



HEALTHCARE REALTY

2023 Corporate Responsibility Report

ENVIRONMENTAL • SOCIAL • GOVERNANCE

Letter from the CEO



A great deal has changed for Healthcare Realty since last year's Corporate Responsibility Report. In July 2022, our company completed a transformational merger with Healthcare Trust of America. The merger more than doubled our portfolio of medical outpatient buildings, added over 200 employees, increased our presence in top growth markets

around the country, and created new opportunities to lead our industry as the nation's largest pure-play MOB real estate investment trust.

Importantly, our expanded scale also provides significant opportunities to advance our environmental, social, and governance objectives across a broader portfolio. Pre-merger, Healthcare Realty had an enviable track record of data collection and data integrity, as evidenced by our past GRESB scores and portfolio coverage. Integrating our data collection systems across the expanded portfolio is still in progress, but we have made great strides already.

Before the merger, Healthcare Realty's 2022 GRESB score was 80 with 89% utility coverage; HTA's was 42 with 12% utility coverage. We made significant progress in combining the two portfolios, and I am very pleased with our recently-announced 2023 GRESB score of 75 with 69% utility coverage. Though much work remains, the score is a reflection of our sharp focus on ESG. We expect to increase our utility coverage and will issue new benchmarks and ESG objectives in 2024.

Since the merger, we have been working to consolidate best practices from the two legacy companies and adopt a unified set of systems and processes. These efforts have set Healthcare Realty on a clear path toward further improving our ESG performance. Already, we are seeing results - in recent months, we have increased our total number of green building certifications, expanded our physical climate risk assessments, enhanced the diversity of our Board of Directors, and completed our first-ever materiality assessment. We have reinforced our corporate culture with our new colleagues, strengthening employee engagement and bringing our expanded company together with our united Purpose, Vision, and Values.

This period of transformation coincides with another significant milestone - 2023 marks Healthcare Realty's 30-year anniversary. As we embark upon the company's fourth decade, I am confident in the solid foundation we have built, the direction Healthcare Realty is headed, and the team of talented people who embody our values of respect, camaraderie, entrepreneurship, and excellence.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tommy H'.

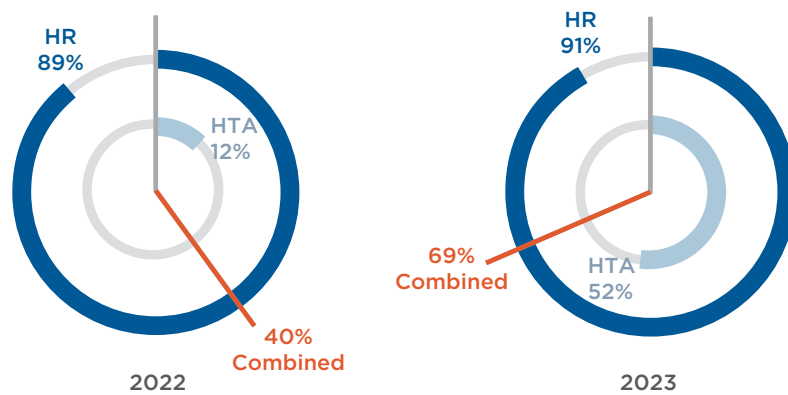
President and Chief Executive Officer

About this Report

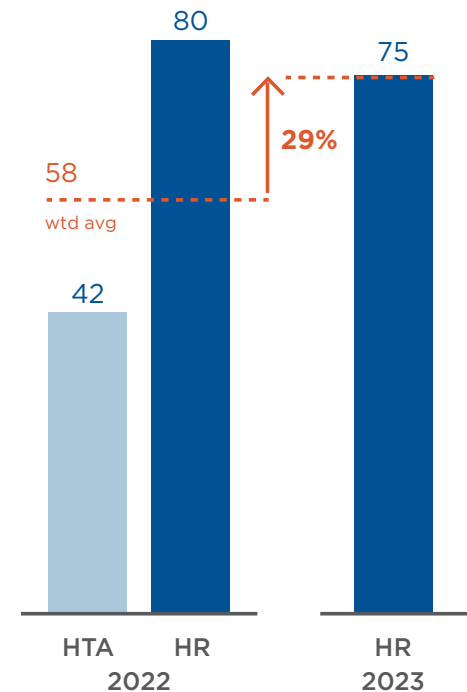
We are proud to present Healthcare Realty’s 2023 Corporate Responsibility Report, which details our environmental, social and governance (ESG) progress from January 1, 2022 to December 31, 2022. This report includes data for the combined Company unless otherwise noted. The scope of this report is limited to properties and corporate offices over which the Company holds operational control, authority to exercise investment decisions, and where whole-building operating data was available for the entire year.

Healthcare Realty’s sharp focus and demonstrated success with our ESG strategy recently resulted in a whole portfolio GRESB score of 75, a 29% improvement over blended 2022 scores. Since the merger, we have focused on increasing utility data collection and data integrity across the expanded portfolio. As we continue to expand our data collection methods portfolio-wide, we expect to establish new benchmarks and ESG objectives in early 2024.

Data Coverage⁽¹⁾



GRESB Scores⁽²⁾



(1) Percentage of portfolio square footage as reported to GRESB reflects all properties, including assets held for sale, redevelopments, unconsolidated joint ventures, and dispositions January 1, 2022 through December 31, 2022.

(2) Healthcare Realty and HTA reported 2022 GRESB results separately.

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Who We Are

Healthcare Realty (NYSE: HR) is a real estate investment trust (REIT) that owns and operates medical outpatient buildings primarily located around market-leading hospital campuses. Healthcare Realty's portfolio includes more than 700 properties totaling over 40 million square feet concentrated in 15 growth markets.

Since its formation in 1993, Healthcare Realty has distinguished itself as the first REIT to specialize in medical outpatient buildings, creating a superior real estate portfolio aligned with market-leading health systems. The majority of Healthcare Realty's properties are on the campus of, or adjacent to, these health systems, where they house essential outpatient services such as surgery, cancer treatment, imaging, and key physician groups who are crucial to the hospital's long-term mission. We have refined our portfolio through discerning acquisition and development, resulting in properties well-diversified by geography, tenant size, and physician specialty.



Company Overview

On July 20, 2022, Healthcare Realty merged with Healthcare Trust of America (HTA), creating the largest, publicly traded, outpatient medical REIT in the United States.

The merger:

- Created market scale in 15 markets where the Company owns one million square feet or more, up from five markets
- Broadened relationships with 56 of the top 100 U.S. health systems
- Concentrated the portfolio in high-density markets, with 75% of portfolio Net Operating Income (NOI) in coastal and sunbelt markets

This transformative combination provides market scale in concentrated clusters, resulting in increased diversification, operating efficiencies, deeper market knowledge, and stronger relationships with providers.

AS OF 12/31/2022⁽¹⁾

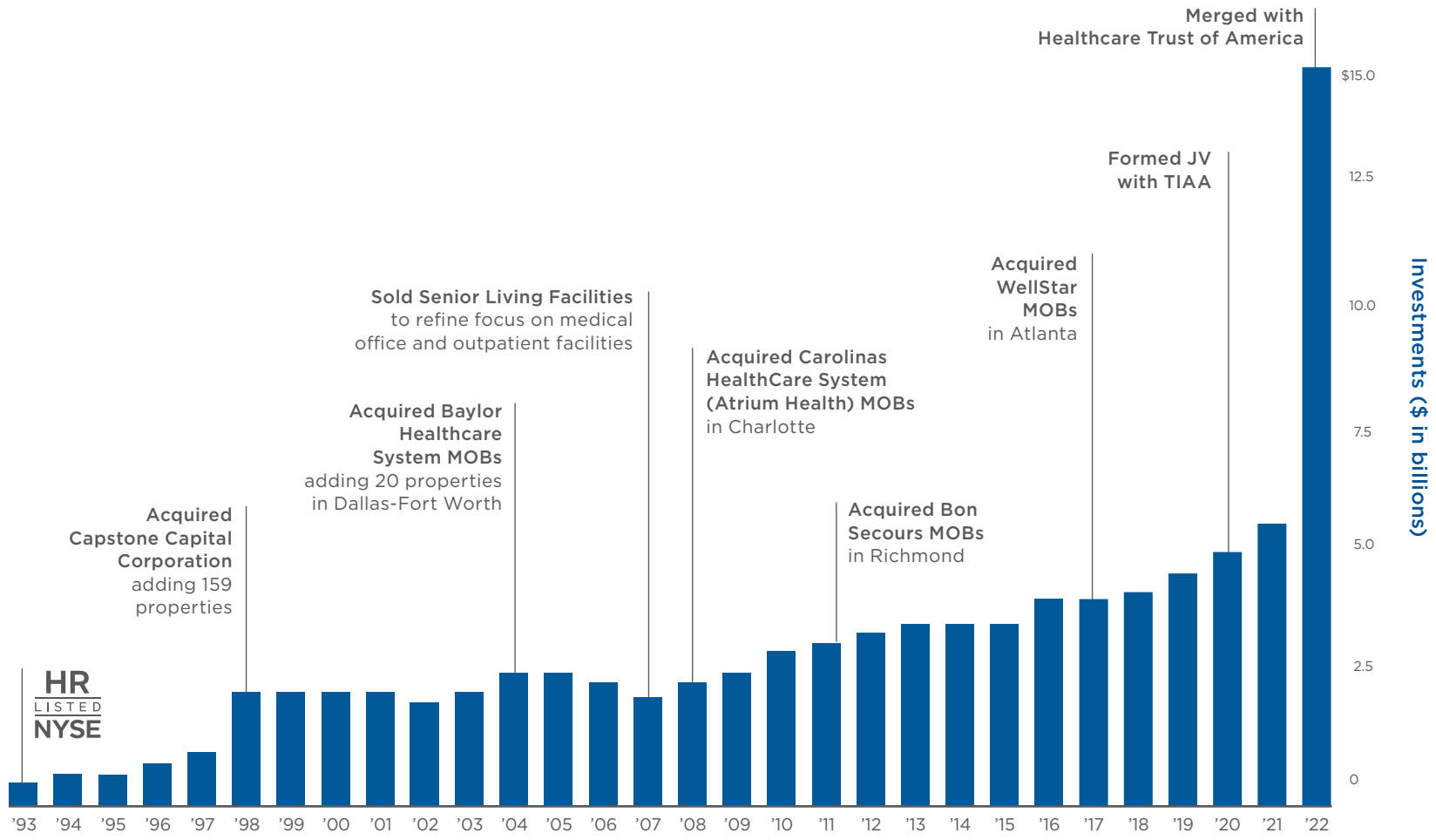
- 721 Properties
- 42.3M Square Feet
- 92% Medical Outpatient Buildings
- 71 Markets in 35 States
- 93% Managed Internally
- 70% On/Adjacent to Hospital Campuses
- 87.8% Occupancy
- 56 relationships with Top 100 Health Systems⁽²⁾
- \$13B Enterprise Value
- BBB/Baa2/BBB+ Credit Rating

(1) Including properties in the Company's unconsolidated joint ventures.

