



Serving Our Present, Caring for Our Future

Sustainability & Global Citizenship Report 2023

We are proud to present our 14th consecutive annual sustainability and global citizenship report detailing our work in the 2022 calendar year. Cleveland Clinic is committed to advancing practices that promote a just, thriving and green global economy. As such, we are a signatory of the United Nations (UN) Global Compact, a voluntary call to companies to align strategies and operations with universal principles on human and labor rights, environmental stewardship and anti-corruption, and take actions that advance societal goals. In this Communication on Progress, we include metrics, highlight stories and our approach for managing the various environmental, social and governance topics that are most important to our organization and valued stakeholders.

In addition to addressing the Ten Principles of the UN Global Compact, we prepared this report in accordance with the Global Reporting Initiative (GRI) standards. The GRI standards provide guidance on identifying, prioritizing and measuring progress on the management of an organization's most significant societal, economic and environmental impacts. This document maps our report content to the GRI standards, UN Global Compact Principles and UN Sustainable Development Goals with accompanying links to report content. To view the full report, please visit <u>clevelandclinic.org/ungc</u>.

Dear Patients, Caregivers and Community Members,

As Cleveland Clinic's international presence grows, so do our responsibilities as a global citizen.

Providing high-quality healthcare is only a part of our mission.

We have an obligation to uplift the many communities we call home. We must improve our neighbors' wellbeing, quality of life and opportunities to succeed. We must operate in sustainable ways that are good for our planet. We must embrace diversity, champion human rights and lead with humility and inclusiveness.

We are proud to be a signatory of the United Nations Global Compact, a commitment to abide by these universal principles. We offer this 14th annual Communication on Progress, reporting on our performance on environmental, social and governance issues in 2022.

Last year, our nonprofit health system contributed \$1.41 billion in annual community benefits from our operations in Ohio, Nevada and Florida. We are taking numerous actions to address urgent public health issues in our communities, including infant mortality, childhood lead exposure, food insecurity and pediatric mental health concerns.

We are investing in neighborhood development projects like Innovation Square, adjacent to our main campus in Cleveland, which provides affordable housing and a new grocery store. We also are recruiting, hiring and training local residents for healthcare careers, as well as contracting with diverse suppliers and mentoring companies owned by women, minorities, veterans and LGBTQ+ community members.

To ensure that we address community needs everywhere Cleveland Clinic operates, we have created the position of Chief Community Officer — an executive-level role with enterprise-wide responsibility to lead our community support strategies and develop collaborative relationships that bring about positive change.

Our sustainability program is setting an example for healthcare organizations. Its many achievements include decreasing our direct and indirect carbon emissions by more than 20%, tripling our recycling rate and earning green building certification across our global footprint.

Our ultimate goal is to be carbon neutral by 2027 by further reducing emissions, being more energy efficient and sourcing renewable energy. We also are working to significantly reduce water use, obtain food from local and/or sustainable sources, and divert 100% of our nonhazardous waste from landfills by 2027.

I invite you to learn more about our efforts from this Communication on Progress. Thank you for your interest.



Sincerely,

Tourisla Juhafeni

Tomislav Mihaljevic, MD Chief Executive Officer and President Morton L. Mandel CEO Chair Cleveland Clinic

Materiality and Stakeholder Engagement

Cleveland Clinic conducted a thorough materiality assessment in calendar year 2021 to ensure the topics in our report reflected our most current and significant social, economic and environmental impacts. Conducting our materiality update in 2021—the year of our centennial—provided a unique opportunity to ask our stakeholders to reflect upon Cleveland Clinic's legacy and solicit feedback on how we shape our future. For this report, which covers calendar year 2022 progress, we reviewed findings from the 2021 assessment with our Executive Steering Committee and made revisions to align with stakeholder feedback, changes in our organization's priorities, and material updates on social, economic, governance and environmental issues.

Material Topic Identification

To identify material topics, we reviewed our previous materiality assessment, engaged subject matter experts on our Executive Steering Committee and researched local, national, industry and global issues and trends. We worked with members of the Executive Steering Committee to identify individuals and stakeholder groups to interview as part of our materiality assessment. For our 2021 materiality assessment, we identified 40-50 stakeholders to interview, half of which were internal and half of which were external. In addition to soliciting input on the prioritization of the material topics we identified, we asked all 40-50 stakeholders that we interviewed as part of our materiality assessment if there were any additional material topics we should consider in our assessment.

