The Council is composed of leaders from across the network who bring subject-matter expertise in various aspects of ESG.



Looking Ahead

2024 ESG Strategy for Hackensack Meridian Health

In 2024, we will continue our work in implementing a clear multi-year framework for Hackensack Meridian Health to enhance business practices through an ESG lens with the following key priorities:



Clockwise from top left: Hackensack Meridian School of Medicine students participate in Habitat for Humanity events as part of the school's Human Dimension curriculum; Several hospitals have installed rooftop beehives to support local ecosystems and promote pollination; Our commitment to environmental stewardship includes providing sustainable food options; We offer vaccines, screenings and resources to community members across the state.

1. Build and launch ESG dashboard with network-wide accountability

Measuring and reporting on our work is critical to ensure transparency and accountability. Hackensack Meridian Health will begin building our ESG dashboard in early 2024 with a phased launch. The dashboard will be systematically reviewed by executive leadership and the relevant board committees. Our first phase will include scope 1 and 2 emissions to align with our Climate Pledge commitments.

2. Internal areas of focus

Leadership in key areas of ESG will continue to evolve in 2024. Internally, Hackensack Meridian Health has prioritized several areas, based on the SWOT analysis, with the goal of enhancing our leadership and aligning for impact and compliance:

- ▶ Launch largest solar array and battery storage project for a non-profit health care organization in the U.S. with Bernhard
- ▶ Achievement of network-wide health equity, responsible use of health data and other ESG-aligned certifications
- ▶ Develop Hackensack Meridian Health global donation program
- ▶ Align community partnership and sponsorships with ESG priorities

3. Advocacy areas of focus

Public policy can drive health equity, sustain evidence-based programs and build stronger communities. Hackensack Meridian Health will continue to use its voice through education and advocacy. In 2024, the network's ESG advocacy will focus on food insecurity, a key pillar of our social determinants of health work. We will engage on both the federal and state levels to expand public-private partnership, enhance existing food systems and support our partners in this critical work.

Our Multi-Year Vision

Our vision for the next three to five years is that all business practices of Hackensack Meridian *Health* operate with an ESG lens—with every leader utilizing the framework to assess business practices and performance.



ESG Multi-year Framework



Develop dashboard and phased-in launch to benchmark, measure impact

Launch clean-energy initiative

Incorporate emissions into network transportation plan

Integrate sustainability into risk/emergency management plan

Evolve SDOH strategy to be inclusive of social vulnerability

Reimagine academic clinical partnerships

Align community partnerships with ESG priorities

Develop volunteerism and global donation programs

Fully implement community-engaged medical education across all UME, GME areas

Integrate health equity framework throughout the network that operationalizes accountability and continuous improvement

Continue efforts to identify diverse board candidates and effectively govern the rapidly changing environment



Hackensack
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