



2022

Environmental, Social and Governance Report



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A Message from Leadership

Dear valued partners,

As the CEO and Board Chair of the Providence family of organizations, we are proud to present our 2022 Environmental, Social and Governance (ESG) report, which demonstrates our deep commitment to providing the highest quality of care to our patients and supporting the well-being of our caregivers and communities.

Health is a human right, a belief core to our mission. To achieve this, we have implemented programs that focus on health equity, global health and education and mental health access.

We also know we play a vital role in protecting the environment and preserving natural resources for future generations. We have taken significant steps to reduce our carbon footprint, including implementing energy-efficient practices, reducing our waste and using sustainable products in our purchasing practices.

Providence continues our commitment and acceleration of this important work to address social, racial and economic disparities and reduce our carbon footprint in the communities we serve.

Our ESG efforts are a core commitment of our leadership team and are integrated and aligned with our organizational strategy. Providence is proud to be one of the first health care organizations to sign the Health and Human Services (HHS) Health Sector Climate Pledge, and has signed the Health Anchor Network's Impact Purchasing Commitment.

Our commitment to ESG practices is critical to not only fulfilling our mission but also to ensuring the success of our organization for another 165 years. This report provides transparency and accountability as responsible health care anchor institutions in the communities we serve. It highlights our goals and targets for the future, demonstrating our commitment to improving the health of our communities.

Thank you for your partnership and trust in our organization.

Sincerely,



Rod Hochman, MD
CEO and President



Mike Murphy
Providence St Joseph,
Board Chair



Executive Summary

Our key commitments include:

- + Protecting the environment and working to become carbon negative by 2030
- + Continuing our commitment as a High Reliability Organization to high-quality patient care
- + Advancing health equities for patients and the communities we serve
- + Promoting and fostering a diverse, equitable and inclusive culture
- + Strengthening the well-being of our caregivers and communities
- + Increasing supply chain diversity and procurement from sustainable sources

ESG PRIORITIES HIGHLIGHTED IN THIS REPORT:

Environmental

- Reduce GHG Emissions — Scope 1, 2 & 3
 - Waste
 - Energy and Water
 - Agriculture and Food
 - Chemicals
 - Transportation

Social

- Advocacy
- Social Impact Investing
- Diversity, Equity and Inclusion
- Health Equity
- Employee Training and Development
- Employee Health and Well-Being
- Responsible Supply Chain
- Patient Safety and Quality of Care

Governance

- Corporate Governance
- Board Composition
- ESG Governance
- Integrity and Compliance
- Data Protection and Cybersecurity



Executive Summary

As anchors in the communities we serve, Providence and its family of organizations are committed to delivering exceptional health care services while upholding our commitments to social impact, sustainability and ethical practices. These programs and practices are aimed at creating healthy, inclusive spaces for our caregivers, patients and partners and ensuring we continue moving forward with transparency and accountability. In 2022, we:

Adopted policies and practices to limit toxic chemical use, reduce waste, increase local and sustainable food selection and expand our commitment to water efficiency and renewable electricity resulting in:

**48 Practice Greenhealth Awards**

**100% renewable electricity**
used by 31 Providence facilities

**11.5% reduction in emissions**
in 2022 compared to our 2019 baseline

**Joining the Health and Human Services (HHS) Health Sector Climate Pledge**

**\$11.5 million in annualized savings since 2020**
resulting from our environmental stewardship work

Reached milestones that deliver on our commitments to socially responsible business practices, mental health and well-being, health equity and diversity, equity and inclusion (DEI), including:

Increasing our contracting and purchasing with women and minority owned businesses by \$404 million since our 2020 baseline

Increasing racial diversity of external executive candidates under consideration and converting nearly 50% to hires

Reducing health disparities related to diabetes and heart disease in Black, Indigenous and people of color (BIPOC) populations

Logging more than 41,000 hours of employee community service



We look forward to building on the success of the programs outlined in this report to continue providing equitable and sustainable health care, while taking concrete actions to address climate change, promote social justice and foster an inclusive workplace.

About Us

About Us

Providence is a national, not-for-profit Catholic health system comprising a diverse family of organizations driven by a belief that health is a human right.



\$2.1 billion in community benefit*



117,000 caregivers



State presence + corporate offices



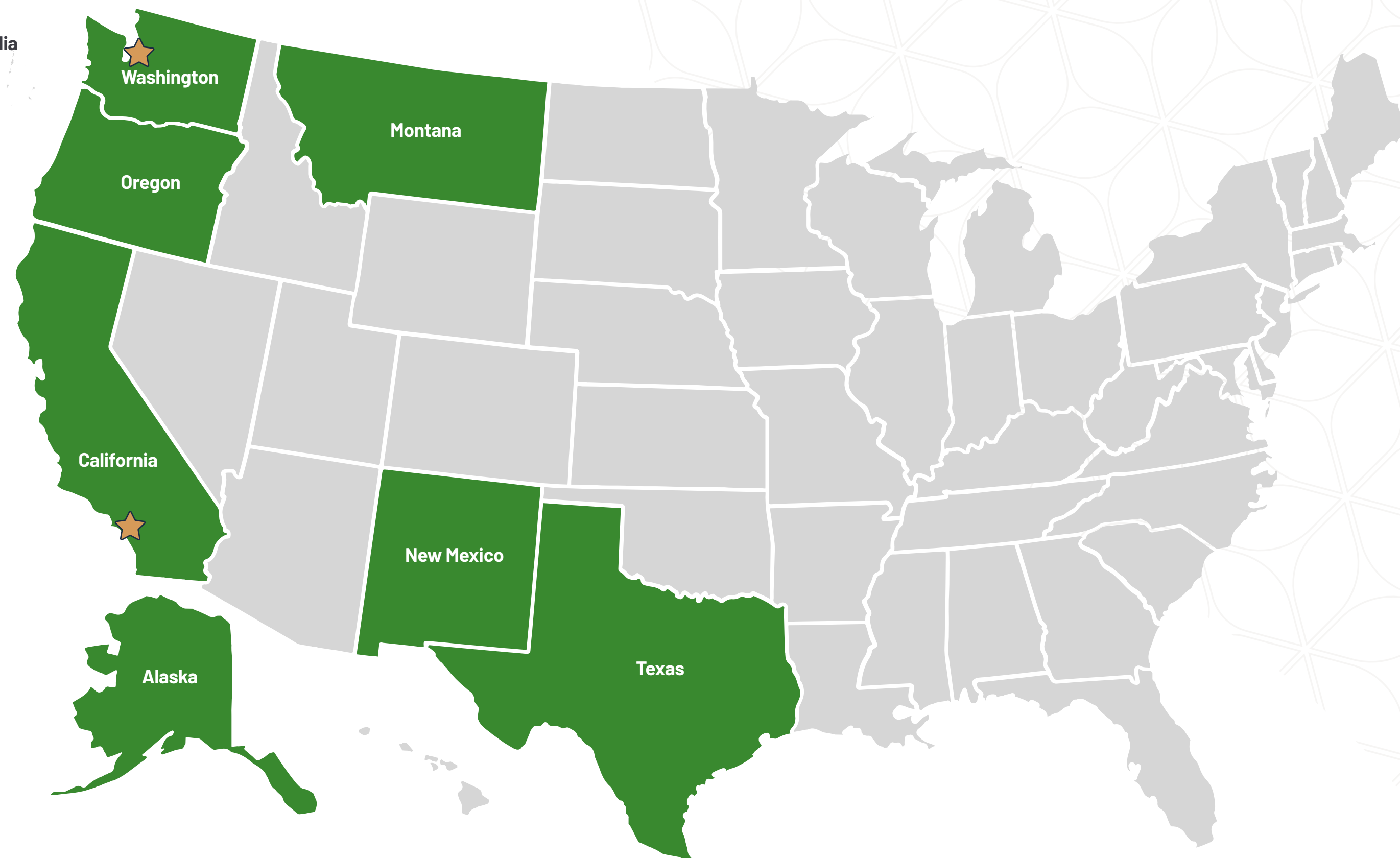
51 hospitals



1000+ physician clinics, senior services, supportive housing and numerous other health and educational services



Hyderabad, India



★ Corporate Location

*To learn more, please read our [2022 Annual Report to our Communities](#).

