

# Second-Party Opinion

## Asklepios Social Finance Framework

### Evaluation Summary

Sustainalytics is of the opinion that the Asklepios Social Finance Framework is credible and impactful and aligns with the four core components of the Social Bond Principles 2023 and the Social Loan Principles 2023. This assessment is based on the following:



**USE OF PROCEEDS** The eligible category for the use of proceeds, Access to Essential Healthcare Services, is aligned with those recognized by the Social Bond Principles and the Social Loan Principles that seek to achieve positive socio-economic outcomes for target populations. Sustainalytics considers that investments in the eligible category will lead to positive social impacts and advance the UN Sustainable Development Goals, specifically SDG 3.



**PROJECT EVALUATION AND SELECTION** Asklepios' Social Finance Committee which consists of members from the Management Board, ESG Board and the Corporate Finance and Treasury departments will be responsible for the evaluation and selection of projects in line with the Framework's eligibility criteria. The committee also monitors Asklepios' internal process to mitigate environmental and social risks associated with the eligible projects, and will implement processes to ensure adherence to applicable laws and regulations. Sustainalytics considers the risk mitigation process to be adequate and the project selection process to be in line with market practice.



**MANAGEMENT OF PROCEEDS** The Social Finance Committee will be responsible for the management of proceeds and will track the proceeds through a portfolio approach. Asklepios intends to allocate all proceeds within 24 months of issuance. Pending full allocation, Asklepios will temporarily invest the unallocated proceeds in cash, short-term liquid instruments or at the discretion of Asklepios' treasury business. This is in line with market practice.



**REPORTING** Asklepios commits to report on the allocation of proceeds and corresponding impacts on an annual basis until full allocation or until the maturity of the financial instruments. The reporting will be shared privately with the investors of the underlying financial instruments. Allocation reporting will include the size of identified eligible social portfolio per eligible category, total amount of proceeds allocated to the eligible social projects, balance of unallocated proceeds, amount or percentage of new financing and refinancing and total amount of social financing instruments issued. Sustainalytics views Asklepios' allocation and impact reporting as aligned with market practice.

Second-Party  
Opinion



Reviewed by:

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SUSTAINALYTICS

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## Introduction

Asklepios Kliniken GmbH & Co. KGaA (“Asklepios” or the “Group”) is a private hospital operator headquartered in Hamburg, Germany. Established in 1985, the Group provides medical services including inpatient and outpatient care, specialized medical treatments, rehabilitation and preventive care. As of 31 December 2023, Asklepios operates 164 healthcare facilities across 14 German states, serving approximately 3.5 million patients with 68,000 employees.<sup>1</sup>

Asklepios has developed the Asklepios Social Finance Framework dated July 2024 (the “Framework”), under which Asklepios and its subsidiaries intend to issue social financial instruments, including bonds, private placements, commercial papers, promissory notes (Schuldscheindarlehen) and loans, and use the proceeds to finance and refinance, in whole or in part, existing and future projects that are expected to enhance access to public healthcare in Germany. The Framework defines eligibility criteria in one area:

### 1. Access to Essential Healthcare Services

Asklepios engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework’s social credentials and its alignment with the Social Bond Principles 2023 (SBP)<sup>2</sup> and Social Loan Principles 2023 (SLP).<sup>3</sup> The Framework will be published in a separate document.<sup>4</sup>

### Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent<sup>5</sup> opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Social Bond Principles 2023, as administered by ICMA, and the Social Loan Principles 2023, as administered by LMA, APLMA and LSTA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.16, which is informed by market practice and Sustainalytics expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Asklepios’ management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Asklepios representatives have confirmed that: (1) they understand it is the sole responsibility of Asklepios to ensure that the information provided is complete, accurate and up to date; (2) they have provided Sustainalytics with all relevant information; and (3) any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Asklepios.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics’ Second-Party Opinion addresses the anticipated impacts of eligible

