



# **2021 Environmental Sustainability Report**

**October 2021**

## From the Desk of Tim L. Hingtgen

At the affiliated hospitals and clinics of Community Health Systems, each day we help people get well and live healthier by providing safe, quality healthcare, building enduring relationships with our patients and providing value for the people and communities we serve.

The health of our environment – both in- and outside a medical site of care – impacts the health, safety and well-being of our patients. With that in mind, our affiliated hospitals contribute to their local communities and take care to operate in a manner to efficiently utilize resources and protect the environment. We value that which sustains life – the air we breathe, water we drink and the earth’s many natural resources.

The COVID-19 pandemic has made clear how inter connected we are. As the virus moved through communities around the world, providers rapidly adjusted operations and practices in response to the ever-evolving situation. Even in the midst of this challenge, we found ways to maximize our resources to support the delivery of care in the communities served by our affiliated hospitals while reducing waste and minimizing our environmental impact. One example is our creation of an internal repair depot that safely extended the functional life of 60 ventilators in response to the urgent need.

Our company has been built upon a commitment to quality care, responsible operations and public service and we are looking toward the future. We have worked diligently to identify and implement processes that improve efficiency, reduce consumption and waste, minimize environmental impact and improve community well-being. We intend to continue advancing our delivery systems, extending access to safe, quality medical care for more patients in our communities and to consider the effects of the social and environmental determinants of health on the people who are counting on us for care.

Community Health Systems has reported on sustainability since 2010. I am pleased to introduce the report for 2021 which provides updates on our ongoing environmental sustainability actions and practices.

Sincerely,



Tim L. Hingtgen  
*Chief Executive Officer*

## CHS Environmental Sustainability Goals

We recognize the environment is an exhaustible resource and the importance of using the environment and its resources rationally and protecting it for the good of future generations. We have established goals to protect our environmental resources which focus on the reduction of our carbon footprint, water and energy usage and material waste. Achieving these goals can often be cost-effective as well as important for environmental sustainability. Following are our specific goals and methods for achieving them.

- Meet or exceed all applicable legal and regulatory environmental standards
  - Follow standard sustainability specifications for facility design and construction
  - Register new construction and major renovation projects in excess of \$10 million for the Green Building Initiative Green Globes Program certification
  - Procure sustainably sourced products
- Reduce, reuse and recycle materials
  - Reprocess medical supplies
  - Manage and recycle sharps (blades, needles, scalpels, etc.)
  - Reduce paper printing (forms, reports, general printing)
  - Recycle end-of-life electronics
  - Extend the life of medical equipment safely
  - Recycle and divert construction and demolition debris
- Reduce energy use, emissions and water consumption
  - Reduce overall energy consumption as measured in BTUs per square foot (gas and electricity) by 1.5% per year
  - Remotely monitor and adjust thermostats to improve energy usage, with a goal to install the capability at 100% of our affiliated hospitals by 2024
  - Install roofing with appropriately colored, energy-efficient and recyclable materials
  - Use energy-efficient LED lighting
  - Replace older HVAC systems
  - Utilize smart building technology and automation
  - Improve and maintain facility infrastructure
  - Support utility development of renewable power sources
  - Improve infrastructure to reduce water usage
  - Use well water to minimize use of potable water
  - Specify efficient water fixtures for new construction and renovation projects

Details of our goals and methods to achieve them are included in the following pages.

## Meet or exceed all applicable legal and regulatory environmental standards.

CHS intends to meet or exceed all applicable legal and regulatory environmental standards for the safe operation of facilities and the protection of our environment, our patients, personnel and residents of communities in which our affiliated hospitals do business. In addition, CHS will further strive to operate our affiliated facilities to protect and preserve our environment through proven practices outlined in this report.

### New Construction and Renovation Project Commissioning.

Building commissioning (Cx) is the professional practice of verifying – in new construction and renovation – all (or a portion) of the subsystems for mechanical (HVAC), plumbing, electrical, fire/life safety, building envelopes, sustainable systems and lighting to ensure buildings meet CHS design standards and sustainability goals. Properly commissioned buildings tend to be more energy efficient and have lower operation and maintenance costs.