(2) Ranked by net patient revenue based on Modern Healthcare's Healthcare Systems Financial Database.

Company Overview

A HISTORY OF GROWTH



The Big Picture ⁽¹⁾⁽²⁾

721

PROPERTIES
 IN 35 STATES

42M

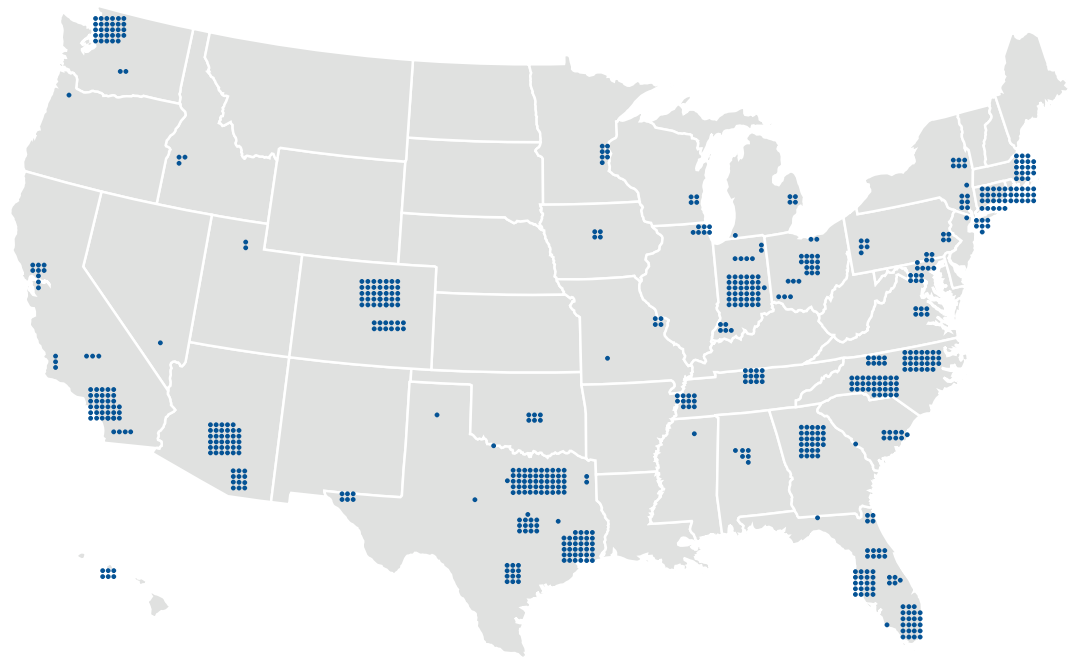
SQUARE FEET

92%

MEDICAL OUTPATIENT
 BUILDINGS

70%

ON/ADJACENT TO
 HOSPITAL CAMPUSES



TOP MSAs	MSA RANK	SQ FT	% OF TOTAL GLA
Dallas	4	4,000,000	9.5%
Houston	5	2,611,000	6.2%
Los Angeles	2	2,088,000	4.9%
Denver	19	1,991,000	4.7%
Charlotte	22	1,790,000	4.2%
Seattle	15	1,593,000	3.8%
Miami	7	1,548,000	3.7%
Phoenix	10	1,512,000	3.6%
Atlanta	9	1,478,000	3.5%
Indianapolis	33	1,416,000	3.4%
Nashville	36	1,244,000	2.9%
Raleigh	42	1,104,000	2.6%
Tampa	18	1,013,000	2.4%
Boston	11	965,000	2.3%
Austin	29	864,000	2.0%

(1) Property counts and square footage shown throughout this presentation include properties in the Company's unconsolidated JV.
 (2) As of December 31, 2022.

ESG Management

ESG STRATEGY

Since 2019, Healthcare Realty has focused its ESG efforts on initiatives influenced by our investors, Board of Directors, and management team. After merging with HTA, Healthcare Realty’s dedicated ESG team has directed its attention to data collection and integrity for the expanded portfolio. This work includes property-level surveys and meter inventories, and auditing environmental data to determine whole-building coverage. The ESG team has engaged employees around the country in these efforts, sharing the Company’s culture and values while communicating the importance of healthy buildings for our tenants and their patients.

Healthcare Realty’s actions are guided by the Company’s [Sustainability Principles and Policies](#)

Integration

Embed and integrate leading ESG practices in daily operations.

Impact

Drive positive impact and create long-term value for stakeholders, including our tenants, investors, employees, and the communities in which we live, work, and invest.

Integrity

Conduct business with integrity, respect, and excellence.

Post-merger ESG Work

ESG INTEGRATION

We are focused on integrating ESG practices across an expanded portfolio and a bigger employee base. Healthcare Realty has a proven track record of data integrity, reporting, and transparency.

Leadership

- In-house ESG department provides dedicated resources to lead the Company’s ESG initiatives
- Focus on improving ESG reporting and transparency, using Healthcare Realty’s history of expanding disclosures
- Align with leading frameworks and improve benchmarking scores

Data Integrity

- Expand and improve utility data coverage
- Improve data integrity for new properties
- Perform annual verification of environmental data

Green Building Certification

- Continue progress on ENERGY STAR®, LEED®, and other certifications

Employee Engagement

- Impart our Purpose, Vision, and Values to our expanded workforce
- Continue pre-merger annual ESG training for all employees
- Conduct an annual employee survey to assess employee needs

Strong Governance

- Enforce sound governance policies and practices to reduce risk

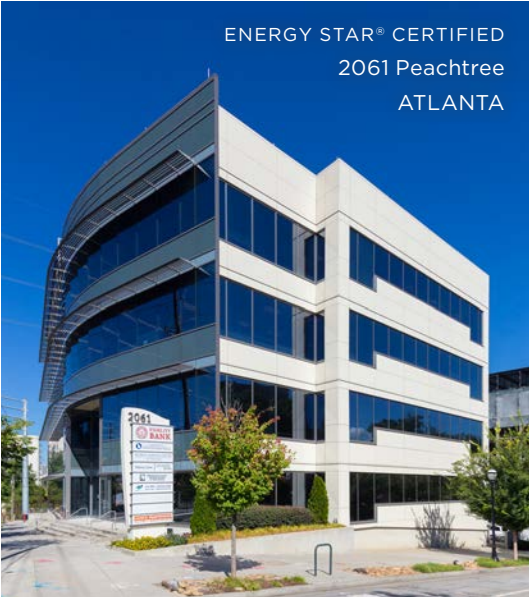
Operational Efficiency

- Deploy proven strategies to improve building efficiency including real-time electricity monitoring, LED lighting, and building automation systems

Sustainability Management



We have implemented a Sustainability Management System (SMS) to help create a cohesive ESG program that reduces risk, improves performance, and establishes meaningful benchmarks guided by industry frameworks. Our SMS is aligned with the International Organization for Standardization (“ISO”) 14001 and 5001 standards plus the [ENERGY STAR® Guidelines for Energy Management.](#)



Stakeholder Engagement

Stakeholder engagement is an ongoing priority. We are actively engaged in dialogue with our employees, Board of Directors, tenants, and investors. That feedback influences business decisions and strategy, particularly around our ESG efforts.



Employees

- HR@Work - Healthcare Realty's intranet
- LinkedIn
- Employee surveys
- Employee engagement activities including book clubs, virtual exercise classes, lunch-and-learn sessions, and Company-wide wellness challenges



Communities

- Company-organized volunteer opportunities
- Paid volunteer hours
- Employee charitable donation matching program
- Company donations to non-profit organizations



Investors

- One-on-one meetings
- Participation in industry conferences
- Investor tours
- Earnings calls, SEC filings, quarterly supplemental reports, and investor presentations that disclose financial performance information



Tenants

- Kingsley tenant satisfaction surveys
- Building-specific online tenant centers
- Tenant appreciation events and holiday celebrations

ESG Disclosure and Guidance Frameworks

Healthcare Realty discloses comparable and consistent ESG information through globally recognized frameworks and standards. As in previous years, we engaged RE Tech Advisors, an AA1000 Licensed Assurance Provider, to provide third-party verification of our energy, water, greenhouse gas, and waste performance data for this report.



GRESB
Healthcare Realty received GRESB’s 4 Green Star ranking, earning a score of 80 on our 2022 Assessment, up from 73 in 2021. Ranking second out of a peer group of 10 healthcare real estate companies, we received a rating of “A” on GRESB’s Public Disclosure ranking, showcasing our transparency in public reporting on sustainability practices.



Task Force on Climate-Related Financial Disclosures (TCFD)
Healthcare Realty’s climate-related disclosures are in alignment with TCFD recommendations. In 2022, our physical climate risk expanded to include multiple climate scenarios. These disclosures can be found on pages pages 27-29.



Sustainability Accounting Standards Board (SASB)
Information in this report is aligned with the ISSB’s SASB framework for real estate. A SASB standards disclosure table can be found on pages 52-53.



Sustainable Development Goals
Our ESG Goals align with the United Nations Sustainable Development Goals (SDGs). A summary of these goals and progress can be found on pages 13-14.

