welltower

# Environmental, Social, AND Governance REPORT

2021

## FORWARD LOOKING STATEMENTS, RISK FACTORS, AND WEBSITE REFERENCES

This document contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When Welltower uses words such as “may,” “will,” “intend,” “should,” “believe,” “expect,” “anticipate,” “project,” “pro forma,” “estimate” or similar expressions that do not relate solely to historical matters, Welltower is making forward-looking statements. Forward-looking statements, including statements related to ESG initiatives, programs, goals and strategies, and Funds From Operations guidance, are not guarantees of future performance and involve risks and uncertainties that may cause Welltower’s actual results to differ materially from Welltower’s expectations discussed in the forward-looking statements. This may be a result of various factors, including, but not limited to: the impact of the COVID-19 pandemic; uncertainty regarding the implementation and impact of the CARES Act and future stimulus or other COVID-19 relief legislation; the status of the economy; the status of capital markets, including availability and cost of capital; issues facing the health care industry, including compliance with, and changes to, regulations and payment policies, responding to government investigations and punitive settlements and operators’/tenants’ difficulty in cost-effectively obtaining and maintaining adequate liability and other insurance; changes in financing terms; competition within the health care and seniors housing industries; negative developments in the operating results or financial condition of operators/tenants, including, but not limited to, their ability to pay rent and repay loans; Welltower’s ability to transition or sell properties with profitable results; the failure to make new investments or acquisitions as and when anticipated; natural disasters and other acts of God affecting Welltower’s properties; Welltower’s ability to re-lease space at similar rates as vacancies occur; Welltower’s ability to timely reinvest sale proceeds at similar rates to assets sold; operator/tenant or joint venture partner bankruptcies or insolvencies; the cooperation of joint venture partners; government regulations affecting Medicare and Medicaid reimbursement rates and operational requirements; liability or contract claims by or against operators/tenants; unanticipated difficulties and/or expenditures relating to future investments or acquisitions; environmental laws affecting Welltower’s properties; changes in rules or practices governing Welltower’s financial reporting; the movement of U.S. and foreign currency exchange rates; Welltower’s ability to maintain its qualification as a real estate investment trust (REIT); key management personnel recruitment and retention; and other risks described in Welltower’s reports filed from time to time with the Securities and Exchange Commission (SEC). Welltower undertakes no obligation to update or revise publicly any forward-looking statements, whether because of new information, future events or otherwise, or to update the reasons why actual results could differ from those projected in any forward-looking statements. The information included in, and any issues identified as material for purposes of, this document may not be considered material for Securities and Exchange Commission reporting purposes. In the context of this Report, the term “material” is distinct from, and should not be confused with, such term as defined for SEC reporting purposes. ESG materiality as discussed in this context is different from "materiality" under the federal securities laws. Website references and hyperlinks throughout this Report are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this Report, nor does it constitute a part of this Report. Goals and targets described in this report are aspirational and not guarantees or promises that the goals or targets will be met; numbers and percentages included in this report are estimates or approximations and may be based on assumptions.

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Numbers throughout this report are as of 12/31/21 unless otherwise noted.

# Letter from the CEO

102-14 | 102-26

Although still faced with the continued challenges posed by the ongoing global COVID-19 pandemic, 2021 was a year of significant progress at Welltower. The actions we've taken over the past year across operations, capital deployment, operator platform enhancement and talent acquisition have positioned the Company for many years of success and significant growth. As the world's largest health and wellness real estate platform, we live a social mission each and every day: to enhance the well-being of an aging population.

2021 was a year of significant advances in our environmental, social and governance (ESG) standards, in response to both investor expectations and employee engagement. Our commitment to be a responsible corporate citizen is directed from the top down and from the bottom up. While our Board of Directors, through the Nominating Corporate/Governance Committee, oversees and advances our ESG initiatives, our employees are intricately involved in identifying and driving best practices. Acting responsibly is not only the right thing to do, but also benefits our key stakeholders and is fundamental to our business. This ethos is lived at Welltower every day.

