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GOVERNANCE

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COMPLIANCE, BUSINESS ETHICS, AND HUMAN RIGHTS IN THE COMPANY AND ALONG THE SUPPLY CHAIN

As an operator of hospitals and outpatient care centers, we want to live up to our social responsibility. That's why we promote a strong compliance culture that allows employees, partners, and suppliers to act ethically and lawfully at all times. The areas covered include compliance with legal requirements through transparent cooperation as business partners to upholding human rights along the supply chain.

TRANSPARENCY AND INDEPENDENCE: INTEGRITY IS OUR GUIDING VALUE

The compliance with laws, standards, and regulations – known as compliance – contributes to an atmosphere where patients, employees, and business partners are able to rely on Helios as a trustworthy partner. Transparency and independence have been the key guiding values of our corporate actions since Helios was launched in 1994. We practice transparency for all types of business collaboration, and always make decisions about procurement independently of existing business relationships. This is the enabler for identifying any high-risk collaboration or conflicts of interest and making independent decisions. A strong compliance culture empowers us to safeguard our key interest: the well-being of the patients we care for.

OUR COMPLIANCE MANAGEMENT SYSTEM

We ensure compliance with our strict anti-corruption system throughout the company with the assistance of our compliance management system. Responsibility for implementation rests with the Central Compliance Officer, who reports directly to the Helios management. The local management of the individual Helios hospitals is responsible for ensuring we follow compliance guidelines on site. Our risk management system was established in 2016 and it is used to analyze any risks of a possible breach of statutory provisions, internal guidelines, or our voluntary commitments. We also map the consequences of financial, reputational, or ethical harm for our company or employees.

We carry out internal controls in order to identify possible compliance violations and ensure compliant conduct. The risks are recorded using special IT tools. Uniform

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half-yearly risk reporting was introduced in 2022. This involves the reporting and assessment of individual risks in twelve central compliance risk subgroups: bribery and corruption, fraud and misappropriation of assets, antitrust violations, money laundering/financing of terrorism, trade restrictions, insider trading/market manipulation, compliance culture, compliance violations, reprisals, corporate governance, human rights abuses, and environmental and health protection. Risk assessment covers other key risks outside the area of compliance, such as information security, quality assurance, and the protection of intellectual property

GUIDELINE FOR INTEGRITY: THE HELIOS COMPLIANCE CODE

INTEGRITY AT HELIOS IS BASED ON THREE PILLARS:

Prevention:

Analyze and evaluate compliance risks, establish structures and processes, and develop and implement risk minimization measures

Detection:

Monitor adherence to and effectiveness of compliance regulations, and provide a violation reporting system

Response:

Deal with violations consistently, and continuously enhance the compliance system

These focuses have been set out in our Compliance Code since 2017. The Compliance Code is an element of employment contracts at Helios, and can be accessed by all employees and other stakeholders in various ways including [online](#) (German language only). The code is complemented by more than 30 specific Group-wide policies.

Regular training courses for all employees, particularly employees in management positions, and ongoing advisory sessions help to raise awareness throughout the company and to put the anti-corruption and compliance rules into practice. In addition, new managers and employees in Procurement take part in central training sessions about the Group Transparency Policy.

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OUR WHISTLEBLOWING SYSTEM: REPORTING AND INVESTIGATING SUSPECTED COMPLIANCE VIOLATIONS

Information about a violation of the rules can be reported to the responsible ombudspersons. The ombudspersons advise whistleblowers and pass their reports onto the responsible process owners. We investigate every report of misconduct. After completion of the investigation, we use the results to review our business processes. Wherever necessary, we initiate corrective action and improvement measures aimed at avoiding similar misconduct in the future. We have introduced a new company regulation that applies throughout Helios and this is accompanied by appropriate communication and training measures.

In 2023, a total of 17 (2022:9) reports were filed through reporting channels. The majority of the reports were in the categories of issues relating to employment law. In confirmed cases, the necessary and appropriate personnel measures were always taken.

