



2022 Sustainability Report



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Letter From the CEO



Rick Matros
Chief Executive Officer,
President and Chair of
the Board

The investments we've made in our properties, people and tenants will improve the lives of the residents and working environment for our teammates.

Letter From the CEO

Sabra is committed to being a leader in environmental, social and governance (ESG) initiatives— it’s important to our operators and other stakeholders, and it’s critical to the sustained success of our business. The investments we’ve made in our properties, people and tenants will improve the lives of the residents and working environment for the teammates. Because these investments can be a win-win-win situation, the focus for us is not how important our ESG principles are, but rather how we can effectively and efficiently integrate them into our business strategy in ways that are self-sustaining and accretive.

In 2022, we continued to build the foundation for the long-term goals established in our past ESG reports. It was a year of forward leaps to advance our ESG framework and E-Initiative Roadmap, both in scope and transparency. We recognize that effective ESG integration requires that we go beyond our initial investment in environmental initiatives to track and report results. Over the past year, we were able to gather robust environmental data quickly and efficiently for both our operated properties and triple-net (NNN) portfolio. Our analysis of this data has enabled us to both measure the results of our investments in energy efficiency improvements and water conservation upgrades and effectively plan future upgrade projects.

With the 2022 launch of our Green Links initiative, we are now working collaboratively with our NNN tenants to track and report their energy and water efficiency improvements. We have approved an initial Green Links Fund of \$5 million to help finance and support these programs, many of which are self-financing. Last year, we also delved deeper into the area of climate risk, beginning with the expansion of our climate risk analysis to include multiple scenarios, and broadened the

applications in which we use and share findings across our portfolio.

At Sabra, we believe real estate investment trusts (REITs) are well positioned to support ESG initiatives with scale, experience and access to capital. In the senior housing industry, Sabra is leading ESG integration by driving connectivity and pioneering collaborations. When we see opportunities to make the industry better for the communities we serve, we don’t keep the benefits to ourselves— we collaborate to foster adoption of improved wellness initiatives for all residents and patients.

We know that what happens inside our buildings matters most, and we’re continually working to promote safer and healthier environments for teammates and residents and to improve outcomes and the patient experience. In 2022, we continued to invest in property technology (Proptech) and medical technology (Medtech) improvements and new technologies designed to improve indoor air quality, reduce falls and accidents, and—in turn—improve the health and wellness of residents and safety of the work environment for operators and staff.

Sabra joined the Well Living Lab as an Alliance Member and active participant in Delos’ Wellness Innovation in Senior Environments (WISE) initiative. We are pursuing the initiative’s WELL Health-Safety seal across our portfolio, and we’re supporting and encouraging our operators to pursue the seal too. Ours is a culture of collaboration, and it’s only through collaboration that we can continue to accelerate ESG solution adoption for the senior healthcare REIT industry.

Throughout the year, Sabra teammates have driven our ESG progress in all areas, from supporting our operators’ initiatives for improving patient-centered care to reducing


our environmental impact. I am honored to work alongside such innovative, committed and caring people and to provide an open, inclusive culture in which every voice is heard. Our teammates’ diverse backgrounds, perspectives, skills and experiences are our competitive advantage. We bring them all together for an annual company-wide retreat and welcome them into our Board meetings. The strides we have made are a testament to the dedication of our close-knit team and the strong collaborations we have built with our tenants, operators, stockholders, community and industry. In terms of ESG, we have extended this collaboration to the many like-minded advisors, providers and organizations described in this report.

I’m excited about the future of these partnerships and the potential to not only significantly reduce operating costs but also enhance the workplace for the staff, improve the lives of the residents and benefit the environment for us all. My hope is that as you read more about our ESG work and progress, you will be inspired to strengthen your collaborations and share your discoveries.

“We know that what happens inside our buildings matters most, and we’re continually working to promote safer and healthier environments for teammates and residents and to improve outcomes and the patient experience.”

Rick Matros
Chief Executive Officer, President
and Chair of the Board

Letter From the Board of Directors



At Sabra, we
continued to refine
and advance our
E-Initiative Roadmap.

Letter From the Board of Directors

We believe our commitment to corporate responsibility creates value and promotes the long-term interests of our stakeholders—our investors, tenants, teammates and the communities in which we invest. In a pivotal third year of sustainability reporting, we focused on continuous improvement and collaboration.

At Sabra, we continued to refine and advance our E-Initiative Roadmap. We've accomplished remarkable improvements in quantifying our carbon footprint and are helping operators do the same while tapping into cost-effective financing for eco-efficient improvements at their properties. Our vision is to expand on initiatives that create a positive environmental impact across buildings within our portfolio while enhancing their value and operating performance.

We have upheld our commitment to diversity, equity and inclusion (DE&I) and fostered an open, collaborative culture and workplace that motivates and drives employee engagement. Furthermore, we remain committed to providing competitive compensation and benefits that support a sustainable work-life balance for our team.

We remain committed to accelerating scientific research that studies the impact of indoor environments on the health and well-being of older adults. In furtherance of this goal, we work with our research partners to promote safer and healthier environments for teammates and residents and collaborate with operators to identify, pilot and support innovative medical and property

technology solutions. Through these efforts, we work to enable patient-driven decision support and improve the quality of care.

Sustainability is a responsibility shared by every member of our team. We believe that operating responsibly is essential for achieving operational excellence. That is why we are committed to transparency and regularly disclose information on our environmental, social and governance initiatives. We are proud to publish our third sustainability report, which highlights our progress, achievements and goals over the past year. Our reports and other disclosures are available in the "Investors" section of our website at sabrahealth.com.



Sabra at a Glance

In this section

- Performance
- Portfolio
- Strategy

We are delivering long-term value to stockholders.



Sabra at a Glance

Consistent Strategy. Deliberate Execution.

Our passion for quality care and deep industry experience uniquely position Sabra to succeed in the dynamic healthcare real estate market. We have the size, know-how and resilient balance sheet necessary to deliver long-term value to stockholders.

Enterprise Value

\$5.3B

Liquidity

\$0.9B

Operator Relationships

73


Supporting what matters

Max Relationship Concentration

8.8%

As of December 31, 2022

Continue →

(Continued)

Sabra at a Glance

Well-Positioned Portfolio

- Senior Housing - Leased - **47**
- Senior Housing - Managed - **59**
- Skilled Nursing/Transitional Care - **264**
- Behavioral Health - **17**
- Specialty Hospitals and Other - **15**

As of December 31, 2022

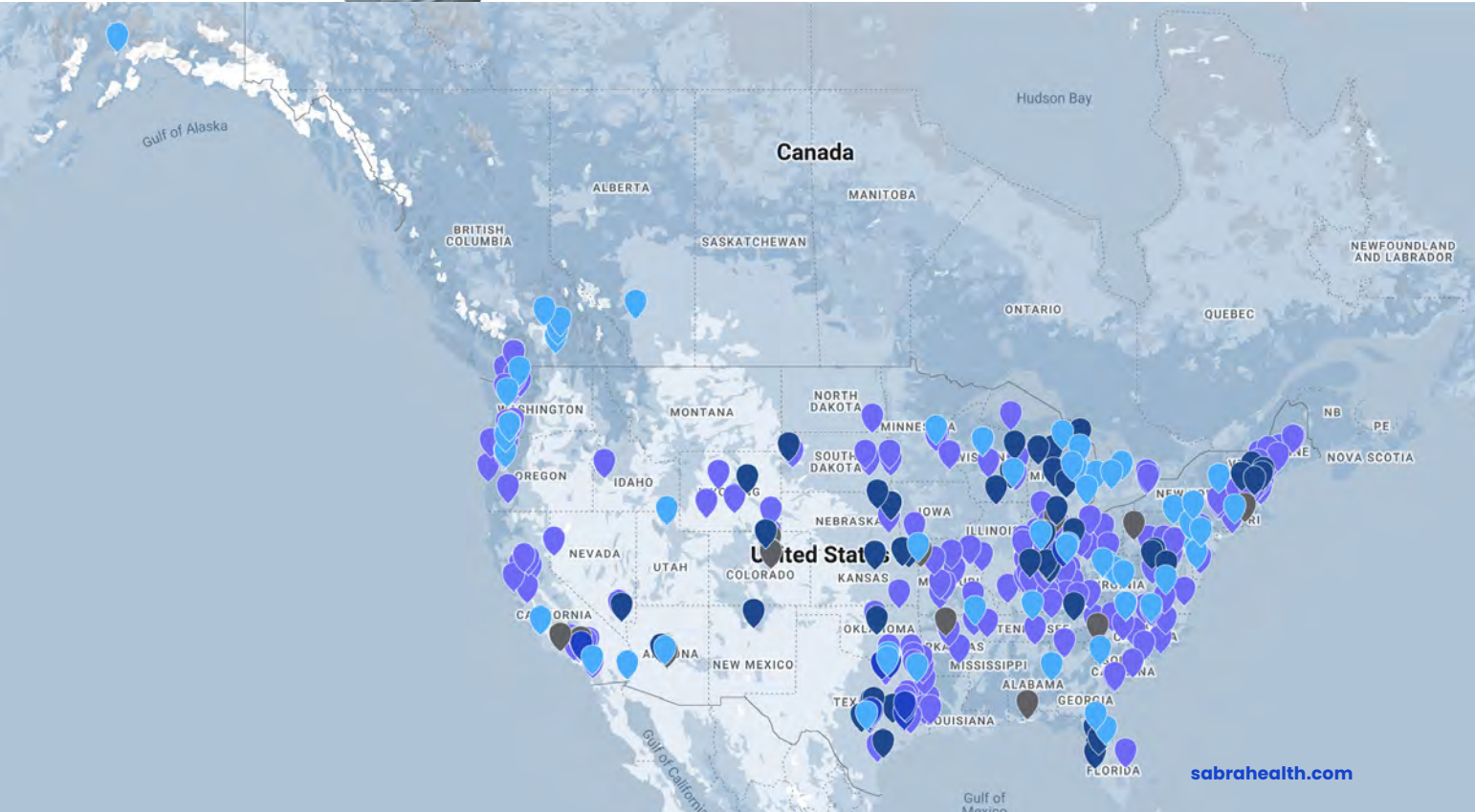
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“We continue to diversify and elevate our portfolio through strategic dispositions, repurposing assets and opportunistically investing in our portfolio.”