We are proud of the various recognitions of our ESG efforts, which include maintaining our *Sustained Excellence ENERGY STAR® Partner of the Year* status, inclusion in the MSCI Index and our third consecutive inclusion in the Bloomberg Gender-Equality Index. We've provided more detail about these ESG programs and recognitions in this report. While these awards are important, we do not rest on these laurels alone, but seek to improve the quality and transparency of our ESG data and reporting each year to remain an industry leader and to align with best practices.

"The actions we've taken over the past year across operations, capital deployment, operator platform enhancement and talent acquisition have positioned the Company for many years of success and significant growth."

Welltower's leadership and excellence in our industry is a direct reflection of the leadership and excellence of our employees. Our guiding principle is first and foremost to hire the best talent we can find, from any walk of life or industry. We simply want the best talent available. This organic approach to diversity and inclusion has made us one of the most multi-talented, non-traditional companies in our space with one of the most diverse Board of Directors and management teams of any industry. We know firsthand that a diverse team brings creative approaches and drives enhanced returns.

I am extremely proud of the work we do in driving ESG performance year after year. Our goal is to meet the expectations of our investors, our leaders, our employees, and all our other stakeholders to distinguish ourselves as a leader in responsible corporate citizenship.

Shankh Mitra

**Shankh Mitra**
CEO and CIO, Welltower Inc.

# Welltower: Partner of Choice

WELL LISTED NYSE

102-1 | 102-2 | 102-3 | 102-4 | 102-5 | 102-6 | 102-7 | 102-45 | 201-1 | 203-1 | 203-2

Welltower, a real estate investment trust (REIT), partners with leading seniors housing operators, post-acute care providers and health systems to provide high-quality and affordable health care for an aging population. Headquartered in Toledo, Ohio, Welltower is known for its unparalleled relationship network and premier-quality real estate portfolio.