Read more about our management systems [here](#). (German language only)

RESPONSIBLE PROCUREMENT ALONG THE ENTIRE SUPPLY CHAIN

CLEAR PROCUREMENT PRINCIPLES

Our successful collaboration with our suppliers is primarily based on four central documents: the respective contractual agreement, the Helios purchasing concept, the Helios Group Transparency Policy, and the Supplier Code of Conduct. Procurement at Helios also follows three key principles:

We rely on user judgement

We have a policy of strict separation between product decisions and price negotiations. The responsible medical specialist groups or departments decide which products and services are purchased. The Helios professional procurement team with specific product and industry knowledge carries out negotiations with suppliers and contractors.

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We do not host sales representatives

Since decisions about our products are made by the relevant expert medical groups, it is neither necessary nor desirable for sales representatives to make direct sales of products at our hospitals. Helios only allows central and regional procurement departments and not physicians or nursing staff to be approached for advertising and sales purposes.

We evaluate our suppliers objectively

Helios procurement teams evaluate strategically important suppliers according to standardized criteria and procedures every two years. This is also the case in 2024 for the years 2022 and 2023. The criteria for the evaluation include the process quality, the IT infrastructure, and the quality of the operational and strategic collaboration. In addition, the suppliers are assessed in respect of other environmental and social criteria as required by the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) since 2023. The foundation for this is our established Supplier Code of Code of Conduct whose compliance with the Code has been mandatory for suppliers since 2022. If suppliers violate the Code of Conduct, Helios may impose conditions or sanctions.

You can find more information on procurement and logistics at Helios and in our Supplier Code of Conduct [online](#).

ETHICAL, SOCIAL, ENVIRONMENTAL, AND HUMAN RIGHTS STANDARDS IN OUR SUPPLIER RELATIONSHIPS

We procure a wide range of different products from external suppliers for the care of our patients. Our requirements are divided into the following five categories:

- Medical supplies
- Laboratory
- Pharmacy
- Medical technology
- Non-medical supplies

In 2023, we spent approximately €1.8 billion on these categories in total. Of this, 97% was purchased from our suppliers' German subsidiaries.

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We expect our suppliers to observe our ethical, social, environmental, and human rights standards, or to comply with equivalent standards. The requirements we establish for our direct suppliers, service providers, and other partners are defined in our Supplier Code of Conduct. This comprises requirements relating to human rights and labor standards, environmental protection and animal welfare, compliance and anti-corruption. In accordance with the requirements of the Supplier Code of Conduct, suppliers must demand the defined requirements as minimum standards throughout their supply chain and along the supply chains of upstream suppliers.

Furthermore, since 2023 work has been progressing on a more human rights and environmental clause. Since 2024, it has been gradually included in existing and future contractual agreements as a binding element. If we suspect that there have been violations of the contractual clause or are likely to be in the future, we will respond accordingly. Depending on how severe the misconduct is, we carry out additional monitoring measures such as reviews and demand additional written confirmations from suppliers.

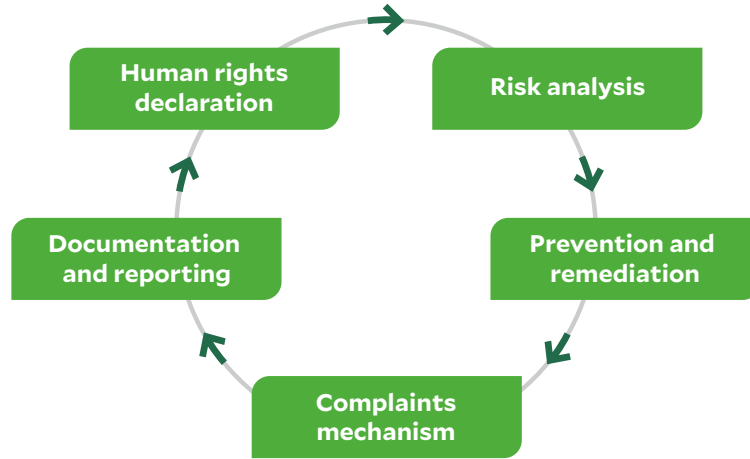
HUMAN RIGHTS RESPONSIBILITIES

At Helios, we work continuously toward preserving life, promoting health and well-being, and improving the quality of life experienced by sick people. Ethical action therefore forms part of our corporate responsibility and this includes upholding human rights. We are guided by international standards and applicable legislation, e.g. the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) which came into force in 2023.

