

Sustainability Report

2023





This Sustainability Report has been prepared for the period from 1st January 2023 to 31st December 2023 and includes information about environmental, social and governance impacts, risks and opportunities of Adria Dental Group (ADG or Group). Data in the report cover the following members of the Adria Dental Group: Arena Dental d.o.o., Arena Dental Lab d.o.o., Salona Dental stomatološka poliklinika d.o.o., Dentalni laboratorij Vladimir Tešija d.o.o., Poliklinika Rident d.o.o., Ridental d.o.o., Dentum d.o.o., Poliklinika Fiziodent, Dentex d.o.o., Dragaš Dental Design d.o.o. and D3lab d.o.o. It is indicated in the text where this is not the case.

The report has been prepared following the European Sustainability Reporting Standards with the intention to prepare timely for future regulatory requirements. In the reporting period, Adria Dental Group was not legally obliged to prepare sustainability statements.

The report is prepared in PDF format, and published on the corporate website. Stakeholders are invited to read the report and share their comments and suggestions via the following e-mail address: info@adriadental.com

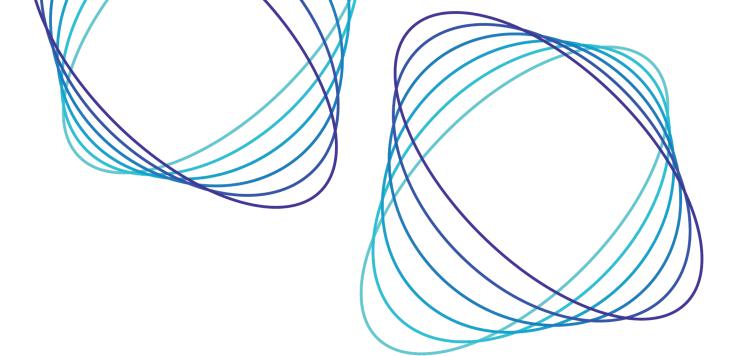


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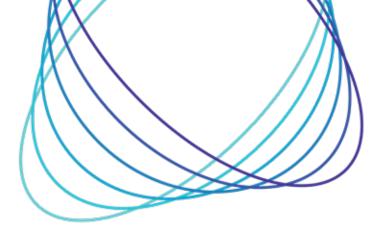
Word of CEO

Dear reader,

as the CEO of Adria Dental Group, it is a great pleasure to present to you an overview of our commitment to excellence, sustainability and the broader impact we aim to achieve in the Adria region. Founded in 2021, ADG has emerged as the largest dental group in the Adria region. We pride ourselves on a foundation built upon expertise, excellence and the relentless pursuit of knowledge, combined with the integration of cutting-edge technology. Our mission revolves around the aggregation of experts from across Croatia, ensuring that our patients receive unparalleled service.

At the moment, ADG consists of nine clinics and seven dental laboratories and plans on growing further in the Adria region. Our core values are excellence, responsibility, integrity, teamwork, and patient care. With these values in mind, we are dedicated to corporate sustainability and responsibility towards the environment and society. Our dedication to sustainability is evident through various initiatives, including the provision of exceptional working conditions, investments in state-of-the-art dental technology and a relentless focus on the education of our experts.

A notable achievement in 2023 has been the establishment of ADG Academy, a testament to our commitment to continuous education for both clinical and non-clinical staff. We firmly believe that investing in our team of professionals equates to investing in our collective future. Moreover, as a centre of excellence in dental medicine in the Adria region and a leader in



digital transformation of dental business in Croatia, ADG strives to invest and prepare future experts and help them embark on their professional journey. Therefore, ADG has launched ADG Scholarship Program, which currently sponsors the best students of dental medicine in Croatia.

I am delighted and honored to present our inaugural sustainability report, a pivotal step towards offering a comprehensive and transparent insight into the impact that Adria Dental Group has on the environment and society. This report underscores our resolute commitment to a prosperous, sustainable and improved future for all.

I extend my sincere gratitude to our esteemed employees, partners and stakeholders who have been instrumental in our journey thus far. The collective commitment of each individual is fundamental to our success and it is only through our combined efforts that we can drive positive change.

I now invite you to explore the details presented in this sustainability report, as we embark on this journey towards a more sustainable and impactful future together.

Best regards,

Gordan Muškić CEO, Adria Dental Group

Word of CDO

Dear reader,

it is with great honor that I present the first environmental, social and governance report of Adria Dental Group, the leading dental group in Southeast Europe. In less than three years Adria Dental group has reached the pinnacle of ambitious benchmarks in business. Ever since its foundation, the idea and the scope of Adria Dental Group has been to be at the top of dental care industry, concentrating on the core-aspect of their business - their patients' oral health. Having embraced the ESG principles to be one of our main business strategies, we are confident these will help us not only to elevate our corporate governance and social responsibility, but to also lessen our impact on the environment.

Adria Dental Group uses the highest standards of dental equipment, technology and, most importantly, professionals who are the backbone of every successful dental clinic. Combining high educational standards with evidence-based dental medicine and supreme standards of care, our patients can be certain they will get a personalized approach and that every treatment they receive is tailor-made for them.

Our partners in respective clinics, and the whole clinical and non-clinical staff are dedicated to their goal of ensuring an unequivocal quality of service for our patients. To meet their demands, we have founded Adria Dental Group Academy which enables clinical and non-clinical professionals to constantly develop new skills and acquire new knowledge. By strengthening and further forging our connections with the academic community, we stand out as the desired employer for younger professionals, as it is them who will need to safeguard the world of the future.

As Albert Szent-Győrgy wisely said, "a living cell requires energy not only for all its functions, but also for the maintenance of its structure", so it is of utmost importance for us to maintain the structure of our group, always bearing in mind that our actions represent us in true light.

Wishing you all the best in your private and professional life,

Prof. dr. sc. Andrija Petar Bošnjak Chief Dental Officer, Adria Dental Group





With a presence of 103 high-tech dental offices, more than 120 doctors of dental medicine, over 550 employees and more than 40 000 satisfied patients every year, Adria Dental Group is the largest dental group in the Adria region.

Adria Dental Group (ADG) was founded to improve the quality of dental services throughout the region, making superior knowledge and technology equally accessible to every patient and doctor.

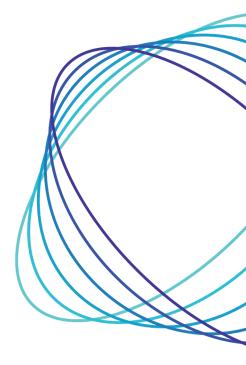
ADG Mission is to provide complete and highest quality dental care to all patients, while building a relationship of safety and long-term mutual trust with them. The health of patients, their confidence and satisfaction with their own smile is our top priority. We unite clinics and polyclinics guided by the criteria of excellence, and together with them we invest in improvement of services they offer.

ADG Vision is to improve the quality of our service through the application of the latest technology and the best materials available on the market. We want to grow and develop to provide our patients with a dental experience based on trust, quality work and exceptional care, with the goal of improving their overall health and quality of life.

HIGH-TECH DENTAL OFFICES

DOCTORS OF DENTAL MEDICINE

550 EMPLOYEES



Historical timeline



salona dental
stomatološka
poliklinika

RIDENT Dentalne poliklinike

DENTUM

FIZIODENT

ADG invests in
Arena Dental and
Arena Dental lab

ADG invests in Salona Dental polyclinic and Dental lab Vladimir Tešija ADG invests in Rident polyclinic and Ridental Dental lab ADG invests in Dentum polyclinic

ADG invests in Fiziodent polyclinic

Foundation of Adria Dental Group

JUNE 2021

11 treatment rooms 70 employees

NOVEMBER 2021

21 treatment rooms 120 employees

MAY 2022

59 treatment rooms 330 employees

OCTOBER 2022

69 treatment rooms 405 employees

DECEMBER 2022

80 treatment rooms 450 employees







Dragaš Dental Design

ADG invests in Dragaš clinic and D3 lab



ADG invests in Dentex polyclinic



Strategic partnership with School of Dental Medicine Rijeka



New Dragaš Dental Design premises

JANUARY 2024

Opening of ADG Central Dental Lab in Kastav

JULY 2023

100 treatment rooms 540 employees

MAY 2023

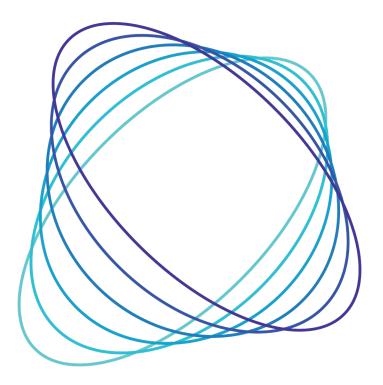
93 treatment rooms 500 employees **FEBRUARY 2023**

About ADG

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Governance

ADG relies on a governance model designed to integrate material impacts, risk management and opportunities in the decision-making process.



COMPOSITION AND DIVERSITY OF THE GOVERNANCE BODIES

	THE BOARD	MANAGEMENT TEAM*	MEDICAL BOARD	SUPERVISORY BOARD
The number of members of which:	2	25	10	5
— Executive	100%	100%	10%	16.67%
— Non-executive	0	0	90%	83.30%
Representation of employees and other workers	0	0	0	0
Gender diversity (average ratio of female to male members)	0%	36%	10%	0%
Percentage of independent Board members	/	/	/	0%

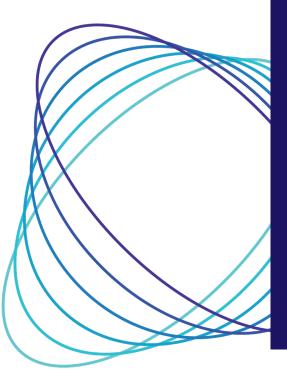
^{*}Management team includes top management from Group members.



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THE BOARD

Adria Dental Group's Board consists of two members - Chief Executive Officer and Chief Dental Officer.





Gordan MuškićChief Executive Officer

Over 20 years of experience in finance and management. After graduating from the University of Zagreb's Faculty of Economics & Business, he began his career in the banking sector, followed by the transition into board member roles for commercial organizations in Zagreb and Ljubljana.

Before joining Adria Dental Group, he had managerial function in public sector.



Andrija Petar Bošnjak Board Member, Chief Dental Officer

A doctor of dental medicine and specialist in periodontology, with more than 25 years of academic and clinical experience in the fields of oral hygiene, periodontology and implant dentistry. He received his bachelor's, master's, and doctorate degrees from the University of Zagreb School of Dental Medicine. Since the beginning of his academic career, he has been involved in continuous education of professionals in dental medicine, primarily by means of hands-on and live courses in periodontology and implant dentistry. He mentored over 30 graduation theses, master theses and PhD theses in Croatia and Bosnia and Herzegovina. Currently, he is active at the University of Rijeka School of Dental Medicine and University of Mostar School of Medicine.

MANAGEMENT TEAM

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The Management team has a balanced mix of experts in economics and experts in the field of dental medicine. They have rich experience in the clinical and non-clinical aspects of the dental industry. This allows the Group to grow sustainably in the market, while staying focused on the quality of service, well-being of patients and development of the profession. Members of the Management team have been carefully selected to develop the strategic direction and pursue the goals of Adria Dental Group while adopting a socially responsible and ethical approach in every decision and interaction with stakeholders.



Katja Matić Head of Human Resources

25 years of experience working in various industries and areas of business. Before joining Adria Dental Group, she worked in leadership positions in human resources in telecommunications and IT firms. She graduated with a degree in marketing from the University of Zagreb's Faculty of Economics & Business, and bolstered her managerial skills in 2016 with an Executive MBA from the Cotrugli School of Business. She became a certified executive coach in 2021, a title she received upon completing the Practitioner diploma from the Academy of Executive Coaching (AoEC).



Ksenija Petek Head of Accounting

Over 20 years of experience in accounting, taxes, payroll, and business and financial reporting.

Ksenija worked as the manager of an accounting company where she provided accounting, financial reporting, and payroll services to clients from a variety of industries, and after that she was a Tax and Accounting Manager at Deloitte. Prior to taking over her current role at Adria Dental Group, Ksenija was Director of Finance at Arena Dental.





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Ivana Murati PetrovićHead of Operations

She brings over 10 years of experience in the organization and coordination of the business of private health clinics, in the positions of call center manager, sales and marketing. While working in the dental sector, she was also responsible for the optimization of CRM and non-clinical processes in clinic operations. Before joining the Adria Dental Group, she was the manager of the Arena Dental. Ivana holds a master's degree from the University of Zagreb's Faculty of Humanities and Social Sciences.



Tamara JuttHead of Compliance

Tamara has over 20 years of work experience in the fields of legal affairs, compliance, general affairs, and human resources.



Robin Vukelić Head of Strategic Procurement

Robin brings extensive experience in international business and over 15 years in procurement, sales and business development. In addition to perfecting skills in negotion and business planning, he holds a master's degree in project management. His expertise covers, among others, procurement, IT and ICT, fleet management and international project management. He has achieved significant success by implementing innovative business agreements with suppliers and partners, optimizing cash flows, and creating new revenue streams through implementation of new internal and external processes.



Ana KovačHead of Controlling

Ana has over four years of experience in audit and supervision, which she gained during her years as Assistant Manager at KPMG Croatia. She graduated with a degree in finance from the Faculty of Economics & Business, University of Zagreb.



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MEDICAL BOARD

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The Medical Board of the Adria Dental Group consists of the founders and representatives of the clinics that are part of the Group. Members of the Medical Board have considerable knowledge, competences and experience in the dental industry which they have developed over the decades in the practices and with scientific work. ADG's Medical Board led by the Prof. Dr. Sc. Andrija Petar Bošnjak oversees the clinical standards, supports clinicians in their clinical autonomy, ensures compliance with regulatory standards, provides guidelines and assurance of quality and implements safeguards to protect the well-being and integrity of patients and employees.



Snježana Pohl Member of the Medical Board

Snježana Pohl is a member of the Medical Board of the Adria Dental Group and an oral surgeon at the RIDENT Polyclinic in Rijeka. She holds a PhD and is both a doctor of medicine and dental medicine, as well as an EDA specialist in periodontology and implantology. She is an active lecturer in the field of implantology and periodontology around the world, and regularly publishes scientific and professional work in renowned professional journals.



Željko MiljanićMember of the Medical Board

Željko Miljanić is a member of the Medical Board of Adria Dental Group. He is a doctor of dental medicine with over 30 years of experience in the private dental sector, and he is the founder of the largest dental clinic in the region - RIDENT Polyclinic. He is also the founder of the largest regional dental laboratory Ridental and several companies that provide support to Ridental. He is a member of the Croatian Chamber of Dental Medicine, the president of the Committee for Private Practice and a member of the Professional Council.







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Ivan BrakusMember of the Medical Board

Member of the Adria Dental Group's Medical Board and a specialist in oral surgery at the dental polyclinic Salona Dental. He is a regular lecturer at congresses for the continuing education of doctors of dental medicine organized by the Croatian Chamber of Dental Medicine, besides being an assistant professor at the University of Split School of Medicine.



David Zeko Member of the Medical Board

David Zeko, doctor of dental medicine is a member of the Medical Board of the Adria Dental Group and the founder and director of Salona Dental Polyclinic. After graduating and gaining experience, he opened his own private practice and, with the aim of providing all dental services in one place, founded a polyclinic that became one of the leading polyclinics in Dalmatia. His main area of interest is implantology, and his goal is innovation and constant education of his professional team.



Andrej Božić Member of the Medical Board

Andrej Božić, DMD, has been continuously advancing his career in the field of oral surgery since its inception. With over 10,000 successfully placed implants, he has been primarily focused on implantology for the past ten years and has been closely collaborating with the Nobel Biocare brand since 2013, where he also serves as a thought leader. With over 18 years of professional experience, DMD Andrej Božić currently works as an implantology specialist at Dentum Polyclinic, where he also expresses a special interest in surgery and prosthodontics. To stay up to date with modern technology and the latest implantology methods, he regularly educates himself and encounters the most challenging cases in dental implantology. He is also a permanent member of the Croatian Chamber of Dental Medicine.



About ADG



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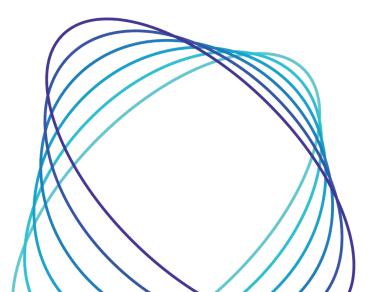
Petar Bago Member of the Medical Board

DMD Petar Bago is a specialist in aesthetic dental medicine at Dentum Polyclinic. He graduated from the Faculty of Dentistry at the University of Zagreb in 2004 and completed the Master's program in Esthetic Dentistry at the University of California, Los Angeles (UCLA) in 2010. He continuously enhances his skills through education in oral surgery and aesthetic dental medicine, particularly in cosmetic makeovers, to achieve complete smile transformations and maintain a high standard of aesthetic dental medicine. Dr. Bago is a permanent member of the Croatian Chamber of Dental Medicine, and his successful journey includes participation in the live Neodent implant Opinion Maker surgery, the first of its kind in Croatia, held in Zagreb in 2015.



Damir ZekićMember of the Medical Board

Damir Zekić is a member of the Medical Board of the Adria Dental Group. He graduated from the University of Rijeka School of Medicine as a doctor of dental medicine. His education in the fields of periodontology, oral surgery and implant dentistry enabled him to found and manage Dentex dental clinic, one of the biggest clinics in Zadar region. His main professional goal is to enable all his patients to receive the best possible care by means of cutting edge technology and procedures that are used in Dentex dental clinics.