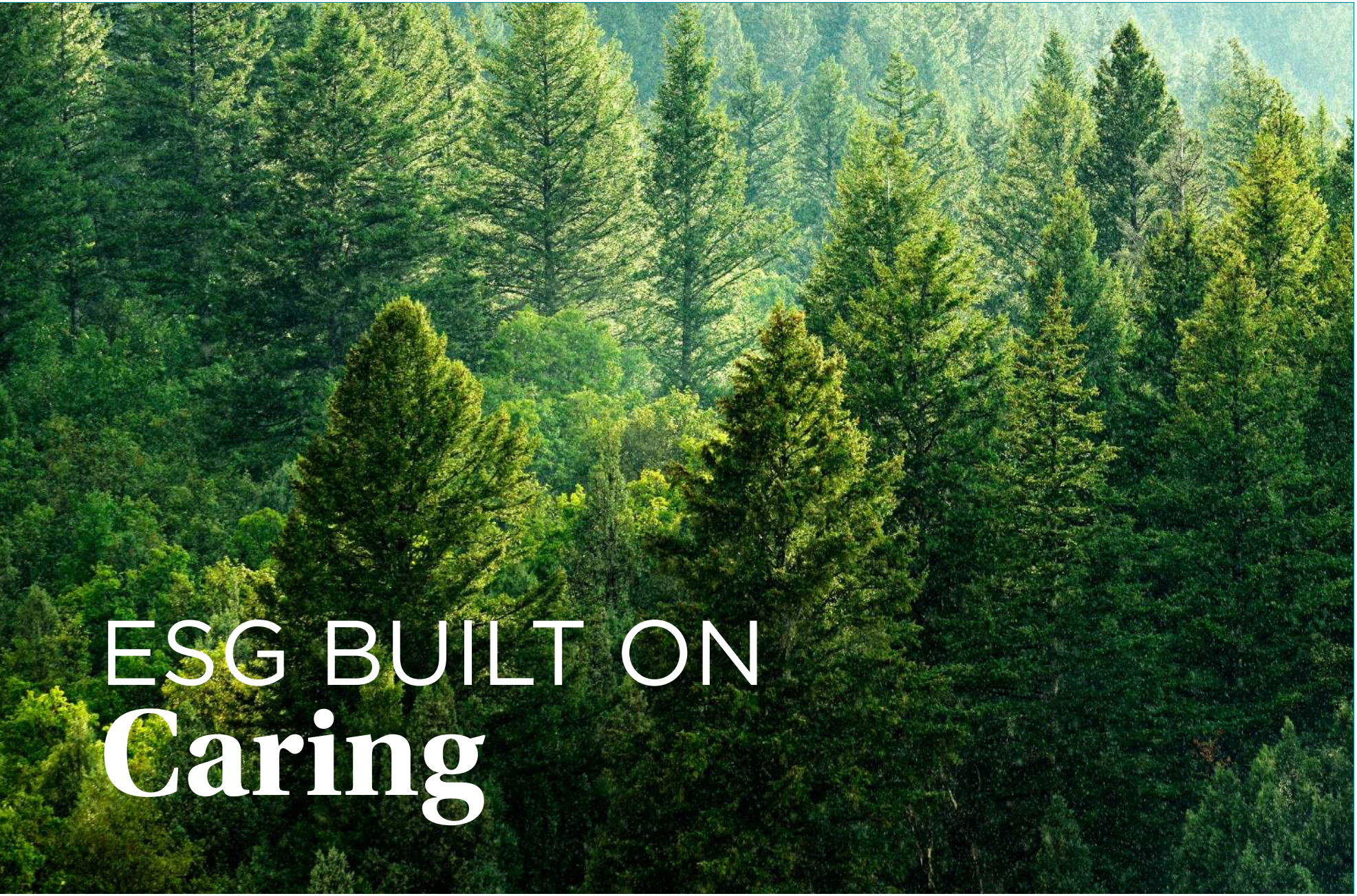
> "Welltower strives to be the partner of choice, the employer of choice, and the investment of choice."

Owning the finest assets and working with the best health care providers is simple in concept, but demanding in execution, and Welltower has been accomplishing it for over 40 years. By investing predominantly in health care real estate, Welltower has built a best-in-industry team backed by experience and a reputation for excellence. This team not only works to drive financial performance and deliver shareholder value, but also to positively impact some of today's most pressing societal challenges. Through Welltower's capital investments, health care providers and operators are able to grow, innovate and ultimately improve people's wellness and overall health care experience.

## World's largest health and wellness real estate platform

| | |
|---|---|
| $54B+ | Enterprise Value |
| $4.7B | 2021 Revenue |
| $5.7B | 2021 Pro Rata Investments |
| $4.0B | Liquidity |
| 1,345 | Seniors Housing Communities |
| 306 | Outpatient Medical Facilities |
| 86% | Located in the U.S. |
| 8% | Located in the U.K. |
| 6% | Located in Canada |
| 28.15% | Five Year Total Return |
| S&P 500 | Market Index |
| BBB+/Baa1 | Investment Grade Balance Sheet |
| 203 | Consecutive Quarterly Dividend Payments to Shareholders Since Inception |
| 20.7M+ | Outpatient Medical Visits |
| 244K+ | Seniors Housing Residents |
| 91K+ | Health Care Professionals |
| 19 | New Long Term Growth Relationships |

NUMBERS THROUGHOUT THIS REPORT ARE AS OF 12/31/21 UNLESS OTHERWISE NOTED.



# ESG BUILT ON **Caring**

# Welltower Cares

102-16

# We *care*...

About our ***healthcare providers***, our ***seniors housing operators*** and the ***communities*** we serve.

About our ***employees***, ***investors*** and ***stakeholders*** who work with us to achieve their professional development and financial goals.

About our ***residents*** who want outstanding treatment and a place to call home.

About our ***impact on the environment and society***, and how we can support positive outcomes through strong governance and sustainable operations.