Stakeholder Engagement

We aggregated input from 40-50 internal and external stakeholders related to our most significant impacts for our 2021 materiality assessment. During interviews, we asked stakeholders to provide feedback based on their areas of expertise, current events and trends. We also inquired about the significance of topics in relation to Cleveland Clinic's vision, value chain, geographic footprint and more. In addition to interviews, we also incorporated survey data from some stakeholder groups in our materiality assessment.

Some of the external groups we engaged with for our materiality assessment and/or this report include:

- City of Cleveland
- Department of Energy
- Environmental Protection Agency
- Evergreen Cooperatives
- Florida Hospital Association
- Health and Human Services
- Healthcare Without Harm
- Industry peers
- Local, state and federal government stakeholders
- National Institute of Health
- North Union Farmers Market
- Ohio Hospital Association
- Our top suppliers
- Practice Greenhealth

Topic Prioritization

Once we completed interviews and surveys with our stakeholders, we used their input, as well as other research and data on material issues to prioritize topics. Our Executive Steering Committee reviewed the prioritized list and approved the results.





Annual updates

Each year, we review material topics with our Executive Steering Committee. We ask members to propose relevant updates based on organizational activities and relationships, engagement with stakeholders and broader material topic trends and events. Updates are contingent upon the approval of the Committee. In this report, we organized our material topics by stakeholder group or category instead of by tier, and we no longer list topics that we are managing in addition to topics that are material.

Boundary

While we did not identify meaningful differences in the significance of topics by geography in our materiality assessment, we deploy strategies specific to the regions and communities in which we operate to address their unique needs. For example, our Community Health Strategy includes actions and programs to heal, hire and invest for the future, but we tailor programming for the communities our hospitals serve based on engagement with community members and outcomes of our <u>Community Health Needs Assessments</u>.

Disclosure	Disclosure Title	Location		
	GRI 2: General Disclosures 2021			
2-1	Organizational details	Organizational Profile, Governance		
2-2	Entities included in the organization's sustainability reporting	Organizational Profile, Governance		
		This report covers affiliates for which The Cleveland Clinic Foundation is the direct or indirect parent within the Cleveland Clinic Health System.		
2-3	Reporting period, frequency and contact point	This report covers progress from January 1-December 31, 2022. Cleveland Clinic provides calendar year reports on an annual basis. For more information regarding this report's content, con- tact Cleveland Clinic's Corporate Communications Department at +1.216.444.0141		
2-4	Restatements of information	Regulated Air Emissions		
2-5	External assurance	The Executive Steering Committee for Cleveland Clinic's Sustainability & Global Citizenship Report has determined that it will not seek third-party verification of this report at this time.		
2-6	Activities, value chain and other business relationships	Sustainable Procurement		
2-7	Employees	Enterprise Demographics		
2-8	Workers who are not employees	Enterprise Demographics		
		In 2022, Cleveland Clinic had 11,997 badged contractors that provided services across the organization, including construction, environmental, parking, food, protective, patient support, and more.		
2-9	Governance structure and composition	Governance, Board of Directors		
2-10	Nomination and selection of the highest governance body	Governance		
2-11	Chair of the highest governance body	Board of Directors		
2-12	Role of the highest governance body in overseeing the management of impacts	State of the Clinic, Materiality, Community Health Needs Assessments Reports and Implementation Strategy Reports, Community Benefit		
2-13	Delegation of responsibility for managing impacts	Executive Leadership, State of the Clinic, Board of Directors The Board of Directors meets four times per year, and the Executives share material updates on the organization's impacts related to the economy, environment, caregivers and community during those meetings.		
2-14	Role of the highest governance body in sustainability reporting	Reporting Process & Oversight, Materiality & Boundary		
2-15	Conflicts of interest	Board of Directors Governance Policies, Directors of Cleveland Clinic		
		The Conflict of Interest and Managing Innovations Committee of the Board of Directors oversees conflict of interest matters at Cleveland Clinic, which includes having oversight of the Professional Staff Innovation Management and Conflict of Interest Committee. Board members themselves also comply with a comprehensive conflict of interest policy that requires periodic disclosure and updating of interests that may pose a conflict, and review of disclosures by the Board Conflict of Interest Committee. In accordance with Internal Revenue Service requirements,		
		Cleveland Clinic discloses transactions or relationships with its Board members on its Federal Tax Return - Form 990		