ESG Goals



ENVIRONMENTAL	Pre-merger	Post-merger	Performance
10% reduction in Scope 1 and 2 emissions by 2026 over a 2016 baseline.	Achieved -18%		<ul style="list-style-type: none"> The Company's historical GHG, energy, and water goals are not applicable to the larger, combined portfolio. Year-over-year performance data for properties where we have operational control and whole building data is available.
10% energy use reduction by 2026 over a 2016 baseline.	On Track -4%	New goals to be released in 2024	
20% water reduction by 2026 over a 2016 baseline.	Achieved -21%		
Obtain green building certifications, including LEED®, ENERGY STAR®, IREM® Certified Sustainable Property (CSP®), or other similarly recognized third-party certification) for at least 11% of the portfolio by 2025.	2025 Target On Track	2025 Target On Track	Owned 30 certified green buildings totaling 2.6M SF representing 4.2% of properties at year-end 2022. Includes 11 LEED® certifications (five inherited from HTA's portfolio), five IREM® CSP®, and 14 ENERGY STAR® certifications.
Certify a minimum of 80% of new development projects to LEED®, BREAM, Fitwell, Well, or Green Globe.	Ongoing Target On Track	Ongoing Target Below Goal	Healthcare Realty's development portfolio includes three medical outpatient properties totaling 384K SF that were in progress at the end of 2022. Two projects, a 106K SF development in Nashville, and a 157K SF development in Orlando, Florida, representing 61% of total development projects, are registered for LEED® certification.
New! Increase utility data coverage		2023 Target On Track	Increase data coverage to 70% of the total portfolio by the end of 2023 to set new environmental baselines and KPIs.

ESG Goals

SOCIAL

Status

Performance



Evaluate employee benefits package annually to ensure it is competitive and meets the needs of employees.

🟢 Ongoing Target Achieved

Healthcare Realty’s benefits are reviewed quarterly by an internal healthcare committee with external consultants and are benchmarked against similar sized companies. Employee benefits packages were combined after the merger, maintaining competitive rates and offerings.

Offer at least \$15 per hour wages to all full-time employees.

🟢 Ongoing Target Achieved

All full-time employees were paid more than \$15/hour in 2022.

Maintain a desirable workplace so that the voluntary three-year-average annual employee turnover is less than 11% and officer turnover is less than 5%.

🟡 Ongoing Target Below Goal

As expected, the merger had a significant impact on employee turnover in 2022 resulting in an increased average voluntary turnover rate of 16.9%. Voluntary officer turnover remained on track at 3.8%.

GOVERNANCE

Status

Performance



Maintain board diversity by having women and/or racially diverse representation for at least a third of the Board of Directors.

🟢 Ongoing Target Achieved

Women and racially diverse representation increased to 38% of our board in 2022. We added four new board members in 2022: three from HTA’s board and one new independent director. Two of the new members are women.

Environmental

Healthcare Realty is committed to reducing our environmental footprint. We are making progress through operational efficiencies, strategic capital planning, and data monitoring and analysis.



Environmental Performance Highlights

In 2021, Healthcare Realty achieved its stated goal to reduce GHG emissions by 10% over a 2016 baseline. In 2022, we achieved our stated goal of 20% water reduction over a 2016 baseline and were on track to achieve our 10% energy reduction goal. We will issue new environmental goals in our 2024 Corporate Responsibility Report.

The following table highlights year-over-year environmental performance for the combined portfolio. This data includes properties owned by Healthcare Realty over which the Company holds operational control and where whole-building utility data was available for 2021 and 2022.

GHG EMISSIONS ⁽¹⁾	Year	MTCO ₂ e Scope 1	MTCO ₂ e Scope 2	MTCO ₂ e Total	Carbon Intensity (MTCO ₂ e/1,000SF)	Change
	2021	19,413	207,204	226,618	8.9	
2022	19,525	209,342	228,867	9.0		

ENERGY ⁽¹⁾	Year	KBTU	ENERGY INTENSITY (KBTU/SF)	Change
	2021	2,280,981,765	89.4	
2022	2,307,364,426	90.5		

WATER ⁽¹⁾	Year	US Gallon	WATER INTENSITY (US Gal/SF)	Change
	2021	549,711,200	22.8	
2022	562,250,290	23.3		



(1) Year-over-year energy and GHG data includes 388 properties totaling 25.5M SF and water data includes 367 properties totaling 24.2M SF. It excludes assets held for sale, redevelopment projects, and dispositions.

Industry Partnerships



ENERGY STAR®

Healthcare Realty has been an ENERGY STAR® partner since 2004 and has consistently benchmarked its utility information each year. In 2022, 80% of the portfolio was benchmarked in ENERGY STAR® Portfolio Manager®, including 90% of legacy Healthcare Realty assets and 73% of the legacy HTA portfolio.



Measurabl

Healthcare Realty has partnered with Measurabl since 2020, utilizing its sustainability platform to assist in collecting, reporting, and benchmarking of environmental data, efficiency projects, and building certifications. We also use Measurabl to assess physical climate risks in our portfolio and potential building acquisitions.



Tradition Energy

We have utilized Tradition Energy since 2011 to assist with energy procurement in deregulated markets and assessing energy rates in changing utility markets.



U.S. Department of Energy Better Buildings Alliance

Healthcare Realty is part of the U.S. Department of Energy (DOE) Better Buildings Alliance and Water Savings Network, partnering with DOE technical experts and industry peers to accelerate building efficiency.



Mechanical Resource Group

Since 2014, we have used Mechanical Resource Group to reduce electrical consumption and demand costs with real-time electricity monitoring.



ENGIE

In early 2022, Healthcare Realty engaged ENGIE to provide utility bill management services. ENGIE automates utility consumption data for ENERGY STAR® Portfolio Manager®, which improves the accuracy of our environmental data collection.



Nareit Real Estate Sustainability Council

We joined Nareit's Real Estate Sustainability Council (RESC) in 2021. This group includes ESG professionals from peer companies who advise Nareit about industry trends.



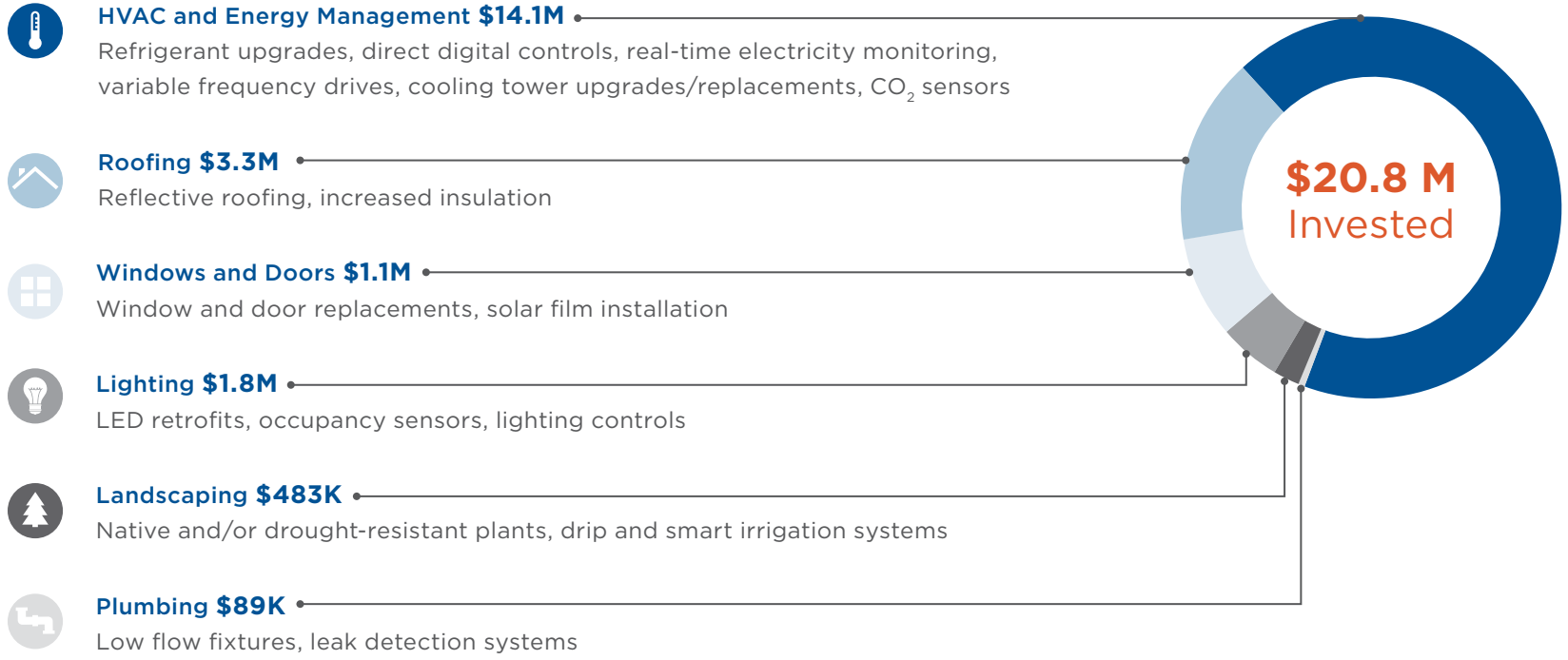
Reduction Strategies

SUSTAINABLE CAPITAL INVESTMENTS

Healthcare Realty strategically deploys capital investments to improve provider and patient experiences in our buildings. In 2022, Healthcare Realty invested \$20.8 million in 520 efficiency projects.

Energy-efficient Lighting

Installing energy-efficient lighting is a priority. LED lighting retrofits and occupancy sensors provide improved energy efficiency and increased lighting quality for our tenants and their patients. Since 2020, we have spent nearly \$2.8M on lighting improvements.



Reduction Strategies

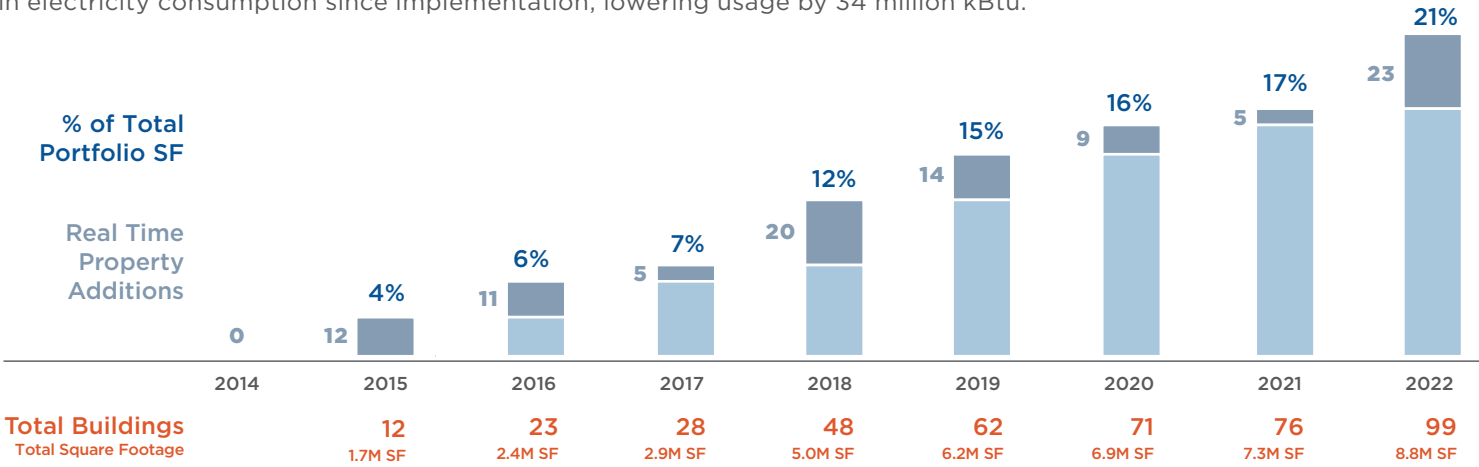
BUILDING AUTOMATION SYSTEMS (BAS) AND REAL-TIME ELECTRICITY MONITORING

Building automation is a critical tool used to monitor and control HVAC, lighting, and other energy-consuming systems. By pairing building automation systems with real-time electricity monitoring, our building engineers can monitor and adjust electricity usage and grid demand during peak operating hours and meet tenant scheduling demands.

