

LIVING OUR PURPOSE

Environmental,
Social and Governance
REPORT 2021



ABOUT THIS REPORT

This 2021 report provides an overview of our progress made towards our ESG strategy. It aims to fully comply with the reporting requirements of SYNLAB in relation to sections 315b and 315c in accordance with sections 289c–289e of the German Commercial Code (Handelsgesetzbuch/HGB). The activities, initiatives, progress, and metrics mentioned in this report cover all the businesses under SYNLAB AG, unless otherwise noted. We plan to continue improving the quality of our ESG data and data management systems.

The reporting period follows the financial year 2021 (FY21), which runs from 1 January 2021 to 31 December 2021. The information in this year's report is provided with reference to the Global Reporting Initiative (GRI) recommendations. This report has been approved by the Supervisory Board.





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This Report is available on our website:

WWW.SYNLAB.COM/ESG

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INTRODUCTION

CEO STATEMENT



DEAR FRIENDS OF SYNLAB,

SYNLAB is driven by a clear purpose: providing actionable diagnostic information for healthy lives and well-being for all.

I am pleased to introduce you to our second ESG report 'Living our Purpose.' In this report, we share with you the milestones we have reached and our progress against our targets. As a European leader in medical diagnostic services and specialty testing that operates in 36 countries across four continents, we take our impact on the environment and society we operate in very seriously.

SYNLAB plays a crucial role in supporting healthy lives and well-being for all by providing actionable diagnostics in the communities where we operate and in society at large.

As the war in Ukraine unfolded, initial expressions of solidarity turned into immediate action. SYNLAB actively supports our employees and their families in Ukraine to keep them as safe as possible. Besides providing monetary aid, our efforts include help for refugees in neighbouring countries. We support and share our expertise with local and international organisations that are coordinating life-saving protection measures and humanitarian aid for refugees, offering our medical and diagnostic services for on-site support. We continue to look for the best and most suitable ways to support in this difficult situation.

2021 was another year marked by the pandemic and our relentless efforts to combat Covid-19 with business partners, public health authorities, and customers around the world.

It makes me proud to see how much SYNLAB has supported society in fighting against Covid-19, how much it has developed and how many milestones we have reached together. Everyone at SYNLAB has risen admirably to a number of challenges, working tirelessly and often beyond the usual call of duty to serve our patients and customers with medical excellence. It's the dedication and professionalism of our employees that turn our vision into everyday reality.

While the pandemic played a dominant role in the past two years, we did not take our focus away from the areas that support our **environmental, social, and governance** (ESG) ambitions. We have focused our strategy on our key areas of impact: the environment and use of resources (SYNLAB: Green), the people we work for and care for (SYNLAB: Care), and being a responsible corporate citizen (SYNLAB: Citizenship). We are at the beginning of our ESG journey, and our focus next year will be on formalising our approach while progressing towards our 2025 targets. We have already addressed various issues. It is our firm intention to expand our network of specialist diagnostic capabilities, and to this end, we have set up SYNLAB Centres of Excellence. To ensure that we continuously attract highly qualified talents in an increasingly competitive market, we have formed close partnerships with research institutions and universities. Moreover, we have further strengthened our range of qualification and personal development opportunities through our own educational institution, the SYNLAB Campus. Our employees and their expertise are our most valuable assets. SYNLAB is committed to being an attractive employer with a value-based approach.

Our patients and customers are at the centre of everything we do. Therefore, it is our priority to make our high-quality services as widely accessible as possible. This not only benefits our customers and patients as individuals, but also positively impacts the communities in which we operate. At SYNLAB we work with

partners along the entire supply chain that are on board with SYNLAB's commitment to sustainable business. This affects not only our direct relations with contracted suppliers, but also our commitment to exclude any form of human rights abuses at any point across the global network of manufacturers and suppliers we work with. To highlight our commitment and contribution to a sustainable and inclusive global market, we have joined the UN Global Compact initiative. The UN Global Compact is the largest corporate sustainability initiative in the world and is a call to companies to align operations and strategies with **TEN UNIVERSALLY ACCEPTED PRINCIPLES** in the areas of human rights, labour, environment, and anti-corruption. We have also spent time this year formalising our approach to human rights, diversity & inclusion, and the governance of ESG.

All of these, and more, aspects are presented in detail in this report. It shows how strong our commitment is to ensure our business achieves the greatest benefit possible for everyone we come into contact with. As always, we have more to do as we balance our efforts between meeting the needs of an evolving pandemic and growing our business sustainably. This year will be an opportunity for us to further ensure a robust approach to managing and measuring our impact on our key material topics.

Having seen what we are capable of in the past, I am confident that SYNLAB will continue to excel, and I am very much looking forward to being a part of that journey.

Yours,

MATHIEU FLOREANI
Chief Executive Officer
SYNLAB Group

KEY ACHIEVEMENTS IN 2021

- Establishment of the Group ESG Department and hiring of the Group Head of ESG
- Creation of the ESG Manager role and appointment of ESG Manager/Leader roles in 13 countries



SYNLAB GREEN

- ✓ **Creation of a Greenhouse Gas (GHG) reporting framework**
- ✓ **Completion of a legal assessment for the Act on Corporate Due Diligence Obligations in Supply Chains**
- ✓ **Promotion of electric cars in selected markets**
- ✓ **Set-up of a Carbon Neutrality Task Force**



SYNLAB CARE

- ✓ **Development of a Diversity, Equity, and Inclusion policy and Human Rights framework (deployment in 2022)**
- ✓ **Establishment of the SYNLAB Foundation**



SYNLAB CITIZENSHIP

- ✓ **Launch of the Case-management¹ & Speak-up Policy (whistleblower)**
- ✓ **Development of the Supplier Code of Conduct**
- ✓ **Launch of the Risk Management Policy**

¹ **Case management** is the handling and processing of allegations relating to possible compliance violations

ABOUT SYNLAB

OUR BUSINESS

With its headquarters in Munich, Germany, SYNLAB is the leader in medical diagnostic services and specialty testing in Europe. SYNLAB, comprising the corporate companies legally affiliated with SYNLAB AG (hereafter referred to as 'SYNLAB' or 'Group'), focuses on implementing innovative methods in laboratory medicine and on networking specialist diagnostic competences.

SYNLAB operates in 36 countries across four continents and holds leading positions in most markets. More than 30,000 employees, including over **2,000 medical experts**, as well as numerous other specialists such as biologists, chemists, and laboratory technicians, contribute to the Group's worldwide success every day. SYNLAB carries out **~600 million laboratory tests** per year across its network. The Group achieved revenues of **€3.76 billion and adjusted EBITDA of €1.21 billion in 2021**, representing increases of 44% and 78% respectively compared to the previous year, with our services bolstered by the continued need for medical expertise during the pandemic.

As part of our expanding services portfolio, SYNLAB operates expert medical diagnostic centres, day clinics, and ambulatory services in different countries. Providing the leading level of service within the industry, SYNLAB is the partner of choice for diagnostics in human and veterinary medicine.

Our strong global presence allows us to be a reliable partner. With our SYNLAB Centres of Excellence across the entire network, we can continuously expand our market reach and our specialist diagnostic competences.

We aim to create positive outcomes with every test delivered through three areas of action:

- **SYNLAB Green:** reducing the environmental impact of every test we deliver and always striving to protect the environment.
- **SYNLAB Care:** creating the greatest positive outcomes in the communities we work in through innovative, high-quality diagnostics and empowering our diverse employees.
- **SYNLAB Citizenship:** operating with the highest standards of governance and compliance.

OUR MISSION, VISION, AND VALUES REFLECT OUR ESG PRIORITIES:

OUR MISSION

Provide actionable diagnostic information for healthy lives and well-being for all

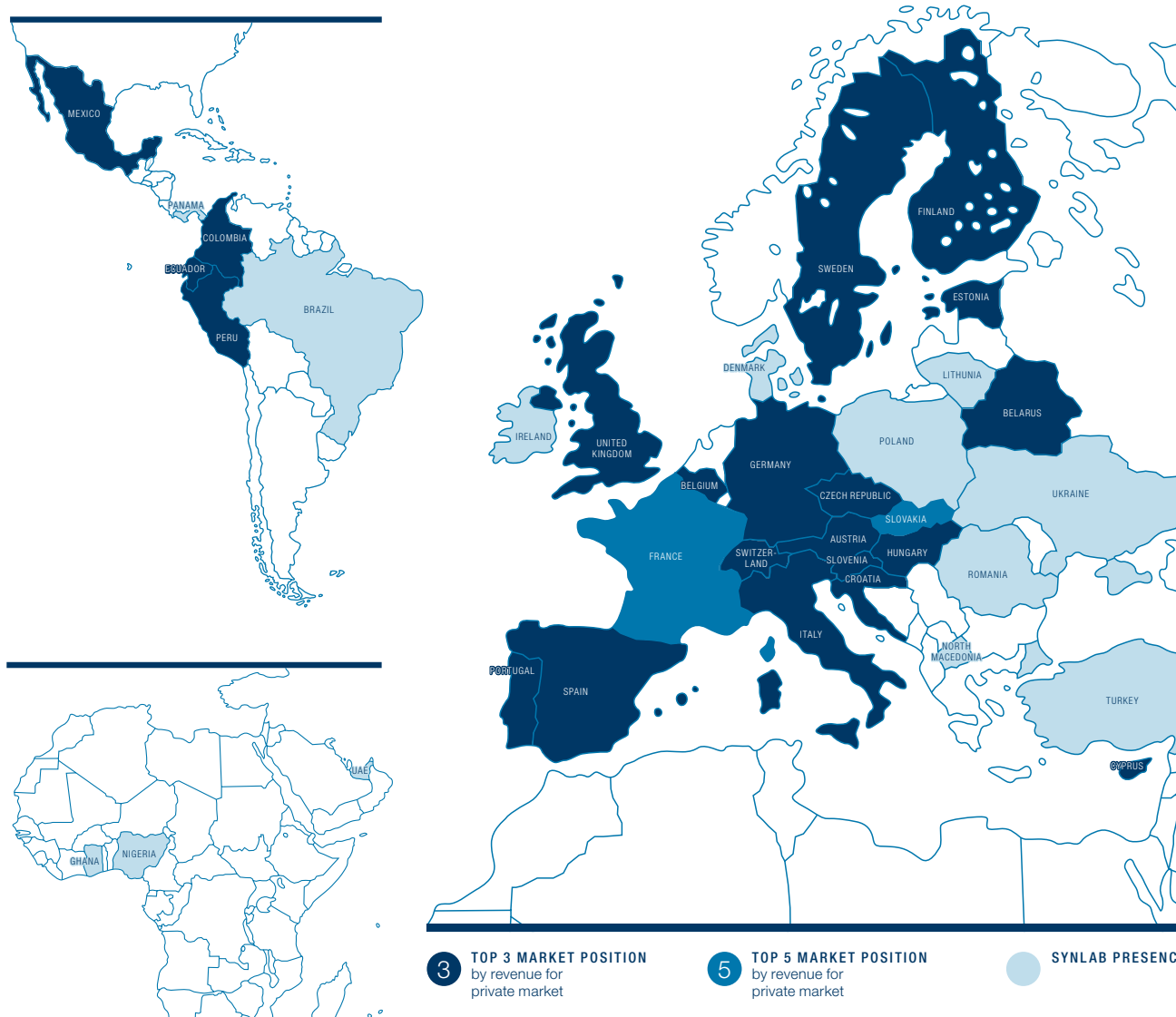
OUR VISION

Leadership through excellence in service to patients and the medical community with reliable and high-quality diagnostics and value added

OUR VALUES

- **Passion:** A mindset based on individual and collective entrepreneurial spirit, embedded in a culture of continuous improvement and a dedication to drive scientific innovation through research
- **Accountability:** Recognition of personal and corporate accountability based on strong governance and ethics, the value of a diverse and inclusive workforce in creating a thriving working environment, and promoting the well-being of our people and others that we work with
- **Customer Centricity:** At the heart of our work is the provision of value-adding services to clinics and patients, underpinned by a culture of high-quality delivery and reliability. We strive to design and implement safer services that are respectful of the environment. The development of ESG-inspired initiatives within the Group is one of the key pillars in our efforts to provide the highest quality of diagnostics services.

LEADING POSITIONS IN OUR KEY MARKETS



Source: SYNLAB estimates

HISTORY

Foundation

SYNLAB was founded in 1998 by Dr. Bartl Wimmer when he merged four laboratories in Germany. From the beginning, the Company's aim was to develop and expand its expertise in routine and specialised laboratory testing, while continuously growing its presence and services through acquisitions. An underlying motivation for SYNLAB has always been to provide services that make a vital contribution to public health protection and to improving lives.

Mergers & acquisitions

The SYNLAB Group, as it is today, was formed when Labco (a clinical diagnostics service provider founded in France in 2004) and SYNLAB were acquired by Cinven (as majority shareholder), Novo Holdings, and OTPP in 2015. These businesses were subsequently integrated as a single Group under the SYNLAB name.

Since then, SYNLAB has completed more than 120 acquisitions in more than 20 countries with a combined enterprise value of over 900 million euros and extended its international footprint into eight additional countries.

Public listing

With the IPO in April 2021, SYNLAB reached a major milestone, becoming a stock corporation under German law. SYNLAB is now listed in the Prime Standard of the Frankfurt Stock Exchange (SYAB) as of 30 April 2021.

OUR MARKETS

While our main business activities are conducted in Europe, where we are the leader in medical diagnostic services and specialty testing, we are actively expanding to other global regions like Latin America, the Middle East, and Africa. The diagnostic services we offer across these markets include genetics, oncology, and anatomic pathology. We run centres focusing on tuberculosis (WHO Supranational Reference Laboratory in Munich-Gauting) and other infectious diseases, with two reference hub labs (in Barcelona and Leinfelden).

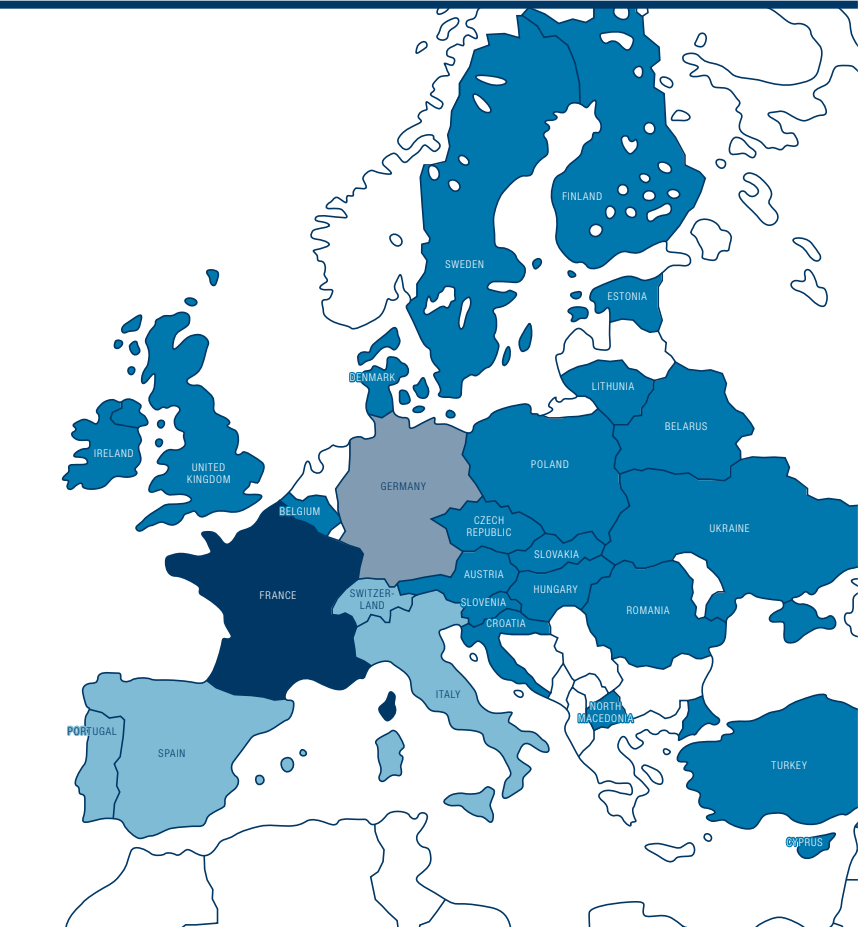
Across all these markets, we focus our innovative power on customer needs, such as SARS-CoV-2 testing solutions, enhancing digital customer journeys, expanding the direct-to-consumer (D2C) service portfolio, and tailored solutions for hospitals and our NHS (UK National Health Service) partnership.

Our core markets in Europe include France, Germany, Italy, Spain, and the UK. In all of these countries, SYNLAB is among the top providers of laboratory services, and occupies the leadership position in Italy.

OPERATING SEGMENTS AND CORE MARKETS

The map on the right shows our global footprint, including our pan-European presence, by operating segment (France, Germany, South, and North & East).