Disclosure	Disclosure Title	Location	
2-16	Communication of critical concerns	State of the Clinic (2022 Statistics Care for Patients)	
		The CEO regularly communicates with Board members between quarterly meetings regarding topics of interest and significant developments for the Clinic.	
2-17	Collective knowledge of the highest governance body	Board members receive regular updates on a variety of topics and have the opportunity to participate in regular discussions on Safety, Quality and Patient Experience, Research and Education, Community Relations and Government Relations as part of their role.	
2-18	Collective knowledge of the highest governance body	State of the Clinic	
		Executive leadership is responsible for overseeing the management of Cleveland Clinic's impacts on the economy, environment and people, and reports progress against objectives and key results (OKRs) in the annual State of the Clinic. This report also includes updates on organizational practices to achieve OKRs.	
2-19	Remuneration policies	Form 990	
2-20	Process to determine remuneration	Form 990	
2-21	Annual total compensation ratio	Incomplete: Compensation information that Cleveland Clinic discloses publicly is available on its Federal Tax Return - Form 990	
2-22	Statement on sustainable development strategy	Welcome Letter	
2-23	Policy commitments	Code of Conduct, Human Rights & Labor Standards	
2-24	Embedding policy commitments	Compliance and Ethics, Conflict of Interest, Code of Conduct	
2-25	Processes to remediate negative impacts	Ombudsman Office, Compliance and Ethics, Patient Experience Programs & Services, Patient Rights and Responsibilities	
2-26	Mechanisms for seeking advice and raising concerns	Ombudsman Office, Compliance and Ethics, Patient Rights and Responsibilities	
2-27	Compliance with laws and regulations	Human Rights & Labor Standards, Compliance and Ethics	
2-28	Membership associations	Memberships	
2-29	Approach to stakeholder engagement	Stakeholder Engagement, Office of Patient Experience, Caregiver Listening & Surveys, Community	
2-30	Collective bargaining agreements	As of 2022, 3.4% of our employees were covered by collective bargaining agreements.	
GRI 3: Mate	erial Topics 2021		
3-1	Process to determine material topics	Materiality & Boundary, Stakeholder Engagement	
3-2	List of material topics	Materiality & Boundary	
Access to C	Care		
3-3	Management of material topics	Accessible & Integrated Care	
Caregiver E	Ingagement		
3-3	Management of material topics	Caregiver Experience	
Caregiver S GRI 403: Oct	Safety cupational Health and Safety 2018		
3-3	Management of material topics	Caregiver Safety, Care for Caregivers	
403-1	Occupational health and safety management system	Not Applicable: Cleveland Clinic has not implemented an occupational health and safety management system.	
403-2	Hazard identification, risk assessment, and incident investigation	Caregiver Safety, Compliance and Ethics	
		Non-Retaliation is included in our <u>Code of Conduct</u> : There will be no negative consequences or retaliation for good faith reporting of possible misconduct.	