About Us

Our Mission

As expressions of God's healing love, witnessed through the ministry of Jesus, we are steadfast in serving all, especially those who are poor and vulnerable.

Our Vision

Health for a Better World

Our Promise

"Know me, care for me, ease my way."

Our Values

COMPASSION

We reach out to those in need and offer comfort as Jesus did. We nurture the spiritual, emotional and physical well-being of one another and those we serve. Through our healing presence, we accompany those who suffer

DIGNITY

We value, encourage and celebrate the gifts in one another. We respect the inherent dignity and worth of every individual. We recognize each interaction as a sacred encounter.

JUSTICE

We foster a culture that promotes unity and reconciliation. We strive to care wisely for our people, our resources and our earth. We stand in solidarity with the most vulnerable, working to remove the causes of oppression and promoting justice for all.

EXCELLENCE

We set the highest standards for ourselves and our ministries. Through transformation and innovation, we strive to improve the health and quality of life in our communities. We commit to compassionate, safe and reliable practices for the care of all.

INTEGRITY

We hold ourselves accountable to do the right things for the right reasons. We speak the truth with courage and respect. We pursue authenticity with humility and simplicity.



Environmental

Environmental

OVERVIEW

Climate emergencies can quickly turn into health emergencies, especially for the poor and vulnerable. Providence has a responsibility to address its contributions to climate change, which is why we are working toward becoming carbon negative by 2030. We are proud that in 2022, emissions decreased by nearly 12% over our 2019 baseline.

We were the first health care organization to sign the Health Sector Climate Pledge, committing to ongoing action to decarbonize and make our health care facilities and communities more resilient to the effects of climate change.

At the Providence Global Center, a specialized, global health care engineering, operations and digital innovation center established in 2020 in Hyderabad, India, we continued to optimize the [WE ACT](#) scorecard, an industry leading tracking tool, providing environmental stewardship data and analysis for decision making and action.

In 2022, the WE ACT scorecard team received the NASSCOM Business Process Innovation Showcase Award and the Integrated Health & Wellbeing Council (IHW) Digital Health Award for their steadfast work on the scorecard. These awards highlight the platform's ingenuity and its ability to modernize the way Providence tracks carbon and resource costs.

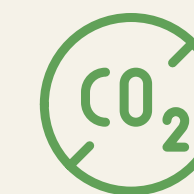


Photo: Ali Santore, Chief Administrative Officer, and Jacqueline Bombard, Chief Federal Government Relations Officer, represented Providence as an early adopter of the Health Sector Climate Pledge in June at the White House.

PROGRESS BY THE NUMBERS



Nearly 12% decrease in emissions since our 2019 baseline



Working to become carbon negative by 2030



\$11.5 million annualized savings compared to our 2020 baseline

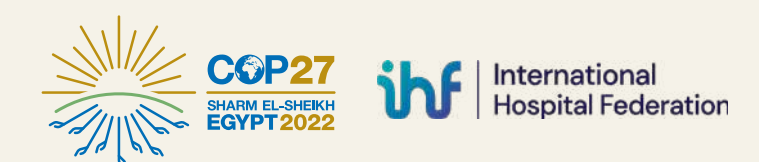
Our leadership in environmental stewardship



A record 48 Practice Greenhealth Awards in 2022



An active voice with the National Academy of Medicine movement to decarbonize the health care sector

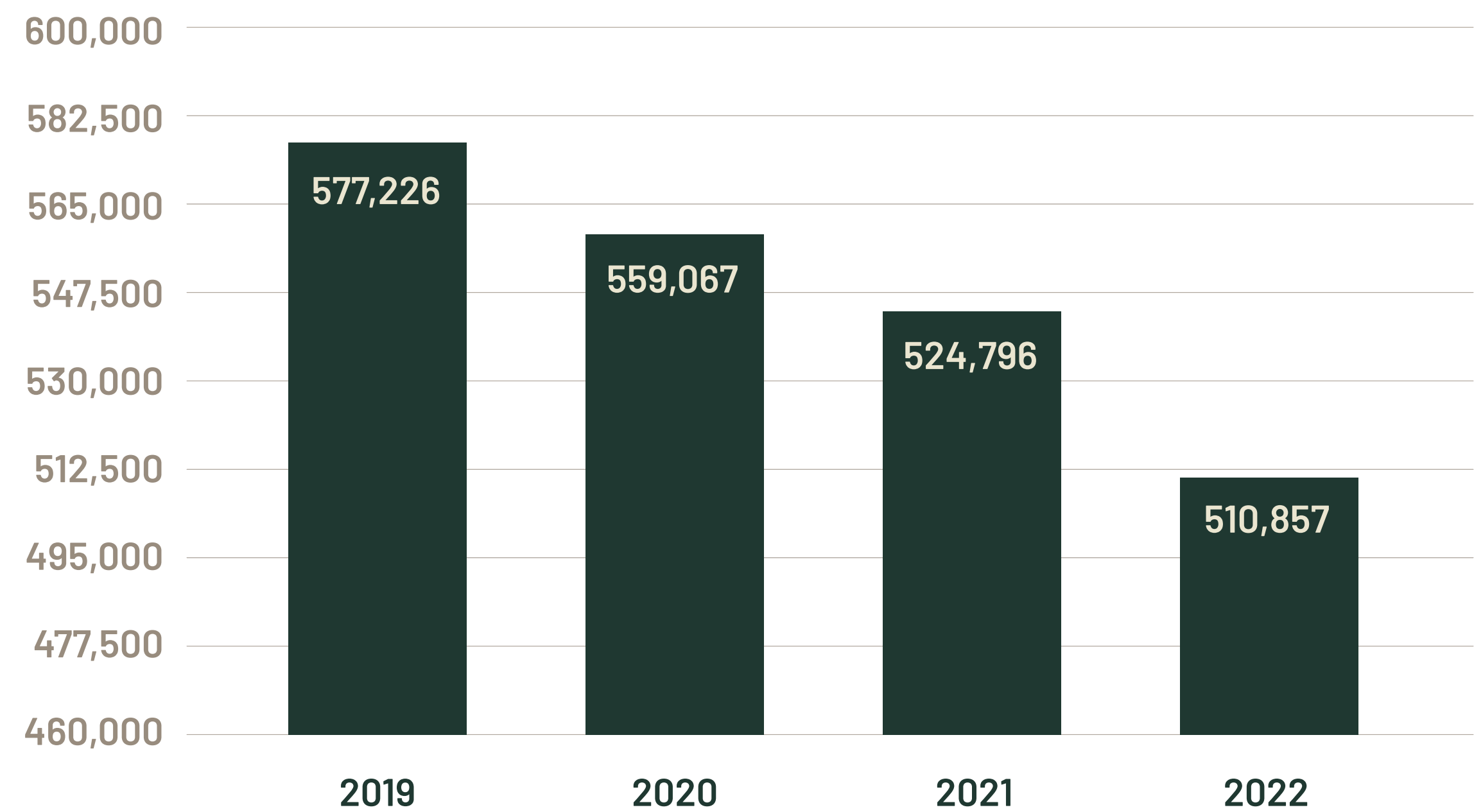


Executive leadership presentations at international convenings including COP27 and the International Hospital Federation

Environmental

TOTAL MEASURED EMISSIONS

11.5%
 Reduction in annual measured carbon emissions from 2019 - 2022



CARBON EMISSIONS REDUCTION BY SCOPE (2019 BASELINE)

	Scope 1: Thermal Energy	-4,026	Metric Tons of CO ₂ Equivalent
	Scope 1: Nitrous Oxide	-3,692	
	Scope 1: Volatile Anesthesia	-3,307	
	Scope 2: Electricity/Steam	-33,737	
	Scope 3: Waste	266	
	Scope 3: Business Travel	-3,887	
	Scope 3: Commuting	-17,985	
TOTAL:		-66,369	

Environmental

WASTE

Reducing consumption that leads to waste is an important part of achieving Providence’s environmental stewardship goals. On average, U.S. hospitals generate around 29 pounds of waste per patient, per day—a significant source of pollution.