Michael Costa, Chief Financial Officer, Secretary and Executive Vice President

402
Properties
85%
NNN Lease



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Sabra at a Glance

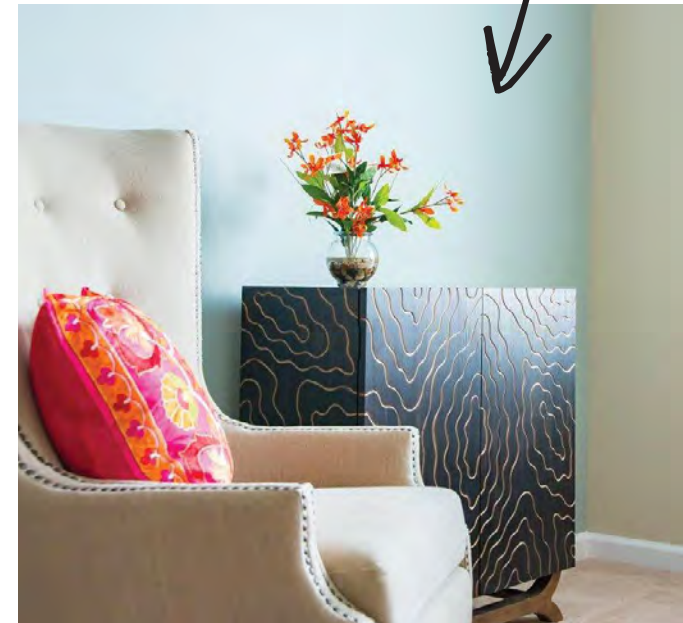
What Happens Inside Our Buildings Matters Most

Our management team has more than 100 years of combined operating experience and related expertise within the skilled nursing and senior housing industries. This firsthand experience as operators enables us to develop a close and extensive network of relationships with qualified local, regional and national operators of skilled nursing/transitional care facilities, senior housing communities and behavioral health facilities across the U.S. and Canada. These strong relationships with operators, established upon trust and respect, help us to both source investment opportunities and support our tenants and operators to best serve their communities.

“What started with a single sale/leaseback transaction for a senior living community in Indiana has grown into a multi-state, multi-community relationship. We truly value the collaboration, insight and support we receive from Sabra. Sabra is who we think about first when it comes to a capital partner to support our company’s growth.”

– **Tom Smith**, Chief Executive Officer & Co-Founder, Leo Brown Group

We invest in relationships with operators who are nimble and poised to deliver excellent care now and in the future.



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Sabra at a Glance

Our Strategy – Passion Meets Know-How

- **Unique, Accretive Investments** – Utilize our operational and asset management experience to identify and capitalize on new opportunities where off-market price dislocation exists.
- **Support Operator Expansion** – Be the capital partner of choice for the expansion and growth of leading operators with regional expertise and concentrated in markets with favorable demographics. Structure deals opportunistically across the capital stack.
- **Creatively Financed Development** – Pursue strategic development opportunities and long-term partnerships with leading developers.
- **Optimize Portfolio** – Continue to curate our portfolio to optimize diversification and maintain a mix of assets well-positioned for the future of healthcare delivery.
- **Prudent Financing** – Maintain balance sheet strength and lower leverage, while prioritizing available liquidity and recycled capital over new debt and equity issuances to fund any near-term investing activity.

We believe we can enhance our stakeholders’ interests through our operator relationships. We strive to be a reliable landlord for our tenants so that they can focus on their mission—putting patient and resident care first. As former operators ourselves, we are able to identify talented operators who possess local market knowledge, have proven track records and emphasize patient and resident care and service. We offer resources to our operators to help improve operating and financial performance and promote sharing of best practices in the areas of staffing and retention, technology, marketing and more.

“In 2022, Sabra remained focused on the fundamentals—supporting our tenants, operators and borrowers and diversifying our portfolio through asset recycling initiatives and investing in assets with embedded growth prospects.”

Rick Matros, Chief Executive Officer, President and Chair of the Board



ESG Framework

In this section

Approach

Sabra's ESG Priorities



Our ESG principles are intrinsically tied to our objective to drive shareholder value.

ESG Framework

Approach

We understand that good governance underpins sustainability, strengthens the accountability of our Board and management team and supports the long-term interests of our stakeholders. Our ESG principles are intrinsically tied to our objective to drive shareholder value by operating efficiently, sustainably and with our stakeholders’ best interests in mind.

Board Oversight

As part of overseeing our corporate strategy and our enterprise risk management program, our Board of Directors monitors our environmental and social practices as an entire Board and within specific committees. Our sustainability working group, consisting of dedicated internal resources and external advisors, continues to address the ESG factors that were identified as material to our business. We utilized aspects of the Sustainability Accounting Standards Board (SASB), the Global Real Estate Sustainability Benchmark (GRESB) and the Task Force on Climate-related Financial Disclosures (TCFD) to disclose our practices.

In addition, all directors are invited to all committee meetings and the full Board listens attentively and offers input on ESG issues during Nominating and Governance Committee meetings.

Sustainability Steering Committee

We have also formalized our management-level Sustainability Steering Committee structure in 2022. This cross-functional working group of individuals in environmental, health and safety, facilities, investor relations, finance, legal, human resources and other functions allows us to gather data and insights for focus areas that impact our environmental stewardship, social commitments and corporate governance. Dedicated subgroups within the Sustainability Steering Committee have specific areas of emphasis specialties, and each contributes by overseeing, developing strategy for, and reviewing reporting and key performance indicators surrounding the company’s sustainability practices. Internally, the Sustainability Steering Committee addresses ESG factors that we believe are most relevant to our business. The Sustainability Steering Committee reports to the Nominating and Governance Committee at least three times per year.

In 2022, we refined this process to dive deeper into opportunities to make meaningful impacts. This includes utilizing aspects of the SASB standards as well as industry issues identified by key ESG rating agencies to disclose our practices.



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ESG Framework

Sabra's ESG Priorities

"At Sabra, we have a supportive team environment where we are encouraged to be engaged and empowered, and our ESG performance is no exception. From our ESG Lunch & Learn series to our direct support collecting tenant utilities, we feel connected to our ESG goals and the environmental and social impact they represent."

Yvonne Braden, Senior Associate, Asset Management



Environmental Stewardship



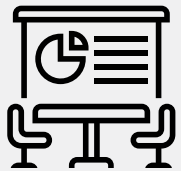
Diversity, Equity and Inclusion



Human Capital Management



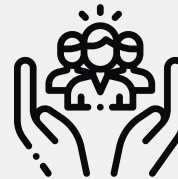
Protection of Health, Wellness and Safety of Our Stakeholders



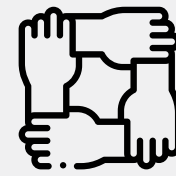
Engagement and Collaboration With Our Operators and Tenants



Cybersecurity



Corporate Governance



Community Service

Environmental Stewardship

In this section

E-Initiatives Strategy

E-Initiative Roadmap

Green Links

Measuring Our Impact

Adaptive Reuse

Climate Resilience

Well Living Lab and WISE Initiative

WELL Health-Safety Rating



Environmental stewardship is intrinsically tied to supporting our operators and driving stockholder value.

Environmental Stewardship

Good for the Environment. Good for Our Operators. Good for Our Stakeholders.

Environmental stewardship is intrinsically tied to supporting our operators and driving stockholder value by operating responsibly and with our stakeholders’ best interests in mind. Our vision is to expand on opportunities that create a positive environmental impact across buildings within our portfolio, while enhancing their value and operating performance. We believe Sabra can play an important role in bringing scale, access, innovation and efficiency to impact environmental initiatives across our investment properties and with our operators.

Continuous Progress on Our Environmental Initiatives and Strategy

In 2022, we continued to drive and expand our E-Initiative Roadmap, first outlined in last year’s report. Central to the advancement of our strategy in 2022 and early 2023 has been the implementation of Sabra’s Green Links program, which aims to fund environmentally beneficial efficiency improvements for our NNN portfolio. This move opens up our initial \$5 million Green Links Fund, established in September 2022, to our NNN portfolio, promoting improvements that add long-term value to our properties and benefit the environment and local communities. Funding for improvements can become available after a collaborative analysis of environmental data by Sabra and the property operator.

For our E-Initiatives, including our Green Links program, to create value and have impact, visibility into relevant data is key. To this end in 2022, we leveraged several data management tools, including those available on the Measureabl platform, to collect and analyze relevant data from our managed and NNN portfolio. **Since launching our initial E-Roadmap in 2021, we are proud to have engaged over 25 of our managed and NNN operators representing more than 238 properties (including each of our managed properties and over 40 percent of our NNN portfolio).** We will continue to

engage with the remainder of our portfolio to build a complete and data-driven picture of our properties’ impacts, opportunities and risks. Through these efforts, we are also able to report our Scope 1 and 2 emissions for the first time with the goal of reporting our Scope 3 emissions going forward.

Continuing on the year’s theme of improved data collection and management, through our efforts we have been able to expand our climate risk analysis to include multiple scenario analyses. We integrated this data across our portfolio to improve:

- Due diligence, including our new Green Property Condition Assessment (GPCA)
- Prioritization of energy efficiency projects
- Operator awareness of, preparation for and mitigation of climate hazards



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Environmental Stewardship

Sabra's E-Initiative Roadmap

Improving the environment starts with enabling our operators and is central to everything we do. We take a comprehensive, integrated and collaborative approach to environmental stewardship.

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Environmental Stewardship

Green Links



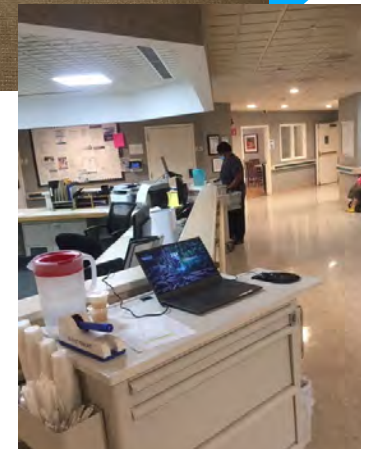
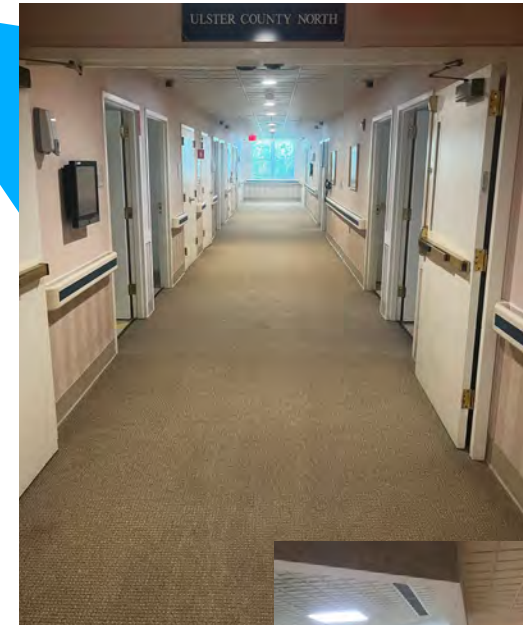
Our industry-leading Green Links program is applying our E-Initiative Roadmap to benefit and support our NNN tenants including, where appropriate, financing environmentally beneficial improvements after exchanging and assessing energy, water and other data.