At Welltower, we are committed to building healthcare infrastructure that provides high quality treatment at lower costs while helping to protect the environment, addressing the changing social needs of an aging population and driving value for our investors. Environmental, social and governance best practices are built into our very foundation and are recognized by leadership as critical to retaining the standard of excellence that our stakeholders expect.

# Our ESG Strategy

102-11 | 103-2 | 103-3

SUSTAINABLE DEVELOPMENT GOALS

Our strategy aligns with six Sustainable Development Goals (SDGs) crafted by the United Nations as "a universal call to action" to end poverty, protect the planet and improve the lives of people everywhere.

3 GOOD HEALTH AND WELL-BEING

- Achieved Silver status in the Workplace Health Achievement Index by the American Heart Association
- Opened Sunrise at East 56th Street community, which attained WELL Silver certification

5 GENDER EQUALITY

- Achieved recognition in the Bloomberg Gender-Equality Index
- Increased female to male gender ratio of our employees to 48.8% female in pursuit of 1:1 gender parity
- Recognized by the Women's Forum of New York for achieving 40% female representation of its independent directors (40% of our Board of Directors are women and 40% of committees are chaired by women)

8 DECENT WORK AND ECONOMIC GROWTH

- 97% of employees completed ESG aligned courses
- Conducted a company-wide employee satisfaction survey with an 83% response rate. Overall engagement score was 85% favorable.
- 10% expansion of the Welltower team in 2021

11 SUSTAINABLE CITIES AND COMMUNITIES

- Attained ENERGY STAR® Partner of the Year, Sustained Excellence Award
- 94 valid green building certifications (26 new in 2021)
- Employees volunteered 262.5 hours

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

- 100% of outpatient medical buildings have recycling programs
- Increased focus on data coverage across the portfolio to optimize and minimize waste streams

13 CLIMATE ACTION

- 5.9% Scope 1 and 2 GHG emissions reduction over 2018 baseline
- 1.3% Control Boundary Energy saved over 2018 baseline
- 9.5% Control Boundary Water saved over 2018 baseline