At the end of 2022, real-time electricity monitoring was in use at 99 buildings totaling 8.8 million square feet. In 2023, we are adding real-time monitoring to eight buildings totaling 700,000 square feet, which gives us 22% real-time coverage for the portfolio.

Real-time Electricity Monitoring Growth

On average, properties with real-time electricity monitoring have seen a 7% reduction in electricity consumption since implementation, lowering usage by 34 million kBtu.



Reduction Strategies

RENEWABLE ENERGY

Healthcare Realty plans to expand solar energy and green power procurement across the expanded portfolio to reduce greenhouse gas emissions.



Solar Energy

Carport and parktop solar array projects are underway at six California properties. These installations are expected to generate up to 3.3 megawatts of energy per year, enough to provide electricity for a 300,000 square foot medical outpatient building for one year. Energy generated by these solar projects will be used through Net Energy Metering Power Purchasing Agreements and off-site through a Feed-in-Tariff (FIT) program. These projects were featured in a case study published April 2022 in the [U.S. Department of Energy’s Better Buildings Solutions Center](#). Adding on-site solar to our properties provides additional benefits to our tenants, including covered parking and decreased utility expenses.

Green Power Procurement



We have partnered with Tradition Energy, an energy management consultant, to procure Green-e® certified renewable electricity at 14 of our Texas properties. We continue to evaluate renewable energy procurement in our deregulated markets.



Water Efficiency

Healthcare Realty utilizes ESG property surveys and data analytics to compare performance and best practices for water management and reduction in the portfolio.

At year-end 2022, 76% of the portfolio was benchmarked for water usage in ENERGY STAR® Portfolio Manager®.

We employ environmentally-friendly water reduction or monitoring features in our buildings:

- EPA WaterSense-labeled low flow fixtures
- 0.5 gallon per minute aerators in tenant and common area sinks
- Leak detection systems
- Regular inspections and preventive maintenance of water-use systems including irrigation systems, toilets, chilled-water HVAC systems, and cooling towers
- High-efficiency/smart irrigation systems
- Drought-resistant landscaping



U.S. DOE Better Buildings Alliance

In 2022, Healthcare Realty joined the U.S. Department of Energy’s Better Buildings Alliance. This network provides our team with resources on efficiency projects and operational best practices to help us reduce our water usage. **In Healthcare Realty’s 2022 Corporate Responsibility Report, we issued a new 2026 water target to reduce our usage by 20% with a 2016 baseline achieving a 21% reduction over six years.** This target will be amended to accommodate the larger portfolio and new information will be released in the 2024 Corporate Responsibility Report.



Waste Diversion

We track, monitor, and benchmark waste production to reduce operating expenses and improve reporting of waste diversion and recycling efforts. Pre-merger, we conducted a property-level waste stream survey to expand our data inventory. In 2022, we increased our collection strategy to include waste billing automation, improving tracking and benchmarking of waste information.

Post-merger, we are implementing best practices across the portfolio, including:

- Ensure appropriate recycling containers are accessible with visible signage
- Purchase consumable materials with recycled content
- Recycle building materials including lightbulbs and batteries
- Install water bottle filling stations as a building standard to discourage single-use plastic
- Purchase building materials composed of recycled content for construction projects
- Right-size waste streams for efficient and cost-effective management



Reduce, Reuse, Recycle

One avenue to reduce waste is our company-wide Swap Shop. The program was created to give new life to old products and excess supplies such as furniture, computer boards, and engineering items instead of selling them or sending them to a landfill. Swap Shop items are posted on our Intranet.

Calling on the entrepreneurial spirit that is part of our Company's Purpose, Vision and Values, our engineers also share information about 'do-it-yourself' repairs to fix instead of replace equipment, install sustainable operating materials, and minimize the use of contractors. Healthcare Realty also invests in training courses and encourages our teams to share successes and assistance to repair equipment.

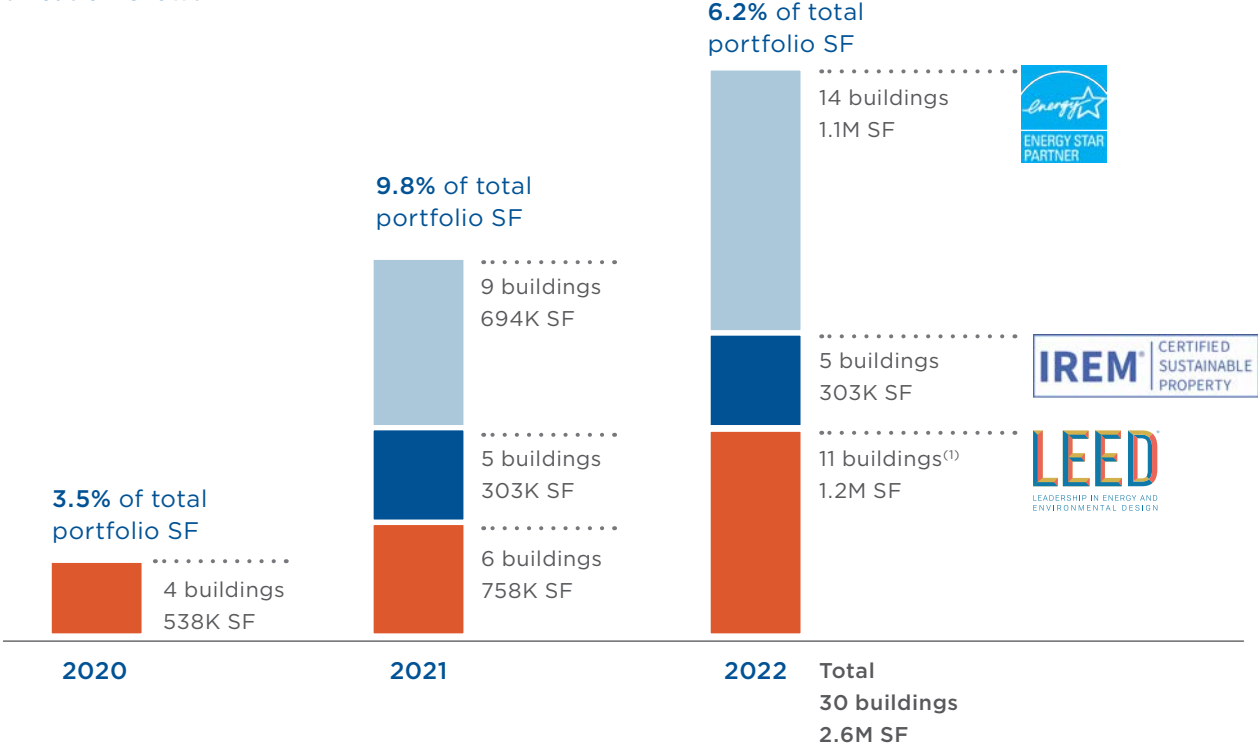


Sustainable Buildings

GREEN BUILDING CERTIFICATIONS

Healthcare Realty remains committed to obtaining green building certifications and has expanded its goal to obtain green building certifications for **11% of the portfolio by 2025**, including LEED®, ENERGY STAR®, or IREM® CSP®. These certifications provide independent recognition of our commitment to sustainability best practices. In 2022, we recertified nine ENERGY STAR® properties and achieved five additional ENERGY STAR® certifications.

Green Building Certification Growth



(1) Five legacy HTA buildings (465K SF) with LEED® certifications

Sustainable Buildings

BUILDING IMPROVEMENTS

We augment our sustainability practices and green building certifications by employing environmentally friendly practices including:

- Using low-emitting VOC materials and avoiding materials with known toxic ingredients such as asbestos, formaldehyde, volatile organic compounds, ash, cadmium, mercury, lead, arsenic, and phthalates
- Incorporating sustainable construction materials certified by Forest Stewardship Council (FSC), Rainforest Alliance, Cradle to Cradle, Floorscore, Green Seal, and Greenguard
- Sourcing locally manufactured materials that contain pre-consumer and post-consumer recycled content
- Encouraging tenants to use Healthcare Realty pre-selected finishes for tenant improvement projects that include sustainable options

GREEN FINANCING

The Company’s \$3 billion revolving credit and term loan agreement includes a sustainability-linked interest rate discount tied to increasing the number of properties with green building certifications.

Our \$150 million term loan expiring in June 2026 has a sustainability-linked interest rate discount for achieving green building certifications (LEED®, ENERGY STAR®, IREM® CSP®). At the end of 2022, the combined portfolio included 30 certifications which includes five legacy HTA buildings with LEED® accreditation. This is an increase from 20 certifications at the end of 2021.



Sustainable Buildings

NEW DEVELOPMENTS

Our commitment to green building certifications includes our development pipeline. In 2022, Healthcare Realty expanded its goal to obtain LEED® and other green building certifications to 80% for our newly constructed buildings.

The Company is building a 151,000 square foot medical outpatient LEED® development on Ascension’s St. Thomas Midtown campus in Nashville. The property opened in the third quarter of 2023. As part of the merger, we inherited a 156,566 square foot LEED development project in Orlando, Florida, associated with Advent Health.