Sabra established an initial \$5M Green Links Fund in September 2022, designed to provide our tenants access to capital to fund energy and water efficiency initiatives. In addition to their environmental impact and improving living and working environments for residents and staff, we expect these initiatives to be accretive to our tenants and consequently beneficial to us as we increasingly evaluate physical and transition-related climate risks and the resilience of our assets to such risks.

During the first quarter of 2023, Sabra approved the first Green Links lighting retrofitting project at three of our NNN skilled nursing facilities in Hudson Valley, New York, drawing down approximately \$330k from this fund. The three Taconic Health Care facilities included a combination of Sabra financing and attractive utility incentives to provide both energy-efficient and enhanced lighting. The result was not only improved efficiency and environmental impact but, just as important, improved lighting conditions for both residents and employees. This project was the first of several projects we have initiated and are evaluating.

“The recently completed lighting upgrades at Taconic at Hopewell are nothing short of spectacular! As the administrator of this facility since 2003, I can categorically speak to the upgrade as the rebirth of the building. Anyone familiar with this structure is always struck by its architecture and grand appeal. Forgive the pun, but we all see it in a new light now and it’s magnificent!”

– **Clayton Harbby**, LNHA, Administrator, Taconic Rehab & Nursing at Hopewell



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Environmental Stewardship

A summary of our E-Initiative progress is as follows:

E-Initiative	2021 Progress	2022 Progress
Measure	<ul style="list-style-type: none"> Began collecting utilities on Sabra's managed portfolio 	<ul style="list-style-type: none"> Established robust ESG utility collection and data repository built upon the Measurabl platform, including over 238 properties across 25+ managed and NNN operators First-time reporting of Scope 1 and 2 emissions
Identify	<ul style="list-style-type: none"> Established process for identifying energy efficiency, health-safety and wellness opportunities 	<ul style="list-style-type: none"> Continued to expand our E-assessments utilizing third-party consultants and preferred vendors focused primarily on lighting, water and HVAC Expanded assessments into health, safety and wellness including fall management, remote patient monitoring and enhanced lighting
Initiate	<ul style="list-style-type: none"> Began implementing purposeful lighting, water and HVAC retrofits 	<ul style="list-style-type: none"> Continued to expand lighting, water and HVAC projects including newly piloted Proptech solutions Started initial deployments of SafelyYou fall management technology
Innovate	<ul style="list-style-type: none"> Began piloting new Proptech solutions specific to senior living and care 	<ul style="list-style-type: none"> Continued to focus on identifying and piloting Proptech solutions around energy management while expanding focus into Medtech solutions such as enhanced lighting and remote patient monitoring
Validate	<ul style="list-style-type: none"> Became an Alliance Member of the WLL and WISE Initiative as well as engaging with Delos Labs and Direct Supply Innovation & Technology Center. Supported WELL Health-Safety Rating rollout to managed portfolio Engaged ClimateCheck to provide enterprise-wide and property-level climate risk assessments 	<ul style="list-style-type: none"> Continued active alliance support of Well Living Lab (WLL)/WISE, including sponsoring peer-reviewed studies on air purification and skilled nursing employee stress and burnout Continued to support and expand WELL Health-Safety Rating across managed portfolio Expanded and integrated climate risk ratings through enterprise risk management across originations and asset management, including scenario analysis Prepared and shared climate risk analysis at the asset and portfolio level with our managed and NNN operators to support climate risk awareness, preparedness and mitigation, including specific climate events such as hurricanes, floods and fires
Replicate	<ul style="list-style-type: none"> Began identifying best practices and preferred vendors 	<ul style="list-style-type: none"> Continued to identify and expand network of preferred third-party vendors and services to support energy efficiency, health-safety and wellness opportunities Launched Green Links program, opening access to our \$5 million Green Links Fund to NNN operators Initiated and co-sponsored WISE Forum event to bring like-minded healthcare REITs and solution providers together to collaboratively address critical industry issues, including ESG, technology and wellness objectives Established our Green Due Diligence process, including the Green Lease, Green Management and Green PCA

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Environmental Stewardship

Measuring Our Impact—Scope 1, 2 and 3

The following sections discuss our continued progress on environmental sustainability:

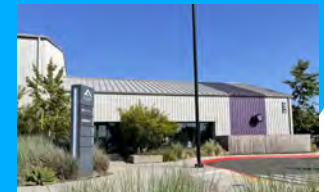
Scope 1 – Corporate Office

In late 2022, Sabra committed to moving into its new headquarters at 1781 Flight Way in Southern California. This facility is defined by its distinctive features: built to LEED-certified standards, innovative design characteristics, a market-leading amenity package and flexible office space. This new location provides a more flexible configuration and can support our future growth. We expect this move to be cost-efficient in the long term and believe that our new and dynamic indoor and outdoor environments will be conducive to increasing teammate engagement, collaboration and productivity.

Our new headquarters features initiatives that improve energy efficiency, conserve water and reduce emissions and waste including:

- Constructed to the LEED Gold standard
- Highly efficient variable frequency drive (VFD) HVAC management equipment to improve energy efficiency
- Low-e glass curtain wall with insulated metal panels to effectively limit heat gain
- Recycled water usage
- Electric vehicle charging stations
- Located near major public transportation connection points to help our teammates easily commute to the office

For more information, see Sabra’s [Corporate Environmental Statement](#).



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Environmental Stewardship

Measuring Our Impact—Scope 1, 2 and 3

Scope 1 and 2 – Managed Properties

A key element of our E-Initiative Roadmap is measuring data that help us analyze our progress while highlighting areas of additional focus. To that end, we began collecting utility details on our managed portfolio of properties, including electric, fuel and water. Sabra recognizes the importance of segmenting portfolios and analyzing their utility usage to identify opportunities and best practices. We are expanding this process, including benchmarking tools such as ENERGY STAR® Portfolio Manager and other third-party services that will aid us in continuing to analyze and improve our energy use.

These elements contributed to the first official review of a select portfolio of our properties, a process that we expect to complete across all our remaining managed properties and expand to our NNN properties. In 2022, we have made substantial progress toward inventorying our managed properties’ environmental footprint. Within about a year, with the help of Measurabl, Sabra was able to collect and analyze utilities information from the majority of our 59 managed properties, resulting in a Scope 2 inventory for our managed portfolio. The goal is to utilize this information to make concerted efforts to conserve natural resources, minimize our environmental impacts and decrease expenses.

Managed Properties Environmental Metrics

Topic	2022 ¹
Scope 1 (MTCO ₂ e)	7,273
Scope 2 (MTCO₂e)	18,457
Scope 1 & 2 Per Square Foot	0.0049
Electricity Consumption (kWh)	51,178,518
Electricity Usage Per Square Foot	9.70
Fuel Usage (therms)	1,358,440
Fuel Usage Per Square Foot	0.26
Water Usage (1,000s gallons)	295,676
Water Usage Per Square Foot	56.01

¹ Activity data utilized in the calculation of Scope 1 and Scope 2 GHG emissions is obtained from either utility invoices or estimates. Sabra obtained true activity data for most months from over 87% of its managed portfolio by sq. ft. for energy and 90% for water.

Continue →

(Continued)

Environmental Stewardship

Measuring Our Impact—Scope 1, 2 and 3

Scope 3 - Triple-Net Leases (NNN)

As the substantial majority of Sabra’s properties are leased under long-term, NNN operating leases, the implementation of environmental measures at these properties is controlled by our tenants. We regularly engage in and discuss sustainable practices with our tenants and often share information relating to ESG developments. We encourage our tenants to practice responsible property management that fosters health and wellness, as well as energy and water conservation.

One of our greatest opportunities is to replicate and scale our E-Initiative Roadmap projects and innovations across our portfolio of properties. We are embracing this challenge by investing time, resources and capital upfront, starting with our senior housing - managed portfolio and expanding to our NNN leases through our Green Links program, including best practices, affordable and scalable solutions, and incentives or financing where applicable.

A key part of expanding on this initiative is progressively adding NNN properties’ tenants’ environmentally related data. Having started this in 2021, the aim is to inventory the company’s Scope 1, 2 and 3 emissions in a stepwise approach.

Continue →

“Our goal is to identify proven and practical property and health technology that we can bring to our operators and the healthcare industry, efficiently and at scale.”

Peter Nyland,
Executive Vice
President, Asset
Management



(Continued)

Environmental Stewardship

Sabra’s Collaborative E-Initiative Roadmap

Sabra’s E-Initiative, our comprehensive approach to environmental stewardship, is a continuous collaboration among Sabra, our operators, our advisors, innovation centers and preferred vendors to identify, measure, assess, implement, innovate and replicate energy-efficient health safety and wellness solutions. To enhance these efforts, we have engaged third-party consultants to help identify and evaluate opportunities for more sustainable and efficient practices across our business activities, giving initial priority to our senior housing – managed portfolio and expanding to our NNN tenants.

Throughout 2022, we embarked on our E-Initiative Roadmap with an operator mindset to develop, integrate and streamline environmentally focused initiatives and activities that drive the greatest impact to our environmental strategy while also curating a green and healthy portfolio. Indicated in the following sections are the ways in which we continue to execute our E-Initiative based on our six-pillar approach.

The scope of our energy conservation measures includes electric, fuel and water, as well as sustainability and resiliency measures applicable to both our managed and NNN portfolios. Beyond maximizing property and portfolio values, Sabra believes that

sustainable, energy-efficient operations are an important component of our ESG commitment:

- **Utility Tracking** – Collecting, benchmarking and analyzing utilities on behalf of our operators and tenants to better track and manage energy efficiency opportunities as well as ESG reporting
- **Energy Efficiency Assessment** – Providing preliminary energy efficiency assessments to our operators and tenants to identify energy efficiency opportunities along with cost-benefit analysis
- **Consultation and Project Assistance** – Ongoing support and consultation to identify, discuss and scope energy efficiency opportunities including lighting, water, HVAC and others
- **Preferred Vendors** – Identifying, evaluating and tracking preferred vendors for energy efficiency services and implementation

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Environmental Stewardship

Creating Value Through Adaptive Reuse

Deals promoting adaptive reuse are good for our stockholders, support our operators' growth, create jobs for the surrounding community, provide much-needed services and are better for the environment than ground-up development. Our investment team continues to source deals that explore nontraditional investment opportunities, including repurposing formerly underutilized or shuttered properties into productive assets in addition to traditional development channels. We believe preserving, enhancing and repositioning healthcare assets is not only good business but also good for the environment by reducing unnecessary demolitions and new construction.