<sup>1</sup> Asklepios “Annual Report”, (2023), at: <https://www.asklepios.com/en/company/investors/reports/>

<sup>2</sup> The Social Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/social-bond-principles-sbp/>

<sup>3</sup> The Social Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association, and are available at <https://www.lsta.org/content/social-loan-principles-slp/>

<sup>4</sup> The Asklepios Social Finance Framework is available at: <https://www.asklepios.com/konzern/unternehmen/investor-relations/creditor-relations>

<sup>5</sup> When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

projects expected to be financed with proceeds from finance instruments but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realized allocation of the proceeds from finance instruments towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Asklepios has made available to Sustainalytics for the purpose of this SPO.

## Sustainalytics' Opinion

### Section 1: Sustainalytics' Opinion on the Asklepios Social Finance Framework

Sustainalytics is of the opinion that the Asklepios Social Finance Framework is credible, impactful and aligns with the four core components of the SBP and SLP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
  - The eligible category, Access to Essential Healthcare Services, is aligned with those recognized by the SBP and SLP.
- Asklepios has defined a look-back period of three years for refinancing capex and opex, which Sustainalytics considers to be in line with market practice.
  - Under the Access to Essential Healthcare Services category, Asklepios may finance or refinance healthcare infrastructure, facilities and systems that support the delivery of healthcare services. This may include:
    - Hospitals, clinics and nursing home buildings and facilities.
    - Medical machinery, treatment equipment and diagnostic tools.
    - Healthcare information and communication technology system for managing patient records; digitalization of healthcare systems, including automating documents, processes and applications; and e-health platforms.
    - Innovation and clinical research, including the development of innovative diagnosis and treatment procedures. Project examples include: i) clinical research at the University Hospital Giessen-Marburg; and ii) Asklepios proresearch,<sup>6</sup> which coordinates the clinical research and development projects across Asklepios hospitals.
    - Medical transportation vehicles, including ambulances and non-emergency transportation vehicles.
    - Supply chain and logistics to ensure timely access to essential resources, such as pharmaceuticals, medical supplies and equipment.
    - Programmes and initiatives for training and upskilling healthcare workers.

Sustainalytics notes that Asklepios is a pure play public healthcare provider<sup>7</sup> and it has confirmed to limit financing under the Framework to the public healthcare system covered by the German Statutory Health Insurance,<sup>8</sup> which ensures that the financed facilities and services are accessible to the general population, regardless of their ability to pay. Sustainalytics considers Asklepios' investments under this category to be socially impactful.

- Project Evaluation and Selection:
  - Asklepios' Social Finance Committee will be responsible for the evaluation and selection of projects in line with the Framework's eligibility criteria. The committee consists of members from the Management Board, ESG Board and the Corporate Finance and Treasury departments.

<sup>6</sup> Asklepios, "Medizinische Forschung an den Asklepios Kliniken", at: <https://www.asklepios.com/konzern/innovation-und-verantwortung/forschung/>

<sup>7</sup> Asklepios has confirmed that it derives more than 90% of its revenue from the activities that meet the eligibility criteria described in the Framework.

<sup>8</sup> German Federal Ministry of Health, "Gesetzliche Krankenversicherung (GKV)" at: <https://www.bundesgesundheitsministerium.de/gkv/>