Karlo SudarevićMember of the Medical Board



Nikola Džakula Member of the Medical Board





Karlo Sudarević is a member of the Medical Board of Adria Dental Group. He is a specialist in orthodontics with over 20 years of experience in the private dental sector. He is the founder and director of Fiziodent Polyclinic. He is a member of the Croatian Chamber of Dental Medicine and serves as the treasurer in the chamber. He is an active lecturer at conferences in Croatia and worldwide, focusing on orthodontics and the use of aligners in orthodontic treatments.

Zoran DragašMember of the Medical Board

Zoran Dragaš is a member of the Medical Board of the Adria Dental Group. After graduating from the University of Rijeka School of Medicine as a doctor of dental medicine, he worked at one of the largest dental clinics in the Kvarner region. He is one of the founders of Dragaš Dental Design, the largest dental clinic in Slavonija. Always searching for improvement, he is constantly acquiring new knowledge that he can put to use in everyday clinical work.

Dr Nikola Džakula obtained his degree from the School of Dental Medicine in Zagreb in 2011.
Since then, he has devoted himself to furthering his expertise in areas such as prosthodontics, periodontology, and dental implantology.
He consistently educates himself through professional events around the world, such as Munich, Lisbon, Milan, and Istanbul, where he learns from leading experts.

In addition to his academic achievements, Dr Džakula completed specialized postgraduate studies in Zagreb. Today, he operates as a physician and educator across several European countries, utilizing his knowledge and experience to assist patients.

He believes that the key to successful therapy is a combination of a careful approach and a continuous desire for progress. Through precise work, use of high-quality materials, and ongoing learning, he ensures that every moment with a patient is filled with expertise and care.

His dedication results not only in improved health but also in positive patient experiences that serve as motivation for further success.

About ADG

SUPERVISORY BOARD

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Members of the Supervisory Board have significant experience in business development and financial management. Their background in asset management and mergers and acquisitions allows ADG to successfully expand and achieve sustainable growth.



Igor ČičakPresident of the Supervisory Board

Igor Čičak is the President of Adria Dental Group's Supervisory Board and Managing Partner and CEO of Provectus Capital Partners (PCP). He has more than 20 years of experience in executive management and private equity investment in the Central and Eastern European (CEE) region.

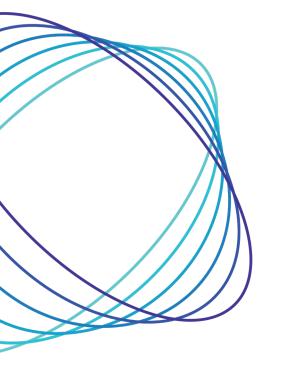
Igor is the founder of Optimapharm, one of the leading European clinical research companies, and he served as Chairman of the Supervisory Board from 2011 to 2020. During period 2006-2011, Igor was CEO of the regional bank in Croatia. Prior to that, Igor performed senior and top executive positions with local and international banks (HVB/Bank Austria) and large corporates. He graduated from the University of Zagreb's School of Economics, received his GMP in Vienna, and completed the Senior Executive Program at the London Business School.



Srećko SrdjakMember of the Supervisory Board

Member of Adria Dental Group's Supervisory Board and one of its co-founders. He is also the founder of Arena Dental. Srećko is an experienced dentist and periodontology specialist with over 17 years in the private dental sector. He has founded several companies that deal with dental equipment supply as well as marketing and communications. After completing his periodontist specialization, he founded Arena Dental clinic in 2011.

Over the course of his career, he has received numerous awards for excellence in his work and his contributions to the field of dentistry, while Arena Dental has become one of the leading dental clinics in all of Croatia.





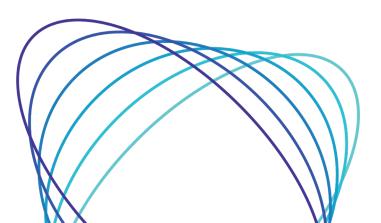
Ivan DujmovićMember of the Supervisory Board

Supervisory board member at Adria Dental Group and the managing director at Provectus Capital Partners (PCP). Ivan has 20+ years of experience in the financial sector, mostly in banking and asset management. Prior to joining PCP, Ivan spent six years as the CEO of Heta Asset Resolution in Croatia and Slovenia, and before that was a board member of Banco Popolare Croatia. He started his banking career in Bank Austria/HVB Group, where he held various positions over the course of his eight years with the company. Ivan holds an economics degree from Pace University in New York, and completed the GMP program in Vienna.



Marko Galić Member of the Supervisory Board

Member of Adria Dental Group's Supervisory
Board and a Partner at Provectus Capital
Partners (PCP). In over 15 years of experience,
he participated in structural finance transactions
and mergers and acquisitions valued at over
500 million euros. Before joining PCP, he was
senior banker, regional head of SME Finance
and Development at EBRD, and worked in the
regional divisions for the merging and acquisition
of UniCredit and CA IB. Marko holds an MBA
from CESMA Business School and a BSc
in Management and Economics from the
University of London.

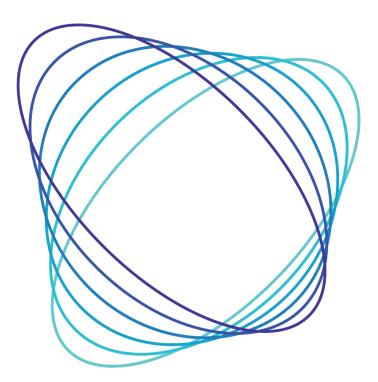




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Luka CertićMember of the Supervisory Board

Member of Adria Dental Group's Supervisory
Board and a Manager at Provectus Capital
Partners (PCP). He has over ten years of experience in M&A, audit, and corporate finance.
Before joining PCP, he worked as a manager at euroMerger Croatia, where he participated in numerous M&A and corporate finance projects.
He also worked at Ernst & Young in Zagreb.





Sander Collé Advisor of the Supervisory Board

Advisor of the Supervisory Board, and head of M&A at several buy-and-build platforms. He has over 20 years of experience in both M&A and buy-and-build growth strategy. He was a partner in a mid-market M&A boutique in the Netherlands, and was Head of M&A for the largest European dental chain, Curaeos, which is now part of Colosseum Dental. He graduated from the Erasmus University in Rotterdam and holds a degree in International Business Administration. With his rich experience and valuable strategic perspective he significantly contributes to the work of ADG's Supervisory Board as advisor.





The aim of the Adria Dental Group is to have governance bodies that have thorough knowledge in dental medicine and experience in management of impacts on patients and human resources, compliance and ethics, management of the suppliers and management of the financial, natural and technological resources. Current structure of the bodies ensures necessary skills for successful management of material impacts, risks and opportunities. Members of the management, medical and supervisory bodies are constantly involved in the education and training in their respective fields. ADG offers them support in participation in learning opportunities.

Additionally, in the reporting year, the Board and the Management team had support from

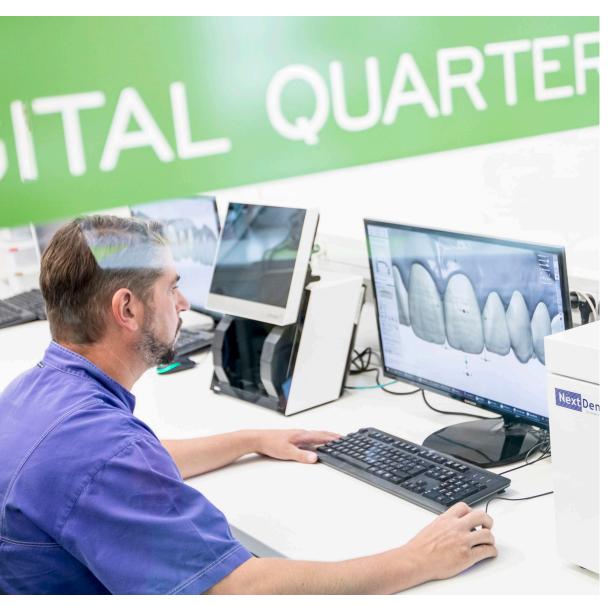
sustainability experts in conducting materiality assessment, developing policies and structuring environmental, social and governance (ESG) data collection system.

Roles and responsibilities of the governance bodies

The Board is responsible for the oversight of material impacts, risks and opportunities. Their responsibilities are determined by the environmental, social and governance (ESG) policies and Board mandates. Each member of the Management team has operational responsibility for specific sustainability matters, and they discuss these issues regularly at the team meetings.

The management team supported by the Board is responsible for conducting materiality assessment and management of material impacts, risks and opportunities. Their role is to set, adopt and revise ESG policies and to provide strategic guidance on actions in material areas. Management team members are in communication with heads of clinics and discuss the activities needed to achieve policy goals in relation to the management of material impacts, risks and opportunities. These activities are supported by respective departments within clinics.

The Management team ensures that ADG procedures in environmental and social matters are in line with the strategy and policies set.



Management team has set indicators to track performance in regards to sustainability matters. Environmental data is collected and prepared by the designated employees in the ADG clinics, reviewed by the head of clinics and validated by the Management team. Social and governance data is mainly collected in centralized departments at Group level (HR, Procurement...) through specialized IT systems. Data is collected twice a year and reported to all stakeholders annually in the Sustainability Report.

Qualitative and quantitative data on sustainability matters and stakeholder interests inform Board's decisions and strategic planning. ESG risks and opportunities are taken into account when deciding on major transactions and expansion. When there are possible conflicts between financial gains and impacts on stakeholders, ADG is guided by the values and principles set in the Code of Ethics. This means that responsibility, excellency, integrity and commitment to patients is always a priority that cannot be compromised.

In the reporting period, administrative, management and supervisory bodies addressed the sustainability matters:

- → Adoption of the ESG corporate policies
- → Development of the human resources strategy and implementation of Adria Dental Group Academy
- → Improvement of the customer satisfaction system
- → Review of the procedures and controls over privacy protection
- → Possibilities for integration of renewable energy in the energy mix

The Sustainability Report is prepared by the Management team and presented to the Management and Supervisory Board for approval. In the reporting period remuneration policies have not been linked to sustainability matters.

Statement on due diligence

ADG's Management Board is committed to conducting business in a socially and environmentally sustainable way, thus sustainability due diligence is already part of the organizational culture and integrated into the day to day management. In the reporting period, Adria Dental Group has identified and assessed impacts, risks and opportunities through a structured approach based on various information sources. Governance bodies have been involved in assessing and validating sustainability matters and adopting policies in regards to sustainability matters. Many measures are already in place to prevent negative impacts on stakeholders and the environment, and in the reporting period a structure for collection of ESG data has been established in order to track effectiveness of efforts and regularly communicate about sustainability matters with stakeholders.

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Risk management and internal controls over sustainability reporting

ADG wants to report transparently, accurately and timely on the management of ESG impacts, risks and opportunities. At the beginning of the sustainability reporting process, the Management Board has determined main risks that could affect the achievement of the goals in regards to the Sustainability Report. Following risks have been identified and accounted for: completeness and integrity of the data, the accuracy of the data, the consistency of methodology used for data collection and calculation and application of estimations and their impact on data credibility.

To mitigate the risks, data collection has been led centrally in order to prevent differences in the methodologies and enough time was provided for structuring the data collection system. Data collection process is the responsibility of the Head of Operations who prepared templates, instructions on methodology and sources of data that were then delegated to the clinics. Head of clinics determined employees who were responsible for collecting data based on the instructions provided. Head of clinics reviewed the data and submitted the data to the operations manager who is responsible for consolidation and final validation. Head of Operations periodically reports on the process and identified challenges to the Management and Supervisory Board.



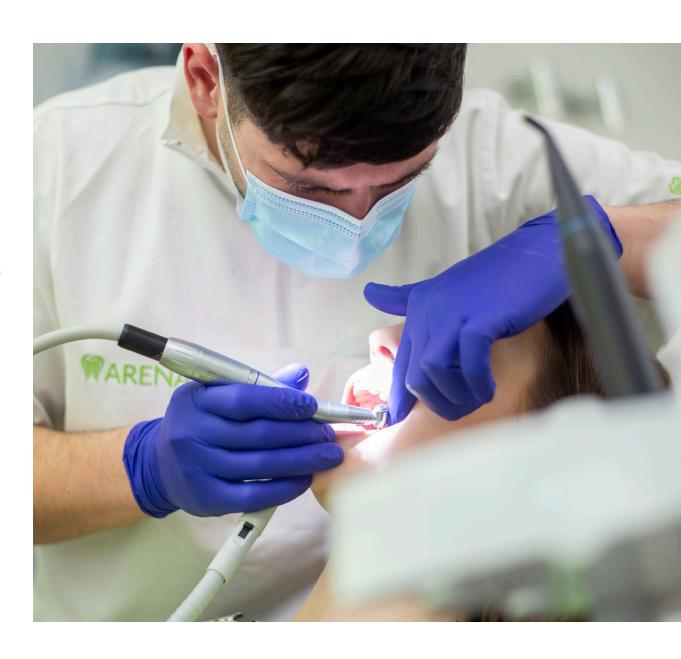
Sustainability Report 2023

1.2

Strategy, business model and value chain

ADG is a comprehensive dental medicine group whose purpose is to provide highest quality dental services with the aim to enhance patients' quality of life while ensuring positive social and environmental impact.

Adria Dental Group continuously invests in raising the bar through technology, innovation, and the quality of the services offered, guaranteeing satisfaction with the results for all patients and partners. This strategy guarantees mutual growth through long-term partnerships. Adria Dental Group consists of Arena Dental, Salona Dental, Rident, Dentum, Fiziodent, Dentex and Dragaš Dental Design.







Arena Dental clinic is based in Zagreb and specializes in periodontics, oral surgery, prosthodontics, endodontics, orthodontics, and aesthetic dentistry. Its team is composed of 15 doctors of dental medicine who provide services from all branches of dentistry, and its practice includes 11 high-tech dental treatment rooms, as well as a diagnostic center.

Dental laboratory services are provided by Arena Dental Lab which currently consists of 14 highly specialized dental technicians qualified for most complex dental restorations.





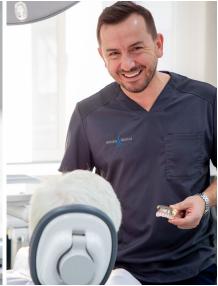




Salona Dental is a dental clinic based in Solin, offering a full scope of dental services, from diagnostics, prosthodontics to surgical procedures. Its team is composed of 15 doctors of dental medicine, and its practice includes 12 high-tech dental treatment rooms, as well as a diagnostic center.

Vladimir Tešija Dental Lab with its 18 highly qualified dental technicians and cutting-edge technology provides full range dental lab services for Salona Dental.







RIDENT

Dentalne poliklinike

Rident is the largest dental clinic of Adria Dental Group and the largest dental center in the region.

Ridental with its cutting-edge technologies and team of dental experts is the largest dental laboratory in the region.

Rident and Ridental have a multidisciplinary team of 200 employees, doctors of dental medicine, specialists in various branches of dental medicine, dental assistants and technicians, that offer modern dental services.

With 38 studios, two radiology departments, two oral surgery departments and three dental laboratories on two locations -Rijeka and Poreč.











Dentum is a dental clinic located in Zagreb, specializing in periodontology, oral surgery, prosthodontics, endodontics, orthodontics and aesthetic dentistry. Dentum team consists of 13 doctors from various branches of dental medicine.

Top quality is achieved with the most technologically advanced materials in combination with a sophisticated team of dental experts in the modern environment of a polyclinic and modernly equipped dental treatment rooms.









FIZIODENT

Poliklinika Fiziodent is one of the leading clinics in the field of orthodontics with 20 years of practice, and more than 20,000 successfully performed orthodontic therapies. Their team consists of 14 professionals specialized in orthodontics and other dental fields.

One of the biggest successes is the SimplySmile clear aligners, where the orthodontic specialists of Fiziodent participated in its creation.











Dentex Dental Center is located in the city of Zadar. Since its establishment, Dentex has evolved into a modern, innovative, and high-tech center. Their team of 14 skilled doctors and numerous assistants, along with the latest technology implemented in their dental equipment, top-quality dental materials, state-of-the-art dental laboratory, and patient care, have enabled them to provide dental services at the highest level.

Dentex has its own dental laboratory and covers all fields of dental medicine except orthodontics.











Dragaš Dental Design, located in Čepin near Osijek, is the largest dental clinic in Slavonia, having achieved its leading position in the local market in six years of operation. Their professional team of 7 doctors and specialists from all fields of dental medicine provides an individualized approach to each patient, resulting in top-notch dental treatments performed using state-of-the-art diagnostic and therapeutic methods.

The clinic boasts four modernly equipped treatment rooms for all branches of dental medicine and has its own digitalized dental laboratory.









By acquiring established dental practices and their consolidation in Adria Dental Group, several benefits are achieved for everyone involved. By consolidating several clinics into the Group, more efficient operations and better coordinated patient care are achieved. Patients not only gain access to interdisciplinary specialist treatment without the need for external referrals, but these mergers also create a larger and more diverse environment. In turn, this makes it easier to recruit and retain skilled personnel. It also facilitates the coordination of training and professional development at the local level.

Consolidation also leads to increased economic sustainability. By sharing common expenses, ADG clinics gain improved access to advanced equipment and technology. This allows offering more advanced treatment and diagnostics.