Green Roofs

Expected to open in the fall of 2023, 2100 Church Street in Nashville will feature a green roof with drought-tolerant, low-maintenance plants covering more than 10,000 square feet. The aesthetically pleasing building features plants that provide natural insulation, absorb light that would otherwise be converted to heat energy, reduce stormwater runoff, and create a natural fire-resistant layer. The green roof material is housed in interlocking trays that are easy to move for roof maintenance.

Two other Healthcare Realty LEED® development properties have green roofs: Overlake Medical Pavilion, completed in 2012, and Valley Medical Pavilion, completed in 2021.



2100 Church Street
NASHVILLE, TENNESSEE



Valley Medical Pavilion
SEATTLE, WASHINGTON



Overlake Medical Pavilion
SEATTLE, WASHINGTON



Sustainable Buildings

HEALTHY BUILDINGS

Air Quality

Indoor air quality is important to our physician tenants and their patients. We utilize the American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE) standards throughout our portfolio.

Eco-Friendly Amenities

Many of our properties include bike facilities, electric vehicle charging stations, and preferred parking for carpools and fuel-efficient vehicles.

Green Leasing

Healthcare Realty is expanding its green lease language, including cost recovery clauses for efficiency upgrades and utility data sharing requirements, to ensure we are collecting whole-building utility data.

We developed sustainability guidelines for tenant improvements that outline best practices and contractor requirements for material procurement and upcycling. The guidelines are incorporated in our standard lease forms and contractor agreements.

Acquisition Due Diligence

Building acquisitions present an important opportunity to underwrite capital improvements to mitigate environmental risk and improve building efficiency at the beginning of the ownership period. Prior to an acquisition, we perform detailed due diligence, including utility data collection, physical climate risk assessments, property inspections, benchmarking compliance needs, and insurance requirements.



Climate Risk and Resilience

TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)



Healthcare Realty evaluates physical and transitional risks on an annual basis. We have aligned our disclosures with the Task Force on Climate-Related Financial Disclosures framework.

Governance

Healthcare Realty's Board of Directors provides oversight for our ESG strategy, policies, and performance. Each quarter, Julie Wilson, Executive Vice President, Operations, provides ESG updates to the entire board. In 2022, the Nominating and Governance Committee assumed responsibility for ESG supervision. The Audit Committee regularly conducts reviews of key financial risks, including exposure to physical risks associated with climate. The senior management team is actively engaged in assessing and managing risks, including natural disasters, regulatory and market shifts, and environmental compliance.

Strategy

Climate-related risks and opportunities are considered throughout the lifecycle of our assets. We perform detailed building evaluations during underwriting, and due diligence for building acquisitions and development properties. Industry best practices for property operations, including emergency response, are incorporated into property inspections, budgeting, insurance, and capital planning processes. We utilize physical climate risk assessments to identify assets in areas susceptible to weather events and environmental stressors, and to manage overall risks and evaluate our portfolio.

Climate-related Risk Management

Climate-related risks are identified, assessed, and managed by multiple departments including sustainability, insurance, operations, development, and acquisitions. We carry comprehensive property insurance to mitigate our exposure to floods, wind, earthquakes, and named storms.

To manage potential transition risks stemming from the cost of transitioning to a low-carbon economy, our Corporate Responsibility team actively monitors environmental regulations and public policy in changing regulatory environments. We also maintain national awareness of municipal requirements to reduce the risk of fines for noncompliance.

Metrics and Targets

Healthcare Realty remains committed to minimizing our environmental impact and conserving natural resources, seeking green building certifications for existing properties and new developments. With significant changes to our portfolio in 2022, we will set new baselines and goals for the expanded portfolio. These will be included in our 2024 Corporate Responsibility Report. Year-over-year performance can be found on [page 16](#).



Climate Risk and Resilience

TCFD CLIMATE RISKS AND OPPORTUNITIES

	Risk	Opportunity
Economic	Initial operating and capital costs to improve efficiency	Cost savings from reduced utility consumption and renewable energy
	Costs to adopt emissions technologies	Tenant and investor demand for green-certified buildings
	Change in asset valuation	Access to green financing including sustainability-linked term loans and green bonds which may reduce borrowing costs
Property	Property damage and business interruption	Savings on insurance premiums from improved risk mitigation and emergency response plans
Regulatory	Heightened federal, state and local environmental reporting obligations	Attracting investors, tenants and employees through expanded ESG initiatives
Reputational	Perception about ESG policies and activities	Stakeholder communication about benchmarks and achievements



Climate Risk and Resilience

PHYSICAL CLIMATE RISK ASSESSMENTS

Healthcare Realty utilizes Measurabl’s physical climate risk exposure tool (PCRX) in partnership with S&P Global Trucost to help identify and assess climate-related risk exposures at the property level, including risks from acute hazards and chronic stressors. This tool measures multiple systematic climate scenarios (RCP2.6, RPC4.5, and RCP8.5) and short, medium, and long-term time horizons from 0-30 years.

Mitigation Strategies

Healthcare Realty mitigates physical risk at the portfolio level with comprehensive insurance coverage, strategic capital planning, and sound operational practices. We work with our insurance provider to expand mitigation measures for wildfire, flood, wind, and named storms. Engineering teams routinely perform preventive maintenance and monitor building equipment. Our local management teams have implemented emergency preparation plans and work with local partners to minimize the impact of business interruptions during inclement weather.

Climate Risk	Portfolio Risk ⁽¹⁾
Fluvial Basin Flooding	Low to No Risk: 98% Medium Risk: 0% Higher Risk: 2%
Coastal Flooding	Low to No Risk: 100% Medium Risk: 0% Higher Risk: 0%
Tropical Cyclone	Low to No Risk: 92% Medium Risk: 5% Higher Risk: 3%
Extreme Cold	Low to No Risk: 38% Medium Risk: 62% Higher Risk: 0%
Wildfire	Low to No Risk: 86% Medium Risk: 9% Higher Risk: 5%
Water Stress	Low to No Risk: 58% Medium Risk: 11% Higher Risk: 31%
Extreme Heat	Low to No Risk: 93% Medium Risk: 5% Higher Risk: 2%



(1) Portfolio risk includes 537 properties representing 76% of the combined portfolio.

Social

Supporting and engaging employees, tenants, health system partners, and communities is an important part of our culture.



Employees

Our employees represent the best of our Company's values to one another, and to our healthcare provider tenants and their patients. Healthcare Realty employees are committed to advancing our mission, and we are committed to ensuring their success and well-being. Supporting, recognizing, and investing in our employees helps us attract and retain the best talent.



Employee Growth

2022	583	▲ 110% over five years
2021	338	
2020	308	
2019	297	
2018	277	



Employees

EMPLOYEE ENGAGEMENT

Since the merger was announced in February 2022, we were purposeful about engagement opportunities for Healthcare Realty and HTA employees. Our objective was to provide transparency about the transaction and to build trust and community. Healthcare Realty CEO Todd Meredith and HTA CEO Peter Foss held in-person meetings with employees. We facilitated meetings between Healthcare Realty and HTA employees in every department including the 35 markets in which both companies' portfolios overlapped.



Peter Foss

Todd Meredith

Post-merger, it was vital to introduce our strong culture of engagement to new employees and to reinforce our values with Healthcare Realty employees. We have maintained a steady cadence of employee communication, including regular updates from CEO Todd Meredith. We've also increased our presence on LinkedIn and routinely post employee-centered features on the Company's intranet site.

HR@Work

Healthcare Realty's intranet, HR@Work, is an important touchstone for employees. It is a central location for Company information and resources, including employee and property directories, training and personnel manuals, FAQs, helpful links, plus department landing sites.

Between June and December 2022, there were over 50 posts on the site promoting a variety of topics including wellness challenges, book club meetings, volunteer and tenant appreciation events, department spotlights, employee recognition, and networking events.

“Meetings between HR and HTA employees before and after the merger provided opportunities for our teams to get to know each other – personally and professionally. Building trust before the closing helped everyone focus on looking through the windshield, not the rearview mirror.”

Amy Byrd
Senior Vice President,
National Director of Operations



Employees

EMPLOYEE BENEFITS

Since 2005, Healthcare Realty has utilized a third-party health and benefits consultant to benchmark employee benefits package against companies of similar size. In 2022, we expanded our Healthcare Exploratory Committee and 401(k) Committee to include Healthcare Realty and HTA team members to ensure that input from employees of both companies was considered.

To promote trust and respect, we continued to honor all HTA benefits throughout FY 2022. This included keeping salaries at the same levels, continuing bonus structures, rolling over vacation and PTO time, and adhering to existing holiday schedules. We also ensured new benefits packages for legacy HTA employees were available on day one and offered benefits meetings to all new employees.

BENEFITS FOR RECRUITING AND RETENTION

Health and Wellness

- Health, dental, and vision insurance on first day of employment
- 100% of long-term disability and life insurance premiums paid
- **NEW!** Employee Assistance Program (EAP) provides free counseling and well-being coaching for all employees, regardless of benefit selections
- [Employee wellness program](#)

Financial Wellness

- Auto-enrollment in 401(k) with Company match on first day of employment
- Dollar-for-dollar match on 401(k) contributions up to \$2,800 annually
- Flexible spending accounts, dependent care accounts, and health savings accounts

Professional Development

- Tuition reimbursement up to \$3,000 annually
- Reimbursement for professional certifications, including Certified Public Accountant, and property management and leasing designations, including Certified Property Manager (CPM), Real Property Administrator (RPA), and Certified Charter Investment Member (CCIM)
- Education reimbursement up to \$1,500 annually for Building Owner and Manager (BOMA), CCIM, or Institute of Real Estate Management (IREM®) courses
- Encourage participation in industry events

Family and Personal

- College savings program
- Work/life balance through flexible and remote work schedules
- Eight hours of paid time off to complete volunteer activities
- Charitable donation matching program



Employees

RETENTION

Healthcare Realty is proud of our employee retention efforts and was pleased to bring a significant number of HTA employees onto our team at closing, maintaining their original hire dates for determining benefits and tenure. At year-end 2022, 23 individuals were employed by for over 20 years, and 89 employees had tenure over 10 years. Employee tenure for the combined Company was 5.1 years at year-end 2022.

The HTA merger dramatically increased our employee headcount from 338 at year-end 2021 to 583 at year-end 2022. As expected, there was employee attrition mainly attributable to duplicative roles in overlapping markets.