OPERATING SEGMENTS



- Operating Segment France
- Operating Segment Germany
- Operating Segment North & East
- Operating Segment South

SERVICES

Our services create a solid foundation for healthcare systems to support populations across the world. Our medical proposition serves an increasing global need for preventive and evidence-based medicine. In many countries, SYNLAB is listed as part of the national critical infrastructure, and we are an essential service provider to governments and public health authorities. The SYNLAB UK NHS London (SEL; South East London) contract initiated in 2021 is one of the largest hospital outsourcing contracts ever granted in the UK, as well as one of the largest in Europe. Our full-range service, provided by more than 500 laboratories and almost 2,000 blood collection points, covers the entire process from sample testing to evaluation, diagnostics, and consultation.

Our main focus is on human medicine and blood diagnostics. We carry out 600 million tests per year that help understand medical issues ranging from cholesterol to oncology. However, we also operate veterinary laboratories and provide other diagnostic services such as medical imaging. We not only deliver medical excellence to healthcare professionals like outpatient doctors, hospitals, other laboratories, and vets, but also directly to patients themselves. We are committed to disease prevention and wellness by enabling early detection of risks as part of a more personalised and easily accessible state-of-the-art diagnostic service. This makes us a key driver of innovation in European healthcare where we adapt our services to the individual needs of local patients and customers.

Maintaining a customer-centric mindset is of special importance at SYNLAB. The trust that our patients and customers place in us is critical, and this plays a key role in the governance of our business, whether that is associated with the quality of our clinical work or protecting confidential personal information.

OUR APPROACH TO DIAGNOSTICS

Our seamlessly integrated approach covers all stages of a given disease, allowing us to help our patients and customers with customised diagnostic services.

TESTING IS GENERALLY ORGANISED IN THREE PHASES



1. THE PRE-ANALYTICAL PHASE

Samples are collected, prepared, or treated to guarantee the right conservation and brought to our clinical laboratory.

2. THE ANALYTICAL PHASE

Samples are subjected to our test procedures, which are generally done automatically for most routine tests, or – where specialty tests are required – by our laboratory doctors or technicians. Tests undergo quality controls as well as technical and biological validation procedures.

3. THE POST-ANALYTICAL PHASE

Tests results are technically and medically validated and then delivered to the prescribing doctor, providing physicians with a reliable foundation for further medical treatment.

If the results go directly to our customers (practitioners, clinics, and hospitals) and patients, our medical experts assist them in the interpretation of the diagnostic results and also provide guidance on prevention and treatment alternatives.

ESG AS PART OF OUR STRATEGY AND CULTURE

At SYNLAB we recognise that understanding and managing environmental, social, and corporate governance (ESG) issues is key to our core strategy. Making this part of our culture supports our purpose of providing actionable diagnostic information for healthy lives and wellbeing for all.

OUR ESG MINDSET

Our mission, vision, and values reflect our ESG priorities and underpin – as guiding principles – how we practically implement ESG at SYNLAB.

MAPPING OUR CONTRIBUTION TO THE SDGs

The Sustainable Development Goals (SDGs) were adopted by all UN member states in 2015. There are 17 defined goals, and they call on actors from all countries to take urgent action in the spirit of global partnership to tackle the challenges facing the planet, the people on it, and the societies in which they live. SYNLAB supports the Sustainable Development Goals (SDGs) as an important framework and guideline for how we conduct our business.

Throughout this report, we highlight the SDGs that we can contribute the most to as a provider of healthcare services. The world's population continues to grow, the difficulties in accessing healthcare and the impact of climate change is more evident, which increases the importance of contributing to the SDGs.

Our services play a particularly pivotal role in SDG 3.8:



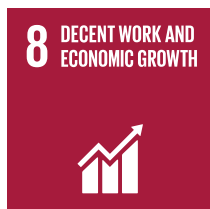
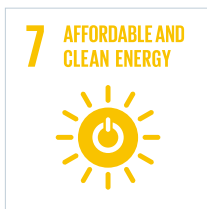
SDG 3: Ensure healthy lives and promote well-being for all at all ages

‘Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all.’

We have also identified opportunities to contribute to:

- SDG 5.5 – Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life:**
Through our principles of diversity, equity, and equal professional opportunities for all, SYNLAB contributes to the full and effective participation of women and strives to provide equal opportunities for leadership at all levels of decision-making.
- SDG 8.5 – By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value:**
SYNLAB plays an important role in creating occupational training and employment opportunities for all in the communities we operate in.
- SDG 12.2 – By 2030, achieve the sustainable management and efficient use of natural resources:**
SYNLAB commits to substantially enhancing efficiency in the use of resources, to improving our environmental footprint through waste reduction, and to preventing carbon-intensive practices. We work towards carbon neutrality throughout our global portfolio of operations.
- SDG 13.3 – Improve education, awareness-raising, and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning:**
Despite being a low-emitting industry, we recognize that the development and use of our products and services are associated with greenhouse gas emissions. Therefore, we have a role to play in meeting the climate ambitions outlined in the Paris Agreement.

UN SDGs



IDENTIFYING OUR MATERIAL ESG TOPICS

In 2020, SYNLAB reflected on the key ESG topics for the business, prioritised them during several working sessions with the Executive Committee, and sought external input from the ESG consultancy Environmental Resources Management (ERM) to stress-test the topics and prioritisation. We also reviewed external sources such as peers, industry associations, investors, trends reports, and relevant reporting frameworks. The process involved reflecting on and working out which ESG risks and opportunities are most significant for SYNLAB – both from our perspective as a Company and from the perspective of our stakeholders. The Supervisory Board approved the ESG Strategy and the ESG topic prioritisation.

We identified three key areas of action:

SYNLAB Green

Reducing the environmental impact of every test we deliver and always striving to protect the environment

SYNLAB Care

Creating the greatest positive outcomes in the communities we work in through innovative, high-quality diagnostics and empowering our diverse employees

SYNLAB Citizenship

Operating with the highest standards of governance and compliance

ESG topics were prioritised based on their relevance to stakeholders and their relevance to SYNLAB (including their potential positive/negative financial impact on SYNLAB). Three topics were identified as being highly relevant to both categories of prioritisation:²

- Climate change
- Access to high-quality healthcare
- Business ethics

The other ESG topics were also determined to be relevant, and SYNLAB has developed corresponding management concepts to ensure the mitigation of relevant risks to the business and stakeholders.

Moving forward, SYNLAB will continue to regularly examine its strategic ESG priorities based on frameworks and standards such as the GRI and comply with Germany's transposition of the Non-Financial Reporting Directive ('NFRD'), the CSR Directive Implementation Act (CSR-Richtlinie-Umsetzungsgesetz, CSR-RUG), and the evolving priorities of our stakeholders. To this end, we aim to engage in a full materiality assessment exercise in 2022 to re-examine and validate our analysis in a changing environment, taking into account the broader stakeholder community including shareholders.

² As part of our work on the alignment with ESG reporting regulations and standards for 2021, we have revisited and mapped our materiality assessment results against the requirements of the CSR RUG and have initially identified the 3 topics listed. In 2022 we will revisit our overall approach through a double materiality assessment compatible with the CSR RUG. To that extent, and as the principle of double materiality in section 289c (3) in the German Commercial Code requires companies to disclose management concepts for topics where the following criteria are met: the information is necessary to understand the company's performance, results, and financial situation, and secondly, the information makes it possible to understand how the company's business activities affect non-financial aspects, we have identified these three topics as meeting this double materiality threshold. The corresponding management concepts are discussed within the relevant chapters and the CSR-RUG topic reference table (p. 51).

OUR ESG TOPICS, DIVIDED INTO THREE MAIN AREAS:

SYNLAB GREEN



CLIMATE CHANGE

Active management of our direct and indirect greenhouse gas (GHG) emissions, including measures to reduce our energy consumption and other GHG reduction initiatives, as well as ongoing assessment and management of risks and opportunities associated with climate change and the transition to a low-carbon economy

WASTE

Appropriate disposal of operational and treated waste, fulfilling the Company's due diligence obligations, as well as implementation of waste-reduction measures

ENVIRONMENTAL MANAGEMENT

Managing the Group's operations and supply/distribution chains in such a way as to ensure compliance with the relevant regulations and minimise their environmental impact

SYNLAB CARE



OCCUPATIONAL HEALTH AND SAFETY

Management of workplace hazards affecting our employees' and onsite contractors' physical and mental health and well-being

DIVERSITY AND EQUITY

Equal treatment of all employees, regardless of age, gender, sexual identity, culture, race and ethnicity, or religion. This includes the creation of professional opportunities for vulnerable/under-represented Groups.

ACCESS TO HIGH-QUALITY HEALTHCARE

Provision of high-quality services while ensuring accessibility, fair pricing, and ethically appropriate marketing. Our definition of high quality also includes client data security.

EMPLOYEE EMPOWERMENT AND WELL-BEING

Providing growth opportunities for a meaningful career while supporting a work-life balance

TALENT ATTRACTION

Retaining and winning talented new employees to support the innovation ambitions of the Company

RESEARCH AND INNOVATION

Funding and advancing our research & innovation capabilities, as well as product quality management/certification

COMMUNITY IMPACT

Providing charitable contributions to tackle societal challenges

SYNLAB CITIZENSHIP



BUSINESS ETHICS

Governance based on the highest professional standards, including board diversity, competence, independence, and sector-specific standards

REGULATORY COMPLIANCE

Compliance with applicable corporate laws, sector-specific regulations, and environmental and health & safety regulations

TAX TRANSPARENCY

Compliance with applicable tax law and transparent disclosure

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Integration of environmental, occupational health & safety, and human rights matters in sourcing practices

This year we focused on ensuring the right governance of our material topics across a diverse and growing network of Group companies. We recruited a Group Head of ESG and started to build the regional and country ESG setup

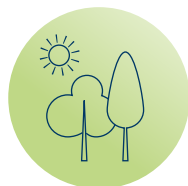
Following the establishment of the ESG department, we validated the short- and medium-term priorities for the deployment of our ESG strategy with the Management Board and the Executive Committee, the Supervisory Board ESG Committee, as well as the full Supervisory Board plenary.

OUR ESG AMBITION

Based on the prioritisation of topics, we have set ESG ambition levels with measurable targets up to 2025. These goals have been designed to bring focus to our strategy and form an important foundation from which we can create new programmes and monitor progress. The goals have been informed by our materiality analysis and inspired by the work of our best-in-class peers and several frameworks such as the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI). They will help steer our efforts in the coming years as we continue to develop our ESG strategy. This set of goals was developed in collaboration with subject matter experts, approved by our Supervisory Board and communicated in our 2020 ESG Report. All goals refer to an operational baseline of 2020 and should be assessed on a same-perimeter basis.

Our ESG goals cover:

SYNLAB GREEN



Reducing our environmental footprint

CLIMATE CHANGE

Become a carbon-neutral Company and reduce our operational emissions year after year

- Reduce scope 1 and 2 CO₂e emissions intensity (tonnes CO₂e per EUR million revenue) year after year and offset remaining unavoidable Group-wide emissions by 2025

WASTE REDUCTION

Reduce the waste we generate per test

- Reduce our waste intensity (tonnes of waste per EUR million revenue) year after year until 2025

ENVIRONMENTAL MANAGEMENT

Robust environmental management controls (based on or certified according to a recognised international/local standard) focused on our most material operations

- Certify 10% of Group laboratories to ISO 14001 or equivalent by 2025, with a focus on central labs

SYNLAB CARE



Serving our employees and the communities we work in

ACCESS TO HIGH-QUALITY HEALTHCARE

Create access to quality healthcare in all regions in which we operate, through the provision of the highest healthcare standards

- Certify over 80% of our laboratories to the appropriate local quality standard or ISO 15189 by 2025

OCCUPATIONAL HEALTH AND SAFETY

Create a safety culture across SYNLAB that aims for zero harm to our employees and patients

- Reduce the lost-time accident frequency rate (LTAFR) year after year until 2025

RESEARCH AND INNOVATION

Advance understanding of critical diagnostics issues

- Increase the number of research citations from SYNLAB researchers year after year until 2025

EMPLOYEE EMPOWERMENT AND WELL-BEING

Support employee health, well-being, and personal development to improve engagement for all employees

- Improve SYNLAB Dialogue employee engagement scores year after year until 2025

COMMUNITY IMPACT

Give back a portion of our profits to the communities that support us

- Establish a corporate foundation with a sustainable funding mechanism

DIVERSITY AND EQUALITY

Ensure zero tolerance for discrimination of any kind across SYNLAB and create meaningful opportunities for all

- Achieve female representation of 30% in top management team positions by 2023³
- Increase female representation in senior management positions year after year until 2023⁴
- By 2025, achieve overall 30% female representation within the Key Strategic Successors Pipeline for Country CEO positions for any country representing at least 5% of total Group revenue⁵

SYNLAB CITIZENSHIP



Continuing our focus on fair market practices.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Seek to ensure that all SYNLAB suppliers meet our environmental, social and governance standards.

- Establish a Supplier ESG Charter for any new supplier expected to represent more than 1% of overall Group procurement spend
- Complete ESG-risk-specific due-diligence assessments for more than 50% of reagent supplier spend by 2023

³ Top management includes any of Supervisory Board, Management Board and Executive Committee levels.

⁴ Senior management includes all C-level positions of each country (for example: CEO, CFO, COO, etc.), excluding Executive Committee members.

⁵ France, Germany, Italy, Iberia, UK, Switzerland (as of 2020)

OVERSIGHT AND RESPONSIBILITIES

At SYNLAB, we are conscious that good governance is a prerequisite for responsible business conduct, effective management, and business performance. The Management Board of SYNLAB AG⁶ is responsible for managing the Company and defining its strategic direction. The Supervisory Board advises and monitors the Management Board.

The Supervisory Board has several committees:

- Presiding Committee
- Audit and Risk Committee
- ESG Committee
- Nomination & Conciliation Committee

The ESG Committee of the Supervisory Board consists of four members, having an equal number of shareholder and employee representatives (Dr Bartholomäus Wimmer (Chairman), Christian Salling, René Schmid-Ferroud, and Iris Schopper). The ESG Committee assists the Supervisory Board regarding environmental matters, health and safety, corporate social responsibility, economically viable and sustainable development of the Company as well as responsible corporate governance matters.

The Management Board has overall accountability and is responsible for decision-making and risk mitigation with regard to ESG topics.

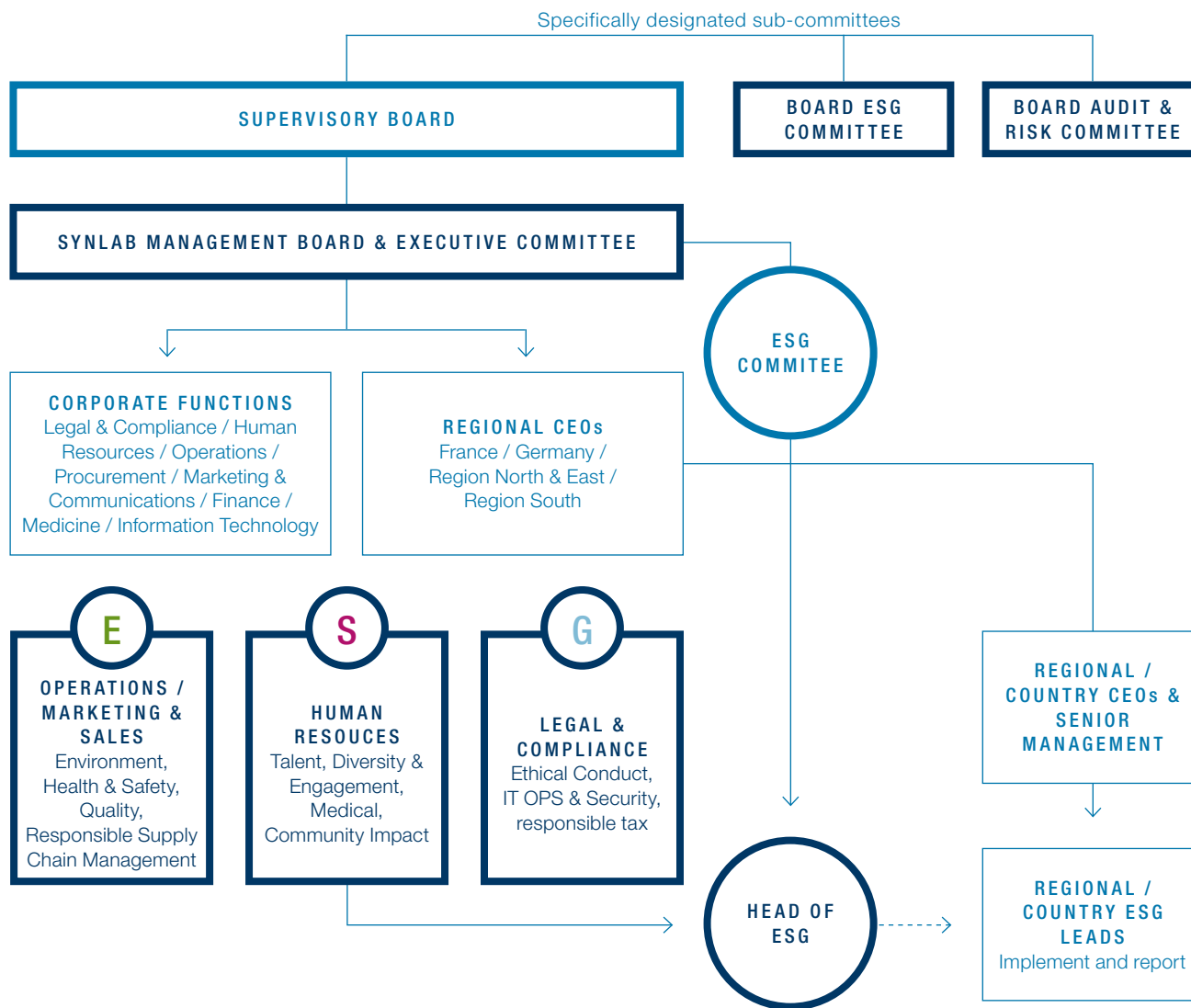
The Management Board is supported by several committees:

- Executive Committee: consists of four regional Chief Executive Officers and seven Heads of Group functions. The Executive Committee advises the Management Board on delegated matters, handles the implementation of the approved policies, and steers the internal Groups that operationalise the programmes.
- Compliance Committee: assists the Management Board in overseeing the Company's activities in the areas of corporate responsibilities and compliance.
- Investment Committee: is the primary authority on developing the corporation's investment objectives and corporate policies on investing.
- ESG Committee: consists of members of the Executive Committee, the Management Board, and the Group Head of ESG. The primary authority of this Committee is to approve and support the vision, strategy, and policies for ESG, as well as monitor the progress of the deployments of the agreed ESG direction and their priorities. The Group Head of ESG reports regularly to the ESG Committee on the progress, achievements, and challenges regarding the implementation of the ESG strategy.

