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Long-term vision

The year 2022 has been key in strengthening our commitment to the Global Compact and in integrating ESG (Environmental, Social and Governance) aspects as a way of life and operations in our organisation.

We are convinced that they make us better, more competitive, and help us grow responsibly with the long-term vision our company has maintained since it was established.

This has been a year in which challenges have been faced and opportunities seized to continue in our vocation to **make a positive impact** both on individuals and in our environment and our main stakeholders.

“At Healthcare Activos,
people are our best
investment”



Jorge Guarner
Founder and Executive
Chairman

Chairman's letter

In 2022, we were lucky enough to witness the beginning of the end of the COVID pandemic and the gradual recovery of our sector, alongside the operators in the social-healthcare field.

It has therefore been essential for us to maintain our operator mindset to push the main levers of recovery while remaining true to the fundamentals of our particular business model to continue growing continuously, safely, and with a long-term vision.

This year, we had the pleasure of seeing how our business was strengthened by fulfilling our commitment to expand into Europe, with new acquisitions in Belgium and Portugal, as well as a new office in Germany. Our investment capacity was also strengthened with the support of new international institutional shareholders, and we paved the way for the geographical diversification of our portfolio in Europe, as well as assets from more areas of the social-healthcare chain.

During this time, we reaffirmed our commitment to ESG policies, way beyond an increasingly widespread trend in our environment. We are proud to have working criteria that are fully in line with the implementation of Environmental,

Social and Governance sustainability policies, although we are aware that this means we remain particularly cautious of the criteria for including new projects in our portfolio.

The fact that we have assets where they are most needed, with appropriate sectoral structures, as well as operations accredited by quality certificates, forces us to take on the challenge of being selective yet responsible for what society really needs and, above all, the people who require each infrastructure, who are our main motivation and concern.

We are a company with an eminently social purpose, and this should be reflected in the character of everything we do: focusing first on people's needs, of course.



We are Healthcare Activos

Healthcare Activos is a platform specialising in real estate investment in the Healthcare sector in Europe, with a presence in Spain, Portugal and Belgium. We are recognised leaders in the development of social and healthcare infrastructure with real estate partners of the largest European groups in the sector.

We have extensive experience in the acquisition, management, construction, and monitoring of assets in the Healthcare sector. We invest in real estate assets in the health sector, including hospitals, clinics, community health and rehabilitation centres, as well as care homes for the elderly.

Healthcare Activos has a strategic plan to significantly expand the portfolio in the coming years in key geographical areas in Europe (mainly Benelux, Germany, Portugal and Italy). We have a long-term vision of the sector and analyse market trends and investment opportunities over a 20-year horizon.

Our management team is fully committed to the development and professionalisation of the healthcare industry across Europe, in line with a clearly defined ESG agenda.

Our philosophy places quality in the health sector as the driving force of long-term economic development and social cohesion. We create wealth simultaneously for people, industry, society, and the planet.



2016
Foundation of Healthcare Activos and creation of the vehicle Healthcare Activos Investment S.A.



2017
 Healthcare Activos **increases its presence in Spain** with the incorporation of new centres and continues its expansion.



2018
 Creation of **Healthcare Activos 2 S.A.**, the first Healthcare Activos vehicle with a “Core” strategy, and acquisition of the first hospital.



2019
 Creation of **Healthcare Activos Yield SOCIMI S.A.**, a “Core” strategy vehicle with more than 100 institutional investors and family offices.



2020
 Healthcare Activos consolidates its position as the leading investment platform in Spain and begins its internationalisation process with its entry into the Portuguese market.



2021
 Healthcare Activos strengthens its shareholder base with the incorporation of leading long-term global institutional investors.



2022
Consolidated presence in Portugal, expansion into Belgium with 6 new assets, and a new office in Frankfurt.

Our background

Thanks to our experienced management team, since Healthcare Activos was established in 2016 we have acquired **59 assets** up to December 2022, of which 47 are operational and 12 are under development, with a value of **around 830 billion euros**.

Our virtuous circle

At Healthcare Activos, we work on creating shared value so that our business has a positive economic and social impact. Therefore, **the basis of our strategy involves seeking the best for current and future patients.**



Since 2020, Healthcare Activos has been an **active member of the United Nations Global Compact** and we work in line with the **Principles of Responsible Investment (UNPRI)**.



2022 Milestones



Expansion of our presence in Europe

We have increased our presence in **Portugal**, expanded into **Belgium** with new assets, and opened a new office in **Frankfurt**.



Acquisition of 4 new greenfields

We have strengthened our care capacity by opening 4 new centres, which means 546 beds and 24,636 sqm aimed at elderly dependents. All of the centres have the highest environmental ratings.



New offices for our employees

We have opened a new office in Barcelona to meet the needs of our employees following the results of the satisfaction surveys conducted during the previous year.



Acquisitions in Belgium and Portugal

We have acquired **6 new assets in Belgium and 2 in Portugal**, representing 763 beds and 67,869 sqm.



Our value proposition

Healthcare Activos applies an operator mindset to its business vision and investment analysis.

The key to understanding our business is to consider assets as places where the best quality of care for its users must be provided sustainably in the long term.

Our task is to holistically **assess the infrastructure to determine which will remain viable with a view to the next 20 years**, with a high-quality care model and the capacity to succeed in the care of its patients and residents, beyond the mere floor value.

This has always been the concern of Jorge Guarner, as the Founder and Executive Chairman, and Albert Fernández, as CEO. Healthcare Activos was founded to be present wherever the greatest healthcare needs existed alongside the operators offering the best service, with the vocation of being their leading long-term partner in Europe.

Our commitment to building a strong, socially and environmentally responsible sector that generates value for the community remains first and foremost in our DNA.

We carry this commitment across the value chain through our internal policies, the ESG Action Plan, and by forging strong partnerships with operators and suppliers who share our vision.



Mission

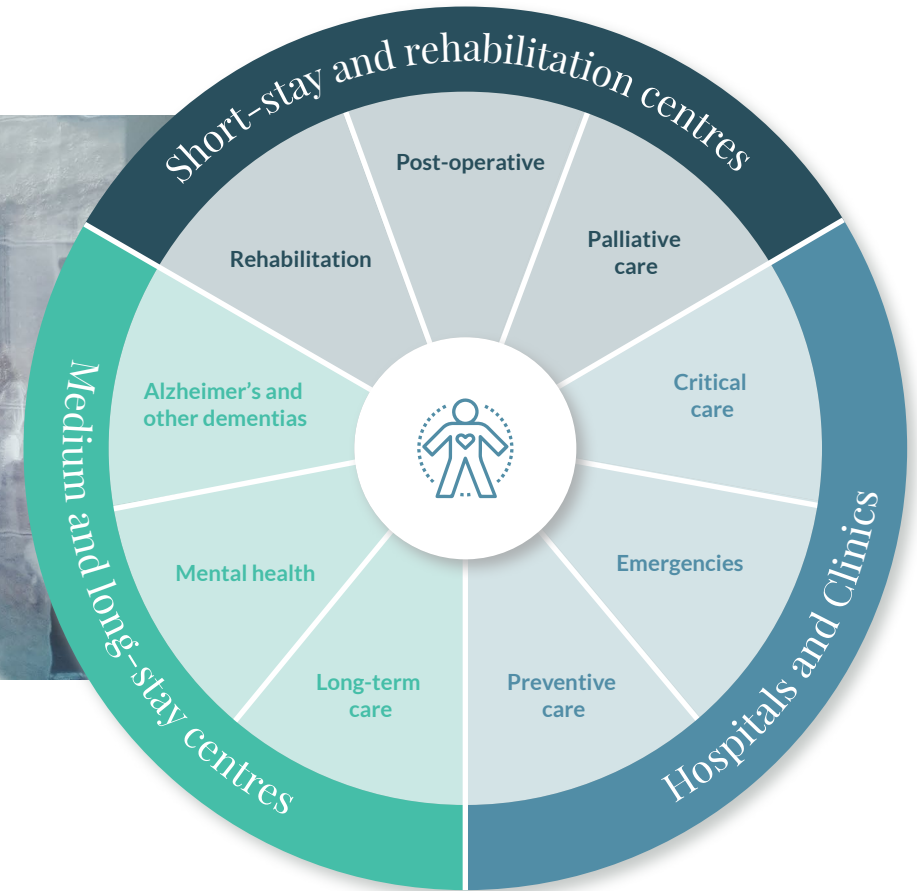
To create **critical, long-term** social and health infrastructure for society, providing the most appropriate care for **people** with physical or mental needs, using the best care facility **model** managed by the **leading operators in Europe**.