We have made post-merger organizational shifts to augment support for our teams. For example, we restructured the engineering department, adding regional supervisors who assist maintenance engineers with significant maintenance and capital projects. This change prompted internal promotions for several employees, and feedback from onsite engineers has been positive about increased support.



Recognition

Each quarter, our engineers nominate a peer for the Engineering Impact Award. This award recognizes engineers who have displayed entrepreneurship in solving a maintenance challenge. In 2024, we will launch a new recognition program to highlight employees who embody our values of respect, excellence, camaraderie, and entrepreneurship.

Michel Sanchez
Portfolio Engineer, Miami
2022 Q3 Winner

“I’m extremely fortunate to have been with Healthcare Realty for more than 20 years and to have seen so many colleagues grow into successful leaders over that time. I’m proud we’ve kept the collegial, non-bureaucratic culture our founder, David Emery, worked so hard to create.”

John Bryant
Executive Vice President,
General Counsel



Employees

TRAINING AND DEVELOPMENT



Healthcare Realty is committed to supporting the career development of our employees. The Company also provides mandatory training for all employees. This includes an annual review and acknowledgement of our Code of Business Conduct and Ethics, biannual cybersecurity training, and [safety training](#) for all engineers.

We also encourage employees to pursue learning opportunities and to participate in industry conferences. Healthcare Realty pays for the cost of training materials, professional certifications, and education fees, and also provides a tuition reimbursement program for continuing education.

We offer lunch and learn sessions called “Break to Educate” for all employees. Employees or department managers teach a skill or lead a discussion about a job-specific task. Past courses include ESG, leasing and tenant retention, and a human resources session. There were three Break to Educate sessions in 2022, with three planned in 2023.

Internal Promotions

Over the last three years, Healthcare Realty has promoted 90 internal candidates, helping us retain the best talent and develop leaders. In 2022, 61% of these promotions were women and/or racially diverse.

Break to Educate: ESG Training

The training covers a range of topics including reducing energy and water consumption and greenhouse gas emissions. Employees learned about green building certifications and their role in helping the Company achieve its ESG goals.

Internship Program

Healthcare Realty offers paid internship opportunities for job-seeking professionals. In return, Healthcare Realty employees gain experience managing people. In 2022, we employed eight interns in the accounting, investments, human resources, and ESG departments.



Employees

HEALTH, WELLNESS, AND SAFETY

Healthcare Realty is committed to providing a safe workplace for all employees. We make reasonable efforts to eliminate hazards that cause accidents and injuries, and follow Occupational Safety and Health Act Administration (OSHA) standards and other applicable legislation.

Our Code of Business Conduct and Ethics, which every employee must review and acknowledge each year, includes a section on health and safety. We expect each employee to maintain a safe and healthy workplace and follow safety and health rules and practices, including reporting accidents, injuries, and unsafe conditions.

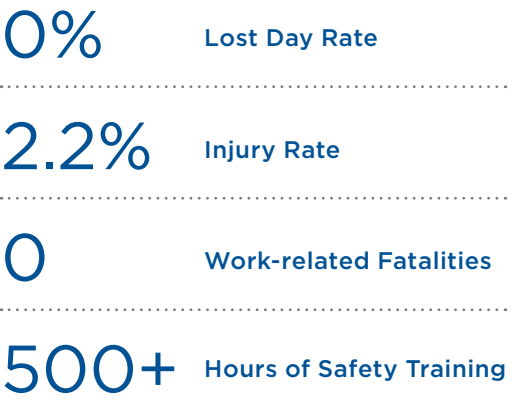
Employee training is an important component of maintaining a safe workplace. We provide access to hundreds of safety courses through VectorSolutions on topics including eye and face protection, workshop safety, and alert driving. Some courses are mandatory based on job responsibilities.

We have implemented several initiatives to improve the mental and physical well-being of our employees:

- Collaborative exercise activities, such as monthly wellness challenges, walking lunch breaks, and weekly chair yoga classes
- Ergonomic workstations and standing desks
- Access to free in-person and virtual mental health resources
- Gym membership discounts
- Hosted two mental health lunch and learn webinars in 2022



2022 Injuries and Lost Days



Employees

Healthcare Realty CARES

Healthcare Realty CARES is an employee wellness challenge program that encourages our team members to improve their physical and mental health. Launched in 2021 by an employee-led Wellness Committee, the program hosts challenges focused on hydration, sleep, nutrition, mental health, and physical activity.

Challenges are tracked through the MoveSpring app, which also provides educational resources and health and wellness tips. Employees earn prizes for competing, including the opportunity to direct a corporate donation from Healthcare Realty to a local charity. Last year, the leasing team won the June 2022 “Stepping Up for a Purpose” challenge by logging the highest average steps. The group selected Black Girls Run, a non-profit organization, to receive a \$5,000 donation.

In 2022, we surveyed employees who participated in our Healthcare Realty CARES wellness challenges, gathering feedback on health and well-being priorities, desired challenge activities, topics, and incentives. There are over 220 employees registered for wellness challenges, up from 100 employees when the program began in 2021.



Healthcare Realty team members present donation to Black Girls Run.



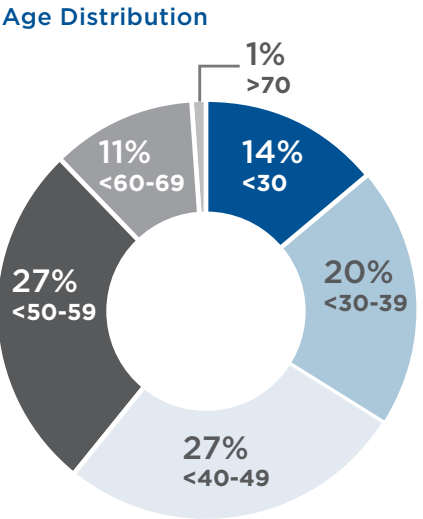
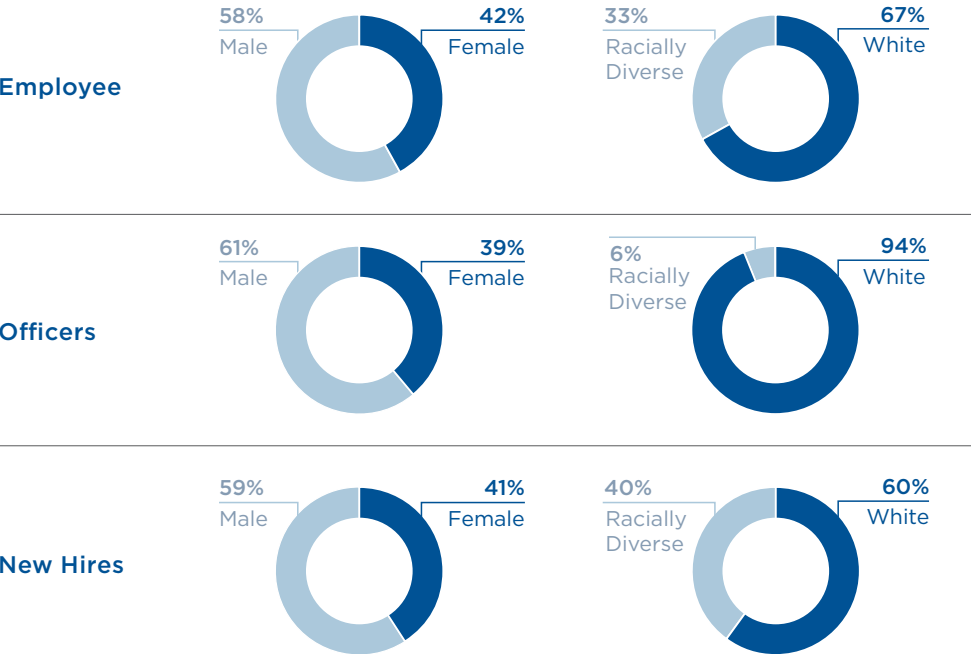
Nashville employees take lunchtime walks to nearby Centennial Park.



Employees

DIVERSITY, EQUITY, AND INCLUSION

Healthcare Realty is committed to cultivating a culture of diversity and inclusion. We embrace employee differences in race, color, religion, gender, sexual orientation, national origin, age, disability, veteran status, and other characteristics that make our employees unique. We recognize and appreciate the worth of every individual and support the protection of human rights. We believe that the diversity of our team broadens perspectives and drives ideas that benefit Healthcare Realty and our stakeholders.



Tenants

Physician tenants are the epicenter of our business. Our Company’s Purpose and Vision statements recognize their importance. We engage with our tenants regularly through customer service initiatives, surveys, frequent communication, and appreciation events.

FEEDBACK

Healthcare Realty has utilized Kingsley Associates, an independent real estate consulting firm, to conduct tenant satisfaction surveys since 2017. Kingsley is widely used by commercial real estate owners. Healthcare Realty surveys its tenants every other year, with our last survey in 2021. HTA had not conducted tenant surveys on a regular basis, but did survey its tenants in April 2022. We conducted our first post-merger Kingsley survey in September and will use that feedback to improve our tenant services.

Kingsley Surveys consist of about 50 questions. Responses are categorized around five key performance satisfaction indicators:

- Overall satisfaction
- Property management metrics
- Building maintenance service and performance
- Leasing process
- Lease renewal intentions

The survey also includes sustainability-related questions, offering an opportunity to increase awareness about our ongoing initiatives and to learn about tenants’ ESG priorities.

Pre-merger Kingsley Survey Results

Metric	2021 HR	2022 HTA	Kingsley Index
Tenant response rate	68%	41%	55%
Overall tenant satisfaction Scale 1-5 (1 low, 5 high)	4.16	3.57	4.28



Tenants

COMMUNICATION

Healthcare Realty made tenant communication a priority during and after the merger, sharing information about the transaction and its effect on tenants including changes in personnel, rent payment addresses, and submitting work orders. Post-merger, we adopted Angus, the tenant service portal that HTA utilized. This system allows for a streamlined process for tenant communication, service requests, and tenant resources.

APPRECIATION

Our onsite teams regularly host tenant appreciation events throughout the year. We have created an employee-led Build Your Tenant Event guide for managers to share fun celebration ideas for our tenants and their employees.



Teaching Tenants About ESG

Our ESG team hosted a booth at a tenant appreciation event in Nashville. We provided information on the Midtown redevelopment project, as well as eco-friendly features being incorporated in the project. We also shared “go green” ideas that tenants can employ and gathered feedback on our tenants’ sustainability priorities.