REFERENCE THE CONSUMPTION DATA CHART ON PAGES 57-58 FOR DETAILED PERFORMANCE INFORMATION

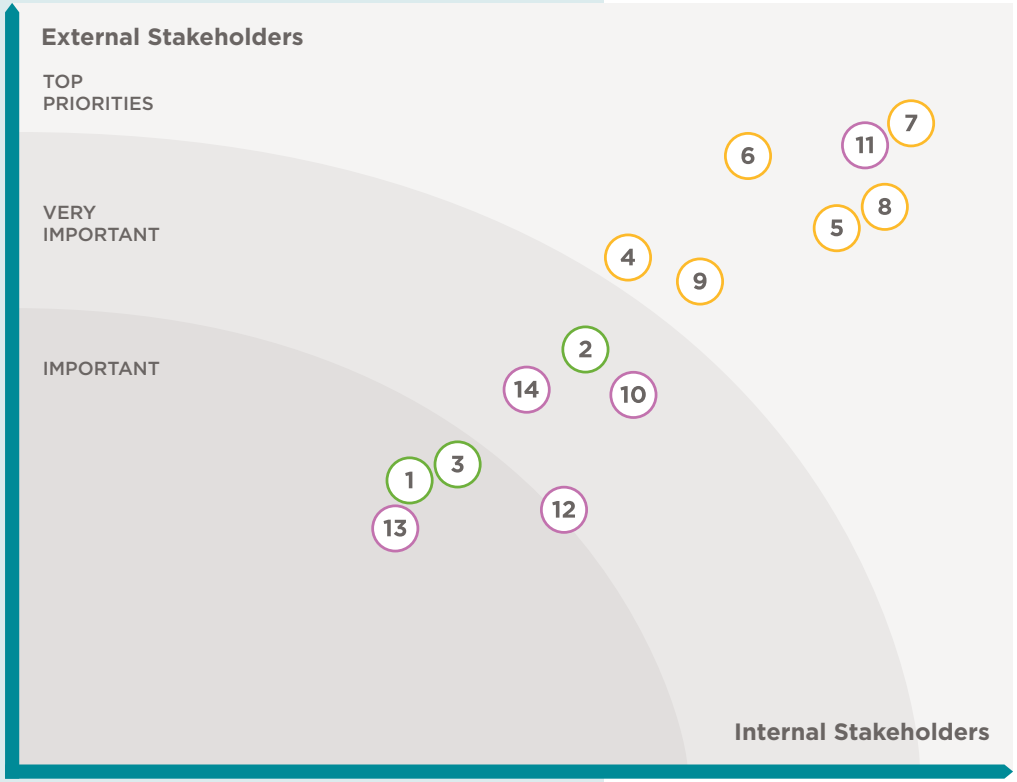
# ESG Matters: 2022 Materiality

102-21 | 102-29 | 102-31 | 102-44 | 102-46 | 102-47 | 103-1 | 103-2

In our recent Environmental, Social, and Governance (ESG) Materiality Assessment, we surveyed 208 stakeholders, including employees, the Board of Directors, tenants, partners and investors to determine which ESG topics they view as most impactful.

Both internal and external stakeholder groups confirmed that ESG was **important** to them with top priorities being social topics including: *health, safety, & wellness*; *talent attraction & retention*; *tenant, resident & operator engagement and satisfaction* and; *employee engagement and satisfaction*. In terms of environmental and governance topics, *data and cybersecurity* was raked as a top priority, and *sustainable operations* was noted as **very important**.

The findings, as seen here, will help us to prioritize our ESG efforts in the coming year and engage our employees, tenants, partners and investors in our ESG initiatives.




## ENVIRONMENTAL

1. Physical and Transition Risks of Climate Change and Resilience
2. Sustainable Operations (Energy, Water, Waste & GHG Performance)
3. Renewable Energy

## SOCIAL

4. Equity, Diversity, and Inclusion (DEI)
5. Employee Engagement & Satisfaction
6. Tenant, Resident & Operator Engagement & Satisfaction
7. Health, Safety, & Wellness
8. Talent Attraction & Retention
9. Human Rights

## GOVERNANCE

10. Transparent Disclosure
11. Data & Cybersecurity
12. Corporate ESG Governance
13. Board ESG Oversight
14. Responsible Supply Chain

# A Decade of Impact

103-3 | 205-2

| | |
|---|---|
| **2012** | Published first corporate sustainability report |
| **2013** | Initiated LED Retrofit campaign across the portfolio |
| **2014** | Formed CORE Women's Diversity Group |
| | Launched Green Arrow Building Certification Program |
| **2015** | Held first Sustainability Summit |
| **2016** | Launched the Welltower Foundation with its first gift of $250,000 to the Alzheimer's Association |
| **2017** | Implemented green leases in our outpatient medical portfolio |
| **2018** | Achieved 55% female and minority independent director leadership on the Board of Directors |
| **2019** | Launched Seniors Housing Efficiency Playbook |
| | Issued first Green Bond |
| | Set short term environmental goals |
| | Launched Diversity Council |
| **2020** | Expanded green projects using Green Bond |
| | Formed diverse Employee Network Groups |
| | Launched Welltower Day of Giving |
| **2021** | **5.9%** Scope 1 and 2 GHG Emissions Intensity Reduction* |
| | **24.7 M** Kilowatt-hours of Green Power Used** |
| | **$277.7 M** Green Bond proceeds utilized as of 9/30/21 |
| | **94** valid green building certifications (26 new in 2021) |
| | **14.7** average training hours per employee, increased from 8 hours in 2020 |
| | **$326 K+** in Charitable Giving, doubling 2020 total giving |
| | **82%** Board diversity achieved |
| | **99%** employee acknowledgement of the Code of Conduct and Anti-Corruption Policy |
| **2022 to date** | Continuing progress towards environmental goals |
| | Launched ESG Steering Committee |
| | Issued Welltower's Second Green Bond |
| | Introduced updated Vendor Code of Conduct |
| | Launched portfolio-wide Climate Change Scenario Analysis |