In order to comply with the LkSG, the Fresenius Group approach to upholding human rights was implemented at Helios. The managements of Helios Health, Helios Germany, and the Management Board of Fresenius monitor the Group-wide human rights program. The program encompasses five areas of human rights due diligence that are continually being developed.

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HUMAN RIGHTS PROGRAM



Human rights declaration:

We describe our commitment to respect and protect human rights in our Human Rights Declaration.

Risk analysis:

We use risk analyses to continuously review due diligence obligations in respect of human rights at Helios

Prevention and remedy:

We integrate the measures derived from the findings of the risk analyses into our business workflows as a preventive and remedial measure.

Complaints mechanism:

A publicly accessible complaints mechanism for human rights and environmental complaints serves as a reporting channel for stakeholder groups.

Documentation and reporting:

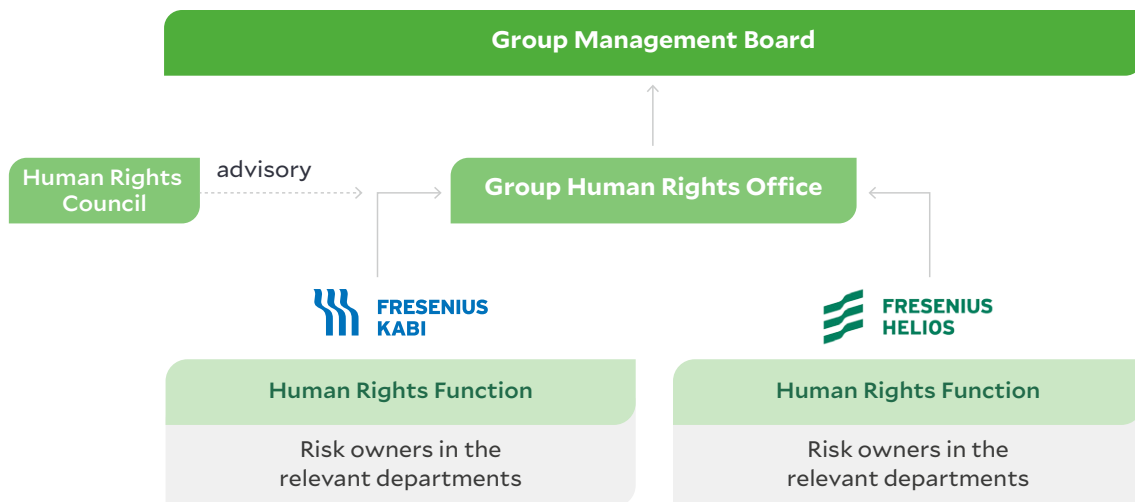
Results and current ongoing developments are documented each year and a report is submitted.

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The Group Human Rights Office at Fresenius is responsible for the overarching management of the Group-wide program. It supports Helios in the implementation of measures and reviews our activities directed toward complying with our human rights obligations.

Our Human Rights Function is responsible for operational implementation of the Group-wide strategy, and is designated at the level of Helios Health. Risk managers are defined for relevant specialist areas. As experts, they are responsible for an appropriate risk management and for carrying out risk analyses for their area of responsibility. Central Services Human Resources and Central Services Procurement and Logistics are relevant contact partners at Helios. They make their expertise available for risk assessment and take appropriate measures for risk management within their individual area of responsibility.