Sabra's growing behavioral health portfolio represents a total investment of approximately \$784 million, which accounts for **roughly 13 percent of the company's Annualized Cash NOI as of December 31, 2022**. In total, 12 properties have been converted or are in the process of being converted to addiction treatment centers, and we are negotiating several additional conversion opportunities for existing wholly owned assets.

Our adaptive reuse projects present us the opportunity to not only revitalize vacant spaces but also support the expansion of behavioral health services within our communities. By collaborating with organizations such as Recovery Centers of America, Advanced Recovery Systems, and Landmark Recovery, we are investing in new treatment centers that are bringing needed care to those struggling with addiction. This reinforces our commitment to our understanding that what happens inside our buildings matters most and to being a landlord that allows our tenants to focus on their mission of serving others.

“By converting previously shuttered or underutilized properties into addiction treatment centers, we create value for our shareholders and provide much-needed jobs and services to local communities.”

Talya Nevo-Hacohen,
Chief Investment Officer



Continue →

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Environmental Stewardship

Advanced Recovery Systems | Raytown, MO

- Acquired a vacant skilled nursing facility in October 2022, to be converted into an 80-bed addiction treatment facility
- Advanced Recovery Systems pre-leased the asset under a long-term NNN lease and admitted its first patient in May 2023
- Sabra purchased the asset for \$1.9 million and invested \$14.4 million in conversion renovations



“Sabra is an invaluable capital partner for Advanced Recovery Systems, enabling our growth and provision of essential addiction treatment services. Their assistance in acquiring and adapting existing buildings has expedited our development, lowered expenses and showcased their commitment to the local community. Beyond financial contributions, Sabra’s dedication to the industry and individuals receiving treatment has forged a strong friendship and shared vision. Working with Sabra is wholly different from working with other REITs because they care about what goes on inside their buildings.”

Jay Fertig, President Real Estate,
Advanced Recovery Systems, LLC

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Environmental Stewardship

Climate Resiliency and TCFD

Our Board and management evaluate ESG risks and opportunities, including those related to climate change, utilizing the following aspects of the framework that the Task Force on Climate-related Financial Disclosures (TCFD) recommends: (i) governance, (ii) strategy, (iii) risk management and (iv) metrics and targets.

Governance

As part of overseeing our corporate strategy and our enterprise risk management program, our Board of Directors monitors our environmental and social practices as an entire Board and within specific committees. Our Sustainability Steering Committee, consisting of both internal resources and external advisors, continues to address the ESG factors that are identified as material to our business.

In addition, the Nominating and Governance Committee oversees the company's corporate responsibility, environmental and sustainability policies and practices. See [Approach](#) for more about Board oversight and the Sustainability Steering Committee.

Risk Management and Strategy

The Board oversees risk management process, including ESG matters, informed by regular updates from the committees and management.

Our ongoing enterprise risk management (ERM) program consists of a systematic and coordinated

set of activities and practices designed to identify, assess, prioritize and manage risks and opportunities that could affect an organization's objectives. For instance, as a part of our risk governance framework, internal and external third-party experts interview senior leaders from across the organization to identify various risk exposures. The identified risks are collated to make up a risk registry and then assessed based on their severity, likelihood, velocity and interconnectivity by an internal, cross-functional group of subject matter experts. For these top priority risks, we seek to develop effective strategies and plans to manage, mitigate, reduce or accept their impacts. These risks, along with mitigated effectiveness, are mentored and reported out after having assigned risk ownership to the relevant constituents.

Although we assess climate-related risks as a part of our enterprise risk assessment, they are not currently rated for severity or likelihood.



Continue →

(Continued)

Environmental Stewardship

Climate Resiliency and TCFD

Scenario Analysis

Through physical climate risk and transition risk assessments of each property, we strategically manage and mitigate risks across our geographically diverse portfolio. We also manage risk through property insurance to offset potential liabilities associated with climate-related events.

We acknowledge the need to understand how climate change will impact future vulnerabilities of the properties in our portfolio, such as exposure to flood, heat, storm, fire, drought and other natural disasters. Therefore, we integrated climate risk analysis tools by ClimateCheck, in conjunction with our ongoing enterprise risk management program, to support origination due diligence and select portfolio management functions.

Sabra utilizes third-party inputs and scenarios that allow us to map, score and evaluate the exposure of assets based on geographic location to current natural hazards and climate-related physical risks through these climate-related scenarios, such as RCP4.5 and RCP8.5. These pathways provide science-based forecasts on potential impacts from variances in heat index, precipitation, drought, fire and flooding over time.

Using these tools, the company seeks to identify, monitor and manage the impacts of physical climate-change risks to the U.S. market. In addition, the company has begun integrating these physical climate risks into its due diligence, acquisition and investment-related decision-making processes, as well as prioritizing energy efficiency opportunities related to climate transition risk such as rising heat and drought. In certain cases, we have used the results of these analyses and live data to keep operators abreast of asset-specific threats and inform risk mitigation responses. We look forward to continued enhancements and sophistication into how we use this data and incorporate it into our value chain to mutually strengthen our resilience and that of operators.

“Sabra sets a standard for responsible corporate stewardship with its forward-thinking ESG approach, a cornerstone of their long-term success. Integrating ClimateCheck’s tools into their enterprise risk management and due diligence process enables them to effectively navigate physical and transitional climate risks. This move empowers their operators to prepare for and mitigate such challenges. Sabra’s dedication inspires us at ClimateCheck, and we’re delighted to have them as a valued client.”

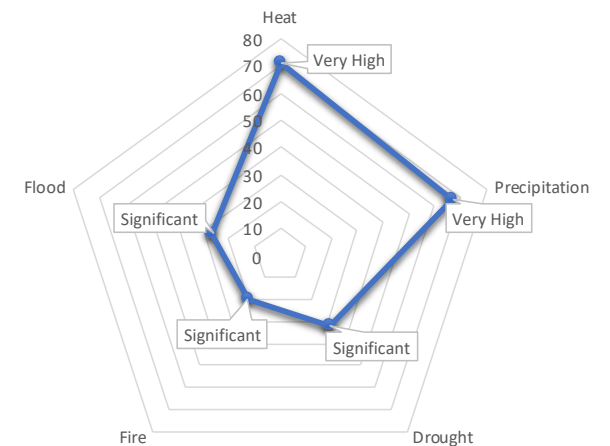
–Sam Eckhouse, Founder and CTO, ClimateCheck

Physical Risks – Properties’ Average Exposure

Risk Severity	Properties	
	#	%
Relatively Low	1	0.3%
Significant	138	35.2%
High	236	60.2%
Very High	17	4.3%
Extreme	1	0.3%

These ratings reflect the average of the five hazard risk categories at a property relative to the rest of the conterminous U.S. based on projected 2050 risk and the change from historical risk. Includes 392 Sabra U.S. located properties as of December 2022.

Climate Risk Exposure



Continue →

(Continued)

Environmental Stewardship

Climate Resiliency and TCFD

Physical Climate Risk	Average Risk Level	Potential Business Impacts	Mitigation Strategy
Heat	Very High	<ul style="list-style-type: none"> Increased energy costs Heightened risk of power outages 	<ul style="list-style-type: none"> Diversify properties geographically Implement energy-saving technologies throughout properties, including LED lighting retrofits, energy-efficient HVAC systems and occupancy sensors Utilize renewable energy such as wind and solar power
Precipitation	Very High	<ul style="list-style-type: none"> Loss of lives and property/value Business interruptions Higher insurance costs 	<ul style="list-style-type: none"> Diversify properties geographically Utilize flood zone assessments and ClimateCheck to inform flood risk and response decisions Investments in flood preparedness Work with insurance companies to ensure adequate property coverage and mitigate financial losses
Drought	Significant	<ul style="list-style-type: none"> Reduced water supply Heightened risk of power outages Increased water expense 	<ul style="list-style-type: none"> Implement water-saving technologies, initiatives and awareness, including drought-resistant landscaping, “smart” watering technologies and efficient plumbing
Fire	Significant	<ul style="list-style-type: none"> Loss of lives and property/value Business interruptions Higher insurance costs 	<ul style="list-style-type: none"> Ensure fire preparedness practices in landscaping and maintenance Investments in air-purifying technologies and embedded fire retardants Work with insurance companies to ensure adequate property coverage and mitigate financial losses
Flood	Significant	<ul style="list-style-type: none"> Loss of lives and property/value Business interruptions Higher insurance costs 	<ul style="list-style-type: none"> Diversify properties geographically Utilize flood zone assessments and ClimateCheck to inform flood risk and response decisions Investments in flood preparedness Work with insurance companies to ensure adequate property coverage and mitigate financial losses

Continue →

(Continued)

Environmental Stewardship

Climate Resiliency and TCFD

Metrics and Targets

In 2022, we made substantial progress toward inventorying our managed properties' environmental footprint, resulting in our inaugural Scope 2 reporting. The goal was to utilize this information in order to make concerted efforts to prioritize energy and water efficiency opportunities, conserve natural resources, minimize our environmental impacts, mitigate climate risk exposure and decrease expenses. Going forward, as we gather a more robust history of our managed portfolios' environmental footprint, we will strive to set Scope 2 reduction goals for the future.

As a NNN lessor, the vast majority of our emissions are Scope 3 emissions emanating from our leased assets. While Sabra proactively encourages and supports our operators' efforts as exemplified by our Green Links program, we do not directly control the timing or percentage of our tenants reporting utilities and emissions. We have, however, been making continued progress, and our subsequent operational goal is to obtain **more than 40 percent of this information from our NNN portfolio in 2023**, allowing us to start reporting Scope 3 emissions and reduction goals going forward.



Continue →

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Environmental Stewardship

Engaging With Innovation – the Well Living Lab and the WISE Initiative

Sabra is a proud Alliance Member of the Well Living Lab (WLL), founded as a Delos and Mayo Clinic collaboration, and active participant in Delos’ Wellness Innovation in Senior Environments (WISE) initiative to accelerate scientific research on the impact of indoor environments on the health and well-being of older adults.

One such study includes how to improve skilled nursing facility (SNF) indoor air quality via portable air filtration. A second study aims to examine how building improvements may reduce SNF employee stress and burnout. The WISE initiative leverages scientific research led by WLL in both simulated real-world environments and in the field and will share practice findings that can be applied to improving indoor spaces in senior living and skilled nursing communities.