*ALL ENVIRONMENTAL PROGRESS DATA IS BASED ON A 2018 BASELINE. NUMBERS ARE AS OF 12/31/21 UNLESS OTHERWISE NOTED. REFERENCE THE CONSUMPTION DATA CHART ON PAGES 57-58 FOR DETAILED PERFORMANCE INFORMATION

**NUMBERS REPRESENT KILOWATT HOURS OF GREEN POWER USED IN 2021

# ESG Leadership in 2021

102-12 | 103-3

S&P Global

2022 EDITION OF THE SUSTAINABILITY YEARBOOK

Since 2018

MSCI

AA MSCI ESG RATING

Raised from "A" in 2020

GREEN LEASE LEADER

GREEN LEASE LEADER GOLD LEVEL

Since 2020

*by the Institute for Market Transformation and the U.S. Department of Energy's Better Buildings Alliance*

2021 Bloomberg Gender-Equality Index

GENDER-EQUALITY INDEX

Since 2019

Newsweek

TOP 20 PERCENT OF AMERICA'S MOST RESPONSIBLE COMPANIES LIST

Since 2019

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

2021 DOW JONES SUSTAINABILITY NORTH AMERICA COMPOSITE INDEX

Since 2016

BARRON'S

MOST RESPONSIBLE COMPANIES: ONE OF THE TOP SUSTAINABLE REITs

Since 2020

CDP DISCLOSURE INSIGHT ACTION

MANAGEMENT BAND LEVEL "A-" SCORE

Raised from "B" in 2020

*for taking coordinated action on climate issues*

ENERGY STAR AWARD 2021 PARTNER OF THE YEAR Sustained Excellence

PARTNER OF THE YEAR

2021: Sustained Excellence Award

2019: Partner of the Year

FTSE4Good

FTSE4GOOD INDEX

Since 2012

American Heart Association.

WORKPLACE HEALTH ACHIEVEMENT INDEX

Raised from "Bronze" in 2020 to "Silver"

Since 2018

# Nurturing our ESG Partnerships

102-13

We align with credible global frameworks such as the Task Force on Climate-Related Financial Disclosures (TCFD), the Global Reporting Initiative (GRI) and the Sustainable Accounting Standards Board (SASB). These frameworks help guide our continued growth with accountability and transparency. In addition, we are proud to partner with key industry organizations that are making a difference in the environmental and social landscape. We contributed over $587,000 to industry organizations in 2021.

American Senior Housing Association

Argentum

Better Buildings Alliance

Chief Executives for Corporate Purpose (CECP) Coalition

CEO Action for Diversity and Inclusion

ENERGY STAR Partner

Nareit

The National Investment Center for Seniors Housing & Care (NIC)

Urban Land Institute

US Green Building Council (USGBC) Member

## SUSTAINABILITY RANKING ORGANIZATION ALIGNMENT

- Participation in ESG indices: CDP, DJSI, and GRESB
- Responding to ESG rating questionnaires: ISS, MSCI, Sustainalytics and Vigeo Eiris

# CARING FOR OUR **Environment**

# Caring for Our Environment

103-3 | 302-4

The environment is at the heart of our business, and quantifying our environmental footprint is a crucial first step in setting our reduction goals. From there, we work to implement strategies and projects that will improve our overall efficiency.

