

UHS | 2022

COMPANY OVERVIEW AND ESG PROFILE

A conceptual illustration of a hand holding a globe. The globe is covered in a complex network of white lines and dots, representing a global network. The background transitions from blue at the top to orange at the bottom, with the hand silhouette in dark orange at the bottom left.

AN EXPANDING NETWORK OF CARE

UNIVERSAL HEALTH SERVICES, INC.

OUR MISSION

*Established in 1979 by Alan B. Miller,
Founder and Executive Chairman*

TO PROVIDE SUPERIOR QUALITY HEALTHCARE SERVICES THAT:

PATIENTS recommend to family and friends,

PHYSICIANS prefer for their patients,

PURCHASERS select for their clients,

EMPLOYEES are proud of, and

INVESTORS seek for long-term returns.

*Our Mission statement has been
repeatedly praised by industry experts
for being honest and authentic, and
for identifying value offered to all
key stakeholders from patients and
employees to our investors.*

LETTER TO OUR SHAREHOLDERS

Dear Shareholders,

Through our nearly 400 subsidiaries across the United States, Puerto Rico and the United Kingdom, over 3.4 million patients were served in 2022.

We are reminded daily of the very special role that the healthcare industry plays and that frontline providers fulfill. They do so with honor, respect and compassion – realizing our mission to deliver high-quality care in our served communities, improving and saving lives.

2022 was another difficult year for the entire hospital industry as we continued to manage the impacts of the COVID-19 pandemic, a very challenging labor market and increasing inflation. During the year UHS generated net revenues of \$13.4 billion, an increase of 6% over the prior year. However, a nationwide shortage of nurses and other clinical staff drove higher wage costs and broader inflationary pressures, negatively impacting our other expenses and profits. Nonetheless, we expect that our numerous recruitment and retention initiatives will help to moderate the wage inflation in 2023, and will start paving the path toward resumption of pre-pandemic profitability levels.

Our capital growth and development through strategic partnerships, new facility construction, expansions and renovations are proceeding. In 2022, we opened the brand-new Northern Nevada Sierra Medical Center and three new freestanding emergency departments within our Acute Care business, and added three new facilities to the Behavioral Health portfolio. Further, we continue to prioritize the integration of ambulatory care access points along the care continuum in existing markets. Our focus remains on positioning employees and facilities to provide the highest quality and most efficient care to our millions of current and future patients.



We are proud of the reputation we have earned over the past 44 years as a leader in the healthcare industry. For the 13th consecutive year, UHS was recognized among World's Most Admired Companies by Fortune magazine; this year #2 in the Healthcare: Medical Facilities category. We have been ranked for 19 years on the Fortune 500 list, currently at #297 – and UHS ranks #391 among American companies on the Forbes Global 2000. Our facilities continue to be honored by national, state and local organizations for delivering high-quality care, for pioneering innovation, for their thought leadership and for their commitment to serving their local communities.

As we plan for the future, our most important priorities continue to be the delivery of compassionate patient care; profitable growth in attractive markets, business segments and care delivery venues; and maintaining our reputation as an industry leader and preferred provider, employer and partner.

On behalf of UHS leadership, we are grateful to patients for entrusting their care to UHS facilities; to employees at those facilities for all their hard work; to our business partners for their collaboration; and to our shareholders for their support and investment.

Sincerely,

A handwritten signature in dark ink that reads "Marc D. Miller". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Marc D. Miller
President and Chief Executive Officer

OUR IMPACT

2022 BY THE NUMBERS



3.4 MILLION
PATIENTS SERVED

\$13.4 BILLION
REVENUES



1,700+
PROVIDERS
OF PHYSICIAN
SERVICES

94,000
EMPLOYEES, GLOBALLY



\$734
MILLION
**INVESTMENT IN
EQUIPMENT, FACILITY
EXPANSIONS AND
RENOVATIONS**

21,000
NURSES

UHS is a registered trademark of UHS of Delaware, Inc., a subsidiary of Universal Health Services. Universal Health Services, Inc. is a holding company that operates through its subsidiaries. All healthcare and management operations are conducted by subsidiaries of Universal Health Services, Inc. Any reference to "UHS" or "UHS facilities" including any statements, articles or other publications contained herein which relates to healthcare or management operations is referring to Universal Health Services' subsidiaries. Further, the terms "we," "us," "our" or "the company" in such context similarly refer to the operations of the subsidiaries of Universal Health Services, Inc. Any reference to employment at UHS or employees of UHS refers to employment with one of the subsidiaries of Universal Health Services, Inc.

ACUTE CARE

312,000 inpatient admissions

1.6 million patient days

1.1 million outpatient visits (excluding ER)

33,750 deliveries

7 Accountable Care Organizations (ACOs)

BEHAVIORAL HEALTH

Over 730,000 total patients served

6.2 million patient days

19 facilities offering Patriot Support Programs

391 inpatient beds added in new and existing facilities in the U.S.

INDEX

Board of Directors/Corporate Officers
6

Acute Care Division
8-17

Behavioral Health Division
18-26

Environmental, Social and Governance
27-62

BOARD OF DIRECTORS



Left to Right (Standing): Eileen C. McDonnell^{1*,2,3,7}; Alan B. Miller^{3*,4}; Marc D. Miller^{3,4}; Maria Singer^{1,4,5,6}
(Seated): Warren J. Nimetz^{3,4}; Elliot J. Sussman, MD^{1,2,5*,6}; Lawrence S. Gibbs^{1,2,5,6}; Nina Chen⁶

Committees of the Board: ¹Audit Committee, ²Compensation Committee, ³Executive Committee, ⁴Finance Committee, ⁵Nominating and Governance Committee, ⁶Quality and Compliance Committee, ⁷Lead Director, *Committee Chairperson

Learn more: uhs.com/about-uhs/leadership

CORPORATE OFFICERS

Alan B. Miller

Founder and Executive Chairman
of the Board

Marc D. Miller

President and Chief Executive Officer

Steve G. Filton

Executive Vice President
and Chief Financial Officer

Matthew J. Peterson

Executive Vice President
and President
Behavioral Health Division

Edward Sim

Executive Vice President
and President
Acute Care Division

Charles F. Boyle

Senior Vice President
and Controller

Jim Clark

Senior Vice President, Finance
Acute Care Division

Thomas Day

Senior Vice President, Finance
Behavioral Health Division

Geraldine Johnson Geckle

Senior Vice President
Human Resources

Matthew D. Klein

Senior Vice President
and General Counsel

Michael S. Nelson

Senior Vice President
Strategic Services

Victor J. Radina

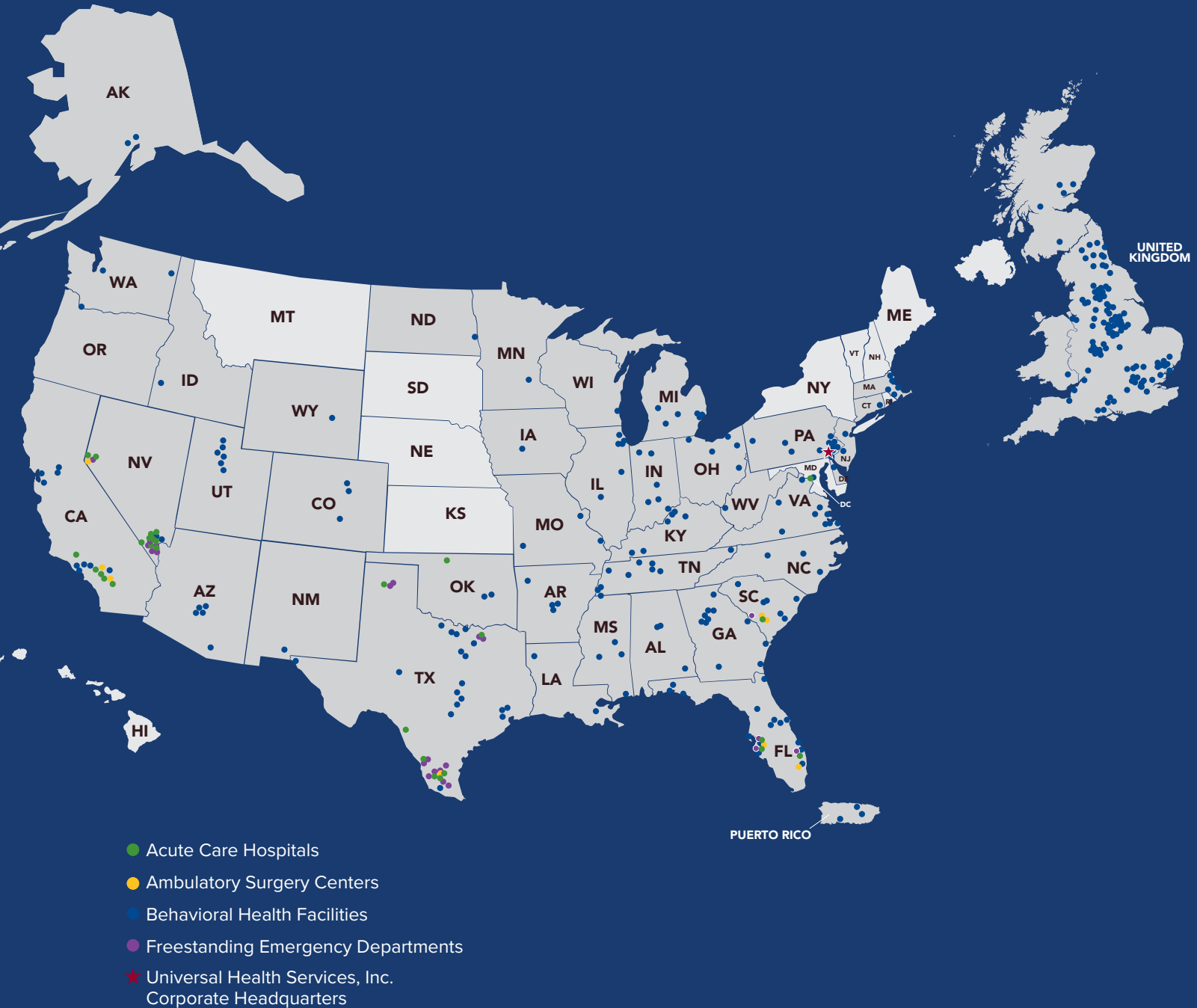
Senior Vice President
Corporate Development

Cheryl K. Ramagano

Senior Vice President
and Treasurer

UHS of Delaware, Inc. is the administrative services company for, and a wholly owned subsidiary of, Universal Health Services, Inc.
All of our "Corporate Officers" listed above are employees of UHS of Delaware, Inc.

400 FACILITIES ACROSS 39 U.S. STATES, WASHINGTON, D.C., PUERTO RICO & UNITED KINGDOM



To explore our facilities using an interactive map, visit uhs.com/locations





UHS ACUTE CARE DIVISION

We bring life-changing expertise, treatments and technology to local communities through our Acute Care hospitals and care access points.

The Acute Care Division operates 28 hospitals providing care to millions annually. We are competitively positioned as the provider of choice due in part to the favorable reputation that our hospitals have earned and the high-quality care delivered. Our integrated delivery networks provide patients with personalized care.

The Acute Care teams continued their intense focus on delivering clinical excellence and quality to the communities we serve. This commitment differentiates us in the market and has resulted in another year of solid performance. While we are addressing the lingering issues brought by the pandemic, many positive achievements were delivered in 2022 and the teams continue to make a positive difference in the lives of those we serve.

Healthcare is better where we are.

QUALITY & SAFETY



Our achievements in quality demonstrate the teams' commitment to the outstanding care and services that we provide.

In 2022, seven Acute Care hospitals earned an "A" grade from The Leapfrog Group, recognizing our efforts in protecting patients from harm

and meeting the highest safety standards.

U.S. News & World Report published their Annual Hospital Rankings in July. Of 24 UHS hospitals evaluated, 83% earned at least one designation as High Performing. Of note, **South Texas Health System Edinburg** was named as the Best Regional Hospital in the McAllen Metro area. It was one of only 493 hospitals recognized as Best Regional Hospitals in their respective markets. In addition, the hospital received High Performing ratings for its treatment of heart attack, heart failure, stroke, COPD, diabetes, kidney failure and pneumonia.

The George Washington University Hospital earned High Performing designations for Neurology/Neurosurgery and Urology. Several other UHS hospitals earned High Performing for specific conditions. One of the many distinctions bestowed upon our hospitals includes: **Lakewood Ranch Medical Center** was the first hospital in Florida to earn The Joint Commission's Gold Seal of Approval® for Advanced Primary Heart Attack Center Certification. The Gold Seal is a symbol of quality that reflects our commitment to providing safe and quality care for heart attack patients.

"Healthcare today is challenging, but I am optimistic and excited about the future. Together, we have tremendous opportunities to make a profound impact in the communities we serve."

EDWARD SIM
EXECUTIVE VICE PRESIDENT AND
PRESIDENT, ACUTE CARE DIVISION



Award-winning care

UHS Hospitals Recognized with an "A" Safety Grade from The Leapfrog Group in 2022



**Desert Springs Hospital
Medical Center**
2nd "A" in a row



Henderson Hospital
9th "A" in a row



**Northern Nevada
Medical Center**



**Palmdale Regional
Medical Center**



**St. Mary's Regional
Medical Center**
9th "A" in a row



**Summerlin Hospital
Medical Center**



**Valley Hospital
Medical Center**

PROCESS IMPROVEMENT

Key Performance Metrics

We are committed to continuous improvement and enhancing the patient experience while optimizing performance, reducing costs and improving patient care.

- Capacity management software deployment continues along with implementation of standard inpatient workflows.
- We drove a 64% reduction in contract labor spend; and a 12.3% reduction in RN turnover.
- We reduced Hospital Acquired Pressure Injuries by 18%; and reduced falls with injury by 7%.
- Acute Inpatient Rehabilitation Units continued to be successful in the Program Evaluation Model with 9 of 11 Rehab Units ranking above 90.
- Finally, all facilities earned certification from The Joint Commission with accolades to host facilities; and two facilities maintained certifications from The Commission on Accreditation of Rehabilitation Facilities (CARF).

Overall, positive momentum is delivering results.



OVERALL LENGTH OF STAY FOR LOW ACUITY ED PATIENTS

8.7% REDUCTION
FROM 2021



PATIENT VOLUME IN HOSPITAL-BASED EDs

9.4% INCREASE
FROM 2021



ED LENGTH OF STAY FOR PATIENTS ADMITTED

26% REDUCTION
FROM 2021



PATIENT FEATURE

Joseph

The George Washington University Hospital

Following successful rotator cuff surgery at GW Hospital, Joseph is back to throwing strikes at his favorite bowling alley. "I had surgery on my rotator cuff, which was in bad shape. The advanced pain management that I received from GW Hospital made all the difference. The reason I chose GW Hospital for my surgery is that I have been going there for at least 30 years for medical care. After a few months following my rotator cuff surgery, I am back to bowling again, feeling great and I'd like to thank everybody at GW Hospital."

Learn more:
gwhospital.com

GROWTH & EXPANSION IN KEY REGIONS

Our expansion plans in key markets continued this year, enabling us to meet the growing healthcare needs of the communities served. Our investment strategy for new builds remains robust and vigorous.



IN NEVADA, Northern Nevada
Sierra Medical Center opened in April 2022 in Reno.