- Asklepios has an internal process that is monitored by the committee, to mitigate environmental and social risks associated with the eligible projects under the Framework. The committee will also monitor the implementation of processes to ensure that eligible projects adhere to applicable laws and regulations. Sustainalytics considers these environmental and social risk management systems to be adequate and aligned with the requirements of the SBP and SLP. For additional details, please refer to section 2.
- Based on the presence of a dedicated cross-functional committee and an environmental and social risks management process, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
  - The Social Finance Committee will be responsible for the management of proceeds and will track their allocation through a portfolio approach.
  - Asklepios intends to allocate all proceeds within 24 months of issuance. Pending full allocation, Asklepios will temporarily invest the unallocated proceeds in cash, short-term liquid instruments or at the discretion of Asklepios' treasury business. Asklepios has confirmed that it will not invest the unallocated proceeds in carbon-intensive activities or businesses that have a negative social impact.
  - Asklepios has communicated to Sustainalytics that instruments issued under the Framework may include multi-tranche loan facilities. The Group intends to label only those tranches of such facilities whose proceeds will be allocated according to the eligibility criteria in the Framework.
  - Based on the use of an internal tracking system and the disclosure of the temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
  - Asklepios will report on the allocation of proceeds and corresponding impacts on an annual basis until full allocation or the maturity of the instruments. Asklepios has confirmed that both allocation and impact reports will be shared with the investors of the underlying financial instruments privately.
  - Allocation reporting will include the: i) size of identified eligible social portfolio per eligible category; ii) total amount of proceeds allocated to the eligible social projects; iii) balance of unallocated proceeds; iv) amount or percentage of new financing and refinancing; and v) total amount of social financing instruments issued.
  - Impact reporting will include metrics such as: i) number of hospitals covered; ii) number of rehabilitation centres covered; iii) number of hospitals and other healthcare facilities built or upgraded; iv) number of beds; and v) estimated number of patients benefitting from healthcare facilities services or medical treatment on an annual basis.
- Asklepios has communicated to Sustainalytics that if it obtains revolving credit facilities under the Framework, it will report on allocation until loan maturity.
  - Based on the commitment to both allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

### **Alignment with Social Bond Principles 2023 and Social Loan Principles 2023**

Sustainalytics has determined that the Asklepios Social Finance Framework aligns with the four core components of the SBP and SLP.

## **Section 2: Sustainability Strategy of Asklepios**

### **Contribution to Asklepios 's sustainability strategy**

Asklepios' sustainability strategy focuses on the following topics: i) raising employee awareness on the principles of conduct; ii) guaranteeing patient safety; iii) improving patient satisfaction; iv) promoting employee health; and v) reducing CO<sub>2</sub> emissions, waste and water consumption.<sup>9</sup>

To address patient safety, Asklepios implements a quality management (QM) system, which includes methods, tools and standards for early detection, analysis and avoidance of clinical risks that may endanger

<sup>9</sup> Asklepios, "Corporate Responsibility Report 2023", at: [https://report.asklepios.com/2023/downloads/Asklepios\\_CR\\_Report\\_2023\\_EN.pdf](https://report.asklepios.com/2023/downloads/Asklepios_CR_Report_2023_EN.pdf)

a patient during treatment.<sup>10</sup> The QM standards are informed by the recommendations of the WHO and the German Coalition for Patient Safety and conform with the legal requirements and guidelines set out by the Federal Joint Committee for improving patient safety.<sup>11</sup> The Critical Incident Reporting System, a platform under QM, enables Asklepios' employees to anonymously report mistakes and undesirable events in the clinical process along with prevention recommendations for inter-hospital learning.<sup>12</sup> Asklepios also established S.A.V.E. - Sicher Arbeiten Vertrauen Erhalten (work safety, gain trust) training and workshops to prepare employees who work in emergency delivery rooms for childbirth.<sup>13</sup> Regarding patient satisfaction, Asklepios has achieved an annual patient recommendation rate of approximately 92% in 2023.<sup>14</sup>

Asklepios has developed an e-health platform, Samedi, for online appointments and video consultations,<sup>15</sup> and an e-mental health services platform, Minddistrict, to expand psychotherapeutic treatments through digital offers and interventions.<sup>16</sup> In 2017, the Group also introduced a digital information system, Meierhofer, to manage patient-related data.<sup>17</sup> Asklepios promotes clinical research to ensure patient safety and improve medical treatment quality.<sup>18</sup> Medical research at the Asklepios' clinics extends across three overarching areas: i) approval studies for medicinal products and medical devices; ii) self-initiated studies and research projects; and iii) real-world evidence studies.<sup>19</sup>

Sustainalytics is of the opinion that the Asklepios Social Finance Framework is aligned with the Group's overall sustainability strategy and initiatives, and will further the Group's action on its key social priorities.

### Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the proceeds from the instruments issued under the Framework will be directed towards eligible projects that are expected to have positive social impact. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects may include issues involving: i) land use change and biodiversity issues associated with the infrastructure and building development; ii) emissions, effluents and waste generated in the medical procedure and manufacturing of medical equipment; iii) data privacy; iv) occupational health and safety ; v) human rights; and vi) business ethics.

Sustainalytics is of the opinion that Asklepios is able to manage or mitigate potential risks through implementation of the following:

- In order to mitigate the adverse environmental impacts of its business activities, Asklepios has developed the Environmental Management Policy, which focuses on areas such as energy efficiency, emissions reduction, waste management and water consumption.<sup>20</sup> Asklepios' Management Board maintains oversight over its environmental management and the ESG Board is accountable for strategic organisation and project management.<sup>21</sup> Additionally, Sustainalytics notes that projects financed are based in Germany, which are expected to comply with the requirements of the Directive 2014/52/EU on environmental impact assessments. The Directive requires projects that are likely to have a significant impact on the environment to be adequately assessed before approval. It also requires that adequate measures be undertaken to avoid, prevent, reduce and, if possible, offset significant adverse effects on the environment, in particular on species and habitats. For land-intensive projects, the directive requires land-use related impacts to be identified, described and assessed through an environmental impact assessment.<sup>22</sup> Sustainalytics further notes that Germany is recognized as a Designated Country by the Equator Principles, indicating the presence of robust

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> Asklepios, "Corporate Responsibility Report 2023", at: [https://report.asklepios.com/2023/downloads/Asklepios\\_CR\\_Report\\_2023\\_EN.pdf](https://report.asklepios.com/2023/downloads/Asklepios_CR_Report_2023_EN.pdf)

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.

<sup>15</sup> Asklepios, "Samedi", at: <https://www.asklepios.com/konzern/unternehmen/digitalisierung/samedi>

<sup>16</sup> Asklepios, "Minddistrict | E-Mental-Health", at:

<https://www.asklepios.com/konzern/unternehmen/digitalisierung/minddistrict#fuer-wen-ist-die-minddistrict-plattform-geeignet->

<sup>17</sup> Asklepios, "M-KIS: die digitale Patientenakte bei Asklepios in Hamburg", at: <https://www.asklepios.com/konzern/unternehmen/digitalisierung/m-kis>

<sup>18</sup> Asklepios, "Innovation and Research", at: <https://www.asklepios.com/en/why-choose-asklepios/innovation/>

<sup>19</sup> Asklepios, "Medizinische Forschung an den Asklepios Kliniken", at: <https://www.asklepios.com/konzern/unternehmen/forschung>

<sup>20</sup> Asklepios, "Corporate Responsibility Report 2023", at: [https://report.asklepios.com/2023/downloads/Asklepios\\_CR\\_Report\\_2023\\_EN.pdf](https://report.asklepios.com/2023/downloads/Asklepios_CR_Report_2023_EN.pdf)

<sup>21</sup> Ibid.

<sup>22</sup> European Commission, "Directive 2014/52/EU on the assessment of the effects of certain public and private projects on the environment", (2014), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0052>

environmental and social governance systems, legislation and institutional capacity for protecting the environment and communities.<sup>23</sup>