On significant construction and renovation projects in excess of \$10 million or projects involving major changes to existing mechanical infrastructure, CHS engages an external commissioning agent to ensure that new and renovated facilities operate at peak performance from initial occupancy onward.

### Standard Specifications for Facility Construction and Renovation.

For new buildings and certain renovation projects, we establish sustainability requirements for architectural design, facility construction and waste management during construction. Examples of requirements for our architects and contractors include:

- Assistance with certification by the Green Building Initiative Green Globes Program certification
- Site and building design to minimize environmental impact
- Recycled content requirements for certain building and finish materials
- Low-emitting volatile organic compound (VOC) finish materials, paints and furniture
- Verification of environmental product declarations, third party certifications and life cycle assessment calculations and
- Tracking of waste materials diverted from landfills or recycled

### Sample Project: Environmentally Designed.

From the beginning, planning for two replacement hospitals in Fort Wayne, Indiana and La Porte, Indiana included establishing goals to ensure the new buildings would be significantly more efficient in their use of natural resources such as energy, water and raw materials than the facilities they replace. The new Lutheran Downtown Hospital in Fort Wayne (expected to open in late 2021) and Northwest Health - La Porte in La Porte (opened in November 2020) are designed to maximize efficiency and reduce their environmental impact in numerous ways:

- Plumbing fixtures that are U.S. EPA WaterSense program compliant, where available
- High efficiency heating and cooling infrastructure to minimize water, natural gas and electricity use
- Building Automation System (BAS) constantly monitors energy use and notifies staff if adjustments area needed to maintain efficiency
- Boilers for heating with significantly reduced CO<sub>2</sub> and Nitrous Oxide emissions compared to older technology systems
- Chillers for cooling utilize modern refrigerants with very low ozone depleting potential; constant monitoring for leaks

- High-efficiency LED lighting fixtures and controls reduce electricity demand
- A minimum of 50% of construction waste, including building demolition waste, diverted from landfills through re-use and recycling
- Dedicated space to support recycling
- Air handling system meets or exceeds American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Standard 62.1 for Zone Air Distribution Effectiveness (Ez)
- Carpet, carpet pad and under-carpet adhesives comply with the Carpet and Rug Institute's (CRI) Green Label Plus program
- Paints, floor coverings and other interior products meet or exceed recommended limits of Volatile Organic Compounds (VOCs)
- Interior furnishings for non-patient care meet sustainability requirements from the Forestry Stewardship Council (FSC) where possible

### **Addressing Climate Change Impacts on Human Health & Infrastructure.**

Our affiliated hospitals work hard to be prepared for extreme weather conditions. Every affiliated hospital (100%) is compliant with the CMS Emergency Preparedness Requirements for Medicare and Medicaid Participating Providers and Suppliers.

Hospital leadership teams have established emergency preparedness plans based on their local conditions and risks, including a communication plan, policies and procedures. They conduct twice-annual testing and perform regular drills with local emergency management agencies and first responders. Plans are reviewed and updated biennially.

Capital investments are made regularly to update physical plants to withstand extreme weather conditions. For example, the building envelope – windows, doors, and roofing – is reinforced for hospitals in areas prone to hurricanes or flooding. Roofing, air conditioning and heating systems for every facility are designed based on the local climate and weather conditions that building is most likely to face – reflective white roofs in the southwest and heat absorbing dark roofs in the north. Generator capacity is added to storm-prone facilities so they can sustain power onsite without the need for additional mobile generators. Where practical, we have added groundwater wells that can supply potable water in emergency situations.

The CHS corporate incident response team is staffed by skilled and experienced clinicians, operators and communications subject matter experts. Over the years, this group has helped hospitals sustain critical clinical services when their communities have been devastated by hurricanes, storm surges, severe winter storms, flooding, tornadoes and wildfires.