In 2022 we validated our waste stream data sources, aligned data collection practices and worked with vendors to stabilize reporting in the WE ACT scorecard, which reports volume of waste streams, cost and carbon emissions each month for each hospital, for 20 waste streams. With more robust data, we completed waste assessments and action planning for all 51 hospitals to work toward our waste optimization goal.

PROGRESS BY THE NUMBERS

 **+50%**

Providence is working to divert more than 50% of our waste away from landfills and hazardous streams by 2030.



Photo: The Green Living Roof at Providence Swedish in Issaquah, WA lowers the temperature of the roof top and was designed with natural vegetation from the Pacific Northwest.

Environmental

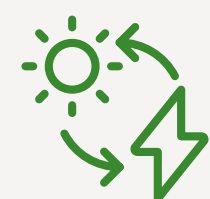
ENERGY AND WATER

Providence is involved in a multi- year energy audit program to improve efficiency by understanding how our energy is consumed. These audits have already led to multiple energy efficiency improvement projects, and we are proud to report that in 2022, 31 Providence facilities used 100% renewable electricity.

We also engaged in a power reduction pilot program optimizing power management for over 40,000 computers, which is about one third of all our computers. In this pilot, we put laptops to sleep and wake them up on a highly customizable schedule with no impact to the caregiver and patient care. In 2023 we hope to provide positive results showing the measurable energy savings that can be achieved at scale.

Water efficiency is essential since over 50% of our facilities are in designated drought areas. Eight water audits were completed within our Oregon Region, identifying almost 32 million gallons of annual water savings and \$600,000 in annual cost savings for our health system, which can be invested back into our communities.

PROGRESS BY THE NUMBERS



31 Providence facilities use 100% renewable electricity



Waste assessment and optimization action plan established for each acute hospital



Identified nearly 32 million gallons of annual water savings



Reduced energy use in more than a third of our computers



Environmental

AGRICULTURE AND FOOD

Modern agriculture practices are a significant source of greenhouse gases. Providence is doing its part to decrease the carbon intensity of meals we provide our caregivers and patients by providing more plant forward meals, decreasing our purchases of beef and other meats, reducing food waste and sourcing from local and organic suppliers when possible.

At least a dozen Providence ministries are preparing to commit to the Cool Food Pledge, a collaboration of the World Resources Institute, United Nations Environment Programme, Health Care Without Harm, Carbon Neutral Cities Alliance, Practice Greenhealth, EAT and the Sustainable Restaurant Association. We aim to increase that number to 20 by the end of 2023. This pledge challenges food providers, including hospitals, to reduce greenhouse gas emissions by 25% by 2030, using strategies that include incorporating more plant-rich foods.

PROGRESS BY THE NUMBERS

In 2022, our Environmental Stewardship Food and Nutrition (FAN) workgroup established specific goals and targets to:



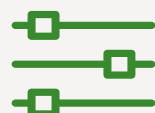
Decrease the carbon intensity of meals served by 25%



Increase education and awareness for our patients and caregivers



Increase sustainable foods to 35%



Optimize data collection and reporting



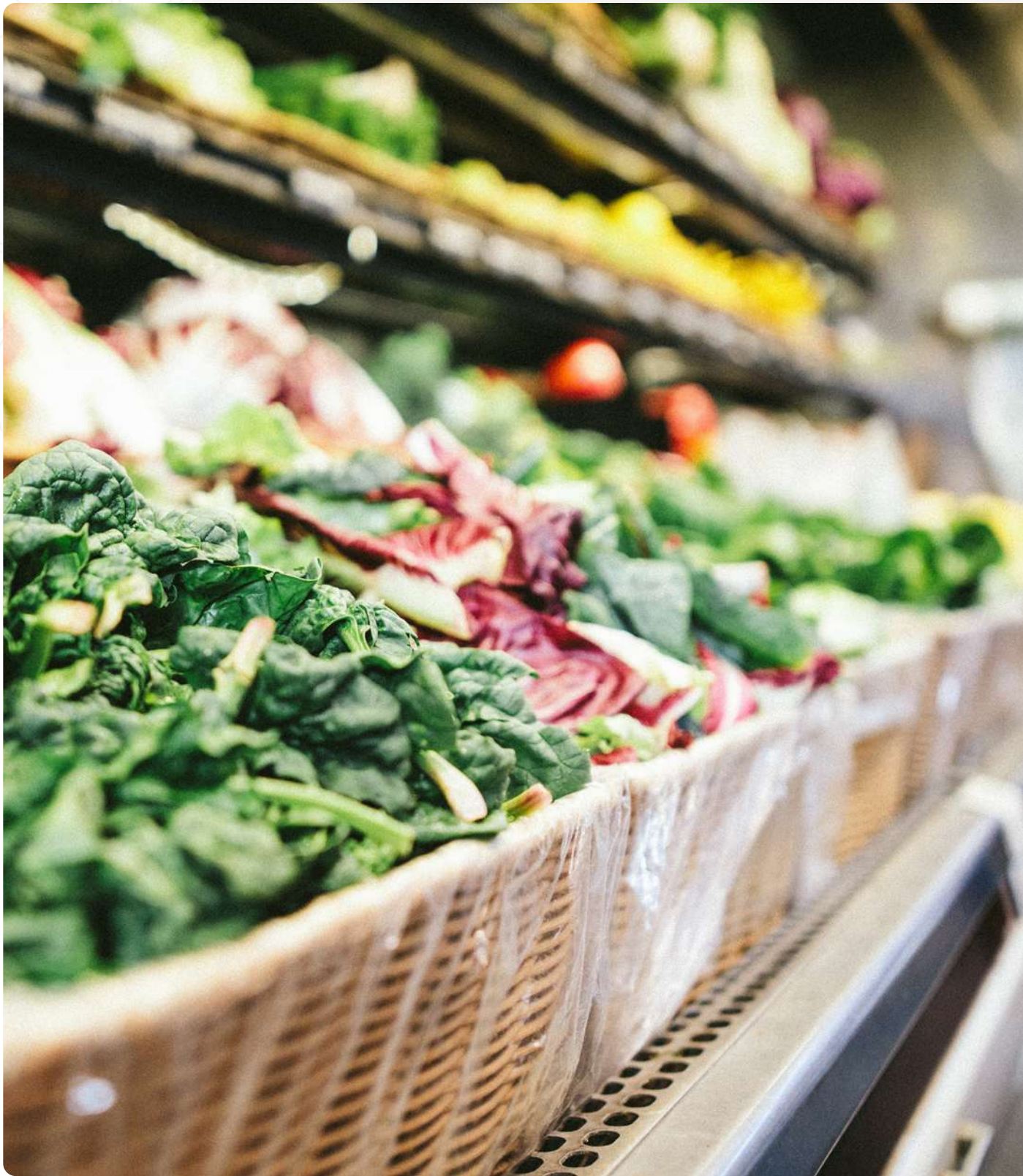
Increase low-chemical, fresh, healthy foods and beverages served



Increase access to community gardens, CSA shares, prescription produce programs and other community benefit programs



Decrease food waste



Environmental

CHEMICALS

Avoiding exposure to harmful or hazardous chemicals is an important part of patient and caregiver safety.

In 2022, Providence continued reducing carbon emissions from anesthetic agents, including developing and implementing solutions to reduce nitrous oxide emissions. Nitrous oxide is 273 times more potent than carbon dioxide. Without impacting clinical use of this drug, we are decreasing leakage by actively decommissioning piped nitrous oxide delivery systems at all sites by the end of 2024. In 2022, we updated technical standards to stop using piped systems for delivering nitrous oxide in new construction.

We are also supporting other health systems in their efforts to commit to these standards. We have shared our knowledge and learnings with dozens of health systems to date, supporting our belief that environmental stewardship is a communal responsibility.