In the Las Vegas market, we acquired a stake in the Las Vegas Institute for Advanced Surgery. This care center has been integrated into **The Valley Health System**. We also celebrated the beam topping on construction of the new **West Henderson Hospital**, scheduled to open in 2024.

Also in Las Vegas, patients of **The Valley Health System** have benefited from our Valley Health at Home by BAYADA post-acute, in-home care service since its launch in January 2022.



IN FLORIDA, progress continued in Palm Beach Gardens, with City Council providing support to proceed with next steps for the new hospital to be built in Alton, Florida.

We announced a \$120 million planned expansion of **Lakewood Ranch Medical Center**. Construction will commence in early 2023. We launched Manatee Health at Home by BAYADA, a new joint venture partnership and our second in-market with BAYADA, a leading Home Health Care Agency. BAYADA brings more than 45 years of home health expertise to our community, and enhances the quality services and outcomes that patients have come to expect from **Manatee Healthcare System**.



Senior executives commemorate the opening of the new patient tower.

Constructed to meet the expanding need for accessible, quality healthcare in our ever-growing community, STHS Edinburg's new five-story, \$100 million patient tower was designed to deliver an improved patient experience.





IN CALIFORNIA, our Acute Care assets are now aligned under the System brand, **Southwest Healthcare**. Significant renovations, to be completed in phases over

the next four to five years, are in progress at

the **Southwest Healthcare Rancho Springs Hospital** and **Southwest Healthcare Inland Valley Hospital** locations. We announced in late 2021 a strategic alignment with Riverside Medical Clinic (RMC), a premier multi-specialty physician practice that employs over 180 physicians and advanced practice providers at seven physician offices. We are working to expand our care delivery continuum through our relationship with RMC.



IN TEXAS, we opened the new \$100 million five-story patient tower at **South Texas Health System Edinburg**. **South Texas Health System McAllen** was designated a Level 1 Trauma

Center by the Texas Department of State Health

Services. At **Texoma Medical Center**, we completed a Central Energy Plant and Dietary expansion and opened a new ambulatory surgery center.



IN D.C., we unveiled the **Cedar Hill Urgent Care GW Health** facility. This is the first-ever urgent care center in Ward 8 in D.C. and provides treatment for a variety of health

ailments including allergic reactions and asthma,

colds and flu, ear infections, minor sprains and broken

bones. In addition, radiology and basic lab work services are offered. Opening **Cedar Hill Urgent Care GW Health** is the next step in creating a comprehensive, academic medical network which will enhance health access, equity and outcomes and elevate healthcare in our nation's capital.

Mayor Muriel Bowser joined us as we broke ground on **Cedar Hill Regional Medical Center**

GW Health. The more than \$400 million project will include a 184-bed, full-service hospital, trauma center, ambulatory pavilion for physician offices, clinics and community space, a 500-car garage, and a helipad for emergency transports. Additionally, the new hospital will provide maternity services. When it opens its doors to patients in early 2025, the new **Cedar Hill Regional Medical Center GW Health** will be the first inpatient facility to open in the District of Columbia in more than 20 years.



PATIENT FEATURE

Joy

The George Washington University Hospital

"I was diagnosed with stage 3 vocal cord cancer. Having cancer can be a scary experience, but I was never afraid because I had confidence in the GW team that I was working with. They got me through one of the most difficult periods in my life, and thankfully they came through for me. The care that I received at GW was extraordinary. It was impressive and it made me feel special. Today, I am cancer free."

Learn more:
gwhospital.com



Northern Nevada Sierra Medical Center

Reno, Nevada

- **First seismic-built hospital in the region**
- **170 beds**
- **Exclusively private rooms**
- **250+ employees**

FEATURED SERVICES

24/7 ER, cardiology, labor and delivery, pediatrics, oncology, orthopedic and surgical services, intensive care, advanced cardiovascular services, inpatient therapy and more.

Opened in April, **Northern Nevada Sierra Medical Center** is the first full-service hospital to be built in the region in nearly a century. Because of the rapid population growth in the Reno and Sparks region, **Sierra Medical Center** has expanded healthcare services so patients have convenient access to quality healthcare.

Sierra Medical Center is part of **Northern Nevada Health System**, a regional multi-facility system that has excelled at offering quality care to residents of the greater Truckee Meadows. The health system has many locations across the region and in our rural communities. This includes **Northern Nevada Medical Center**, a 124-bed acute care hospital in Sparks, and primary care services and a wide range of specialty care through the affiliated **Northern Nevada Medical Group**.



Sydney Hanson

1 review



a week ago

NEW

I just had a baby here at Sierra and it was the best experience I could have asked for. The nursing staff I had (Erin, Tara and Laura plus postpartum nurses) were very encouraging and helpful through the entire labor and delivery process. They listened and took into consideration my wishes and feelings and that's something that I will forever be grateful for. I have never met such kind and wonderful staff. Along with the amazing staff it was one of the cleanest and well put together hospital I have seen in a long time. I will 100% recommend all my friends to have their babies at this hospital from now on.



In December, **Sierra Medical Center** opened its level II neonatal intensive care unit (NICU), providing care to infants born at 32 weeks' gestation or later who have needs or conditions that require specialized medical attention. The 12-bed NICU is equipped with advanced medical technology including direct access to the labor and postpartum maternity suites, where moms are cared for. Other accommodations include private rooms with noise control and isolation for the most sensitive patients. The staff who support NICU patients include registered nurses, respiratory therapists, physical therapists, social workers, case managers and lactation consultants, all of whom receive unique training to work with infants born prematurely.

Sierra Medical Center also opened its new pediatric inpatient care unit, providing infants, children, adolescents and teens with local comprehensive medical care. The new unit is led by pediatric and NICU medical director Jennifer Achilles, M.D. Local families can find comfort knowing that they can access care a short drive from home, with the area's foremost experts. When a child is hospitalized, their care team may include board-certified emergency medicine providers, pediatric hospitalists, pediatric nurses, respiratory therapists and other specialists. The unit can treat common pediatric conditions such as respiratory distress, dehydration, allergic reactions, gastrointestinal concerns, infections, pain and more.



PATIENT FEATURE

Baby Marigold **Northern Nevada Sierra** **Medical Center**

Soon after opening, Sierra Medical Center's level II NICU welcomed its first baby, Marigold. "We are proud to have earned certification as a level II NICU and begin caring for infants like Marigold that are born prematurely," said Laura Smith, MSN, RN, RNC-NIC, NICU manager at SMC. "The expanded services provide families with reassurance that our new hospital has the advanced capabilities and highly trained staff to support infant care."

Learn more:
nnsierra.com



EXPANDING ACCESS TO CARE

Our Freestanding Emergency Departments (FEDs) provide conveniently located access points for individuals requiring immediate medical attention. Since January 2022, we opened four new FEDs. These are full-service emergency departments that provide 24/7 care, stabilizing treatment for major conditions including heart attack and stroke, and treatment for minor conditions.

During the year, we handled over 322,000 ER visits and over 19,000 transfers to UHS hospitals. We have acquired land to construct additional FEDs and expect to have approximately 30 FEDs operating by the end of 2023.



ER at Spanish Springs, an extension of Northern Nevada Medical Center (opened in January 2023)



ER at Valley Vista, an extension of Centennial Hills Hospital Medical Center



ER at Sweetwater, an extension of Aiken Regional Medical Centers



ER at Sun City Center, an extension of Manatee Memorial Hospital

During the year, several FEDs received the American College of Emergency Physicians (ACEP) Bronze Level accreditation for Geriatric Care. According to ACEP, populations around the world are living longer now than ever before and in the U.S., it is estimated that 10,000 baby boomers turn 65 every day. This demographic shift brings challenges to healthcare systems as older adults visit emergency departments at comparatively higher rates than non-seniors, often present with multiple chronic conditions, are at increased risk of polypharmacy, and suffer from complex social and physical challenges.

Seniors make contact with the healthcare system at many points – perhaps none as frequently or as importantly as the ED. The concept of a geriatric ED has developed in the past decade as hospitals recognize that one size ED care does not fit all. Older individuals in the ED have presentations, needs, dispositions and outcomes that are quite specific to them.

Prominence Health Plan, our insurance offering, is driving physician alignment through value-based care initiatives via seven ACOs and Health Plan products in key markets. Prominence currently serves 185,000 lives across its value-based programs: 27,000 Medicare Advantage members, 37,000 Commercial lives, and 125,000 MSSP ACO lives including ACO REACH in South Texas.

The ACOs saved Medicare \$82 million in 2021. Since the establishment of the first UHS ACO in 2014, the entities have saved over \$400 million and have achieved a 97% quality score. Prominence's health plan achieved 4 STAR ratings across all markets for Medicare Advantage for 2023. Prominence Health Plan and the ACOs are key strategic vehicles to partner with Primary Care around population health initiatives.

Independence Physician Management (IPM), a subsidiary of UHS, develops and manages multi-specialty physician networks and urgent care clinics which align with our Acute Care and Behavioral Health facilities in 13 markets across seven states and the District of Columbia. With over 700 providers, IPM treated patients in over 1.5 million encounters during 2022.



PATIENT FEATURE

Leslie

Corona Regional Medical Center

In 2013, Leslie sustained a herniated disc injury in a car accident. Her injuries persisted over a few years, and her doctors gave her some grim news – she had spinal stenosis, osteoarthritis and herniated discs. “My doctor suggested spinal fusion but would only do it if I lost weight,” said Leslie. “The doctor recommended weight-loss surgery. At that time, I was 217 pounds and he wanted me down to about 140 pounds.” Conyers chose to have weight-loss surgery at Corona Regional. By April 2021, she was down to 200 pounds and ready for her bariatric surgery. Leslie says she had a great patient experience at Corona Regional. She was able to lose enough weight to have spinal fusion in 2021. “I still have to do physical therapy, but I can finally sleep at night. I am at a healthy weight and the weight loss made all the difference in my fusion surgery recovery.”

Learn more:

coronaregional.com

Northwest Emergency at Town Square, a Service of Northwest Texas Healthcare System, was accredited for geriatric care.



**Northwest
Emergency
At Town Square**

A Service of Northwest Texas
Healthcare System





UHS BEHAVIORAL HEALTH DIVISION

The skilled teams provide compassionate care that delivers hope, help and healing. Our facilities play a vital role serving as trusted providers of behavioral healthcare services in the communities we serve.

The Behavioral Health Division delivered another year of solid results and strong patient outcomes. We cared for more than 730,000 individuals across the full continuum of care including inpatient, outpatient, partial hospitalization and telehealth settings.

We saw an increase in demand for behavioral healthcare services further intensified by the pandemic. During the year, we continued to make progress in quality-of-care achievements, promoting our culture of Service Excellence and expanding our offerings.

Healthcare is our passion; saving and improving lives is our reward.

DELIVERING TRUSTED CARE

We consistently maintain our high standards across our Behavioral Health Division. This is reflected in feedback from industry regulators and patients. In the CMS Inpatient Psychiatric Facility Quality Reporting requirements, our Behavioral Health facilities are compared to approximately 1,500 psychiatric providers across the country. UHS results exceed the national averages in 9 out of 13 indicators. In 2022, patients rated their overall care as 4.4 out of 5 in our patient satisfaction surveys. More than 91% indicated they felt better following care at one of our facilities.

All UHS Behavioral Health facilities are fully accredited by independent organizations including The Joint Commission (TJC) and/or Commission on Accreditation of Rehabilitation Facilities (CARF), whose rigorous clinical assessment protocols are widely respected throughout the healthcare industry.



Net Promoter Score Index

EXCEPTIONAL (70 to 100)
EXCELLENT (50 to 69)
VERY GOOD/GREAT (30 to 49)
GOOD (0 to 29)
NEEDS IMPROVEMENT (-100 to -1)

We incorporated the Net Promoter Score (NPS) into our surveys. NPS gauges the loyalty of customers, consumers and patients and has been widely adopted by more than two-thirds of Fortune 1000 companies. We measure loyalty using the question, “How likely would you be to recommend this facility to a friend or family member?” In 2022, the UHS Behavioral Health Division NPS was 39.0, which represents

the percent of promoters minus the percent of detractors. This score is considered very good by industry standards.

Best Addiction Treatment Centers

Drug and alcohol addiction contribute to a substantial amount of suffering in the U.S. Newsweek partnered with global market research firm Statista Inc. to rank the best U.S. treatment facilities focused on addiction. The rankings are based on a survey of over 4,000 medical professionals and an analysis of the treatment centers’ accreditation status. Four of our facilities – **The Pride Institute, Stonington Institute, Talbott Recovery** and **The Ridge Behavioral Health System** – were ranked on the Newsweek annual list.

Consumer Star Ratings

Our facilities are highly regarded, trusted providers of behavioral healthcare in the communities we serve. During the year, we managed and responded to over 7,000 online reviews posted to Google and Facebook, thanking patients for providing high ratings, and providing effective service recovery when concerns were shared. We view patient feedback as a gift. Patients are telling us what they like and where we can improve. It is our responsibility to take action, respond and address concerns. We share this positive feedback with staff.

“We continue to be hyper-focused on delivering high-quality care to the patients we are privileged to serve. Our care delivery is our reputation, and our purpose is the opportunity to save and improve lives. I know this is a key motivator for all of us.”



MATT PETERSON
EXECUTIVE VICE PRESIDENT AND
PRESIDENT, BEHAVIORAL HEALTH DIVISION

ACCESS TO CARE

Our division made considerable strides in strengthening our core in-person services, while making meaningful in-roads in caring for patients wherever they are across the continuum, including through expanded inpatient, outpatient programming and telehealth offerings.

Our facilities provide patients with the help they need to put them on a solid path to recovery. The care teams offer a full continuum of care specifically tailored to address the unique needs of each stage and age of life, serving children, adolescents, adults and seniors. Levels of care include telehealth, partial hospitalization, intensive outpatient care, acute inpatient programs and residential treatment.

Working collaboratively with facility care teams, we determine the best path to wellness and happiness for every patient. The skilled, dedicated care teams are experienced in providing high-quality mental healthcare that delivers strong patient outcomes.

Telehealth

The pandemic triggered an accelerated scaling of telehealth offerings. The trajectory of this channel will continue, as many patients find value in accessing care faster, tapping into a larger network without geographic constraints and engaging via the convenience of a mobile device. We believe telehealth will ultimately reduce overall healthcare costs, support strong patient outcomes and change the way certain assessments and treatments are conducted.

Suicide Prevention

UHS partners with the National Action Alliance for Suicide Prevention, helping individuals connect with support when they find themselves in crisis. As a result of the pandemic, we know that it is more important than ever to continue to focus on suicide prevention as a national priority. Research indicates that more than half of Americans are more open to talking about their own mental health.

We supported the launch of the new 988 suicide and crisis lifeline in July. 988 provides 24/7, no-cost and confidential support for individuals in distress, including prevention and crisis resources.

Between its launch in Summer 2022 and the end of the calendar year, there were over 2 million calls, texts and chat messages pouring in to trained counselors who are providing emotional support and stabilization.



PATIENT FEATURE

Michael Mesilla Valley Hospital

When he began the partial hospitalization program at Mesilla Valley Hospital, Michael was addicted, homeless and ready to give up on life. He found his way to Mesilla Valley and decided it was time to get help. "Through the program at Mesilla Valley, I received the tools I needed to overcome addiction and learn coping skills to help put me on the road to recovery. I am grateful for Mesilla Valley Hospital because I felt at home while I was there, and the program gave me hope to pursue my dreams. This decision changed my life."