This structure is supported by a number of ESG Managers in selected countries and regions. These staff have ESG as a formal part of their job role and are tasked with implementing our strategy in their regions. ESG Manager roles have been assigned in 13 countries with close to or more than 500 employees in 2021 via reassignment of responsibilities of existing staff or through external or internal recruitments.

⁶ SYNLAB AG consists of two persons, the two Managing Directors (CEO & CFO), and is therefore not subject to separate reporting as per the requirements of the CSR-RUG.

ESG GOVERNANCE STRUCTURE



Country CEOs and senior managers are responsible for the compliance and accountability elements of ESG in accordance with pertinent rules and regulations applicable within their different countries and regions of their jurisdiction.

MANAGING RISK

The SYNLAB Management Board has implemented a risk management system in order to ensure effective and efficient management of all risks that affect the achievement of our strategy and objectives. Our risk management system is in the process of being implemented throughout the Group, including SYNLAB AG and its main subsidiaries. Our formalised risk management process ensures that risks are managed within acceptable limits and mitigated where necessary. The management of risks in relation to ESG aims to embed these within this process. A full list of relevant risks can be found on pg. 68 of our annual report. A standardised reporting process assures that risk information is addressed and communicated to the respective stakeholders in a timely manner; this ensures decision-making based on appropriate risk information and enables us to pursue our strategic goals.

STAKEHOLDER ENGAGEMENT

ENGAGING OUR KEY STAKEHOLDERS

Stakeholder engagement is key to our approach to managing ESG risks and opportunities. We can only meet our ESG ambitions if we have an ongoing dialogue with our key stakeholders. We believe this form of direct engagement and cooperation is a vital prerequisite for advancing our business activities and focusing our resources on the most impactful areas. Furthermore, we believe this kind of open and transparent stakeholder communication builds mutual

trust and provides us with information that helps us future-proof our business and be prepared to tackle the challenges ahead.

We define our stakeholders as internal and external individuals, Groups, organisations, and partners who or that are affected by (positively or negatively), interested in, and/or have influence over our business decisions, policies, and objectives.

Stakeholder Group

Patients and customers

Patients and customers are at the centre of our work, and their feedback plays a key role in maintaining high quality and excellence in what we do. Listening to our patients and customers, whether they are general practitioners, health insurers, private corporations, or national public health services, enables us to provide tailored and reliable diagnostic services that deliver real added value.

How we engaged in 2021

- Direct feedback from patients and customers through network-wide surveys such as the Net Promoter Score have revealed opportunities to adapt our services.
- Ongoing learning from customer and healthcare professionals through digital interfaces such as 'SYNLAB Access' and 'SYNConnect' has enabled us to continue to promote access to and interaction with our products, whilst offering technological flexibility and individual customisation.
- Collaboration with customers and healthcare professionals has identified opportunities for product innovation. For example, the pain-free 'lollipop PCR test' was a particularly effective solution that was tailored to the young and very young generation in order to strengthen safe schooling during the Covid-19 pandemic.

Employees

Our employees are the backbone of our business. As the interface between laboratory testing and our patients and customers, they embody and represent our Company. We recognise that our operational success depends on their exceptional work and customer-centric medical excellence. Empowering and engaging with our people, from the medical staff practicing on a contract basis to the SYNLAB Group Directors, is therefore a key pillar of our strategy.

- Regular employee surveys including the annual Group-wide SYNLAB Dialogue give employees the opportunity to anonymously share their opinions and suggestions for improvement with the Company. A Group-wide employee share programme 'SYNLAB Share' gives our employees a direct stake in the future success of our Company. This culture of appreciation encourages employees to develop personally and professionally, and engage in the future of our business.
- Training and upskilling of employees through the 'SYNLAB Campus', in partnership with universities and business schools, fosters new ways of working and reflects our culture of collaboration and corporate values of 'passion, accountability, and customer centricity.'
- On-the-ground campaigns led by local management teams communicate the SYNLAB ESG goals and strategy to employees across all countries, securing their buy-in to drive progress.

Financial stakeholders

We consider all our financial stakeholders (shareholders, bondholders, and lenders in general) to be partners in our corporate development. They have invested in SYNLAB as they believe in the future success of the Company, its overall mission and vision, as well as a solid return on their investment. Their input and collaboration help us further improve our focus and ultimately deliver even better results.

- Timely and transparent reporting on financial and non-financial performance showcases our progress, metrics, and future ambitions.
- Active and regular dialogue with shareholders, analysts, and potential investors supports collaboration.
- Virtual conferences and roadshows during and after the IPO process as well as our financial performance, market dynamics, governance and strategic priorities engage investors from around 200 institutions.

Communities & society

It is our mission to provide actionable diagnostic information for healthy lives and well-being for all. Consequently, we seek to engage with and learn from the communities in which we operate, encouraging them to evaluate our actions against environmental, social, and governance issues and opportunities.

- Community engagement sessions communicate the SYNLAB ESG strategy to the community and public at large, educating and empowering our customers to understand how our ESG approach impacts them through their interactions with our services.
- SYNLAB contributed massively with millions of tests during 2021 in the fight against the pandemic.

Stakeholder Group

Suppliers and service providers

Our suppliers and service providers are a key component of our business, delivering our customer experiences through respectful, honest, and trustworthy interactions which meet our ESG requirements. It is therefore important that we maintain an open and transparent exchange of information, supporting our suppliers and service providers to deliver in line with our business expectations.

Governmental institutions and authorities

As a provider of primary medical care, we support healthcare systems around the world, maintaining close partnerships with governmental institutions and authorities in Europe and beyond. They trust us to provide critical medical services to society and to develop innovative solutions that provide real benefit to people. We actively listen to the evolving needs of this Group and respond ready to fulfil their requirements.

How we engaged in 2021

- Our responsible procurement process defines clear standards for the evaluation and selection of our suppliers and service providers.
- Tender documents for hospital contracts and public institutions are used to assess supplier and service provider performance and pricing alongside their environmental, social, and governance ambitions. These metrics are used to determine which supplier and service provider will be successful in a bid.
- Collaboration with the UK's National Health Service has resulted in a clear roadmap to deliver the transformation of pathology services across southeast London over the next 15 years.
- In Germany, SYNLAB supported the state governments of Bavaria and North Rhine-Westphalia with the fast implementation of comprehensive testing regimes in schools. This programme delivered simple and time-saving sampling in schools to support safe educational spaces.
- To ensure we can continue to deliver against the needs of governmental institutions and authorities, we are committed to advancing our collaborative engagement through the provision of our expertise and services in order to benefit societies at large.

PARTICIPATIONS AND PARTNERSHIPS

We have also joined several business communities to strengthen our ESG approach. These participations help ensure that we align our strategy and disclosure approach with industry and global best practice.

GRI COMMUNITY

In 2021, we became a member of the GRI Community (Global Reporting Initiative). This is a network of over 500 organisations, and it will help us stay ahead, be informed about sustainability reporting best practices, and foster global innovation through collaboration.



UNITED NATIONS GLOBAL COMPACT

We support the UN Sustainable Development Goals (SDGs) and recently joined the United Nations Global Compact. This is an initiative that acts as a voluntary leadership platform for the development, implementation, and disclosure of responsible business practices. The UN Global Compact calls on companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption, and to act in support of UN goals and issues embodied in the Sustainable Development Goals (SDGs).

WE SUPPORT



GLOBAL DIAGNOSTICS NETWORK

SYNLAB is part of the Global Diagnostic Network (GDN), a strategic working Group of diagnostics laboratories, each committed to enabling and sharing local innovation to increase global access to diagnostic science and services – ultimately generating diagnostic insights and enhancing global healthcare. GDN members are some of the world's leading diagnostics companies from across the globe, operating at the highest professional standards. Collectively, this worldwide community of 10 healthcare companies has a presence in countries with two-thirds of the world's population.

The GDN's priorities include a global launch platform for high-quality diagnostics, and the creation of an emerging pathogen preparedness network to expedite infectious disease research and response – activities that have taken on special significance in light of the experience with Covid-19 over the past two years. These and future GDN initiatives will benefit patients, referring practitioners, healthcare providers, pharmaceutical innovators, government agencies, non-governmental organisations (NGOs), and academic institutions.



SYNLAB: GREEN



SYNLAB recognises that, just as every other business activity, its everyday operations interact with the environment and that it therefore has the responsibility to identify and manage potential adverse impacts. We understand that energy management and the associated carbon emissions as well as waste management are the areas of focus for us within the framework of our broader environmental policy and management considerations at the global, country and laboratory level.

Keeping an eye on the pertinent SDG guidance and relevance, as well as on global standards such as ISO 14001, ISO 50001, and the GRI, we are striving to contribute as much as we can towards the minimisation of our contribution to the major environmental problems of our time and for the generations to come. Through the establishment of our environmental policies and guidance at headquarters, as well as gradually at country level with the appropriate adaptations required, we are planning to encourage country leadership, laboratory managers, and all employees to consider ways to minimise the impact on climate change, properly manage hazardous and non-hazardous waste, optimise the use of resources, etc.

A key challenge is the creation of data transparency across the 'GREEN' footprint of SYNLAB. With the launch of ESG at SYNLAB, the main focus has been put on making our operational footprint (i.e. GHG emissions, waste, etc.) visible to better understand and prioritise our activities in this field. To the extent possible during the pandemic in 2021, we started to create a Carbon Neutrality Task Force to focus on the identification of innovative solutions for the fulfilment of our aspiration to 'green' our operations and achieve our goal of becoming a carbon-neutral Company by 2025. The team started working on the evaluation of ideas and pilots in 2021 and is planning to increase the presence and impact year over year in the future.

SYNLAB: GREEN



PROGRESS AGAINST OUR GOALS

| Goal | Indicator | Change (%) | Progress |
|--|-----------------------|------------|--------------------------------------|
| Reduce operational CO ₂ e emissions intensity year after year and offset remaining unavoidable Group-wide emissions by 2025 | 10.28 t/€ mil revenue | N/A | On plan for target date |
| Reduce our waste intensity year after year until 2025 | 2.45 /€ mil revenue | -5.76% | On plan for target date |
| Certify 10% of Group laboratories to ISO 14001 or equivalent by 2025, with a focus on central labs | 15.39% | N/A | Achieved by target date ⁷ |

⁷ This target proved to be not a very optimistic one, as it was achieved already during the first year of its establishment. It will be revisited and increased after the completion of our major strategy and target-setting review scheduled for 2022 that will form part of the double materiality assessment.

CLIMATE CHANGE

It is now globally recognised that climate change is a critical environmental issue of our time. Moreover, and as various recent trends and tensions show, dependence on carbon-intensive energy production based on fossil fuels also has major geopolitical consequences on energy and further resource availability for the proper functioning of modern economies.

At SYNLAB, we have set the goal of becoming carbon neutral by 2025, reducing our operational (Scope 1 & 2) GHG emissions year after year, as well as offsetting the remaining and unavoidable emissions by 2025. This commitment applies to all our business operations, which are now present in more than 36 countries, within and beyond the European region.

To support this, we launched an initiative this year to improve the transparency of data relating to our carbon footprint and to understand and measure our GHG emissions and their intensity. We have revisited numbers and pertinent performance indicators collected in our key countries, investigated and utilised accurate market and location-based conversion factors, and introduced a more robust monitoring system. This monitoring system will need to be further improved over the next few years to ensure a comprehensive picture of our carbon footprint. The dedicated Carbon Neutrality Task Force that was established for this purpose created the necessary momentum and awareness of the issue. Whilst the momentum is continually being raised, some infrastructural hurdles will still remain in the future due to the complexity of our business operations. This complexity includes operating in non-controllable premises (such as public hospitals), which often do not allow us (timely) access to consumption data and/or to influence those.

Based on the guidance by the GHG Protocol, GRI, and ISO 50001, we are setting 2021 as our base year for the calculation of our emissions. We have set the operational boundary of our Scope 1 and Scope 2 emissions based on the in-depth guidance of the GHG Protocol in order to avoid duplicate accounting of emissions for leased assets (buildings and car fleet). To that extent, Scope 1 & 2 emissions are embedded within the scope of our calculations only when they meet the criteria of direct influence, ownership, and the ability to control those emissions.

We have also reviewed the appropriateness and representativeness of our carbon intensity indicators and have chosen tonnes of CO₂ per unit of revenue as the most appropriate carbon intensity indicator. This reflects, based on best efforts, the current data accuracy in the light of our growth and can support more objective comparisons across sectors.

HIGHLIGHTS FROM SWITZERLAND

FIRST ELECTRIC VEHICLES ARE BRINGING US TO OUR CUSTOMERS

Since summer 2020, two electric cars have been visiting our customers in Lucerne and Winterthur, while three eBikes have been out on the streets of downtown Geneva, covering more than 35,000 km. Not only were the drivers happy about this, but we also had a significant impact on the environment, saving around 10 tonnes of CO₂. Based on this success, in October 2021, we tested the capacity on different tours and the autonomy and timing for charging throughout Switzerland. Convinced by the outcomes of these tests, a first order for 10 vehicles has been placed. SYNLAB Suisse is very sensitive to environmental issues and estimates the associated CO₂ reduction at 58 tonnes p.a. for the 10 vehicles. Other developments in electric means of transport are under review.



HIGHLIGHTS FROM ITALY

E-VAN PILOT

In a bid to achieve significant emissions reductions, SYNLAB Italy launched a pilot project in 2021 to begin introducing e-mobility into their fleet of transporters. They introduced a Company e-van pilot project. This began with five vans with an operational range of 250 km. In 2021, the new e-fleet travelled 150,000 km. While this is only the beginning, this small step already saved 23 tonnes of CO₂e. Based on this pilot project, guidelines have been developed designed to drive SYNLAB Italy's e-van fleet expansion. Planned moves are to expand the e-fleet into densely populated urban areas and to install more recharging stations on premises. The ultimate goal is the full introduction of e-vans into the Company fleet whenever this presents as a viable option.

REDUCING GHG EMISSIONS AND ENERGY CONSUMPTION

SYNLAB only has a relatively small number of large-scale laboratory sites. Our core is the operation of a service network that requires logistics to connect non-centrally located blood collection points (BCPs) to centrally located laboratories. Our two major GHG emissions contributors are therefore mobile combustion from the fuels used in transport and the electricity required to operate our facilities.

KEY EMISSIONS CONTRIBUTORS AT SYNLAB

A review of our key carbon emissions has identified the following key emissions sources that will be the focus of our carbon reduction efforts:

- **Electricity** is vital to our everyday operations. By changing the providers and purchasing electricity from suppliers that can directly and indirectly guarantee the origin of energy from renewable sources wherever possible, we are aiming to achieve major reductions in our Scope 2 carbon emissions. Some regions have already transitioned to the supply of electricity through guaranteed renewable energy production (e.g. Certificates of Origin). Our Iberian and Germany business units, for example, have now switched the vast majority of consumption to renewable energy supplies. Moreover, Project BLUE, the largest equipment exchange project in the history of SYNLAB, saw the exchange of several hundreds of laboratory machines across 20+ countries. This has led to a direct and significant reduction in consumed electricity as the new machines are more efficient.