### **Green Globes for New Construction Certification.**

The Green Building Initiative® (GBI) is a nonprofit organization dedicated to accelerating the adoption of building practices that result in resource-efficient, healthier and environmentally sustainable buildings. Our goal is to seek Green Globes certification for any new construction and major renovation projects in excess of \$10 million. As of August 31, 2021, CHS has used Green Globes for New Construction for the certification of ten buildings:

- Community Health Systems Shared Services Building in Antioch, Tennessee
- Downtown Lutheran Hospital in Fort Wayne, Indiana (under construction)
- Grandview Medical Center in Birmingham, Alabama
- Northwest Health – La Porte in La Porte, Indiana
- Northwest Health – Porter in Valparaiso, Indiana

- Northwest Medical Center Houghton in Tucson, Arizona (under construction)
- Northwest Medical Center Sahuarita in Sahuarita, Arizona
- Tennova ER – Sango in Sango, Tennessee
- Siloam Springs Regional Hospital in Siloam Springs, Arkansas
- South Baldwin Regional Medical Center ER at Gulf Shores in Gulf Shores, Alabama

### **Procure Sustainably Sourced Products.**

HealthTrust Purchasing Group, or HPG, acts as the group purchasing organization for CHS and our affiliated hospitals. HPG supports its member health systems' sustainability goals by collecting product-level environmental health information from suppliers for HPG's advisory boards to consider in the sourcing process, ensuring member health systems have access to that product-level environmental health information, and working with member health systems to set initiatives to help them to achieve their sustainability goals.

HPG requires suppliers, as well as their subcontractors and manufacturers, to comply at all times with (a) applicable labor and employment laws, including those relating to child labor, forced labor, unsafe or unsanitary working conditions or human trafficking; and (b) laws relating to "conflict minerals" as defined in the Dodd-Frank Act. Suppliers are also required to undertake periodic inspections of any subcontractor or manufacturer involved in the provision of products under the suppliers' agreement with HealthTrust, to ensure compliance with such laws.

## **Reduce, Reuse and Recycle Materials.**

### **Decreased General Printing.**

Beginning in 2018, CHS reduced paper usage by setting all printers at our corporate office to default to double-sided, black-and-white printing. Copier paper purchases decreased by 32% between 2018 and 2020.

### **Reduced Form Printing.**

Between 2018 and 2020, CHS reduced printed forms inventory by 48%. By using electronic form programs, printed form production decreased from 4.6 million printed forms in 2018 to 2.3 million in 2020 on a same-store basis. We will continue to implement and encourage the use of electronic forms.

### **Reduced Annual Report and Proxy Printing.**

We previously printed and mailed more than 13,500 full sets of annual reports and proxy materials each year to our beneficial and institutional stockholders. Beginning with the annual report and proxy materials provided to our stockholders for the 2016 Annual Meeting of Stockholders, the Company has utilized the Securities and Exchange Commission's "notice and access" rules to provide the materials for its annual meetings of stockholders to most stockholders electronically via the internet rather than mailing a physical copy to each stockholder. This has significantly reduced the environmental impact of our annual meetings of stockholders as well as the cost associated with printing and mailing proxy materials to our stockholders. We have continued to reduce the number of full sets of printed proxy materials from 2,800 in 2016 to 900 in 2021.

### **Environmental Services Efficiency.**

Floor care best practices are being implemented with our affiliated hospitals to reduce restorative and maintenance frequencies. The new floor care initiatives reduce chemical and raw materials usage such as water and packaging and improve indoor air quality, while also protecting our natural resources.

- Chemical dilution systems are used to ensure chemicals are properly diluted and decrease chemical waste due to dilution errors while saving on packing materials, transportation costs, and raw materials.
- Microfiber mops and cloths are used in cleaning practices to reduce the amount of water and chemicals used. Microfiber mops can be laundered more than twice as many times as traditional mops, helping to save resources and money.
- Use of GreenSeal or EcoLogo certified cleaning products and chemical dilution systems with green attributes help protect our natural resources.

### **Reprocessed Medical Supplies.**

In 2020, our affiliated hospitals diverted 58.1 tons of medical supplies from landfills by collecting 613,491 medical devices for reprocessing through Stryker Sustainability Solutions and Johnson & Johnson's Sterilmed program. In addition, 424,171 reprocessed items were purchased through this program, including catheters, probes and surgical tools.

### **Extend Medical Equipment Life.**

Demand for ventilators and supply chain shortages during the COVID-19 pandemic drove our review of all equipment in our inventory, including items considered non-functioning. As a result, we established an internal equipment repair depot to safely extend the life of certain medical equipment. This allowed us to safely extend the life of 60 ventilators which were in high-demand for patient care. We anticipate that

continued use of our internal repair depot will reduce the amount of medical equipment we dispose of each year.