Sustainability Report 2023 About ADG

ADG Business model

KEY RESOURCES

- → advanced technology
- → quality materials
- → employee expertize

ACTIVITIES

- → restorative dental medicine
- → oral surgery
- → periodontology
- → prosthodontics
- → orthodontics
- → lab production

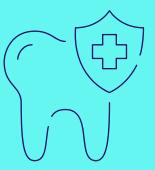
VALUE PROPOSITION

→ complete & highest quality care for our patients BENEFITS FOR PATIENT

- → health & quality of life
- → confidence & satisfaction

ADG services

ADG through its clinics offers a wide range of dental services to meet the diverse needs of dental patients. ADG's markets include domestic (less than 200 km from the clinic) and distant (over 200 km from the clinic) patients. In order to deliver excellent service ADG depends on advanced technology, quality of the input materials and the expertise of the workforce.



RESTORATIVE DENTAL MEDICINE

- → fillings
- → root canal fillings

ORAL SURGERY

- → tooth extractions
- → surgical procedures on the alveolar ridge

PERIODONTOLOGY

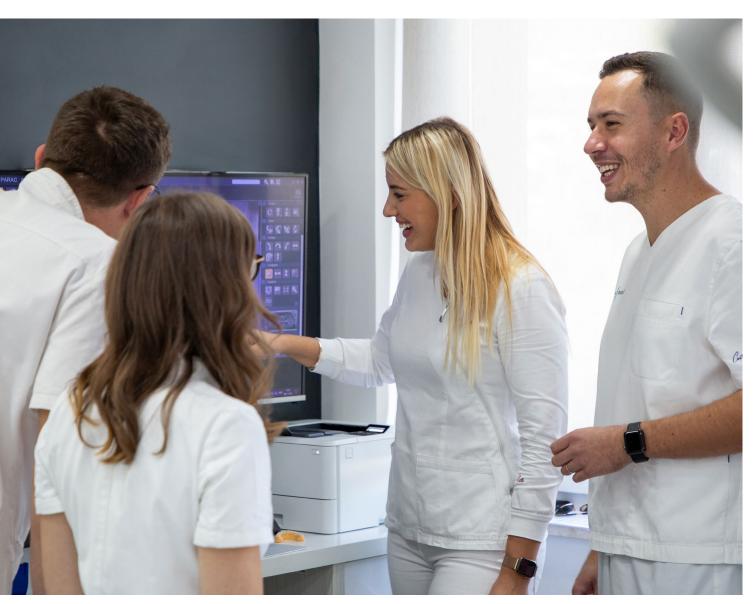
- → oral hygiene education
- → teeth cleaning
- → surgical interventions on the supporting structure of teeth
- → implant placement

PROSTHODONTICS

- → crowns
- → bridges
- → dentures
- → implant crowns
- → implant-supported bridges

ORTHODONTICS

→ correction of tooth and jaw positions and relationships



Quality materials

Adria Dental Group

Collaboration with suppliers is based on fair contractual terms, trust, and daily communication which enables ADG to secure needed inputs. Key suppliers are representatives of international companies that are established providers of materials and services in the field of dental medicine, from material supply to various intelligent IT and operational solutions, including equipment, devices and instruments.

Materials used

- → Raw materials: zirconium dioxide in blocks, titanium dioxide in blocks, Co-Cralloys, gypsum, polymethyl methacrylate - polymer and monomer
- → Impression materials: silicone materials, alginate materials
- → Composite materials: laboratory blocks, light-sensitive material for clinics
- → Bone replacement materials
- → Surgical materials: sutures, needles, scalpels, dental implants
- → Instruments: steel, titanium, carbon
- → Drills: diamond-coated, steel/carbide drills
- → Liquids and disinfectants (for use in the clinic, for cleaning and disinfection of surfaces, instruments, and equipment).



Advanced technology

Integration of cutting-edge technology has transformed the landscape of modern dentistry, enhancing patient care, treatment precision, efficiency, and overall experience. Advanced technology plays a crucial role in ADG's activities because it allows staff to improve diagnostic precision and treatment planning ensures that procedures are minimally invasive and that patients receive perfectly fitting restorations.

Diagnostics:

- → Digital imaging systems
- → Intraoral scanners

Treatment Planning:

- → Software assisted simulation of treatment outcomes
- → Virtual models

Medical procedures:

→ Laser technology

Laboratory:

→ Computer-aided design and computer-aided manufacturing (CAD/CAM) systems

Customer relations:

- → Electronic Health Records
- → Telemedicine

By integrating advanced technology, ADG clinics deliver services with enhanced accuracy, efficiency, and patient satisfaction. This approach establishes the clinics as leaders in modern dentistry.



Employee expertise

The Group relies heavily on the expertise of its employees as a critical input to deliver high-quality dental services. The success of ADG clinics in providing top-notch dental care is intricately linked to the skills, knowledge, and experience of their staff members. Dental clinics require skilled doctors of dental medicine, dental assistants, and dental technicians, i.e. specialized professionals who possess deep knowledge and hands-on experience. Their ability to accurately diagnose dental conditions, perform procedures with precision, and deliver effective treatments directly impacts the quality of care patients receive.

Besides the importance of professional knowledge and skills, employees need to be highly patient centered in order to listen to patients, address their concerns and tailor treatments according to their individual needs. This patient-centered approach enhances the overall patient experience and contributes to better treatment outcomes.

Employee expertise is not static; it evolves through continuous learning. That is why ADG invests in professional development and training for their staff members, enabling them to stay ahead in their field, offering the latest and most effective dental solutions.



Our strategy for sustainable growth

We aim to create sustainable value for our employees and patients focusing on their well-being in everything we do.







2. Patients wellbeing



PERFORMANCE 2023



1. Human resources management

COMMITMENTS ACTIONS

- → Supporting personal and professional development of employees through training opportunities
- → Ensuring the best working conditions for high employee satisfaction
- → Promoting employee well-being at work and at home
- → Maintaining an organizational culture that respects diversity and ensures equal opportunities
- → Supporting students and facilitating their transition to the job market

- → Robust H&S management system to protect employee's
- → Free annual health check-ups for all employees

health at work

- → ADG Academy
- → Adjustment of salaries in line with market trends
- → Internal and external education and trainings
- → ADG scholarship for students of dental medicine from Rijeka, Split and Zagreb universities

PERFORMANCE 2023

- → Share of employees who participated in some form of education: 53.73%
- → Average training hours per employee: 5.24
- → Number of workplace accidents: 1
- → Share of women in top management: 36%
- → Satisfaction with working conditions: 81%
- → Number of scholarship recipients: 6
- → Number of completed internships: 90

COMMITMENTS

- → Providing top-quality service
- → Using premium materials and modern technologies
- → Continuously improving overall service satisfaction
- → Increasing the Net Promoter Score

ACTIONS

- → Improvements of the customer satisfaction system
- → Improvements of the IT systems to strengthen privacy protection
- → Chairside screening for periodontal pathogens
- → Chairside analysis of vitamin D3 levels in blood (responsible for the metabolism, allaround healing and osseointegration of dental implants)
- → New central laboratory with the latest technology
- → Implementation of CRM system

- → Total number of patients: more than 40 000
- → Net Promoter Score: 89.3%
- → Number of complaints per 1000 patients: 0.4
- → Share of devices compliant with the Medical Device Regulation (MDR) requirements: 100%
- → ISO 9001 certification: 71.43%
- → Identified cases of non-compliance with legal frameworks or voluntary codes related to quality and patient safety standards: o





Our strategy for sustainable growth

We aim to responsibly manage natural resources and reduce our environmental footprint.



3. Waste management



→ Reduce CO ₂	
emissions	

COMMITMENTS

1. Climate action

→ Increase the share of renewable energy sources in the energy mix

ACTIONS PERFORMANCE 2023 → LED lights in all

- clinics → Optimizing staff
- → Reducing the need for patients travel

travel

→ Installment of solar panels on the roof of new laboratory

→ Total energy consumption in MWh: 1213.54

- → Share of energy from renewable sources: o
- → Energy intensity (MWh/EUR): 0.00003
- → Total GHG emissions: 264.5 t CO₂e



2. Water use

COMMITMENTS	ACTIONS	PERFORMANCE 2023
→ Maintain the current water use intensity	→ Using air pumps instead of water pumps	→ Water intensity (m³/mil EUR): 262.93

→ Increase the records → Share of hazardor proportion of waste that is recycled → Developing the process of printing → Share of non-			
non-hazardous waste → Increase the proportion of waste that is recycled → Developing the process of printing aligners instead of pressing them - less waste and more precise production workflow → In cooperation with industry, recycling of dental toothbrushes	COMMITMENTS	ACTIONS	PERFORMANCE 2023
industry, recycling of dental toothbrushes	non-hazardous waste → Increase the proportion of waste	 → Digital patient records → Developing the process of printing aligners instead of pressing them - less waste and more precise production 	generated: 116.94 t → Share of hazardous waste: 1.20%
		industry, recycling of dental toothbrushes	

Our strategy for sustainable growth

We aim to operate in accordance with principles of transparency, good governance, and business ethics to become a leader in sustainability within the dental medicine sector.



1. Business ethics

COMMITMENTS

→ E	Being recognized
f	or ethical business
р	ractices

→ Educating and raising awareness among employees about ethical conduct in the workplace

ACTIONS

- → Development and adoption of Code of **Ethics**
- → Appointment and education of ethics commissioners
- → Training of ownworkforce on the Code of Ethics

PERFORMANCE 2023

- → Number of internal reports of unethical behavior: 2
- → Share of employees who participated in business ethics education: 100%

3. Supplier relationship



→ Foster long-term collaboration

COMMITMENTS

- → Prevent delays in payments
- → Demand sustainability along the supply chain

ACTIONS

- → Adoption of the Supplier Management Policy
- → Implementation of internal and external ordering procedures and stock management

PERFORMANCE 2023 → Share of payments

- aligned with contract terms of payment: 100% → Number of ongoing
- legal proceedings initiated due to late payments during the reporting period: o
- → Share of ESG evaluated suppliers:



2. Anti-corruption

COMMITMENTS	ACTIONS	PERFORMANCE 2023
→ Zero corruption cases	→ Adoption of the Anti-corruption Policy	→ Total number of confirmed cases of corruption or bribery: o



Stakeholder engagement

Continuous stakeholder engagement plays a pivotal role for the sustainable development of Adria Dental Group. Stakeholder engagement informs decision making and enables the adaptation of strategy and business model to meet stakeholders' interests and improve ESG impacts. Furthermore, ADG's continuous engagement with stakeholders allows identification and monitoring of ESG risks and ensures resilience of strategy in regards to ESG challenges.

Key Group's stakeholders have been identified by the Board and Management team which is ultimately responsible for stakeholder engagement, ensuring that stakeholders timely receive needed information and that their inputs are taken into account in decision making. By involving various stakeholders, a company gains insights into diverse perspectives, potential risks, and opportunities. This allows for a more comprehensive understanding of the business environment and informs strategic decisions. Moreover, by communicating with those affected by operations, ADG can adjust its practices and align with stakeholders' expectations thus improving the reputation.



STAKEHOLDERS	ENGAGEMENT FORM	EXPECTATIONS, INTERESTS AND VIEWS	ADG'S STRATEGIC RESPONSE
Employees -	Internal platform	Work-life balance	Supporting employees' personal and
medical and non- medical staff	Email	More feedback and discussions	professional development through educatio opportunities
Medical: Doctors of Dental	Individual meetings with the supervisor	about development and progress Continuous opportunities for education and skill development	Developing a structured career developmen system
Medicine, Dental Technicians, and Dental Assistants	Group meetings depending on the topic	Working with the best technologies and materials	Monitoring the development of the salaries and working conditions on the market
Non-medical:	Annual satisfaction surveys Occasional short surveys	Competitive working conditions	and adjusting own practices to ensure high employee satisfaction
Front Office and Back Office	through the internal platform Ethics commissioners	Improved communication between management and employees	Promoting employee well-being at work and at home through benefits package
	Ethics commissioners	More initiatives for employee well-being	Maintaining an organizational culture that respects diversity and provides equal opportunities
Dental patients	Website and Social media	Conscientious and ethical behavior	Continuous improvements of the service
	Blog posts and FAQ	of doctors and other staff	through quality management system
	Email, SMS, phone,	High-quality service, using top- notch materials, painless treatment,	Using premium materials and modern technologies
	Call centers	natural appearance	Monitoring and implementing the latest
	Patient satisfaction	High hygiene standards, care for	techniques and technology
	measurement surveys (NPS)	health and safety during clinic visits	Regular review of hygiene protocols
	Complaints mechanism	Good patient awareness in all stages of treatment	Continuously enhancing overall satisfaction through improvements in patient's journey
		Continuous communication and patient monitoring throughout the entire cycle	Digitalization of communication and treatment tracking



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EXPECTATIONS, INTERESTS AND VIEWS

STAKEHOLDERS

ENGAGEMENT FORM

ADG'S STRATEGIC RESPONSE



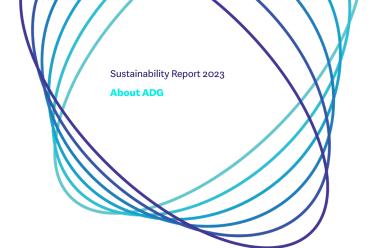


STAKEHOLDERS	ENGAGEMENT FORM	EXPECTATIONS, INTERESTS AND VIEWS	ADG'S STRATEGIC RESPONSE
Former clinic	Monthly reports (financial	Profitability	Long-term sustainable business operations
owners, Minority owners, present	indicators, ESG topics, profitability, clinical operations, challenges)	Business resilience to external threats	Effective management of ESG risks
in day-to-day management	Meetings as needed	ESG performance in respect to industry peers	
Fund, Majority owner detached from day-to-day		Transparent and timely risk disclosures	
operations		Achieving a positive return on investment	



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Adria Dental Group



1.4

Materiality assessment

Materiality assessment for the purpose of this sustainability report has been guided by the double materiality principle and conducted in 3 steps.

Step 1

Material impacts, risks and opportunities have been identified based on the:

- → analysis of the business model and the interference with natural resources and stakeholders;
- → industry and regulatory screening and overview of ESG trends;
- → outcomes of continuous stakeholder engagement which were provided by members of the Management Board.

In the reporting period, materiality assessment focused on the analysis of own operations at all ADG locations, and included consultations with external experts. Stakeholders were not directly involved in the materiality assessment, but their interests and expectations were taken into account based on the outcomes of the regular stakeholder engagement channels. Risks and opportunities were identified based on the dependencies on various resources and negative impacts. Overall risk management system of ADG informed the identification of risks in the materiality assessment process.

Based on these sources an initial list of impacts, risks and opportunities has been created. Identified impacts, risks and opportunities (IROs) have been consolidated into sustainability matters.

Step 2

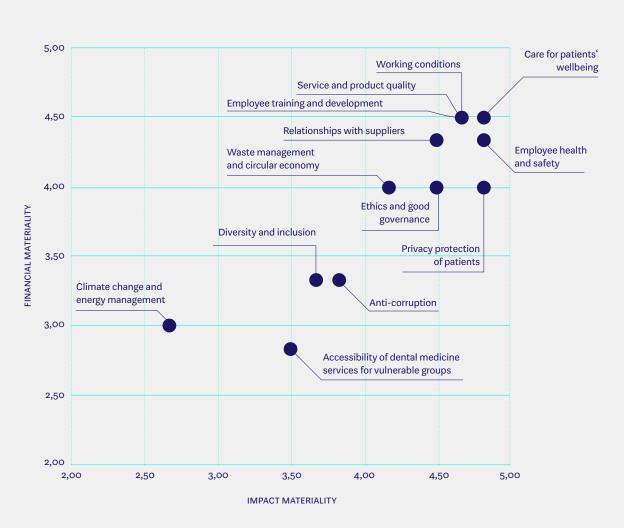
All members of the Board and the Management team participated in the assessment of sustainability matters. All sustainability matters have been assessed on a scale from 1 to 5, where 1 represented "not important" and 5 meant "extremely important". The assessment was focused on the next 3 years and was based on the severity and likelihood of IROs. The aim of this approach was to gain understanding of the most important environmental, social and governance impacts of ADG and to determine which topics present the source of the most important risks and opportunities that can financially impact Adria Dental Group. Members of the Management Board have the necessary knowledge, experience and information to assess the severity and likelihood of impacts, risks and opportunities.

Step 3

The results have been analyzed and visually presented in the form of a materiality matrix where X-axis represents impact materiality and Y-axis represents financial materiality. Impact materiality refers to ADG's impacts on sustainability matters, while financial materiality refers to the risks and opportunities, i.e. impact of sustainability matters on financial performance, strategy, business model and/or decision making of ADG.

All sustainability matters rated above 2.5 have been included in this Sustainability Report. Materiality matrix has been validated by the Management and Supervisory Board.

Sustainability Report 2023



Most material sustainability matters both from impact and financial perspective are management of human resources and topics related to patients health, safety and satisfaction. ADG dedicates significant financial and non-financial resources to management of related impacts, risks and opportunities and contributes significant attention to reporting on performance in these areas. On the other hand, ADG clinics, as part of the dental healthcare industry (compared to other industries), do not have significant environmental impacts which is why environmental topics, apart from waste management, are assessed as less material. Waste is the most important environmental topic, as dental practices generate hazardous waste which needs to be properly stored and disposed of. Ethical business conduct and sustainable relations with suppliers are assessed as very material for ADG's success.