- **Emissions from fuel combustion** produced in transporting samples from blood collection points (BCPs) and diagnostic centres to our labs. The optimization of our logistic routes for sample collection and distribution is therefore a key contributor to the reduction of emissions. Further improvements will need to be based in gradually modernising our fleet to reduce the emissions per driven kilometre.
- **Stationary combustion** is a rather low emission source across our relatively large network, the majority of which are labs or blood collection points. This is mainly due to the use of electricity as a source of heating instead of stationary combustion heating infrastructure.
- **Heat-steam** is negligible overall and is only used in some selected sites and situations in case the local renting situation foresees this as part of the heating system. SYNLAB does not require any type of heat-steam for its production.

RELEVANT NON-FINANCIAL INDICATORS

| KPI | 2020 | 2021 | Change (%) ^a |
|---|------|--------|-------------------------|
| GHG emissions (tonnes CO ₂ e) | – | 38,690 | N/A |
| GHG emission intensity (tonnes / € million revenue) | – | 10.28 | N/A |

^a In 2021, we calculated our emissions using a more comprehensive methodology more closely aligned with the GHG Protocol. We have therefore established 2021 as our baseline year for GHG emission measurement.

WASTE

SYNLAB considers its responsibility to make sure that all waste created as a part of its business operations, and especially the waste characterised as hazardous or infectious, is handled in the appropriate manner. We aim to continue monitoring the environmentally sound and legally compliant management of the waste we generate through appropriate indicators, including total amounts of waste generated and waste intensity indicators (tonnes of waste per unit of revenue). We will also constantly look for opportunities to reduce, reuse, and recycle waste when technically possible.

The increased hygiene requirements from the ongoing pandemic have meant that it was impossible to achieve reductions in normal waste. We are operating in the highly regulated healthcare sector where certain types of waste, such as paper and plastic, cannot be eliminated easily. This is due to the obligation to use paper-based request forms (and to physically store them for several years) or the requirement to not re-use sample tubes, pipettes, and other consumables. This is vital to ensuring our compliance with the high standards of the healthcare sector.

Moreover, during the pandemic year of 2021, when SYNLAB supported society majorly with PCR Covid-19 testing as well as sequencing of the virus in our several hundred labs and more than 1,000 blood collection centres, we significantly increased our investments in PPE (personal protection equipment). PPE often includes single-use or short-time-use items, which are nevertheless crucial for safeguarding the health and safety of our employees.

As a result of these limitations, we are focusing on the careful assessment of recyclable waste versus untreatable hazardous waste. Besides carrying out a thorough process analysis, this also involves providing special training, mainly to our lab employees, and putting in place processes that help us to avoid unnecessary waste and reduce unavoidable residual waste.

In future, these efforts can be further enhanced by improved technologies that help to treat hazardous waste in-house and make it non-hazardous, but also by finetuning processes that avoid the creation of such waste. An additional benefit of our Project BLUE was its positive impact on the amount of wastewater produced by machine operations.

SYNLAB encourages all its employees across locations to pursue resource efficiency measures aimed at curbing our resource consumption. This commitment is outlined in our Environmental Policy. Where possible, our waste management system follows the following hierarchy:

- Prevention
- Preparing for re-use
- Recycling
- Other recovery
- Disposal

Furthermore, arrangements are in place at all locations to ensure compliance with local regulations, waste management procedures, and local legislation concerning retention of paperwork. We also have our own SYNLAB guidance for the storage and disposal of hazardous and controlled waste.

HIGHLIGHTS FROM SPAIN

AVOIDING UNNECESSARY WASTE TREATMENT

In Spain, the NO_WASTE Project STS (SYNLAB Transformation System) team took on the topic of waste, with the specific aim of achieving a 25% reduction in the cost of solid waste at the Alcobendas, Esplugues, and Alhaurín laboratories. In addition, they wanted to avoid unnecessary handling of waste and movement of it to treatment plants and landfill.

To do this, they introduced containers for type II waste (sanitary waste assimilable to urban waste), created designated 'green teams', provided staff training about the correct waste classifications, and carried out self-assessment audits. These activities helped the Alcobendas lab avoid unnecessary treatment of more than 2,220 containers of type III waste in 2021.

Next year, to support a comprehensive programme of waste management, we will focus on measures including:

- Identifying and evaluating opportunities to reduce and minimise consumption, discharges, emissions, and residues that may impact the environment
- Monitoring and ensuring compliance with the applicable legal requirements
- Establishing and reviewing environmental objectives and goals to continuously improve our environmental management systems
- Assessing risks related to environmental, legal, and other organisational requirements

RELEVANT NON-FINANCIAL INDICATORS

| KPI | 2020 | 2021 | Change (%) |
|--|-------|-------|----------------------|
| Waste produced (tonnes) | 6,697 | 9,240 | +37.97% ⁹ |
| Waste intensity (tonnes / € million revenue) | 2.6 | 2.45 | -5.76% |

⁹ We have observed an increase in our global total waste production that will be further investigated in 2022 to understand the factors influencing this change. Our initial analysis has revealed that the most probable reason for this increase is the comparatively increased use of protective equipment and other specialised laboratory testing material (which unavoidably ends up as waste after use) required to execute an exponentially increased number of diagnostic tests during the COVID 19 recurrent outbreak waves.

ENVIRONMENTAL MANAGEMENT

To ensure a consistent standard of environmental conduct across the Company, we have put together a Group-wide Environmental Policy. This policy reaffirms our commitment to protecting the environment, preventing pollution, conserving natural resources, and promoting sustainable development.

Environmental management is a broad field, and the local regulatory and legislative requirements in the individual countries where our corporate units operate add complexity. This means our operations are subject to various licenses, authorisations, and regulations that are governed by different levels of jurisdiction, including international, EU, national, and local laws. Our main priority is to create transparency and consistency across the Group through the development of an Operational Footprint Management Framework incorporating quality, health & safety, and environmental aspects.

OUR ENVIRONMENTAL POLICY

Our Environmental Policy sets down in writing what we expect of everyone involved in our business operations – managers and employees alike, but also suppliers and external partners – in terms of accepting and enacting their responsibilities for changing the environmental impact of all our activities towards more sustainable practices to the extent possible. This covers the full range of environmental topics that have been identified as material for SYNLAB.

RELEVANT NON-FINANCIAL INDICATOR

| KPI | 2020 | 2021 | Change (%) |
|--|------|------|------------|
| Environmental certifications (# of ISO 14001 certifications) | 4 | 79 | +1,875% |



SYNLAB: CARE

PROGRESS AGAINST OUR GOALS

| Goal | Indicator | Change (%) | Progress |
|--|---------------------------------------|-----------------------|--------------------------|
| Certify over 80% of our laboratories to the appropriate local quality standard or ISO 15189 by 2025 | 28.26 % of laboratories | N/A ¹⁰ | On plan for target date |
| Reduce the lost-time accident frequency rate (LTAFR) year after year until 2025 ¹¹ | 11.69 | +16.9% | Off plan for target date |
| Increase the number of research citations from SYNLAB researchers year after year until 2025 | 368 | +3.08% | On plan for target date |
| Improve SYNLAB Dialogue employee engagement scores year after year until 2025 | Within the stable range (-3% to +3%) | - | On plan for target date |
| Establish a corporate foundation with a sustainable funding mechanism | SYNLAB Foundation established | - | Achieved by target date |
| Achieve female representation of 30% in top management team positions by 2023 ¹² | 26% | +17 percentage points | Off plan for target date |
| Increase female representation in senior management positions year after year until 2023 ¹³ | 39% | -2 percentage points | Off plan for target date |
| By 2025, achieve overall 30% female representation within the Key Strategic Successors Pipeline for CEO management positions for any country representing at least 5% of total Group revenue ¹⁴ | In progress, no numbers available yet | N/A | N/A |

SYNLAB is committed to everyone impacted by our activity. This is founded in our philosophy to respect the rights and dignity of every individual we encounter. Our actions and corporate activities have a direct influence on our customers, patients, and employees, but also have an indirect impact on the communities where we operate and beyond. Providing these communities with access to the highest quality healthcare is the cornerstone of our business and one of the strongest ways we fulfil our people-focused corporate responsibilities. This means ensuring that our services are effective and accessible, and that they meet the highest standards of quality and safety. It also means doing everything at our disposal to make the workplace healthy, safe, and diverse, to offer equal opportunities, and to be attractive to talented professionals and the upcoming generation. In short, we are committed to continuously improving the impact we have as a business.

Our social principles are described in our SYNLAB Social Policy and our Social Management Guidance. We feel a special responsibility towards the patients and communities we serve as they are the hub around which our entire business model rotates. Through our work, we strive to develop social capital and a good standard of living for the entire community as well as to improve local communities' health and healthcare systems. SYNLAB recognises that our employees are our greatest asset and our main competitive advantage. SYNLAB wants to attract and retain the best talents. To do this, we are committed to providing them with encouragement and an empowering environment to work in, and demonstrating that they are an integral part of the Company's mission for better health outcomes. We believe that trusting our people is essential to making them proud of their work. They embody and witness our values, shaping and conveying our image to the many thousands of people we serve every day.

SYNLAB: CARE



¹⁰ Whilst all SYNLAB laboratories comply with country-specific medical quality management certifications (including mandatory licences required under national law), this indicator (which is currently under review) is designed to more precisely capture but also distinguish between those and ISO 15189-accredited labs (an accreditation related to medical test quality as an enhancement to all medical laboratory testing).

¹¹ Lost-time accident frequency rate = # of accidents that resulted in lost time (i.e. more than 24 hrs away from the business) per 1000 FTEs

¹² Top management includes any of Supervisory Board, Management Board and Executive committee levels.

¹³ Senior management includes all C-level positions of each country (for example: CEO, CFO, COO, etc.), excluding Executive Committee members.

¹⁴ France, Germany, Italy, Iberia, UK, Switzerland (as of 2020)

ACCESS TO HIGH-QUALITY HEALTHCARE

As a provider of services in the sensitive area of healthcare, particularly during a pandemic, our management is aware of the Company's special responsibility in terms of guaranteeing the highest possible quality. Striving for excellence underpins everything we do at SYNLAB and plays an important role here, as our success relies on a trusting relationship with our customers – whether physicians, hospitals, or patients. Our customers should know we offer quality they can count on. This means rigorous quality assurance in our everyday work processes, such as communicating results fast and reliably, providing assistance in diagnostic interpretations, ensuring sample integrity, minimising errors, and guaranteeing the highest level of data protection. One way we can signal our high-quality standards to our stakeholders is through certification and accreditation, and we are happy to say that SYNLAB is well on the way to reaching our declared goal of 80% certified labs by 2025 with 28.26% of our laboratories currently certified to either ISO 1589 or a local medical quality standard, or ISO 15189.

QUALITY SYSTEMS

SYNLAB's quality systems are first and foremost based on local legal and medical requirements, and we have several processes in place to fulfil the high quality standards we set ourselves and which our customers have come to expect.

SYNLAB has also implemented robust quality control mechanisms that seek to recognise human errors, such as false labelling, as well as errors caused by testing machines or reagents.

Such errors not only pose possible risks for patients, but also bear risks of claims and litigation resulting from our liability for any adverse effects from our services. We do everything we can to rule out negative impacts on our reputation, operations, or financial position.

To recognise and regulate our commitment to quality control, we have also adopted generally accepted, region-specific quality management systems, and in certain cases, recognise certification/accreditation processes. In terms of individual test accreditation, ISO's 15189 quality standard for medical laboratories is used in SYNLAB laboratory operations. We also have several labs accredited to ISO's 17025 standard for testing, sampling or calibration, and most pathology services are certified according to ISO's 9001 standard for quality management systems. Other quality management certifications include ISO 45001 (health & safety) and ISO 14001 (environmental management). In most countries, including France or Germany (which accounts for almost 50% of our business), the quality systems are linked to a national accreditation framework. All labs are required to meet the minimum local regulatory standards, and the pursuit of ISO standards provides an additional assurance of quality.

In 2021, we started to check further options to consolidate quality system management at a global level, not only from a governance point of view, but also from an overall approach and aspiration perspective. To that extent, we are evaluating the creation of a Health, Safety, Environment, and Quality Framework for potential implementation in 2022 and 2023. The conceptualisation, design, and materialisation/deployment of this framework is split between the ESG Department (concept, standards, etc.), Human Resources (policies, indicators, etc.) and Operations (day-to-day implementation, monitoring, and continuous improvement).

ALIGNMENT AND COMPLIANCE WITH EU REGULATIONS

The privacy of stakeholder data is a matter of utmost importance to us. We have established our own policies and procedures in compliance with the EU General Data Protection Regulation (GDPR) and local privacy laws. These provide information that aids compliance with privacy requirements processing personal data from patients, employees, suppliers, and other business partners.

As potential data breaches or system failures can have real-life impacts for patients, we have introduced policies to ensure that the data is encrypted and secure, and we work closely with a network of external partners to neutralise any potential cyber security risks.

RELEVANT NON-FINANCIAL INDICATORS

| KPI | 2021 | Change (%) ¹⁵ |
|--|------|--------------------------|
| Total number of identified leaks, thefts, or losses of customer data | 32 | N/A |
| Complaints received from outside parties and substantiated by the organisation | 4 | N/A |
| Complaints from regulatory bodies | 0 | N/A |

¹⁵ We have introduced these indicators on a Group wide basis for the first time in 2021

RESEARCH AND INNOVATION

We are committed to continuously developing our medical expertise by further improving our track record of research and innovation to underline and expand our medical leadership. Our strong reputation and market position enable us to attract and retain industry-leading medical experts and qualified specialists.

As a result, we have cultivated a wide network of medical experts, who collaborate on dozens of projects led by university research departments and the pharmaceutical industry, and we sometimes fund research grants to continually enhance our diagnostic offerings.

Our scientists published more than 368 scientific articles in 2021 alone. We have continued to grow the number of registered publications with more than double the volume in 2021 compared to 2015. We also honour cutting-edge research and publications with the SYNLAB Medical Innovation Awards and maintain a Research Grants programme to foster innovation and medical excellence.

Our innovation pipeline is further sourced from the research and development of our equipment and test suppliers. Our expertise in leveraging our operational scale and global presence allows us to bring new technologies and innovative offerings to market quickly and make them accessible even in remote locations.

Alongside our diagnostic innovation management, a main focus is on digitalisation and the advancement of digital customer

interfaces. We continuously invest in increasing our patients' and clinicians' digital experience and enhancing patient access to preventative care and medical wellness. We operate an IT development centre in Denmark, which has developed, for example, broadly applicable patient interfaces like SYNLAB Access and tailor-made customer solutions, which were used for our cooperation with UEFA across 50 countries.

Capitalised IT development represented a total amount of around €8 million in 2021.

In the last two years, Covid-19 has highlighted how important innovation and research are for our business model. Faced with a brand-new and global health crisis, we have been at the cutting edge of testing methodologies in Europe and worldwide. Thanks to our innovative and research-oriented culture, we were able to react fast to the ever-changing needs of our customers determined by the pandemic. For example, we realised early on that many people experience discomfort or even pain while being swabbed as part of coronavirus testing. In response to this, we implemented new non-invasive sampling methods based on mouthwash or saliva samples. In terms of also protecting employees, in our Estonia subsidiary we analysed our employees' post-vaccination immunity, resulting in a paper based on the outcomes published in the renowned medical journal *The Lancet*¹⁶. We also acted as a partner in several Covid-19 studies, co-authoring three more international articles published in 2021.

Close collaboration with university research departments and the pharmaceutical industry as well as with the diagnostics industry helps us stay ahead of the innovation curve. This helps us bring new test methods to our customers and to diagnose disease better, earlier, and faster.