### **Recycling and Waste Management.**

Where possible and practical, materials are reused and recycled to conserve resources and minimize the need for treatment or disposal. Where waste is generated, it is handled and disposed of safely and responsibly. CHS understands that our waste disposal practices can have a health impact on the communities we serve. We are committed to handling and disposing of waste in an appropriate manner. All affiliated hospitals engage in some level of recycling including reprocessed medical supplies, sharps management and electronics.

### **Sharps Management.**

Through the Stericycle Sharps Management Service, affiliated hospitals diverted 558,803 containers of sharps from landfills from 2019 to 2020. In total, the project diverted 715.7 tons of plastic and cardboard from landfills.

### **Paper Recycling.**

In the year 2020, our corporate office shredded and recycled 7,515 US short tons of paper. These recycled materials are transported to paper mills for pulping which reduces pollution, preserves landfill space and thereby saves trees, water and energy resources. Assuming that, for each short ton of paper recycled, 17 trees are preserved (USEPA 2013a. Communicating the Benefits of Recycling) in 2020 our efforts preserved 126,095 trees. In addition, 205,982 gallons of water was saved; 16,982,984 kWh of electricity was saved and 37,572 cubic yards of landfill were preserved.

### **Electronics Recycling.**

The Company and its affiliated hospitals responsibly recycle many end-of-life electronics by contracting with Iron Mountain and S3 Recycling Solutions. A total of 105,336 computers, monitors, networking equipment items, printers, servers and other electronics were diverted from landfills in 2020 through reuse or recycling of the aluminum, copper lead, glass, plastic and other materials recovered. The diversion of 516 tons or 64,530 bags of waste is the equivalent of CO<sub>2</sub> emissions from 148,976 gallons of gasoline or 183 homes' electricity usage for one year.

### **Construction Waste Recycling.**

CHS spends millions of dollars annually on new construction and existing facility renovation. Our standard construction specifications require contractors to track and report the percentage of demolition and construction waste (such as asphalt, concrete, metals, gypsum board, carpet and acoustical ceiling tiles) recycled and diverted from landfills. While the target percentage for projects is at least 50%, actual percentages have been as high as 80%. Examples include:

- Updates to Wilkes-Barre General Hospital in Wilkes-Barre, Pennsylvania, removed and replaced a 40-year-old, 40-foot canopy clad in metal panels. All metal was recycled rather than being sent to a landfill.
- During construction of the new Lutheran Downtown Hospital in Fort Wayne, Indiana, more than 825 tons of wood, block, brick, concrete, wire, metals, cardboard, paper and drywall material was recycled from November 2019 through February 2021.

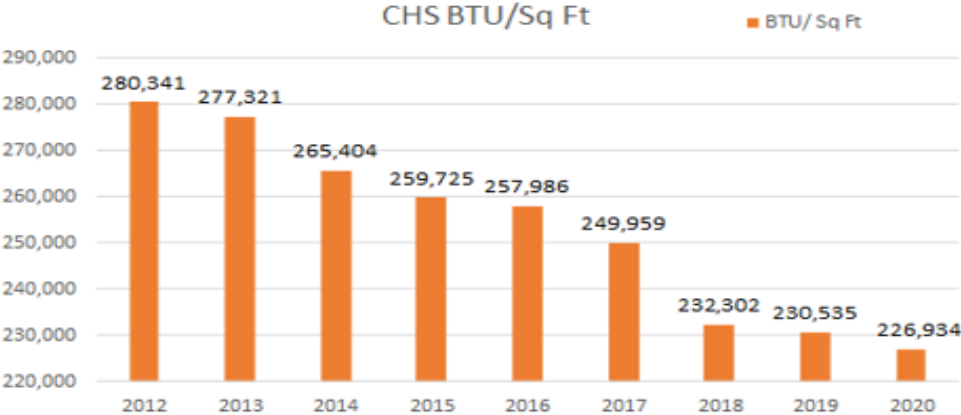


# Reduce Energy Usage and Emissions.

## Successful Reduction of Carbon Footprint.

The Company is committed to energy efficiency. Our reduction tracking program was implemented between 2008 and 2012. Since 2012, our overall energy consumption as measured in BTUs per square foot (gas and electricity) has been reduced by 19.1% on a same-store basis. Our goal using the actions and initiatives described in this report is to reduce energy consumption at every hospital on a year to year basis by 1.5%; this is tracked and reported internally for each affiliated facility.