Recycling, water conservation, and solar energy are the sustainability initiatives that rank highest with our tenants. Based on this feedback, we found a way to add recycling services previously unavailable at the building by sharing services with the new development project we are constructing across the street.



Communities

CHARITABLE GIVING

Giving back to our local communities where our tenants offer care is important to Healthcare Realty. Our employees are generous with their volunteer hours, and we are proud to provide financial support to organizations that are important to our health system partners and employees.

Healthcare Realty matches annual employee charitable contributions up to \$200 per employee. In 2022, our donations increased 25% from 2021.

\$146,448

Total Charitable Giving in 2022

\$73,830

Eight hospital partners

\$60,000

12 non-profit and community organizations

\$12,618

Employee-directed matches from 80 employees to 85 charities

VOLUNTEERING

Employees are given eight hours of paid volunteer leave annually. In 2022, employees around the country regularly organized tenant engagement and community events including street cleanups, blood, food, clothing and toy drives, and various fundraisers.

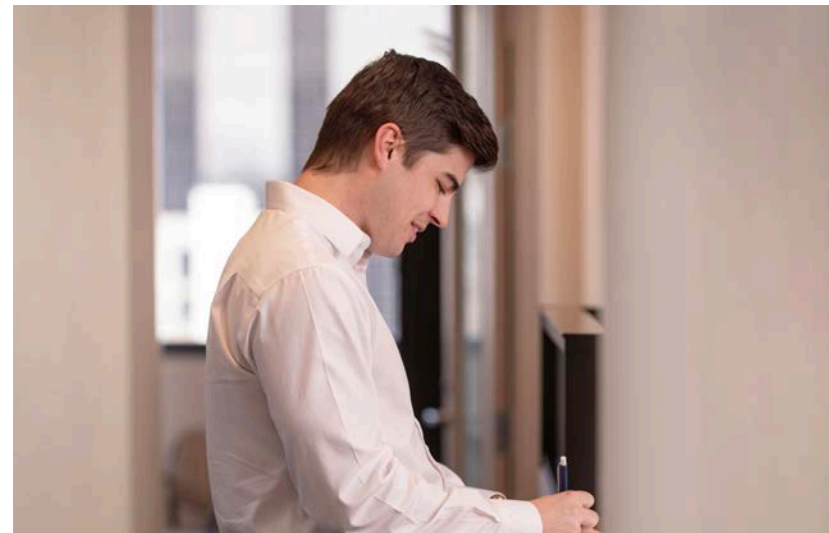


Colorado employees volunteered to clean up the South Platte River, collecting 111 pounds of trash in two hours.



Governance

Healthcare Realty is committed to strong corporate governance led by our Board of Directors and senior leadership.



ESG Oversight

MANAGEMENT

Board of Directors

The Nominating Committee of our Board of Directors provides oversight of our environmental, social, and governance initiatives. The full board receives updates on ESG matters every quarter.

Corporate Responsibility Team

Our Corporate Responsibility team works closely with managers across all departments to monitor progress on our ESG priorities. In 2022, we added a sustainability analyst to our team to assist with data collection, aggregation, and reporting for our expanded portfolio.



Julie Wilson
Executive VP,
Operations



Baker Thomas
Director,
Corporate
Responsibility



**Hannah
Aldrich**
Sustainability
Analyst

ESG-RELATED COMPENSATION

Healthcare Realty’s Executive Incentive Plan for named executive officers, which includes the Chief Executive Officer and four Executive Vice Presidents, includes a performance incentive based upon annual ESG objectives.

ESG goals and initiatives for 2022 included:

- Monitoring, benchmarking, and reducing environmental resource use, including energy, water, solid waste, and greenhouse gas emissions
- Expansion and progress on social initiatives, including culture, employee engagement, turnover management, health and wellness, minority representation, tenant satisfaction, and charitable giving
- Enhancement and promotion of stakeholder engagement around ESG efforts

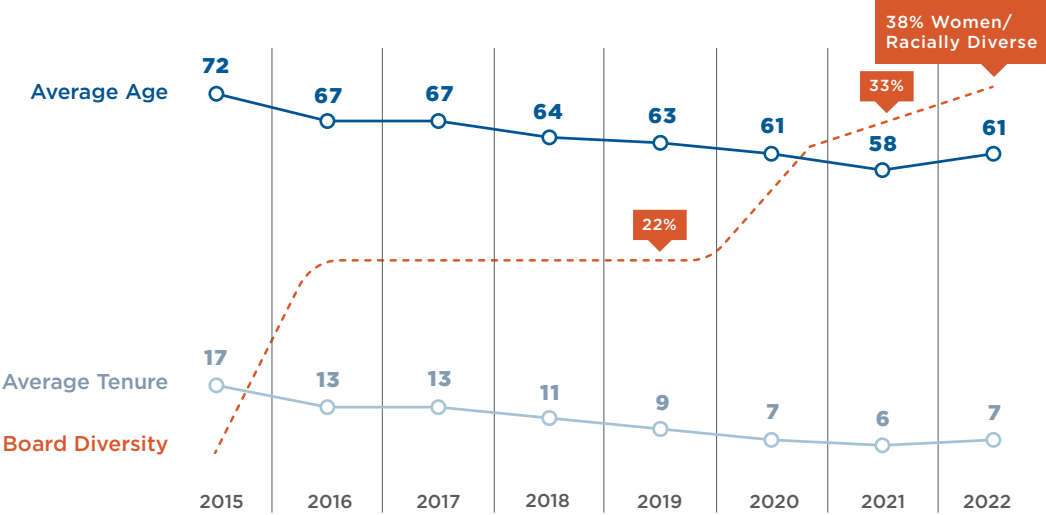


Board of Directors

Healthcare Realty believes having a diverse, independent, and engaged Board of Directors with different perspectives, backgrounds, and experiences contributes to the Company’s success.

In 2019, we set a goal to have at least one-third of our board members include women and/or people with racially diverse backgrounds by 2022. We achieved this goal in May 2021. After the merger, the size of Healthcare Realty’s Board of Directors increased to 13, including nine Healthcare Realty board members, three HTA board members, plus one new board member. Those four new board members increased the board’s women/racially diverse representation to 38%.

Board Demographics



Our board members have a broad range of skills and experience:

- Executive Leadership
- Corporate Governance
- Healthcare
- Real Estate
- Corporate Finance
- Human Capital
- Financial Expert
- Audit Expert
- Capital Markets



Board of Directors



John Knox Singleton
 Chairman of the Board, Retired CEO, Inova Health System



Todd J. Meredith
 President and CEO, Healthcare Realty



John V. Abbott
 Retired CEO, Aviation Asset Management Group, General Electric



Nancy H. Agee
 President and CEO, Carilion Clinic



W. Bradley Blair, II
 Former Vice Chairman, HTA



Vicki U. Booth
 President and Board Chair, Ueberroth Family Foundation



Edward H. Braman
 Retired Audit Partner, Ernst & Young



Ajay Gupta
 CEO, Physical Rehabilitation Network



James J. Kilroy
 President and Portfolio Manager, Willis Investment Counsel



Jay P. Leupp
 Managing Partner and Senior Portfolio Manager, Terra Firma Asset Management



Peter F. Lyle
 Executive VP, Medical Management Associates



Constance B. Moore
 Retired President and CEO, BRE Properties



Christann M. Vasquez
 Executive VP and COO, Ascension Texas

COMMITTEES

Audit

Edward H. Braman*
 Nancy H. Agee
 Ajay Gupta
 Jay P. Leupp

Compensation

John Knox Singleton*
 John V. Abbott
 W. Bradley Blair II
 Peter F. Lyle

Nominating and Corporate Governance

Christann M. Vasquez*
 Vicki U. Booth
 James J. Kilroy
 Constance B. Moore

*Committee Chair



Corporate Governance

As best practices for corporate governance evolve, Healthcare Realty is committed to implementing shareholder-centric policies and procedures. A full list of those policies is found in our [2023 Proxy statement](#).

Shareholder Rights

- Annual board elections and director resignation policy if lacking a majority of votes
- Opted out of MUTA, preventing the Company from staggering the board without shareholder approval
- Implemented “proxy access,” allowing eligible stockholders to include their own nominees for director in the Company’s proxy materials

Compliance

- Robust director nominee evaluation process, with a focus on board refreshment and enhancing diversity (reduced average director tenure from 17 years in 2016 to six years as of July 2022)
- Director education program encourages all directors to pursue ongoing education
- Stock ownership guidelines align the interests of the board, executive management and shareholders
- Anti-hedging policy applicable to all Company employees and directors
- No contributions to political campaigns or lobbying activities using Company funds

Independent Oversight

- Independent Board Chair
- Audit, Compensation, and Nominating and Corporate Governance Committees are 100% independent
- All but one director, our CEO, are independent of Company and management
- Independent directors meet regularly in executive session

Compensation

- Annual “say on pay” vote by shareholders on the compensation of named executive officers
- Consistently high shareholder support for compensation program, with more than 90% support since 2018
- Executive officer incentive compensation includes ESG performance component
- Compensation clawback policy applies to all current and former executive officers



Corporate Governance

RISK MANAGEMENT

The Board of Directors and senior leadership are actively engaged in assessing and managing entity-level risks. They perform ongoing reviews of significant changes in the Company’s risk profile, including the consideration of emerging risks, and evaluating the impact of these changes on the Company’s strategy, objectives, brand, reputation, and long-term sustainability. The board monitors entity-level policies, procedures, monitoring mechanisms, and communication mechanisms to ensure that major financial risks are effectively managed. The following table summarizes board committee responsibilities. A complete list is found in our [2023 Proxy statement](#).

Nominating and Corporate Governance Committee

Major risk management responsibilities:

Ethical behavior

- Provides oversight of the Company’s sustainability programs, including environmental, social, and governance initiatives
- Develops and implements policies and practices related to corporate governance
- Evaluates the independence and performance of the board
- Develops criteria for selection of members of the board

Compensation Committee

Major risk management responsibility:

Talent management, compensation, asset management

- Reviews corporate performance relevant to the compensation of the Company’s executive officers and key employees
- Provides oversight on behalf of the full board of the Company’s human capital development and talent management
- Administers Company’s incentive stock plans

Audit Committee

Major risk management responsibilities:

Market, compliance, asset management, fraud, cyber

- Reviews the adequacy and effectiveness of the Company’s internal control over financial reporting with management, internal audit and compliance, and independent auditors
- Reviews and discusses with management the Company’s major financial risk exposures and steps taken by management to monitor and mitigate such exposure
- Assists the board in its risk management function regarding cybersecurity oversight



Corporate Governance

CYBERSECURITY

Healthcare Realty takes a vigorous approach to our cybersecurity program. Our information security standards are audited externally and align with the National Institute of Standards and Technology (NIST) and MITRE frameworks. We also have a documented Incident Response and Vulnerability Remediation plan and a security risk insurance policy.