Vision

To be the **leading platform in Europe** for **long-term** social and healthcare infrastructure based on our business model with an **operator** mindset that provides the highest accredited quality of care and guarantees **long-term financial and social returns**.





Business Model

The patient is at the heart of our business model.

Healthcare Activos distinguishes itself in the sector by **placing people at the centre**, as the focus of its services and providing the best resources for their different stages of dependence and health circumstances.

We strive to achieve the best for the user, society and investors.

Our business model is based on **four fundamental pillars:**



Operator mindset.



Conservative profile, safe and guaranteed.



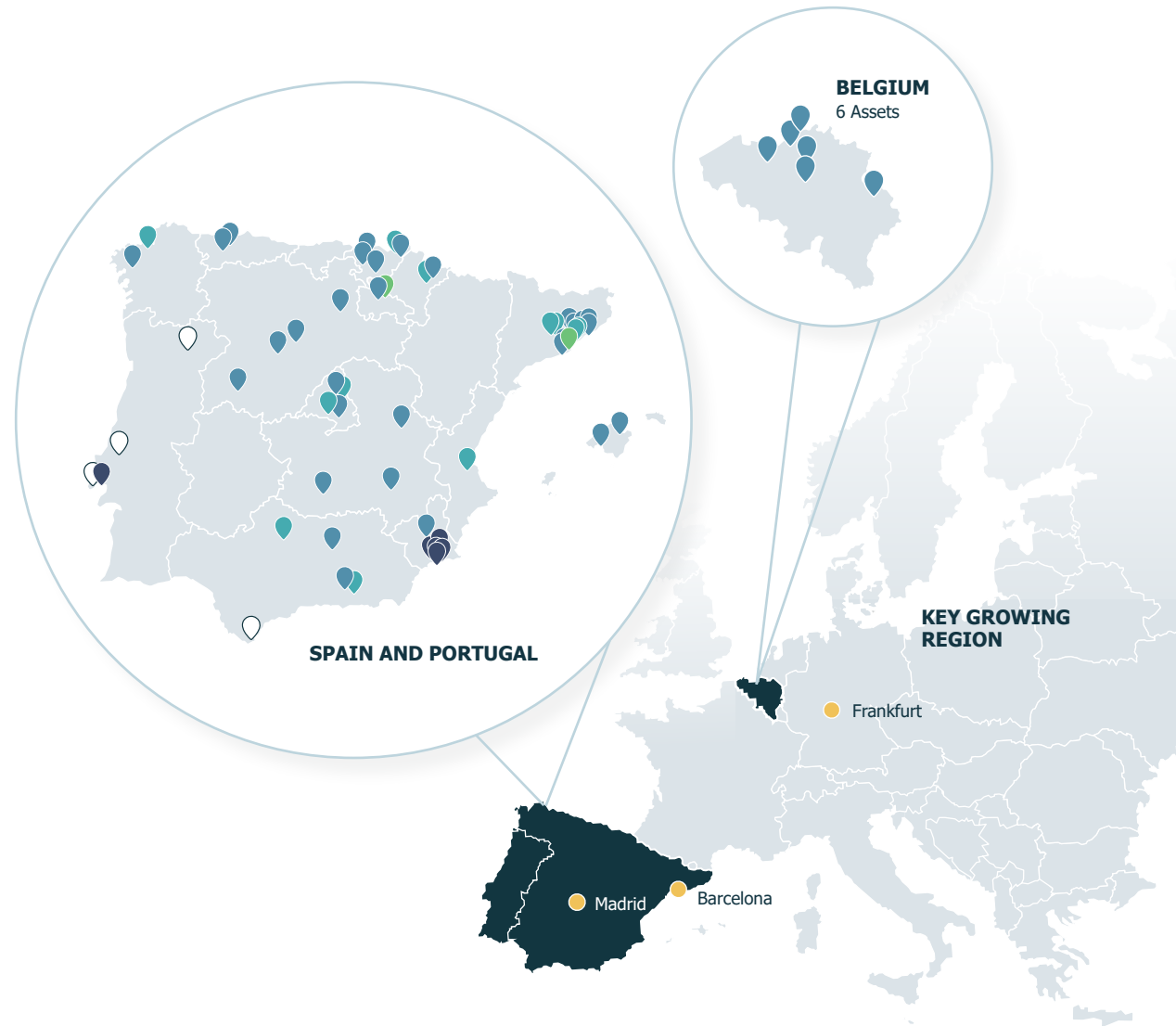
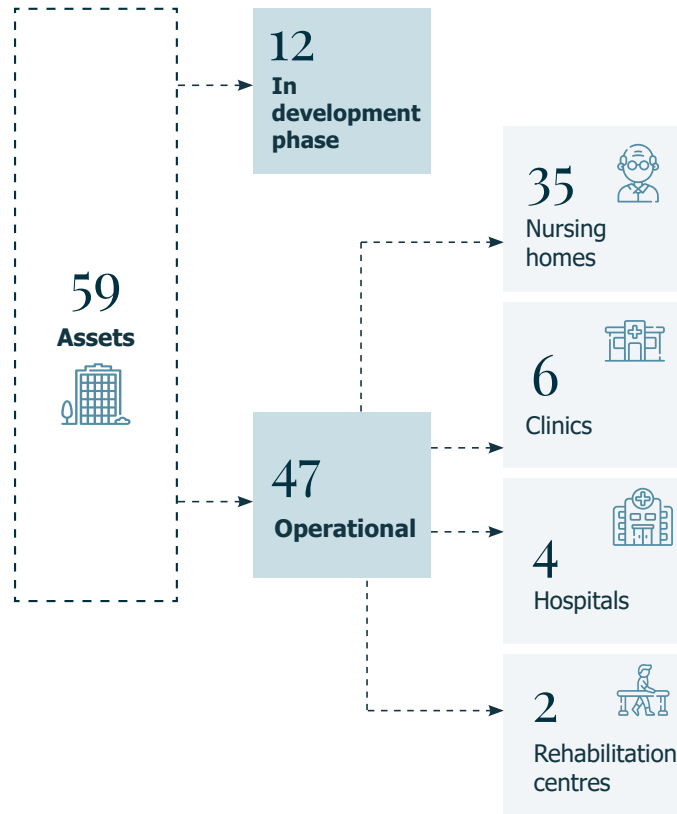
Sustainability and value creation for all stakeholders.