The first study showed that portable air filtration units made the air exchange rate 4x more efficient, resulting in up to 7x lower particle concentration in the air and up to 7x less virus accumulation on surfaces.

Our second study, Employee Stress and Burnout, was initiated in 2022 with results expected to be made available in 2023.

We also have established ongoing relationships with the Delos Lab research team and Direct Supply Innovation & Technology Center to collaborate on continued senior wellness studies and technologies. We plan to share the data we collect to drive insights for future studies, as well as help evaluate both Proptech and Medtech solutions we can pilot across our portfolio with our operators and tenants.



2022 STUDY UPDATE

COVID-19 & Beyond: Well Living Lab Safe Indoor Environment Program

KEY TAKEAWAY: We know that viruses can remain viable in the air for hours, increasing the likelihood of infection in a poorly ventilated space where an infectious individual is present. From tuberculosis to the common cold to influenza, nearly all upper respiratory conditions have the same potential for airborne spread as COVID-19, thus making stand-alone/portable air purification technology of continued importance in a post-pandemic world.

Continue →

(Continued)

Environmental Stewardship

WELL Health–Safety Rating – Accelerating Health and Wellness in Senior Environments

Sabra encourages managed operators to pursue the WELL Health–Safety Rating and notes that, while tenants already had many of its social initiatives in place, a third-party validated rating allows operators to get credit for those efforts—and market those to both employees and residents.

Enlivant, one of Sabra’s largest operators, became the first senior living organization to achieve the WELL Health–Safety Rating for its entire portfolio. Claiborne, Paradigm and Solvere, Sabra’s senior housing – managed operators, are the latest to achieve the WELL Health–Safety Rating for their Sabra-owned portfolios. Sabra looks forward to rating more operators and advising on appropriate and cost-effective solutions that we expect will improve the living environment for residents and work environment for staff.

“Meaningful change happens when industry leaders lend their expertise to addressing the most urgent challenges. Through the WISE initiative and research with the Well Living Lab, Sabra has committed to advancing health, wellness and safety in the sector through a first-of-its-kind scientific research agenda to help lead industry transformation. The first study, now in peer review, demonstrates the positive impact of localized air purification on reducing airborne disease transmission, with future studies addressing staff stress reduction, a critical industry need. The results of this research will advance the industry’s ability to drive evidence-based decisions on these key challenges, and Sabra will be leading the translation of these insights into real-world impact. We are grateful to Sabra for its thought leadership in driving this initiative forward.”

–Peter Scialla, President and Chief Operating Officer, Delos



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Social Commitment

In this section

Diversity at Sabra

Teammate Engagement

Teammate Experience, Development and Retention

Teammate Benefits

Stakeholder Engagement

Improving the Quality of Care

Active Industry Participants

Community Service

We are committed to a people-first approach.



Social Commitment

Diversity at Sabra

We believe that a diverse workforce is essential to our continued success and gives us a competitive advantage. We take pride in having a diverse workforce in the real estate sector where women and minorities remain underrepresented. We sustain diversity by maintaining a fair, healthy and safe work environment. And we have established a culture that promotes engagement, inclusion, equity and diversity for all teammates.

As of December 31, 2022, women represented approximately 55 percent of our 42 full-time teammates and filled 64 percent of our management-level/leadership roles. Additionally, 33 percent of our teammates self-identify as being members of one or more ethnic groups. Seventeen percent of teammates chose not to self-identify, which could mean that our ethnic diversity is higher than reported.

Our commitment is organization-wide and starts at the top. Our Board of Directors and leadership team support our DE&I efforts to reduce unconscious bias and to achieve the greatest potential for an open and inclusive environment. We provide training and education to all teammates to gain a deeper understanding and acceptance of diversity of all kinds. Training topics include understanding and preventing “grouping,” recognizing exclusive situations and reducing unconscious bias. Focused training was also conducted to determine how the Board can promote inclusivity. Through a third party, we provided inclusivity training sessions that focus on personal experiences of exclusion and impact at the Board, management and teammate levels. In addition, we require DE&I training for all new hires during onboarding and are working on an ongoing agile DE&I training program.

“Sabra is passionate about work-life balance and the overall well-being of teammates. It supports development through continued education and training. This not only helps teammates succeed individually, but also collectively, as a team. Everyone has a seat at the table and is welcome to share ideas and learn from one another.”

—Xochilt Amaya, Office Services Coordinator

Integrating DE&I

To achieve our aspirations to be a more diverse and culturally inclusive team, we integrated DE&I into the hiring process.

This strategy has proven to be successful in our hiring of top talent from diverse groups in 2022. We are staying engaged and participate with organizations such as the Paul Merage School of Business at the University of California Irvine (UCI) that promote underrepresented groups. Specifically in 2022, we donated to the Merage School of Diversity, Equity and Inclusion. We also furthered our reach through participation in the Latinx Initiative (LXi) with UCI and attended LXi’s Excelencia: Latino Leadership that Thrives conference. Our efforts are integrated at all levels, including our CIO, Talya Nevo-Hacohen, who is actively involved with internship programs at the Urban Land Institute’s Women’s Leadership Initiatives, sourcing high-potential candidates.

Continue →

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Social Commitment

Diversity at Sabra

Communication is essential for maximizing the organizational benefits of a diverse and inclusive workplace. Sabra is committed to an open-door policy and encourages all teammates to reach out to human resources, management and the CEO to voice their suggestions, concerns and ideas on creating a more inclusive environment.

As underscored by our Corporate Governance Guidelines, our Board of Directors and the Nominating and Governance Committee are committed to proactively consider a diverse collection of backgrounds and relevant experiences in our director candidates to best ensure the continued success of our business and represent our stockholder interests. As a part of this commitment, our Board of Directors and the Nominating and

Governance Committee actively seek qualified women and individuals from underrepresented groups as director nominees. Since March 2019, we have appointed four new directors with a diverse range of skills, expertise and backgrounds, all of whom are diverse by gender or race and/or ethnicity. The current Board composition is 37.5 percent diverse by gender and 20 percent by race and/or ethnicity.

Sabra Diversity by the Numbers

As of December 31, 2022

Team Members by Gender



■ Female **55%**
■ Male **45%**

Management by Gender



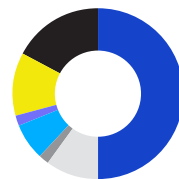
■ Female **64%**
■ Male **36%**

Executive Team by Gender



■ Male **67%**
■ Female **33%**

Teammates by Race and Ethnicity



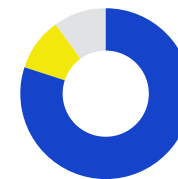
■ White **50%**
■ Asian **10%**
■ African American or Black **2%**
■ Hispanic or Latino **7%**
■ Native Hawaiian or Pacific Islander **2%**
■ Other (2 or more) **12%**
■ Not Specified **17%**

Board by Gender



■ Male **62.5%**
■ Female **37.5%**

Board by Race and Ethnicity



■ White **80%**
■ African American or Black **10%**
■ Asian **10%**

Continue →

(Continued)

Social Commitment

Teammate Engagement

We have fostered a collaborative culture and workplace that motivate and drive engagement. It is important that teammates feel valued and are committed to achieving goals. We create value by providing the tools and support each teammate needs to be successful in their roles. We also encourage team activities that create a sense of belonging and emotional well-being, which we know positively impact retention and engagement.

A unique characteristic of our culture, and a feature distinguishing Sabra, is that we connect our teammates with our accomplished Board of Directors through quarterly Board dinner events. They occur in a relaxed and open environment and create another layer of commitment and connection in our team.

To evaluate an individual teammate’s level of engagement, our management team and human resources department conduct periodic check-in meetings. In addition, companywide subject-driven surveys are used to gauge levels of engagement and satisfaction, **which had a 100 percent response rate**. Based on feedback and suggestions received, we thoughtfully implement changes that will have the highest impact on engagement.

Teammate Experience, Development and Retention

At Sabra, we are focused on empowering teammates and providing a positive and supportive work environment. We promote a sustainable work-life balance and invest in our teammates’ well-being through high-quality benefits. We offer a hybrid work model and have strong IT support to enable our flexible working arrangements. In our office, we provide a healthy atmosphere and positive teammate experience. Our headquarters has a number of amenities for teammates, including gym access, healthy snacks and drinks, as well as ergonomic standing desks. We go even further by providing easy access to fun activities such as a shuffleboard table and putting green in our office. In 2022, we brought together teammates from across the company to show our appreciation and enjoy a retreat to Cabo San Lucas, Mexico.

Collaboration and team bonding bring value to our teammates. Sabra holds monthly birthday celebrations and “lunch and learn” events. In addition, each team is given a quarterly budget to plan fun and engaging departmental team-building activities. Other annual events include a Summer Day Trip for Sabra teammates and their families, holiday parties and ad hoc events including life celebrations and a nighttime Los Angeles Lakers opening game watch party.



A Sabra Tradition: Our Quarterly Board Dinners

All teammates and directors come together to get to know one another.

- Engagement on both a personal and a professional basis
- Reinforcement of our team-centric and collaborative culture
- Encouragement of direct communication between teammates and our Board

Continue →

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Social Commitment

To plan for the future, Sabra's performance management program proactively reviews our teammates' evolving roles to address the current and future needs of our business. **We invest in their development so that we have the right people with the right skills at the right time.** We provide leadership coaching for select management-level teammates with an external group of professionals to achieve professional goals and areas of improvement as they relate to leadership skills and development for future needs. In addition, our teammates' development efforts are focused on aligning our talent strategy with our business strategy.

Another aspect in development is annual performance reviews. These reviews include a self-assessment and have a confidential 360-degree feedback component, which is completed by three to five co-workers, peers and/or non-direct reporting managers. This type of feedback is intended to find opportunities to recognize teammates and to raise awareness of potential blind spots. Performance reviews also open the discussion for career pathing and development toward a promotion or a new role. They are a collaborative process and are aimed to increase engagement and productivity, while aligning teammate goals with Sabra's vision.

Furthermore, we create opportunities for our teammates to share knowledge and grow by engaging in our annual internship program, which doubles as a pipeline for future talent. The program is highly successful and provides positive experiences for both interns and teammates. Interns have an incredible opportunity for hands-on learning with our program. For example, when an analyst intern joins our team for the summer, they develop skills in communicating with investors, conducting research and engaging in other learning opportunities. While interns are gaining experience and becoming potential candidates for future hire, our teammates are developing and getting experience in training and team building. In 2022, one of our interns was hired permanently after earning their degree.