Management of sustainability matters is an integral part of ADG operations and impacts, risks and opportunities are taken into consideration in decision-making of the governance bodies.



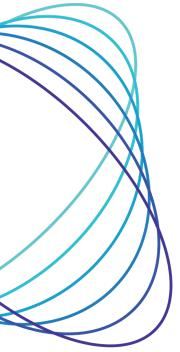
MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

MATERIAL TOPIC	SUSTAINABILITY MATTER	DESCRIPTION OF IMPACTS, RISKS AND OPPORTUNITIES	STRATEGY AND BUSINESS MODEL
Climate change and energy management	Climate change mitigation	Through ADG activities, GHG emissions are generated in the form of scopes 1, 2 and 3. Scope 1 and 2 are related to consumption of energy from non-renewable sources and scope 3 emissions are mostly related to procurement of goods and services, waste disposal, employee commuting, business travel, and clients' travel to appointments.	Aware of the need to reduce consumption of fossil-based energy and related GHG emissions, ADG will invest in development of its own renewable energy and improvement of energy efficiency of clinics. Reducing reliance on fossil-based energy will result in reduced costs.
		Reliance on fossil-based energy presents a financial risk as the prices are volatile, dependent on the geopolitical situation and expected to rise due to transition to a low-carbon economy. Use of non-renewable energy results in GHG emissions.	
	Climate change adaptation	As the EU is heading towards a net zero economy, all undertakings are facing market and regulatory risks influencing them to find solutions to align with the ambitions of limiting global temperatures below 1,5°C. This will require investments in reducing CO2 emissions.	Monitoring the changes in risks and preparing for reducing the reliance on non-renewable energy sources with the aim to align with the goals of a low-carbon economy.
		Climate change is already happening and it is expected the consequences will be more severe. More frequent and severe heat/cold waves could result in higher heating/cooling costs. Additionally, more frequent storms and heavy precipitation can lead to loss of income due to skipped or postponed appointments as well as costs for damaged assets.	
Water	Water use	ADG uses water from the public water grid in its clinics for the purposes of dental procedures and sanitation.	ADG's priority is to maintain high quality of service and to preserve the health of both employees and patients, therefore water use cannot be significantly reduced. However, where possible ADG invests in equipment which is more water efficient.

Sustainability Report 2023

About ADG

MATERIAL TOPIC	SUSTAINABILITY MATTER	DESCRIPTION OF IMPACTS, RISKS AND OPPORTUNITIES	STRATEGY AND BUSINESS MODEL
Circular economy and waste management	Hazardous waste generation	ADG's business model of providing dental care services results in generation of waste such as needles, gloves that have been in contact with bodily fluids, gauze with blood or saliva, and the like which are considered hazardous waste and cannot be reused or recycled as they pose threat to human health. Improper disposal or inadequate waste management can harm the environment and lead to regulatory non-compliance.	ADG clinics have strict procedures for collection and disposal of hazardous waste developed in line with legal requirements. The aim is to reduce health-related risks and prevent potential fines stemming from inadequate management of hazardous waste.
	Single-use plastic consumption	Single-use plastic objects (gloves, bibs, aprons, masks, aspirator tips, tray liners, cups, handle covers and packaging) are effective in their protective role and cheap compared to other options. Single-use plastic has a negative impact on the environment as it is based on the non-renewable raw material and often cannot be recycled as it is considered "hazardous waste".	ADG reviews options to reduce the use of plastic, however safety of all stakeholders involved remains the priority.
	Non-hazardous waste generation and recycling	Administrative work and non-medical related activities in ADG generate non-hazardous waste such as paper, plastic, mixed municipal waste, biowaste etc. At the moment only part of this waste gets properly sorted and recycled.	ADG aims to improve non-hazardous waste management and increase the % of waste that gets recycled.
Own workforce	Working conditions	ADG aims to provide security of employment for its employees and ensure competitive wages. This is not only a positive impact on the employees, but also beneficial for the ADG as it attracts and retains quality employees.	ADG's strategy is to set benchmark in the industry in regards to working conditions of their own workforce with the aim to attract and retain the best talent.
		Operating in the dental medicine industry, ADG's employees work in shift mode, which also includes work over weekends. Working conditions can affect work-life balance and potentially cause dissatisfaction among employees.	
	Health and safety	Working with patients poses risks of infection and spread of communicable diseases. Furthermore, work with sharp objects, slippery floors or work-related travel can cause injuries.	ADG aims to continuously optimize a system for health and safety management in order to prevent workplace accidents, diseases and impact on employees' mental health.
		Inadequate safety measures can lead to workplace-related injuries/illnesses. This can in turn lead to an increased number of lost days, fees or possible fines, as well as a loss in productivity and staff morale.	



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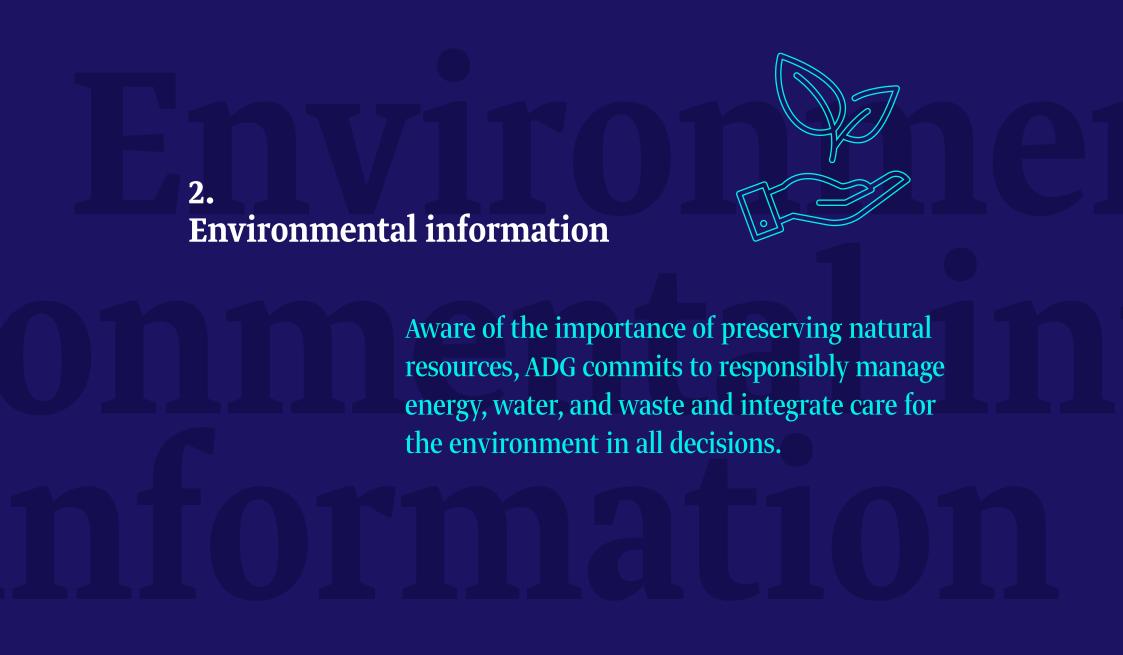
About ADG

MATERIAL TOPIC	SUSTAINABILITY MATTER	DESCRIPTION OF IMPACTS, RISKS AND OPPORTUNITIES	STRATEGY AND BUSINESS MODEL
Own workforce	Gender equality and equal pay for work of equal value	In ADG clinics, there is no discrimination in regards to gender. All employees are hired, managed, trained and promoted in equal manner and compensated in line with their competences, experience and performance.	ADG's strategy is to ensure equal opportunities and equal pay for work of equal value. This approach ensures access to a quality workforce and reduces the risk of dissatisfaction and low engagement.
	Training and skills development	Investing in employees' skills is not only a positive impact on people, but also a benefit for ADG as it grows the human capital, ensures quality of service and fosters innovation. Through the implementation of the ADG Academy, Adria Dental Group pursues this opportunity and generates a positive impact on its own workforce.	ADG established ADG Academy as a structured approach to education and training of its own (medical) employees. Non-medical employees are also encouraged and supported to participate in various soft and hard-skills, internal and external trainings. Additionally, ADG works on structuring the career management system in order to support employees in their professional development.
	Lack of dental professionals on the market	There is a shortage of dental-medicine professionals on the market. This creates a risk of lacking competent and motivated employees which could potentially affect the quality of service and undermine ADG's strategy.	ADG is proactively working on developing a working environment that is in line with employees expectations and benchmark on the market. ADG also partners with educational institutions to offer internships and provides scholarships to generate the pool of talents.
Consumers and end-users	Risk of data loss or breach	ADG handles sensitive patient data which makes it vulnerable to reputational risk. This risk is heightened when there are celebrity patients. Failing to protect the patients privacy by own mistakes or external attacks could lead to loss of trust and impact reputation. Additionally, breaches of patient privacy can result in legal and financial consequences.	ADG invests in structuring and strengthening the data privacy system in order to mitigate the risk.
	Access to quality information	Working in the medical field, ADG needs to ensure that all patients get accurate, timely and transparent information about the procedures, costs, duration, risks etc. Restricted access could impact patients' well-being and pose reputational risks. ADG clinics ensure that all patients get the needed information to be able to make informed decisions.	ADG's strategy is to transparently communicate with patients about the relevant aspects of their patient journey. Various information channels have been established. ADG avoids marketing practices that would give a false impression and generate unrealistic expectations.
	Service and product quality	Providing dental medicine services by using high quality materials, technology and top-of-the-class dental professionals is generating a positive impact on patients' health.	ADG's strategy is to provide the highest quality service constantly searching for the best materials and technology and building expertise among its own employees in order to improve oral health among patients.

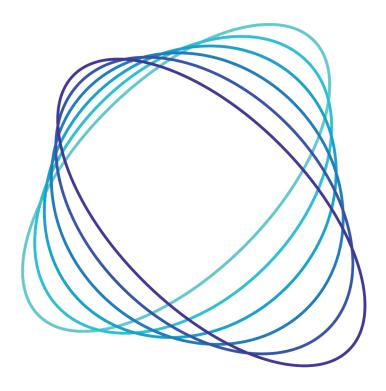
About ADG

MATERIAL TOPIC	SUSTAINABILITY MATTER	DESCRIPTION OF IMPACTS, RISKS AND OPPORTUNITIES	STRATEGY AND BUSINESS MODEL
Consumers and end-users	Care for patient's well-being	In the dental medicine field, there are potential impacts on patient's health that could result from lack of hygiene (space, instruments, contact), inadequate treatment or unsuccessful procedures due to intended or unintended misleading information received from patients. These risks could lead to financial consequences for ADG.	ADG established strict protocols in line with the legal requirements and voluntary standards to ensure patients' well-being in all phases of their journey.
	Accessibility of dental medicine services to vulnerable groups	Advanced dental services are costly, and usually not covered by the public health system making them inaccessible to certain groups of patients.	ADG's offers various payment models to make dental services more accessible to a larger number of people.
Business conduct	Strong corporate culture based on ethics and social responsibility	ADG adopted a Code of Ethics that established principles of corporate culture and guides the behavior and decisions of the employees.	ADG corporate culture is established on the principles of responsibility, integrity, excellence, commitment to patient and team-work. By acting in line with the Code of Ethics, ADG avoids negative impacts on people and the planet.
	Anti-corruption	Corruption and bribery incidents and accusations can impact stakeholders involved and pose reputational and regulatory threats to ADG.	ADG is against all forms of corruption and bribery.
	Relationships with suppliers	ADG generates a positive impact on the suppliers by setting fair contractual agreements, having an open dialogue with suppliers and paying in line with the agreed terms. In order to reduce potential reputational risks from the supply chain, ADG conducts screening of suppliers and favors long-term relations with trusted partners. Ensuring a responsible supply chain for dental equipment and materials is important for reducing risks related to unethical sourcing or environmental concerns.	ADG wants to foster long-term, fair and mutually beneficial relationships with suppliers. This includes on-time payment policy, fair contractual agreements and ESG screening criteria to avoid risks in the supply chain.





EU Taxonomy



The European Union's Sustainable Finance
Action Plan establishes the foundations
of the strategy for the financial system to
support the EU's climate and sustainable
development agenda. The EU Taxonomy
refers to a classification system for economic
activities to be considered environmentally
sustainable by determining if they are
performed in a way that substantially
contributes to one or more environmental
objectives while also not significantly
harming the other environmental objectives
and complying with the Minimum Social
Safeguards.

All undertakings that are subject to the Non-financial Reporting Directive already need to report eligibility and alignment of economic activities with EU Taxonomy criteria, and this obligation will extend to all undertakings that will be subject to Corporate Sustainability Reporting Directive.

With the aim to timely prepare for the upcoming regulatory obligations, ADG conducted eligibility analysis. ADG carefully examined the activities listed in the annexes of Climate and Environmental Delegated Acts and concluded that none of the material economic activities performed by ADG can be considered taxonomy eligible. Therefore, in the reporting period there were no taxonomy eligible nor aligned economic activities.

ADG will monitor the development of the EU Taxonomy criteria and report on possible changes in eligibility.



Environmental policy

Aware of the importance of preserving natural resources, ADG commits to responsibly manage energy, water, and waste and integrate care for the environment in all decisions.

Responsible resource management - ADG commits to use resources responsibly and efficiently in work, with a good stewardship approach and in accordance with the internal acts of the Group's members.

Waste management - ADG sorts and disposes of hazardous waste in accordance with applicable legislation, paying special attention to protecting the health of all stakeholders involved and preventing environmental pollution. Additionally, ADG focuses on reducing and recycling non-hazardous waste.

Water management - Aware of the importance of preserving water resources, ADG aims to prevent unnecessary water use.

Energy management - ADG aims to save electricity wherever possible, improve the energy efficiency of the buildings and increase the share of renewable sources in the overall energy mix.

CO₂ emissions - ADG seeks to reduce CO₂ emissions associated with own operations.

Climate risks and opportunities - ADG includes monitoring and assessing climate risks and opportunities in its risk management system and takes appropriate adaptation measures.

Objectives

- → Reduce CO₂ emissions
- → Increase the share of renewable energy sources in the energy mix
- → Enhance resilience to climate change
- → Maintain the existing water intensity
- → Increase the waste recycling rate

Environmental policy covers all activities and business processes that may have an impact on the environment. It applies to both core business activities and support functions. ADG chooses environmentally conscious partners and encourages all suppliers and partners to

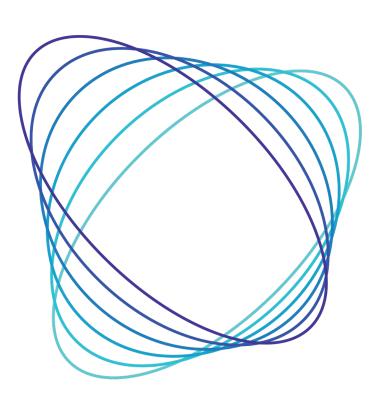
promote sustainable practices. The highest level in the organization responsible for policy implementation is the Management Board. The Board plays a pivotal role in establishing goals, providing guidance, allocating resources to support policy implementation, and establishing mechanisms for monitoring policy implementation.

The environmental policy is published on the corporate website. This allows stakeholders to easily access and review the policy. When shaping the policy, clarity, conciseness, and easy comprehension were guidance to ensure that stakeholders can understand the organization's commitments and objectives. ADG ensures that employees are familiar with the environmental policy and have access to it.

ADG established key performance indicators related to environmental impact. ADG monitors energy consumption, greenhouse gas emissions, water use, waste, and recycling rates. Regular monitoring of key performance indicators enables the organization to assess progress, set goals, and take corrective actions as needed.

Achieved results are reported in the Sustainability Report.

Energy management and carbon footprint



Finding ways to reduce CO2 emissions

Electricity and gas are the main sources of energy used in ADG clinics for the purposes of heating/cooling, lighting, functioning of equipment and IT system. ADG also uses fuel in own vehicles for business meetings and travel.

There are several measures ADG applies with the aim of reducing CO₂ emissions:

- → Replacement of traditional bulbs with LED technology with the aim to improve energy efficiency and reduce electricity consumption. By the end of 2023, all clinics have implemented LED lights.
- → Employees that go to the same meeting or same conference always share a car or use public transport.

- → Whenever possible, ADG opts for online meetings to reduce environmental impact.
- → New high-tech dental laboratory in Kastav has solar panels on the roof. Solar panels are set to start generating electricity at the beginning of 2024. Total investment in solar panels amounts to 84.080,87€ (without VAT) and it is expected that the solar panels will generate in total 70.015 kWh of energy annually which is 80% of laboratory's needs for electricity.

Indirect emissions

The findings of a seminal report from the Centre for Sustainable Healthcare commissioned by Public Health England found that the largest contributors to the carbon footprint of dental services were travel (both patients and staff -64.5%) followed by procurement (19%) and energy use (15.3%). In the reporting period, CO2 emissions were calculated for the energy use in scope 1 and 2. Aware of the importance of scope 3 emissions, including travel and procurement, ADG will in the following reporting periods implement a system for tracking and calculating indirect CO2 emissions which will result in more accurate representation of the ADG's impact on climate change.

ADG already implements measures that reduce emissions from patients' travel.

→ There are monthly visits by ADG professional medical staff to distant locations (such as Sardinia, Italy) where patients are regularly checked and also screened for planned treatments. ADG reduces the emissions for transportation of patients especially in cases of implant opening, so patients do not have to travel to Croatia for minor interventions.