Long-term vision.

Our Portfolio

Healthcare Activos operates at a European level. As of 2022, its business has been present in Spain, Portugal, Belgium and Germany.



c.€830M

Asset valuation

18 years

WALUT portfolio

1.9 X

Average rent-cover ratio



Investment strategy

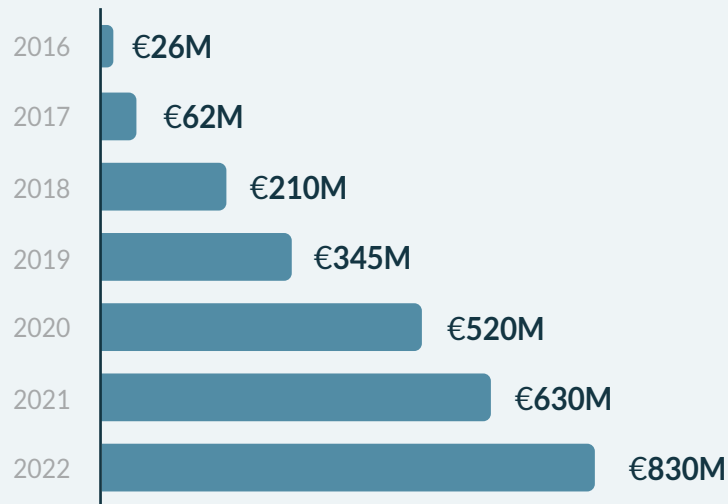
Healthcare Activos operates and has consolidated all its investments in Healthcare Activos Yield SOCIMI, S.A., a vehicle listed on Euronext Access in Paris since 2020.

Healthcare Activos aims to double its assets under management in the coming years, with a focus on European markets. To this end, it is committed to long-term investments to support European operators in their expansion plans, collaborating with them through their real estate infrastructure.

We focus on developing, improving and modernising social and healthcare facilities, generating a positive impact on society.

Healthcare Activos investments prioritise long-term ESG impact.

Portfolio value evolution



Investment fundamentals

One of the essential keys to the success of Healthcare Activos since it was founded is an understanding of the business from an operator mindset, with the vision of the professionals with extensive experience in the sector who form part of the company's workforce. We are convinced that certain characteristics of the assets are **essential** to be included in our investment process.

Essentially, we believe that a successful asset in its operation, with a high standard of quality in care for its users, is the right infrastructure to be included in our portfolio, as long as it can remain as such for the next 20 years.

Our investment process fundamentals are:



Location (catchment area): we want to be wherever there is a greater need for the service.



Environmental commitment: we are committed to environmentally sustainable infrastructure.



World-class operators: we work with those who have the greatest social impact and commitment towards their users and patients.



Appropriate structure: we require centres to have compartmentalised internal care areas and circuits to provide effective and humane therapeutic and clinical care.



Quality: we consider it essential for operators to have certificates endorsed by accredited bodies.



We are a multidisciplinary solution. We work alongside the main European operators to provide social-healthcare infrastructure:



Sale and lease back

(M&A transactions): we facilitate the development of operating companies through sale and lease back operations or by supporting their M&A transactions.

Greenfields

We lead solutions in the areas where we identify a greater need for service aimed at dependent or more fragile people.

Brownfield

We develop existing assets that require significant upgrades and adaptations for a particular type of service.

Sustainability strategy

ESG Action Plan

Building a strong sector will only be possible with the best infrastructure where it is needed most, with a great commitment to environmental sustainability, and a social response that is effective and capable of creating value for the environment responsibly.

At Healthcare Activos, we implement internal environmental, social and governance (ESG) policies. We, therefore, have an ESG Action Plan and forge long-term partnerships with operators and suppliers who share our values.

ESG Committee

The multidisciplinary team of highly qualified professionals in the ESG Committee has provided us with the following advantages:

Implementation of internal (organisation, departmental management) **and external initiatives;** with our suppliers and customers.

The possibility of **raising awareness in our environment** by seeking forms of collaboration to include more sustainable development initiatives.

The impact of ESG policies is present across all departments, with a common commitment that is reflected in most internal processes.

Making it possible to comprehensively **evaluate the action** taken.

Maintaining uniform Governance criteria throughout the organisation.

Maintaining a high degree of joint responsibility for the policies in place.

In 2022, the Healthcare Activos ESG Committee was led by the Head of Sustainability, with representatives from all areas of the company and the permanent presence of senior management. The Committee meets on a quarterly basis.

The Committee is responsible for:

Designing and monitoring the Healthcare Activos ESG Action Plan.

Identifying key ESG metrics for monitoring and evaluation.

Identifying, assessing and managing ESG risks.

Implementing and monitoring Sustainability Policies.



The composition of the ESG Committee is diverse in terms of background, experience, age, and gender. This variety of profiles allows us to ensure that the decision-making process is enriched by pluralistic approaches. This team monitors and ensures that the principles of responsible investment detailed in our policy are applied.

The members of the Committee in 2022 were as follows:

- **Jorge Guarner** (Executive Chairman)
- **Albert Fernández** (CEO)
- **Susana Sebastiá** (Asset Management Director and Head of Sustainability)
- **Olga Alonso** (COO)
- **Miki Domenech** (Investment Director)
- **Gonzalo de Troya** (Development Director)
- **Román Gallofré** (Projects and Maintenance Director)



ESG Objectives

The ESG objectives set by Healthcare Activos are highlighted throughout this report.

The entire Healthcare Activos team is aligned with these objectives, proof of this is the Company's decision to link part of its remuneration in 2022 (both financial and non-financial) to the meeting of these objectives, which have been individually tailored according to the area of activity of each professional.

We have generally defined the following objectives integrated into the Healthcare Activos sustainability strategy, together with the specific environmental, social and governance objectives described in the appropriate section of this Report.

Participating in the GRESB assessment and reporting in the PRI in 2023 on the financial year 2022; with the aim of improving our rating year after year.

Monitoring compliance of major suppliers with specific ESG requirements in place for the company.

Publishing an annual sustainability report in line with the PRI.

Obtaining BREEAM certificates in new developments.

Working on transforming part of the company's financing into **financing aligned with sustainability principles**.

Identifying environmental, social and governance (ESG) risks in new acquisitions.

Creating a **social framework** reviewed by an external body.

Annually renewing our commitment to the Global Compact.

Defining ESG content to frequently report to shareholders.

Global commitments

Alignment to the Global Compact

We have been a member of the United Nations Global Compact since the year 2020.

We reflect our commitment to **governance, human rights, labour standards, the environment, and the fight against corruption** based on the Ten Principles of the UN Global Compact.

We also report our processes and policies that demonstrate the commitment of Healthcare Activos to preventing negative social and environmental impacts.

This membership has enabled Healthcare Activos to:

- **Increase its credibility** by showing its commitment to the Ten Principles and Sustainable Development Goals.
- **Measure and demonstrate progress to stakeholders** in environmental, social and governance performance.
- **Continuously improve** by identifying gaps.
- **Compare its progress** with other companies in the industry.