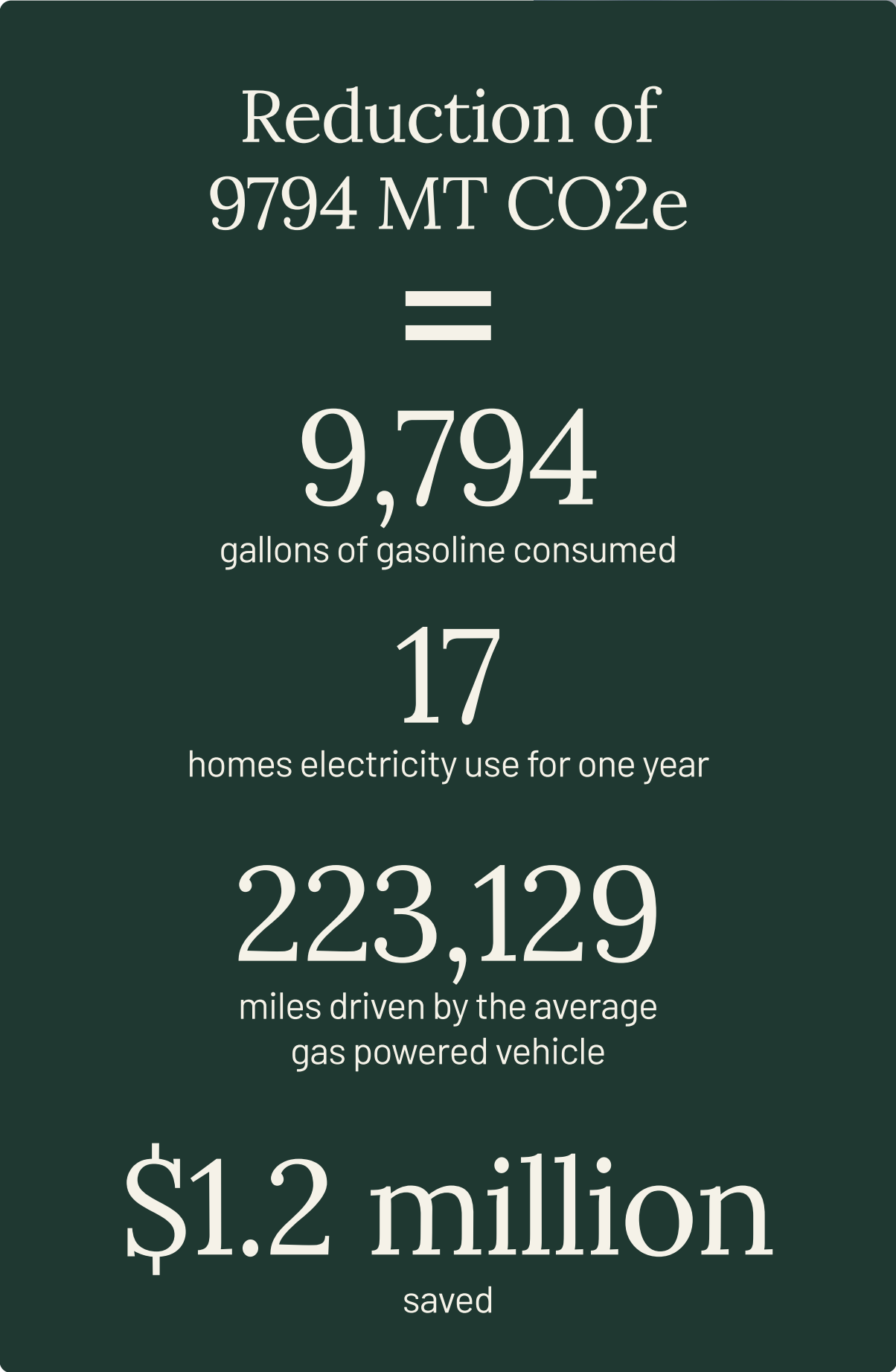
PROGRESS BY THE NUMBERS



Actively disconnecting piped nitrous oxide delivery systems at all sites by the end of 2024



Updated technical standards to stop using piped systems for delivering nitrous oxide in new construction

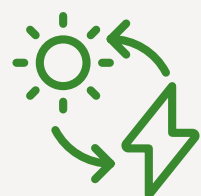


Environmental

TRANSPORTATION

Transportation represents over 17% of our measured greenhouse gas emissions. We are prioritizing several initiatives to reduce emissions related to transportation and continue to explore innovative ways to expand virtual care options to more patients.

PROGRESS BY THE NUMBERS



Reduced caregiver business travel by 71% compared to our 2019 baseline



Providence telehealth visits reduced carbon emissions an average of 8780 metric tons annually. That's equivalent to 22,507,959 miles driven by an average gasoline powered vehicle.



In 2022, 7% of new vehicle purchases were alternative fuel vehicles. We have a goal to convert 50% of newly leased or purchased fleet vehicles to electric by 2026.



Social

ADVOCACY

The Providence family of organizations is an enduring advocate for important health and social programs that contribute to the health of our communities. We partner with elected and public officials to create a better and more just health care system and healthier communities. In 2022 we prioritized issues that promoted the health and well-being of those we serve.



Photo: Sen. Patty Murray (D-WA), Dr. Elizabeth Wako, CEO of Swedish Health Services, and Rep. Kim Schrier (D-WA)

ADVOCACY AGENDA 2022 AREAS OF FOCUS:



Preserve affordable access and coverage



Respond to COVID-19



Improve care delivery and coordination



Promote social and environmental justice

ENVIRONMENTAL STEWARDSHIP ENGAGEMENT AT THE FEDERAL LEVEL

On Sept. 14, 2022, Beth Schenk, PhD, Executive Director of Environmental Stewardship, testified in front of the House Ways and Means Committee about how climate-related events are harming health and health care delivery. She discussed how Providence is prioritizing environmental sustainability and resilience in our practices, strategy and communities and encouraged members of Congress to collaborate with organizations focused on this issue, as no single industry or sector can solve the problem alone.

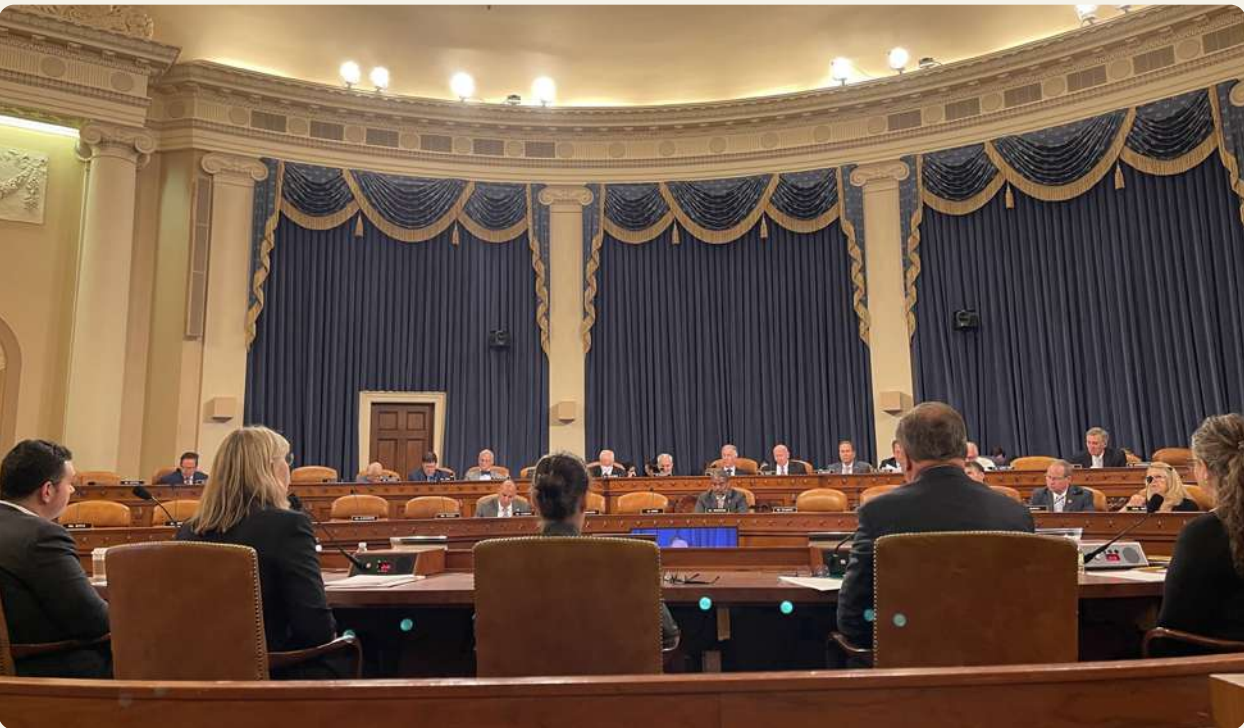


Photo: Dr. Beth Schenk, second from left, testifies in front of the U.S. House of Representatives Ways and Means Committee in September 2022.