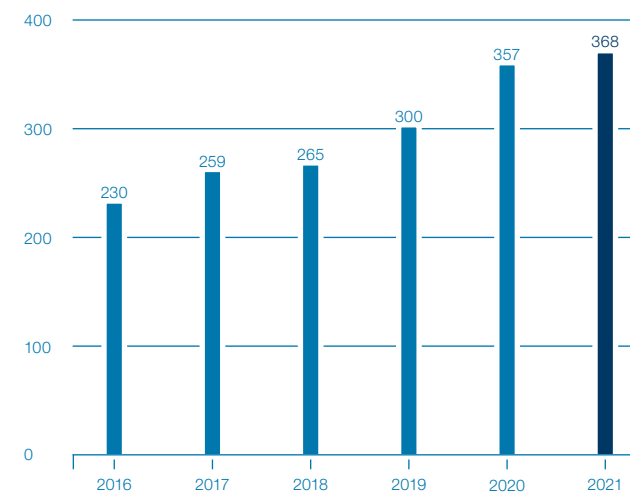
¹⁶ The Lancet ([https://www.thelancet.com/journals/lanepi/article/PIIS2666-7762\(21\)00185-X/fulltext](https://www.thelancet.com/journals/lanepi/article/PIIS2666-7762(21)00185-X/fulltext))

SYNLAB is the commercial diagnostic service Company that produces the most research publications, showing the commitment of our scientists to innovation and customer centricity. To ensure that we are continuously contributing high-quality research, we have set ourselves the goal of increasing the number of research citations from SYNLAB researchers year after year. In 2021, we increased the number of citations in PubMed, a leading interface for accessing biomedical and life sciences journal articles, by 3%.

Besides the high number of research papers published, it is also important to point out their high quality as shown in the standard non-financial performance indicator 'Impact Factor'.

RELEVANT NON-FINANCIAL INDICATORS

SYNLAB NUMBER OF PUBMED REFERENCES



Source: PubMed

IMPACT FACTOR:

The impact factor is a value that refers to the frequency with which the average article in a journal has been cited in a particular year. The reference database is the Journal Citation Reports – Clarivate.

| Impact Factor | Points |
|---------------|--------|
| 2020 | 1629.3 |
| 2021 | 1948.4 |

QUARTILES:

Each journal is related to one or more subject categories. This is divided into four quartiles: **Q1, Q2, Q3, Q4**. Not all journals are ranked.

- Q1 is related to the top 25% of journals in the list
- Q2 is related to the journals in the 25 to 50% Group
- Q3 is related to journals in the 50 to 75% Group
- Q4 is related to journals in the 75 to 100% Group

Ranked by Journal Citation Indicator (JCI), the results for 2021 are (Journal Citation Reports – Clarivate):

| Q1 | Q2 | Q3 | Q4 |
|-----|----|----|----|
| 157 | 98 | 51 | 10 |

DIVERSITY, EQUITY, AND INCLUSION

At SYNLAB, it is our firm belief that all employee relations, regardless of level and position of employment, should be based on rigorous respect for one another. Our approach is codified in our global Diversity, Equity, and Inclusion (DEI) policy, which sets out each employee's responsibility towards creating a richer workplace environment and a more resilient, innovative, and successful organisation. Our focus on DEI is part of our commitment to respect and advance human rights in all regions of our presence and operational control, as well as in our value chain. In line with the most well-known international standards of respecting, protecting, and promoting the human rights of all people, SYNLAB takes responsibility in taking care of our employees within our sphere of influence. To that extent, SYNLAB is committed to fostering an organisational culture that respects universal human rights and seeks to avoid being complicit in human rights abuses. We acknowledge and abide by the principles set forth in the UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the ILO Core Conventions on Labor Standards. We also seek to ensure compliance with European, national, and local regulatory requirements. Wherever national law and international human rights standards differ, we seek to apply the higher standard.

SYNLAB recognises its diverse workforce as a key competitive advantage and we see our business success as a reflection of the differences we nurture in our Company. SYNLAB promotes the recognition, appreciation, and integration of diversity and upholds the right of every individual to be treated fairly, with courtesy, and with respect. Our aim is to be truly accepting and representative of all sections of society. We strive to foster a working environment where all employees feel respected, supported, and encouraged to achieve their goals and potential, and to achieve a culture of equity, dignity, and fairness and continual improvement. We want to be recognised as an employer with a reputation for DEI excellence.

The world is globalising all the time and the increase in employment mobility this enables is causing a transformation in global work culture. As a Company that operates in 36 countries and on 4 continents, SYNLAB is a driver and a beneficiary of this transformation. By 2023, for example, we want to see female representation of 30% in top management team positions 2021: 26% female representation in top management, up from 9% in 2020 as well as increased female representation year on year in senior management positions (2021: 39%). And by 2025, our aim is to achieve female representation of 30% within the Key Strategic Successors Pipeline for CEO management positions for all countries representing at least 5% of total Group revenue.

The DEI policy is an integral part of our corporate culture. We refer to it in our Group-wide SYNLAB Code of Conduct which outlines our zero-tolerance principle towards any form of discrimination, including based on nationality, cultural background,

religion, race and ethnicity, gender (and gender identity), disability, marital status, parental status, sexual orientation, age, or any other circumstance. We track grievances and in 2021 we introduced the Speak-Up Policy for whistle-blowers and Case Management Policy as a monitoring system. In alignment with this approach, we monitor diversity targets that are part of the ESG goals across different levels of the organisation.

A corporate culture, of course, must be lived in the everyday operations and processes of a Company. To make sure that our diversity and equity commitment becomes daily practice, we have taken many steps, including the following:

- The new diversity, equity, and inclusion (DEI) policy that was developed in 2021 is now in place and will be further deployed in 2022 via various channels such as training and workshops based on the train-the-trainer model for proper and effective incorporation in all countries and regions.
- A whistle-blowing system (Speak-Up Policy and Case Management Policy) has been introduced as part of our compliance management system
- Data on diversity is collected annually and shows positive trends
- Specific tailor-made programmes at a national level aim at more inclusion. Two indicative examples from the UK were the creation of training material to explain and describe different religions in a way that enhances understanding and tolerance and the introduction of 'concealed candidate name' selection processes to enhance objectivity.

RELEVANT NON-FINANCIAL INDICATORS

The chart below provides a breakdown of SYNLAB job levels by gender

| Job level Group | Female 2020 | Male 2020 | Female 2021 | Male 2021 |
|---|--|----------------|----------------|----------------|
| | % of employees | % of employees | % of employees | % of employees |
| L1 - Supervisory Board | 0% | 100% | 41.7% | 58.3% |
| L2 - Management Board & Executive Committee | 14.29% | 85.71% | 9.1% | 90.9% |
| L3 - C-level (nationally) | Different set-up in 2020 I (nationally) (L3 and L4 were merged in the past) | | 39.2% | 60.8% |
| L4 - Management | 49.91% | 50.09% | 49.1% | 50.9% |
| L5 - Team Leader | 69.83% | 30.17% | 68.1% | 31.9% |
| L6 - Team Members | 76.64% | 23.36% | 75.9% | 24.1% |
| Total | 75.62% | 24.38% | 74.6% | 25.4% |

The chart below provides a breakdown of SYNLAB employees by age

| Age Group | % of employees 2020 | % of employees 2021 |
|----------------|---|---|
| Group 1: <25 | 11.25% (female: 8.52%, male: 2.73%) | 17.79% (female: 13.17%, male: 4.61%) |
| Group 2: 25–30 | 13.88% (female: 10.60%, male: 3.28%) | 13.90% (female: 10.32%, male: 3.58%) |
| Group 3: 31–40 | 26.56% (female: 19.75%, male: 6.80%) | 25.65% (female: 19.05%, male: 6.60%) |
| Group 4: 41–50 | 21.67% (female: 16.79%, male: 4.88%) | 19.42% (female: 14.77%, male: 4.65%) |
| Group 5: 51–60 | 19.56% (female: 15.50%, male: 4.06%) | 16.76% (female: 13.12%, male: 3.64%) |
| Group 6: >60 | 7.07% (female: 4.44%, male: 2.63%) | 6.48% (female: 4.15%, male: 2.33%) |

EMPLOYEE EMPOWERMENT AND WELL-BEING

EMPLOYEE ENGAGEMENT

We introduced SYNLAB Dialogue in 2018 as an important tool to help us improve our employee engagement scores. This gives employees the chance to air their opinions and at the same time not only provides us with direct feedback, but also lets employees know that what they say contributes towards informed management and human resources decision-making processes.

To be able to include all our countries in the process, we have partnered with an external provider that has a long history of working with companies on employee engagement. We adopted their methodology in which the engagement is measured by three direct measures – say, stay, and strive. To be able to really understand what impacts these measures, we took a very detailed approach by selecting 19 different dimensions that shape various aspects of each employee's experience at work, such as senior leadership, enabling infrastructure, and the relationship to the direct manager. With such a granular approach we can pinpoint the areas that are already having a positive impact on the employees as well as the areas that should get more attention.

Having a truly global survey is a logistical challenge as 50% of our employees across the Group have jobs that do not require a constant presence in front of a computer and do not have a business email address. We, therefore, not only use email, but also paper invites and QR code options to make sure that we can reach every single employee. And to make this work, our national subsidiaries spend significant amounts of time communicating and inviting people to participate. In 2021, to have as many voices as possible heard, our organisations in Spain and United Kingdom and Ireland (UK&I) connected the participation rate to a charitable goal, in which for every completed survey, the organisation would donate a certain amount of money to a charitable organisation.

Even though the HR departments are the enablers and facilitators of the process, the real owners of the results and actions are our team leaders and managers. All managers who have more than 8 respondents (8 is the anonymity threshold) get their own team report. They share the results with their team members and then together work on an action plan of areas to build on and improve. This creates a culture in which managers and team members co-create what they want their work life to look like at SYNLAB and empowers employees to participate in creation of solutions that would work for their immediate work-environment and reality.

To emphasise the importance of employee engagement, our global leaders have committed to having SYNLAB Dialogue results form part of their MBO (Management by Objectives) score.

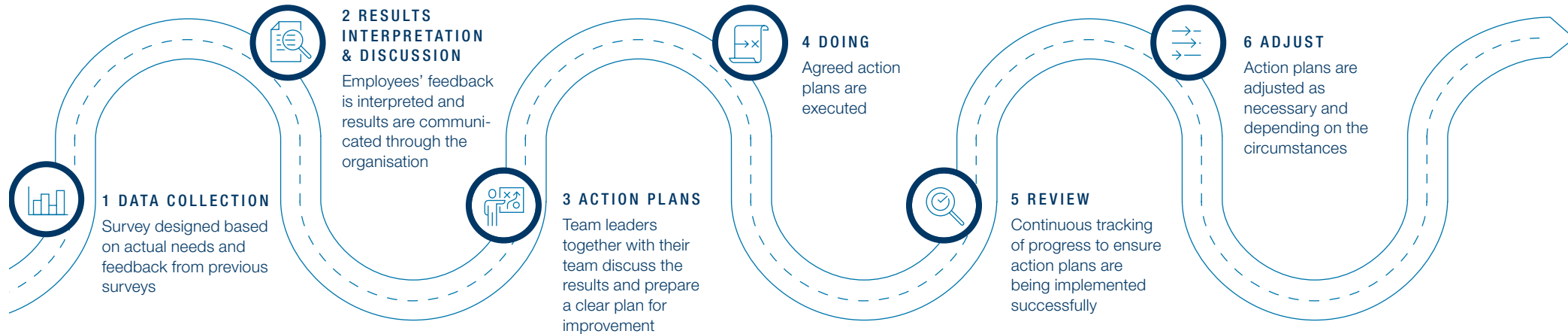
Based on the results, many teams have created action plans across the Group. For example, in Germany one of the teams is working on improving their internal team processes by establishing a RACI matrix to better define the responsibilities of different team members and external stakeholders. One of our teams in Hungary aims to improve empowerment and autonomy by providing more opportunities to work on cross-functional projects. In Portugal, employees developed an internal newsletter which, amongst other topics, has a dedicated space for recognising various teams and/or individuals for their efforts.

Covid-19 was a catalyst in many different areas of our business, but a rather spontaneous effect it had in all countries within the Group was that it improved the scores on the dimension of senior leadership which is one of the 19 dimensions of SYNLAB Dialogue that are being measured. Be it through more frequent 'town hall' meetings or being more physically present to support and encourage our employees, the senior leaders were exactly where they needed to be and the employees recognised and appreciated it.

The analysis of evolution and trends of the survey results over the past three years is very encouraging and reflects our process of continuous improvement by developing clear action plans based on these results. After a significantly positive development in 2020, the participation rate and the engagement score remained stable in 2021¹⁷ with a participation rate of 66% across the Group. Retaining this level of engagement despite the challenges of the past two years is encouragement for our team leaders and managers to keep working closely with the team members to truly make a difference.

¹⁷ Stable range = -3% to +3%

SYNLAB DIALOGUE ¹⁸



EMPLOYEES

Active participation and involvement in local and team-specific results



**TEAM LEADERS/
MANAGERS**

Analyse functional/team-specific results and communicate results to all team members



CEO

Communicates overall results to the whole organisation



COUNTRIES + HQ



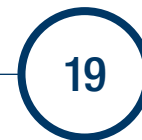
EMPLOYEES INVITED



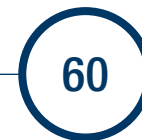
LANGUAGES



INDIVIDUAL LINKS



DIMENSIONS



QUESTIONS + LOCAL ITEMS

¹⁸ The SYNLAB Dialogue was implemented in 32 countries + HQ. The countries that were not included in the SYNLAB Dialogue were: Ghana, Mexico, Panama and Norway. Ghana – due to recent organisational changes, Mexico due to the acquisition late 2021, they will join the survey later in 2022 and in Panama & Norway we do not have SYNLAB employees.

EMPLOYEE WELL-BEING

SYNLAB cares about employee well-being and seeks to create and maintain a supportive work environment that fosters high performance and recognises internal motivation as a high priority. This is reflected in the HR pillar of our corporate strategy, which aims to support employee health and well-being and enables them to achieve a fulfilling work-life balance. This means doing everything we can through training, promotion opportunities, and personal development to help employees fulfil their full career potential, with full respect to the balance with their personal and family life.

Well-being is part of the SYNLAB Dialogue/employee engagement survey to monitor well-being across all countries. Moreover, several countries have implemented important initiatives towards that direction, as for example the following:

In the **Czech Republic** and in **Slovakia**, we have introduced a flexible working hours system so that employees whose personal and family life situation benefits from it – for example, single parents, mothers returning from maternity leave, older employees, or employees with other personal challenges – can pursue their career and balance home and work responsibilities more easily. In addition, employees with a MultiSport card membership receive financial support towards the costs of this. The MultiSport card is an employee benefit and allows card owners to use more than 2,000 leisure and exercise facilities across the Czech Republic and Slovakia. In this way, we actively support a healthy lifestyle for our employees.

Another example comes from **Estonia**: when the pandemic started, it immediately disrupted our usual way of working and collaboration. Some people were sent to work from home, while others worked in labs but fully covered in personal protective equipment and keeping a distance from each other. To try to stay connected despite these physical barriers, Estonia introduced a Company-wide walking challenge. Over a smartphone app, team members could track and measure the actual steps walked by their own team and ‘compete’ with other teams, an activity that helped the employees to still feel connected to each other.

Even though it was established before 2021, the ‘Zwergenlabor’ kindergarten in our **German entity HQ** in Augsburg was a great relief for many parents working on site. Many public and private kindergartens across the world were seriously impacted by the pandemic, and for our employees who were on the ‘front line’ of processing massive volumes of samples related to Covid-19 and working many more hours than usual, staying at home to take care of their children was oftentimes impossible. In this situation, having a kindergarten in the workplace meant that the parents did not have to choose between the two – their children were taken care of and they could continue with their work.

One of the results from the SYNLAB Dialogue **for the Italian organisation** was to improve on aspects of health and safety. On top of the substantial efforts that the organisation made with regards to the prevention of on-the-job injuries, they went a step further and created a campaign called ‘Cuore di donna’ (‘Female Heart’). Through this campaign, they are paying special attention to the cardiovascular health of the female employees and in doing so encouraging female employees to take a more preventative approach to their health.

Finally, it is well understood and anticipated that in our workforce, as with any large Group of people working or living together, disputes do occur during everyday work. SYNLAB takes these very seriously and considers them objectively. In 2021, grievances were reported in relation to such matters as alleged employee disputes, unlawful termination, harassment, and bullying. In 2021, the number of employee grievances reported was 82. Across the Group, our HR departments act immediately in such cases to carry out a thorough investigation and ensure that all disciplinary processes are executed properly. We keep track of all reported grievances that can be directly discussed with appropriate compliance officers, managers, HR managers, or direct managers, depending on the preference provided by the impacted colleague.

TALENT ATTRACTION AND RETENTION

At SYNLAB we are aware that our success depends heavily on employing and retaining qualified, skilled, and experienced colleagues at all levels and in all functional areas of business. Each colleague's ability to perform in line with our high-quality standards, and therefore maintain and enhance our excellent reputation, is highly important. Individual labs take the lead in their own recruitment strategies but these remain closely aligned to the spirit of fair and equal treatment founded in our corporate Code of Conduct. Our unbiased hiring principles are also embedded in and reinforced by our Global Diversity, Equity, and Inclusion Policy. In 2021, a year of continued growth, SYNLAB hired 9,450 new employees, presented in the graphic below according to their entry level upon recruitment.