"I accepted the opportunity to be a summer intern while completing my last quarter as a graduate student in the Master of Finance program at the Paul Merage School of Business in the University of California Irvine. I chose Sabra Health Care REIT because I wanted to be exposed directly to the professional world. The way the internship was structured allowed me to interact with senior colleagues and view presentations about weekly tasks and client meetings. This inspired me to become more confident when speaking to a professional audience. After my time, I feel much more knowledgeable about the real estate sector and the investment decision-making process."

- **Ibrahima Sene**, Analyst, Investments (former summer intern)

"What distinguishes Sabra from other organizations is its unique culture and extremely talented team. It is rare to find such an inclusive and fun working environment full of innovative thinkers."

Anna Mohr, Director,
Human Resources



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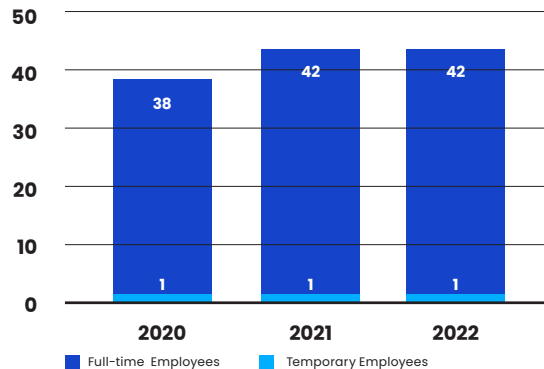
Social Commitment

Turnover is another metric we use to gauge the health of our workforce culture, monitored carefully for insights into teammate satisfaction and productivity. Most turnover has been a result of personal reasons and unrelated to work. We stay in contact with some of these individuals who have a potential for returning at a later time. We conduct exit interviews on all departures to ensure we capture opportunities to improve. Our proactive and structural efforts to motivate and engage our teammates have contributed to our success in retaining top talent and key members of our team.

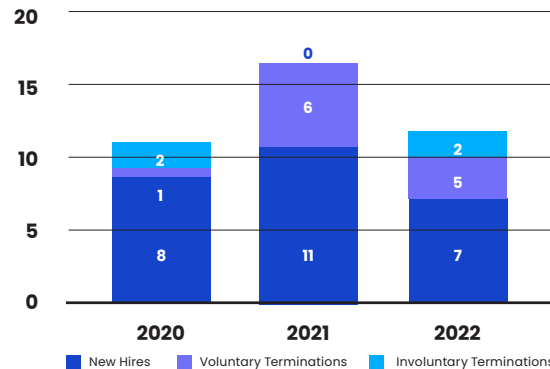
"I believe everyone here is integral to our success. I'm proud of the culture we've created here at Sabra where the work environment is as fun and rewarding as it is challenging."

—Rick Matros, Chief Executive Officer, President and Chair of the Board

Sabra's Team



Our Dynamic Workforce



Teammate Turnover Rates¹

	2020	2021	2022
Involuntary	5.5%	0%	4.8%
Voluntary	2.6%	14.3%	11.9%
Total	7.9%	14.3%	16.7%

¹The percentages include temporary workers.

Continue →

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Social Commitment

Teammate Benefits

We recognize that attracting and retaining talent at all levels is vital to our continued success. We ensure that all teammates receive competitive salaries and benefits, and we aim to attract professionals who will uphold our values of social and environmental stewardship. To ensure we are providing competitive compensation, we conduct pay equity reviews and include restricted stock awards in the compensation design for full-time teammates. In addition, Sabra provides a generous four percent match to our 401(k) program.

Sabra’s competitive teammate health benefits include medical, vision and dental care; long- and short-term disability supplemental pay; a healthcare savings account; a flexible spending account; bereavement leave; jury duty leave; a teammate assistance program; a tuition reimbursement program; travel assistance; and corporate discounts. Sabra contributes 90 percent of the health insurance cost of teammates and their dependents.

We also encourage a sustainable work-life balance by providing 10 paid holidays per year in addition to five sick days and a minimum of 15 vacation days.

During the last two weeks of the year, we shut down the office so teammates can fully enjoy the holidays with their loved ones. This reinforces our value of work-life balance, resulting in increased engagement and retention.

We continuously evaluate our benefits and look for opportunities to bring value to our team. In 2022, we increased our parental leave coverage to 12 weeks. Sabra will supplement up to 12 weeks of pay to ensure the teammate has 100 percent of their normal income. It gives parents time to bond with their new child during this special time without having to sacrifice pay.

The health and safety of our teammates are an important consideration for us, and in light of the COVID-19 pandemic, we continued to accommodate flexible work-from-home arrangements, extended hardship benefits and provided assistance for dependent care costs to preserve the health and well-being of our teammates and their families.

4%

match to 401(k)

90%

employer contribution to health insurance premiums

12

weeks of parental leave

Continue →

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Social Commitment

Stakeholder Engagement at Sabra

Our commitment to developing long-term relationships to deliver excellent care now and in the future depends on building networks with those who value a high standard of care and can adjust to the changing needs of patients. That is why our engagement strategies extend from our valued teammates to the all-important tenants and operators who manage our properties, and the patients and residents they serve. We measure tenant satisfaction through surveys and closely monitor the results through metrics-based analysis.

Active examples of Medtech solutions include, but are not limited to:



Xandar Kardian

A cutting-edge radar technology that captures continuous vital signs measurements through detection and interpretation of body micro-vibrations. Xandar Kardian offers an FDA-cleared Class II medical device for monitoring resting heart rate, respiratory rate, motion and presence. This contact-free technology provides patients with privacy-protected continuous monitoring. Using advanced analytics, Xandar Kardian works with remote clinicians to detect early changes in vital signs, daily activity patterns and other factors, with the goal to prevent rehospitalization, decrease emergency department utilization and provide critical alerts to nurses and physicians.



DS smart

A solution from Direct Supply that empowers caregivers to capture vital signs and other critical information, and connect seamlessly with vital signs, scales, pulse oximeters and other hand-held devices, saving staff time, improving the accuracy of information and delivering real-time data straight to the health record. With the availability of Chronic Care Management codes, physicians can now receive reimbursements for the use of this technology. When combined with other tools, users can be reimbursed for the data gathering and use of the technology as well as through Centers for Medicare & Medicaid Services (CMS) reimbursements. With DS smart, caregivers can deliver better, more informed care to their patients, while streamlining the process and improving efficiency in the healthcare environment.



TapestryHealth™

TapestryHealth

A transformative medical care provider that originated as a medical services group, providing on-site medical services, medical directors and telehealth. Today, TapestryHealth has evolved into a modern post-acute care company through a comprehensive suite of medical services, including 24/7 telemedicine, artificial intelligence, machine learning, data and analytics solutions and vitals management programs. With the power of artificial intelligence and machine learning, these reporting capabilities have allowed clinicians to focus on residents at the highest risk of decline, enabling early detection and intervention in their care plans. CMS reimburses for the technology and services through Remote Patient Monitoring codes. Caregivers can offer better, more informed care, resulting in improved patient outcomes and a better quality of life for residents.

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Social Commitment



SimpleLTC

A long-term care software solution that delivers a comprehensive suite of services to optimize MDS analytics and reimbursement. Simple, a Netsmart solution, provides solutions to analyze bills, manage five-star ratings, handle payroll-based journal reports and predict staffing five-star ratings. With a focus on efficiency and accuracy, Simple empowers caregivers to deliver better, more informed care to their patients, while streamlining the process and optimizing reimbursement.



SafelyYou

SafelyYou combines real-time, world-leading AI video technology with 24/7 remote clinical support to detect and help prevent falls. With consent, a camera is activated in a resident's room, recording only the events surrounding an on-the-ground event. Staff can then review the fall video to understand how the fall occurred—and how to help keep it from happening again. SafelyYou is proven to reduce falls by 40 percent and fall-related ER visits by 80 percent, keeping residents safer and providing families greater peace of mind.



PointRight

Sabra has developed a cooperative program with PointRight, a provider of data-driven decision support solutions for skilled nursing facilities. PointRight is endorsed by both the American Health Care Association (AHCA) and the National Quality Forum (NQF) for its industry-leading analytics. Its web-based tools and resources support Sabra operators' teams to manage and improve outcomes through three key solutions:

- 1. Data Integrity Audit With Audit Assist.** Minimum Data Set (MDS) verification tool used to determine the accuracy of data submitted to the Centers for Medicare & Medicaid Services (CMS) along with auditing for logical and/or clinical coding accuracy
- 2. PointRight® Pro 30™ Rehospitalization.** Rehospitalization management tool used to visualize a center's observed and risk-adjusted 30-day rehospitalization rates, including clinical cohort- and risk-group-specific rates, compared to the PointRight national average with trending and drill-down capability to evaluate a specific resident's rehospitalization data
- 3. Five-Star FastTrack.** Performance management solution that calculates a facility's CMS Five-Star Quality Rating across health inspections, quality measures and staffing and allows simulation of various scenarios within the three domains of the Five Star Rating calculations to see the impact on the facility's star rating

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Social Commitment

Active Industry Participants

Sabra Operator Conference

We host our Sabra Operator Conferences, where Sabra and our key operators from across the U.S. and Canada meet to collaborate on and discuss best practices in the senior living and post-acute healthcare industry. Operators are provided opportunities to gain practical insights, network with peers, engage with Sabra management and directors and hear from industry experts. All Sabra teammates attend and participate in our operator conferences. We hosted our most recent operator conference in Milwaukee in June 2023.

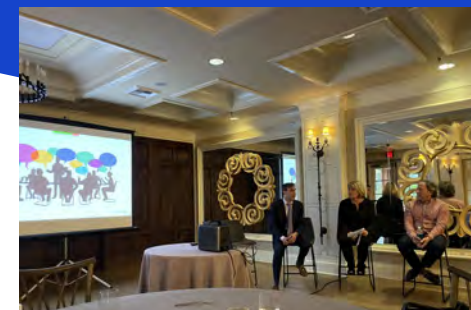


Delos' WISE Forum 2023

As an extension of our WISE Initiative (Wellness in Senior Living Environment), Sabra helped organize and sponsor the inaugural WISE Forum, held in February 2023. The WISE Forum brought together like-minded REITs, along with industry leaders, to build community, discuss systemic challenges and create solutions for the future of senior living.

The goal was to gather thought leaders and decision makers to focus and act on not only the challenges but also the solutions and processes needed to accelerate change. Topics included ESG, healthy buildings, indoor air quality and medical technologies and services.

The response to the WISE Forum was overwhelmingly positive with all respondents indicating the forum met or exceeded their expectations, and that they would be very interested in attending again next year and supporting the WISE Initiative going forward.