Disclosure	Disclosure Title	Location Caregiver Safety	
403-3	Occupational health services		
403-4 Worker participation, consultation and commun occupational health and safety		Caregiver Safety	
		Cleveland Clinic has not implemented an occupational health and safety management system. Through our daily tiered huddles, workers at all levels of the organization share information, including any health and safety concerns, which are reported up to executive leadership.	
403-5	Worker training on occupational health and safety	Caregiver Safety All new hires complete safety training and all caregivers complete safety training on an annual basis. We provide additional training for caregivers relating to any and all specific work-related safety issues pertaining to their work areas.	
403-6	Promotion of worker health	Workplace Well-being, Care for Caregivers	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Caregiver Safety	
403-8	Workers covered by an occupational health and safety management system	Not Applicable: Cleveland Clinic has not implemented an occupational health and safety management system.	
403-9	Work-related injuries	Caregiver Safety	
403-10	Work-related ill health	Caregiver Safety	
Climate Res GRI 305: Em	silience iissions 2016		
3-3	Management of material topics	Climate Resilience	
305-1	Direct (Scope 1) GHG emissions	Measuring & Reducing Our Carbon Footprint	
		We use the GHG protocol methodologies and factors to calculate our carbon footprint. Our Scope 1 emissions, or CO_2e generated from on-site combustion and consumption, include carbon emissions from natural gas, generator fuel, fleet vehicle fuels and anesthesia gases.	
305-2	Energy indirect (Scope 2) GHG emissions	Measuring & Reducing Our Carbon Footprint	
		We use the GHG protocol methodologies and factors to calculate our carbon footprint. Our Scope 2 emissions, or CO_2e generated from utility providers, include carbon emissions from purchased electricity and steam.	
305-3	Other indirect (Scope 3) GHG emissions	Information Unavailable: In 2021, we measured our Scope 3 carbon footprint working with a third-party consultant. We learned that purchased goods and services, investments, capital goods and employee commuting represent more than 80% of our Scope 3 emissions. We are still in the process of refining the data included in our Scope 3 emissions and finalizing our Scope 3 emissions strategy, and anticipate having additional information to share in our next reporting cycle.	
305-4	GHG emissions intensity	Measuring & Reducing Our Carbon Footprint	
305-5	Reduction of GHG emissions	Measuring & Reducing Our Carbon Footprint	
305-6	Emissions of ozone-depleting substances (ODS)	Not applicable: CFC emissions comprise an immaterial proportion of our total emissions (less than 1%).	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Regulated Air Emissions	

Disclosure	Disclosure Title	Location	
	Health Strategy		
	rect Economic Impacts 2016 al Communities 2016		
3-3	Management of material topics	Community, 2022 Community Benefit Report, Community Health Needs Assessments (Ohio), Community Health Needs Assessments (Florida)	
203-1	Infrastructure investments and services supported	Community, 2022 Community Benefit Report, Community Health Needs Assessments (Ohio), Community Health Needs Assessments (Florida)	
203-2	Significant indirect economic impacts	<u>Community, 2022 Community Benefit Report, Community</u> <u>Health Needs Assessments (Ohio), Community Health Needs</u> Assessments (Florida)	
413-1	Operations with local community engagement, impact assessments, and development programs	<u>Community</u> , <u>2022 Community Benefit Report</u> , <u>Community</u> <u>Health Needs Assessments (Ohio)</u> , <u>Community Health Needs</u> <u>Assessments (Florida)</u>	
		Every three years, Cleveland Clinic performs a health needs assessment for the neighborhoods surrounding each of its 23 hospitals to identify their specific health-related needs. We have community advisory boards for every hospital comprised of local community members to discuss and address concerns.	
413-2	Operations with significant actual and potential negative impacts on local communities	Our stakeholders did not identify potential or actual material negative impacts on local communities from our operations during this reporting cycle.	
	y and Security stomer Privacy 2016		
3-3	Management of material topics	Patient Data, Compliance and Ethics	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		Confidentiality constraints Cleveland Clinic is committed to keeping patients' health information private and protecting it in accordance with applicable laws and internal policies and procedures. Our Patient Privacy Notice describes how patient data is gathered, used and protected.	
		Cleveland Clinic uses health information and discloses it for treatment and health care operations, as directed with a patient's consent when required, and when otherwise required or permitted by law. Cleveland Clinic caregivers are trained to report violations of these requirements and can do so through multiple channels, including through the anonymous hotline option. The Office of Corporate Compliance and Business Ethics and/or Members of the Data Security and Protection Committee promptly investigate any reported incidents concerning data protection and privacy, and related patient complaints, to determine whether there has been a breach, and if so, how notice should be given, including notifying the patient or the government, if required.	
GRI 405: Div	uity & Inclusion ersity and Equal Opportunity 2016		
3-3	Management of material topics	Diversity, Equity & Inclusion	
405-1	Diversity of governance bodies and employees	Governance, Enterprise Demographics	
405-2	Ratio of basic salary and remuneration of women to men	All members of the Board of Directors are over 50 years of age. Incomplete: Compensation information that Cleveland Clinic discloses publicly is available on its Federal Tax Return - Form 990	