RELEVANT NON-FINANCIAL INDICATORS

NEW HIRES BY JOB LEVEL

| | Top management | Management | Team leaders | Team members |
|------|-------------------|------------|-----------------|-----------------|
| 2020 | 0.05% | 0.54% | 1.51% | 97.90% |
| 2021 | 0.13% | 1.20% | 1.91% | 96.76% |

It is important that employees see a future with SYNLAB in which they can further develop their skills and qualification level. We therefore have a number of initiatives in place, such as SYNLAB Campus (see graphic). The concept behind SYNLAB Campus is that it is an overarching concept of how we approach learning and development. At the very top we have initiatives that are run by the Group. Training initiatives below that are under the responsibility of the countries. With this approach, the countries have the flexibility to respond to training needs in an agile and location-specific manner.

An example of a Group run initiative is our Management Development Programme in collaboration with the INSEAD business school which is aimed at future leaders. Thirty participants come from across the SYNLAB Group, from Colombia to Nigeria, and the cohort is built in a way that it welcomes colleagues from different business units, from medical to operations and IT as well as finance. While the formal and theoretical content is created by the well-known international business school INSEAD as part of our 15 months Management Development Programme, there are also projects based on actual business topics through which the participants expand their knowledge and skills beyond their original profession.

At a local (national) level, there are numerous training initiatives available to our employees. To name a few, Belgium, Italy, and France launched country-specific training for front-line employees with a focus on strengthening customer centricity and upskilling our colleagues who are in daily contact with our customers. Germany created a programme for young doctors who are still working towards their specialisation through which they are exposed to different medical disciplines and can gather valuable knowledge internally.

The figure below shows the multiple and varied areas in which SYNLAB Campus helps employees to broaden their skills and qualifications and to unlock new and greater career perspectives. In a highly competitive job market, we are keen to retain loyal employees by providing them with a fair and attractive workplace that allows them to develop their full potential within our corporate structure.

RELEVANT NON-FINANCIAL INDICATORS

| KPI | 2020 | 2021 | Change (%) |
|---|---------|---------|------------|
| Hours of training and education completed | 123,396 | 170,204 | +37.93% |
| Hours of training and education per FTE | 6.5 | 7.7 | +18.46% |

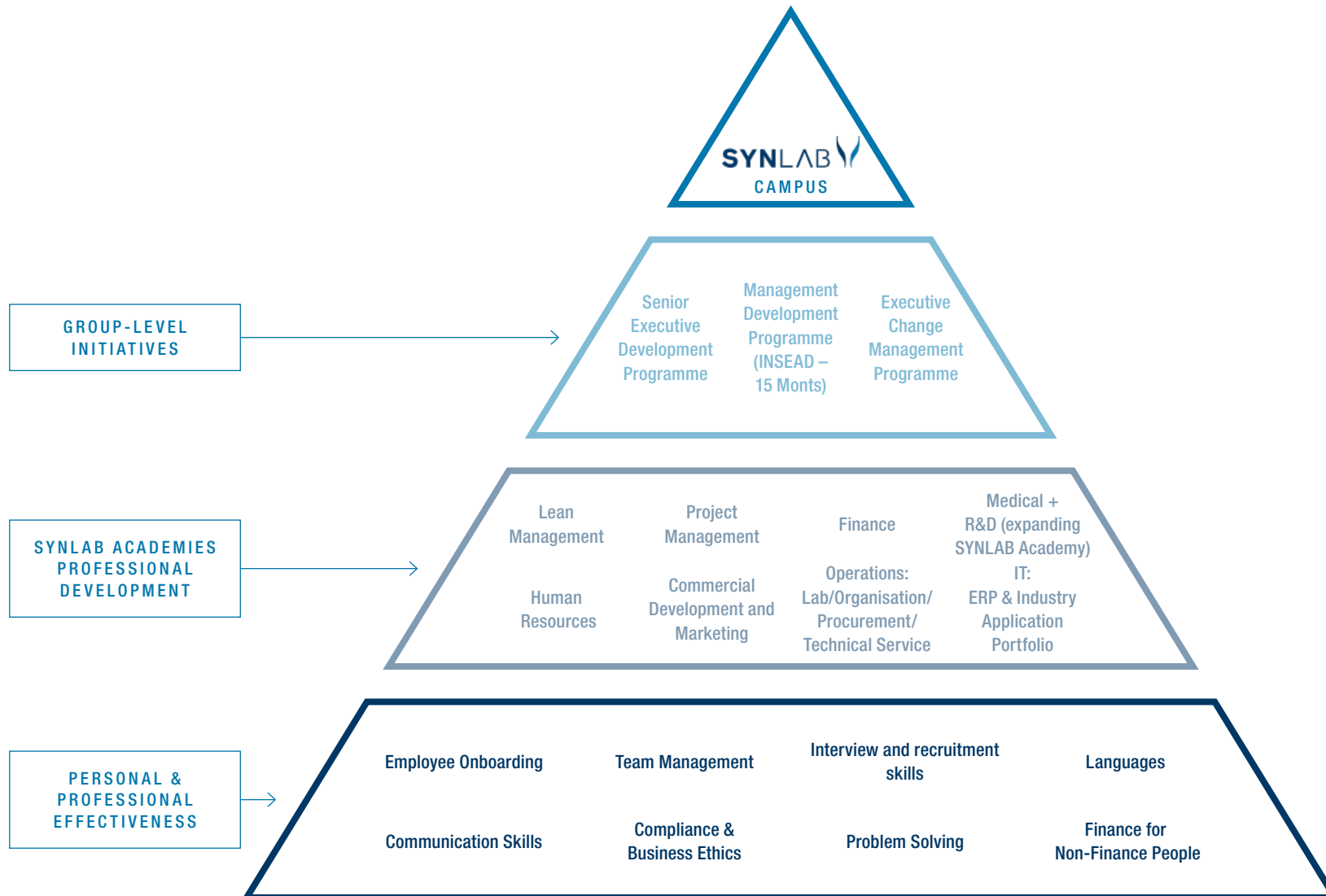
HIGHLIGHTS FROM THE UNITED KINGDOM

QUALIFYING EMPLOYEES IN AN APPRENTICESHIP PROGRAMME

In September 2018, SYNLAB UK and Ireland approved our first learners for the Biomedical Science apprenticeship programme. IBMS-approved (Institute of Biomedical Science), learners achieve a Biomedical Science undergraduate degree over 4 years. It is completely funded by the apprenticeship levy. The HCPC qualification allows graduates to move into a Band 5 Biomedical Science position on completion. We now have a total of 14 learners, with 4 learners due to complete and graduate this year (2022).

Programme participation enhances employee engagement and loyalty, as learners feel more invested in the Company and appreciate the opportunity for personal and career development. We hope to see course participants stay to become our future managers, leaders, and specialists.

SYNLAB CAMPUS



OCCUPATIONAL HEALTH AND SAFETY

As a provider of healthcare services, workplace safety has extra significance at SYNLAB - particularly for our employees working in a laboratory environment. At SYNLAB it is our intention to demonstrate a continuous commitment to improving H&S at work throughout our organisation in order to comply with the SYNLAB safety guideline as well as relevant local legal standards applicable to our employees' activities.

In their everyday work routines, our diagnostics employees may be exposed to various biological risks such as human-specimen-borne pathogens (for instance, HIV and hepatitis B). Other work-related risks are also possible through the potential exposure of our medical staff to potentially harmful material or radiation in some cases. During the pandemic, additional safety measures were taken and significant investment was made in personal protective equipment and in infrastructure in BCPs and laboratories to protect our employees and patients from Covid-19. SYNLAB's management seeks to minimise, avoid, or rule out such risks in the workplace. We are striving to accurately measure and then reduce our lost-time accident frequency rate (LTAFR) year after year until 2025.

¹⁹ This indicator was first established in 2021 and therefore the 2020 performance is not formally tracked in the data system. Nevertheless, no fatality has been reported to the Group via other routes.

RELEVANT NON-FINANCIAL INDICATORS

| | 2020 | 2021 |
|---------------------------|------------------------------------|------------|
| Fatalities | 0 ¹⁹ | 0 |
| Number of hours worked | 36,720,315 | 44,003,901 |
| High-consequence injuries | Not reported to the Group for 2020 | 19 |
| LTAFR | 10 | 11.69 |

We have observed an increase in our LTAFR and have therefore embarked on an initial root cause analysis that has provided useful insights to explain this increase, such as the inclusion of a new entity within SYNLAB UK&I that was not part of the 2020 figures. It is possible that a greater level of on-site working in 2021 throughout the year, even with Covid-secure working conditions, could statistically explain an increase. Incidents are reviewed for trends and lessons learned to improve workplace safety and reduce the future likelihood of further incidents.

To improve health and safety, several workplace and practice controls have been implemented. These include ensuring an adequate supply of protective clothing and personal protective equipment (PPE), training, health screening, vaccinations, and other measures designed to minimise exposure, allow early detection, and avoid transmission of human-specimen-borne pathogens or pathogens from medical samples. In addition, we are able to enhance monitoring and management of the safety of our employees through the adoption of generally accepted, country- and/or region-specific quality management systems. Five labs have been certified to the ISO 45001 health & safety standard and we are actively encouraging other labs to pursue this recognised certification. We also aim to help employees work towards improved health beyond the actual workplace. Measures of this type include health screening (across all departments) and the provision of resources for physical activity, healthy nutrition, and smoking cessation.

HIGHLIGHTS FROM SWITZERLAND

ENHANCING OUR DRIVERS' SAFETY

Another example of improving the safety of our employees: all employees using vehicles in the fleet (approximately 110 vehicles) have received the ResQMe key ring. This tool is an innovative safety tool in the form of a key ring. ResQMe allows anybody who is locked in the vehicle to be able to:

- Cut the seat belt using a razor blade.
- Break the window with the ResQMe system.

It takes its inspiration from the traditional emergency hammer, but it fits in the hand. With this key ring, people can intervene in a third-party accident by breaking the window of the vehicle and/or by cutting the belt to 'free' the victim.

HIGHLIGHTS FROM ITALY, BELARUS, & COLOMBIA

OUR COUNTRIES' APPROACHES
TO HEALTH & SAFETY**Italy**

One of our main values is to take care of our people, and so Italy has made a special commitment to optimising its internal safety culture. Not satisfied with just focusing on accidents, they decided to learn even more about prevention by introducing the 'near-miss reporting project'. They started by promoting a new behavioural approach to safety and making sure the employees felt free to report near-miss accidents, which could then act as an important input to analysing accident risk areas and behaviours.

They began by reviewing the H&S procedure and created a follow-up process for each near-miss report. The process steps included a root cause analysis, action planning, process improvement stabilisation, feedback, and positive-reinforcement communication to whoever initiated the initial reporting. To make sure the process ran smoothly and was understood by all, management and employee training was carried out. The option of reporting anonymously was also offered to encourage more engagement with H&S issues among all employees.

Belarus

For SYNLAB Belarus, high-quality healthcare not only refers to an external service we provide to customers but is also mirrored internally by our commitment to support employee healthcare. To this end, all employees undergo a medical examination by doctors every year and can have general tests done in the lab.

Colombia

In the spirit of the SYNLAB corporate culture, our Colombian companies have taken on the motto 'When you take care of yourself, you take care of ALL'.

The vital role that mental health plays in employee healthcare has been recognised, especially considering the massive changes employees have faced during the pandemic. As a valuable contribution to employee healthcare, 201 managers were trained by experts in the importance of leading with emotional intelligence. An orientation guide was also developed to help employees deal with feelings like depression, anxiety, stress, and others related to the current circumstances. In addition, internal psychologists provide consultations in the workforce whenever it is needed.

The most important activities we take to improve health and safety conditions for our employees are:

- **Considering each local context**
We ensure that we empower our local teams to adapt our Group approach from country to country – as rules and regulations may differ – but without compromising our own strict health and safety commitment and practices.
- **Communicating best practices**
We provide clear instructions, information, and adequate training to ensure that employees have the skills and knowledge to be effective and safe in the work they undertake.
- **Ensuring laboratory safety**
Labs are operated applying strict regulatory and best-practice standards and processes to minimise all risk factors for employees, the environment, and equipment.
- **Management role**
SYNLAB managers lead by example based on their personal commitment in order to look after everyone working at our workplaces and anyone impacted by our business, as part of their pursuit of an accident-free workplace.

Due to the history and governance of the Group, the nature of the business, and the diversity of country and regional/national regulations, occupational health and safety has been managed at a national or even more granular (laboratory) level. In order to improve the degree of Group consistency and coordination in this area, we are aiming to supplement the current set-up with a guidance framework of prevention and safety along with the rest of the elements of our ESG strategy based on international standards and best practices.

COMMUNITY IMPACT

At SYNLAB, we invest in our communities with different initiatives targeted at current and future generations to ensure a solid foundation for our long-term development. The impact that we have on communities extends beyond the services we provide to the communities we are part of. We aim to measure the community investment made through our own initiatives as well as those of employees who donate their time to support causes.

These projects are developed and delivered by our local offices so that they can understand and respond to the specific needs of their communities.

A broad range of projects have been delivered across the year including direct donations to charities such as those responding to the flood disaster in Germany and Belgium (Germany's Relief Coalition). All employee donations were doubled by SYNLAB and we provided direct support to employees who were personally affected by the disaster.

In addition to donations, SYNLAB has worked closely with NGOs to offer medical diagnostic services to fight against the pandemic.

RELEVANT NON-FINANCIAL INDICATORS

| KPI | 2020 | 2021 | Change (%) |
|----------------------------|---------|---------|------------|
| Local community investment | 163,072 | 315,336 | +93% |

SYNLAB FOUNDATION

In 2020 we set ourselves the goal of establishing a corporate foundation with a sustainable funding mechanism. Over the past year we have been able to achieve this through the development of the SYNLAB Foundation, whose purpose is to give back a portion of our profits to the communities that support us. This approach is a statement of our clear intent and consistent long-term commitment to deliver positive change and helps us focus our corporate philanthropy in a strategic way. We involved our employees in defining and clarifying our ambitions for the SYNLAB Foundation by organizing a global employee survey. This has given us insights into the further development of the Foundation, which has resulted in three impact pillars:

- 1) Early detection of disease in women and children
- 2) Access to medical care for vulnerable Groups
- 3) Advancing science in critical areas such as mental diseases

The governance structure and purpose has been defined and the final official approval of its charitable status became available.

HIGHLIGHTS FROM FRANCE

ONE MILLION FFP2 MASKS FOR TUNISIA

Tunisia's Covid-19 surge in 2021 overwhelmed hospitals and the country asked for humanitarian aid to fight the pandemic. In response, SYNLAB France donated one million FFP2 masks to 'Secouriste sans frontière' ('Rescuers without Borders').

Near Auxerre, Dr Abdelkader Djemaa a Tunisian and SOS MEDECINS France practitioner, mobilised the Tunisian community, the SOS MEDECINS FRANCE Humanitarian Action Commission, and the FONDS DE DOTATION DE SECOURISTES SANS FRONTIERES. A humanitarian convoy then supplied ambulances, medical equipment, oxygen concentrators, and protective equipment. These went to the association Doing Good for Others, in El Mida, governorate of Nabeul, where a vaccination centre was opened to curb the epidemic.

SYNLAB: CITIZENSHIP





SYNLAB: CITIZENSHIP

This pillar of our strategy is the foundation of our ESG efforts. As a newly listed Company, we recognise that ensuring effective and ethical governance is part of our basic fiduciary duty to our shareholders. However, as a business, particularly one operating in the medical industry, we have an obligation to operate at the highest professional standards on behalf of all our stakeholders.

In practice, this means adhering to the applicable standards of governance, ensuring compliance with applicable regulations, paying our fair share of tax, and supporting our supply chain to implement the same standard of environmental and social management.

This year we have focused on formalising our approach to these topics. The changes in our Company ownership this year mean that we have had the opportunity to review and strengthen our governance processes. In addition, following our commitment to ensuring that all SYNLAB suppliers meet our environmental, social, and governance standards, we have begun implementing a Supplier Code of Conduct that will guide our interactions with our suppliers on ESG topics.

Progress on the topics contained in this pillar will require setting an industry-leading standard and then holding ourselves accountable for meeting this. We have taken important steps this year, as outlined in this section, and we will build on this going forward as a key part of our mission of helping provide the highest-quality services.

Additionally, SYNLAB has been developing an ESG Due Diligence toolkit that, once finalised and operational, will help it to better screen potential acquisition targets and allow it to have enough data to secure a faster integration process in the ESG and operational fields.

PROGRESS AGAINST OUR GOALS

| Goal | Achievement | Change (%) | Progress |
|--|---|------------|-------------------------|
| Establish a Supplier ESG Charter for any new suppliers expected to represent more than 1% of overall Group procurement spend | Supplier Code of Conduct published, Charter to be launched in 2022 | N/A | On plan for target date |
| Complete due-diligence assessments on ESG risks for more than 50% of reagent supplier spend by 2023 | A due-diligence toolkit was developed in 2021 to assess suppliers regarding their compliance with our ESG standards | N/A | On plan for target date |

The SYNLAB objectives for the topics of business ethics, tax transparency, and regulatory compliance are embedded in our Code of Conduct. As part of this policy, we aim for our employees and business partners to fully comply with the high standards of conduct contained therein.

