



Christy Hoffman
General Secretary
UNI Global Union
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Laurence D. Fink
Chairman and Chief Executive Officer
BlackRock
laurence.fink@blackrock.com

Nyon, 20 October 2020

Re: The crisis in care

Dear Mr. Fink,

I noted with great interest your recent statements embracing the importance of stakeholder capitalism especially in the time of the coronavirus pandemic, and Blackrock's commitment to sustainability as a standard of investing. I am writing to encourage Blackrock to apply these principles to address the crisis in nursing homes, a sector which has been brutally affected by COVID-19 and where responsible investor leadership has been sorely missing.

UNI Global Union represents more than 20 million workers from over 150 different countries in the skills and services sectors - including the private care sector. We have witnessed the impact of the pandemic across a wide variety of industries, but the impact of the coronavirus was felt most acutely among the "essential" workers in private care.

On average, 46% of all COVID-19 deaths were care home residents, based on estimates across 21 countries from the International Long Term Care Policy Network. There are a myriad of structural issues plaguing nursing homes from before the pandemic began, but it is clearer now than ever that any strategy for the industry must centre on improving the conditions for workers, which in turn are closely linked to the quality of patient care. Several studies have found that the poor working conditions in the sector exacerbated nursing homes' vulnerability to COVID-19. Relatedly, the sector already faced severe shortages of care workers globally.

Blackrock has a significant stake in the industry. In public equities, Blackrock is a significant shareholding in several nursing home chains across North America and Europe including Orpea, Brookdale, and the Ensign Group. Although little information is publicly available on real assets, Blackrock's reporting has also indicated that the company has at least 85 primary healthcare assets across the UK and it recently set up a private fund called "Global Healthcare Private Equity," presumably to acquire healthcare related assets such as nursing homes.

With such a large footprint, we were disappointed to see the absence of reported engagement with nursing homes in Blackrock's 2020 Investment Stewardship Annual Report, and significant gaps in labour rights stewardship in the Committee on Workers' Capital recent report card.

To address the immediate needs of the pandemic and the long-running failures of the sector, it is critical that your investment stewardship play a role to encourage nursing homes to move away

from a low-road model of cost-cutting and towards an industry which invests in its workforce and long-term success.

To conclude, I am writing to request a meeting with you or the appropriate members of your team to discuss the critical steps needed to create a sustainable nursing home sector and how we can move forward to that end. I look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "Christy Hoffman", with a long horizontal flourish extending to the right.

Christy Hoffman
General Secretary

Cc: Steve Monnier, Sustainability Specialist, Blackrock