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Social Commitment

Community Service

Our mission to advance the quality of care lies at the core of Sabra’s business strategy. We believe that serving the communities in which we operate not only promotes our business success, but also further engages our teammates and other stakeholders in support of our corporate mission. We support volunteerism and organize opportunities for our teammates as a group to volunteer within the community.

In 2022, we donated funds to organizations including HMG Cares and United In Care, and we sponsored two scholarship funds advancing efforts in gerontological care and promoting DE&I within leading healthcare enterprises. In addition, our teammates donate to our tenants’ employees, patients and residents every holiday season. Through both volunteerism and philanthropic efforts, Sabra is dedicated to contributing to the communities in which we operate.

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Corporate Governance

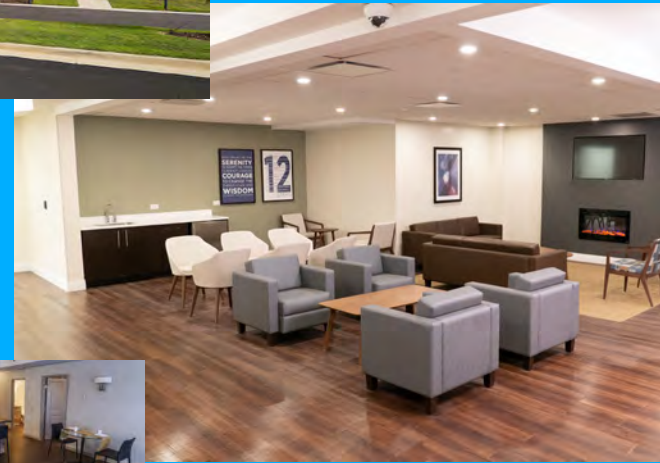
In this section

Governance Highlights

Cybersecurity

Board of Directors

Management Team



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Corporate Governance

Governance Highlights

We are committed to effective corporate governance that promotes the long-term interests of our stockholders and strengthens Board and management accountability. Sabra’s Corporate Governance Guidelines provide the framework through which our Board conducts its business and exercises its responsibilities. A current copy of our Corporate Governance Guidelines is posted in the Investors—Governance section of our website at [sabrahealth.com](https://www.sabrahealth.com).

✓ Annual Election of Directors	✓ Active Stockholder Engagement Practices
✓ Highly Independent Board (7 of 8 Directors) and Fully Independent Committees	✓ Policies and Practices to Align Executive Compensation With Long-Term Stockholder Interests
✓ Four New Independent Directors Since 2019	✓ Lead Independent Director With a Well-Defined Role and Robust Responsibilities Appointed Annually by Independent Directors
✓ Comprehensive New Director Orientation Process	✓ Annual Review of CEO and Management Succession Plans
✓ Majority Voting for Directors in Uncontested Elections, with a Director Resignation Policy	✓ Commitment to Consider Qualified Female and Minority Director Candidates
✓ No Supermajority Vote Requirements	✓ Written Related Person Transaction Policy
✓ Robust Stock Ownership Requirements for Executives and Directors	✓ Anti-Hedging and Anti-Pledging Policies
✓ Annual Board and Committee Evaluations	✓ Clawback Policy
✓ Regular Executive Sessions of Independent Directors	✓ Stockholder Proxy Access Right Reflecting Market Standard Terms
✓ Stockholder Right to Amend Bylaws by Majority Vote	✓ No Stockholder Rights Plan
✓ Overboarding Policy: No More Than Four Additional Public Company Boards or One Additional Public Company Board for CEO or Equivalent Positions	✓ Audit Committee Overboarding Policy: No More Than Two Additional Public Company Audit Committees
✓ Independent Board Committee Oversight of Cybersecurity Risks, Human Capital and Environmental, Social and Governance Matters	✓ Opted Out of the Provisions of the Maryland Unsolicited Takeover Act That Would Permit a Classified Board Without Stockholder Approval
✓ Implemented a Corporate Human Rights Statement	✓ Implemented a Corporate Vendor Code of Conduct

“In the last several years, Board composition has shifted markedly, adding greater diversity of people and thought. This demonstrated commitment to good governance, when added to a long-standing commitment to transparency, yields better decision-making capabilities for the company.”

Lynne Katzmann,
Director, Nominating and Governance Committee Chair and Compensation Committee Member



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Corporate Governance

Enterprise Risk Management and Board Oversight of Risk

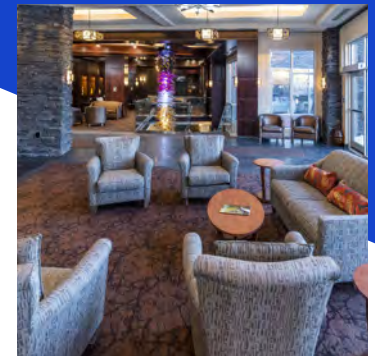
Risk management, governance and business ethics underpin our ability to build a more successful future and enable us to deliver on the promises we make to our tenants and operators, teammates and stockholders. Our Board oversees Sabra’s enterprise-wide risks and works closely with our management team to instill a culture where every teammate takes responsibility for their role in managing risk. To this end, Sabra has established a Code of Conduct and Ethics, which can be found under the Investors—Governance section of our website at sabrahealth.com. The Board of Directors is involved in risk oversight through approval authority with respect to fundamental financial and business strategies and major corporate activities, including material acquisitions and financings, as well as through its oversight of management and the committees of the Board of Directors. As part of overseeing our corporate strategy and our enterprise risk management program, our Board of Directors also monitors our environmental practices and sustainability, including climate-related risks and human capital management.

Management is responsible for identifying the material short-, intermediate- and long-term risks facing Sabra, implementing appropriate risk management strategies and ensuring that information with respect to material risks is shared with the Board of Directors or the appropriate Board committee. In connection with this responsibility, members of management provide regular reports to the Board of Directors regarding business operations and strategic planning, financial planning and budgeting, regulatory matters and information systems and cybersecurity, including any material

risk to Sabra relating to such matters. Where appropriate, the Board of Directors also receives input on these topics from third-party advisors and experts who report from time to time to the Board on various risk topics within their area of expertise, including with respect to potential future threats and trends. The Board has delegated oversight for specific areas of risk exposure to Board committees as discussed in the proxy statement for our 2023 annual meeting of stockholders, which can be found under the Investors—Financials section of our website at sabrahealth.com.

All members of our Board of Directors are invited to attend our regularly scheduled committee meetings, and most directors do so attend. Our chief executive officer, chief financial officer and outside legal counsel also regularly attend meetings of our standing committees when they are not in executive session, and often report on matters that may not be otherwise addressed at these meetings. In addition, our directors are encouraged to communicate directly with members of management regarding matters of interest, including matters related to risk, at times when meetings are not being held.

Our Board of Directors believes that the processes it has established to administer the Board’s risk oversight function would be effective under a variety of leadership frameworks and therefore do not have a material effect on Sabra’s leadership structure.



Continue →

(Continued)

Corporate Governance

Cybersecurity

As a measure of protecting the interests of our stakeholders, cybersecurity is one of our top focus areas. Our security team is committed to implementing a certified information security management system that complies with the National Institute of Standards and Technology (NIST) framework; International Organization for Standardization (ISO) standards; and all federal, state and international regulatory requirements.

Sabra’s primary data security risk relates to data stored on our networks and financial data contained within our accounting systems. Sabra does not manage any HIPAA-protected information of its tenants or operators. Risks are reviewed at least annually with Sabra’s internal and external auditors in conjunction with our internal controls audit.

Sabra hosts its technology infrastructure in a secured and fluid hybrid environment heavily focused in the cloud space with technology leaders such as Microsoft, which comply with security standards and follow a routine audit schedule.

Sabra’s accounting system is in a software-as-a-service environment that is maintained and administered by a third party and is subject to annual audits under Statement on Standards for Attestation Engagements No. 16, “Reporting on Controls at a Service Organization.” Sabra’s network is evaluated annually against ISO 27001, NIST CSF and NIST 800-53 frameworks.

Given the importance of maintaining strong cybersecurity measures, our Board oversees our information security protocols and implementation of the cybersecurity program. Additionally, all teammates are expected to comply with company policies regarding electronic communications and the protection of confidential and proprietary information, as stated under the terms of Sabra’s employee handbook.



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(Continued)

Corporate Governance

Board of Directors

Our Board is focused on cultivating exemplary corporate governance through a commitment to ethics, integrity and corporate responsibility to ensure that Sabra's corporate strategy aligns with our values, our culture and how we run our business.



Rick Matros
Chief Executive Officer,
President and Chair of
the Board



Craig Barbarosh
Director since 2010, Audit
Committee (Chair),
Compensation Committee



Katie Cusack
Director since 2021,
Compensation Committee,
Nominating and Governance
Committee



Michael Foster
Director since 2010, Lead
Independent Director, Audit
Committee, Nominating and
Governance Committee



Lynne Katzmann
Director since 2019,
Nominating and Governance
Committee (Chair),
Compensation Committee



Ann Kono
Director since 2020, Audit
Committee



Jeffrey Malehorn
Director since 2017,
Compensation Committee
(Chair), Audit Committee



Clifton (Clif) Porter II
Director since 2020,
Compensation Committee,
Nominating and
Governance Committee

Sabra believes that its directors should be of high character and integrity, be accomplished in their respective fields, have relevant expertise and experience and collectively represent a diversity of backgrounds and experiences. The disclosure on the following page identifies and describes the key experience, qualifications and skills that are important for persons who serve on our Board in light of our business and structure.

Continue →

(Continued)

Corporate Governance

Our strong, independent and diverse Board brings unique skill sets and relevant experience that enrich our decision making.