BUSINESS ETHICS

Acting with integrity and the highest ethical standards is a key priority topic for SYNLAB. Compliance with laws and regulations is key and forms part of our basic commitment to our stakeholders.

Our Code of Conduct already establishes a clear zero-tolerance objective for business ethics for the Group. The Code of Conduct addresses such areas as social conduct within the Company, conflict of interest, interactions with patients, and dealing with customers, suppliers, and other business partners. This policy is supported by additional compliance policies such as our Anti-Corruption, Anti-Bribery, and Sanctions Guidelines and our Competition Law Policy. These policies set out clear standards for all SYNLAB members²⁰. They reflect our beliefs and values and provide fundamental rules for doing business in line with ethical principles and applicable laws and regulations. All SYNLAB members are expected to demonstrate mutual respect, honesty, and integrity.

We have developed a risk-based compliance programme and established a compliance organisation, controls, and reporting procedures to monitor conformity with our Compliance Programme. The focus of the programme is to prevent corruption and bribery in our business environment.

Our compliance organisation and Compliance Programme are further described in the Regulatory Compliance section.

²⁰ SYNLAB members refers to all SYNLAB employees, including trainees, volunteers, officers, persons having self-employed status, contractors and sub-contractors, as well as members of the Board

SPEAKING UP

We encourage all SYNLAB members to report violations or potential violations of applicable laws and regulations, our Code of Conduct, the Anti-Corruption, Anti-Bribery, and Sanctions Guidelines, and all other internal guidelines to their supervisor, Human Resources, the Regional Compliance Officer, local legal, or Group Compliance/Group Legal. In addition, in 2021 we set up a central whistle-blowing hotline and regional telephone numbers where reports can be submitted anonymously. As part of this effort, we have issued a Speak Up Policy which was rolled out in all countries in 2021 (with the exception of Mexico, Hungary, and the UK where it is planned to be rolled out in 2022).

RELEVANT NON-FINANCIAL INDICATORS

| KPI | 2020 ²¹ | 2021 | Change (%) |
|---|--------------------|------|------------|
| Number of public legal cases regarding corruption brought against the organisation or its employees during the reporting period | 0 | 0 | N/A |
| Number of confirmed incidents in which employees were dismissed or disciplined for corruption | 0 | 1 | 100% |

²¹ Data on non-financial indicators related to anti-corruption was collected for the first time in 2021.

REGULATORY COMPLIANCE

In addition to medical regulations, SYNLAB is also subject to laws and regulations intended to prevent fraud, kickbacks, self-dealing, and other abusive practices. These laws and regulations restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive, and other business arrangements.

The Management Board of SYNLAB AG is responsible for compliance with and the implementation, development, and monitoring of the Group's Compliance Programme. This role is delegated by the Management Board to the Group Chief Compliance Officer. At a local level, the CEO, with Regional Compliance Officers for support, are responsible for the implementation and monitoring of the Group's Compliance Programme. Regional Compliance Officers work closely with Group Compliance; they implement our Group Compliance Programme locally (with necessary adaptations if required by local law). In addition, they are responsible for developing additional policies if required by local laws and regulations or when specific compliance risks have been identified.

Our Group Legal and Compliance department is responsible for the policies on the following core topics: Code of Conduct, anti-corruption, anti-bribery, sanctions, M&A compliance due diligence, competition law, dawn raid preparedness, and whistle-blowing. Other compliance-related issues such as environment, health, safety, and quality are managed by the responsible functions.

We perform regular compliance audits to identify possible compliance violations and ensure that we act in accordance with our policies and procedures. If a violation is detected, we initiate remediation measures and impose disciplinary measures if applicable.

Employees can also report violations or potential violations of applicable laws and internal guidelines to their supervisor, Human Resources, the Regional Compliance Officer, local legal, or Group Compliance/Group Legal or via the central whistle-blowing hotline and regional telephone numbers.

RELEVANT NON-FINANCIAL INDICATORS

| KPI | 2020 | 2021 | Change (%) |
|---|------|------|------------|
| Number of legal actions pending related to anti-competitive behaviour | 0 | 0 | N/A |
| Number of legal actions completed related to anti-competitive behaviour | 0 | 0 | N/A |

ANTI-BRIBERY AND ENSURING A LEVEL PLAYING FIELD

'Integrity has become a key concept in modern corporate governance. This is because sustained business growth is only possible when a firm is trusted by its shareholders, customers, suppliers, and staff – locally and globally. Gaining such confidence can only be achieved by consistently upholding high standards of social and ethical conduct.'

MATHIEU FLOREANI, CEO OF SYNLAB GROUP

TAX TRANSPARENCY

SYNLAB's business activities result in a substantial amount and variety of taxes, which form a significant part of our economic contribution to the countries in which we operate. We are committed to complying with all tax laws in a responsible manner and to having open and constructive relationships with tax authorities.

These statements are contained within the Tax Strategy, which is available on our website WWW.SYNLAB.COM. The Tax Strategy is updated annually and approved by the Management Board. The Tax Strategy applies to all taxes, including corporate income and withholding taxes, employment taxes, value added taxes, and any other taxes or duties in the countries in which we operate.

The Management Board and central tax department of SYNLAB work closely with all parts of the SYNLAB business to ensure that:

- The Tax Strategy is understood and followed consistently across the Group, with clear lines of responsibility and accountability.
- The approach to tax aligns with the Group's overall stance on corporate governance and risk management as set out in the Group Code of Conduct.
- The Group does not undertake any tax planning that is contrived or artificial and that any tax decisions will be based on commercial and economic substance.

- The Group contributes the appropriate amount of tax at the right time as required under the laws and regulations of the countries in which we operate. SYNLAB aims to file all tax returns in accordance with prudent and established tax positions, based on strong tax technical positions, and a full understanding of the business context of transactions. Where tax law is unclear or subject to interpretation, professional advice or advance clearance from tax authorities may be sought.
- The Group complies with all applicable filing, reporting, and disclosure requirements in the countries in which we operate.
- The Group is open and transparent in all dealings with tax authorities. All dealings with tax authorities and other relevant bodies will be conducted in a collaborative, courteous, and timely manner.

TAX CONTRIBUTION

The total corporate income tax charge in 2021 was €195.3m in 36 countries (2020 was €87.3m in 36 countries). The increase in 2021 is mainly attributed to the business, performance.

In addition to corporate income taxes, SYNLAB pays other taxes as a taxpayer and is also responsible for collecting and passing other taxes on to tax authorities. These taxes include value added taxes, payroll taxes and social-security taxes (employer and employee elements) which are collected and paid to local tax authorities as a result of the SYNLAB business activities in those territories.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

The international growth of the SYNLAB Group creates increasingly complex supply chains. We rely on the technical equipment of suppliers of analytical technology for laboratory analysis/diagnostic testing, as well as reagents and chemicals used in testing. We also source goods and services from professional services companies and subcontractors, including couriers and sub-processes for test samples.

We realise that we can only fulfil our social and environmental responsibilities if we can secure the sustainability of our business model not only in direct operations, but also in our supply chain. This presents a challenge in terms of ensuring that our diverse suppliers meet our ESG standards. As such, we welcome the shifting legislative landscape including the German Act on Corporate Due Diligence Obligations in Supply Chains (passed in July 2021) and the upcoming EU directive. This underpins the importance of our efforts and will give additional momentum to the achievement of our social and ecological aspirations.

We have committed to establishing a specific ESG charter by 2025 for suppliers expected to represent more than 1% of overall Group procurement spend and to complete due-diligence assessments on ESG risks for more than 50% of reagent supplier spend by 2023. We have focused this goal on where we can have the most impact by targeting critical reagent suppliers and those that represent a significant proportion (>1%) of our procurement spend.

A SYNLAB Supplier Code of Conduct was approved in 2021 and is to be launched in April 2022. The Code of Conduct further defines our commitment and expectations concerning ethics, fair labour practices, and human rights and standards related to quality, health, safety, and the environment. In 2022, we will strive to work with our suppliers to implement these same standards. This sits within our broader SYNLAB Human Rights Framework which is currently in development and is based on the United Nations, Guiding Principles on Business and Human Rights (UNGPs) and describes our due-diligence approach to human rights.

This year we have worked to establish a supply chain risk management system with the aim of identifying and preventing or otherwise minimising risks to human and environmental rights along our supply chains. We will be regularly conducting a risk analysis and establishing preventive measures. Should an infringement be detected in or at any of our business activities or direct suppliers, a remedial action plan will be put in place. A due-diligence toolkit was developed in 2021 to assess suppliers regarding their compliance with our ESG standards. The implementation of the risk management procedures will be launched in 2022.

To contribute to our risk management approach, SYNLAB established a Supplier Complaints Procedure in 2021. We encourage suppliers to notify us via the SYNLAB Supplier Complaints Procedure reporting system should there be any concerns or inconsistency with our Supplier Code of Conduct or in case of any suspected breaches of applicable laws and regulations.

HIGHLIGHTS FROM THE UNITED KINGDOM

FIRST ESG SUPPLIER ROUND TABLE A FULL SUCCESS

SYNLAB aims to be carbon-neutral by 2025, to reduce waste, and to achieve zero waste to landfill. These ambitions provide the framework for each market's corporate responsibility and ESG agenda. With a collaborative mindset and understanding that suppliers face the same issues, SYNLAB UK & Ireland developed the ESG Supplier RoundTable strategy to encourage collaboration, achieve mutual success, and accelerate change on sustainability.

As a platform for this, SYNLAB UK & Ireland had its first of a series of ESG Supplier RoundTable events at COP 26 in November 2021. The event was hosted by SYNLAB and introduced by CEO Mark Dollar. Suppliers joined the conversation on corporate responsibility and ESG and explored opportunities for collaboration.

HUMAN RIGHTS

SYNLAB recognises human rights as inalienable, fundamental rights for all, including women, national, ethnic, religious, or linguistic minorities; children, persons with disabilities, and migrant workers and their families.

Respecting and upholding human rights covers a very wide range of practices. SYNLAB has undertaken to provide a safe and healthy working environment, protect privacy, prevent any form of child or modern slavery, and promote diversity, equity, and inclusion. Management plays a special role in this respect, leading by example in recognition of the fact that proactive leadership is an essential part of managing human rights across our business.

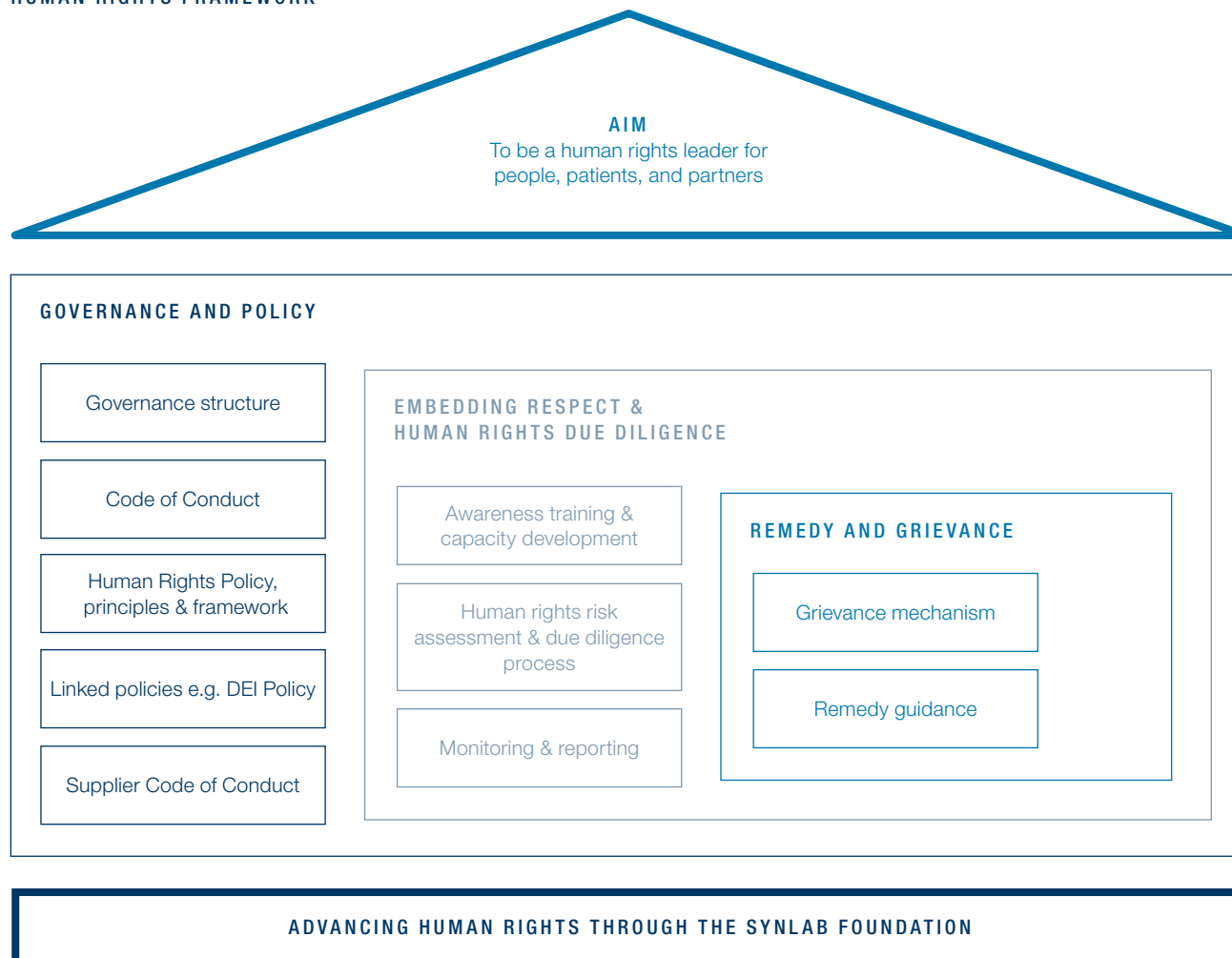
Addressing the issue of human rights is not a passive, but a conscious and proactive part of our corporate culture. This year we have worked to codify our approach to human rights in a framework that will set a standard across the Company. This will be rolled out and implemented in 2022. We do not sit back and wait until abuses become apparent. Rather, we have installed policies and procedures to make sure we stay ahead on this issue, including:

- **AIM:** Communicating our commitment by creating a corporate culture that ensures human rights are respected and advanced in corporate codes and policies.
- **Governance and policy:** Identifying and mitigating the potential adverse impacts on human rights in line with the standards set out in our Code of Conduct and the human rights framework we are developing.
- **Embedding respect & human rights due diligence:** Promoting awareness training on each employees' responsibility for mitigating human rights risks and assessing and reporting risks identified.
- **Remedy and grievance:** Backing up this commitment with action by providing access in every country and in every subsidiary to the Speak-Up Policy which outlines the processes for developing, communicating, and managing grievances and the grievance process.

- **SYNLAB Foundation:** Supporting causes relating to human rights as part of the work of the SYNLAB Foundation.

The graphic below provides an overview of how we pursue our overarching objective for human rights.

HUMAN RIGHTS FRAMEWORK



Based on the principles from the UN Guiding Principles on Business and Human Rights (UNGPs) and aligned with the World Benchmarking Alliance

RELEVANT NON-FINANCIAL INDICATORS

| KPI | 2021 | Change (%) |
|--|---|------------|
| Number of suppliers assessed for social/ environmental impacts | In progress, with a set goal of screening ESG risks for 50% of reagent supplier spend by 2023 | N/A |

EU TAXONOMY ELIGIBILITY REPORTING

SYNLAB is required to disclose information pursuant to Article 10 of the Delegated Act supplementing Article 8 of the EU Taxonomy Regulation. The EU Taxonomy is a classification system establishing a list of environmentally sustainable economic activities with clear corresponding sustainability criteria.

The Taxonomy Regulation establishes six environmental objectives:

- 1) Climate change mitigation
- 2) Climate change adaptation
- 3) The sustainable use and protection of water and marine resources
- 4) The transition to a circular economy
- 5) Pollution prevention and control
- 6) The protection and restoration of biodiversity and ecosystems

The scope of the reporting for the 2021 financial year is limited to the first two objectives of Taxonomy eligibility, that is, whether or not a non-financial undertaking has turnover, operational expenditure, and/or capital expenditure related to these economic activities. Taxonomy alignment, that is, whether or not the sustainability criteria are being met, is omitted from the disclosure requirements for fiscal year 2021. Although we recognise the EU Taxonomy as a relevant piece of legislation, we note that it will become more relevant to SYNLAB once environmental objectives 3 to 6 are entered into law.