Learn more:
mesillavalleyhospital.com



Reaching More Communities



**Beaumont
Behavioral Health
Dearborn, MI**



**Via Linda
Behavioral Health
Scottsdale, AZ**



**River Vista
Behavioral Health
Madera, CA**

IN RESPONSE TO THE GROWING DEMAND FOR BEHAVIORAL HEALTH SERVICES IN THE U.S.,

we added 391 beds to new and existing facilities during the year.

On the de novo front, we opened the new **Beaumont Behavioral Health** in Dearborn, Michigan; **Via Linda Behavioral Health** in Scottsdale, Arizona; and **Granite Hills Hospital** in West Allis, Wisconsin.

We are on track to open **River Vista Behavioral Health** in Madera, California in 2023. We have several integration opportunities in the pipeline for the Division, representing momentum on all fronts.

Division-wide referrals exceeded 1.5 million, which represents growth of 15% over the previous year. The demand for behavioral health services among adults, teens and children continues to climb and represents an opportunity for our facilities to meet the need.



We celebrated the 35th anniversary of **First Hospital Panamericano**, located in Puerto Rico. “We marked more than three decades of excellent patient outcomes and top-quality services by the team, making us the Provider of Choice on the island,” said Astro Muñoz, CEO, **First Hospital Panamericano**.



PATIENT FEATURE

Emily HRI Hospital

“I came to the HRI Hospital Women’s Unit because my depression and anxiety was worsening. It was time to get more support. I was honestly terrified about the whole experience and that I would have to be away from my family, but the staff was so welcoming and supportive. Even in my darkest moments, I felt like this was a place where I would feel better. I had a chance to participate in art therapy, medication therapy and group therapy. Staff was compassionate – I always felt like I could turn to staff for support. Upon discharge, I was excited to go home but knew that I would miss the people with whom I had bonded while at HRI. My advice for others is: don’t be afraid to go for it. Coming to HRI changed my life. It was the best self-care decision I ever made.”

Learn more:
hrihospital.com



Pictured (l to r): Jose Marrero, Caridad Pierluisi (First Lady and Director of the Office of the Governor), Eneris Roque (Admin Assistant PHP), Governor Pedro Pierluisi, Astro Muñoz (CEO), Dolly Figueroa (Ward Clerk), Ivette Rivera (UM Coordinator), Maria Landrau (UM Coordinator).



SPECIALTY CARE OFFERINGS

Patriot Support Programs

We cared for over 17,000 military personnel, veterans and their families during the year, providing tailored programming and support for those coping with the emotional and psychological effects of combat and other behavioral health disorders.

Access to treatment is available to active-duty military, veterans and their families across all facilities. Additionally, 19 Behavioral Health facilities across 13 states offer Patriot Support Programs (PSP) with services specifically designed to address the effects of combat stress, post-traumatic stress, depression, substance use disorder and other behavioral health issues.

In October, PSP welcomed its 7th Advisory Board member, Major General (Ret) Jerry L. Fenwick, U.S. Air Force & Air National Guard. With a focused and dedicated Advisory Board, further expanded to include the wisdom and talents of Major General Fenwick, we will continue to enhance our offerings to ensure military personnel receive the support and care they need to succeed.



**PATRIOT SUPPORT
PROGRAMS** of **UHS**

*"I have personally
served with Major
General Fenwick
and can speak
to his relentless
commitment to
saving lives."*



*Major General (Ret)
Jerry L. Fenwick*

**MATT PETERSON
EXECUTIVE VICE PRESIDENT AND
PRESIDENT, BEHAVIORAL HEALTH DIVISION**

*In July 2022, Brentwood Hospital's
CEO and STAR Program for Uniformed
Services Liaison met with the Bayne-Jones
Army Community Hospital's command
team, Chief of Behavioral Health and
Chief Nurse in charge of its emergency
department to discuss increasing access
to inpatient care for soldiers and
families at Fort Polk.*



Substance Use Disorder

A particular area of focus for the division continues to be providing a broader array of substance use treatment services, programs and care that results in longer, sustained recovery. Treatment for substance use can take many forms and incorporate several elements, including residential, partial hospitalization, outpatient programs, drug or alcohol detox, co-occurring treatment, step-down programs, sober living and aftercare. Substance use treatment has come a long way, with targeted research providing clear direction on which models are the most effective for an individual's specific needs and pointing to new approaches that deliver better results.

Eating Disorders

Eating disorders manifest in different ways, but they are all characterized by eating patterns that disrupt a person's mental, physical and emotional health. The skilled clinicians are equipped and trained to address a wide range of eating disorders from anorexia and bulimia to binge eating and eating disorders in conjunction with other conditions.

Autism

People with autism spectrum disorder (ASD) often have problems with social communication and interaction, and restricted or repetitive behaviors or interests. Individuals with ASD may also have different ways of learning, moving, or paying attention. Several of our facilities have dedicated programming to serve those diagnosed with ASD. We cared for 770 individuals with ASD, tailoring each patient's treatment and interventions to precisely measure and track progress toward improved health and quality of life. Plans integrate behavioral functioning, social development, communication abilities, academic/vocational achievement, family education and support.

Educational Services for Students

The dedicated educators at our residential treatment facilities, day schools and acute care programs provide programming for adolescents, enabling them to continue their education while in treatment. Congratulations to the class of 2022 including 158 students who completed high school or earned their GED during the school year. By fully integrating education into the clinical milieu, we create personalized education plans to help each student experience academic success. These graduates now have many opportunities available to them and a much brighter future.



PATIENT FEATURE

Avlok

Skywood Recovery

"I am happy to be a part of the Skywood Alumni program," said Avlok. "Skywood was my first choice for recovery. Treatment at Skywood was fantastic. They were far and beyond my expectations. The staff was warm and welcoming. They made it really easy to focus on recovery. The facility was super clean and homey. During my stay, my patient care coordinator helped me make sure everything was set with my job outside of the Skywood program. When I was ready to leave, I had all the appropriate documentation to return to work and my follow-up appointments were all set. Since Skywood, I have remained sober for over a year, and I have been promoted at work. I would highly recommend Skywood for recovery."

Learn more:
skywoodrecovery.com

Cygnnet Health Care

With almost 200 services, **Cygnnet Health Care** is proud to have become the leading provider of behavioral health facilities in the U.K., successfully helping thousands of people each year.

During 2022, we navigated the path out of COVID-19 with a focus on sustaining quality services and we experienced over 10% growth in revenue.

The opportunities for growth in the U.K. are strong and demand for our services is growing.

We are seeing more people with new diagnoses, as well as individuals who have pre-existing conditions requiring a higher level of support. Due to the growth of our

U.K. operations, we have separated Cygnnet into two divisions: Health Care and Social Care.



Dedicated to Quality: the Cygnnet team at Churchill

Our reputation for quality means the National Health Service and local government organizations are seeking our provision more than ever before. We are looking forward to strengthening these partnerships in the years ahead and extending our services further.

Regulators also continue to recognize our quality and we are proud that in 2022 we outperformed the national average for services rated Good or Outstanding. We will build on this quality and extend our work into the communities we serve through education, outreach and extending our social media networks, where we grew our online following by 24%.

None of these achievements and ambitions would be possible without dedicated colleagues. Caring is integral to our culture and values. In our Health Care services we strive for our clinical outcomes to exceed the expected standards, supporting individuals with appropriate care along the continuum. Our social care services provide sanctuary for each individual entrusted to us and we adhere to the concept: *“Our residents don’t live in our workplace, we work in their homes.”*

Never has care been more important and despite many challenges in 2022, we continued to push forward with optimism and success. We will keep supporting staff to be the best and resolve to overcome the challenges we face globally, nationally and economically with determination.



The dedicated Cygnnet Health Care team at Wast Hills





ENVIRONMENTAL, SOCIAL AND GOVERNANCE

**Our commitment toward
improving society in a
meaningful way**

Since acquiring its first hospital in 1979, UHS has been strongly committed to treating patients and staff members with utmost respect. We are proud of our reputation as a trusted healthcare provider and a valued partner in each of our local communities.

In 2022, UHS enhanced transparency regarding our long-standing procedures and processes that underscore our environmental, social and governance (ESG) commitments, processes and best practices to address areas needing improvement, and increased our focus on the development and execution of new initiatives supporting patients, employees and communities.

We organized our ESG working group, including a multi-disciplinary team of senior executives, named a Corporate ESG Director and identified key areas of focus for the coming year. Historically, reporting, and consequently oversight, of certain ESG-related efforts has been addressed independently across four Board Committees. As of 2021, we have been reporting on our overall ESG initiative to the entire Board.

Learn more: uhs.com/ESG

OUR PRINCIPLES

We stand for excellence, each and every day, at each and every encounter. Our Principles set a high bar and reflect our purpose.



We Provide Superior Quality Patient Care



We Value Each Member of Our Team and All Their Good Work



We Are Committed to Being a Highly Ethical Healthcare Provider



We Are Devoted to Serving Our Local Community

Learn more:
uhs.com/principles

CORPORATE RECOGNITION

UHS' commitment to excellence is reflected in its long-standing record of achievement including our multiple appearances on Fortune 500, Fortune's World's Most Admired Companies list, Philadelphia Business Journal's Largest Healthcare Systems and Hospitals in the Philadelphia Region, and Largest Public Companies in the Philadelphia Area lists.

In 2022, we were proud to announce UHS President and CEO, Marc D. Miller, was recognized by Modern Healthcare as one of the 100 Most Influential People in Healthcare for his leadership and impact on the industry.



Modern Healthcare
100 Most Influential People
2022

OUR INVESTMENT IN A SUSTAINABLE ENVIRONMENT

UHS recognizes its responsibility to implement environmentally sustainable practices and is committed to complying with applicable legal and regulatory environmental standards to protect patients, visitors, staff and communities. Our environmental stewardship includes, but is not limited to, following best practices when managing our energy usage, construction and design of new build and/or major renovations and disposing of waste.

ENERGY EFFICIENCY PROGRESS



Our Centralized Utility Billing Management System (UBM) monitors energy usage across our U.S. operations. By streamlining data collection and reporting, we can identify and act on inefficiencies faster and more easily. The platform alerts us to any significant deviation from average energy costs. Now with full-year baseline data in place, we can monitor usage year-to-year and investigate any discrepancies as well.

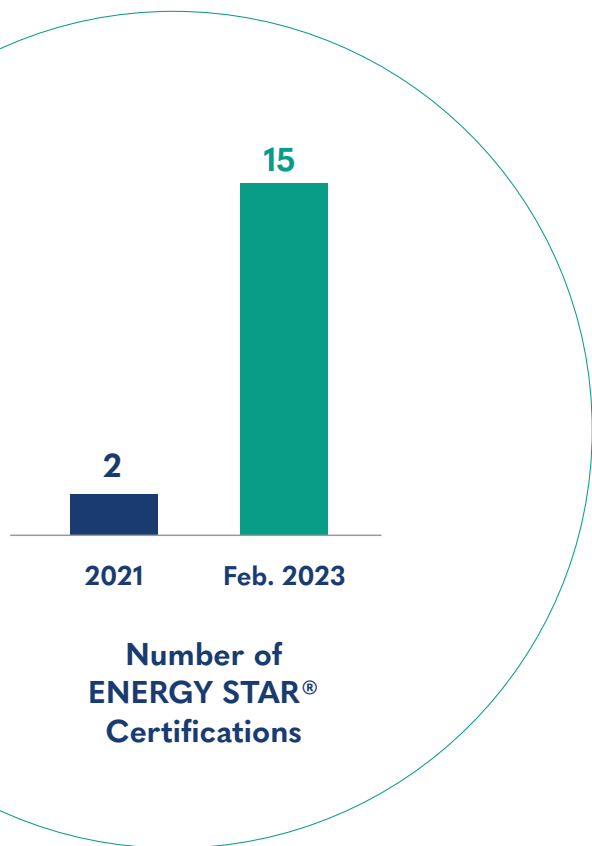
Our Acute Care facilities monitor the efficiencies of their heating, ventilation and air conditioning (HVAC) component operations through use of an automatic fault detection and diagnostics platform. Reports, generated either monthly or quarterly, flag deviations from optimal operations, especially for those facilities equipped with Retro-Commissioning and Monitoring-Based Commissioning.

In 2022, UHS earmarked an additional \$1.18 million to retrofit California-area hospitals with higher-efficiency, LED lighting certified by ENERGY STAR® or DesignLights Consortium. While these upgrades were not yet completed at year's end, the project's projected annual savings amount to nearly \$290,000 and 2.2 million kWh or 950 metric tons of carbon dioxide (CO₂) equivalent.

Also in 2022, UHS spent an additional \$680,000 toward Retro-Commission (RCx) and Monitoring-Based Commission (MBCx) HVAC systems at select Acute Care facilities. All told, between 2017-2022, our RCx/MBCx initiative upgraded 14 facilities, resulting in an overall savings of \$2.14 million, 19.3 million kWh and nearly 970,000 therms.

During the year, UHS also committed more than \$572,000 to provide Automatic Fault Detection and Diagnostics (AFDD) systems to Acute Care facilities over a five-year span. By the end of the year, the AFDD Platform was operational at 16 facilities; installation at an additional seven facilities is expected to be completed in 2023. This upgrade will not only proactively avoid mechanical failures but also ensure optimal operation efficiencies of the HVAC systems.





Certifications and Registrations



UHS made significant progress in its pursuit of U.S. Environmental Protection Agency's (EPA) ENERGY STAR® certifications.

As of February 2023, 15 UHS Acute Care facilities had earned this designation, up from two in 2021. ENERGY STAR® certified buildings and plants are verified to perform in the top 25% of buildings nationwide, based on weather-normalized source energy use that considers the occupancy, hours of operation and other key metrics.

Newly certified facilities include Desert View Hospital, Doctors Hospital of Laredo, Northern Nevada Medical Center, Northwest Texas Healthcare System, South Texas Health System McAllen, St. Mary's Regional Medical Center, Valley Health Specialty Hospital, an extension of Spring Valley Hospital as well as six others within The Valley Health System.

"Congratulations to our six Valley Health System hospitals that earned the ENERGY STAR® certification for superior energy performance, earning ratings between 92% and 100%, outperforming similar U.S. buildings on energy efficiency. The hospitals implemented a variety of energy-efficient measures over the past five years, including the installation of LED lighting and recommissioning HVAC systems to upgrade to current design standards, to earn this specialty certification."

**VAIBHAV GAGRANI, PE, CEM, LEED AP
DIRECTOR, ESG**



GREEN BUILDING CONSTRUCTION



Despite the challenges of pandemic-related materials availability issues, UHS continues to set high environmental standards. Our construction and design of new builds or major renovations must comply with federal, state and local energy efficiency standards and energy codes. Additionally, we require that the project's ENERGY STAR® Score Rating meets or exceeds 90.

Lastly, any new construction or major renovation project \$20 million or higher will be assessed for Green Building Initiatives' Green Globes® or U.S. Green Building Council's LEED certification.

As of February 2023, six UHS Acute Care facilities have Green Globes® certifications, including Northern Nevada Sierra Medical Center. Our West Henderson Hospital (currently under construction) is registered, requiring us to file for certification within four years.

Spring Valley Hospital Medical Center in Las Vegas became a member of Practice Green Health.

Our Cedar Hill Regional Medical Center GW Health (currently under construction) in Washington, D.C. will have solar panels on its garage that will provide energy assistance to over 200 households in the adjacent community.