→ Instead of multiple visits to the ADG clinics for completion of one treatment (eg. implants), foreign patients who visit ADG clinics can receive the needed treatment in one visit.

Thanks to the integration of diagnostics, laboratory and treatment lines of services and modern technology that reduces the wait time, ADG clinics can perform dental care in a couple of days rather than weeks. Instead of patients traveling back and forth to their hometown, clinics partner with accommodation providers which enables patients to stay at the location. That way significant travel emissions are prevented.





Energy mix

54

In 2023 ADG clinics used a total of 1213.56 MWh of energy, all from non-renewable sources. Main type of energy used in organization is electricity, with the share of 60.24% in total consumption.

ADG is not operating in high climate impact sector.

ENERGY INTENSITY (MWh/EUR)

0.00003



ENERGY CONSUMPTION AND MIX	2023
Fuel consumption from coal and coal products (MWh)	0
Fuel consumption from crude oil and petroleum products (MWh)	388.87
Fuel consumption from natural gas (MWh)	93.63
Fuel consumption from other fossil sources (MWh)	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	731.06
Total fossil energy consumption (MWh)	1213.56
Share of fossil sources in total energy consumption (%)	100
Consumption from nuclear sources (MWh)	o
Share of consumption from nuclear sources in total energy consumption (%)	0
Total renewable energy consumption (MWh)	o
Share of renewable sources in total energy consumption (%)	0
Total energy consumption (MWh)	1213.56

For the reporting period, data was not available for Dragaš and D3 Lab.

Data was collected based on the bills by representatives of the clinics.



GHG emissions

There were in total 264.5 tCO₂ emissions from ADG operations in 2023. The main source of emissions is electricity consumption due to consumption in clinical operations.

ADG applied the GHG Protocol standard for the calculations of the GHG emissions. Most recent Global Warming Potential (GWP) values published by the IPCC have been used.

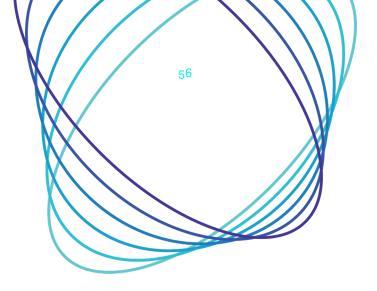
GHG INTENSITY (tCO₂e/EUR) **0.00006**

SCOPE 1 GHG EMISSIONS	2023
Gross Scope 1 GHG emissions (tCO₂eq)	119.0
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0
SCOPE 2 GHG EMISSIONS	
Gross location-based Scope 2 GHG emissions (tCO₂eq)	145.5
Gross market-based Scope 2 GHG emissions (tCO₂eq)	145.5
TOTAL GHG EMISSIONS	
Total GHG emissions (location-based) (tCO ₂ eq)	264.5
Total GHG emissions (market-based) (tCO2eq)	264.5

In the reporting period, ADG did not have a transition plan.

Transition plan for achieving carbon neutrality by 2050 will be developed in the next reporting period.



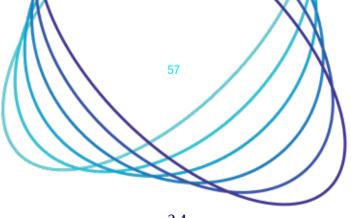


Climate risks and opportunities

Climate risks and opportunities have been identified based on the internal analysis of the sensitivity of the business operations and assets on climate hazards and analysis of the exposure of ADG locations to identified climate hazards. For exposure analysis, the European Climate Risk Typology map was used. RCP (Representative Concentration Pathway) scenarios by IPCC were used.

SCENARIO	TIME HORIZON	DESCRIPTION	LIKELIHOOD	FINANCIAL IMPACT	MANAGEMENT
RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal.	Long term (> 5 years)	Customers prefer to purchase products and services that have reduced impact on the environment.	Low	Reduced revenues if not in line with their expectations	Monitoring relevant studies on consumer behavior and preferences
RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal.	Long term (> 5 years)	Increased cost of fossil fuels which are the main source of energy for ADG clinics.	Medium	Increased operational costs	Reviewing potential for transition to renewable energy.
RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century	Long term (> 5 years)	Higher rate of appointments postponed or skipped due to severe weather events. Floods caused by heavy rain can damage physical assets of ADG.	Medium	Loss of revenue due to "lost" appointments. Damage of assets caused by floods.	Insuring assets against extreme weather events.
RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century	Long term (> 5 years)	More frequent periods of extreme temperatures could result in higher heating/cooling costs.	High	Increased operational costs	Reviewing potential for transition to renewable energy.
	RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century	RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at (> 5 years)	RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at te	RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. Long term (> 5 years) Higher rate of appointments postponed or skipped due to severe weather events. RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century Medium to severe weather events. Floods caused by heavy rain can damage physical assets of ADG. More frequent periods of extreme temperatures could result in higher heating/	RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 4.5 Intermediate scenario. Transition in line with EU Green Deal. RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at the end of the century RCP 8.5 Pessimistic scenario where no action is taken and temperature exceeds 2°C at te

Environmental information

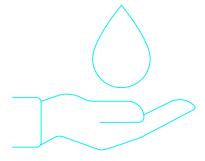


2.4

Water use

The water is used for the hygiene processes in the clinics, as well as for meeting the daily needs of staff and patients. Water is indispensable in dental practice as it is the integral part of medical procedures and required for maintaining high sanitation standards. ADG is aware of the need to responsibly manage this resource, therefore measures are implemented with the aim to reduce use where possible, and where that does not affect quality and safety of stakeholders.

ADG clinics use dry vacuum systems instead of water based ones. This eliminates the need for water in the process of creating suction for various procedures. Traditional wet vacuum systems require a constant flow of water to create suction and remove debris during dental



procedures. While the initial investment in a dry vacuum system may be higher at the beginning, the long-term operating costs can be lower due to reduced water and energy use. This leads to cost savings for the dental clinic over time.

In order to reduce water used in restrooms, ADG clinics have water efficient cisterns that reduce the amount of water used for flushing the toilet.

Dental amalgam, which contains mercury, is used in dental fillings. When old fillings are removed or when excess amalgam is disposed of, it can end up in wastewater. Mercury is highly toxic and can accumulate in aquatic ecosystems, posing risks to aquatic life and potentially entering the food chain. In order to prevent this

INDICATOR	2023
Total water use (in m³)	10533.12
Water intensity (in m³/million EUR)	262.93

For the reporting period data is not available for Dragaš and D3 Lab. Data was collected based on the bills. Water intensity is calculated based on the million EUR of net revenues.

negative impact on the environment, all dental units have amalgam separators (mandatory due to EU Regulation 2017/852). ADG clinics do not use mercury alloys or any other potentially harmful dental material.

In 2023, Adria Dental Group used in total 10533.12 m³ of water. Water was supplied from the public network and discharged into the public sewage system. According to the World Resources Institute's Aqueduct Water Risk Atlas, ADG's clinics are not located in areas at water risk. Therefore, at the moment, systems for water recycling and reuse are currently not implemented.

Waste management

The main environmental impact resulting from ADG activities is the generation of hazardous waste, which is collected and handed over for disposal to specialized waste collection and treatment providers. ADG manages waste in line with the Waste Management Act (OG 84/2021) and Rulebook on Medical Waste Management (OG 50/15).

Responsible waste management

ADG clinics are implementing proper waste separation (hazardous vs. non-hazardous waste), labeling and storage. Waste is handed over to a licensed waste management company for disposal or recovery. Waste management is organised in line with the national legislative framework.

Each dental office has a small closed container which is dedicated to infectious waste which once full, is emptied in a large central container. This container is emptied by an authorized

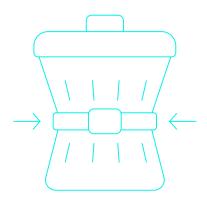
waste collector and records are kept of who collected the waste, when and in what quantity. Collected waste, considered as hazardous under national legislation, is directed to incineration.

Modern technology as a way to improve resource efficiency

Modern technology used by ADG clinics has the potential to play a significant role in achieving a more sustainable and environmentally friendly dental health industry. Using CAD/CAM and 3D printing can reduce material usage and waste, while technology aided diagnosis and treatment plans can enhance precision and reduce the need for invasive, resource-intensive procedures.

Going digital - reducing waste

Digitalization of patient records and development of IT infrastructure not only leads to more efficient collaboration among healthcare professionals but also reduces paper consumption and waste. X-ray processes generate waste in the form of lead foil, lead aprons, and chemical developers/fixers. With the aim to reduce hazardous waste, and waste in general, ADG clinics replaced traditional with digital X-rays that do not generate waste and save resources.





Where does the waste come from?

ADG's operations result in several waste streams:

MEDICAL AND INFECTIOUS WASTE

Materials such as used sharps (needles, syringes), contaminated gauze and materials, and items like gloves that have come into contact with bodily fluids. Includes waste generated during dental procedures contaminated with blood or other potentially infectious materials.

PLASTIC AND LATEX WASTE

In order to protect the health of both employees and patients, dental industry uses a significant amount of single-use plastic-based materials. This involves packaging for medical equipment, disposable items such as gloves and aprons, and other plastic materials used during procedures.

GENERAL WASTE

Non-hazardous waste from administrative operations, including office waste, paper, packaging, food leftovers and non-contaminated materials.

PHARMACEUTICAL WASTE

Expired medications, anesthetic cartridges, and other pharmaceutical waste generated during dental procedures.

Waste generated through these streams contains the following materials: plastic, paper, latex, metals, biowaste and chemicals.

Dental clinics manage these waste streams in compliance with regulations and best practices to ensure proper disposal and protect health and safety of everyone involved.



In the dental medicine industry, there are high weights of waste considered as hazardous and strictly regulated by national legislation.

Hazardous waste which includes medical and infectious waste as per Rulebook on medical waste management (OG 50/15) need to be directed for incineration and cannot be recycled. 100% of hazardous waste (1.4 t) was incinerated in the reporting period.

Amounts of hazardous waste have been calculated based on the documentation that follows the waste when handed over to contracted waste collectors.

Amount of non-hazardous waste has been calculated based on the number of waste

collection bins and number of times that bins were emptied by the waste collectors.

Data was collected in m³ (volume of the waste bins) and converted to tons using the conversion factor (0.19) for mixed municipal waste (20 03 01) and conversion factor (0.18) for paper and cardboard (20 01 01). Factor is sourced from the publication "Determination of weight of waste" issued by the Agency for Statistics of Bosnia and Herzegovina in 2015.

In the reporting period, data on recycling rates have not been systematically collected in all premises. In order to improve data collection practices and increase the amount of non-hazardous waste that gets recycled, in the next reporting period an internal audit of non-hazardous waste management practices will be performed.

In 2023, 2.26 t of paper was collected and handed over for recycling.

AMOUNT OF WASTE IN 2023 (IN t)



For the reporting period data was not available for Dentum, Fiziodent, Salona, Lab V.Tešija, Dentex, Dragaš and D3 Lab. In the following period, ADG will work on structuring the monitoring and data collection system.





We continuously invest in raising the bar, in technology, innovation, and the quality of the services we offer, guaranteeing satisfaction with the results for all our patients and partners.

Sustainability Report 2023 Social information

3.1

Employees as the competitive advantage

3.1.1 Human resources management policy

The mission of ADG's Human Resources department is to ensure the best possible working environment for employees, in line with ADG values and ethical principles. ADG aims to create a workplace of equal opportunities where employees engage in constant personal and professional development. With management that is equipped with the latest leadership trends, ADG is fostering high employee engagement that will lead them to a strong focus on patients.

Approach to Impacts, Risks, and Opportunities

Creating Competitive Working Conditions - ADG offers fair and competitive working conditions, reflected in secure employment, remuneration in line with experience and expertise, working hours and shift arrangements and additional benefits.

Employee Development and Advancement - ADG encourages its employees' continuous personal and professional development, supporting them through opportunities for internal and external education.

Health and Safety at Work - ADG has implemented and continuously develops a health and safety management system with the ultimate goal

of zero workplace injuries/illnesses. ADG provides its employees with necessary training, protocols and material resources to perform their job safely and without compromising health.

Equality - In Adria Dental Group, work is equally valued, and everyone has equal opportunities.

Ethical Business Culture - ADG fosters organizational culture based on mutual respect, collaboration and teamwork. Ethical principles and detailed behavioral guidelines are outlined in the Code of Ethics.

Objectives

- → Support and invest in employees' personal and professional development through opportunities for education and training.
- → Ensure competitive working conditions for high employee satisfaction.
- → Promote employee well-being at work and at home.
- → Maintain an organizational culture that respects diversity and provides equal opportunities.



The policy applies to all employees with fixed-term and indefinite-term contracts, as well as student or trainee contracts, who are involved in any kind of clinical and non-clinical activities in all members of the Adria Dental Group. The policy is informed by interests and expectations of the employees collected through employee satisfaction surveys and internal meetings. The policy is a dynamic document that is adjusted in line with the changes in needs and expectations of employees, as well as the labor market.

The highest-ranking person in the organization responsible for implementing this policy is the Head of Human Resources, with the support of the Board, all members of the Management team and clinic directors. Head of clinics, top and middle management are responsible for aligning practices with this policy. They are educated about the policy through individual meetings, notices and annual strategic meetings.

The policy is published on the corporate website and available to all employees through internal channels. The success of policy implementation is continuously evaluated, and measures and results are reported to all stakeholders once a year through the Sustainability Report.

Diversity and inclusion

ADG is committed to creating a work environment that appreciates and respects diversity and ensures fairness and inclusiveness for employees. ADG adopted a specific policy on diversity and equal opportunities which prohibits discrimination based on racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction or social origin, or other forms of discrimination covered by EU regulation and national law, and any form of harassment. This policy is

implemented through education on Code of Ethics and a mechanism for identifying, reporting and acting upon incidents once detected.

ADG's approach to human rights

ADG's approach to management of impacts, risks and opportunities outlined in the Human resources management policy is in line with the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises and fundamental International Labour Organisation Conventions. ADG's human resources management policy prohibits any kind of child or forced labor or human trafficking in its own operations and business relationships. This is ensured by due diligence when hiring employees and ESG screening of business partners. In order to prevent potentially negative impacts on employees, ADG has established a workplace accident prevention policy and management system.

ADG continuously engages with employees through direct channels having access to their needs, interests, expectations and concerns. ADG provides its employees with special channels for reporting and submitting requests to record, recognize, and respond to violations of workforce related policies, labor or human rights. These channels are reliable and confidential, offering appropriate protection, and their effectiveness is monitored. In case of violations of labor or human rights, affected employees can submit their complaint to the Ethics Commissioner at the clinics or request a meeting with a representative from the Human Resources Department. In the event that a report is submitted or violation detected, a case analysis and review of evidence of the policy violation is conducted. Measures are taken in accordance with the Rules of Procedure and the Code of Ethics. Appropriate remedy is provided in line with the internal rules and regulations and applicable legislative framework.



Continuous two-way communication with employees is crucial for understanding employees' needs and providing effective response. In general, the Head of Human Resources is responsible for developing and conducting employee engagement. There are several ways through which ADG engages with employees:

Informing employees

In order to make sure that employees get all the information they need timely and accurately, ADG has developed an internal platform where employees can find all policies, current initiatives, information about benefits, important news and updates. Additionally, when there is important information that all employees need to be aware of, a direct email is sent to their addresses.

Uncovering employees' needs and views

ADG conducts annual satisfaction surveys with the purpose to detect elements that could be further improved to meet employees expectations. These surveys are extremely useful for analyzing employees' attitudes towards the current working conditions, remuneration, health and safety practices, opportunities for development, inclusiveness of the work environment and so on. Results of the survey are used by the HR department to tailor new measures that aim to increase employees' overall job satisfaction and well-being.

Employee satisfaction

In 2023, a remarkable 84% of employees chose to participate in the job satisfaction survey, showing engaged employees who care about their workplace. ADG is pleased to see good results from the survey:

70%

CONFIRM THAT THEY ARE SATISFIED WITH OPPORTUNI-TIES FOR PERSONAL AND PROFESSIONAL GROWTH

81%

OF EMPLOYEES ARE SATISFIED WITH THE WORKING CONDITIONS AND WORK ENVIRONMENT,

80%

ARE SATISFIED WITH INTERPERSONAL RELATIONSHIPS AND THE FRIENDLY ATMOSPHERE WITHIN THE COLLECTIVE TO WHICH THEY BELONG

83%

ARE SATISFIED WITH INTERNAL INFORMATION SHARING AND CLEAR ORGANISATION OF WORK

ADG reviews the survey results and works on specific measures to further improve the work environment. Continuous improvements are necessary for maintaining high job satisfaction and employee engagement.



65



Individual manager-employee meetings

Regular individual meetings with their managers ensure that employees' needs are timely met and problems resolved as they arise. In these more informal meetings, employees have the opportunity to express their day-to-day challenges and seek support from their managers. In 2024, the goal is to ensure that all employees have opportunities for such face-to-face meetings with their managers.

Channels for own workforce to raise concerns

ADG's Code of Ethics, available to all employees through internal channels and official website, gives instructions on who and how employees can contact to raise concerns or seek remedy. All employees can address a complaint to the Ethics commissioner, who is present in each clinic, or to the Human Resources department at the Group level, at any time. Ethics commissioner is appointed by ADG's Ethics committee. Employees can get in touch with the Ethics commissioner directly via email, phone or face to face.