- To protect sensitive patient data, Asklepios monitors the implementation of data protection requirements through its management teams and local data protection officers at individual hospitals.<sup>24</sup> The Group has established standards that ensure data is processed only for its intended purpose in a secure environment with the patient's consent<sup>25</sup> and commits to treat patient information with confidentiality in accordance with applicable data protection regulations as outlined in its Principles of Conduct.<sup>26</sup> Asklepios owns and operates its own data centre in Hamburg, which is certified to the data protection and data security standard ISO 27001.<sup>27</sup>
- Regarding occupational health and safety, Asklepios implements specific measures that align with regulatory requirements and labour law standards. Approximately sixty prevention officers are responsible for coordinating and implementing health management measures and employees can also use the Critical Incident Reporting System (CIRS) to report critical events or incidents that potentially pose a threat to staff or patients.<sup>28</sup> The Group also conducts regular checks in hospitals, including systematic workplace inspections, risk assessments and stress analyses. Additionally, new hires are required to attend mandatory training to ensure safe engagement with medical equipment and patients.<sup>29</sup>
- Asklepios has set out a Declaration of Principles on Human Rights committing to uphold and protect human rights in alignment with the UN Declaration of Human Rights<sup>30</sup> and the EU Charter of Fundamental Rights<sup>31</sup> in its business activities and as a requirement for its business partners.<sup>32</sup> The declaration includes: i) prohibition of discrimination, ii) workplace safety, iii) data protection, iv) equal opportunities, and v) responsible purchasing.
- Regarding business ethics, the Group's Principles of Conduct commits Asklepios and its employees to all applicable laws and regulations and prevention of unethical behaviour, such as corruption, bribery and conflicts of interest. The Principles of Conduct also outline requirements for fairness and safety at the workplace as well as protection of the natural environment.<sup>33</sup> Additionally, Asklepios developed a Supplier Code of Conduct that requires all suppliers to adhere to ecological, social and ethical behaviour and comply with applicable international and national legal provisions relating to the protection of human rights, prohibition of forced labour and discrimination as well as regulations relating to environmental, health and safety.<sup>34</sup> Asklepios has also established a whistleblowing system in 2022, where employees can report violations of Principles of Conduct anonymously or using their known identities to the Group's Compliance division.<sup>35</sup>

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Asklepios has implemented adequate measures, and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

### Section 3: Impact of Use of Proceeds

The use of proceeds category is aligned with those recognized by the SBP and SLP and is specifically relevant in the local context.

<sup>23</sup> Equator Principles, "Designated & Non-designated countries", at: <https://equator-principles.com/about-the-equator-principles/>

<sup>24</sup> Asklepios, "Corporate Responsibility Report 2023", at: [https://report.asklepios.com/2023/downloads/Asklepios\\_CR\\_Report\\_2023\\_EN.pdf](https://report.asklepios.com/2023/downloads/Asklepios_CR_Report_2023_EN.pdf)

<sup>25</sup> Asklepios, "Corporate Responsibility Report 2023", at: [https://report.asklepios.com/2023/downloads/Asklepios\\_CR\\_Report\\_2023\\_EN.pdf](https://report.asklepios.com/2023/downloads/Asklepios_CR_Report_2023_EN.pdf)

<sup>26</sup> Asklepios, "Haltungsgrundsätze Asklepios-Gruppe", at: <https://www.asklepios.com/.dam/jcr:8475d79b-36cc-451e-9bd8-813d1262286e/Booklet%20Asklepios%20Haltungsgrundsätze.pdf>

<sup>27</sup> Asklepios, "Corporate Responsibility Report 2023", at: [https://report.asklepios.com/2023/downloads/Asklepios\\_CR\\_Report\\_2023\\_EN.pdf](https://report.asklepios.com/2023/downloads/Asklepios_CR_Report_2023_EN.pdf)

<sup>28</sup> Ibid.

<sup>29</sup> Ibid.