We have published our annual Sustainability Report since 2021, setting out our progress in this area, the ESG objectives, and the guidelines of our ESG strategy based on the Ten Principles of the Global Compact.

Global Compact Principles



Human Rights



Labour standards

Anti-corruption



Environment




Pacto Mundial
Red Española





Contribution to Sustainable Development Goals

In 2015, the United Nations General Assembly unanimously approved the 2030 Agenda for Sustainable Development.

This is an action plan for fighting climate change and protecting the planet, the well-being of people, and prosperity.

The plan consists of **17 Sustainable Development Goals (SDGs)** and **169 specific targets for 2030.**

Since 2020, Healthcare Activos has identified the strategic SDGs to which we contribute with our actions and decisions. This enables us to address our strategies in favour of people, the preservation of the planet, and the reduction of inequalities.



Environment

Our environmental commitment is reflected through energy efficiency, water saving, and recycling policies so that our buildings contribute to creating more sustainable cities.

We have incorporated the BREEAM certification into all of our new developments and are moving forward with the adoption of this standard in the existing portfolio.



Social

Our business strategy is focused on creating value for employees, shareholders, operators, suppliers and the community, and on generating a positive impact on their health and well-being.

We want to be present wherever there is a greater need and with high-quality care models.



Governance

Our business management is governed by criteria of transparency, honesty and professionalism, promoting high ethical and compliance standards.

We also actively participate in forums and alliances related to sustainability, innovation and quality.





Adherence to the Principles of Responsible Investment

In 2021, we became members of the Principles of Responsible Investment (PRI), an initiative of the UN Global Compact and UNEP (the United Nations Environment Programme) aimed at the different players in the investment market.

Healthcare Activos has a **Responsible Investment Policy**.

Based on this, we incorporate environmental, social and corporate governance (ESG) factors into investment decision-making and our everyday activities.

We are part of a global community that seeks to reward responsible long-term investment and benefit both the environment and society.

We assess our performance in this area each year, promoting good corporate governance, integrity, and accountability.



GRESB

Global Real Estate Sustainability Benchmark (GRESB) is an organisation that assesses the performance of real estate assets worldwide.

For Healthcare Activos, **it is extremely important to be assessed based on industry benchmarks** that measure how companies and their portfolios perform in terms of ESG. This is why we are currently reporting our first GRESB assessment to evaluate our performance in 2022.



We proactively influence the assets we invest in to drive real ESG improvements.

- **Improving sustainable asset performance.**
- **Tracking and monitoring** social and environmental aspects.
- **Seeking new sustainable certifications**, with a special focus on the environment and reducing CO² emissions.



We play an active ESG role, creating a positive social impact.

- **Integrating ESG criteria** into the investment processes.
- **Improving risk management.**
- **Focusing the strategy on the long term** and considering our commitment to expansion in Europe and the complexity that this entails.
- **Considering the social impact of investments.**



We are committed to promoting and disclosing our ESG information.

- **Actively participating** in different forums of interest to the sector on sustainability and responsible investment.
- **Annual ESG reporting.**
- **Disclosing and reporting** about our ESG policies.



Corporate Governance

Corporate governance model

Our corporate governance model is key to ensuring efficient and responsible company management, meeting long-term strategic objectives and generating a positive impact on society.

We also believe it essential to ensure compliance above and beyond legal demands and requirements, and we are aware of the fundamental role of a strong governance structure that supports sustainable growth.

In this regard, Healthcare Activos strives to have the best team of professionals who are committed to and aligned with the firm's values. To ensure this, we have a strict selection and ongoing training process, providing us with a highly qualified and motivated team.

Furthermore, as part of our commitment to sustainability, we strive to contribute to the well-being and quality of life of people by creating quality, stable jobs.

Hence, we not only promote the economic and social development of communities but also have a positive impact on people's lives, fostering stability and job security. In short, we believe it essential for the creation of economic value to go hand in hand with the human and social development of our society.

Along these lines, we are also working to promote a culture of ethics and transparency, which is reflected in our communication policy available to all stakeholders.



Along these lines, we are also working to promote a culture of ethics and transparency, which is reflected in our communication policy available to all stakeholders.

Accordingly, we have set the following goals that are fully integrated into the organisation's business strategy:



Governance

To ensure transparency in the disclosure of information and good governance practices.

To implement procedures for applying investment fundamentals.



Health and well-being

To increase the well-being of our external stakeholders.

To continue engagement with employees to promote measures that foster a work-life balance.

To implement measures based on employee satisfaction surveys.



Diversity, equity and inclusion

To ensure equal opportunities, inclusion and diversity.

To implement accessibility measures in our new developments, with the intent of having safe, comfortable spaces for all users.

“Our internal procedures allow for professional, transparent, and effective decision making”

Ultimately, we strive to develop a strong, responsible corporate governance model, providing us with the best team of professionals, setting an example in corporate governance, and creating a positive impact on society.

The Corporate Governance of Healthcare Activos is based on ethics, transparency, integrity, professionalism, and commitment to create value for all stakeholders.

Jorge Guarner (Founder and Executive Chairman) and Albert Fernández (CEO) are partners of Healthcare Activos and act as joint directors of the Company.



Jorge Guarner
Founder and Executive Chairman

Jorge Guarner is the Executive Chairman and founder of Healthcare Activos. He has over 35 years of experience in executive positions, having created more than 100 infrastructures throughout his career.

For 12 years, Jorge was previously CEO at SARQuavitae, the Iberian leader in the elderly care sector acquired by the French group DomusVi in 2016 to become one of the leading operators in Europe.

Jorge was also chairman of the employers' association for the elderly care sector (AESTE) for 9 years.

Jorge founded and was CEO of RESA, the first Iberian platform for real estate investment in student housing, for 6 years.

Jorge Guarner has an MBA from IESE and is an Industrial Engineering graduate from the Polytechnic University of Catalonia (UPC).



Albert Fernández
CEO

Albert Fernandez has been the CEO of Healthcare Activos since joining the company in 2019, although he has been linked to the firm as an investor and adviser since it was founded.

Albert has over 20 years of experience as an investment banker in the healthcare sector at PJT Partners / Blackstone, Rothschild, and JP Morgan. Prior to joining Healthcare Activos, he was the Europe head of the healthcare sector for PJT Partners in London. He has been successfully involved in over 50 corporate transactions in the health sector throughout his career, both in the US and in Europe.

Albert Fernández is an Industrial Engineering graduate from the Polytechnic University of Catalonia (UPC) and has an MBA from the Darden School of Business (University of Virginia).

Corporate Policies

Our corporate structure is based on Good Corporate Governance practices. The different areas establish a series of Corporate Policies and instruments to ensure business ethics and sustainability are present in all areas of action.

Some of our most relevant Corporate Policies are:

- **Code of Ethics.**
- **Code of Good Practice** for the Use of Social Media.
- **Procedure for the Monitoring and Follow-up** of Sanctions and Fines.
- **Data Protection and Confidentiality System.**
- **Information Security Systems.**
- **Sustainability Reporting Procedures.**
- **Money Laundering Prevention System.**
- **Manual for the prevention of money laundering and terrorism financing.**
- **KYC (Know Your Client)** procedure.
- **Supplier identification policy.**
- **Procedure for monitoring and recording** environmental, social and corporate governance processes and sanctions.
- **Criminal compliance manual.**

Risk Management and Compliance

In 2022, we started developing an internal control model related to the key financial processes of the Company to meet the requirements of major shareholders and industry best practices. In view of this, internal decision-making and standard recruitment protocols have been adopted.