Employees can also directly address complaints to the ADG's Ethics committee by sending email to this address: etika@adriadental.com. All received complaints are reviewed and response is provided to the employee who submitted the complaint. Issues raised are assessed with the aim to determine the extent and nature of the impact. If a negative impact of ADG is identified, ADG will determine appropriate remedies or corrective measures to address the impact. This may involve implementing changes in policies, processes, or providing support to affected employees. Feedback from employees is asked to evaluate the effectiveness of the provided remedy.

In the event that employees believe that ADG has caused them harm through its activities, they can also directly submit a complaint to the Adria Dental Group's Board in writing. The complaint will be promptly and transparently reviewed, and a decision will be made regarding the measures to remediate the impacts caused by the actions of Adria Dental Group.

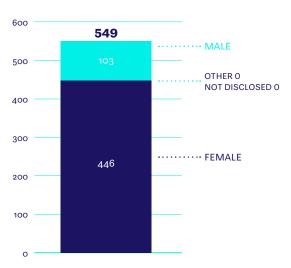


3.1.3 Creating a sustainable workplace

Insights into ADG workforce

In 2023, ADG had in total 549 employees of which 81% were female, and 19% were male. Large share of women in the workforce is typical for the healthcare sector.

WORKFORCE STRUCTURE

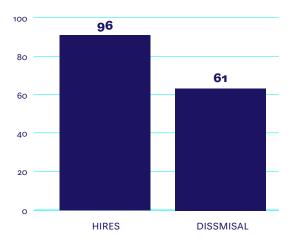


Workforce data was collected by the Group's Human Resources department from the IT system on a headcount basis at the end of the reporting period.







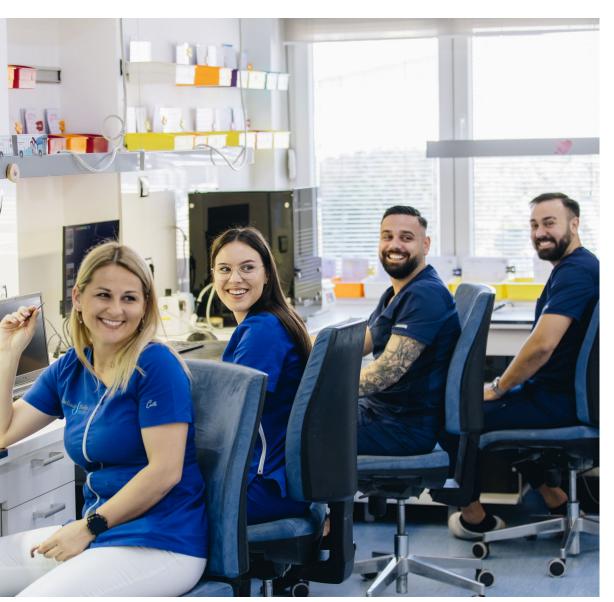


There were 96 new hires in 2023, while 61 employees left the company, either voluntarily or due to dismissal or retirement.

Turnover rate was 11.74%.







In the reporting period, 93.62% of employees had permanent contracts. Only 28 employees were temporary employees. Temporary employment is due to training of employees or the nature of work.

PERMANENT AND FULL-TIME EMPLOYMENT

INDICATOR	MALE	FEMALE	OTHER	TOTAL
Number of employees	103	446	0	549
Number of permanent employees	99	415	0	514
Number of temporary employees	0	28	0	28

Number of employees in non-guaranteed hours category varies throughout the year. Monthly, there are on average nine non-guaranteed hours employees.

Health and safety management

ADG established the H&S management system which is in line with the applicable laws and regulations. Occupational safety is managed by external providers which are contracted on the level of each clinic. Occupational hazard identification and assessment has been conducted by external providers of occupational safety services, based on which appropriate preventive measures have been designed.

- → All employees upon employment pass occupational safety training and receive the certificate.
- → ADG provides employees with quality protective equipment and establishes protocols to reduce risks of infections.
- → Strict sanitation protocols are in place.
- → In order to be able to adequately react and protect themselves from health-related risks stemming from work with patients, patients are required to fill-in the form where they need to state all conditions and diseases that could impact doctor's, technicians or assistant's health. This form is evaluated and adequate safety measures are applied.

In 2023, all employees were covered by ADG's health and safety management system. The health and safety management system is based on the legal requirements. There were no fatalities as results of work-related injuries or ill-health. There was 1 minor work-related injury.

HEALTH AND SAFETY METRICS

INDICATOR	2023
The number of fatalities as a result of work-related injuries and work-related ill health	0
The number of recordable work-related accidents	1
The number of cases of recordable work related ill health	0
The number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	8



Care for employees' wellbeing

Preventive medical exams are the best tool for maintaining good health and reducing risks. Aware of their benefits, ADG has introduced free annual health check-ups for all of its employees. In 2023, in total 42,311.09 EUR was allocated towards this measure.

Social protection

All employees are covered by social protection against loss of income due to following major life events: sickness, unemployment starting from when the own worker is working for the undertaking, employment injury and acquired disability, parental leave and retirement.

ADG complies with applicable legal requirements.

42,311.09 EUR

ALLOCATED TO FREE ANNUAL
HEALTH EXAMINATION BENEFIT

Competitive salary and secure employment

ADG periodically monitors the dynamics of the salaries on the market and adjusts salaries accordingly. ADG's salaries are competitive, and can be considered as a benchmark on the market. Due to high inflation rates in Croatia, salaries were adjusted by 5% in September 2023. All salaries are set above the minimum wage limit. ADG offers permanent contracts to 96.36% of its own employees, ensuring employment security for them.

Financial and non-financial benefits offered to employees

All ADG employees enjoy:

- → Annual preventive health check-up
- → Allowance for daily meal
- → MultiSport Card at a favorable corporate price
- → Christmas gathering at the Group level
- → Team-building once a year
- → The possibility of paid mandatory seminars (not the case in all clinics outside the group; often doctors pay for seminars themselves)



Improving work-life balance

Work in the healthcare sector can impact employees' work-life balance as work is organized in shifts and includes work over weekend. Hoping to make a positive contribution to the work-life balance of employees, in 2023 ADG tried a model where in clinics that work every Saturday, one Saturday per month was non-working. Impact on employees' satisfaction and financial results is monitored which will allow the Board to make final decision on this model and its applicability to all ADG clinics.

At ADG all employees are entitled to take family-related leave. In 2023, 10.75% of employees took family-related leave.

PARENTAL LEAVE

INDICATOR	MALE	FEMALE	TOTAL
Percentage of employees entitled to take family-related leave	100%	100%	100%
Percentage of entitled employees that took family-related leave	0%	13.23%	10.75%





Launching of the Adria Dental Group Academy

Adria Dental Group Academy is an initiative on a Group level with the aim to foster continuous education and training of the staff which will in turn positively impact the quality of care offered to patients.

ADG Academy is an ongoing educational program for internal education of all medical and non-medical employees. As part of the ADG Academy, employees have the opportunity to undergo trainings and workshops led by external providers as well as experts within the Group. ADG's employees attended webinars, congresses, hands-on trainings, online and live workshops. This way it was ensured that clinical experts are always familiar with the newest procedures and techniques in dental medicine. Also, soft-skill trainings were organized for both clinical and non-clinical staff and covered topics such as giving feedback, coaching, sales in the dental industry etc.

An online internal platform was implemented and a new module is published each month. The platform currently focuses on clinical topics, employees listen to a prerecorded lecture and complete a quiz to check their knowledge and understanding. In 2023, the online platform covered four modules and had 232 participants.

The goal is to set the golden standard in employee competence in the dental service market, recognized by both patients and professionals.





Social information

Educational and training opportunities in 2023

- → **Code of Ethics** education on ethical principles and use of Code of Ethics was conducted at the Group level.
- → Business Intelligence (BI) Tools employees from Controlling department completed an education on data analysis and data based decision-making.
- → **GDPR** as personal data protection is an important topic in ADG, employees in charge of handling patients and employee data undergo training on GDPR (General Data Protection Regulation).
- → Leadership Training in 2023, managers completed training on the topic of communication and coaching skills, providing feedback and change management.
- → **Soft Skills Training** with the aim to constantly improve the quality of patients journey, employees completed training on communication with patients to improve soft skills.
- → **Professional Education and Congresses** employees participated at professional education and congresses. As part of the benefit package, ADG pays for mandatory seminars of its own medical employees.

 Outside ADG this is usually funded by employees.
- → Language Courses ADG also funds language courses for its own employees with the aim to improve communication with patients.

In 2023, investment in employee education and training amounted to a total of 82 000 FUR.

In 2023, in total 295 employees participated in education and training. There were in total 3495 hours of education and training. In 2023, ADG employees received on average 5.24 hours of education and training.

3495
HOURS OF EDUCATION IN TOTAL

53.73%

EMPLOYEES PARTICIPATE IN SOME FORM OF EDUCATION



TRAINING AND SKILLS DEVELOPMENT

INDICATOR	MALE	FEMALE	TOTAL
Total hours of education & training	1205	2290	3495



Student scholarships and professional Internships

Adria Dental Group is proud to report the establishment of a transformative scholarship program for aspiring students of dental medicine. Through this program, ADG provides financial support in a total amount of 3000 EUR per student and offers invaluable mentorship and training opportunities, helping future dental professionals develop their skills and knowledge. In 2023, six final-year students of dental medicine from Universities of Rijeka, Zagreb and Split received individual scholarships and they will undergo their practice under the systematic supervision of experienced doctors of dental medicine. Upon graduation, students may be offered the permanent employment opportunity in one of the ADG clinics.

This is the first private scholarship program that connects dental medicine studies in Zagreb, Rijeka, and Split. With financial support, it enables excellent students to gain their first experience in technologically advanced dental clinics and laboratories within Adria Dental Group.

By investing in education and training of future dental professionals, ADG not only ensures their successful transition to the job market but also builds a pool of talented individuals that can help deliver ADG's promise of exceptional service to the patients. The scholarship program reinforces ADG's reputation as an ethical and socially responsible organization, aligning with the commitment to sustainable business practices. This endeavor is a win-win, as it not only empowers the next generation of dental practitioners but also strengthens ADG's position as an attractive employer in the healthcare sector.



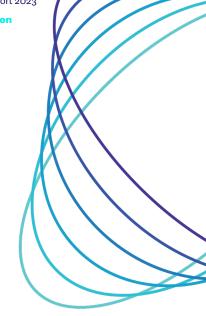
Professional internships

Besides the scholarship program, ADG offers other training opportunities for students and young professionals. Internships play a pivotal role in the education and development of students in the dental medicine sector. These practical, hands-on experiences offer students a unique opportunity to bridge the gap between theoretical knowledge and real-world application.

Exposure to practice is invaluable in helping students gain a deeper understanding of various dental procedures, patient interactions, and treatment techniques. Through observation, performing routine check-ups and participation in more complex procedures, students gain technical skills which are essential for a successful start of their careers. But, dental care is not just about technical skills. It also involves effective patient communication and empathy. Internships offer students the chance to interact with diverse patient populations, enhancing their interpersonal and communication skills, which are crucial in providing quality care.

At ADG, interns are consistently guided and supported by experienced mentors, who help them in navigating new challenges and building confidence. This knowledge sharing is extremely valuable for new generations, as well as for the dental medicine field which benefits from well-prepared and skilled professionals who have gained practical experience through these internships, ultimately contributing to the quality of patient care and the advancement of the industry as a whole.





In 2023, there were 76 professional internships for dental technicians and dental assistants at the beginning of their careers and 11 internships for dental medicine students. Interns completed a total of 30550 hours.

SCHOLARSHIPS

2023
6
76
27393
11
"

Career development system

At the Group level, ADG is developing a structured approach to career monitoring and development. Although in the reporting year employees did not participate in regular performance and career development reviews, ADG began the development of the structured system.

Diversity and inclusion

In all steps of employee journey in ADG the same principle of equality and fairness is followed. All decisions in regards to employees are based only on their competences, work performance and current job position. Training in regards to Code of Ethics also covers topics of discrimination and fosters organizational culture that is focused on equal opportunities. Remuneration is based on job position, employee experience and results.

Incidents, complaints and severe human rights impacts

In the reporting period there were no reported incidents of discrimination, including harassment. There were no complaints filed through undertakings' own mechanisms for raising concerns in regards to human rights or labor rights violations. There were no cases of severe human rights incidents, and therefore no fines, penalties and compensation for damages.



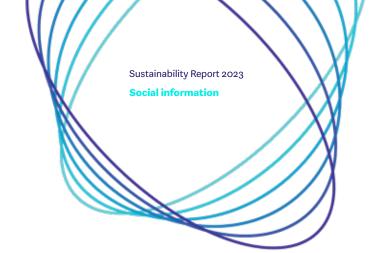
DIVERSITY OF MANAGEMENT AND WORKFORCE

INDICATOR	NUMBER	%
Women at top management level	9	36
Employees < 30 years old	197	35.88
Employees 30-50 years old	315	57.38
Employees > 50 years old	37	6.74

 $\hbox{*Top management is defined as one level below the Board and one level above the head of departments.}$







3.2

High quality service and relationship with patients

3.2.1 Quality and Patients' Well-being Policy

ADG is committed to improving patients' overall health and quality of life through exceptional dental care. This promise is delivered with the expertise of employees, cutting-edge technology, innovative techniques and best materials. ADG ensures that its products and services consistently meet all relevant regulatory requirements and industry standards, while adhering to best practices. Our dedication to best practices is evident in our continuous pursuit of service quality improvement through meticulously implemented management systems. Relationships with patients are based on safety and long-term mutual trust developed through respectful and pleasant interactions.

Quality and Patients' Well-being Policy was adopted by the Management Board and applies to all activities in which employees and representatives of Adria Dental Group come into contact with users of ADG dental products and services. The policy is based on the highest standards of dental medicine, as well as the interests and expectations of the patients, which ADG have become familiar with through the long-standing work of the clinics.

Patient Well-being and Safety - Individually and collaboratively, acting in the best interest of the patient, providing comprehensive dental care. ADG respects the patient's right to physical and mental integrity and protects their right to privacy. In cases of uncertainty regarding a specific procedure,

patient interests and safety take precedence, with the responsible doctor having full decision-making responsibility.

Health and Quality of Life - Through a holistic approach, ADG ensures the best dental care, thereby enhancing the patient's quality of life in line with their needs.

Patient Relations - In all contacts with patients, ADG demonstrates respect, warmth, and empathy towards the patient, upholding the highest standards of communication.

Equal Access - ADG provides dental care equally to all patients, regardless of gender, gender identity, age, race, ethnicity, language, wealth, national or social origin, sexual, religious, or political affiliation, social status, and other aspects of individual integrity. ASG consistently respects the dignity and fundamental human rights of every individual.

Awareness and Patient Education - ADG educates patients about personal care methods and the responsibility for oral health.

High Service Quality - Through the approach, expertise, and application of cutting-edge technology, ADG sets new standards in dental care, addressing patient needs and providing solutions tailored to their possibilities.

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Social information

Innovation - ADG fosters innovation to continually enhance the processes, identify and implement best practices, and ensure that clients receive an exceptional experience.

Objectives

- → Provide high-quality services.
- → Utilize premium materials and modern technologies.
- → Continuously increase client satisfaction with overall services.

This policy applies to all activities in which employees and representatives of Adria Dental Group come into contact with users of ADG clinic services. The implementation of the policy is the responsibility of the Chief Dental Officer and the Head of Operations, with the support of other members of the Management team.

Through the implementation of the policy, ADG commits to respect:

- → Hippocratic Oath (taken by every dental doctor upon graduation)
- → Code of Dental Ethics and Deontology (Official Gazette 67/2019)
- → Dental Medicine Act (Official Gazette 121/03, 117/08, 12/09)
- → Health Care Act (Official Gazette 100/18, 125/19, 119/22, 156/22, 33/23)
- → Helsinki Declaration, 2008 version

This policy is available on the official website and via internal channels. The Quality and Patients' Well-being Policy is the cornerstone of Adria Dental Group's operations, and its key provisions are continuously communicated to employees and stakeholders.

Upon employment at the clinic, new employees undergo training to familiarize them with the fundamental principles of interacting with clients. During their work at ADG, employees regularly participate in education programs to fulfill the core mission of this policy, which is to provide excellent patient service. ADG ensures that employees are familiar with the Quality and Patients' Well-being Policy and have ongoing access to it. Employees are educated about the policy, its significance, and their roles in its implementation. This empowers employees to contribute to shared quality goals and fosters a sense of ownership and responsibility.

ADG will regularly review and assess the effectiveness of this policy and related measures to ensure its alignment with new legal requirements, industry standards, and best practices. Management and Supervisory Board as well as stakeholders will be regularly informed about the progress in implementing this policy. ADG encourages feedback from patients, employees, and other stakeholders which informs ongoing efforts to ensure highly satisfied clients.



Respect and protection of human rights

Adria Dental Group members are committed to protecting and respecting human rights in all aspects of their business. They respect and promote human rights defined in the Universal Declaration of Human Rights and other internationally recognized instruments for the protection of human rights. ADG clinics respect the Law on the Protection of Patients' Rights (Official Gazette 169/04 and 37/08). Respect of patients' rights is also part of the ADG policies adopted by the Management Board.