<sup>30</sup> Universal Declaration of Human Rights, at: <https://www.ohchr.org/en/universal-declaration-of-human-rights>

<sup>31</sup> EU Charter of Fundamental Rights, at:

[https://commission.europa.eu/aid-development-cooperation-fundamental-rights/your-rights-eu/eu-charter-fundamental-rights\\_en](https://commission.europa.eu/aid-development-cooperation-fundamental-rights/your-rights-eu/eu-charter-fundamental-rights_en)

<sup>32</sup> Asklepios, "Grundsatzklärung Menschenrechte Asklepios Kliniken GmbH %Co, KgaA", at: <https://www.asklepios.com/.dam/jcr:9bb27c82-f13c-4ea4-8f9d-2a38fdc37d5c/Grundsatzklärung%20Menschenrechte.pdf>

<sup>33</sup> Asklepios, "Haltungsgrundsätze Asklepios-Gruppe", at:

<https://www.asklepios.com/.dam/jcr:8475d79b-36cc-451e-9bd8-813d1262286e/Booklet%20Asklepios%20Haltungsgrundsätze.pdf>

<sup>34</sup> Asklepios, "Haltungsgrundsätze Asklepios-Gruppe", at: <https://www.asklepios.com/.dam/jcr:14bd9015-10fa-4cfc-8c6b-c4844e0dd3b5/Supplier%20Code%20of%20Conduct.pdf>

<sup>35</sup> Asklepios, "Sustainable Corporate Governance", at: <https://report.asklepios.com/2023/cr/sustainable-corporate-governance.html#riskmanagement>



### Importance of financing public healthcare projects in Germany

The German healthcare system is based on a mandatory national health insurance scheme. Coverage is near universal in Germany, whereby approximately 99% of German residents are covered for a broad range of health services and goods, with the breakdown being approximately 89% covered by statutory health insurance and 11% covered by private health insurance, leaving only 0.1% of the German residents not covered.<sup>36</sup> The health system is primarily funded through public financing, which constituted 85.5% of the total funding in 2021, while out-of-pocket payments only accounted for 12% in the same year. Furthermore, the rates of unmet needs due to costs, waiting times or travel distance in Germany were among the lowest in the EU in 2022.<sup>37</sup>

While the German healthcare system is renowned for offering its residents universal health insurance coverage at a comparably low cost, it remains an expansive system with the highest public spending in the EU.<sup>38</sup> In 2021, the country allocated EUR 5,159 per capita to health expenditures.<sup>39</sup> The German government is facing increasing public healthcare costs due to demographic changes and technological progress, and a deficit in statutory health insurances since 2019.<sup>40,41</sup> To address the challenges, the government proposed healthcare system reforms.<sup>42</sup> As part of its reforms, the government implements: i) the 2023 Act to Accelerate Digitalization of the Healthcare System,<sup>43</sup> which includes targets such as setting up electronic patient records (for those with SHI), E-prescriptions, assisted telemedicine and digital advisory boards; and ii) the Act on the Use of Healthcare Data by which the government intends to improve efficiency and reduce bureaucracy in the healthcare system.<sup>44,45</sup>

Under its 2021-2026 National Recovery and Resilience Plan, the German government aims to strengthen a pandemic-resilient health system with three main fields of investments: i) digital and technical investments of public health services; ii) hospital modernization, which includes improving digital infrastructure, emergency capacity, telemedicine, robotics, information technology and cybersecurity; and iii) accelerating research and development of vaccines against SARS-CoV-2.<sup>46</sup> The German government dedicates 16% of its EUR 25.4 billion budget under the Recovery and Resilience Plan to its healthcare system, allocating EUR 684 million, EUR 3 billion and EUR 591 million respectively to the aforementioned investments.<sup>47,48</sup>

Based on the above, Sustainalytics considers that Asklepios' financing under the Framework is expected to increase access to affordable healthcare services and create positive social impacts in Germany.

### Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the Asklepios Social Finance Framework are expected to help advance the following SDG and target:

Use of Proceeds Category	SDG	SDG target
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<sup>36</sup> European Observatory on Health Systems and Policies, "State of Health in the EU: Germany", (2023), at: <https://eurohealthobservatory.who.int/publications/m/germany-country-health-profile-2023>

<sup>37</sup> European Observatory on Health Systems and Policies, "State of Health in the EU: Germany", (2023), at: <https://eurohealthobservatory.who.int/publications/m/germany-country-health-profile-2023>

<sup>38</sup> Ibid.