One of the elements of the Internal Control Model is the risk and control matrix (RCM). The matrix links non-financial risks at process level with the control(s) to mitigate them.

Our employees are a fundamental pillar. Consequently, one of the elements considered involved occupational risks. The aim of this exercise is not only to identify the risks but also to propose appropriate prevention and emergency measures, complying with the provisions of occupational risk prevention regulations.

Our goal for 2023 is to obtain the ISAE 3402, internal control audit.

Internationally valid, the ISAE 3402 report ensures implementation of reliable and effective controls to address the risks of fraud and accounting errors.

In 2022, we made progress in reviewing the internal decision-making and recruitment processes, starting to improve them and making adjustments in terms of their execution and preparation for implementation in 2023.





Ethical commitment

Healthcare Activos has tools to tackle and fight corruption, bribery and fraud, acting transparently, ethically and responsibly.

We believe it is imperative that everyone on our team adopt practices based on transparency and honesty. **All our procedures are developed in line with our mission, vision and corporate values, as well as the Principles of the United Nations Global Compact.**

Respect for Human Rights

All the activities of the company and its members are conducted in compliance with the United Nations Universal Declaration of Human Rights and the Ten Principles of the Global Compact.

Healthcare Activos undertakes to ensure that all natural and legal persons directly or indirectly involved in an employment, economic, social and/or industrial relationship with the Company are treated fairly and with dignity.

The company rejects child labour and forced labour in its business, and avoids working with organisations that do not respect this principle.

To demonstrate these commitments, Healthcare Activos aligns its strategy on human rights, labour standards, the environment, and the fight against corruption.

Respect for human rights runs throughout our value chain. We therefore have a questionnaire on Compliance with High Ethical Standards in the Recruitment of employees, executives and agents, as well as a Supplier Identification Policy that includes a sustainability questionnaire.

This commitment is consolidated through our internal policies and instruments, particularly the Code of Ethics and an Ethics Mailbox accessible to all Healthcare Activos stakeholders.



“Through our Code of Ethics, we strive to ensure the professional, ethical and responsible behaviour of the Company and all its employees, extending it to our partners and suppliers”



Code of Ethics

The Code of Ethics of Healthcare Activos is defined as an ethical commitment that includes basic principles and standards for the proper development of relationships between the Company and key stakeholders.



The Code sets out the following general principles to guide our actions:



Respect for human rights

We ensure that all our investments promote, protect and guarantee human rights and individual freedoms.



Honesty and respect

We reward honest and fair behaviour to earn the long-term trust of our stakeholders.



Responsibility

We are committed to promoting the development and well-being of the communities in which we operate.



Focus on financial and non-financial results

We manage our investments not only to achieve financial returns but also to create long-term sustainable value and positive impact.



Rigour and professionalism

We promote professional development and acknowledge people for their merit and creativity as a stimulus for productivity and progress.

“No report, complaint or claim was received in 2022, nor in previous years”

Ethics Mailbox

Meeting the needs and expectations of our stakeholders is key to the sustainability of our business. In order to ensure ethical behaviour and avoid conflicts of interest, an Ethics Mailbox is available at Healthcare Activos.

Through this channel, Healthcare Activos is informed of any risks to and breaches of existing law and of the internal operating policies in order to conduct an investigation and implement measures to resolve incidents.

The Ethics Mailbox, which includes the corresponding data protection, is accessible to all employees and third parties to report irregularities and poor practices.



[Link to the code of ethics](#)



[Link to the ethics mailbox](#)



“At Healthcare Activos we support and respect the protection of internationally recognised fundamental human rights”

Commitment to fight corruption

In order to strengthen the corporate governance model in terms of crime prevention and anti-corruption, we approved the Manual for the Prevention of Money Laundering and Terrorism Financing in 2020.

The manual details the procedures, policies, controls, and internal control bodies established by Healthcare Activos to combat money laundering and terrorism financing.

Among the actions implemented to fight corruption are the analysis of the risk of money laundering and terrorism financing, due diligence measures, the analysis of suspicious transactions, and the supervision of subsidiaries abroad. We also have an internal procedure for reporting potential breaches.

To ensure compliance with our anti-corruption goals at all levels of the Company, employees are offered training in the prevention of money laundering and terrorism financing.

In addition, to reflect our ethical and transparent behaviour, we publish our annual Economic-Financial Information Report. This report, audited by an external party, consolidates the annual accounts of Healthcare Activos, the profit and loss account, the statement of changes in net worth, the cash flow statement, and the report corresponding to the financial year reported.

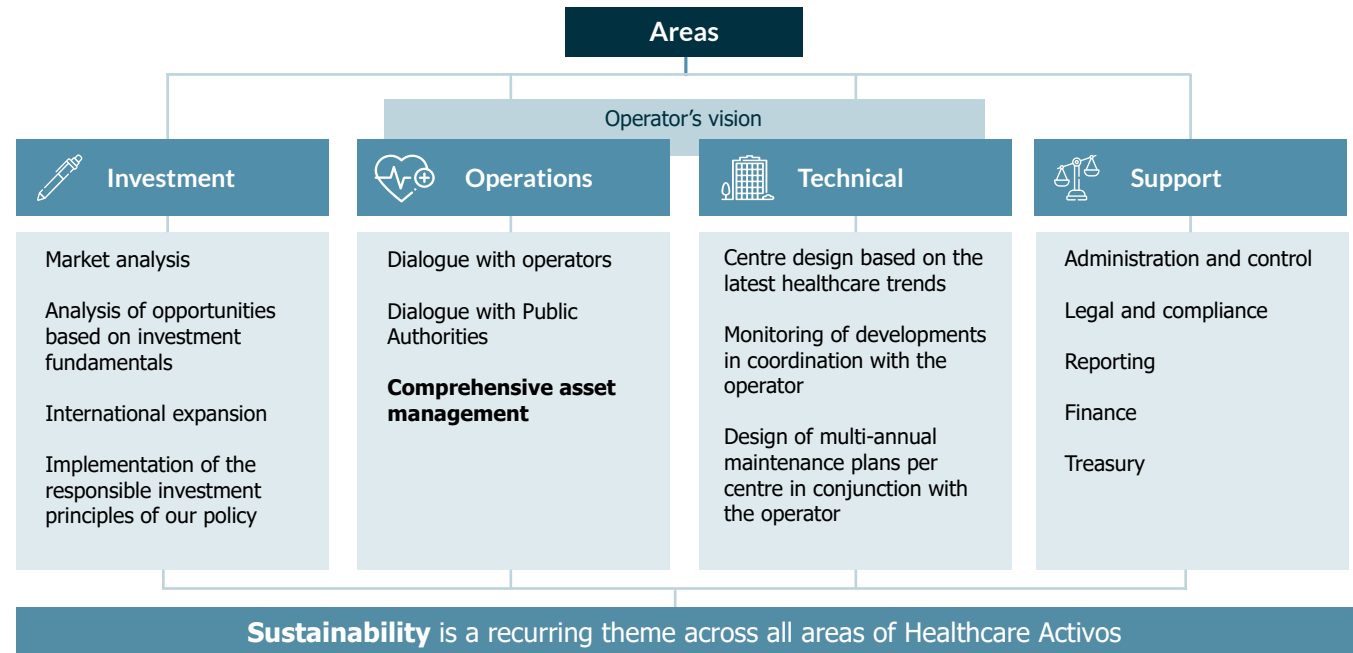
Our team

We are aware of the fact that, to provide the best service to all users and customers and achieve the best results for investors, the Company must be formed of highly qualified professionals committed to its vision and values.