- → ADG prioritizes the safety and quality of products and services to ensure they meet applicable regulatory standards and do not pose risks to the health, safety or well-being of patients. ADG clinics implement strict processes to monitor and ensure the safety and quality of services.
- → ADG provides accurate, clear and relevant information about products and services to enable consumers to make informed decisions. It is ensured that all materials and communications are truthful, non-misleading and easy to understand.
- → ADG respects and protects the privacy rights of individuals by complying with applicable data protection laws and regulations. ADG personnel handle personal data responsibly and securely, ensuring that individuals have control over their data and are informed about how it is collected, used and shared.

Accessible and effective complaint mechanisms have been implemented to enable internal and external stakeholders to express concerns, report rights violations, and seek legal remedies in a secure and confidential manner. ADG ensures that these mechanisms are easily accessible and managed impartially. A framework for providing and enabling remedies for all potential impacts on rights that may occur within the organization and value chain has been established. This framework ensures that individuals who have suffered violations of their rights have access to appropriate legal remedies, including restitution, compensation, rehabilitation, and a guarantee of non-recurrence. ADG prohibits any form of retaliation against individuals who report human rights violations or seek legal remedies.

In case of violation of the rights or dissatisfaction with the service provided, the interested party can submit a complaint in writing, addressed to the administration of the individual clinic or ADG's Management team. Received complaints will be promptly and thoroughly investigated, and appropriate action will be taken to resolve any substantiated complaints. In the event that a violation of patients' rights is determined, ADG will provide remedy for the damage caused to the patient, refund the amount that the patient paid for the work in question, and find an optimal solution to the new clinical situation.

In the reporting period no human rights issues or incidents connected to patients have been reported.

Patients' rights

Patients' basic rights are regulated by the Law on the Protection of Patients' Rights (Official Gazette 169/04 and 37/08).

RIGHT TO INFORMATION

Patients have the right to be fully informed about:

- → Their state of health and the medical assessment of the results and outcome of the diagnostic or therapeutic procedure,
- → recommended examinations and procedures, as well as the advantages and risks of performing them or not performing them, as well as the planned dates for their performance,
- → treatment outcome,
- → right to decide on recommended examinations or procedures,
- → possible substitutes for the recommended procedures,
- → in the course of procedures when providing health care,
- → recommended lifestyle,
- → health insurance rights and procedures for exercising these rights.

RIGHT TO PARTICIPATION

The right to co-decision includes the right to be informed and the right to accept or refuse a certain diagnostic or therapeutic procedure.

THE RIGHT TO ACCEPT OR REFUSE A DIAGNOSTIC OR THERAPEUTIC PROCEDURE

Patients' have the right to accept or refuse a particular diagnostic or therapeutic procedure, except in the case of urgent medical intervention where failure could jeopardize patient's life, health and cause permanent damage to the patient or another person's health.

THE RIGHT TO CONFIDENTIALITY

Patients have the right to the confidentiality of data pertaining to their health status. They also have the right to provide a written statement specifying individuals who may be informed about their health status and to designate individuals to whom the disclosure of such data is prohibited.

RIGHT TO PRIVACY

Patients have the right to conditions that ensure privacy during examination and treatment, and especially when receiving personal care.

RIGHT TO PATIENT PROTECTION WHEN PARTICIPATING IN SCIENTIFIC RESEARCH

If a patient participates in scientific research, it is their right to receive a precise and comprehensible written notification about the nature, importance, consequences and risks of the research and to give their express consent in the form of written consent to participate in research or medical teaching.

THE RIGHT TO COMPENSATE FOR DAMAGE

Patient's right to compensation is in accordance with the standard regulations of compulsory law. In the event that they perceive harm during the provision of health care, they will be able to claim the same by filing a lawsuit with the appropriate court. Prior to initiating legal action, patients are encouraged to inform the Administration of their compensation request in order to try to resolve the dispute amicably.

RIGHT TO ACCESS THE MEDICAL DOCUMENTATION

It is the patient's right to obtain access to all medical documentation related to the diagnosis and treatment of their health status and to request a copy of the medical documentation at their own expense.



3.2.2 Engaging with patients

Continuous engagement with patients is crucial in dental clinics for building trust, personalizing treatment plans, addressing concerns and improving overall patients' experience.

Regular interaction and communication help establish a strong doctor-patient relationship, fostering a sense of trust and confidence in the dental team. Consistent engagement allows dental professionals to comprehend individual needs, concerns and medical history of each patient. For patients undergoing treatment plans, continuous engagement helps track progress and make necessary adjustments. It ensures that treatments are on track and effective. Patients may have questions, fears, or concerns about dental procedures. Ongoing engagement allows these issues to be addressed promptly, reducing anxiety and ensuring a smoother treatment experience. When patients feel heard and valued,

their overall satisfaction with the dental clinic increases. Satisfied patients are more likely to refer others and remain loyal to the practice.

ADG established various channels for engaging with patients about impacts. ADG's Medical Board and Head of Operations are responsible for the quality, usefulness and development of these channels, as well as for ensuring that the results inform the undertaking's approach towards patient care.



Engagement channels



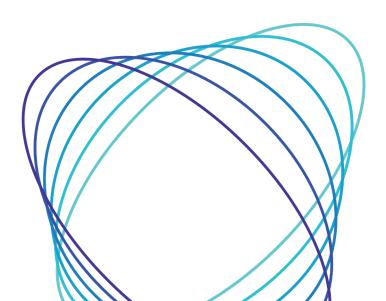
Call centers

ADG clinics have call-centers or back offices that cater to all patients, ensuring timely and convenient access to necessary information. Call centers are open during working hours of the clinics. Some clinics (Arena Dental, Dentum, Rident) offer this channel over weekends as well.



Informing and educating patients

ADG uses websites of the clinics to educate patients on oral health care and medical solutions. Through blog posts, doctors share valuable advice for oral health and Frequently Asked Questions sections provide answers to common concerns shared by patients.





Satisfaction surveys

With the aim to continuously improve the quality of service, ADG asks patients to complete short questionnaires in regards to their treatment. Patients are asked about the approach of the doctor, communication with medical and non-medical staff, overall experience ... Patients have the possibility to express their dissatisfaction and describe the case. They can do this anonymously or leave the personal information in which case they will be contacted with the aim to investigate the incident. Patients' feedback and experiences provide valuable insights for clinics to improve their services, facilities, and patient care.



Customer feedback and reviews

Every patient can leave a public review in regards to the ADG experience. These reviews are available to other patients providing transparency and encouraging continuous improvement.



Channels for raising concerns and providing remedy

In case of policy violations, dissatisfaction with provided services, concerned parties can submit a complaint or concern in writing, addressed to the management of each individual clinic or to the ADG Board. Patients who want to submit a concern or complaint can use the following channels:

- → Phone numbers or e-mails indicated on the official websites of the clinics
- → Directly to the official email address of the ADG info@adriadental.com

Sustainability Report 2023

HANDLING PATIENTS' GRIEVANCES



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Receiving the complaint/concern



Response from the doctor/ clinical operations manager



Decision on remedy (e.g. repeating the procedure)



Communicating the resolution to the patient

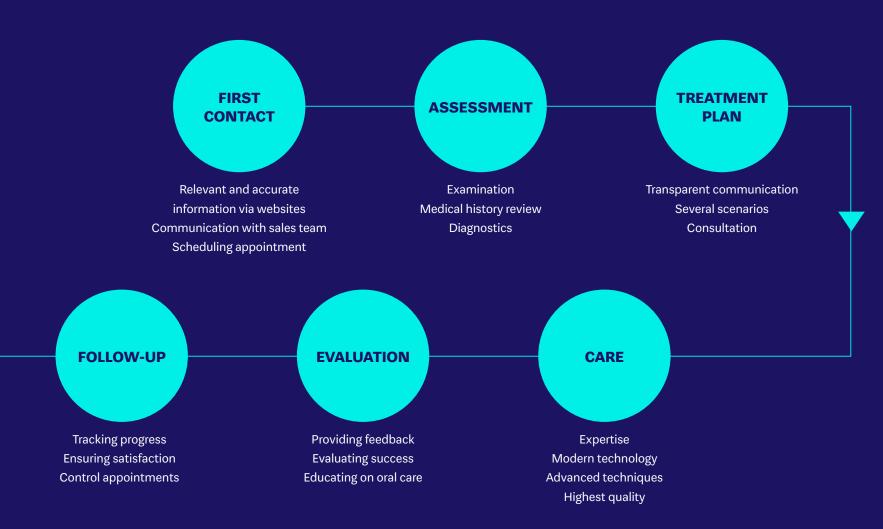
Upon receiving a complaint via email, it is assigned to the person in charge who must adhere to a clearly defined procedure (Handling Patient Complaints; OP-ADG-0002).

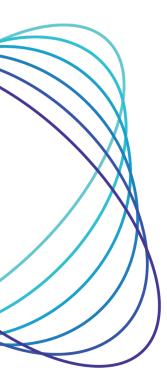
Received complaints are promptly and thoroughly investigated, and appropriate measures are taken to address all substantiated complaints.

If a breach of patient rights is determined, ADG will propose an adequate and optimal solution for the clinical situation of the patient.



3.2.3 Providing exceptional patient care





Innovative techniques and advanced technology

ADG doctors and technicians are highly trained in the newest techniques, and ADG continuously invests in some of the very latest dental equipment, giving patients the most effective and least invasive dental treatment there is.

CAD-CAM (computer-aided design/computer-aided manufacturing)
With the help of advanced technology and materials from renowned global providers, laboratory specialists create all kinds of dental prosthetic units with exceptional speed and quality. When producing prosthetic replacements (inlay, onlay, crowns, bridges, full-arch reconstructions), ADG laboratories use CAD/CAM ("Computer Aided Design" / "Computer Aided Manufacturing") technology based on 3D softwares. Benefits of the CAD-CAM technology are shorter treatment time, reliability and high precision, and reduced possibilities of human error. IMES-ICORE CORITEC 650 is an example of CAD-CAM technology used in ADG clinics. This machine produces prosthetic units by using a scanner and 3D program. While traditional prosthetic units are molded in casts, IMES-ICORE CORITEC 650 carves the construction from the material which increases precision, reduces waste and shortens the delivery time.

Intraoral scanners and face scans

An intraoral scanner is a device of the latest generation, which allows the dentist to quickly, easily and accurately create a digital 3D model of both dental arches of the patient. Based on this, highly precise dental restorations can be made, such as single crowns, bridges, different constructions on implants, full-arch reconstructions, etc. The most important thing is that the scanning process itself is fast, completely painless and harmless for the patient, and more pleasant than the traditional impression of one jaw at a

time with materials of different densities. Getting an accurate restoration through conventional impression-taking can be challenging. Inconsistent quality of the impression too often leads to remakes, low clinical and esthetic results, and increased need for adjustments during seating. By using intraoral scanners, the possibility of error is reduced. The scanning process takes only a few minutes, after which the digital data is sent to the laboratory for further processing. Intraoral scans can be complemented with the face scan which allows 3D digital simulation of future look and eases the process of surgical and prosthetic planning. These 3D simulations also facilitate the communication with the patients as they allow them to see the end result upfront.

Intraoral cameras and monitors

Intraoral cameras enable dentists to provide patients with a visual tour of their mouth on screen, which allows them to simply explain any treatment and communicate about the process. This reduces the anxiety and improves the doctor - patient relationship.

Dental lasers

Application of laser technology in dentistry has multiple advantages. Dental laser procedures for soft tissues do not require stitches and the damage to the surrounding tissues is minimized. Furthermore, bleeding during the procedure is minimal thanks to the force of the air, which enables immediate clotting of blood vessels and prevents blood loss. The laser beam disinfects the treatment area and prevents bacterial infections. During the procedure, the laser immediately stimulates regeneration of wounds, leading to faster healing. In ADG clinics Dentex and Rident, Fotona dental laser technology is used, and in Arena Dental Lite Touch laser is used.

Dentine grinder

Dentine grinder is a revolutionary device that enables doctors to use a patient's own biological material to build up dental bone. Dentine grinder uses a patient's dentin to produce a top-quality autologous graft used for augmentation of bone defects. Dentin is denser than an allogeneic graft, so it is a great foundation for bone growth. Dentine has the same proteins and immune response, so quick fusion with the bone is a great advantage. The dentine augmented bone heals much faster, and is ready for next steps twice as fast as an artificial bone.

CNC milling systems

All laboratories in ADG have CNC milling machines that enable fast production of prosthetic components (crowns and bridges) from zirconia and Co-Cr alloy blocks. This sophisticated machines greatly speed up the process of manufacturing of prosthetic units with advanced precision and high material use. Dental technicians separate the milled teeth from the material and finish them until first-rate quality is achieved.

Optical instruments

Without using adequate microscopes and dental magnifying glasses, it would be very difficult to achieve outstanding results in surgical interventions requiring supreme precision in the preparation and placing of implants or during the grinding of teeth for the purpose of reconstructive therapy by means of zirconia or metal-ceramic crowns. The advantages of optical instruments are multiple because they enable augmentation of the intervention area and a better sectional view of the operating area, which in turn enables more precise diagnosis and treatment. Some ADG clinics are equipped with high-tech dental microscopes that enable dentists to make detailed examinations and more accurate diagnoses.

Digital radiographic imaging

ADG clinics use digital radiographic imaging and digitalized radiographic equipment. This means that the clinicians are able to access images instantly, and it also reduces radiation for patients by up to 90 percent. Additionally, digital radiographic imaging significantly reduces waste, as no developing materials and instruments are needed.

Monitoring latest developments in technology and implementing innovative devices, equipment and materials in dental practices improve the experience for patients improving their satisfaction, reducing risks and making their dental experience more pleasant. This is what makes ADG stand out among other dental service providers.





New central laboratory with the latest technology

In 2023, Rident successfully concluded a substantial and ambitious investment cycle, made possible through the support of the Adria Dental Group. The inauguration of a state-of-the-art dental production laboratory in Kastav, serving as the production and educational hub for the entire Adria Dental Group, represents a momentous stride in the dental industry within Croatia and the broader region. This facility consolidates two Rident laboratories based in Rijeka, while the Poreč laboratory retains its independence.

The laboratory is equipped with cutting-edge dental technologies and will employ approximately 80 skilled professionals, positioning it among the ten largest laboratories of its kind in Europe. This strategic investment, amounting to approximately 5 million euros, is imperative for enhancing the competitiveness of the Adria Dental Group. It acknowledges that modern medicine requires investments in knowledge, materials and technology.

Furthermore, the laboratory will function as the educational nucleus for the Adria Dental Group, offering practical training for dental technicians and doctors of dental medicine from all ADG clinics. Notably, as such a comprehensive laboratory is nonexistent in the Southeast European region, education extends beyond the confines of the Adria Dental Group to include participants from outside the group. The educational facilities in Kastav will extend their offerings to the Faculty of Dental Medicine in Rijeka, as well as to longstanding partners and suppliers. This collaborative approach is instrumental in enhancing the quality of dental medicine.

Rident has already established a fruitful collaboration with the University of Rijeka. Some Rident employees regularly participate in ongoing education for dental doctors and other professionals in dental medicine as lecturers, while students complete internships in Rident, benefitting significantly from practical and concrete knowledge aligned with global trends. Generations of students have passed through Rident, and the University of Rijeka has been the main source from which, both in the past and currently, employees of Rident are recruited.



Quality management

With the aim of ensuring highest quality,
ADG clinics implement widely accepted
international norm for quality management
- ISO 9001. In 2023, Arena Dental, Dentum,
Salona Dental, Rident and Dragaš dental
design were ISO 9001 certified. Dentex will
renew the certificate in 2024, and Fiziodent
will begin the process of certification. ADG
aims to have ISO 9001 certificate in all present
and future clinics as an external confirmation
of good quality management practices.

71.43%

ADG CLINICS WERE
ISO 9001 CERTIFIED IN 2023



Lifelong warranties

Using quality input materials is an important precondition for providing exceptional patient care. By using only highest quality materials of the latest generation, ADG clinics are able to provide lifelong warranties on the implantology work, and quality guarantees for other products and services done in dental offices and laboratories.

Medical Device Regulation

The EU Medical Device Regulation (Regulation (EU) 2017/745, MDR) is an European Union (EU) regulation that sets requirements for the safety, quality, and traceability of medical devices sold within the EU. It aims to enhance patient safety and increase transparency by imposing stricter regulations on the design, manufacturing, and distribution of medical devices. Manufacturers must adhere to higher standards for certification and ensure compliance with labeling and reporting obligations. ADG only works with suppliers that comply with MDR requirements, thus ensuring safety and quality of supplied products and reducing regulatory risks.

Having the top-quality equipment which is safe for both employees' and patients' health is crucial for long-term sustainability of operations.

All medical devices and materials used in ADG clinics and laboratories are compliant with the Medical Device Regulation.





Protecting safety of everyone involved

Dental medicine sector needs to pay special attention to the hygiene of the space, instruments and materials as well as to the protective equipment for both doctor and the patient. ADG has established strict protocols in line with the legal requirements and highest industry standards for sterility of instruments, rooms and inventory. All materials and instruments used in dental offices are sterilized and disinfected using quality cleaning products and the latest technology. Apart from sterilizing and disinfecting all the instruments used in the dental offices, there are also protocols for disinfecting and sterilizing dental chairs and all the working surfaces. Medical staff use the best protective equipment which prevents the spread of diseases in direct contact between a doctor and a patient. High disinfection and sterilization standards are guaranteed by applying clear and precise protocols which are internally audited at least once per month. This way, the security of patients and personnel is assured during their stay at the clinic.