We conduct annual internal and external vulnerability analysis through third-party penetration testing. All employees are required to complete biannual cybersecurity awareness training. In addition, the Company's Technology Services team administers random phishing exercises to ensure a high level of vigilance.

The Board of Directors receives quarterly updates on information security matters and our Chief Technology Officer meets with to the Audit Committee annually.

In 2022, there were no substantiated complaints about breaches of customer privacy or losses of customer data.



Policies, Principles, and Procedures

Our commitment to transparency and corporate governance is guided and governed by our principles and policies. Important topics—including human rights, diversity and inclusion, and confidential reporting of violations—are embedded in these policies.

Corporate governance documents are publicly available on our [website](#). Our proxy report includes additional information on corporate governance, corporate conduct, business ethics, and compensation.

Code of Business Conduct and Ethics

The code outlines principles to guide our employees, officers, and directors, addressing a wide range of business practices and procedures. These include compliance with laws, rules, and regulations; conflicts of interest; discrimination and harassment; health and safety; human rights; political contributions; and reporting violations and compliance procedures.

Healthcare Realty requires annual certification from each employee indicating review and comprehension of this code.

Vendor and Supplier Code of Conduct

The code highlights our Company's expectations for our vendors and suppliers to ensure they adhere to the high standards we have set for ourselves. These include ethical business practices, employment practices, environmental practices, and human rights.

Sustainability Principles and Policies

These principles and policies support the oversight of our ESG program, providing a foundation for our strategy, philosophy, and operating practices. These include environmental and social policies ranging from building materials and energy management to stakeholder engagement and human rights.



Disclosures

Forward-looking Statement and Other Disclaimers

Statements contained in this Corporate Responsibility Report that are not historical facts are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, among other things, statements regarding our intent, belief or expectation as identified by the use of words such as “may,” “will,” “project,” “expect,” “believe,” “intend,” “anticipate,” “seek,” “target,” “forecast,” “plan,” “potential,” “estimate,” “could,” “would,” “should” and other comparable and derivative terms or the negatives thereof.

Examples of forward-looking statements include, among other things, statements related to our ESG initiatives, programs, goals, strategies, and key performance indicators. You should not place undue reliance on these forward-looking statements. Forward-looking statements reflect our current expectations and views about future events and are subject to risks and uncertainties that could significantly affect our future financial condition and results of operations, as well as our ability to achieve our ESG goals. While forward-looking statements reflect our good faith belief and assumptions that we believe to be reasonable based upon current information, we can give no assurance that our expectations, goals or initiatives will be attained. Further, we cannot guarantee the accuracy of any such forward-looking statement contained in this Corporate Responsibility Report, as such forward-looking statements are subject to known and unknown risks and uncertainties that are difficult to predict. These risks and uncertainties include the risks and uncertainties described from time to time in our filings with the U.S. Securities and Exchange Commission (SEC), including under the heading “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, and under the heading “Risk Factors” in our Quarterly Reports on Form 10-Q filed thereafter. Except as required by law, we do not undertake, and hereby disclaim, any obligation to update any forward-looking statements, which speak only as of the date on which they are made.

The metrics and quantitative data contained in this Corporate Responsibility Report are not based on generally accepted accounting principles and have not been audited. Such data and metrics are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

This Corporate Responsibility Report also includes certain information regarding ESG practices that is obtained from published sources or third parties. The accuracy and completeness of such information are not guaranteed. Although we believe such information is reliable, such information is subject to assumptions, estimates and other uncertainties, and we have not independently verified this information. We depend on such information to evaluate and implement ESG practices.

The inclusion of information and data in this Corporate Responsibility Report is not an indication that such information or data or the subject matter of such information or data is material to Healthcare Realty for purposes of applicable securities laws. The principles used to determine whether to include information or data in this Corporate Responsibility Report do not correspond to the principles of materiality contained in federal securities laws, the concept of materiality used to determine whether disclosures are required to be made in filings with the SEC or otherwise disclosed, or principles applicable to the inclusion of information in financial statements.

Healthcare Realty makes no representation or warranty regarding the information set forth in this Corporate Responsibility Report. This Corporate Responsibility Report and the information contained herein are not incorporated by reference into any filing of Healthcare Realty with the SEC.



SASB Standards

ACTIVITY METRICS AS OF 12/31/2022	Unit of Measure	Total	Code
Number of assets	Number	721	IF-RE-000.A
Leasable floor area	Square feet (ft2)	42,262,380	IF-RE-000.B
Percentage of indirectly managed assets	Percentage (%) by floor area	19%	IF-RE-000.C
Occupancy as of 12/31/2022	Percentage (%)	87.8%	IF-RE-000.D

ENERGY MANAGEMENT

Energy consumption data coverage as a percentage of total area, by property subsector	Percentage (%) by floor area	64%	IF-RE-130a.1
(1) Total energy consumed by portfolio area with data coverage		(1) Page 16	
(2) Percentage of grid electricity	Gigajoules (GJ)	(2) 100%	IF-RE-130a.2
(3) Percentage renewable, by property subsector		(3) 0%	
Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Percentage (%)	1.2%	IF-RE-130a.3
Percentage of eligible portfolio that			
(1) Has an energy rating	Percentage (%) by floor area	(1) 67%	IF-RE-130a.4
(2) Is certified to ENERGY STAR®		(2) 3%	
Description of how building energy management considerations are integrated into property investment analysis and operational strategy	N/A	Page 19	IF-RE-130a.5



SASB Standards

WATER MANAGEMENT	Unit of Measure	Total	Code
Water withdrawal data coverage as a percentage of			
(1) Total floor area	Percentage (%) by floor area	(1) 57%	IF-RE-140a.1
(2) Floor area in regions with High or Extremely High Baseline Water Stress		(2) 47%	
(1) Total water withdrawn by portfolio area with data coverage	Thousand Cubic Meters (m ³)	(1) Page 16	IF-RE-140a.2
(2) Percentage in regions with High or Extremely High Baseline Water Stress		(2) 5%	
Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Percentage (%)	2.3%	IF-RE-140a.3
Description of water management risks and discussion of strategies and practices to mitigate those risks	N/A	Page 21	IF-RE-140a.4

MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS

Discussion of approach to measuring, incentivizing, and improving sustainability	N/A	Pages 15-26	IF-RE-410a.3
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CLIMATE CHANGE ADAPTATION	Unit of Measure	Total	Code
Area of properties located in 100-year flood zones, by property subsector	Square feet (ft ²)	726,359	IF-RE-450a.1
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	N/A	Pages 27-29	IF-RE-450a.2



Verification Statement



1676 International Dr, Suite 600
 McLean, VA 22102

AA1000AS Verification Letter

RE Tech Advisors (RE Tech), an [AA1000 Licensed Assurance Provider](#), were engaged by Healthcare Realty Trust ("Client") to conduct a **Type 2 AA1000AS v3 moderate level engagement** for their 2023 GRESB Real Estate Assessment disclosure. The engagement was based on AA1000AS and RE Tech Advisors proprietary verification criteria. Details and findings of the verification engagement are provided below for the use of the Client to share with stakeholders. GRESB is the Global Real Estate Sustainability Benchmark and is the gold standard of reporting of ESG performance for the industry. The Client's submission includes reporting the ESG management and performance of their entire portfolio of commercial real estate assets.

Reporting Organization Responsibilities

The Client has provided access to their 2023 GRESB Survey and other available supplemental information as requested for review of adherence to the Accountability Principles and has provided a completed Asset Level Spreadsheet for the review of the energy, water, GHG and waste performance data. Additional responsibilities of the Client also include:

- Providing information that is accurate and complete to the best of their ability
- Preparing the information in line with GRESB standards and other related reporting protocols
- Ensuring all information has been internally reviewed and approved and is free from any fraudulent statements or misrepresented information

Scope of Verification

RE Tech Advisors conducted Type 2 AA1000AS v3 verification services on behalf of the Client for the 2023 GRESB Real Estate Assessment and Corporate Responsibility Report. [RE Tech verified 2021 and 2022 energy, greenhouse gas emissions, water and waste performance data](#) along with associated ESG disclosures for the entire portfolio of owned assets as disclosed in GRESB R11.

Verification methodology

Adherence to AccountAbility Principles: RE Tech Advisors reviewed the Client's adherence to the four AccountAbility Principles: Materiality, Responsiveness, Inclusivity, and Impact via the information disclosed in the extensive narrative of the GRESB Real Estate Assessment and collection of supporting evidence, documentation and rationale to supplement each indicator response.

Sustainability Performance Information: RE Tech Advisors reviewed the Client's energy, greenhouse gas, water, and waste performance information based on the following criteria:

- o Review of GRESB asset level spreadsheet to ensure data accuracy and completeness.
- o An analysis of all energy, greenhouse gas, water, and waste data coverage, year-over-year performance numbers, and greenhouse gas methodology calculations to ensure consistency and accuracy
- o Review of any outliers identified in the analysis compared to outliers identified in the GRESB portal to ensure all have been properly addressed and explained

Limitations and Exclusions

- Client's performance data exclusions include:
 - o Data from any triple-net assets that are fully operated by tenant and not available to the Client
- GHG emission data does not include smaller emissions sources, such as mobile combustion, refrigerants, employee travel and commuting.
- No site visits were conducted for this engagement.

Verification findings

The verification engagement achieved a moderate level of assurance. RE Tech Advisors has obtained sufficient evidence to determine that the Client is in alignment with the four AccountAbility Principles and the performance data included in the 2023 GRESB submission achieves an appropriate level of reliability.

Recommendations

Key observations and recommendations for the Client include:

- Consider enhancing the ESG Policy to include additional social impact categories.
- Consider adding waste and net zero targets

Independence and Impartiality

RE Tech Advisors is independent from the Client and its stakeholders in reaching and publishing an impartial verification statement.

Katie Fluence

Katie Fluence
 Senior ESG Program Manager
 On behalf of RE Tech Advisors
 Date: June 13, 2023



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