Social

ADVOCACY

VOTE FOR HEALTH

Building on the success of our 2020 Vote for Health campaign, in Fall 2022 we updated our campaign hub with important resources based on caregivers’ geography. Hundreds of caregivers visited the hub and took action, including finding their polling site, signing up for educational texts/ email, learning more about the candidates and updating voter registration.

GRASSROOTS CAREGIVER ACTIVATION

In 2022, we activated our grassroots tool to engage our home health caregivers on an issue impacting access to services. Caregivers asked their representatives in Congress to sponsor a bill that would address cuts proposed by the Centers for Medicare and Medicaid Services at time when both demand for home health and the cost for delivering care were rising significantly. These grassroots efforts are essential to both inform and activate our caregivers on issues important to our organization and community and to help build a movement for change among policymakers.

VOTE FOR HEALTH

Are You Registered to

vote?

It's easy to check at providence.org/vote

Providence

Every Vote Matters.

VOTE FOR HEALTH.

Text vote4health to 52886

Providence

voteFORHEALTH

REGISTER | ENGAGE | PARTICIPATE

GRASSROOTS CAREGIVER ACTIVATION

Providence

Please ask Congress to support the health care workforce through meaningful policy solutions!

Participation is voluntary.

Why action is needed now

Congress is working to identify bipartisan solutions to address the national health care workforce shortages, and to strengthen the future pipeline through legislation. It is important that Congress prioritizes specific policies to fund retention and recruitment programs, while addressing burnout and eliminating violence against caregivers.

Lending our collective voice

Well before the pandemic, health care professionals were challenged by imbalances between the growing health needs of patients and available resources. COVID-19 only exacerbated the problem, leading to high levels of stress and burnout among the nation's caregivers. Today, the U.S. is facing the worst shortage of health care professionals since World War II. With not enough trained personnel to care for communities, we are seeing an increase of program reductions and closures, limited access to care, and clinician burnout across the country.

The health care workforce is a vital aspect of the community safety net. At Providence, we are committed to supporting and investing in the health and well-being of our caregivers, while finding innovative solutions to grow the pipeline of talent for the future.

But we can't do it alone. The health care workforce shortage is a national emergency that demands immediate attention from all levels of government. Together, we can urge Congress to pass innovative solutions that recruit, revitalize, and diversify the health care workforce. Key policy opportunities include:

- Providing accurate reimbursement to keep pace with inflation and reflect the new reality of higher pay for clinical professions.
- Fully funding additional graduate medical education (GME) slots and supporting new educational opportunities for non-physician health care workers, both in clinical and technical roles.
- Addressing the rise in violence and threats against

Send an email to your legislators with one click!

Title *

Full Name *

Address *

Zip * city and state not required

Phone *

Email *

Send Email

Subject: Supporting the Healthcare Workforce

As a Providence caregiver, I ask you to develop and support solutions to the national workforce challenges in health care. This is a national emergency that demands immediate attention from all levels of government.

Providence is a non-profit health system in Alaska, California, Montana, New Mexico,

☒ Send me emails about this campaign

☒ Send me text messages about this campaign



Social

SHAREHOLDER ADVOCACY/SOCIAL IMPACT INVESTING

PROVIDENCE’S SOCIALLY RESPONSIBLE INVESTMENT POLICY, PROGRAM AND COMMITTEE IS FOCUSED ON:



Portfolio Screens

Screening out direct investment in companies with purposes that do not align to the values of Providence. For example, avoiding investment in companies that primarily profit from tobacco, nuclear weapons, firearms, adult entertainment or thermal coal.



Shareholder Advocacy

Engaging companies through shareholder resolutions and dialogue to align more closely with socially responsible business practices and community need. As part of this work, Providence partners with the Interfaith Center of Corporate Responsibility, Northwest Coalition for Responsible Investment and Mercy Investment Services.



Impact Investing

Providence participates in the process of impact investing by using its opportunity to hold stock in organizations specifically for the purpose of raising questions, taking part in dialogue and introducing shareholder resolutions related to our Mission and core values.



Proxy Voting

Voting of company resolutions on issues that align with our Mission and values



Social

CAREGIVER DIVERSITY, EQUITY AND INCLUSION

At Providence, we celebrate our differences. We are shaping an inclusive workforce built on diversity, respect, dignity and teamwork. We are committed to systemic change and building an equitable and inclusive workplace by actively listening, learning and responding.

Providence offers Implicit Bias Training, so our leaders and caregivers know the definitions of diversity, equity inclusion and microaggressions, and have tactics to respond to biased behavior and support caregivers who experience bias and discrimination.



58%

of core leaders completed implicit bias training in 2022



66,805

(58%) of caregivers completed optional virtual training on implicit bias



3,000+

caregivers participate in caregiver resource groups across our family of organizations

In 2022, to build a strong foundation for lasting change, our DEI leadership team interviewed hundreds of caregivers about their experience with equity, diversity and belonging at Providence. Three key themes were identified and will be used to help shape our DEI strategic planning process in 2023:

- 1 Ensuring equilibrium after significant organizational change
- 2 The impact of DEI on caregiver retention
- 3 Noticeable variation in caregiver experience

“Providence is committed to building and maintaining an inclusive, diverse and equitable culture where everyone is valued and feels they belong. We believe a diverse workforce makes us stronger in delivering health for a better world.”



- Karen Ashley
VP, Chief Diversity, Equity and Inclusion (DEI) Officer

Social

CAREGIVER DIVERSITY, EQUITY, AND INCLUSION

PRONOUN PINS

Acknowledging individual pronouns aligns with Providence’s commitment to Diversity, Equity and Inclusion (DEI) and whole person care for caregivers. In 2022, the DEI team launched caregiver pronoun pins across the Providence family of organizations. The pins are small Providence-branded buttons caregivers may voluntarily choose to wear at work to display their pronouns. We also created a “Pronouns at Work Toolkit” to educate and support caregivers on this topic.



Photos: Providence caregivers share pronoun pins and information with their colleagues.

EXECUTIVE RECRUITING

Providence has made significant efforts to attract and retain diverse executive talent, including partnering with Historically Black Colleges and Universities (HBCUs); conducting monthly talent council meetings to identify and place internal talent; implementing an enhanced interview guide and process to minimize unconscious bias; and contracting with diverse recruiting career sites.

In 2022, these programs and partnerships helped us significantly increase the racial diversity of external executive candidates under consideration for open positions and convert many to hires.



PROGRESS BY THE NUMBERS

57k+

Pronoun Pins Ordered

4k+

caregivers access the
Pronouns at Work toolkit

42%

increase in diversity of
external executive candidates
for open positions

47%

of those diverse candidates
were converted to hires

Social

HEALTH EQUITY

In 2020, Providence made a \$50 million commitment to eliminating health inequities for the patients, health plan and community members that entrust us with their care. By the end of 2022, we allocated just over half of our \$50 million commitment, resulting in 26 new programs aimed at health equity.