FRESENIUS GROUP APPROACH TO RESPECTING HUMAN RIGHTS



RISK ANALYSES AND REPORTS IN ACCORDANCE WITH NATIONAL LEGISLATION AND INTERNATIONAL STANDARDS

Since 2021, Helios has carried out a risk analysis on the topic of human rights. This evaluated potential risks of human rights violations in the supply chain and in its own business operations, defined issue clusters, and mapped out a risk landscape. In 2022, the methodology for the human rights risk assessment was refined and adapted to regulatory requirements, e.g. the LkSG. We recorded the results of this risk analysis in full in 2023 and integrated them in our Human Rights Report for the first time in 2024. They will be regularly updated in future. We carry out a risk analysis for our own business activity and our supply chains at least once a year. This complies with the applicable international and national laws. As part of risk analysis, we identify topics and risks. We classify these as a priority owing to their potentially serious impacts and our ability to influence them. We identified health and safety in the workplace as prioritized human rights issues for Helios

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in our Human Rights Declaration and in the report on human rights and the environment submitted to the Federal Office for Economic Affairs and Export Control (BAFA).

Helios is also committed to the [Human Rights Declaration](#) already referred to, applicable for all business units at Fresenius, which was first published in 2018. The statement is guided by the United Nations (UN) Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. It also complies with the requirements of the LkSG. New findings from our annual risk analyses and those carried out on an ad-hoc basis with a focus on people and the environment are updated in this declaration during spring of each year. Representatives at Helios worked on the updated declaration in 2023 and Fresenius published the statement in March 2024.

You can read more on human rights at Helios [here](#). (German language only)

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DIGITALIZATION IN HEALTHCARE

Digital transformation opens up groundbreaking opportunities in healthcare: faster communication, more efficient administrative workflows, and innovative use of patient data. As a pioneer in German healthcare, Helios is driving forward digital transformation in day-to-day hospital operations. We place the quality of care and the improved productivity of our hospitals at the center of our efforts – always taking into account data protection requirements and maximum information security.

DIGITAL TRANSFORMATION

Digitalization in healthcare improves the prerequisites for high-quality treatments. It permits analysis of medical data for identification of diseases, permits individually tailored therapies, and thereby opens up new treatment and therapeutic opportunities.



The hospital market in Germany is developing dynamically on the back of these innovations. Digital patient records and telemedicine are enabling new communication channels and facilitating faster transfer and interpretation of health data. At Helios, we are seeking to leverage the potential of these opportunities and structure them responsibly. To this end, we are using the DigitalRadar Score to

record our progress and assess the degree of digitalization in our hospitals. The government launched this evaluation model in 2021 and it measures the basic status of digitalization in German hospitals. In 2021, 1,624 hospitals across Germany took part in the initial survey and the average DigitalRadar Score was 33.3 out of a possible 100 points. The average DigitalRadar Score in Helios facilities was 45.1. The second DigitalRadar Score survey will follow in 2024.

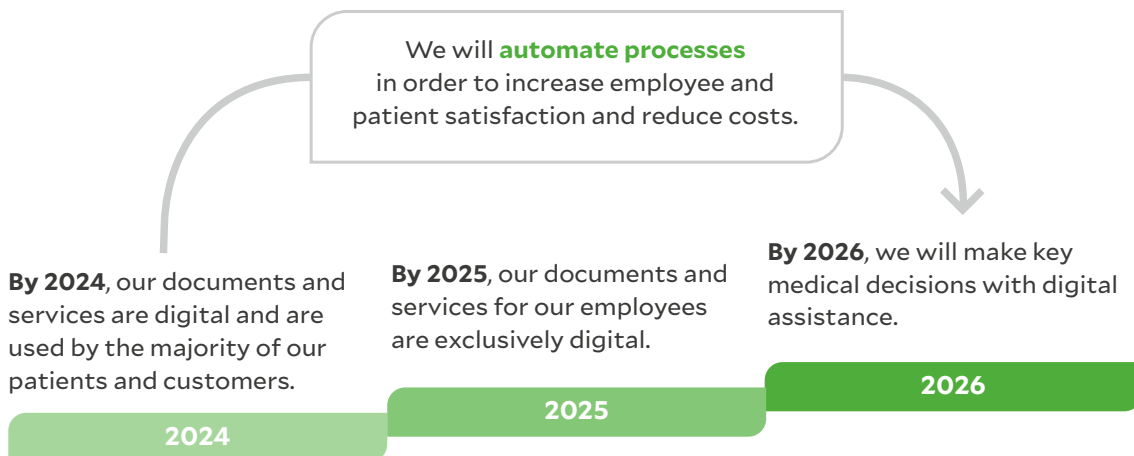
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HELIOS DIGITALIZATION GOALS FOR IMPROVED QUALITY OF SERVICE AND TREATMENT