SYNLAB has completed a review of its activities following the implementation of this new reporting obligation in order to determine its eligible activities. This has brought about the following results:

TURNOVER

As at 31 December 2021, SYNLAB's turnover was derived from medical diagnostic services to hospitals, prescribers, patients, and consumers.

The testing services performed by the Group included:

- Clinical biological testing (both routine and specialty)
- Anatomical pathology testing (both histological and cytological samples), and
- Diagnostic imaging (employing medical and nuclear imaging technologies)

These economic activities – and most of the broader healthcare sector – are not covered by the EU Taxonomy (the NACE classification system) at the time of this report, which we assess as the reflection of their comparatively small climate impacts.

Therefore, SYNLAB is reporting 0% eligible turnover under the Taxonomy out of total turnover of €3.76 billion.

CAPITAL EXPENDITURE (CAPEX)

SYNLAB invests in economic activities that are eligible under the EU Taxonomy to successfully deliver its services. The amount of these investments is small given the absence of turnover eligible under the Taxonomy.

The total CAPEX of the Group amounted in 2021 to €403 million (including on right-of-use assets). The Group has done a review of all CAPEX for the year 2021. Based upon this review we have determined that the categories that could contain eligible CAPEX amounted to 308 million or 76% of the total.

OPERATIONAL EXPENDITURE (OPEX)

SYNLAB incurs expenses for economic activities that are covered by the EU Taxonomy to deliver its services. The total OPEX that is potentially covered by the EU Taxonomy amounts to €104 million. The Group has done a review of these expenses for the year 2021. Based upon this review we concluded that we have only a nominal amount (less than 0.5%) which is eligible under the taxonomy.

TAXONOMY AND ESG DATA

NFRD/CSR RUG TOPIC REFERENCE TABLE

| NFRD/CSR-RUG component | SYNLAB ESG topic | Adressed in chapter | Identified as material under 'double materiality' definition of CSR-RUG ²² | UN Global Compact principles | Associated non-financial goal |
|--|-----------------------------------|----------------------------|---|------------------------------|---|
| Description of the business model | – | About SYNLAB | – | – | – |
| Risks | – | Oversight & Responsibility | – | – | – |
| Environmental aspects | Climate change | → SYNLAB: Green, p. 22 | ☑ | 7 | Reduce scope 1 and 2 CO ₂ e emissions intensity (tonnes CO ₂ e per EUR million revenue) year after year and offset remaining unavoidable Group-wide emissions by 2025 |
| | Waste | → SYNLAB: Green, p. 24 | – | 8 | Reduce our waste intensity (tonnes of waste per EUR million revenue) year after year until 2025 |
| | Environmental management | → SYNLAB: Green, p. 26 | – | 9 | Certify 10% of Group laboratories according to ISO 14001 or equivalent by 2025, with a focus on central labs |
| Employee aspects | Occupational health & safety | → SYNLAB: Care, p. 39 | – | – | Reduce lost-time accident frequency rate (LTAFR) year after year until 2025 |
| | Diversity & equality | → SYNLAB: Care, p. 32 | – | 6 | 1. Increase female representation to 30% of top-management team positions by 2023 2. Increase female representation in senior management positions year on year until 2023 By 2025, achieve overall 30% female representation within the Key Strategic Successors Pipeline for CEO management positions for all countries representing at least 5% of total Group revenue |
| | Employee empowerment & well-being | → SYNLAB: Care, p. 34 | – | 3 | Improve SYNLAB Dialogue employee engagement scores year after year until 2025 |
| | Talent attraction | → SYNLAB: Care, p. 37 | – | – | Talent attraction goals are determined on a local basis by regional human resources teams |

²² Topics not identified as meeting the 'double-materiality' threshold were also determined to be relevant and SYNLAB has developed corresponding management concepts which are summarised in the relevant chapters.

| NFRD/CSR-RUG component | SYNLAB ESG topic | Addressed in chapter | Identified as material under 'double materiality' definition of CSR-RUG ²² | UN Global Compact principles | Associated non-financial goal |
|------------------------------------|-------------------------------------|------------------------------|---|--|--|
| Social aspects | Access to high quality healthcare | → SYNLAB: Care, p. 29 | ☑ | | Certify over 80% of our laboratories according to the appropriate local quality standard or ISO 15189 by 2025 |
| | Research & innovation | → SYNLAB: Care, p. 30 | – | | Increase the number of research citations from SYNLAB researchers year after year until 2025 |
| | Community impact | → SYNLAB: Care, p. 41 | – | | Establish a corporate foundation with a sustainable funding mechanism |
| Human rights | Responsible supply chain management | → SYNLAB: Citizenship, p. 47 | – | 1 2 4 5 | 1. Establish a Supplier ESG Charter for any new suppliers expected to represent more than 1% of overall Group procurement spend 2. Complete ESG-risk-specific due-diligence assessments for more than 50% of reagent supplier spend by 2023 |
| Anti-corruption and bribery | Business ethics | → SYNLAB: Citizenship, p. 44 | ☑ | 10 | SYNLAB's objectives for these topics are embedded in our Code of Conduct. As part of this policy, we aim for our employees and business partners to fully comply with the high standards of conduct contained in it. |
| | Tax transparency | → SYNLAB: Citizenship, p. 46 | – | | |
| | Regulatory compliance | → SYNLAB: Citizenship, p. 45 | – | | |

²² Topics not identified as meeting the 'double-materiality' threshold were also determined to be relevant and SYNLAB has developed corresponding management concepts which are summarised in the relevant chapters.

ESG PERFORMANCE DATA

The data in this report is intended to help understand our ESG performance. National management teams across SYNLAB have submitted several ESG non-financial performance indicators for consolidation and reporting. The data in this report represents returns from our key geographic regions for 2021. This does not represent the entirety of our operations and not all of the returns contained the required information relating to all ESG non-financial performance indicators.

SYNLAB is committed to increasing the scope of our ESG data collection in future years. Examples of them are:

- Investments in infrastructure for data collection (e.g. data loggers, meters, tracking tools)
- Changes to contracts (e.g. change of suppliers to allow more detail in reporting)
- Training of people and adaptation of internal processes

All those activities will help to gradually improve the reported data quality, but also limit the comparability of year-on-year changes due to the dynamic situation.

NOTES ON DATA CONSISTENCY

GENERAL

- ‘# of labs’ incorporates hubs and spoke labs in 34 countries
- Environmental, social, and governance data was requested from all countries where SYNLAB had operations in 2021, except Mexico which was recently added as a new acquisition during Q4 2021.
- No ESG data was reported for the United Kingdom SEL for Q1 2021.

GREEN

- Due to the specific facility ownership situation and the resulting differences in the availability of data, and based on the guidance of global standards such as the GHG Protocol, the only sites included are those where SYNLAB has direct control and influence over their utilities. This total number might differ from the total number of reported labs and other sites stated in this document. Partial data availability was allowed in the collection process to improve data quality as much as possible.
- The greenhouse gas emissions include the calculation of CO₂e including methane (CH₄) and nitrogen oxide (N₂O) factors.
- The fleet GHG emission intensity includes only the CO₂e emissions coming from Fleet emissions of owned vehicles that fall under scope 1. Peru does not contribute to this indicator since they do not have their own vehicles. Furthermore, a dynamic adaptation of inter- and externalization of logistics might majorly impact the scope of emissions.
- Hazardous waste was reported through measures and estimations. Some countries reported non-hazardous waste as well (excluding Germany, Finland, France, and Italy, among others).
- Electricity, stationary, and heat/steam GHG emissions (CO₂e) were converted using custom emission factors provided by

the countries and using the grid average conversion factor (for each country) if there was no custom emission factor previously assigned. The grid emission factors have been refined and updated for 2021 compared to previous years based on the official International Energy Agency Emission Factors 2021 licensed to SYNLAB.

- The GHG and waste KPIs represent the full business’ consumption. The contribution of the 18 acquisitions completed in 2021 are extrapolated based on the respective national averages. Six countries out of 36, representing €56 million of 2021 revenue, have also been extrapolated.
- There was a change to the calculation methodology for electricity, natural gas, and fleet kilometres in France in Q4 2021.
- Whenever available, custom emission factors (market-based) have been used based on the supplier energy production mix. Spain and Italy have a custom electricity emissions factor of 0 due to their energy sources.

CARE

- Employee-related data is based on Q4 2021 to avoid duplications/replications of data.
- No data was reported in France for training in 2021.
- More than one certification can be held by one location.
- No data was reported in Ghana, Mexico, Norway & Panama for the SYNLAB Dialogue engagement rate in 2021.

COMPANY NON-FINANCIAL PERFORMANCE INDICATORS

| NON-FINANCIAL PERFORMANCE INDICATORS & GOALS | GRI reference | Unit | 2020 | 2021 | Change (absolute or %) |
|---|------------------|--|--------|-------------------------------|--|
| GENERAL | | | | | |
| Revenue | N/A | € million | 2,626 | 3,765 | 43.37% |
| # of labs | N/A | Labs | 442 | 513 | +16.06% |
| # of blood collection points (BCPs) | N/A | BCPs | >1,600 | >1,800 | +12.50% |
| # of employees | 102-7 | Employees | 24,670 | 30,570 | +24% |
| GREEN - ENVIRONMENTAL | | | | | |
| GHG emissions | 305-1 & 305-2 | Tonnes CO ₂ e | – | 38,690 | N/A |
| Goal: GHG emission intensity | 305-1 & 305-2 | Tonnes CO ₂ e/€ million revenue | – | 10.28 | N/A |
| waste produced | 306-2 | Tonnes | 6,697 | 9,240 | +37.97% |
| Goal: waste intensity | 306-2 | Tonnes/€ million revenue | 2.6 | 2.45 | –5.76% |
| Goal: certify 10% of Group laboratories according to ISO 14001 or equivalent by 2025, with a focus on central labs | 307-1 | % of labs certified | – | 15.39% | N/A |
| Environmental certifications | 307-1 | # of ISO 14001 certifications | 4 | 79 | +75 labs |
| CARE – SOCIAL | | | | | |
| Health & safety certifications | 403-9 | # of ISO 45001 certifications | 3 | 45 | +42 labs |
| Goal: certify over 80% of our laboratories according to the appropriate local quality standard or ISO 15189 by 2025 | SASB HC-BP-000.B | % of labs certified | – | 28.26% | N/A |
| Lost-time accident frequency rate (LTAFR) | N/A | # of lost-time injuries per 1,000 FTEs | 10 | 11.69 | +16.9% |
| # of citations of SYNLAB researchers | SASB HC-BP-000.B | # of citations | 357 | 368 | +3.08% |
| Goal: improve SYNLAB Dialogue employee engagement scores year after year until 2025 | N/A | SYNLAB Dialogue engagement performance | – | – | Within the 'stable' range (–3% to +3%) |
| SYNLAB Dialogue | N/A | Participation rate | 65% | 66% | +1.54% |
| Goal: establish a corporate foundation with a sustainable funding mechanism | N/A | – | – | SYNLAB Foundation established | – |
| Goal: achieve female representation of 30% in top management team positions by 2023 | 401-1 | % of female representation | 9% | 26% | +17 percentage points |
| Goal: increase female representation in senior management positions year after year until 2023 | 102-8 | % of female representation | 41% | 39% | –2 percentage points |
| Total number of identified leaks, thefts, or losses of customer data | 418-1 | # of leaks, thefts, or losses of customer data | – | 32 | N/A |

Table continues →

| NON-FINANCIAL PERFORMANCE INDICATORS & GOALS | GRI reference | Unit | 2020 | 2021 | Change (absolute or %) |
|--|---------------|---|--|------------|------------------------|
| Complaints received from outside parties and substantiated by the organisation | 418-1 | # of complaints | – | 4 | N/A |
| Complaints from regulatory bodies | 418-1 | # of complaints | – | 0 | N/A |
| Employee job level by gender | 401-1 | Ratio of female:male, total (%) | 76:24 | 75:25 | – |
| Employee job level by gender | 401-1 | Ratio of female:male, L1 - Supervisory Board (%) | 0:100 | 42:58 | – |
| Employee job level by gender | 401-1 | Ratio of female:male, L2 - Executive Committee & Management Board (%) | 14:86 | 9:91 | – |
| Employee job level by gender | 401-1 | Ratio of female:male, L3 - C-level (Countries) (%) | Different set-up in 2020 (L3 and L4 were merged in the past) | 39:61 | – |
| Employee job level by gender | 401-1 | Ratio of female:male, L4 - Management total (%) | 50:50 | 49:51 | – |
| Employee job level by gender | 401-1 | Ratio of female:male, L5 - Team Leader (%) | 70:30 | 68:32 | – |
| Employee job level by gender | 401-1 | Ratio of female:male, L6 - Team Member (%) | 77:23 | 76:24 | – |
| Employee by age Group | 401-1 | % of total employees <25 | 11.25% | 17.79% | +58.27% |
| Employee by age Group | 401-1 | % of total employees 25–30 | 13.88% | 13.90% | +0.58% |
| Employee by age Group | 401-1 | % of total employees 31–40 | 26.56% | 25.65% | –3.28% |
| Employee by age Group | 401-1 | % of total employees 41–50 | 21.67% | 19.42% | –10.35% |
| Employee by age Group | 401-1 | % of total employees 51–60 | 19.56% | 16.76% | –14.40% |
| Employee by age Group | 401-1 | % of total employees >60 | 7.07% | 6.48% | –9.62% |
| Employee grievances | 205-1 | # of grievances received | 35 | 82 | +134.29% |
| New hires | 401-1 | # of employees hired | 6,396 | 9,450 | +47.75% |
| New hires by job level | 401-1 | % of total new hires, top management | 0.05% | 0.13% | +160.00% |
| New hires by job level, management | 401-1 | % of total new hires, management | 0.54% | 1.20% | +122.22% |
| New hires by job level, team leaders | 401-1 | % of total new hires, team leaders | 1.51% | 1.91% | +26.49% |
| New hires by job level, team members | 401-1 | % of total new hires, team members | 97.90% | 96.76% | –1.16% |
| Hours of training and education completed | 404-1 | Hours | 123,396 | 170,204 | +37.93% |
| Hours of training and education per FTE | 404-1 | Training/FTE | 6.5 | 7.7 | +18.46% |
| Local community investments | N/A | € | 163,072 | 315,336 | +93.37% |
| Employee time volunteered | N/A | # of employees involved | 208 | 213 | +2.40% |
| Fatalities | 403-9 | # of fatalities | – | 0 | N/A |
| # of hours worked | 403-9 | # of hours worked | 36,720,315 | 44,003,901 | +19.84% |

Table continues →

| NON-FINANCIAL PERFORMANCE INDICATORS & GOALS | GRI reference | Unit | 2020 | 2021 | Change (absolute or %) |
|---|---------------|--|------|---|------------------------|
| High-consequence injuries | 403-9 | # of high-consequence injuries | – | 19 | N/A |
| CITIZENSHIP – GOVERNANCE | | | | | |
| Establish a Supplier ESG Charter for any new suppliers expected to represent more than 1% of overall Group procurement spend | 308-2 | – | – | To be launched in 2022 | N/A |
| Complete due-diligence assessments on ESG risks for more than 50% of reagent supplier spend by 2023 | 308-2 | – | – | A due-diligence toolkit was developed in 2021 to assess suppliers regarding their compliance with our ESG standards | N/A |
| Number of suppliers assessed for social/environmental impacts | 308-2 | – | – | In progress, with a set goal of screening ESG risks for 50% of reagent supplier spend by 2023 | N/A |
| Number of public legal cases regarding corruption brought against the organisation or its employees during the reporting period | 205-3 | # of public legal cases | 0 | 0 | N/A |
| Number of confirmed incidents in which employees were dismissed or disciplined for corruption | 205-3 | # of confirmed incidents | 0 | 1 | 100% |
| Number of legal actions pending | 206-1 | # of legal actions | 0 | 0 | N/A |
| Number of legal actions completed | 206-1 | # of legal actions | 0 | 1 | N/A |
| Tax payment | N/A | Total corporate income tax paid in € million | 87.3 | 195.3 | +123.71% |

This report was prepared by SYNLAB AG, the holding Company of the Group. SYNLAB AG is a public Company listed at the Prime Standard of the Frankfurt Stock Exchange since 30 April 2021. The Company's principal business address is Moosacher Straße 88, 80809 Munich, Germany.

The data included in this report has been prepared with reference to the GRI Reporting Standards.

For any enquiries in relation with this report please contact:

HARRY PAPAGEORGIU

Group Head of ESG
ESG@SYNLAB.COM

MARK REINHARD

Investor Relations
IR@SYNLAB.COM

CÉDRIC BIRRER

Media Relations
MEDIA-CONTACT@SYNLAB.COM

SYNLAB AG
Moosacher Straße 88
80809 Munich, Germany

Media contact: MEDIA-CONTACT@SYNLAB.COM