Our team has extensive experience in the acquisition, management, construction and monitoring of assets in the healthcare sector, guaranteeing quality of service and added value.

Accordingly, Healthcare Activos works with the utmost dedication to the Company, acting with integrity, honesty and transparency. To ensure compliance with high ethical standards within the team and in line with our commitment towards the implementation of the ISAE 3402 certification, we make sure we consider the ethical conduct and principles of candidates when hiring employees, executives and agents.

Roles and responsibilities



With a focus on quality and added value, the main pillars of the Healthcare Activos team are:



Experience

Extensive experience in healthcare and real estate.



Successful track record

Both from an investor and operator viewpoint.



Operator Mindset

Throughout the process of analysis, investment and monitoring of portfolio assets.



Industry relations

Extensive network of relations with the healthcare industry throughout Europe.



Long-Term Vision

A long-term vision of the dynamics and trends in the sector.

Employees

Employees are a cornerstone of Healthcare Activos.

We strive to create long-term social value by encouraging fair, decent and quality work. Healthcare Activos therefore cares for its employees, particularly their welfare, safety and health.

Hence, we are committed to maintaining a pleasant working environment in which our principles and values are shared.

Through our internal instruments and procedures and with each of our actions, Healthcare Activos:

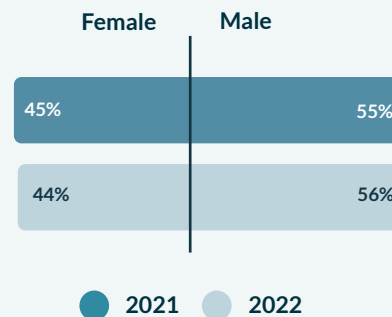
- **Fosters diversity, equality, and inclusion.**
- **Actively helps employees continue their professional development** within the Company through training and performance appraisals.
- Promotes measures that **encourage the work-life balance.**
- **Prioritise the health, safety and welfare** of our employees.
- **Encourages communication** based on respect and honesty.
- **Cares for the privacy and well-being** of all our collaborators.

Key indicators

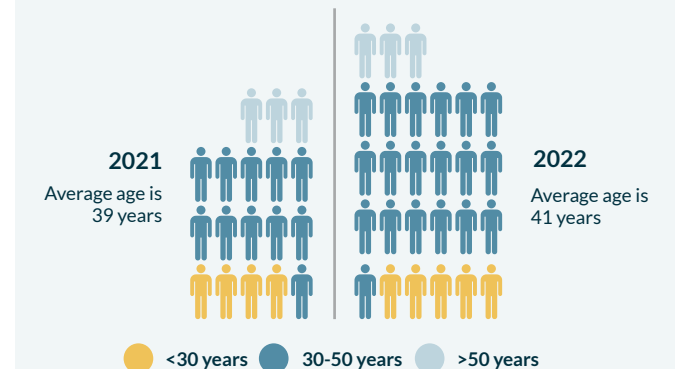


	2021	2022	
	94%	93%	Employees with permanent contracts
	90%	96%	Employees with higher education
	100%	100%	Employees who have completed the performance appraisal
	55%	100%	Employees who have received training

Employees by gender



Employees by age



Total employees*: 2021: 18 | 2022: 27

*Including all employees and the governance body

Labour standards

Healthcare Activos respects, defends and promotes the fundamental principles and rights of employees.

Accordingly, **we foster equal opportunities** and reject child and forced labour, as well as any discrimination based on race, physical disability, illness, religion, sexual orientation, political opinion, age, nationality or gender.

This commitment is shared with our team through the Code of Ethics and Good Practice.

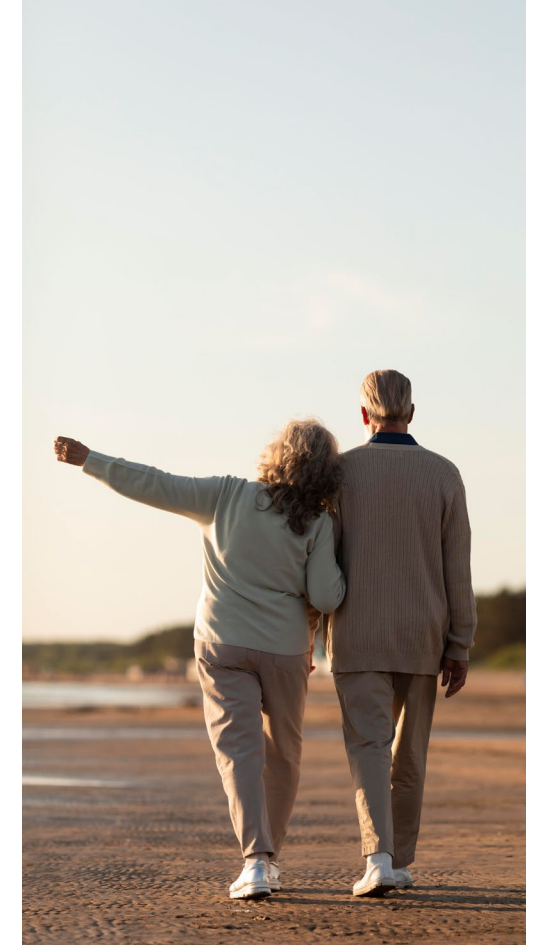
To ensure **fair treatment**, the salary received by Company employees is in line with the duties performed, always respecting the applicable agreement.

We also make sure weekly working hours and overtime do not exceed the established limit and that any overtime, which is always voluntary, is paid in accordance with the law.

Respecting the well-being and privacy of each of our collaborators, all Healthcare Activos employees have the

right of access, rectification, objection, erasure, portability, and restricted data processing.

We have an **Employee Privacy Policy** which sets out all information protection actions.



Within the principles included in our Code of Ethics, Healthcare Activos:



Supports freedom of association and recognises the right to collective bargaining.



Ensures the utmost transparency in recruitment processes, offering clear clauses that include terms and conditions.



Bans and rejects corruption in any form.



Rejects any situation of forced, coerced or involuntary labour.



Complies with applicable law and the Company's internal regulations.

To ensure labour standards are respected not only within our workforce but throughout our value chain, **we extend our norms to all natural and legal persons with a direct or indirect relationship with the Company.** We also avoid collaborating with organisations that do not respect our values.

This ensures that all players in our supply chain are treated fairly and with dignity.

Work-life balance

To contribute to employee well-being, Healthcare Activos encourages activities inside and outside the Company that help increase employee satisfaction.

To this end, we are committed to ensuring the work-life balance of our employees, including:

- Flexible entry and exit times
- Combination of on-site and remote work
- Social benefits

In the Company's employee satisfaction survey, most agree that the working environment is relatively good. Good inter-professional and social relations among employees are highlighted, in which there is a high degree of camaraderie.