Reported data was derived from actual electric and natural gas usage at each hospital in all the years. Weather impacts actual usage and the percentage saved.



Charts reflect energy usage of affiliated hospitals in the portfolio as of 8/31/2021.

## Energy Task Force.

CHS is committed to energy savings throughout our system. The energy task force focuses on energy savings at levels of design, construction and operation and verifies that CHS energy policy procedures are implemented at the hospital level.

## Hospital Sustainability Task Force.

CHS is currently piloting a program to implement a sustainability task force at each of our affiliated hospitals. It is our goal to implement this program at all of our affiliated hospitals by the end of 2022 to ensure that each facility is measuring its sustainability performance.

## Energy Management Best Practices.

Energy plant operators at our affiliated facilities focus on best practices to operate buildings at maximum efficiency every day. This daily focus on performance has saved significant funds and energy, year after year. Energy professionals conduct monthly tours to test major equipment and coach staff on efficient systems operations.

## Energy Audits.

CHS conducts monthly physical audits of our affiliated facilities to ensure every effort is being made to meet our energy reduction goals. We intend to continue adding to the capability for remote monitoring of these systems to allow for real time monitoring.

### Continuous Monitoring and Performance Improvement.

To ensure that every affiliated hospital is operating at peak performance year-round, CHS utilizes a continuous improvement program that monitors daily energy consumption and compares actual usage to a weather-corrected 2013 baseline. Real-time energy performance feedback is provided to energy plant operators with recommended steps to improve energy performance. Minor energy conservation measures (ECMs) are recommended monthly for repair or correction. Major ECMs are implemented through infrastructure projects where appropriate.

We are working toward being able to remotely monitor and adjust thermostats to improve energy usage at all of our affiliated facilities and our goal is to complete this installation at 100% of our affiliated hospitals by 2024. As of June 30, 2021, the capability was in place at 25% of our affiliated facilities.

### Continuous Infrastructure Updates.

We regularly and proactively invest in the infrastructure of our affiliated hospitals. Infrastructure projects aimed at reducing energy consumption include:

- Installing high-efficiency LED lighting
- Replacing older HVAC systems (chillers and boilers) with more efficient equipment
- Implementing smarter building technology and automation systems to cycle equipment on and off and adjust set points based on occupancy and outdoor temperatures
- Improving building envelopes (exterior roofs, windows and walls) to provide better thermal and moisture barriers to the outdoor environment

### Sample Project: Central Energy Plant Optimization.

A project to improve energy utilization in the central energy plant at Grandview Medical Center in Birmingham, Alabama, replaced the existing software managing the 4,800-ton chiller plant and other chilled water components including standard speed pumping with variable speed pumping. The project cleaned and recommissioned a free cooling heat exchanger that allows the hospital to function without chillers when the outside temperature drops below 45° F. At the same time, hospital staff implemented an aggressive energy optimization strategy to minimize energy use across the entire campus.

The cumulative impact since January 2018 has reduced energy consumption by 7.6 million kWh, reduced natural gas consumption by 61,384 MCF and reduced water consumption by almost 20.2 million gallons. The project reduced the BTU/sq. ft. at the facility by 13.9% from completion of the project in 2017 through 2020. Completion of this plant optimization prevented the release of more than 8,757 metric tons of CO<sub>2</sub> gases into the environment. It would take 10,728 acres of mature trees to capture the same amount of greenhouse gases as this project displaced.