HEALTHIER WORK ENVIRONMENTS



Coordinated efforts across multiple departments, including Environmental Services and Supply Chain, ensure our work environments, products and services are safe and sustainable for staff, patients and visitors. Despite post-pandemic disruptions to manufacturing and transportation, the teams' focus on providing healthier environments for all stakeholders remained steadfast.

Investing in Clean Environments

We continue to use Green Seal and GREENGUARD chemicals to maintain safe and clean environments for employees and visitors. In 2022, we expanded the use of Green Seal certified products to include additional products, such as floor pads and dusting sheets.

Manatee Memorial Hospital and Northwest Texas Healthcare System earned the AORN GO Clear Award – Gold.™ AORN recognizes operating rooms that present a smoke-free environment for staff and patient safety. The goal is to have all UHS Operating Rooms achieve this award by the end of 2024.



OUR CONTRACTORS ARE REQUIRED to track and report the percentage of demolition and construction waste recycled. We are pleased to highlight summaries of waste savings and/or diversions from a couple of our recent projects.

Whether it is a new build or major reconstruction or expansion, our projects are designed to incorporate environmentally friendly materials and processes, from its energy conscious design through demolition and waste removals.



South Texas Health System Edinburg *Edinburg, TX*

*(151,810 sq. ft. of new construction and
20,565 sq. ft. of renovation)*

During 2022, South Texas Health System Edinburg completed the construction of a new five-story patient tower, which doubled the facility's overall size. The first floor of the tower is now the new and expanded Emergency Department.

During these projects:

- Three 94%-efficient heating water condensing boilers were installed in the new tower to serve all of the hydronic heating water for the heating and air system.
- Nearly 220 energy-efficient light fixtures replaced older fixtures.
- Higher efficiency refrigerators/freezers were installed in the newly renovated Dietary section.

River Vista Behavioral Health *Madera, CA*

(~80,000 sq. ft. of new construction)

This new facility is expected to open in April 2023. Between February 2022 and January 2023, the teams achieved high diversion rates.

- Nearly 390 tons of materials were diverted, for an overall diversion rate of 92.37%.
- Clean/unpainted drywall and metal combined to account for 65% of materials diverted, followed by clean wood (13%), mixed recyclable (8%) and waste (trash) (8%).



RESPONSIBLE WASTE AND POLLUTION MANAGEMENT



While multiple initiatives have long been in place to support the responsible disposal of pollution and waste, in 2022, we began framing a comprehensive waste management and recycling program. The program will be based, in part, on waste management studies recently conducted at Valley Health System hospitals in Las Vegas. We expect to roll out this comprehensive waste management program across our U.S. operations in the near future.

In the meantime, our facilities continued to participate in trainings and initiatives focused on the proper disposal of waste that resulted in effective reductions of CO2 emissions and/or increased in recycled/reused materials. In 2022, these included:

- Facilities conducted annual waste training to support our initiative for disposing waste responsibly. Data on waste streams were collected monthly and reported through the individual hospital's Environment of Care committees to identify opportunities to reduce non-recycled material and increase recycled material. In 2022, this initiative documented 12.5 million pounds of recycled material.
- Participation in our reusable sharps container program mitigated more than 1.3 million pounds of greenhouse gases (compared to single-use containers). This is equivalent to CO2 emissions from 69,307 gallons of gasoline consumed and the preservation of 740 acres of forest.

Also in 2022, new initiatives were launched, including a food waste pilot study at The George Washington University Hospital (GW Hospital). The study evaluated the cause of waste, areas of where waste was produced, the service period/area, food type wasted and weight of what was wasted. Based on this data, we were able to make meaningful process changes. We will have the program implemented in all Acute Care facilities by April 2023 with a Year One goal of waste accounting for 4% or less of our total spend. By wasting less, we will conserve valuable resources such as energy, water and land.

Further, facilities conducted and documented weekly inspections of Central Accumulation Areas where waste covered under the Resource Conservation and Recovery Act was stored for pickup from our approved vendor. These inspections ensured proper waste segregation, packaging and labeling, as well as a safe and secure physical environment satisfying requirements from the EPA and Department of Health.

Environmental Service operations also trained staff on proper waste handling, which included transportation of waste within the facility. This training satisfies an annual Department of Transportation requirement for handling and storing waste.



Staff was also supported by a new Hazardous Materials and Waste Program playbook developed by the Environmental Risk and Emergency Management (EM) team to provide educational and programmatic assistance for the Hazardous Materials Management Program at the facility level. This valuable resource educated Acute Care and Behavioral Health staff on key topics, such as labeling of receptacles and containers as well as storage area and inspection requirements. The playbook also shared tools, templates for procedures/plans and best practices to ensure a safe and compliant program.

The EM team also revised the facilities' HazMat Dashboard to ensure ongoing waste stream segregation compliance. Training on the updated dashboard was provided for both the Acute Care and Behavioral Health Division staff.

REPROCESSING AND WASTE DIVERSION



In 2022, 28 of our Acute Care facilities and two Surgery Centers utilized two FDA-approved third-party manufacturers, Stryker Sustainability and Innovative Health, for reprocessing of their respective, approved medical devices. Combined, these vendors helped our UHS facilities divert nearly 37,000 pounds of waste from landfills.

By purchasing reprocessed electrophysiology (EP) devices from Innovative Health, five Acute Care facilities mitigated 827 pounds of CO2 emissions in 2022. Further, through participation in Stryker's *Products for the Planet* program, 513 trees were planted in National Forests on behalf of UHS reprocessing efforts.

In addition to reprocessing of medical devices, UHS Acute Care facilities partnered with manufacturers who collect their own manufactured devices, disassemble them and then recycle the individual components.

End-of-life computer equipment underwent required security measures and then were recycled exclusively through a vendor-managed program.

Conservation of Natural Resources

The System Water Management Team (WMT) includes Facilities Operations, Infection Prevention, Environmental Services and Risk Management and oversees all aspects of potable and utility water processes. Each hospital site, as well as the identified outpatient clinics, have a site WMT that manages its water systems and evaluates the necessary hazard control and validation data to ensure the systems are maintained at the highest degree of safety. We maintain supporting documents that are compliant with a HACCP-based Water Management Program (WMP), which meets the requirements of ANSI/ASHRAE Standard 188-2021 (*Legionellosis: Risk Management Practices for Building Water Systems*).

As part of that same standard, UHS has designed and implemented a WMP to manage the environmental aspects of water streams (e.g., domestic/potable water systems, cooling tower systems, outdoor decorative water features) for the safety of patients, visitors and employees.

Future short-term plans include developing a corporate-wide water management program, including the reduction of water consumption through initiatives such as irrigation controls.

CULINARY AND NUTRITION



The Culinary and Nutrition Department resides as part of our Corporate Supply Chain structure and provides oversight and direction for our overall food program sourcing and contracting. In 2022, we continued our *Food as Healing Fuel* approach, despite the challenges presented by an unstable and inflationary marketplace.

Whenever possible, the team used Locked Order Guides to secure products with the best availability and value, but also those from sustainable sources for practical reasons. First, and foremost, we needed products to get to patients. We also needed to minimize the effects of rampant food and disposable cost inflation through Contract Compliance and Purchasing Program Maximizations. Lastly, we needed items that are sustainable for that day, as well as in the future.

Also, as post-pandemic census and visitor counts rose, so did meal production and thus our potential for recycling efforts. A survey of 68 of our Acute Care and Behavioral Health facilities found eight different categories of items are being recycled. Used fryer oil was recycled most often (75% of facilities surveyed), followed by cardboard (62%).

Our recycling initiatives in 2022 also included promoting the use of reusable items such as melamine plates, reusable but safe rubberized plastic utensils and even reusable take-out containers that can last over a year. In 2023, we expect the Behavioral Health Division's usage of these reusable items to increase by 20%.

Notably, in 2022 our sustainable product usage increased to account for more than \$3.2 million of products used by UHS kitchens. Our goal is to increase this to \$4 million in 2023 and \$5 million in 2024.

In the past year, the Support Services team worked with hospitals to improve access to gluten-free menu products for patients following gluten-free diets at our Acute Care facilities. Since 2021, 12 of our Acute Care facilities have attained Gluten Free Food Service (GFFS) certification by the Gluten Intolerance Group. This certification can only be obtained if all menu items are produced in a food production area free from cross-contact with menu items containing gluten. Our organization demonstrates its commitment to patient safety by investing time and expertise needed to master trainings and successfully pass the required audit for this initiative.

In 2022, UHS ramped up its plant-forward menuing across Acute Care and Behavioral Health facilities. The culinary and dietary experts created numerous plant-centric recipes, such as General Tso's Tofu, and introduced new food choices, such as gluten-free vegan menu items, to its patient and café menus. Within the Behavioral Health Division alone, the number of available plant-forward items increased 18% since the previous year. We expect to develop this initiative further to meet the increasing demand for animal-based food alternatives, but also help lower gas emissions and environmental contamination and help patients and visitors avoid high saturated fats.

Since May 2022, seven UHS Acute Care hospitals earned Gluten Intolerance Group's certification or re-certification as a Gluten-free Safe Spot (see asterisks), bringing the total number of certified UHS hospitals to 12. Only two other non-UHS hospitals in the U.S. have earned this accreditation.

Centennial Hills Hospital Medical Center

Desert Springs Hospital Medical Center

Doctors Hospital of Laredo*

Lakewood Ranch Medical Center*

Manatee Memorial Hospital*

Northwest Texas Healthcare System

**South Texas Health System Edinburg/
South Texas Health System Children's***

Summerlin Hospital Medical Center

Temecula Valley Hospital*

**The George Washington
University Hospital***

**Valley Hospital
Medical Center**

**Wellington Regional
Medical Center***



Cygnnet Health Care Working Toward Targets

CYGNET HEALTH CARE OPERATES UHS' BEHAVIORAL HEALTH FACILITIES IN THE UNITED KINGDOM.

It takes its environmental responsibilities seriously and invested more than £2 million at sites to help tackle climate change. Their ambitious Sustainability Strategy includes:

- Net zero carbon commitment for direct and indirect emissions by 2035
- Net zero carbon emissions in supply chain by 2045
- Procuring 100% of electricity from renewable sources since 2021

Recycling across Cygnnet has increased from 16% in 2019 to 31% in 2022. This is due to initiatives such as the 'right size right shape' project, in partnership with Cygnnet's waste management provider, which monitors the recycling habits across sites and supports greater awareness.

In 2022, Cygnnet Health Care completed the installation of solar panels to five of its top 22 electricity usage sites, which now accounts for approximately one-quarter of the electricity at each site. In just one site, the CO2 emissions that are avoided equate to 21,631 kg per year or 21.63 metric tons. This is equivalent to 865 trees (it takes 40-46 trees to compensate for 1 metric ton of CO2). Installation of solar panels at the remaining 17 sites is expected to be completed by April 2023.

Learn more: cygnnethealth.co.uk/about/environmental-social-governance-esg/

Cygnnet has introduced new technology across its vehicle fleet to lower CO2 emissions, save fuel, reduce accidents and enhance the safe, comfortable transfer of patients across its U.K.-wide services.

The installation of a new tracking and driver training device in all company-owned vehicles has seen a reduction of CO2 emissions by 122 metric tons, a cost savings of more than £50k through improved fuel economy, more environmentally friendly driving styles, improved safety and a reduction in insurance claims.

OUR COMMITMENT TO SOCIAL CAUSES

Support of social causes has long been an integral part of our corporate responsibility. We continually seek opportunities to provide high-quality care to patients and their families, maintain a high level of support and respect for valued employees and strive to make a positive impact on our local communities.

HIGH-QUALITY & EQUITABLE HEALTHCARE SERVICES

Our facilities are designed to provide a safe and welcoming environment, with caring experts on hand to help each individual meet their specific needs.

During 2022, UHS' Acute Care and Behavioral Health Divisions worked diligently preparing necessary plans and processes to meet The Joint Commission's industrywide Health Equity Standards that came into effect January 1, 2023. The Divisions' respective Clinical Quality teams created guidelines for their facilities and worked with dedicated personnel to improve current patient intake forms to better identify, and improve reporting of, inequities among patients. The individual clinical teams are developing resources, in coordination with those available in our local communities, to support equitable care for patients.

Our facilities are expected to follow the new guidelines and starting in 2023, provide updates to their respective Executive Committee and Board of Directors.

Excellence in Quality and Safety

In 2022, the Acute Care Division clinical acuity was recognized by industry groups. Most notably:

- 13 UHS Acute Care hospitals earned an "A" or "B" safety grade from The Leapfrog Group, arguably the industry's highest safety standard.
- ER at Fruitville, an extension of Lakewood Ranch Medical Center, was named a Press Ganey 2022 HX Guardian of Excellence Award® – Patient Experience winner. This accolade recognizes the facility as being in the top 5% of healthcare providers evaluated in patient experience.
- St. Mary's Regional Medical Center was one of 429 hospitals to earn The Centers for Medicare & Medicaid Services (CMS) Five-Star Overall Rating based on its performance across various measures of quality including safety of care, readmission rate, mortality, timely and effective care and patient experience.
- St. Mary's Regional Medical Center and GW Hospital were recognized among America's Best Physical Rehabilitation Centers for 2022 by Newsweek/Statista. Facilities were chosen based on a rigorous methodology that includes data from a survey of thousands of medical experts as well as key performance indicators based on the U.S. Centers for Medicare & Medicaid Services.



In 2022, the Acute Care Division celebrated a sharp decline in its maternal mortality rate and for the first time, zero maternal deaths involving hemorrhage. At 8.9 per 100,000 births, UHS' maternal mortality rate was significantly lower than the U.S. rate of 23.9 per 100,000 as reported by the Centers for Disease Control and Prevention¹. Improvements can be attributed at least in part, to the 2020 launch of UHS' Quality in Obstetrics Education Program. The program has offered UHS OB Departments increased education and patient safety programs aimed at the leading causes of maternal deaths, obstetrical hemorrhage and pregnancy-related hypertension, among others.

Within the Behavioral Health Division, the Clinical Services Department continued to collect, analyze and act on the Division's clinical and quality outcomes. Results in 2022 found:

- 80% of patients exhibited statistically meaningful improvement on clinical outcome measures.
- 89% of patients agreed their treatment goals and needs were met.
- 84% of professional referral sources surveyed indicated a UHS facility was their "provider of choice."

In the U.K., 82% of Cygnet Health Care facilities evaluated by regulators, including the Care Quality Commission (CQC), earned a Good or Outstanding rating.

Educational Services Exceed National Averages

UHS' dedicated teachers, principals and support staff continued to help students excel and recover educationally with individualized strategies including tutoring, online remediation and extra mental health supports in the classroom. We are proud to report that in 2022:

- 90% of parents and guardians felt that the academic staff truly cares about their child.
- 88% were satisfied with the facility's education program.



Hill Crest Behavioral Health's Higdon Hill School was named a Cognia School of Distinction. The school was recognized for earning this top honor by Alabama Governor, Kay Ivey, State Superintendent, Eric Mackey, and other state and Cognia Dignitaries.

UHS earned high scores from the industry's reputable accreditation agency, Cognia. In 2022, all six of our schools that underwent a Cognia accreditation engagement review exceeded the agency's national education accreditation scores.

Investing to Meet High Standards

Acute Care and Behavioral Health Quality and Clinical teams focus on staff training and incorporate evidence-based clinical outcome assessment metrics to effectively track and measure our performance and optimize clinical services.