## OUR GOAL

10% Reduction in Greenhouse Gas Emissions, Energy and Water Usage Intensity by 2025 over a 2018 Baseline

## OUR PROGRESS TO DATE

**5.9%** Scope 1 and 2 **GHG Emissions Reduction** Over 2018 Baseline

**1.3%** Control Boundary **Energy** Saved Over 2018 Baseline

**9.5%** Control Boundary **Water** Saved Over 2018 Baseline

**14,696** Tons of **Waste** diverted from the landfill in 2021

**382** Total **Efficiency Projects** Implemented to Date

REFERENCE THE CONSUMPTION DATA CHART ON PAGES 57-58 FOR DETAILED PERFORMANCE INFORMATION

# Our Toolkit for Success

102-12

| | |
|---|---|
| **PLAN** | Assess problems, set goals and strategize |
| **DO** | Implement changes |
| **CHECK** | Recognize achievements and areas for improvement |
| **ACT** | Evaluate and track performance |

We utilize ENERGY STAR® Portfolio Manager® for benchmarking, data collection, assessment of property performance and implementation of GHG, energy, water and waste reduction strategies.

In 2021 we increased data coverage by over 180 properties in ENERGY STAR Portfolio Manager for a total of 741 properties which equates to 40% of our entire portfolio being benchmarked.

Our improved data collection capabilities are possible through valued relationships with our seniors housing operators and outpatient medical teams who support this effort. In order to create a holistic picture of our portfolio's environmental performance, we require Portfolio Manager tracking information from 24 operators. As our portfolio continues to grow and we engage with new operating relationships, we encourage them to use ENERGY STAR Portfolio Manager to share and update their data on a regular basis.

## PLAYBOOK IMPLEMENTATION

We continue to utilize our "Performance Playbook: A Guide for Senior Housing Efficiency and Excellence" as an important engagement tool for our seniors housing operating associates. This user-friendly tool, which we developed and launched in 2019, includes a simple overview, links to additional resources and a printable Action Plan on topics such as:

- Reducing energy and water consumption to increase efficiencies and decrease utility costs
- Increasing Net Operating Income
- Enhancing the comfort of residents and staff

## SUSTAINABILITY MANAGEMENT SYSTEM

Welltower cares about driving value and results through improved ESG performance. In 2020, we established a Sustainability Management System (SMS) designed to align with the International Organization for Standardization (ISO) 14001 & 50001 in addition to the ENERGY STAR Guidelines for Energy Management. This internally managed system allows for continuous ESG process improvement by providing the structure to evaluate, monitor and improve our sustainability performance through the "Plan-Do-Check-Act" approach.

# Greenhouse Gas Emissions

302-1 | 305-1 | 305-2 | 305-3 | 305-4 | 305-5 | 305-7

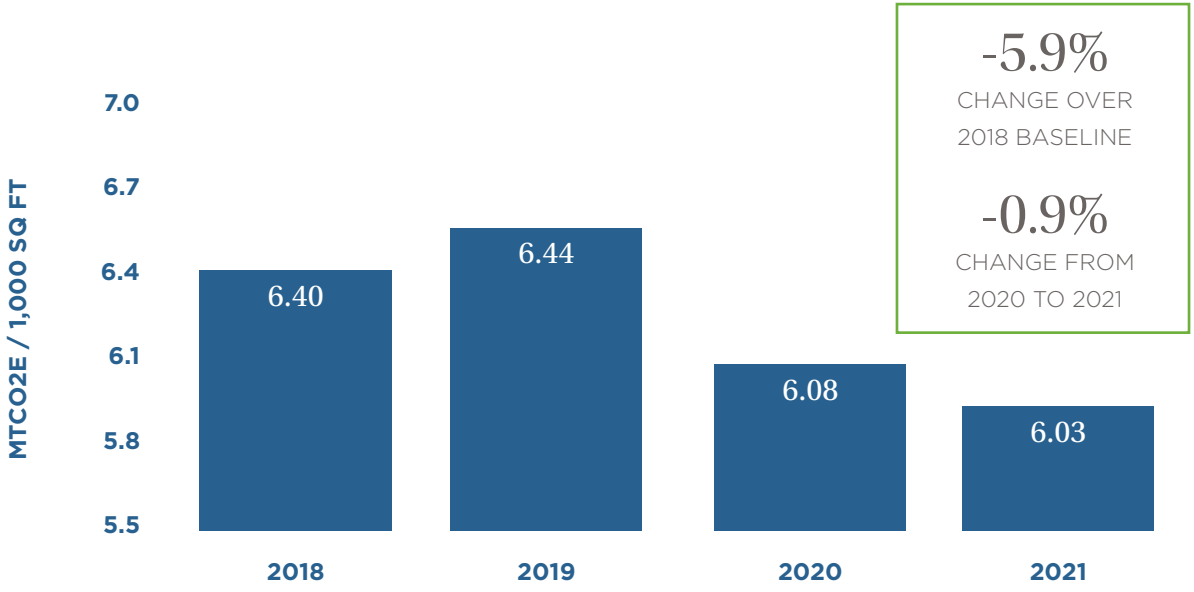
Our goal is to reduce our energy usage and greenhouse gas emissions through the direct operations of our outpatient medical facilities and operational influence of our senior housing portfolio. We track Scope 1, Scope 2, and Scope 3 greenhouse gas emissions for the portfolio, estimating usage data where it is not feasible to collect.

