

Puteaux, 5 December 2023

"ONE YEAR ON", ORPEA GROUP REVIEWS ITS INITIAL RESULTS ACHIEVED

One year on from the announced Refoundation Plan, ORPEA Group has undergone significant transformation to rebuild trust with its stakeholders. The Company refocused on its social role to restore its leading position in the healthcare sector and to support the most vulnerable. Over the last year, the Company has steadfastly committed to improving working conditions for its teams while targeting excellence in care and support for residents, patients and beneficiaries alike. This past year, the Group made every effort to honour the commitments outlined in its Refoundation Plan.

Laurent Guillot, Chief Executive Officer of ORPEA: *"I am proud of the combined efforts of ORPEA's teams since 15 November 2022. The Refoundation Plan is a promise we made to all our stakeholders. Under this Plan, we already honoured many commitments. We successfully restored the Company's financial balance, with the Group undergoing profound changes in one year. In an effort to improve working conditions across our facilities and support for our residents, patients and beneficiaries, we led a transformation to promote our shared values – a commitment to humanity, thirst to learn, taste for life and spirit of mutual aid – and we have now achieved the initial results. I commend the commitment of our professionals and employee representatives. In December, backed by the Group's new shareholders – Caisse des Dépôts et Consignations, CNP, MAIF and MACSF – we will be able to step up the pace of the transformation. I extend my warm thanks to our 76,000 healthcare professionals for their dedication to our mission: caring for the most vulnerable."*

1) This past year, we achieved results in improving working conditions and recognising our teams' efforts.

With its general health and safety policy, ORPEA Group aims to take **better care of the physical and emotional health and safety of its teams**, already delivering tangible results. As a result, the average frequency of workplace accidents declined by more than 10% by the end of 2023 on a Group-wide basis.

The new management team created the conditions for progressive and exacting social dialogue. In France, ORPEA is now supported by **19 Social and Economic Committees**, vs. 2 previously, and **605 employee representatives**.

In France, **two mandatory annual negotiations** for ORPEA and CLINEA raised the salaries of non-managerial staff, introduced a progressive 13th month on the basis of the conventional pay scale, issued luncheon vouchers for everyone and established new profit-sharing agreements based mainly on non-financial criteria.



Thanks to an ambitious skills enhancement plan, the Group is helping its employees by promoting their career prospects. In France, €5 million is now dedicated to certification programmes with €10 million devoted to continuous training. Having launched the sector's first Graduate programme, already training 17 talents, the Group also expects to take on 1,000 work-study students.

2) This past year, the Group refocused on its core purpose to provide care and support, thanks to its committed healthcare professionals.

Three bodies were set up to establish a medical policy: a Medical and Healthcare Commission, chaired by Medical Director, Professor Pierre Krolak-Salmon; **an International and Interdisciplinary Scientific Council, chaired by Professor Didier Pittet**, to coordinate expert consensus, literature reviews, academic partnerships and pilot studies; and an **Ethics Steering Committee, chaired by Professor Emmanuel Hirsch**, to draw up ethical guidelines.

We led an in-depth reorganisation of the medical, caregiver and quality divisions to significantly boost the quality of care, thanks to a formalised multidisciplinary approach, particularly to prevent the risk of infection, undernutrition and falls. All such measures are overseen by the Ethics Department through its regionally trained ambassadors and correspondents.

To quickly test out our new organisational structure, around thirty **pilot projects** were launched to support personalised care pathways and residency. These pilot initiatives focus on key areas such as prevention of long-term care requirements and serious complications from diseases by prioritising social ties, nutrition and meals as well as physical activity. To better assist the daily lives of our patients and residents, **we have increased management activities by 10%** in our facilities, with enhanced support from a three-pronged managerial team, namely the **Facility Manager, Coordinating Doctor and Health Executive**.

Meanwhile, we have taken **key measures, such as recruiting a local buyer** to offer more organic and seasonal produce and **expanding training programmes for chefs**. By end-2023, two thirds of chefs will have been trained at Ducasse Conseil.

To become a more active listener of our patients, **residents and their loved ones, the Group transformed its dialogue measures**. In 2021, 60% of Group countries implemented reinforced dialogue measures with loved ones. By end-2023, this will apply to 100% of ORPEA countries. In France, we developed a **listening platform** to meet the requests of our patients' and residents' relatives, with a **mediation system entrusted to Mr. Claude Evin**.

3) This past year, we made critical progress in rebuilding a transparent and efficient business model.

ORPEA has begun to rebalance its finances to ensure the Group's long-term viability. Over the past year, we applied a rigorous financial strategy to put our accounts on a sounder footing and return to sustainable growth.



The Company was saved from bankruptcy by a large-scale financial restructuring plan. An agreement reached as part of the fast-track protection plan enabled ORPEA S.A. to convert all of its unsecured debt into capital and to increase its cash equity by €1.55 billion with the injection of funds by the new shareholder group – "Groupement".

Property was made available to facilities, with a target holding of 20% - 25% of the property portfolio: the Group already sold the premises of several nursing homes in the Netherlands and Austria for a total of €200 million.

4) Looking ahead to 2024 and further out, we will work towards targets for the Refoundation Plan, building on the initial results achieved.

ORPEA is preparing for a new chapter in its history. With the arrival of the "Groupement" – Caisse des Dépôts et Consignations, CNP Assurances, MAIF and MACSF – the Group will continue implementing the Refoundation Plan in France and abroad.

As of 2024, the Group will step up its transformation, making **support for facilities priority number one**. This will include more powerful and secure IT systems; ethical, local and high-quality purchasing; simplified administrative and financial management; and the opening of **Business and Management Schools**.

In 2024, the Group will also target €500 million in disposals as well as the founding of its own real estate company.

The Company's **ethics** approach will be further structured, notably through its national network of "ethics, hospitality and compassion" ambassadors, with the Group enshrining a purpose into its Articles of Association in H1 2024 as well as a new identity and a pledge to become a mission-led company (*société à mission*) by 2025.

About ORPEA

ORPEA is a leading global player, expert in providing care for all types of frailty and vulnerability. The Group operates in 20 countries and covers three core areas of expertise: care for the elderly (nursing homes, assisted-living facilities, home care), post-acute and rehabilitation care, and mental health care (specialised hospitals). It has more than 76,000 employees and welcomes more than 267,000 patients and residents to its facilities each year.

<https://www.orpea-group.com/en>

ORPEA is listed on Euronext Paris (ISIN: FR0000184798) and is a member of the SBF 120 and CAC Mid 60 indices.

ORPEA press contacts:

Isabelle Herrier-Naufle – Press relation Director

Tel.: +33 (0)7 70 29 53 74

i.herrier-naufle@orpea.net

Hugo Le Montreer – Press officer

Tel.: +33 (0)7 88 98 90 47

h.lemontreer@orpea.net