To that end, all patient care staff within the Acute Care and Behavioral Health Divisions complete numerous trainings each year, including those related to our core tenets of quality care and safety.

In 2022, employees from both Divisions combined completed nearly 3.1 million educational courses online, including those related to patient safety, skills training, regulatory and quality. Additionally, employees completed numerous in-person trainings throughout the year based on their role as well as facility and regulatory requirements.

¹CDC's Maternal Mortality Rates in the United States, 2020

In addition, all Behavioral Health Division patient care staff, regardless of status or role, and select Acute Care Division patient care staff, were trained and certified in various nationally accredited or recognized behavior management techniques. Certification is to be maintained according to the standards and requirements set forth by these certifying bodies. Many UHS facilities augmented this training with their evidence-based verbal de-escalation curriculum.

UHS invests in employee surveys with the aim of improving clinical performance. Every other year, both Divisions implement surveys aimed at assessing the extent to which our facilities' culture support patient safety and safe practices. In March 2023, our Acute Care Division will participate in its next Agency for Healthcare Research and Quality (ARHQ) Patient Safety Culture Hospital Survey.

Meanwhile, in 2022, the Behavioral Health Division's Safety Culture survey was issued to 188 facilities; 42% of nearly 43,000 employees participated. As with the ARHQ survey, our questionnaire gained employee insight on key hospital measures such as Organizational Learning-Continuous Improvement, Reporting Patient Safety Events and Supervisor, Manager or Clinical Leader Support for Patient Safety.

The Clinical Quality teams use the results of these surveys to measure performance, identify areas for improvement and benchmark our facilities against industry averages.



The Hughes Center partnered with the Danville Otterbots for creation of a sensory room at their baseball stadium creating inclusivity for their fan base. In Spring 2022, the Otterbots unveiled the new room that includes cuddle swings, fidget boards, soft LED lights, wall-to-wall padding, different textured rugs, sound-deadening headphones, comfortable chairs, sensory-friendly fidget toys and a blackout curtain.

"This sensory room provides opportunities for people with specialized, specific, sensory needs to have a place to go when they feel overwhelmed. During a game, it can be very stimulating and overwhelming and this presents a safe place for those people to go when they just need time to reset."

MARK HOWARD
CEO, THE HUGHES CENTER

UHS implements a corporation-wide biannual Employee Engagement Survey to provide leadership valuable employee insights, including perceived expectations and level of preparedness:

ACUTE CARE DIVISION = 20,379 RESPONDENTS
BEHAVIORAL HEALTH DIVISION = 19,605 RESPONDENTS

ENGAGING IN SAFE WORK PRACTICES IS EXPECTED OF ME IN MY JOB

4.31 ACUTE CARE DIVISION

4.27 BEHAVIORAL HEALTH DIVISION

I AM ADEQUATELY TRAINED TO ENSURE SAFETY AT WORK

4.20 ACUTE CARE DIVISION

4.08 BEHAVIORAL HEALTH DIVISION

**Ratings based on scale of 1 (strongly disagree) to 5 (strongly agree).*

CHARITABLE CARE

UHS continued to support our local communities through charity care and uninsured discount programs. Combined, our U.S. Acute Care facilities' contributions for qualified patients neared \$2.3 billion in 2022.

COMMUNITY PARTNERS

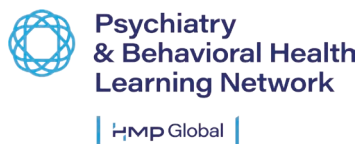
UHS continued its long-standing partnership with the National Action Alliance for Suicide Prevention, helping individuals connect with support when they find themselves in crisis. Our Behavioral Health facilities champion the Action Alliance's Zero Suicide initiative, reminding local communities that they are a resource for hope, resiliency, connectedness and recovery.

With pandemic protocols lifted, UHS was able to resume its long-standing alliance with the Philadelphia Ronald McDonald House. Led by Assistant Director of Culinary/Nutrition who designed the menu and provided ingredients, select Corporate employees prepared and served dinner to families whose children are being treated at Children's Hospital of Philadelphia.

UHS regularly partners with several organizations that support active-duty military personnel and veterans. At this year's annual Veteran's Day event, Corporate employees were introduced to Alpha Bravo Canine, a local non-profit that raises, trains and donates service dogs to disabled veterans. Corporate employees participated in the annual Wreaths Across America in which they placed over 225 wreaths at cemeteries in the Philadelphia area.

The Behavioral Health Division teamed up with HMP Global's Psychiatry & Behavioral Health Learning Network to provide employees, referring partners and other valued community partners access to educational webinars on a variety of healthcare topics. Webinars are held quarterly and provide continuing education credits to those who attend live. In 2022, the webinar series yielded over 4,700 registrations; approximately 45% of which were live participants.

Facilities often joined forces with local chapters of national organizations by sponsoring, hosting and/or participating in their awareness- and fundraising events – and leaders from across the corporation continue to support some of our partners by serving as Committee or Board members.



UHS Corporate employees serve as guest chefs at the Philadelphia Ronald McDonald House.

Our facilities regularly host free health screenings, educational sessions and other unique events throughout the year. Here are some of South Texas Health System's recent events:



The Think Pink Parade at South Texas Health System McAllen drew hundreds of community members, first responders and STHS staff members to kick off Breast Cancer Awareness Month.



South Texas Health System proudly partnered with Pharr Emergency Medical Services to host free #StopTheBleed courses for the community. Participants learned lifesaving intervention techniques.



As #AmericanHeartMonth came to an end, South Texas Health System Heart's Heroes with Heart 5K was held to raise awareness for heart disease while supporting this year's heart heroes — educators who have survived and thrived in their battles with heart disease.

COMMUNITY OUTREACH

UHS is committed to being a valued partner with our local communities, not only as a trusted healthcare provider, but also by investing in community development projects, hosting community involvement activities and supporting local charities. Engagements include volunteer opportunities and in-kind donations, such as toy collections and food drives.

For the past two decades, UHS has contributed to state-specific educational programs to help fund student scholarships and/or provide supplemental funding to our local communities' school districts. In 2022, we contributed more than \$6 million to seven state programs.

UHS continued our work in raising awareness of the opioid crisis and acquired the license to host screenings of an 80-minute documentary, *Tipping the Pain Scale*. UHS held a viewing for Corporate employees and facilities hosted free screening events for their local communities.

Throughout the year, both Acute Care and Behavioral Health facilities hosted in-person and virtual events encouraging healthy lifestyles as well as connecting families and friends to important health and wellness resources. Events included free health screenings, blood drives, educational classes and informational sessions on multiple physical and mental health diseases and conditions.

LEADERSHIP APPOINTMENTS AND DISTINCTIONS

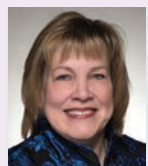
In 2022, many UHS leaders – including those featured here – were recognized for their expertise, thought leadership and/or contributions to the industry or local communities.



Marc D. Miller, President and CEO, was recognized in 2022 among Modern Healthcare's 100 Most Influential People in Healthcare. He has been featured as a thought leader on multiple prominent venues including CEO Forum's Transformative CEO Summit, Behavioral Health Executive's C-Suite Outlook and Modern Healthcare's Voices – The Check Up. He serves on the Boards of Federation of American Hospitals (FAH) and Premier Inc.



Matt Peterson, Executive Vice President and President, Behavioral Health Division, is Immediate Past Board Chair of the National Association for Behavioral Healthcare (NABH); a Fellow of the American College of Healthcare Executives (FACHE); and a Fellow of the Healthcare Financial Management Association (FHFMA). In addition to his civilian career, Matt serves in the U.S. military. In 2022, he was promoted to Brigadier General, U.S. Air Force Air National Guard.



Karen E. Johnson, MSW, Senior Vice President, Chief Clinical Officer, Behavioral Health Division, continued to represent UHS on The Joint Commission's Health Systems Corporate Liaison group and the NABH's Quality Committee. She continued to serve on the Action Alliance's Executive Committee as well as on the National Response Strategy Steering Committee formed during COVID. In 2022, Ms. Johnson served as Chairperson for the FAH's Quality Committee and as Co-Chair for the Technical Expert Panel, developing quality measures for CMS and psychiatric hospitals. She provided lectures on behavioral health education and resources, including the 2022 rollout of the National 988 Mental Health Hotline in the U.S.



Roselle Charlier, VP, Chief Marketing and Communications Officer, was inducted into The Forum of Executive Women, a network of over 500 women leaders in the Greater Philadelphia Region.



Kevin DiLallo, Group Vice President, Acute Care Division, was named to Trustbridge Hospice Foundation Board of Directors in West Palm Beach, Florida.



Karla Perez, Regional Vice President, Acute Care Division, continued to serve on the Board of Las Vegas Metro Chamber of Commerce; Nevada Mutual Insurance Company; the Nevada State Bank and Nathan Adelson Hospice. She was honored with the Girl Scouts of Southern Nevada's Trailblazer Award for her contributions to the healthcare profession and community.



Mary Brandon, Infection Prevention Coordinator, Poplar Springs, was elected to serve as Regional President of the Association of Occupational Health Professionals.



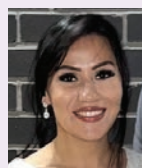
Michelle Carson, Chief Litigation Counsel, received the Women, Influence & Power in Law Award for Best Mentor, a national award that recognizes women who make a remarkable difference in the legal profession.



Andrew M. Eisen, MD, FAAP, Chief Academic Officer and GME Designated Institutional Official, The Valley Health System GME Consortium, was elected President of the Nevada State Medical Association for a one-year term.



Kurt Hooks, Ph.D., MPH, LPC, CEO of Virginia Beach Psychiatric Center, serves as Chair of the Virginia Hospital & Healthcare Association Behavioral Health Committee. He served as Mental Health Expert for Virginia Beach City Council's 5/31 Shooting Permanent Memorial Committee. Dr. Hooks frequently provides interviews and lectures as a behavioral health industry thought leader.



Amber Lopez, RN, Northwest Children's Hospital, part of the Northwest Texas Healthcare System, was named March of Dimes Nurse of the Year.



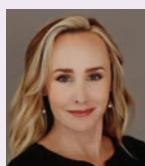
Joyce Malaskovitz, Chief Nursing Officer, Desert Springs Hospital, was honored by Nevada Business Magazine as Southern Nevada's Care Provider Hero.



Mary Frances Mullen, RN-BC, Assistant Director of Nursing, Brooke Glen Behavioral Hospital, earned the Distinguished Healthcare Professional award from The Ben Franklin Global Forum.



Astro Muñoz, CEO, First Hospital Panamericano, worked to ensure mental health is a main subject of the Governor's Public Policy Agenda to improve the overall mental health of residents in Puerto Rico.



Sally Perry, Regional Vice President, Behavioral Health Division, was one of 15 appointed by Governor Brian Kemp to the newly created Healthcare Workforce Commission created to tackle the challenges in hiring and retention of healthcare workers. She was also elected to the Georgia Hospital Association's Board of Trustees.



Jody Rain, Registered Nurse Supervisor, Manatee Memorial Hospital, was appointed by Florida Governor Ron DeSantis to the Board of Nursing.



Steven Reilly, Senior Director of Sourcing and Contracts, was recognized by The Journal of Healthcare Contracting among Ten People to Watch for his leadership in Supply Chain.



Rachel Sheehan, MSN, RN-BC, C-ONQS, Corporate Director, Women's Services, Acute Care Division, was presented with the March of Dimes Excellence in Perinatal Leadership Award.



Greg Stewart, CEO, Wellstone Regional Hospital, was appointed Board member of Indiana Hospital Association (IHA), placing the behavioral health sector in a position for more visibility and advocacy. He also was named Chairman of the IHA Council on Behavioral Health.



Jennifer Taylor, Director of Contracts, was named among ten Women Leaders in Supply Chain by The Journal of Healthcare Contracting.



Ryan Tatu, Ph.D., FACHE, CEO of Lancaster Behavioral Health Hospital, was elected to Board of Directors of the Central PA American College of Healthcare Executives for a three-year term.



Pam Tahan, CEO, Wellington Regional Medical Center, Executive Board Member of Central Palm Beach County Chamber of Commerce and Board Member of Wellington Community Foundation Inc., was sworn in as Chair, Central Palm Beach Chamber of Commerce and as Chair, Hispanic Chamber of Commerce of Palm Beach County. She also was elected Chair of Healthcare Policy for the Economic Council of Palm Beach County and elected to Palm Beach County's Emergency Services Council.



UHS was named to ECRI's 11th annual Healthcare Supply Chain Excellence Award, recognizing U.S. healthcare organizations for achieving excellence in spend management and adopting best practices/solutions. Pictured center is Ray Davis, VP, Supply Chain and the UHS Supply Chain team, along with ECRI senior executives.



Workforce Demographics

UHS IS EXTREMELY PROUD OF THE TEAMS WHO WORK TOGETHER to deliver high-quality services across the United States and United Kingdom. It is their expertise, hard work, dedication and collaboration that have allowed us to achieve a great number of successes this past year and laid the groundwork for many exciting opportunities in the future.

We are committed to the principle of Equal Employment Opportunity (EEO) for all employees and applicants. As an EEO Employer, UHS supports and fully commits to recruitment, selection, placement, promotion and compensation of all individuals without regard to race, color, religion, age, sex (including pregnancy, gender identity, and sexual orientation), genetic information, national origin, disability status, protected veteran status or any other characteristic protected by federal, state or local laws.

2022 EMPLOYEE ENGAGEMENT

We value employees and are committed to all being treated with dignity and respect. These commitments are reflective in our policies and procedures as well as the results of our 2022 Employee Engagement Survey.

Based on a rating of 1 (strongly disagree) and 5 (strongly agree), UHS earned favorable ratings in the following metrics:

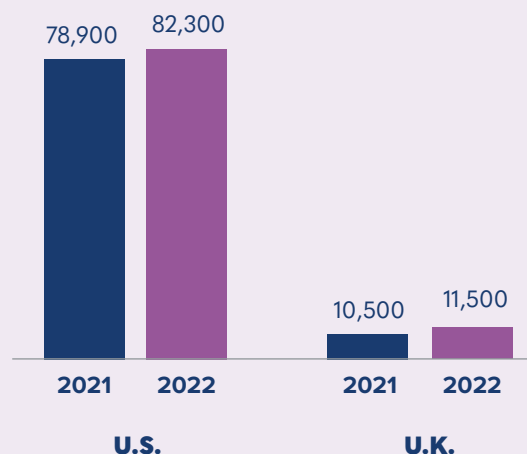
The person I report to treats employees with respect. **4.20**

My facility treats employees fairly regardless of age, race, sex, disability or sexual orientation. **4.09**

The person I report to cares about my well-being. **4.12**

GLOBAL WORKFORCE

In 2022, the global workforce increased 5% to nearly 94,000 as U.S. and U.K. workforces grew 4% and 10%, respectively.

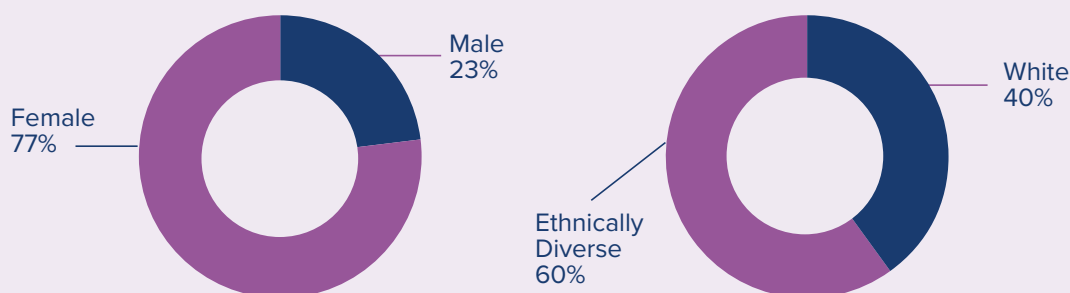


NOTE: Approximate counts from 12/31/20 and 12/31/21.