Likewise, most employees agreed that they have sufficient flexibility in their job to meet their personal needs. Healthcare Activos works to promote the well-being of its employees and create a good working environment.



Hours of training

430 h
in 2021

819 h
in 2022

Professional development

We promote the professional growth of our collaborators, designing an annual training plan that is agreed on and adapted to each individual's needs.

Thanks to the employee satisfaction survey, it was found that most people believe their job has potential for future growth, and that there are adequate channels for their training requirements to be met through the training plan.

In 2022, Healthcare Activos offered ESG training to all its employees, in which the topic of Human Rights, the Principles of the Global Compact, and the Sustainable Development Goals were broadly addressed.

To ensure employees feel comfortable in the company by meeting their needs and expectations, frequent performance appraisals are conducted.

Healthcare Activos arranges annual face-to-face meetings between each employee and their immediate superior to appraise their performance and assist in their professional development. During the meeting, the milestones are marked by assessing the meeting of the targets set, and those for the following year are agreed to.

Performance appraisals are used to:

- Value performance and potential.
- Identify strengths and areas of improvement.
- Measure quality of work.
- Appraise results.
- Plan for following year.

We conduct annual appraisals of our employees' performance for ongoing improvement and as part of talent management. In 2022, 100% of our team were appraised.



Internal communications

Maintaining flowing and effective communications is vital to our management. Healthcare Activos is aware that maintaining an open and transparent dialogue is key to improving competitiveness and commitment.

Therefore, along with the annual appraisals, we have different communication channels to **generate a two-way dialogue with employees.** That way, we discover their true needs and expectations, encouraging participation and involving them in decision-making. To ensure privacy, all our procedures involve a **Non-Disclosure Agreement.**

To facilitate corporate communications and disclose information more effectively, a corporate intranet was

implemented in 2022. The channel, available for all employees, was developed with the goal of making documents and key information more accessible on a single portal.

In addition, based on the employee satisfaction questionnaire conducted in 2022, we identified strengths and opportunities for improvement in adopting actions favouring the working environment and team commitment. This questionnaire was carried out anonymously, via a specialised platform owned by an external company.

Health and safety

Healthcare Activos cares for the welfare of all its employees. Ensuring all our employees work in safe and healthy places is a priority.

Accordingly, we implement occupational risk management and prevention strategies that ensure the health and safety of all our employees. An example of this is the work-life balance activities that support their well-being.

In turn, 100% of all Healthcare Activos employees receive occupational risk prevention (ORP) training when they join the Company and on a regular basis.

Key indicators

2021	2022	
100%	100%	Jobs assessed in ORP
<1%	0%	Absenteeism rate
0%	11%	Injury rate
0	3	Accidents at work



Social engagement

5,474

Beds in operating
nursing homes

546

Beds in nursing
homes under
development

223

Beds in
hospitals

Healthcare Activos does not distinguish between healthcare and social services, with the patient in the middle, as the axis around which services must pivot. Our motto is therefore: “people are our best investment.”

All our initiatives and actions consider people in all their dimensions: as users of services, as professionals and investors, as citizens and, ultimately, as inhabitants of a planet that we have an obligation to protect.

In 2022, **we established different goals** that are fully integrated into our business strategy, aimed at **increasing positive social impact:**

- **Ensuring a high-quality living environment.**
- **Promoting and contributing to the growth** of local communities.
- **Monitoring the impact** on the community.
- **Creating an operator engagement and satisfaction programme** that includes specific ESG topics.
- **Implementing measures** based on operator satisfaction surveys.

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To consider all our stakeholders and ensure shared value is generated while maintaining a high degree of satisfaction and well-being, we identify the groups that have an impact on our everyday operations.

We have different strategies for managing constant two-way communications with each of our stakeholders.

Stakeholders:

Internal:

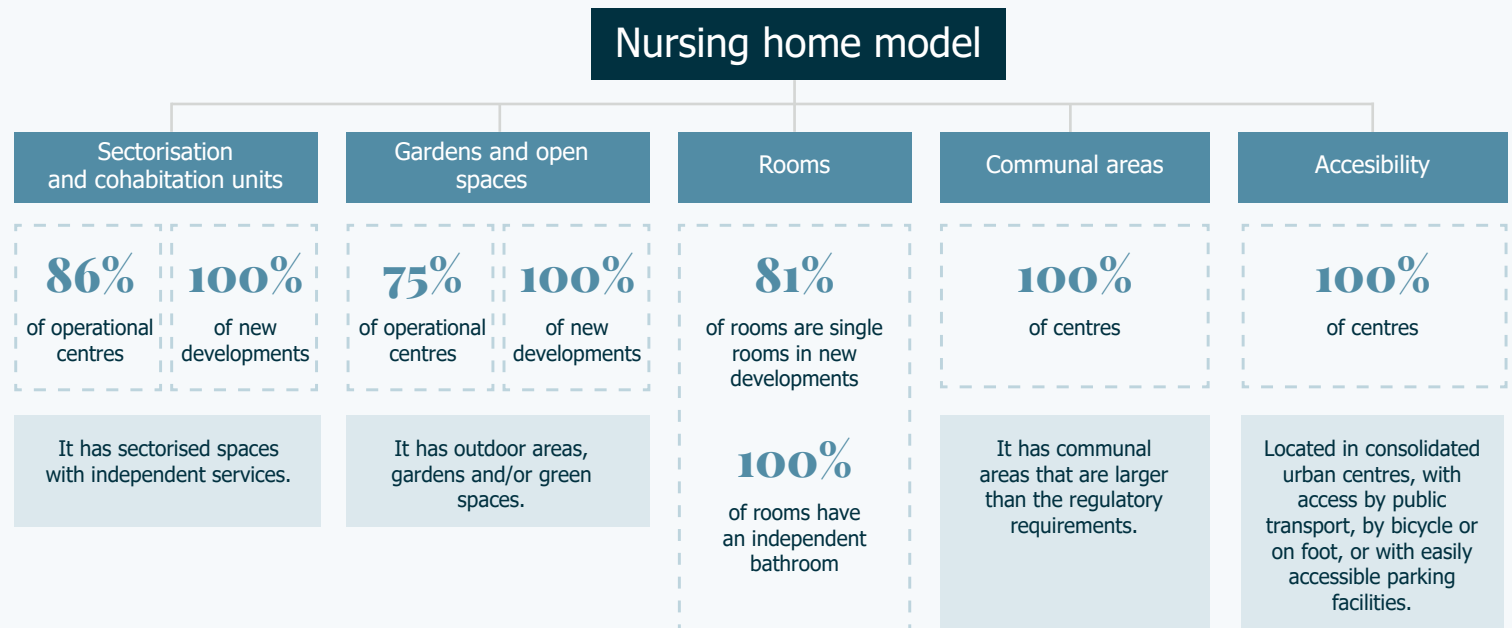
Operators, employees and investors, shareholders and financial institutions.

External:

Users, families and staff of the centres, suppliers, community, environment.



Nursing home model





Users, families and staff in our centres

Our operator mindset means that we are convinced that achieving the best for the user brings with it the best results for the community and for investors.

Healthcare Activos provides a quality service to meet the growing needs of society.

Ensuring health and well-being

Our ultimate goal and *raison d'être* is to care for people.