Helios has the ambition to become a digital pioneer in the German healthcare sector, including systematic digitalization of all suitable processes and offerings. This will enable us to improve service and quality of medical care for patients over the long term, and to enhance the productivity and working conditions of our employees.

Helios is expanding digital processes in all areas of the company, and defined three digitalization goals for this in 2023. The aim is to achieve the desired improvements over the long term. The automation of processes has played a key role since then. Wherever possible, recurring activities should be simplified and accelerated using digital assistants.

HELIOS BECOMES A DIGITAL PIONEER IN THE GERMAN HEALTHCARE SYSTEM



Digitalization goal 1 (by 2024)

Focusing on service quality for patients, all documents and services relating to healthcare are to be digitalized and made available online in 2024. They include doctor's letters and appointment bookings.

Digitalization goal 2 (by 2025)

All documents and services for Helios employees are also to be available online in 2025. This is intended to make the working day simpler and more efficient. It is all about the digital availability of personnel, billing, and pay data.

Digitalization goal 3 (by 2026)

In 2026, all key medical decisions at Helios are to be taken with digital support and thereby further improve the quality of medical care. Artificial intelligence can provide support for medical decisions on the basis of big data.

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MORE FLEXIBLE, MORE EFFICIENT AND SAFER DATA EXCHANGE THROUGH THE HELIOS PATIENT PORTAL

As one of the pioneers in the German healthcare market, Helios has maintained a patient portal since 2019 and has developed digital patient records in tandem. As a result of individual access via the hospital websites, patients have the flexibility to view doctor's letters and findings. They are provided with essential elements of their own patient records and they can then decide whether or not to share the information. At the end of 2023, the patient portal was available at 64 of our hospitals and it can be accessed via each hospital's website. In 2023, the patient portal had 297,000 (2022: 205,000) registered users, 1,380,000 (2022: 700,000) documents exchanged, and around 203,000 (2021: 137,000) appointments booked online.

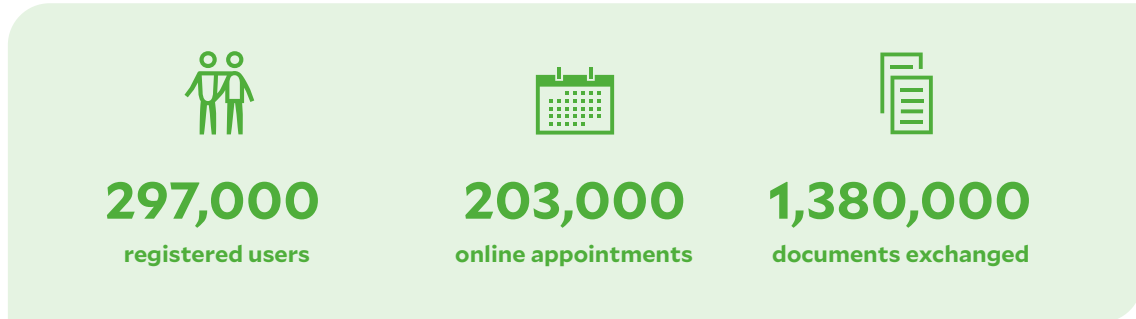
EXPANSION OF THE ELECTRONIC PATIENT RECORD (ePA)

The expansion of the electronic patient record (ePA) continued to be the central focus of our digitalization activities in 2023. A digital patient record containing clinical correspondence, results and all clinical imaging is available at almost every workstation at Helios hospitals, adding value for doctors carrying out treatment as well as for patients. Integrated software solutions at about half of Helios hospitals provides support in boosting patient safety. Special programs provide e.g. warnings and alerts about potential drug interactions.