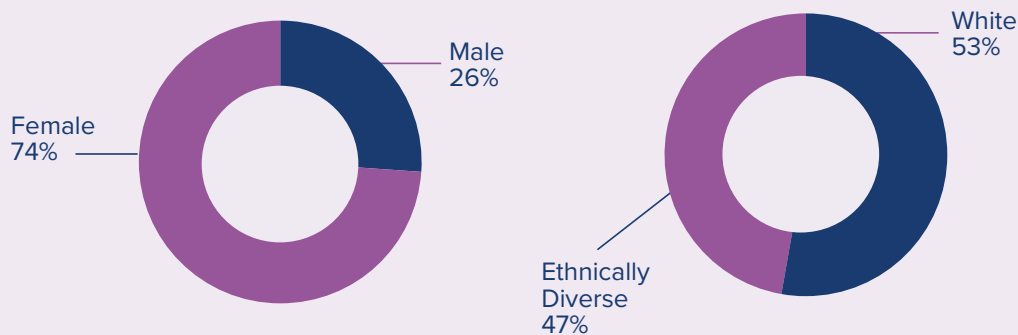
DIVERSITY ACROSS NEW HIRES IN U.S. AND THOSE PROMOTED

In the United States, nearly 24,200 employees were hired during 2022. Further, more than 6,060 employees were promoted.

NEW HIRES



PROMOTED INDIVIDUALS

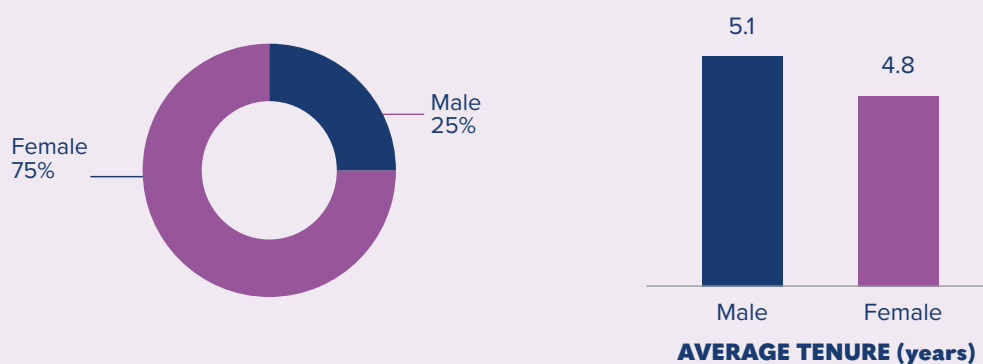


As a founding member company of Veteran Jobs Mission, UHS is committed to reducing unemployment among U.S. military veterans. We continue to honor this commitment by increasing the number of military hires year over year. In 2022, UHS hired 1,815 veterans, up 20% over the previous year's counts for the second year in a row. Among the veterans hired during 2022, 46% were female and 56% were ethnically diverse.



U.S. WORKFORCE

Female employees continue to make up the majority of the workforce at UHS and its facilities. The average tenure of female employees in 2022 was in line with that of their male peers. We appreciate diversity in the workforce, which reflects the diversity of the communities we serve. Individuals who identify as white account for less than half of the workforce.

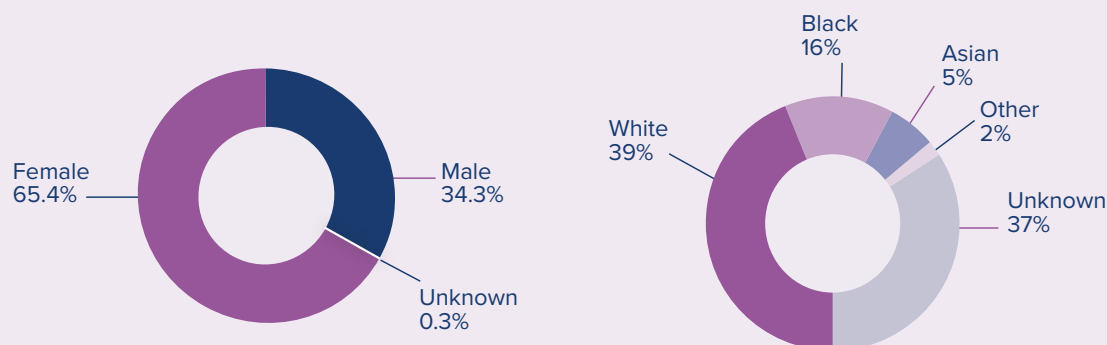


	2020	2021	2022*
WHITE	49%	47%	45%
BLACK	23%	23%	24%
HISPANIC	15%	16%	17%
ASIAN	9%	9%	9%
OTHER	4%	5%	5%

*Note: 2022 data estimates; final data to be posted on uhs.com/esg after filing in 3Q23.
SOURCE: 2020 and 2021 EEO-1 reports.

U.K. WORKFORCE

Diversity is also shown in the makeup of the workforce in the U.K.:



DIVERSITY, EQUITY AND INCLUSION

UHS' commitment to diversity, equity and inclusion (DEI) includes regularly monitoring employment practices to ensure equity, regardless of an employee's gender, race or ethnicity and championing for inclusive behaviors through leadership example, policies and procedures, trainings and special events.

In 2022, UHS Corporate formed a DEI taskforce, chaired by the SVP, Human Resources. Meanwhile, there are facility-based committees designed to recognize and highlight multicultural backgrounds and other DEI-focused initiatives.

The George Washington University Hospital's Diversity and Inclusion Advisory Council (DIAC) is a multidisciplinary cross section of diverse employees, chaired by GW's CEO. Its mission includes earning the GW Community's trust; creating a culture of safety, celebration and acceptance where differences are valued; driving awareness and education on diversity, equity and inclusion; ensuring proportional representation of communities served exists within Hospital committees; and developing measurable goals for the Hospital that are impactful with sustainable change.

Within the Behavioral Health Division, St. Louis Behavioral Medicine Institute (SLBMI) has a Diversity, Equity, Inclusion & Belonging (DEIB) Committee, whose mission is to "intentionally facilitate a culture of diversity, equity, inclusion and belonging, and to foster the process of continued growth through learning, identifying blind spots and implementing impactful change." The Committee is open to all SLBMI employees and regularly disseminates DEI information to all staff. Its 2022 accomplishments included working with the facility's Gender Affirming Program to create SLBMI's Pronoun Policy and Procedures, updating its patient registration forms and incorporating issues of diversity in all clinical trainings.

During 2022, UHS continued to participate in the U.S. Federal work opportunity program for employers who invest in hiring individuals from certain targeted groups who consistently faced barriers to employment. In YTD September 2022, UHS screened more than 4,500 individuals for the program; all of whom were hired, including the 30% who qualified for the program.

UHS also participates in the U.S. New Market Zone and Qualified Opportunity Zone programs designed to encourage private investment and/or hiring and retention of individuals from areas identified as being in distress or rural areas that are in need of revitalization. Since January 2022, UHS completed a few projects under this program, including the construction of Granite Hills Hospital and Via Linda Behavioral Health. These facilities, which are located in these qualified locations, opened in 2022.

**Cygnnet Health
Care's Multicultural
Network now has
105 ambassadors
across the U.K. who
help to promote
inclusion and raise
awareness of issues
affecting ethnic**



**minority staff and service users. In its
second full year, the Multi-Cultural
Network expanded its offering to include:**

- A new mentorship program to support ethnic minority staff with personal and professional development.
- ID badges with the option of carrying the phonetic pronunciation of names if desired.
- Inclusive interviews - The Network supports interviews across Cygnnet to ensure fairness and equality in recruitment processes.
- A review of mandatory equality & diversity training along with our Unconscious Bias training to ensure both are relevant to staff and services.
- A robust action plan which was developed following Cygnnet's first Race Equality Survey.

Looking ahead, we hope to coordinate efforts and facilitate sharing of charters and best practices.

RECRUITMENT AND RETENTION



During the year UHS made a positive impact on employees' intent to stay. Through internal surveys, employees indicated that they appreciate and value many of the initiatives we recently added to address the headwinds of retention including: career ladders and progression, career development, engagement during the work day and ongoing recruitment and retention strategies. By year end, we recorded a 22% decrease in Registered Nurse openings and a 31% decrease in Mental Health Technician openings.

We also listened carefully to employee feedback and took responsive action. We strengthened our recruitment efforts, improved the overall hiring and onboarding experience, expanded the training resources employees need to do their jobs effectively and safely, facilitated more teamwork and collaboration, established new Recharge Rooms at many of our Behavioral Health facilities for staff rejuvenation, addressed burnout, expanded mentorship, launched the new Employee Assistance Program (EAP), and best of all, increased employee engagement.

Surveys are issued to new hires after their first seven and first 30 days to solicit feedback about the hiring and onboarding process. In 2022, our overall recruitment process earned a 90% satisfaction rating. Meanwhile, 91% of individuals who responded to our candidate hiring survey (33% response rate) indicated they were satisfied or highly satisfied with the process.

Similarly, in 2022, 85% of individuals who responded to our onboarding survey (21% response rate) indicated they were satisfied or highly satisfied with the process.

WORKFORCE POLICIES

UHS has a clear set of policies developed to reflect our Corporate Mission and Purpose and the high standards we have for employees. Employment policies identify resources available to staff and/or define the company's internal process for various events (e.g., scheduled leave, performance reviews, grievance reporting). They are communicated and enforced to ensure fair and equitable treatment for all employees.

Our Background Screening Policy requires criminal, sanction and drug screening as well as education, license and employment verification prior to hire. Onboarding employees are trained on policies that reflect our corporate culture and values (e.g., Code of Conduct, Discrimination and Harassment Prevention Policy, Employee Conduct and Work Rules Policy, and Drug and Alcohol Policy).

Depending on their role, Division and employment status, employees may be required to complete training on key policies that fulfill regulatory obligations and/or promote safe and healthy work environments (e.g., HIPAA Privacy and Security Rules, Workplace Violence Prevention Policy, Grievance Reporting and Dispute Resolution Policy).

Employees have access to all policies either through their local HR department and/or internal intranet.



OVERALL SATISFACTION WITH RECRUITMENT PROCESS

90%



DECREASE IN REGISTERED NURSE OPENINGS

22%



DECREASE IN MENTAL HEALTH TECHNICIAN OPENINGS

31%

EMPLOYEE DEVELOPMENT AND TRAINING

In keeping with UHS' culture of continuous improvement, training opportunities are available for all employees, regardless of level or status. These include formal instructor-led, in-person or virtual training, informal mentoring or networking opportunities, or self-administered online courses.

Training programs are designed to assist with personal and skill development, career advancement and succession planning. In addition to mandatory trainings that focus on keeping employees mindful and informed of key policies and skill sets, many are voluntary. All trainings are tailored to include potential Americans with Disabilities Act (ADA) accommodations.

During Orientation, new hires learn UHS' Mission, Vision, Principles and Values, key policies and procedures as well as available benefits and resources. The capstone course is a two-hour overview of our founding principle, Service Excellence. Time focused on its attributes – continuous improvement, employee development, ethical and fair treatment of all, teamwork, compassion and innovation in service delivery – provides new hires a deep understanding of the company's culture. The Service Excellence Standards – treating everyone as a guest, demonstrating professionalism and excellence and practicing teamwork – are shared to help guide the desired approach to day-to-day activities.

Service Excellence Facilitator Certification Workshops are available for facility employees identified by their leadership for consistently upholding and demonstrating the UHS Service Excellence Standards. The multi-session virtual workshop develops facilitation skills, reviews best practices for how to effectively manage a learning environment and provides an in-depth explanation of the Service Excellence presentation. Certified Facilitators foster the Service Excellence culture and deliver trainings at their own facilities.

TEAM C.A.R.E., the employee enrichment experience at our UHS Corporate Offices, brings inspiring events, content and programming for health/wellness, social/community and career enrichment. This is designed to expand our employees' professional network, help them meet new colleagues and offer opportunities to engage in rewarding activities.

TEAM C.A.R.E. also offers Corporate employees access to trainings or events that support professional development (i.e., UHS Toastmasters Club, Executive Speaker Series, Business Book Clubs, The Power of Professional Women's Career Conversations and Diversity events).

In the U.K., in addition to the mandatory training requirements, Cygnet Health Care training offerings in 2022 included: Mental Health First Aid, Coaching & Mentoring, Apprenticeship Programs and "A Masterclass in Compassionate Leadership" led by Professor Michael West.



UHS SERVICE EXCELLENCE

During 2022, 130 employees became certified as Service Excellence Facilitators by completing one of the 15 multi-session virtual workshops led by UHS Learning and Development Facilitators Andrew Hallman and Scott Doyel.

Nurturing a talent pipeline

The Learning and Development team began branding their efforts under the “U Learn” brand in 2022. Within U Learn, there are three tracks: Invest in U, Manage U and Develop U.

Invest in U is designed to refresh, remind, and provide learning opportunities that help to enhance one’s skills and knowledge for all staff. In 2022 the courses covered topics such as business writing fundamentals, e-mail etiquette, time management and effective meeting guidelines.

The Manage U track provides leadership skills designed for supervisors and managers. The programs include Stepping Into Leadership, HR Essentials and m3 Management Development Program.

We support new supervisors across all parts of the organization through the training program “Stepping Into Leadership.” Designed for first-time supervisors, the program provides new supervisors with the foundation to:

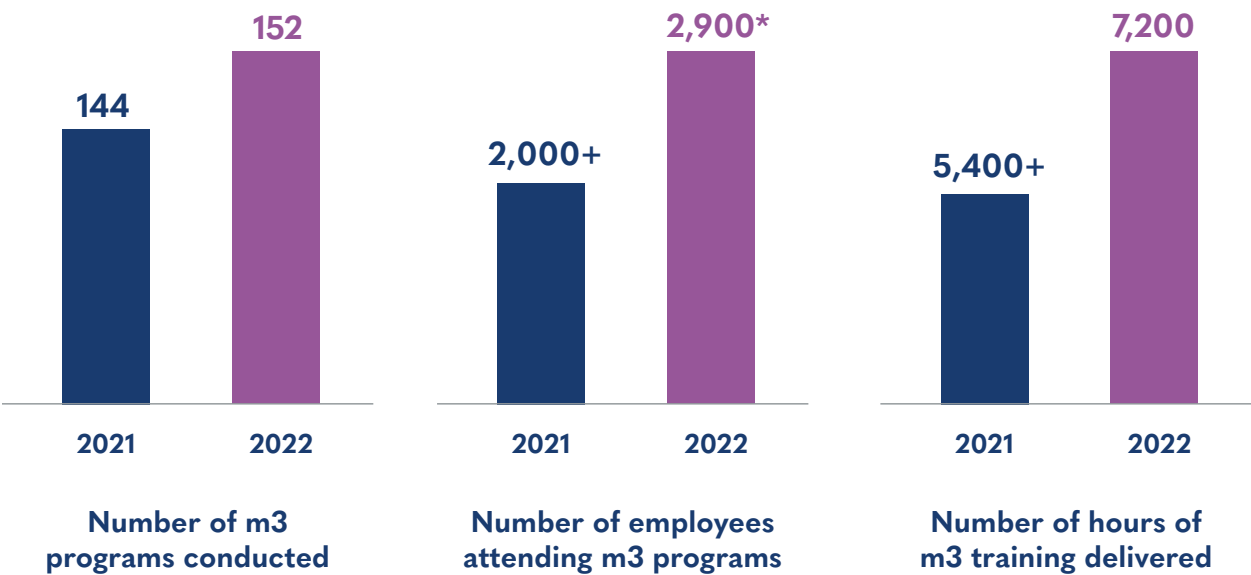
- Smoothly transition from an individual contributor to an effective leadership role
- Apply strategies to build an engaged workforce and high performing team

- Confidently engage in difficult workplace conversations
- Resolve and de-escalate workplace conflict
- Foster a culture of Service Excellence

In 2022, 40 Stepping Into Leadership Classes were held for a combined 700 participants, to account for over 1,000 hours of training for new supervisors.