This year we also launched our inaugural health equity learning collaborative, bringing together 30+ multidisciplinary teams from across the enterprise who worked to reduce inequities in hypertension and diabetes control, cancer screenings and mental/ behavioral health. As a result of these efforts, we were successful in reducing inequities across race and ethnicity in 100% of the areas where we were focused.

PROGRESS BY THE NUMBERS



650,069

individuals and families served through grants, investments, programs and initiatives



26+

new programs initiated



1,701

new partner organizations



\$25.57M

awarded for local health equity programs



“[Health equity] has already become part of the daily work. That’s sustainability. I can just see the innovations and learnings coming out of this are becoming part of the identity of Providence.”

- Dr. Ron Wyatt

Learning Collaborative Faculty, Founder & CEO of Achieving Equity and IHI Senior Fellow

Social

MENTAL HEALTH

SUPPORTING OUR CAREGIVERS

No One Cares Alone: A Caregiver Mental Wellness Ecosystem

For the past three years, our caregivers have served on the front lines of COVID-19, rising to the challenge every day. Throughout that time, Providence has developed caregiver mental wellness programs to support their mental health and well-being.

No One Cares Alone (NOCA) is an umbrella of programs that provide our caregivers with tools and resources designed to increase access to mental health resources and support. The goal: To serve the unique needs of each of our 117,000 caregivers by meeting them where they are.

NOCA PROGRAMS INCLUDE:

SUICIDE PREVENTION TRAINING

A peer-focused training that empowers caregivers to make a difference in their communities and in the workplace

2022 IMPACT

40,917 completed ECPR trainings
ECPR Spanish translation launched

MY MENTAL HEALTH MATTERS

Created in partnership with the American Foundation for Suicide Prevention, this program provides access to mental health support and resources, including a confidential online Mental Health Checkup Tool

2022 IMPACT

1,337 completed Mental Health Checkups
253 caregivers having suicidal thoughts were identified and supported

SELF-GUIDED WELLNESS TOOLS

Including educational content, computerized cognitive-behavioral therapy and burnout interventions

2022 IMPACT

302% increase in caregiver engagement in wellness activities compared to 2021

CORE LEADER OUTREACH

To ensure that our 8,000 core leaders understand the mental health and wellness resources available to them and their teams

2022 IMPACT

831 completed wellness consultations
14,027 caregivers impacted

The Well Being Trust: Expanding Access and Improving Quality Care

Providence’s Well Being Trust is dedicated to improving the mental health and well-being of communities. One of our main goals is expanding timely access to care and improving quality of care. In 2022, the Well Being Trust focused on establishing key metrics, building dashboards and implementing quality improvement work in each area to drive improvements. Key metrics include depression treatment response, suicide screening for patients who express suicidal thinking and access to Medication-Assisted Treatment for Opioid Use Disorders (MAT for OUD).



Social

COMMUNITY SPOTLIGHT

ANCHORAGE AND KODIAK ISLAND, AK

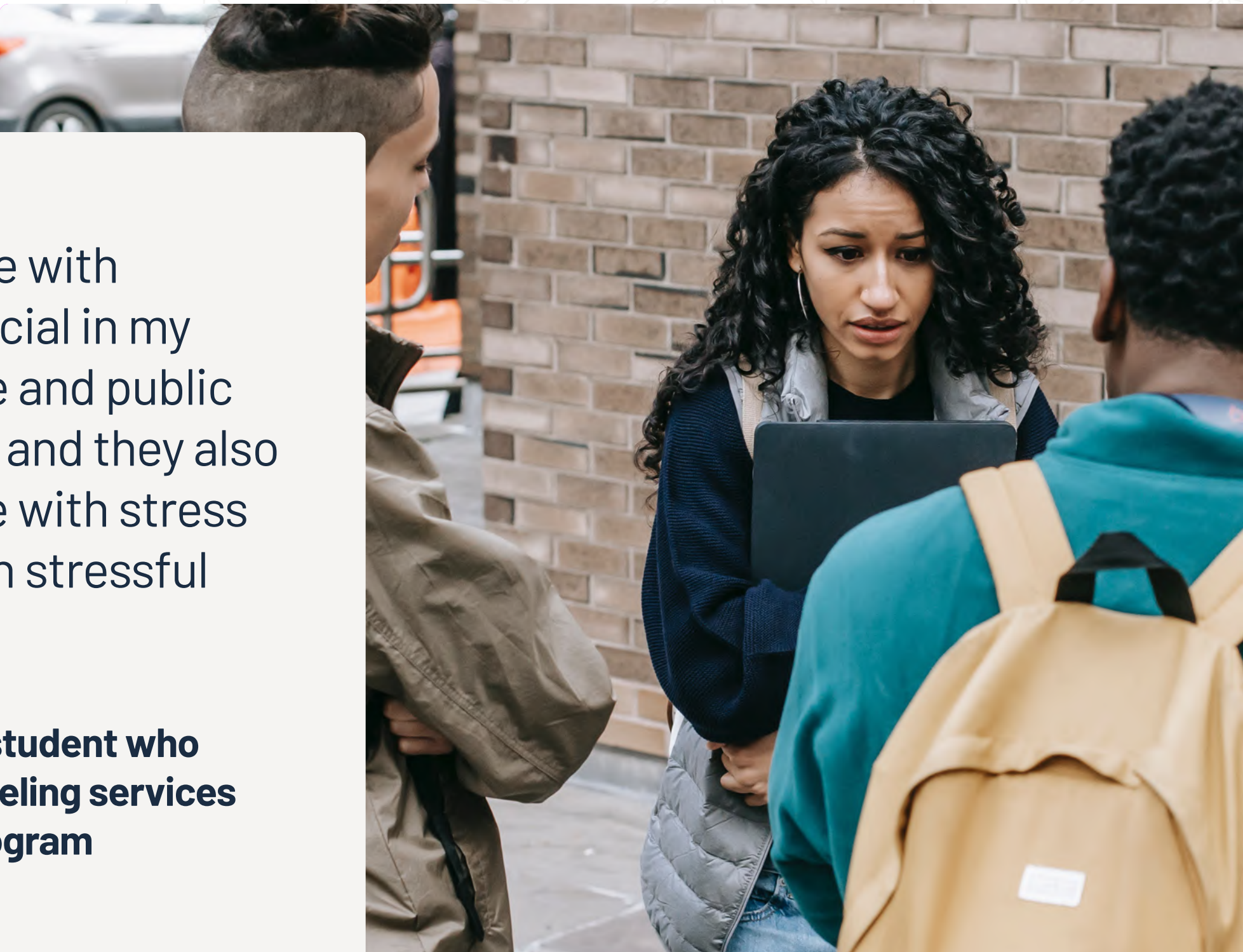
When we can support the mental health needs of our youth, we can change the course of their lives for the better. And when we do this for every child in need, we change the trajectory of the communities we serve.

Alaska had one of the highest rates of youth deaths by suicide in the country even before the pandemic, alongside challenges with substance use, depression, anxiety and behavioral health. That’s why in 2022, Providence Alaska and Providence’s Well Being Trust formed a strategic partnership with the Anchorage and Kodiak Island public school districts, as well as Volunteers of America Alaska, to provide students and families with a range of behavioral health and well-being services.

The effort provides school-wide prevention and mental health education resources as well as targeted intervention, therapy and crisis services depending on individual student needs. School-based clinicians work closely with school staff to create a safe environment in which students, caregivers, staff and providers build caring relationships with each other.

“They help me with becoming social in my school, home and public environment and they also help me cope with stress and anxiety in stressful situations.”

- A secondary student who received counseling services through the program



PROGRESS BY THE NUMBERS

381	284	250+	125	119	115	100	44	39	25
encounters of individual student support	staff consultations around specific students or classes and/or staff support around their own personal wellness	school staff received a mental health training, presentation and learning session or accessed wellness supports such as meditation, breath work and movement	encounters of group student support	encounters of family support	individual therapy sessions	classroom supports	classroom observations	crisis interventions	family therapy sessions

CHANGING THE CULTURE OF NURSING



For Kelly Ogden, Director of Nursing at St. Elias Specialty Hospital, the Medication-Assisted Treatment (MAT) for Opioid Use Disorder (OUD) Pathway program has been life-altering — both at work and in her personal life.