Healthcare



Real Estate



Finance



Leadership



Portfolio Management



ESG



Regulatory



Risk Management



Policy

Continue →

(Continued)

Corporate Governance

In addition to the diversity of experience illustrated above, our Board of Directors also represents a mix of tenures and ages and is highly independent, as illustrated below:

	Matros	Barbarosh	Cusack	Foster	Katzmann	Kono	Malehorn	Porter
Leadership experience								
CEO / Business Head	●			●	●	●	●	
Senior Management	●		●	●	●	●	●	●
Finance experience								
Financial Literacy / Accounting	●	●	●	●	●	●	●	●
Financial / Capital Markets	●	●	●	●		●	●	
Investment Expertise	●		●	●	●		●	
Industry experience								
REIT / Real Estate	●	●					●	
Healthcare	●	●	●	●	●		●	●
Portfolio and Operations Management	●		●		●	●	●	●
Public company experience								
Executive	●		●					●
Board / Committee	●	●		●		●	●	
Other experience								
Risk Oversight / Management	●	●	●	●	●	●	●	●
Legal / Regulatory		●		●				●
Professional Accreditation / Education		●	●	●	●	●		●
Information Security			●	●		●		
Tenure and independence								
Tenure (years)	12	12	2	12	4	2	5	2
Independence		●	●	●	●	●	●	●
Demographics								
Age	69	55	56	69	66	47	62	56
Gender Identity	M	M	F	M	F	F	M	M
African American or Black								●
Alaskan Native or Native American								
Asian						●		
Hispanic or Latinx								
Native Hawaiian or Pacific Islander								
White		●	●	●	●		●	
Two or More Races or Ethnicities								
LGBTQ+								
Did Not Disclose Demographic Background	√ ¹							

¹ Mr. Matros does not self-identify with any of the listed categories and instead self-identifies as Jewish. As of March 31, 2023.

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(Continued)

Corporate Governance

Experienced Management Team

Our management team has extensive healthcare and real estate experience. Through years of public company experience, our management team also has extensive experience accessing both debt and equity capital markets to fund growth and maintain a flexible capital structure.

RICK MATROS

Chief Executive Officer, President and Chair of Sabra, has more than 40 years of experience in the acquisition, development and disposition of healthcare assets, including nine years at Sun Healthcare Group, Inc.



DARRIN SMITH

Executive Vice President of Investments of Sabra, brings a wealth of expertise to the role, having served as Senior Vice President—Senior Housing Investments at HCP, Inc. (now Healthpeak Properties, Inc.) from 2010 to 2018, and having spent several years at GE Capital Real Estate and Ernst & Young, LLP; additionally, he holds the designation of Certified Public Accountant (inactive status).



MICHAEL COSTA

Chief Financial Officer, Secretary and Executive Vice President of Sabra, is a finance executive with over 20 years of experience in commercial real estate investment, finance and accounting.



LUKAS HARTWICH

Senior Vice President, Finance of Sabra, was previously a Managing Director at Green Street, a leading commercial real estate intelligence firm, where he spent over 15 years in various capacities, including managing the lodging and healthcare research teams. Mr. Hartwich graduated *summa cum laude* from the University of Arizona with a Bachelor of Science in Finance and is a Chartered Financial Analyst (CFA) Charterholder.



TALYA NEVO-HACOHEN

Chief Investment Officer, Treasurer and Executive Vice President of Sabra, is a real estate finance executive with more than 25 years of experience in real estate finance, acquisition and development, including three years of experience managing and implementing the capital markets strategy of an S&P 500 healthcare REIT.



JESSICA FLORES

Senior Vice President, Finance and Controller of Sabra, has more than 15 years of experience in accounting, finance and real estate investments and oversees the company's key accounting and financial reporting functions. Ms. Flores graduated from UCLA with a Bachelor of Arts in Business Economics and is a Certified Public Accountant.



PETER NYLAND

Executive Vice President, Asset Management of Sabra, is an accomplished executive with extensive asset management expertise. As Sabra's Executive Vice President since January 2013, he previously held senior roles at Sun Healthcare Group and Americare Health Services.



Continue →

Appendix

The IFRS Foundation’s SASB Standards provide consistent, comparable standards for the disclosure of relevant sustainability information. The following index Sabra’s alignment to the ESG topics and metrics relevant to our business and as identified by the Real Estate standard. Importantly, as a majority of our portfolio is NNN leases, our third-party operators have control and responsibility for the real estate on a day-to-day basis.

ACTIVITY METRICS ¹	2020	2021	2022
Properties (#) [IF-RE-000.A] [IF-RE-000.C]			
Skilled Nursing/Transitional Care	287	279	264
Senior Housing - Leased	65	60	47
Senior Housing - Managed	47	49	59
Behavioral Health	11	13	17
Specialty Hospitals and Other	16	15	15
Total	426	416	402
Units of real estate held for investment, by property subsector [IF-RE-000.B]			
Skilled Nursing/Transitional Care	31,761	30,920	29,136
Senior Housing - Leased	4,282	4,099	3,550
Senior Housing - Managed	4,924	5,140	5,942
Behavioral Health	659	795	965
Specialty Hospitals and Other	433	392	392
Total	42,059	41,346	39,985
Average occupancy rate, by property subsector ² [IF-RE-000.D]			
Skilled Nursing/Transitional Care	77.3%	71.4%	73.5%
Senior Housing - Leased	83.1%	78.1%	84.4%
Senior Housing - Managed	80.0%	79.4%	82.1%
Behavioral Health	83.5%	84.2%	84.0%
Specialty Hospitals and Other	76.5%	80.6%	77.4%

¹ Reflects the consolidated total amount of properties net of any joint venture or other stakes.

² Occupancy percentage represents the facilities’ average operating occupancy for the period indicated and is calculated by dividing the actual census from the period presented by the available beds/units for the same period. Occupancy percentage includes only facilities owned by Sabra as of the end of the respective period for the duration that such facilities were classified as stabilized facilities and excludes facilities for which data is not available or meaningful. Occupancy is only included in periods subsequent to our acquisition and is presented for the trailing twelve-month period and one quarter in arrears, except for Senior Housing - Managed, which is presented for the period indicated on a trailing three-month basis. All facility financial performance information was provided by or derived solely from information provided by our tenants and operators without independent verification by us.

Appendix

TOPIC	ACCOUNTING METRIC	CODE	DISCLOSURE
Energy Management	Energy consumption data coverage as a percentage of total floor area, by property subsector	IF-RE-130a.1	Environmental Stewardship
	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	IF-RE-130a.2	Environmental Stewardship
	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	IF-RE-130a.3	Environmental Stewardship
	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR®, by property subsector	IF-RE-130a.4	Environmental Stewardship
	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	IF-RE-130a.5	Environmental Stewardship
Water Management	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	IF-RE-140a.1	Environmental Stewardship
	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	IF-RE-140a.2	Environmental Stewardship
	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	IF-RE-140a.3	Environmental Stewardship
	Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-RE-140a.4	Environmental Stewardship
Management of Tenant Sustainability Impacts	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and (2) associated leased floor area, by property subsector	IF-RE-410a.1	Environmental Stewardship
	Percentage of tenants that are separately metered or sub-metered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	IF-RE-410a.2	0%. This is included as part of the operator's rent expense.
	Discussion of approach to measuring, incentivizing and improving sustainability impacts of tenants	IF-RE-410a.3	Environmental Stewardship
Climate Change	Area of properties located in 100-year flood zones, by property subsector	IF-RE-450a.1	Climate Resiliency and TCFD
	Description of climate change risk exposure analysis, degree of systematic portfolio exposure and strategies for mitigating risks	IF-RE-450a.2	Climate Resiliency and TCFD

Continue →

Forward-Looking Statements

This report contains “forward-looking” statements as defined in the Private Securities Litigation Reform Act of 1995. Any statements that do not relate to historical or current facts or matters are forward-looking statements. These statements may be identified, without limitation, by the use of “expects,” “believes,” “intends,” “should,” or comparable terms or the negative thereof. Examples of forward-looking statements include all statements regarding our expectations regarding our recent and pending investments and our strategic and operational plans; our expectations regarding the industry’s recovery to pre-pandemic levels of financial health; our expectations regarding the results of our ESG initiatives; our expectations regarding Sabra’s role in the environmental initiatives across our properties and operators; our expectations regarding the expansion of Proptech and Medtech solutions at our properties; our expectations regarding our membership in the Well Living Lab and our collaboration with the Delos Lab and Direct Supply Innovation & Technology Center; and our other expectations regarding our future financial position, results of operations, cash flows, liquidity, business strategy, projected expenses and capital expenditures, competitive position, growth opportunities, potential investments and dispositions, and plans and objectives for future operations and capital raising activity.

Our actual results may differ materially from those projected or contemplated by our forward-looking statements as a result of various factors, including, among others, the following: pandemics or epidemics, including COVID-19, and the related impact on our tenants, borrowers and Senior Housing - Managed communities; increased labor costs and historically low unemployment; increases in market interest rates and inflation; operational risks with respect to our Senior Housing - Managed communities; competitive conditions in our industry; the loss of key management personnel; uninsured or underinsured losses affecting our properties; potential impairment charges and adjustments related to the accounting of our assets; the potential variability of our reported rental and related revenues as a result of Accounting Standards Update (“ASU”) 2016-02, Leases, as amended by subsequent ASUs; risks associated with our investment in our unconsolidated joint ventures; catastrophic weather and other natural or man-made disasters, the effects of climate change on our properties and a failure to implement sustainable and energy-efficient measures; increased operating costs and competition for our tenants, borrowers and Senior Housing - Managed communities; increased healthcare regulation and enforcement; our tenants’ dependency on reimbursement from governmental and other third-party payor programs;

the effect of our tenants, operators or borrowers declaring bankruptcy or becoming insolvent; our ability to find replacement tenants and the impact of unforeseen costs in acquiring new properties; the impact of litigation and rising insurance costs on the business of our tenants; the impact of required regulatory approvals of transfers of healthcare properties; environmental compliance costs and liabilities associated with real estate properties we own; our tenants’, borrowers’ or operators’ failure to adhere to applicable privacy and data security laws, or a material breach of our or our tenants’, borrowers’ or operators’ information technology; our concentration in the healthcare property sector, particularly in skilled nursing/transitional care facilities and senior housing communities, which makes our profitability more vulnerable to a downturn in a specific sector than if we were investing in multiple industries; the significant amount of and our ability to service our indebtedness; covenants in our debt agreements that may restrict our ability to pay dividends, make investments, incur additional indebtedness and refinance indebtedness on favorable terms; adverse changes in our credit ratings; our ability to make dividend distributions at expected levels; our ability to raise capital through equity and debt financings; changes and uncertainty in macroeconomic conditions and disruptions in the financial markets; risks associated with our ownership of property outside the U.S., including currency fluctuations; the relatively illiquid nature of real estate investments; our ability to maintain our status as a real estate investment trust (“REIT”) under the federal tax laws; compliance with REIT requirements and certain tax and tax regulatory matters related to our status as a REIT; changes in tax laws and regulations affecting REITs; the ownership limits and takeover defenses in our governing documents and under Maryland law, which may restrict change of control or business combination opportunities; and the exclusive forum provisions in our bylaws.

Additional information concerning risks and uncertainties that could affect our business can be found in our filings with the Securities and Exchange Commission (the “SEC”), including in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022. We do not intend, and we undertake no obligation, to update any forward-looking information to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events, unless required by law to do so.