Notably, the number of participants and training hours for our m3 program, which is designed for employees of all leadership levels, increased substantially in the last year. In 2022, 152 m3 classes were attended by 2,900 employees for a total of more than 7,200 hours of training.

The Develop U track contains specialty programs focused on employee and team development. Courses in this track include Take Charge of your Professional Development, Train to Retain: A Hiring Manager’s Toolkit for Successful On-boarding, and Everything DiSC Workplace. The Learning and Development team delivered the Acute Care Division’s Resourcing for High Quality and Safe Care, and the Behavioral Health Division’s Trauma-Informed Care programs.



*Note: Employees may have attended more than one session.



Aiken Regional Medical Centers welcomed its first class of residents to its three-year accredited Family Medicine Residency Program in July 2022. This program is dedicated to the achievement of equity for medical trainees from all racial backgrounds, ethnicities, socioeconomic levels, religions, gender identities, sexual orientations and abilities. It is committed to equity in recruitment, education, mentorship and professional advancement for all trainees. The program will develop objective, unbiased standards for evaluating applicants during recruitment and selection, and conduct faculty development training on implicit bias.

GRADUATE MEDICAL EDUCATIONAL PROGRAMS

We have been steadily growing the UHS Graduate Medical Education (GME) Program since 2018. Its goals include developing excellence in graduate medical education and creating a reliable pipeline of newly trained doctors and pharmacists to join our network of healthcare professionals and ultimately improving access to healthcare in our valued communities.

UHS Sponsored GME Programs

In 2022, 18 UHS Sponsored Programs operated out of the following UHS Acute Care hospitals/health systems: Aiken Regional Medical Centers, Manatee Memorial Hospital, Southwest Healthcare (Temecula Valley Hospital, Rancho Springs Hospital, Inland Valley Hospital and Corona Regional Medical

Center), Texoma Medical Center, The Valley Health System (Centennial Hills Hospital, Desert Springs Hospital, Henderson Hospital, Spring Valley Hospital and Summerlin Hospital Medical Center) and Wellington Regional Medical Center.

Of our 18 UHS Sponsored Programs, 17 are accredited by the Accreditation Council of Graduate Medical Education (ACGME). Further, both of our Pharmacy Residency Programs are accredited by the American Society of Health System Pharmacists (ASHP).

In 2022, UHS Sponsored Programs continued to offer specialties/sub-specialties in Emergency Medicine, Family Medicine, General Surgery, Internal Medicine, Pharmacy and Transitional Year programs, while adding Cardiology, OB/GYN, Pulmonary and Sports Medicine.

“We are very excited about the growth of our UHS GME programs across the system. Our residency and fellowship programs allow us to address significant physician shortages in the regions that UHS serves. The quality improvement and scholarly work that GME trainees and faculty perform also complement our clinical Centers of Excellence in our facilities and promote the provision of top quality and cutting-edge healthcare. We will continue building new GME programs across the country and optimizing our existing programs to provide the highest level of training possible to the next generation of physicians.”

MICHAEL NDUATI, MD, MBA, MPH, FAAFP
CHIEF ACADEMIC OFFICER, ACUTE CARE DIVISION





Congratulations to the 2022 recipients of Lakewood Ranch Medical Center (LWRMC) Foundation's Nursing Scholarship program. Since it was created in 2018, the Foundation has awarded 27 scholarships to those studying for associate's, bachelor's or master's degrees. Eligible candidates include nursing students who reside in Manatee or Sarasota County and who are currently participating in a clinical affiliation at LWRMC, or a nurse employed by a hospital and enrolled in a graduate program leading to a Master of Science degree in nursing.

In July 2022, a total of 316 residents – representing an increase of 20% over the previous year – participated in UHS Sponsored Programs.

By July 2023, the number of UHS Sponsored Programs and residents is expected to increase by 33% and 26%, respectively. This growth will be driven, at least in part, by a new program being developed by our South Texas Health System.

Academic Partnership GME Programs

In 2022, The George Washington University Hospital, Northwest Texas Healthcare System and Valley Hospital Medical Center collectively offered 50 Academic Partnership Programs. More than 590 residents and fellows participated.

Learn more: uhs.com/careers/graduate-medical-education

OTHER PROFESSIONAL DEVELOPMENT PROGRAMS

Across the company we offer educational and work opportunities, including internships, externships, and clinical field placement opportunities. We also continued efforts to expand the Strategic Partnerships with Nursing program with other medical technology schools.

UHS also supports employees' professional development through financial assistance programs. UHS annually earmarks approximately \$1 million for its Tuition Reimbursement Program to support employees participating in degree or certification programs. Our facilities also offer student loan repayment to engage recent graduates in the workforce, as well as support the pursuit of continuing education.

For our 2022 Summer Internship Program, UHS successfully recruited and onboarded 44 interns, a 43% increase over the previous year. Interns attended two Orientation sessions, up to 13 leadership "Lunch & Learn" sessions, professional development workshops and networking events. The interns worked across five departments at our Corporate Offices: Information Services (32 interns), Supply Chain (8), Revenue Cycle (2), Design and Construction (1) and Legal (1). Of the 32 Information Services (IS) interns, 43% identified as diverse.

The program was a success. On a scale of 1-10 (10 being highest), 71% of interns rated their overall experience a score of 9 or 10, and all reported they would recommend UHS to other students for an internship. Further, of the 35 IS or Supply Chain interns expecting to graduate college between August 2022 and May 2023, we extended 16 offers, 15 of which were accepted.

EMPLOYEE BENEFITS

UHS' non-pay benefit program seeks to attract top talent, yet also serves to retain and support current staff. Its well-rounded "Benefits for Living Better" program addresses employees' physical, mental, financial and professional needs.

Learn more: jobs.uhs.com/careers

The program is constantly being evaluated and adjusted to not only be competitive in our markets, but responsive to employee needs. Key highlights of the 2022 program included:

- A new, more robust line of EAP Services, including Work/Life services, Legal/Financial consultations, Child and Elder Care services and Concierge assistants
- Flexible work arrangements including compressed work week, hybrid work-from-home schedule and remote work
- A variety of employment status options, especially among clinical staff, including part-time, per diems, on call, temporary and job sharing

Employees have access to enhanced benefits through various free events and programs, such as Mindset Spark Sessions which included two free events designed to help drive positive and intentional thinking for the benefit of mental and physical well-being, and the Fertility and Family Planning Education and Support program through Fertility IQ to help navigate family planning.

2022 EMPLOYEE ENGAGEMENT SURVEY – UHS OVERALL

Highest scoring items.
Ratings based on scale of 1 (strongly disagree) to 5 (strongly agree).
Notably, 75% of survey respondents were engaged with the company and reportedly intend to be working here in 3 years.

UHS Foundation for Employees



The UHS Foundation is a 501(c)(3) nonprofit entity that supports UHS employees who have been affected by hardship due to either qualified natural disasters (e.g., hurricanes, fires) or a national public health emergency (e.g.,

the COVID-19 pandemic). Since it was established in 2005, the UHS Foundation has raised more than \$2.9 million in support of impacted employees and their families.

"Thank you so much to the Foundation and all involved in the process. You have no idea how much these funds will assist us in the rebuilding process."

SHAWN K. IMHOOF, DIRECTOR OF DIAGNOSTIC IMAGING, LAKEWOOD RANCH MEDICAL CENTER, IN THE AFTERMATH OF HURRICANE IAN

EMPLOYEE ENGAGEMENT

On alternating years, through use of a third-party independent vendor, UHS' Corporate Human Resources deploys either a comprehensive 50+ question Employment Engagement Survey or a brief 20-question Pulse Survey. Based on this employee feedback, UHS is able to measure performance as well as to identify and act on areas for improvement. To protect employees' privacy, responses are kept confidential and results are shared as aggregate totals by department. Management is encouraged to share results with their staff, develop action plans for any low-performing metrics, address any concerns and solicit suggestions in the spirit of continuous improvement.

Our 2022 Employee Engagement Survey found that employees scored UHS Overall (Corporate, Acute Care, Behavioral Health and IPM collectively) highest in the categories of Job Fit, Teamwork, Safety, Management and Resiliency.

JOB FIT	<i>I like the work I do.</i>	4.34
TEAMWORK	<i>I enjoy working with my coworkers.</i>	4.33
SAFETY	<i>Engaging in safe work practices is expected of me in my job.</i>	4.29
MANAGEMENT	<i>I respect the abilities of the person to whom I report.</i>	4.26
RESILIENCY	<i>At work, I feel I am highly capable.</i>	4.25



TEAM C.A.R.E. UHS

TEAM C.A.R.E. events are initiated based on suggestions from employees and aim to support causes and/or organizations that are aligned with UHS' Mission and Principles.

Since 2018, TEAM C.A.R.E. has sponsored an annual golf tournament to benefit the UHS Foundation. In September 2022, the 4th Annual UHS Golf Tournament raised more than \$110,000, which was matched by UHS, and donated to the UHS Foundation.



"The UHS Golf Tournament is the largest event that TEAM C.A.R.E. sponsors and has the most diverse participation, including individuals who are here to volunteer, golf and connect with their colleagues. Most importantly, all of the proceeds go to the UHS Foundation."

GERRY GECKLE
SENIOR VICE PRESIDENT,
HUMAN RESOURCES



Food drive to benefit Upper Merion Food Pantry



Phillies Fan Day at UHS' Corporate Office



Suicide Prevention Awareness Summit

EMPLOYEE RECOGNITION AND AWARDS

Corporate and facility leadership in the U.S. and U.K. regularly recognize employees for their dedication to the organization, and exceptional care bestowed to patients and their families through formal annual events as well as throughout the year.

The Service Excellence Award is UHS' annual top honor bestowed to three Corporate Home Office employees for their professional, effective and efficient service to all stakeholders. This prestigious award is also given annually at the facility-level, to a deserving Acute Care facility, a Behavioral Health facility and a Behavioral Health Residential Treatment Center in the U.S.

Quality Awards are annual rewards for earning exceptional industry and patient quality and safety ratings. Typically, the award is presented to one facility in each category: Acute Care facility, Behavioral Health facility and Behavioral Health Residential Treatment Center.

The annual Chairman's Council Award is presented to facility CEOs who meet or exceed quality goals and financial goals, earn exceptional patient satisfaction scores, and demonstrate community involvement and overall leadership. Three-time recipients of the Chairman's Council Award are presented the Eagle Award.

Service Anniversary certificates and gifts are presented upon Corporate employees' milestone work anniversaries. At the Corporate Office, employees are recognized for every five years of service.

Employee recognition awards are regularly presented at the facility level for those nominated by leadership or peers for exemplary performance.

To facilitate peer-to-peer recognition, Cygnet hosts a monthly Characters of Care Award while the UHS Corporate Office has a 'Cheers for Peers' program. Introduced in March 2022, this program enables employees to post a note or an image on our Corporate network to acknowledge colleagues who go "above and beyond."

Each Division has a Great (Good) Catch program to recognize staff who by early intervention, prevented either an actual or possible negative outcome. Each Behavioral Health facility contributes four Good Catches a month. They are trended and used to develop education work product for the Division. In the Acute Care Division, Great Catches are promoted at the facility level and presented at the monthly Corporate Patient Safety Council, so these learnings can be shared across the entire Division.

Our Recharge Room program is proving to be a meaningful way for Behavioral Health facilities to engage with, and show their appreciation for their staff. The number of facilities with these dedicated spaces designed to offer employees solace during their busy day, increased from 6 in 2021 to more than 50 by the end of 2022.

Employees were invited to participate in the selection of their room's name, design and features (e.g., massage chairs, aroma stations, décor, etc.). Facilities are using surveys (via online or QR code) to measure employees' use and reaction to room visits, including any impact on their stress levels.



In March, Laurel Ridge Treatment Center celebrated the opening of their new Employee Recharge Zone by bringing food trucks on-site and handing out appreciation gifts.

"We take pride in how hard employees work to help patients. This space allows the team to step away to relax and recharge in order to take better care of patients and themselves."

DR. JACOB CUELLAR
CEO, LAUREL RIDGE TREATMENT CENTER

PRIVACY AND DATA SECURITY

UHS' Privacy and Data Security team is led by the Chief Compliance and Privacy Officer and the Chief Information Security Officer, along with designated hospital-based facility Privacy and Security Officers.

The team's mission is to preserve the confidentiality, integrity and availability of information assets in accordance with Information Security Policies for employees and patients.

To this end, the focus remains on appropriately identifying, selecting, deploying, maintaining and improving information security controls based on the National Institute of Standards and Technologies (NIST) Cybersecurity Framework (CSF).

We comply with privacy and security policies, as well as several related federal and state laws, including the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Security Rule and the Payment Card Industry (PCI) requirements that govern compliant technology and processing of consumer credit card information. Our compliance with these requirements is reviewed by external parties. For example, each year a third-party firm certifies our PCI environment with attestation to our acquiring banks.

We have approximately 48 privacy and security-related policies maintained at the Corporate level and locally by U.S. facilities. Additionally, we deploy numerous technologies and engage third parties to provide intelligence services to UHS.

The UHS Information Services (IS) team evaluates information security controls on a regular basis through penetration testing, assessment and evaluations to review system effectiveness. Third-party cybersecurity firms also provide monitoring and investigation services, including regular security penetration tests and audits.

In addition to these measures, UHS invests time and resources toward training all employees. As frontline defenders in our efforts to ensure privacy and security of our information, employees participate in trainings and phishing exercises to learn how to identify possible threats. Collectively, more than 45,000 hours of employee training are conducted each year, including mandatory annual data privacy and cybersecurity training for all employees.

Beyond the people, processes and technologies, UHS also understands the Cybersecurity risks that exist amongst our Supply Chain vendors. To address this, UHS has a process to assess risk, evaluate and even require third-party verification of our vendors and suppliers as they engage in our contracting process.

Ultimately, issues and events can arise. However, when they do, UHS has an Incident Response Plan and if needed, Disaster Recovery processes that are engaged to minimize impact on availability of services.

Finally, UHS also has multiple governance processes to review the health and maturity of our Cybersecurity program through regular review of key performance indicators, metrics and roadmaps to promote the use of recent technologies and manage risks.

"Information Security plays a critical role across industries, but in particular in healthcare. In today's dynamic environment, we are vigilant in establishing a future-oriented operational approach, maintaining compliance and managing risk in a pragmatic and cost-effective manner."