The program offers a way to change the culture around OUD at Providence and how patients are treated.

“Sometimes, our biases or thought process around addiction get in the way of being able to have compassionate conversations with patients,” Kelly says. “This training has allowed nurses to almost reset their mind process around addictive disorders, especially OUDs that are sometimes looked at very differently.”

With the rollout of the OUD Pathway, nurses now have a toolkit with a workflow that includes:

- + OUD screening
- + Implementing Caring Conversations using trauma-informed language so that caregivers approach OUD like any other medical condition, avoiding stigma, shame or blame
- + Withdrawal assessments
- + Collaboration with treatment teams
- + Medication-assisted treatment planning
- + Patient education and referral information for ongoing OUD treatment and coordination of care

“We have to treat the whole person, which is key for providing quality and compassionate care,” says Kelly.

“Almost everyone knows someone who has been impacted by an addiction disorder, whether opioids or alcohol. I think [the OUD Pathway] changes how we view addiction, how we manage it, and how we interact with each other. For me, this is super important work.”

Social

EMPLOYEE DEVELOPMENT AND EXPERIENCE

At Providence, it is essential that we offer caregivers engaging development, learning and service experiences through our innovative programming and partnerships.

PROGRESS BY THE NUMBERS

- 41k+ hours of volunteer service
- 11,217 volunteer entries in the Action Hub
- 6k+ hygiene kits were distributed to local community organizations
- 41k+ services hours logged by caregivers
- 140+ hours dedicated to World Telehealth Initiative, a global tele-mentorship to rural locations across the globe
- 390+ hours of service for the Global Mentorship Initiative, a career tele-mentorship to graduating students around the world

Continued resident exchange with partners in Malawi to increase pipeline of primary care doctors in a country with 700 physicians for over 19 million people

We know that access to affordable education is essential for career growth and professional development, which is why we have designed education benefits to support our caregivers in their career advancement. In addition to tuition coverage and in-person, virtual and on-demand courses from our internal leadership development catalog, in 2022, all caregivers became eligible for:



Increased education benefit of up to \$5,250 per year, covered up front and reimbursed for a wider selection of program



Virtual reality and 3D immersive experiences through the first internal to health care volumetric lab, built in partnership with Intel



Two new programs for core leader development, aimed at developing and retaining high potential talent and supporting mid-level core leaders through leadership transitions



Photos: Providence employees volunteering their personal time to support environmental causes.

Social

PATIENT SAFETY AND QUALITY OF CARE

Our dedication to high-quality patient care is reflected in our quality control, assurance and continuous improvement. We strive to provide the best care to every person who enters our ministries, especially the poor and vulnerable.



Goal-Aligned, Whole Person Care

The Providence Institute of Human Caring has been a national leader in the advancement of goal-aligned, whole person care that recognizes health and illness are fundamentally personal.



High Reliability

Providence is committed to a journey toward becoming a high reliability organization (HRO) to build safe, durable systems for caregivers and patients alike.



Early Identification and Treatment of Sepsis

Implementing early detection and treatment protocols to improve the outcomes for patients with sepsis, the leading cause of death in hospitals.



Maternal Health

The Providence Women & Children's Institute works to ensure the safety and well-being of both mothers and babies, strengthening maternal outcomes and reducing deaths to a small fraction of the national comparison.



Age Friendly Health Systems

Partnering with the John A Hartford Foundation and others to develop the Age Friendly Health System framework to address the needs of our aging population more reliably with evidence-based care, free from harms and aligning with what matters most to the older adult and their caregivers.



Patient-Reported Outcomes

Gathering patient-reported outcomes (PROs) to gain unique and differentiated perspectives on the experience of our care from a patient's point of view, with a goal of engaging and empowering our patients.



Antibiotic Stewardship

These programs aim to optimize the use of antibiotics, reduce unnecessary antibiotic prescribing and minimize the risk of antibiotic resistance.



Social

SUPPLY CHAIN

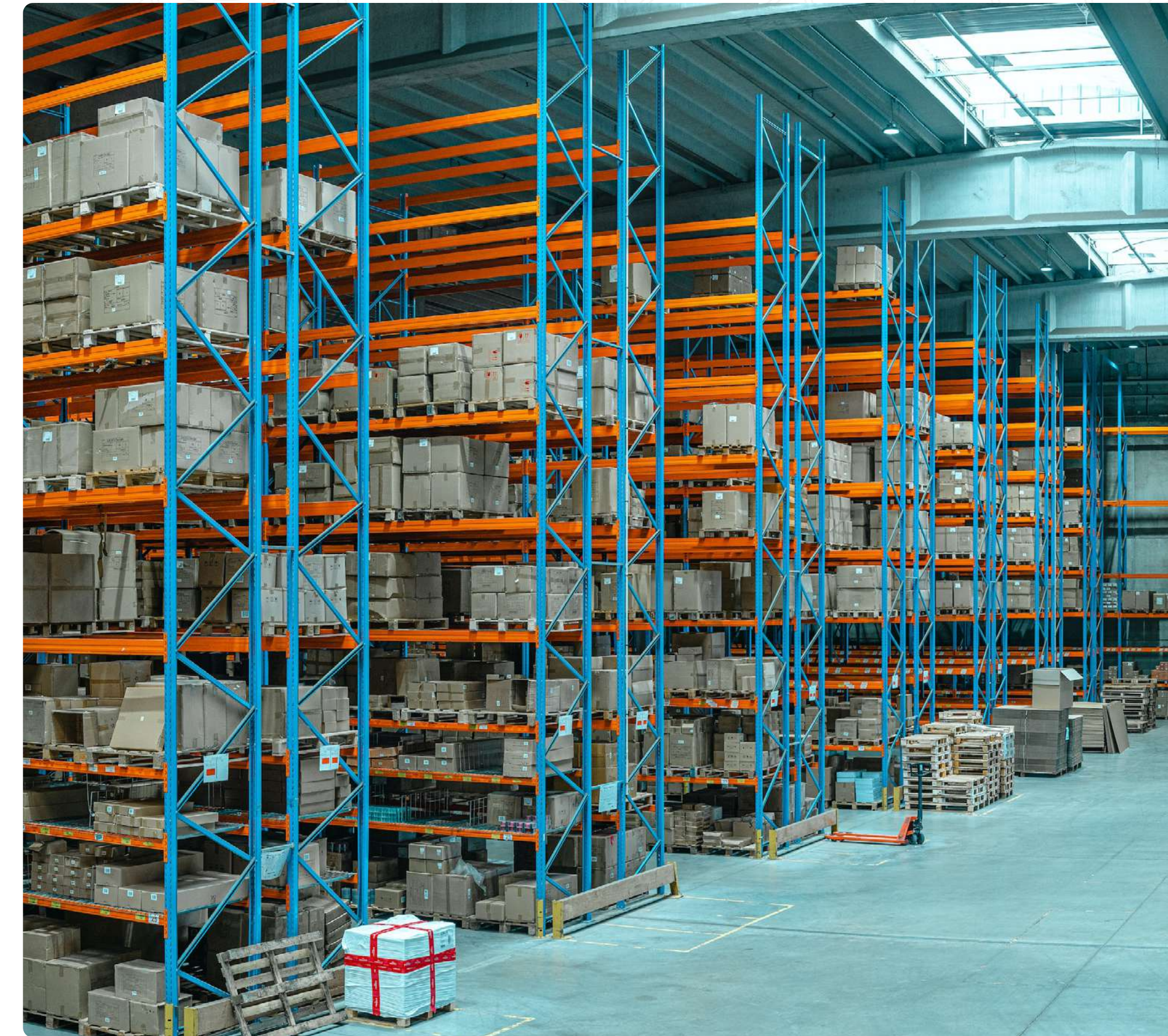
Improving the health of communities takes intentional, long-term investment from all areas of our organization, leveraging our size and scope to make lasting impact. This includes diversifying our supply chain and procuring from sustainable sources to reduce our carbon footprint.