In this pursuit to guarantee the best quality care, it is essential to design a residential centre that facilitates the meeting of this goal.

The value of family and friends

We believe it essential to safeguard the physical and mental well-being of our users. Our centre model is therefore also designed for the relatives and friends of the people we care for.

As part of the strategies and in favour of emotional well-being, we facilitate access and integration into community life, and create spaces for them to meet.

We care for the staff in the centres

Healthcare Activos is aware of the vital role that employees in the centres play in the quality of the entire care process.

Ensuring their health and safety, our buildings are designed with vertical (laundry, food, waste, etc.) and horizontal (rooms and spaces with related uses) connections located next to each other, avoiding unnecessary staff movements and accidents.

Operators

We work with the most relevant Healthcare operators in Europe, with which we share values and a commitment to sustainable development. Over time, we have created stable long-term relationships that allow us to create positive synergies.

Some facts about our operators:

95%

Have a certified quality management system

90%

Are environmentally certified

61%

Have a certified energy management system



Operator communications and satisfaction

Operators are particularly important stakeholders in Healthcare Activos.

We have a variety of strategies and initiatives in place to ensure their satisfaction and meet their needs. We therefore prioritise:

- Optimal processing of databases.
- Incident resolution.
- Collaboration to prevent money laundering.

We are committed to continuous, honest, clear and transparent communication with our operators. We support them at all times to make their work easier, essentially through the Operations Area to enhance the added value of our management experience.

By strengthening our ties and engagement with operators, the Healthcare Activos Operations and Sustainability Committee facilitate the coordination and global vision of relations with each operator, providing a personalised response to the needs of each one.

During 2022, in addition to daily contact via the most instant means (phone and e-mail contact), scheduled face-to-face meetings were resumed in which one of the main points on the order of business is sustainability.

Aware of the importance of operator activity and of our responsibility in it, we included green clauses in lease agreements in 2022.

We are planning the implementation of:

- European energy efficiency certification for 95% of our assets by 2035.
- Renewable energy sources in 71% of our buildings by 2035.
- 95% data coverage by 2025.



Suppliers

Healthcare Activos is committed to a quality, long-term relationship with its suppliers.

We establish partnerships with reputable companies that guarantee high standards of service quality.

We extend our commitment to sustainability throughout the value chain. Healthcare Activos, therefore, incorporates suppliers into its ESG Action Plan.

To this end, we met our goals set in 2022 regarding suppliers:

- Enhance the dissemination of our Sustainability Strategy and the actions derived from it.
- Reinforce suppliers' commitment to our Code of Ethics.
- Monitor suppliers' sustainability performance.
- Define and monitor health and safety indicators during the development of new constructions.



100%

Of construction suppliers have an ISO 45.001-certified occupational health and safety management system

88%

Of relevant suppliers have an ISO 9.001-certified quality system

88%

Of relevant suppliers have an ISO 14.001-certified environmental management system

50%

Of construction suppliers have an ISO 50.001-certified energy management system

Local community

We are aware of our responsibility for the impact of our activities on the environment in our role as providers of critical social and healthcare infrastructure complementary to public investment.

We strive to make our infrastructure environment friendly and society-wide so as to positively impact the environment with our investments.

Alliances

We are committed to the development of the sector and, therefore, maintain flowing collaborative relationships with the different Public Authorities to facilitate the exchange of information and experiences that enable us to enhance the debate and reflection on the new models of care.

We have agreements with **Francisco de Vitoria University** and the **Business School** to host interns who subsequently join the Healthcare Activos workforce on a permanent basis.

We also continue to contract auxiliary cleaning services with the **Intress-CEE Foundation**, a state-wide organisation that promotes the employment of people with disabilities and at risk of social exclusion.



Exchange of experiences in the health sector

Healthcare Activos participates in various forums, publications and interviews in which we share the Company's vision of the health sector, our experience and business model.

In 2022, we took part in the following events:

- Real Estate Investment Round Table - National Dependence and Health Congress.
- Seminar on the accreditation document of the Ministry – AESTE.
- Challenges of the health system in Spain – PlantaDoce.
- Social Healthcare Model - Jornada Arpada Valdeluz.
- "President to President" Round Table - 20th Anniversary AESTE.

Environmental commitment

At Healthcare Activos, we are committed to building a strong industry that creates long-term value for society and the environment.

With this long-term vision and aware of our role as a driver of change towards more environmentally sustainable infrastructure, we have developed an Environmental Policy that reflects our actions and initiatives to protect the environment.

All our actions are in line with the 2030 Agenda and the UN Sustainable Development Goals.

We implement measures that help reduce the impact on ecosystems and the effects of climate change resulting from our activities.

In 2022, we made the following environmental commitments, which are fully integrated into the organisation's business strategy:

- Minimise the use of resources and protect biodiversity.
- Promote responsible consumption.
- Promote the implementation of water-saving measures.
- Systematise the measurement of consumption.
- Systematise the measurement of the Company's carbon footprint.
- Improve energy consumption data coverage.
- Increase the number of agreements with operators that contain green clauses.



A series of different actions will ensure we have a more efficient portfolio. **In 2022, we designed initiatives favouring the conservation of biodiversity, the sustainable management of natural resources,** and contributing to a reduction in greenhouse gas emissions.



Energy consumption



Water consumption



Interior environmental quality



Waste management



Transport



Renewable energy



Greenhouse gases and carbon footprint



Sustainable certifications

We believe it essential to extend these values to all stakeholders to ensure both our assets and our actions meet the highest environmental standards and do not jeopardise future generations.

We therefore share our performance and commitments through corporate and external media.

Thanks to our environmental efforts, we achieved the following in 2022:

- **29 of our operating assets have an energy rating of A to B,** a substantial improvement on the previous year with the improved type of certification.
- **100% of our acquisitions in 2022 were subject to Environmental Due Diligence.**
- **100% of our new assets under development include renewable energy systems.**

This highlights our concern for **monitoring and tracking consumption**, including green clauses in lease agreements and encouraging the responsible consumption of both energy and water. We also equip our new centres under development with **renewable energy systems** and encourage their installation in existing centres.

At Healthcare Activos, we guarantee the capacity of our centres to separate and treat waste.

With regard to waste, all our assets have a system for separating and treating waste, with particular attention on **the treatment of hazardous waste.**

In our commitment to the well-being of users, we also prioritise the incorporation, maintenance, and evaluation of **air treatment systems** and the installation of elements to improve air quality, such as humidifiers or disinfection systems.

In turn, in pursuit of dual social and environmental value, **we promote sustainable mobility and accessibility.** Our developments are in locations that are easily accessible to public transport and restrict business travel by using video conferencing whenever possible, which also favours the **work-life balance.**



About the report

This report includes the environmental, social and governance (ESG) performance of Healthcare Activos during 2022, covering the period from 1 January 2022 to 31 December 2022. To evaluate the meeting of the goals and the continuous improvement of the Company, several sections include indicators from the previous cycle for their corresponding comparison. This is our third Sustainability report.

The information included in this report has been developed in accordance with the **Global Compact initiative**, supporting and developing its ten principles within our area of influence.

Global Compact guidelines are largely based on the Global Reporting Initiative (GRI) Standards.

In addition, as partners of the **PRI (Principles for Responsible Investment)**, as described in Section of Global Commitments, the information included in this Report also follows the general criteria set out in these principles.

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