<b>Grandview Medical Center – Central Energy Plant Optimization Impact</b>				
	<b>kWh Annual</b>	<b>kWh Change vs. 2017 baseline</b>	<b>MCF Annual</b>	<b>MCF Change vs. 2017 baseline</b>
2017 Baseline	33,678,540		154,986	
2018	30,980,901	(2,697,639)	135,455	(19,533)
2019	32,177,884	(1,500,656)	141,215	(13,771)
2020	30,272,781	(3,405,759)	126,906	(28,080)

**Sample Projects: LED Lighting to Reduce Energy Usage.**

Lutheran Hospital in Fort Wayne, Indiana, completed an LED lighting upgrade of its exterior parking lot pole lighting in the summer of 2020, replacing the previous metal halide and high pressure sodium lamps. The new 10-year LED fixtures with integral motion sensors and photo-controls to conserve energy during daylight hours are projected to reduce energy usage by 64% annually, from 357,697 kWh currently to 128,509 kWh. The amount of energy saved each year (229,188 kWh) could drive 35 cars or power over 29 homes. The annual carbon sequestered by this project is equivalent to the positive impact 199 acres of mature trees would have on the environment.

Crestwood Medical Center in Huntsville, Alabama, replaced their metal halide, high pressure sodium and fluorescent exterior fixtures with new LED lighting in November 2019, reducing kWh usage by 74% in the following year. Usage went from 196,977 in 2019 to 51,038 kWh in 2020 – a reduction of 141,500 kWh.

**Sample Project: Chiller & Chilled Water Control Valve Replacement.**

A 2018 project to replace an older 1,000-ton chiller with a newer, more energy efficient chiller and several new control valves has generated reduced environmental impact for Laredo Medical Center in Laredo, Texas. Since coming online three years ago, the new chilled water system equipment has reduced energy consumption by 7.45 million kWh, reduced natural gas consumption by 9,829 MCF and reduced water consumption by 4.1 million gallons as well as preventing more than 5,825 metric tons of CO<sub>2</sub> gases from entering the environment, equal to the emissions produced by 702 homes. It would take 7,137 acres of mature trees to capture the same amount of greenhouse gases as this project.

The project reduced the BTU/sq. ft. at the facility by 13.3% from project completion through 2020.

<b>Laredo Medical Center – New Chilled Water System Impact</b>				
	<b>kWh Annual</b>	<b>kWh Change from 2018 Baseline</b>	<b>MCF Annual</b>	<b>MCF Change from 2018 Baseline</b>
2018 Baseline	26,965,241		71,430	
2019	24,035,763	(2,929,478)	71,854	424
2020	22,448,719	(4,516,522)	61,177	(10,253)

**Preventive Maintenance.**

We use a computerized maintenance management system (CMMS) for preventive maintenance program management. The program includes more than 448 procedures that work in tandem with life safety, environment of care and emergency management policies and procedures. By performing preventive maintenance at scheduled intervals, we believe the life expectancy of equipment is extended while enhancing patient and staff safety. Preventive maintenance performed on HVAC systems assures equipment is performing at peak operating efficiency, resulting in reduced energy consumption.

Many of our environment-of-care standards are based on best practices and often exceed Joint Commission, National Fire Protection Association (NFPA) and other regulatory agency requirements. Examples include:

- Annual tours conducted in non-patient care areas using detailed checklists as part of the environment of care program. Patient care areas receive the same inspections semi-annually. We

believe in their value in ensuring ongoing maintenance is performed and necessary repairs are completed.

- Generator four-hour load bank testing is required every three years; we conduct annual tests to ensure the reliability of these critical systems.
- Fire sprinkler system inspection and testing is required semi-annually; our affiliated hospitals perform testing on a quarterly basis.

### **Air Filters.**

Quarterly inspection and replacement of air filters for air handling units (AHUs) is required by the Centers for Medicare and Medicaid Services (CMMS). The filters we purchase exceed code-mandated efficiencies and have reduced air-flow resistance. Our aggressive air filter monitoring and replacement program reduces the electrical energy required to circulate air in our affiliated hospitals by approximately 10%.

### **Roof Replacement and Repair Projects.**

For roof replacement and repair projects at affiliated facilities we work closely with industry experts and vendors who share our concern about the environmental impact of roof materials and systems. We aim to reduce the “urban heat island” effect by utilizing reflective roof materials with superior insulating properties.

Key gains in energy efficiency include an increase in insulation thermal value and improvement in rooftop reflectance. These improvements reduce interior building and roof top temperatures and have a positive effect on the efficiency of HVAC equipment. The thermal value of the new roofs is approximately 30% greater than that of the old roofs, reducing the energy required to heat and cool indoor areas.