SUPPLIER DIVERSITY, EQUITY AND INCLUSION

- + We have increased our contracting and purchasing with women and minority owned businesses by **\$404 million since our 2020 baseline**.
- + Through our partnership with the UCLA Anderson School of Management, we sponsored **education and training opportunities for the CEO of a Women and Minority Business Enterprises** (WMBE) company.
- + In 2022, we implemented our **Supplier Diversity, Equity and Inclusion Policy** which ensures supplier diversity is incorporated in contracting opportunities, directly impacting the economic development of the local communities we serve.
- + We continue to make progress on our commitment to the **Health Anchor Network's Impact Purchasing Commitment**.
- + Our supply chain leadership was invited to sit on California's Hospital Supplier Diversity Commission to advise the state on methods to **increase procurement with diverse suppliers** within the hospital industry.

SUSTAINABLE PROCUREMENT

- + We partnered with Medline, our main distributor, to pilot **fully electric semitrucks for deliveries**.
- + Our main distributor, Medline, has **LEED-certified 98% of its distribution centers**.
- + **We reduce waste and costs** by using reprocessed medical devices where available.
- + Medline ReNewal **diverted 1,095,793 pounds of waste from landfills**, an amount equivalent to 39,137,130 water bottles.
- + Providence seeks distribution, freight and courier companies that adopt the EPA SmartWay guidelines for **fuel efficiency and environmental performance**.



Governance

Governance

GOVERNANCE STRUCTURE

Our commitment to ESG, while long-standing, has evolved in the last few years and continues to advance as we meet new challenges and expectations of our communities and stakeholders. We plan to continue enhancing our ESG governance and approach to ESG disclosures.

Providence is governed by several bodies to hold our organization accountable to our commitment to ESG practices.

Strong governance and oversight of our ESG efforts is a core commitment of our leadership team and is integrated and aligned with our business strategy.



Sponsors Council

Members are appointed by the Sisters of Providence and Sisters of St. Joseph. The sponsors hold caregivers accountable to our Mission, vision and values.



System Board of Directors

The board oversees general risk management and approves strategic direction and major decisions.



Regional and Community Boards

Providence has over 40 regional and local boards designed to hold local leaders accountable to safety standards, compliance and risk performance, community health improvement and community relations.

Learn more about Providence leadership [here](#).

2022 SPONSORS COUNCIL

- Sr. Sharon Becker, CSJ
- Bill Cox
- Russell Danielson
- Ned Dolejsi
- Jeff Flocken
- Mark Koenig
- Sr. Cecila Magladry, CSJ
- Sr. Margaret Pastro, SP
- Barbara Savage
- Sr. Mary Therese Sweeney, CSJ

2022 BOARD OF DIRECTORS

- Mary Lyons, PhD - Chair
- Richard Blair
- Isiaah Crawford, PhD
- Sr. Diane Hejna, CSJ, RN
- Sr. Phyllis Hughes, RSM, DrPH
- Mary Beth Kingston, PhD, RN
- Michael Murphy
- Sr. Carol Pacini, LCM
- Charles Sorenson, MD
- Eric Sprunk
- Rod Hochman, MD, CEO

Governance

GOVERNANCE STRUCTURE

Governance focuses on the Providence organizations and includes:

- + Internal Controls
- + Leadership Structure
- + Ethical Standards



Leadership and Ethics

The Board plays a central role in selecting and overseeing the CEO and senior leadership, ensuring ethical conduct, and maintaining high standards of integrity and transparency in all decision-making processes.



Compliance and Risk Management

The Board ensures and maintains its oversight of compliance with regulations and standards. The Board is responsible for ensuring compliance with federal and state healthcare laws across the seven-state service area, data privacy regulations, government payors, and risk management practices. This helps protect the organization from legal issues and reputation damage.



Financial Stewardship

The Board's oversight includes its responsibility for overseeing financial management, including budgeting, financial reporting, and fiscal responsibility. The Board has oversight in ensuring that resources are allocated efficiently and sustainably is crucial to Providence's long-term success.

KEY GOVERNANCE FACTORS INCLUDE:

- + The composition and independence of the Board as fiduciaries
- + Annual education and evaluation tied to the Board's oversight performance, legal and fiduciary responsibility, and conflict of interest
- + Accountability controls through the Board's oversight of executive performance and compensation criteria tied to ESG performance
- + Annual Audit Committee and Board review of independent auditor report
- + People, culture, and compensation committee's use of independent compensation consultant
- + Executive compensation, risk management, and transparency in financial reporting
- + Strong corporate governance oversight operating with integrity, and accountable to its communities

Governance

RISK & COMPLIANCE PROGRAM

Providence fosters an organizational culture that is committed to ethical behavior and compliance with all laws and regulations that govern our operations and organization. Our compliance program strives to ensure that the objectives of ESG are integrated and promoted as a top priority and serve as an important component of our overall compliance program infrastructure.

OUR COMMITMENT TO INTEGRITY AND COMPLIANCE

Integrity and compliance is deeply rooted at all levels in our organization. The Providence Audit and Compliance Committee of our Board of Directors is committed to these important values and has oversight of the Compliance Program and related infrastructure.

Our compliance program, under the leadership of our Chief Risk Officer and Chief Compliance Officer, integrates the important elements of an effective compliance program into our ESG strategy across the organization.

View our Code of Conduct and learn more about our Compliance Program [here](#).

Risk & Compliance Program Oversight

2022 System Board of Directors
Mary Lyons, PhD - 2022 Chair

Audit and Compliance Committee
Michael Murphy - 2022 Chair

Chief Risk Officer
Sheryl Vacca

Chief Compliance Officer
David Lane

We continue to enhance our compliance program and integrate our ESG priorities into our culture and compliance infrastructure. The key components of our ESG efforts include:

- + Mission and values-driven Code of Conduct
- + Integrated Policy Management Office
- + Onboarding and annual training for compliance, privacy and security risks
- + Ongoing monitoring and auditing activities
- + A patient privacy program that is of utmost importance to the success of our business and our community's trust
- + An integrity hotline available 24/7 for reporting concerns or asking questions

Governance

DATA PRIVACY AND CYBERSECURITY

Our privacy and cybersecurity teams are trusted business partners throughout Providence. These teams work closely with all ministries to provide guidance, develop solutions and deliver services to ensure data privacy and cybersecurity is embedded in our systems, processes and culture.

DATA PRIVACY

The Providence Privacy Office, a department of Risk & Integrity Services (RIS), has oversight and governance of the organization’s privacy compliance function in relation to the use and disclosure of protected health information (PHI) and personally identifiable information (PII). Under the direction of the Chief Privacy Officer, the privacy team is responsible for investigating all alleged privacy incidents and for providing guidance to key business functions across Providence to ensure the appropriate use and disclosure of information in compliance with state and federal laws and internal policies and procedures.

CYBERSECURITY

The Office of the Chief Information Security Officer provides strategic management of Providence’s cybersecurity efforts. Taking care of patients includes securing their data and the devices used to deliver their care. By protecting patients’ data, we ensure Providence maintains their trust while providing high-quality care. Committed to the highest cybersecurity standards, the team delivers industry-leading protection of Providence’s data, information and systems, so we can safely and effectively improve the health and quality of life in our communities.



Closing Message

As the accountable executives for this report, we are grateful you took the time to review our key ESG accomplishments in 2022.

We are dedicated to delivering exceptional health care services while upholding our commitment to social impact, sustainability and ethical practices. We believe strongly that a successful organization must create long-term value for all its stakeholders, including patients, employees, communities and the environment. As such, we will continue to make significant investments and take meaningful steps to integrate sustainability and social responsibility into our daily operations and decision-making processes.

This report is an important step in our ESG journey and a meaningful tool for transparency, accountability and engagement with our partners. We welcome your feedback and look forward to working together to build a healthier, more sustainable and more equitable future.

With gratitude,



Ali Santore
EVP, Chief Administrative Officer



Sheryl Vacca
SVP, Chief Risk Officer



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For more information please visit [providence.org](https://www.providence.org).