In the future, the ePA is to be integrated in Germany's nationwide telematics infrastructure. The intention is for this infrastructure to improve information flow within the healthcare system. The government is driving forward expansion of telematics infrastructure to optimize access to patient data while at the same time maintaining data protection and security standards. We are preparing for this integration with the focus on higher quality of healthcare, and enhanced efficiency for healthcare and administrative processes. The electronic medication management functionality is planned as part of the telematics infrastructure. This is intended to enable electronic prescriptions to be sent digitally to participants outside the hospital, such as doctor's offices or pharmacies. Patients decide for themselves whether their information is shared.

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HELIOS PATIENT PORTAL



INFORMATION SECURITY

The requirements for security of digital and analog information are increasing with the expansion of digitalization. The aim of the Information Security department is to protect information of all types and origin – irrespective of how this information is stored. We integrate comprehensive measures for information security into the processes and projects of the company where sensitive data are processed. A top priority is given to risk management here.

In 2023, the Information Security department was part of the responsibility of the Central Service Compliance. The Information Security department supported Helios management on implementing and maintaining an information security management system (ISMS). The department also provided support for the hospitals in implementing the statutory requirements for information security, and gave advice on reporting to the supervisory authorities. We also strengthened collaboration and exchange of knowledge with Fresenius.

Since 2024, the Information Security department has been operating as a dedicated Central Service. This enables us to continue developing a company-wide organization for information security. The goal is to coordinate centrally and professionalize the protection of digital and analog information against the increase in cyber threats.

DATA PROTECTION

The topics of artificial intelligence (AI) and the further development of our data protection risk management were primary focuses for data protection in the reporting year.

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We have worked out the first concepts for development of in-house AI applications. They enable transparent and lawful data management and are intended to ensure that patients will be able to retain their right in future to self-determination of their own information in spite of the increasingly complex world of data processing.

In this context, Helios also pursued communication with the supervisory authorities – including on the design of individual AI development phases compliant with data protection regulations – and engaged intensively with planned regulatory innovations.

PROTECTING DATA EFFECTIVELY: OUR DATA PROTECTION MANAGEMENT SYSTEM

The Helios data protection management system ensures within the scope of the coordination model that all the companies in the Helios Hospitals Group have access to the full range of necessary tools in order to protect personal data appropriately. The Central Service Data Protection is responsible for the data protection strategy and for developing the data protection management system. During the reporting year, we developed our data protection management system in order to be in a position to ensure creation of an even more robust maturity measurement in all Helios companies.

Data protection is a management function at Helios. The management of the Central Service Data Protection reports directly to the Chief Executive Officer (CEO). The Central Service Data Protection is currently supported by 92 colleagues. In the roles of regional managers, regional data protection coordinators, or as data protection officers and data protection coordinators, these colleagues monitor the implementation of data protection requirements. Building and maintaining trust is important for our patients. We also believe that mutual trust serves as a guarantee for a positive relationship between our employees and Helios as an employer.

In 2023, 123 (2022: 115) violations of the protection of personal data were reported to the responsible supervisory authority pursuant to Article 33 of the General Data Protection Regulation. The overwhelming majority of the incidents were identified by sensitized employees. The orientation guide Incident Management published in the reporting year is intended to provide support with fast answers to detailed questions relating to the issue of violations of personal data protection. We carried out a detailed analysis of the data protection violations identified during the reporting year and we modified as necessary any established processes for the purpose of reducing risk.

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TRAINING AND SENSITIZATION PROGRAM

New employees at Helios have to make a commitment to confidentiality before they start their new job. They also need to complete online training for data protection within eight weeks of starting at Helios. Participation in regular training and awareness measures facilitate ongoing sensitization of employees to responsible handling of personal data. In 2023, the online training courses on offer were expanded by the topic of data protection and research, among others.



RELATED LINKS

[Use of robot technology at Helios](#)

[AI-support in colorectal cancer screening](#)