Compliance with quality and safety standards

In the reporting period there were no identified cases of non-compliance with the legal framework or voluntary codes related to quality and safety standards for patients.

Improving patients' experience

ADG embraces digitalisation with the aim to maximally simplify the experience for patients. All relevant information can be found on websites of the clinics, and in most of the clinics, appointments can be set via online form or email. Communication with patients is also digitalised and sometimes even includes social media channels such as WhatsApp or Viber for fast and easy exchange of information.

ADG aims to make the visit to the dental clinic as comfortable as possible. This relates to both flexibility in time and design of the space. ADG clinics continually review opening times to offer appointments that fit to patients' busy schedules. Welcoming clinics are fully furnished for a calming atmosphere where every visitor feels relaxed and comfortable.

Led by the patient's wellbeing in mind, after careful examination of all factors, ADG doctors always offer different treatment options transparently presenting advantages and disadvantages as well as financial costs of every solution. This allows the patient to be in control of the process.

Communication is a very important aspect of long-term relationships with patients. ADG employees always aim to communicate in simple terms, being understanding of the patient's feelings and patiently resolving all concerns. In order to overcome communication obstacles, a considerable number of doctors are fluent in foreign languages. Furthermore, in 2023, ADG made additional investments in language courses for its employees.

Visiting the dentist can be a very stressful experience. Especially for people with dental phobia. Hoping to reduce anxiety for its patients Arena Dental invested in headphones and TV screens so that patients can enjoy their favorite music, TV show or movie during treatment. Moreover, for individuals with a very strong fear of dental procedures, Dentum and Salona Dental clinics provide the option of conscious sedation to help ease anxiety during treatments.



Managing challenges of unsuccessful procedures

Success rate of procedures and treatments significantly depends on the information received by patients. Purposefully withholding information or misleading claims can result in doctors applying wrong treatment or unadjusted procedure. This can lead to complications or poor results. With the aim to prevent this risk, ADG clinics introduced questionnaires that patients need to complete prior to the treatment. Patients are responsible for providing accurate information about their health status, previous treatments and medications they are currently using.

Protecting patients' privacy

All data collected and stored by ADG are subject to privacy policy that is in line with the General Data Protection Regulation (GDPR) requirements. Policy is publicly available at ADG corporate website. ADG strongly values privacy of all patients, therefore significant resources are invested in development of the data management system. In 2023, the Board appointed a Data Protection Officer which visited all clinics and identified opportunities for strengthening of the system. Based on the recommendations, a reconstruction of the IT infrastructure is underway with the end goal of having a unique IT cloud solution.





In the reporting year there were no data breaches or negative impacts on patients' privacy.

Inclusivity

Modern dental clinics are designed to offer safe, efficient, and accessible dental treatment to all patients, regardless of disabilities or mobility challenges. The "building standard" requires that dental clinics have universal design, including wider doors, access ramps, and elevators. In addition, the dental clinics must have adequate lighting, high color contrast, and good acoustics to ensure that all patients can communicate and interact with dental healthcare professionals effectively.

Accessibility of the services

Complex dental services are expensive and mostly not covered by the healthcare system. Poor teeth condition and inability to



make changes can significantly impact an individual's mental health. With the aim to increase the number of patients that can afford "a nice smile", ADG clinics offer various payment terms including payment in installments, loans in partnerships with financial institutions and discounts, ADG clinics also try to adapt to the situation of the patient in financially vulnerable position with the aim to find a solution that benefits both sides. All patients can request information on options and help with finding a suitable model by ADG sales staff. The finance plans of dental treatments offered by ADG are simple, easy to understand and fair.

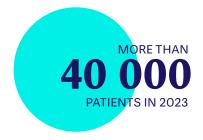




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3.2.4 Customer satisfaction

In 2023, ADG had more than 40 000 patients. Rident contributed the most to this number, with 35% of total patients.



Customer satisfaction

At ADG, customer satisfaction is measured with the net promoter score. Net promoter score methodology is based on a simple question: "Would you recommend ADG services to your friend or colleague?". In 2023, total Net Promoter Score (NPS) at Group level was 89.3% while 90.7% of patients gave the highest rate. Scores are based on 8910 feedbacks and 95.9% completion rate.

Adria Dental Group

These results indicate that customers are not only satisfied with the value received, but they are also loyal to the extent that they are willing to vouch for ADG and recommend it to others.

Measuring of the NPS started in November 2022. This methodology allows the comparison of clinics that are part of the Group and helps to identify opportunities for improvements. NPS helps uncover the loyalty drivers as well as areas where measures can be introduced to improve patients' satisfaction. This includes: atmosphere in the clinic, approach of the non-medical staff, approach of medical staff, services of organized

transportation and accommodation, prices etc. ADG is working on the measures that allow the identification of unsatisfied patients with the aim to establish protocols that help to reduce and, most importantly, avoid dissatisfaction with ADG services. Generally, the goal is to reduce the number of complaints and improve overall satisfaction.

Patients' complaints

At the ADG level there were in total 17 complaints in 2023, i.e. 0.43* complaints per 1000 patients. All complaints are noted in detail in patients' records. Head of clinics or responsible administrators keep special documentation in regards to complaints. All complaints were resolved within the prescribed period of days and at patients' benefit.

*Calculated as: (number of complaints/total number of patients) x 1000

ADG RECORDS A POSITIVE TREND IN PATIENT SATISFACTION

NOVEMBER 2022 - MAY 2023

88.2% OF PATIENTS GAVE THE HIGHEST RATE AND ARE READY TO RECOMMEND ADG TO OTHERS.

PARTICIPATING CLINICS: 5
FEEDBACKS: 3 911
TOTAL NPS: 86.4%

JUNE 2023 - DECEMBER 2023

91.7% OF PATIENTS GAVE THE HIGHEST RATE AND ARE READY TO RECOMMEND ADG TO OTHERS.

PARTICIPATING CLINICS: 7
FEEDBACKS: 5 684
TOTAL NPS: 90.4%



MAINTAIN NPS AT HIGH LEVELS IN 2024



ADG's corporate culture is rooted in dedication to patients, excellence, responsibility, integrity, and teamwork. By integrating social and environmental responsibility into their business model and strategy, ADG is committed to transparent and ethical governance practices.

4.1

Ethical corporate culture

Code of Ethics

The purpose of the Code of Ethics, developed and published in 2023, is to clearly define and convey information about the ethical business conduct and principles of Adria Dental Group. Considering the continuous growth and development of the group and its members, this is the way to ensure the highest standards for the patients and employees.

Provisions described in this Code of Ethics apply to all members and employees of Adria Dental Group as well as all others who are not employed by ADG but take part in its work and activities. Every employee of ADG shall respect the principles of this Code of Ethics, reject every action that is contrary to the principles of it and report any violations to the ethics committee. Every action that is contrary to the provisions of this Code of Ethics shall be subject to employment liability as defined in the Rules of Procedure of ADG members.

This Code of Ethics is based upon the mission, vision and fundamental values that are the backbone of ADG's business and ensure that the patient always comes first.

Code of Ethics consists of principles of ethical behavior which ensure mission and values accomplishment in daily business:

- → principles of behavior in relationship with patients,
- → principles of behavior within the organization,
- → principles of behavior towards external staff and the public and
- → principles of responsible business conduct.

The Code of Ethics and the procedures arising from it on behalf of ADG are managed by the Ethics committee, which consists of representatives of each member of the Group that are appointed by the Management Board at the level of ADG. All the details of the work of the ethics committee are part of the Statute of the Ethics Committee of ADG. The goal of ADG is to change and adapt the Code of Ethics according to the development of the organization and employees shall be informed about it in due time.

The Code of Ethics is publically available to all stakeholder and can be accessed at this link.

ADG Values



TO PATIENTS

With a holistic approach, we provide the best dental care, thus improving the quality of life in accordance with the patient's needs.

Every interaction with our patients is marked by respect and empathy.

We provide every patient with the same quality and safety, respecting the rules of the profession.



EXCELLENCE

We set the highest quality standards in everything we do.

We work in accordance with the highest professional and technological standards in the field of dentistry.

We continuously learn and invest in professional and personal development.

We encourage and accept continuous improvements and changes.



RESPONSIBILITY

We communicate transparently about expectations and responsibilities.

Each and every one of us takes responsibility for accomplishing our tasks in the best way possible.

With a mentoring approach, we encourage others to take responsibility.

We dispose of all our resources responsibly.

We respect our obligations as well as the time and obligations of others.



INTEGRITY

We build relationships of trust based on respect, confidentiality and honesty with our patients, colleagues, suppliers, partners and all other stakeholders of operating and strategic business.

We establish and implement the same rules in the operating and strategic business of the group.

We ensure compliance with ethical standards through leading by example and implementing straightforward procedures for reporting and resolving issues.



TEAMWORK

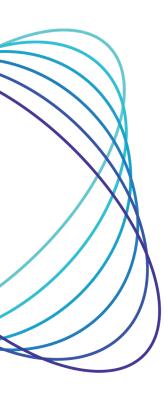
We recognize and appreciate the contribution of every individual. We acknowledge diversities, learn from them and build upon them.

We help each other regardless of the department.

We support new colleagues to make them feel welcome and appreciated and to quickly integrate them into the team.

We respectfully communicate with each other and solve problems constructively.

We spread a positive atmosphere while interacting with our colleagues, showing empathy and cordiality.



Mechanism for identification, reporting, and investigation of irregularities and code of ethics violations

ADG has established an internal system for reporting irregularities in line with the applicable national legislation. A commissioner for reporting irregularities has been appointed in all ADG clinics. ADG has adopted an internal rulebook on irregularities reporting which outlines the process for reporting and investigating cases of unlawful behavior or violations of Code of Ethics. The rulebook is available to all employees via internal channels and employees are informed about the system during education on Code of Ethics that all employees need to complete.

ADG has established channels for reporting concerns, including a dedicated email address, an internal platform and Ethics commissioners in each member of the Group. These channels are accessible to both internal and external stakeholders. Complaints can be submitted in person or in writing.

ADG has well-defined procedures outlining the steps to follow when reporting issues. These procedures ensure that reported incidents are documented, promptly addressed, and thoroughly investigated. Reports and suspicions of unlawful behavior or violations of Code of Ethics are treated seriously, and investigations are conducted swiftly, impartially, and confidentially. Ethics commissioners or the Ethics Board are responsible for investigating reported incidents. Records are maintained throughout the investigation process, ensuring transparency, accountability, and compliance with legal requirements. The outcomes of the investigation

process are presented to the Board. ADG is subject to legal requirements under national law transposing Directive (EU) 2019/1937 with regard to the protection of whistle-blowers and complies with applicable requirements.

Employee training

ADG believes that a strong ethical culture starts with every employee and recognizes the importance of training as a fundamental component of the strategy to promote ethical business behavior throughout the organization. The goal is to educate employees about various aspects of business conduct, including the prevention of corruption and bribery. Therefore, awareness-raising and education program is aimed at all employees at different levels and departments within the organization, regardless of their role or function. New employees undergo comprehensive onboarding training, which includes an introduction to ADG's Code of Ethics, ESG policies, and relevant legal requirements. This training provides a solid foundation for understanding the expectations regarding business conduct from the beginning of their employment. 100% of employees in all ADG clinics participated in the education in regards to business ethics in line with the principles from the Code of Ethics.

Cases of unethical conduct

In the reporting period, there were 2 reports for non-ethical behavior. Complaints were received by the ethical commissioner in the respective clinic and resolved in line with the Code of Ethics. Due to personal data protection policy, the cases are not described in this Sustainability Report.

Sustainability Report 2023 Governance information

4.2

Management of relationships with suppliers

Supplier relations policy

Supplier relations policy applies to all procurement activities undertaken by ADG. Policy sets following objectives:

- → Long-term collaboration and stability of the supply chain
- → Preventing late payments, especially towards SMEs
- → Preventing human rights violations and pollution in the supply chain

It encompasses the procurement of goods, services, and works from external suppliers and contractors. The policy is applicable to all ADG clinics. ADG is committed to maintaining fair relationships and promoting ESG practices regardless of the location of the suppliers. All employees with procurement responsibilities should uphold this policy in their activities. ADG defines and monitors key performance indicators related to supplier relationships. Achieved results are reported in the Sustainability Report.

Every supplier contract also includes the ADG's Code of Ethics. Suppliers are required to conduct in line with ADG code, national laws and regulations, as well as applicable EU regulation in the dental medicine sector such as Medical Device Regulation.

Partnerships for the success

One of the prerequisites for providing exceptional high-quality dental services is a thoughtful and strategic selection of suppliers and manufacturers of dental equipment and materials. Strong relationships with suppliers and manufacturers of dental equipment is one of the driving forces behind Adria Dental Group's operations.

ADG's strategy towards suppliers is based on long-term relationships, encouraging open dialogue, knowledge exchange, and innovation.



Payment practices

ADG establishes fair terms in all contractual relationships with suppliers and aims to pay promptly, in line with agreed terms. ADG avoids late payments to all suppliers, especially towards small and medium sized enterprises. This is formally stated in the ADG's supplier relations policy that was adopted by the Board in 2023.

ADG understands how timely payments are important for stability and liquidity of the suppliers. In 2023, all invoices in Adria Dental Group were paid within 30 days from the date of issuing. Standard payment terms were 30 days in all clinics, and 100% of payments were aligned with these standard terms. There were no legal proceedings outstanding against ADG for late payments.

ESG in the supply chain

Suppliers play an important role in ADG's sustainability journey and are partners in achieving ESG goals. ADG's supplier relations policy outlines expectations from suppliers regarding ESG practices and establishes a framework for sustainable supplier relationships.

In the following period, ADG will introduce the ESG screening of the suppliers to assess their ESG practices. ESG criteria, encompassing environmental impact, social responsibility, and governance practices, will be considered when assessing and selecting suppliers. Priority will be given to suppliers aligned with ADG values and ESG policies.

- → Suppliers have to adhere to all applicable environmental protection laws, regulations, and standards in their operating regions. They should adopt practices that minimize their environmental footprint, including resource efficiency, waste reduction, pollution prevention, and responsible energy and water usage.
- → Suppliers have to uphold fundamental labor rights, including fair wages, safe working conditions, non-discrimination, and freedom of association.
- → Suppliers have to respect and support human rights, including those of their employees, local communities, and stakeholders. They must not engage in any form of child or forced labor, human trafficking, or other human rights violations.

Local suppliers

Having local suppliers in the supply chain offers numerous advantages. These include reduced lead times, shipping costs and flexibility. These partnerships contribute to supply chain risk reduction by providing a buffer during global disruptions. Moreover, shorter transportation distances reduce the carbon footprint of the supply chain, aligning with environmental goals. Supporting local suppliers also benefits the local community through job creation, taxes and profit distribution.

ADG clinics try to engage in its value chain local suppliers, i.e. suppliers based in Croatia. On average, 91.49% of ADG clinics are supplied by local companies who respectfully represent international brands in dental industry.

4.3

Anti-corruption

Corruption is a barrier to sustainable corporate development and presents significant financial, legal, and reputational risks. Through its Code of Ethics, which provides guidelines for the conduct of all employees, ADG dictates that the behavior of each employee should be characterized by honesty, integrity, and transparency. ADG strictly prohibits any act of corruption or bribery by employees or third parties acting on behalf of the company.

Anti-corruption Policy

ADG adopted an anti-corruption policy that applies to all members of the Adria Dental Group and all relations with stakeholders. The policy applies to permanent and temporary employees and other associates that participate in the work and activities of ADG. Management team is responsible for implementation of the policy. ADG firmly opposes corruption in all its forms, including extortion, bribery, conflict of interest, influence peddling, abuse of power, document forgery, money laundering, insider trading, and fraud. All employees are to maintain strict confidentiality regarding any sensitive information they come across during the course of their professional duties. They have to refrain from using such information unlawfully for personal gain or for the benefit of third parties.

Awareness and education

Aware that corruption can manifest in various ways, ADG raises awareness and educates employees to recognize and avoid participation in any of its forms. Anti-corruption is planned to become a part of ethics training that all ADG employees need to complete.

Addressing allegations about corruption and bribery

In cases of suspicion, accusation, report or incident related to corruption or bribery, ADG ensures that the investigation is carried out quickly, independently and objectively. Both internal and external stakeholders can submit their complaints to the Ethics commissioner in writing through established channels. Cases are investigated by ethics commissioners and/or ethics committee that are separate from the chain of management involved in the case in order to maintain impartiality and avoid conflicts of interest. The results of the investigation are reported to the Management Board and the Supervisory Board. The reporting process ensures that the relevant bodies are notified timely, enabling appropriate action to be taken based on the findings of the investigation.

No incidents of corruption or bribery

In the reporting period there were no convictions for violation of anticorruption and anti-bribery law. There were no fines for violations of anti-corruption and anti-bribery law. As there were no incidents related to corruption or bribery, no actions were needed to address breaches in procedures and standards of anti-corruption and anti-bribery laws.



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ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		9
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		9
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				22
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/245328T a ble 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		ADG is not involved in these
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		- activities.
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		
ESRS E1-1Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	55
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), a nd Article 12.2		NA

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ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				54
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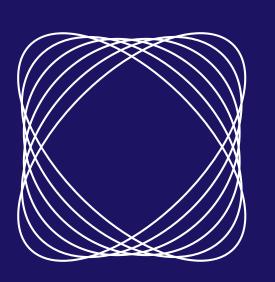
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