We install insulation and roof membrane that is Energy Star® and LEED® rated and much of it includes a significant amount of recycled content. Examples of recyclable and low-environmental-impact materials used include:

- Gypsum fiber roof board – made from 97% recycled materials and 100% recyclable
- TPO (Thermoplastic) roof membranes – plasticizer free, 100% recyclable and reflective
- Expanded and extruded polystyrene insulations – recyclable
- Wood fiberboard insulation – recyclable and organic
- Perlite insulation – recyclable and organic
- Low VOC (volatile organic compounds) adhesives and primers
- Walk pads made from recycled TPO and EPDM (rubber) membrane

All new roofs are installed according to local building code/FM Global requirements. Landfill waste is reduced through the effective and economic recycling of roofing materials where allowed.

### **Consolidate energy-intensive data centers.**

Our consolidation of data centers and use of virtualization technologies has allowed us to reduce equipment, energy usage and space requirements. Data centers for individual hospitals are being consolidated to a more regional approach, reducing our footprint in each facility. Nearly 60% of our clinical applications are now hosted by larger third parties who run consolidated, efficient data centers that are highly reliable and redundant. We intend to continue to reduce our footprint by leveraging large operators who efficiently provide data center hosting.

### **Support for Utility Development of Renewable Power Sources.**

CHS relies on power-producing companies to supply renewable energy. All major power companies operate under government mandates to implement renewable energy strategies. This varies by state, but generally power companies are required to renewably source a percentage of the power they supply. Utility companies have the expertise and infrastructure to implement the most effective strategies and surcharges are added to energy bills to fund these endeavors.

## Reduce Water Usage.

### Water Treatment.

Our chemical treatment program for infrastructure systems at all affiliated facilities is based on best practices and industry standards for water quality. A sustainable and green chemical treatment program assures that piping systems are cleaned of undissolved solids and algal growth, increasing the efficiency of pumped water systems. Refinements are made continuously by our vendors and the program is updated on an as-needed basis. Quarterly meetings are conducted with chemical vendors to document lessons-learned and apply the findings to future programs.

During the period from 2018 through 2020, this program saved enough energy to power 3,391 homes for one year (32.6 million kWh) and saved the equivalent amount of water used in 123 typical homes for one year (13.5 million gallons). Examples of projects completed under this program include the replacement of a condensate pump and domestic hot water solenoid valve at Merit Health River Region in Vicksburg, Mississippi; repair of a leaky heat-exchanger and return of condensate to a deaerator at Tennova Healthcare – Clarksville in Clarksville, Tennessee; and the installation of a new boiler controller with automated blowdown and web connectivity at Mat-Su Regional Medical Center in Palmer, Alaska.

For potable water systems, we implemented a proactive program in 2015 based on assessment, maintenance, monitoring and evaluation principles to mitigate patient, visitor and staff risk of exposure to waterborne pathogens such as Legionella. This program includes annual testing for Legionella at all facilities. Site visits conducted by regional engineers include a facility water systems review and water management program.

### Well Projects.

At 21 of our affiliated facilities, groundwater wells are used to source water for irrigation and certain infrastructure applications in lieu of utilizing potable water. This has resulted in annual energy savings of 3.1 million kWh – enough to power 221 homes per year; and water savings of 12.1 million gallons – the annual water supplied to 111 average homes.

The use of well water saves the energy required for local water utilities to process unrefined water into a potable form and deliver to our hospitals. In addition, that same well water is available for use in emergency situations such as following hurricanes, tornadoes and other natural disasters when potable water may not be readily available. Infrastructure applications supported by the active water wells include potable water, water for boilers and make-up water for cooling towers. Some of the wells can operate on emergency (generator) power allowing them to supply water in an emergency when normal utility power is disrupted.

Planning for new water wells at Physicians Regional Hospital – Pine Ridge and Physicians Regional Hospital – Collier in Naples, Florida, is underway with completion expected by the end of 2022. While not practical in all affiliated locations, we continue to investigate opportunities to implement wells.

## **Our ongoing commitment to sustainability.**

Through the measures outlined in this report and more, CHS and its affiliated hospitals are actively managing important aspects of our operations to support delivery of safe, quality care while working to minimize our impact on the surrounding environment. Our commitment to sustainability is an important part of providing value for the people and communities we serve.

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