<sup>39</sup> Ibid.

<sup>40</sup> Federal Ministry of Finance, "German Stability Programme 2024", at: [https://commission.europa.eu/document/download/67ad4bd0-52d3-4832-aadf-28939e2960c8\\_en?filename=German\\_Stability\\_Programme\\_2024\\_EN.pdf](https://commission.europa.eu/document/download/67ad4bd0-52d3-4832-aadf-28939e2960c8_en?filename=German_Stability_Programme_2024_EN.pdf)

<sup>41</sup> German National Association of Statutory Health Insurance Funds, "Our Plan for Reforms Annual Report 2021", at:

[https://www.gkv-spitzenverband.de/media/dokumente/service\\_1/publikationen/geschaeftsberichte/GKV-SV\\_GB2021\\_Englisch.pdf](https://www.gkv-spitzenverband.de/media/dokumente/service_1/publikationen/geschaeftsberichte/GKV-SV_GB2021_Englisch.pdf)

<sup>42</sup> Federal Ministry of Finance, "German Stability Programme 2024", at: [https://commission.europa.eu/document/download/67ad4bd0-52d3-4832-aadf-28939e2960c8\\_en?filename=German\\_Stability\\_Programme\\_2024\\_EN.pdf](https://commission.europa.eu/document/download/67ad4bd0-52d3-4832-aadf-28939e2960c8_en?filename=German_Stability_Programme_2024_EN.pdf)

<sup>43</sup> Federal Ministry of Health, "Act to Accelerate the Digitization of the Healthcare System (Digital Act – DigiG)", at:

<https://www.bundesgesundheitsministerium.de/ministerium/gesetze-und-verordnungen/guv-20-lp/digig.html>

<sup>44</sup> Federal Ministry of Health, "Health Data Use Act", at: <https://www.bundesgesundheitsministerium.de/ministerium/gesetze-und-verordnungen/guv-20-lp/gesundheitsdatennutzungsgesetz.html>

<sup>45</sup> Federal Ministry of Finance, "German Stability Programme 2024", at: [https://commission.europa.eu/document/download/67ad4bd0-52d3-4832-aadf-28939e2960c8\\_en?filename=German\\_Stability\\_Programme\\_2024\\_EN.pdf](https://commission.europa.eu/document/download/67ad4bd0-52d3-4832-aadf-28939e2960c8_en?filename=German_Stability_Programme_2024_EN.pdf)

<sup>46</sup> European Observatory on Health Systems and Policies, "State of Health in the EU: Germany", (2023), at: <https://eurohealthobservatory.who.int/publications/m/germany-country-health-profile-2023>

<sup>47</sup> Ibid.

<sup>48</sup> European Parliament, Germany's National Recovery and Resilience Plan, (2024), at:

[https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/698849/EPRS\\_BRI\(2021\)698849\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/698849/EPRS_BRI(2021)698849_EN.pdf)

Access to Essential Healthcare Services	3. Good Health and Well-being	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.
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## Conclusion

Asklepios has developed the Asklepios Social Finance Framework under which it intends to issue bonds, private placements, commercial papers, promissory notes (Schuldscheindarlehen) and loans, and use the proceeds to finance projects that are expected to enhance access to public healthcare in Germany.

The Asklepios Social Finance Framework outlines a process for tracking, allocation and management of proceeds, and makes commitments for reporting on allocation and impact. Sustainalytics considers that the Asklepios Social Finance Framework is aligned with the overall sustainability strategy of the Group and that the use of proceeds will contribute to the advancement of the UN Sustainable Development Goal 3. Additionally, Sustainalytics is of the opinion that Asklepios has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that Asklepios is well positioned to issue bonds, private placements, commercial papers, promissory notes (Schuldscheindarlehen) and loans, and that the Asklepios Social Finance Framework is robust, transparent and in alignment with the core components of the Social Bond Principles 2023 and the Social Loan Principles 2023.



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