	Disclosure Title	Location	
Ethics and			
	Management of material topics	Governance, Code of Conduct	
	Patient Experience		
,	Management of material topics	Patients	
1	ety & Quality of Care		
3-3	Management of material topics	Patient Safety & Quality of Care	
Research &	Innovation		
3-3	Management of material topics	Research & Innovation	
Sustainable	Cities and Communities		
3-3	Management of material topics	Environment	
	• Value Chain ocurement Practices 2016 ste 2020		
	Management of material topics	Sustainable Procurement, Local & Diverse Spending	
204-1	Proportion of spending on local suppliers	Local & Diverse Spending, Healthy, Local & Sustainable Food	
306-1	Waste generation and significant waste-related impacts	Waste Reduction	
306-2	Management of significant waste-related impacts	Waste Reduction	
306-3	Waste generated	Landfill Diversion, Hazardous and Regulated Medical Waste	
306-4	Waste diverted from disposal	Reprocessing and Recycling	
306-5	Waste directed to disposal	Landfill Diversion, Hazardous and Regulated Medical Waste	
Talent Deve GRI 404: Tra	lopment ining and Education 2016		
3-3	Management of material topics	Talent Development	
404-1	Average hours of training per year per employee	Development Resources	
404-2	Programs for upgrading employee skills and transition assistance programs	Talent Development	
4043	Percentage of employees receiving regular performance and career development reviews	Feedback and Performance	
Transparen	су		
3-3	Management of material topics	Compliance and Ethics, Reporting	

Principle	Description	Report Selection	
Statement of	Statement of Continuing Support		
		Letter from Tomislav Mihaljevic, MD Chief Executive Officer and President	
Human Righ	Its		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	Human Rights and Labor Standards	
Principle 2	make sure that they are not complicit in human rights abuses.	Human Rights and Labor Standards	
Labor			
Principle 3	Businesses should uphold the freedom of association and the effective recognition of collective bargaining;	Governance, Caregivers	
Principle 4	the elimination of all forms of forced and compulsory labor;	Human Rights and Labor Standards	
Principle 5	the effective abolition of child labor; and	Human Rights and Labor Standards	
Principle 6	the elimination of discrimination in respect of employment and occupation.	Human Rights and Labor Standards; Diversity, Equity & Inclusion	
Environmen	t		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	Environment	
Principle 8	undertake initiatives to promote greater environmental responsibility; and	Environment	
Principle 9	encourage the development and diffusion of environmentally friendly technologies.	Environment	
Anti-Corrup	Anti-Corruption		
Principle 10		Transparency & Anti-Corruption	



Goal	Description	Report Link
No Poverty	End poverty in all its forms everywhere	Community
Zero Hunger	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	Public Health Initiatives; Invest; Healthy, Local and Sustainable Food
Good Health and Well-Being	Ensure healthy lives and promote well-being for all at all ages	Patients; Community
Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Hire; Talent Development; Hiring & Pathways for Advancement
Gender Equality	Achieve gender equality and empower all women and girls	Diversity, Equity & Inclusion
Clean Water and Sanitation	Ensure availability and sustainable management of water and sanitation for all	Water Stewardship
Affordable and Clean Energy	Ensure access to affordable, reliable, sustainable and modern energy for all	Energy Efficiency; Climate Resilience
Decent Work and Economic Growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Caregivers; Community
Industry, Innovation, and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Community; <u>Healthy Buildings;</u> Research and Innovation
Reduced Inequalities	Reduce inequality within and among countries	Diversity, Equity & Inclusion
Sustainable Cities and Communities	Make cities and human settlements inclusive, safe, resilient and sustainable	Community; Climate Resilience
Responsible Consumption and Production	Ensure sustainable consumption and production patterns	Sustainable Procurement
Climate Action	Take urgent action to combat climate change and its impacts	Climate Resilience
Life Below Water	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development	Water Stewardship
Life on Land	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Community Tree Planting
Peace and Justice, Strong Institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	<u>Governance;</u> <u>Diversity, Equity & Inclusion;</u> <u>Community</u>
Partnerships for the Goals	Strengthen the means of implementation and revitalize the global partnership for sustainable development	<u>Stakeholder Engagement;</u> <u>Climate Resilience</u>