KIM SASSAMAN
CHIEF INFORMATION SECURITY OFFICER,
INFORMATION SERVICES



OUR GOVERNANCE STRUCTURE

As reflected in the Board of Directors' Corporate Governance Guidelines, UHS has a deep-rooted commitment to a system of governance that enhances corporate responsibility and accountability. From its start in 1979 as an organization of 6 employees to a nearly 94,000 employee-strong, dual-continent enterprise, this commitment remains intact today.

BOARD OF DIRECTORS

The Company's business is conducted by its employees, managers and officers under the oversight of the Board of Directors. The Board is elected by the Company's stockholders in accordance with the Company's Articles of Incorporation, to oversee management and to assure that the long-term interests of the stockholders are served.

UHS' Board of Directors is chaired by Founder and Executive Chairman Alan B. Miller. There are currently six committees: Audit Committee, Compensation Committee, Executive Committee, Finance Committee, Nominating and Governance Committee, and Quality and Compliance Committee.

Nina Chen was elected to the Board of Directors in September 2022 and appointed to UHS' Quality and Compliance Committee, effective January 1, 2023. With the appointment of Ms. Chen, the Board now has eight members; five (63%) of whom are independent, and three (38%) are female.

Ms. Chen had a 13+ year tenure at Mercer, including her last role as Partner, gaining significant leadership experience in talent management, performance management, business development and benefits. She currently serves as the Special Projects Consultant for The Welcoming Center, a 501(c)(3) non-profit organization that promotes inclusive economic growth through immigrant integration.



IN THE U.S., OVERSIGHT OF COMPLIANCE, OPPORTUNITIES AND RISK OF KEY ESG-RELATED ISSUES IS PROVIDED ACROSS OUR BOARD COMMITTEES.

AUDIT COMMITTEE

Business Ethics
Charity Care
Privacy &
Data Security
Accounting and
Financial Reporting
Responsibilities

COMPENSATION COMMITTEE

Employee
Development/
Training
Employee Benefits
Employee
Engagement

NOMINATING & GOVERNANCE COMMITTEE

Ownership & Control

QUALITY & COMPLIANCE COMMITTEE

Quality of Care
Employee/Patient Safety
Equity of Care

EXECUTIVE COMMITTEE

FINANCE COMMITTEE

In the U.K., a 12-member Executive Management Board provides governance to our Cygnet Health Care facilities through its Board sub-committees, which meet quarterly and have overall responsibility for the quality of care delivered across all services that Cygnet provides. They are supported by an Advisory Board; all three of its members are independent and hold non-executive positions. Twenty-five percent of the Executive Management Board and 33% of the Advisory Board are women.

Management Evaluation and Succession

The Nominating & Governance Committees of UHS and Cygnet Health Care, respectively, evaluate the performance of the Company's management annually and discuss this evaluation with the entire Board following the end of each fiscal year.

The Board, or a committee of the Board, oversees the Company's management succession planning, including its policies and principles regarding the selection of and succession to the Chief Executive Officer of the Company in the event of emergency, retirement or other circumstance.

LOCAL GOVERNANCE

In the U.S., the Board of Directors at each of the Acute Care and Behavioral Health facilities have decision-making authority over financial and non-clinical operations issues. Meanwhile, Executive Leadership teams, organized Medical Staff and local governing bodies jointly oversee the day-to-day operations of these facilities, as well as our ambulatory surgery centers. Facilities' local governing bodies also have Medical Staff oversight.

Within the Acute Care Division, the facilities' local governing bodies are typically comprised of a team of local community members, medical staff and hospital or regional leadership. Within the Behavioral Health Division, the local governing bodies are typically represented by local and Division leadership and may include current or retired medical staff.

As with all healthcare providers, UHS facilities are subject to regular visits and inspections by federal and state regulatory agencies. All our U.S. facilities are fully accredited by widely respected, independent organizations including The Joint Commission (TJC) and the Commission on Accreditation of Rehabilitation Facilities (CARF). In the U.K., our Cygnet facilities are subject to regulatory review by the CQC, among others.

Some of our Acute Care facilities have also earned accreditations by specialized benchmarking entities (e.g., American College of Radiology, American College of Surgeons, College of American Pathologists and American College of Cardiology).

Within the UHS organization, our Acute Care and Behavioral Health Divisions each have a Division Compliance Officer as well as designated Facility Compliance Officers who oversee their respective facilities' local compliance programs and obligations.

Similarly, the Acute Care and Behavioral Health Divisions each have Chief Medical Officers (CMOs) and quality designees at the divisional and regional levels, as well as at select individual facilities. CMOs determine medical strategy and provide oversight of medical staff and utilization management, while quality teams manage and oversee clinical and regulatory programs. Leadership analyzes performance metrics monthly, and shares best practices across facilities to promote quality and safety, including outcomes measurement as primary initiatives in each organization.

The Behavioral Health Division's Admissions, Risk Management and Corporate Clinical teams' focus is on the quality of patient care at our locations to work towards meeting, if not exceeding, the expectations.

RISK MANAGEMENT MEASURES

Each Acute Care and Behavioral Health Division's Risk Management program is led by a Division Risk Management Director, who is supported by Senior and/or Regional Risk Managers and Facility Risk Managers. In addition, the Acute Care Division has a Medication Safety Risk Manager who focuses their efforts on safe medication use including analysis and oversight of the medication administration system. This comprehensive risk management program is also comprised of a dedicated Corporate Loss Control (Employee Injury) staff, Claims Management professionals, as well as an Environmental Risk and Emergency Management (EM) team.

UHS utilizes an Enterprise Risk Management (ERM) approach to mitigate loss and promote employee and patient safety. This approach comprises the traditional risk management model components of Risk Identification, Risk Analysis, Risk Control and Risk Financing as well as utilization of the ERM domains (i.e., Operational, Human Capital, Strategic, Clinical/Patient Safety, Financial, Legal/Regulatory, Technology and Hazard).

Each of these core components is supported by dedicated teams that utilize time-tested processes, procedures and/or tools, such as risk assessments, dashboards and data analytics to meet their core objectives. This may include the collecting, reporting and analysis of data against internal or nationally available benchmarks.

While prevention of patient safety events is core to our mission of providing safe, high-quality care, adverse events do occur. Risk identification tools include TJC's Sentinel Events Alerts, Root Cause Analysis and Failure Mode and Effects Analysis, as well as internal safety tools, such as patient safety event reports on adverse outcomes, adverse drug reactions, medication errors and patient concerns. Executive and Unit Safety rounding and patient safety surveys are also instruments used for early detection of potential adverse or unexpected patient outcomes and hazards.

To meet the Patient Safety Risk objectives, loss prevention and control methods are in place to assess high-risk clinical areas, such as new service lines. Patient Safety Newsletters, Safety Watches and Clinical Risk Alerts, as well as evaluation of the facility risk management programs, are conducted regularly with processes and procedures adapted as needed.

Our Claims process offers a systematic approach to reducing financial loss and negative community image in cases where preventative measures may have failed and an injury or other negative outcome occurs.

Decisions that affect the financial sustainability of the organization, access to capital or external financial ratings through business relationships or the timing and recognition of revenue and expenses comprise the financial focus for risk management. To ensure financial stability and solvency, risk transferring techniques are analyzed, evaluated and implemented.

During 2022, the Incident Command team responded to several emergencies due to extreme weather. In late September, when Hurricane Ian, a destructive Category 4 Atlantic hurricane was approaching, the team was activated, and our emergency preparedness protocols and processes were put into place. In the end, patients and staff of just one facility needed to be evacuated to other UHS facilities, while the remaining 26 facilities in the affected area were returned to regular operation within 24-48 hours.



“UHS hospitals have protocols and procedures in place to best manage emergencies and security-related events. Using the most current industry best practices and partnering with local first responders, our facilities conduct drills and test our emergency and safety protocols to ensure teams are as prepared as possible.”

**JOAN F. HESS, CHEP
CORPORATE DIRECTOR
ENVIRONMENTAL RISK
AND EMERGENCY
MANAGEMENT**



Patient Safety Organizations

The Acute Care and Behavioral Health Divisions each have their own Patient Safety Organization (PSO) to govern their respective risk management process. These PSOs, which are registered with the federal government under the Agency for Healthcare Research and Quality, voluntarily report and analyze data to help facilities identify opportunities to mitigate risk, reduce patient harm and improve quality of care.

The Acute Care Division's Corporate Patient Safety Council identifies its patient safety priorities for the year. At the local level, each facility has a Patient Safety Council that meets monthly to analyze patient safety data to ensure the appropriate processes are in place to prevent patient, employee and visitor harm and monitor the effectiveness of the process improvements put in place.

The Behavioral Health Division also has a Corporate Patient Safety Council that is chaired by the Division's Chief Clinical Officer and is a multidisciplinary Committee comprised of key leaders and representatives from Plant Operations, Nursing, Medical, Loss Control and Risk Management. This Committee performs a robust analysis conducted on all relevant data for trends and follow-up action.

Updates on PSO initiatives from both Divisions are reported to the Board of Director's Quality and Compliance Committee every quarter.

Employee Safety Program Support Measures

During 2022, the Environmental Risk and Emergency Management (EM) Team continued to diligently identify, analyze and implement risk avoidance measures to ensure a safe and secure working environment for staff, including increasing the number of trainings, consultations and resources provided since the previous year.

In 2022, 43 Behavioral Health facilities, 17 Acute Care hospitals and two physician practice locations received specific training on various EM programs, based on their individual interest or need.

Additionally, employees from our 14 facilities in Pa., N.J. and Del. as well as our Corporate Office attended a one-day Behavioral Health Cluster Training session to discuss key EM programs, such as Sprinkler Discharge and Water Management, as well as Hazard Vulnerability Assessment and Response Plans.

The EM team has virtual trainings, playbooks and toolkits readily available at a secure, online location for all facilities to access at any time.

Employee Safety Council Initiatives

The UHS Employee Safety Council, chaired by the Corporate Director of Environmental Risk and Emergency Management, is committed to workplace safety and remains keenly focused on developing training programs.

During 2022, the Council's Staff Safety subcommittee, which is comprised of Clinical Services, Loss Control, Risk Management, Human Resources and Legal, implemented Staff Safety Initiatives that were focused on reducing clinical injury rates in our Behavioral Health facilities.

In one six-month safety initiative, members from Clinical Services and Loss Control met regularly with the senior management teams of eight Behavioral Health facilities to share core strategies and tools that addressed patient aggression.

Similarly, the Acute Care Division has an ongoing focus on reducing employee injuries. During 2022, a work group met monthly with senior leadership teams from 51 UHS facilities, including Acute Care hospitals, freestanding emergency departments and physician practice locations. The group reviewed injuries (and their causes) and offered strategies that could be put in place to avoid recurrence. A measurement of the overall aggregate injury rate from these participating facilities shows that their low injury rate in January 2022 dropped even further by year-end 2022.

Workplace Violence Training

Workplace violence continues to be a heightened safety/security concern across all sectors of society, including the healthcare industry. As a company, one of our top priorities is to maintain a safe and secure working environment for employees. During 2022, a work group comprised of our Employee Safety Council, Legal, Loss Control, Risk Management, Human Resources and other subject matter experts reviewed existing Workplace Violence Prevention Plans to ensure facility plans meet new specific state and regulatory standards.

Also, during 2022, the EM team held an Armed Intruder/Active Assailant Education training for the Acute Care Division's senior leaders as well as Risk and Quality and Emergency Management Planners. In addition to this training, the team also developed a toolkit to provide facilities with best practices for preventing these types of incidents and for how to react should such an unfortunate event occur at their location. The toolkit houses resource materials related to this subject, such as videos, assessment tools and a playbook.



As a best practice, the team continues to provide monthly "Spotlight on Safety" posters to Acute Care and Behavioral Health facilities throughout the year. Topics included Environment of Care and Environmental Awareness, Employee Safety, Needlestick Prevention, Aggression Prevention/Consistent Milieus and Workplace Violence.

OUR EMPHASIS ON ETHICAL CONDUCT

The Board of Directors and senior management of UHS are committed to healthcare operations that are ethical and in compliance with all applicable laws and regulations.

UHS' Chief Compliance and Privacy Officer oversees the UHS Compliance Program and regularly reports on the Company's compliance program operations to the Quality and Compliance Committee of the Board of Directors and to the UHS Compliance Committee. The committees review reports and recommendations of the UHS Chief Compliance and Privacy Officer based upon data generated through the UHS Compliance Program operations.

UHS maintains a compliance program that includes appropriate policies and procedures consistent with legal and regulatory requirements, compliance education (including enterprise-wide compliance training of all new employees as part of the onboarding process), and its audit and monitoring and disclosure programs.

We are committed to fostering a culture of accountability at all levels and encourage employees to report anything they believe could be noncompliant with our values. We prohibit retaliation for the good faith reporting of compliance concerns and offer the ability for individuals to anonymously elevate any concerns. Our commitment to fairness and integrity extends to everyone with whom we interact and do business.

Our Code of Conduct provides guidance on expectations for acceptable behavior for those who work on behalf of UHS. It is intended to promote honest and ethical conduct, deter wrongdoing, promote compliance with all applicable governmental laws, rules and regulations, and prompt internal reporting of violations and compliance concerns.

Our Compliance Manual serves as a resource of basic healthcare compliance standards and overview of the UHS Compliance Program. Further, our Code of Conduct outlines what is expected of employees in the workplace and references key policies and procedures. This set of values, rules, standards and principles serves as a guide defining how people should appropriately interact as ambassadors of our organization.

"Our UHS Code of Conduct outlines our expectations of those who work on behalf of UHS and supports a work environment that puts patient care first."

JIM PASSEY
VICE PRESIDENT,
CHIEF COMPLIANCE
AND PRIVACY OFFICER



UHS operates a Compliance Hotline as part of our Code of Conduct. To report an ethical dilemma or potentially inappropriate or illegal conduct, individuals may call the Compliance Hotline (toll free at 1-800-852-3449) or use Internet-based reporting at www.uhs.alertline.com Learn more: uhs.com/compliance

FACILITY LOCATIONS

UNITED STATES

Alabama | Alaska | Arizona
Arkansas | California
Colorado | Connecticut
Delaware | District of Columbia
Florida | Georgia | Idaho
Illinois | Indiana | Iowa
Kentucky | Louisiana
Massachusetts | Michigan
Minnesota | Mississippi
Missouri | Nevada
New Jersey | New Mexico
North Carolina | North Dakota
Ohio | Oklahoma | Oregon
Pennsylvania | South Carolina
Tennessee | Texas
Utah | Virginia | Washington
West Virginia | Wisconsin
Wyoming

PUERTO RICO

UNITED KINGDOM

England

Bristol | Cheshire
County Durham | Derbyshire
Dorset | Essex
Gloucestershire | Hampshire
Hertfordshire | Kent
Lancashire | Leicestershire
Lincolnshire | London
Greater Manchester | North Yorkshire
Northumberland | Nottinghamshire
Somerset | South Yorkshire
Staffordshire | Suffolk | Surrey
Teesside | West Midlands | West Yorkshire

Scotland

Angus | Dumfries and Galloway
Stirling

Wales

Flintshire | Gwent



UNIVERSAL HEALTH SERVICES, INC.

Corporate Center
367 South Gulph Road
King of Prussia, PA 19406
uhs.com

Cygnnet Health Care
Third Floor - 4 Millbank
SW1P 3JA London
United Kingdom
cygnnethealth.co.uk