**GOAL**

10% Greenhouse Gas Emissions Intensity Reduction

BY 2025 OVER A 2018 BASELINE

## Intensity Reduction for Scope 1 & 2 Emissions




**Absolute GHG Emissions (MTCO2e)**

ABSOLUTE DATA WAS EXPECETED TO INCREASE DUE TO SIGNIFICANT PORTFOLIO GROWTH YEAR OVER YEAR.

| | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|
| Scope 1 | 115,845 | 137,120 | 126,656 | 147,308 |
| Scope 2 (market-based) | 296,630 | 369,096 | 342,355 | 353,174 |
| Scope 3 | 448,688 | 385,498 | 378,061 | 348,559 |

REFERENCE THE CONSUMPTION DATA CHART ON PAGES 57-58 FOR DETAILED PERFORMANCE INFORMATION

# Energy Efficiency

102-12 | 302-1 | 302-2 | 302-3 | 302-4

At Welltower, we pride ourselves on our ability to actively manage costs while reducing our carbon footprint. By negotiating energy rates with local and national energy companies across our portfolio, we are able to recognize a cost savings that, in turn, financially supports our initiative to expand our procurement of renewable energy.

## GOAL

10% Energy Intensity Consumption Reduction

BY 2025 OVER A 2018 BASELINE

## ENERGY EFFICIENCY EFFORTS:

- Benchmarking performance
- Investing in energy reduction projects that make good business sense for our outpatient medical portfolio
- Implementing our LED Retrofit program
- Negotiating energy rates and providing sustainable purchasing options throughout our seniors housing portfolio
- Participating in the Clean Energy Buyers Association
- Procuring renewable energy where feasible through green power contracts and on-site solar generation

**In 2021 we used 24,700,000 kilowatt-hours of green power.**

## ENERGY STAR® PARTNERSHIP

Welltower is a proud ENERGY STAR® partner and received the ENERGY STAR Partner of the Year Sustained Excellence Award in 2021. This is the EPA's signature recognition that distinguishes corporate energy management programs which demonstrate a commitment to organization-wide environmental best practices and energy savings. This recognition demonstrates our ongoing commitment to excellence in energy performance.

ENERGY STAR AWARD 2021
PARTNER OF THE YEAR
Sustained Excellence

## LED RETROFIT PROGRAM

We continue to utilize our LED Retrofit Program to upgrade properties with LED lighting. By working with supplier and partner Greenleaf Energy Solutions, we have:

| COMPLETED | INVESTED |
|---|---|
| 15 LED Retrofit projects in 2021<br>382 LED Retrofit projects total to date | **$36M** which has generated **$7.4M** in operational cost savings with a return on investment **<5 years** |

| ENERGY INTENSITY (KBTU/SQFT) | |
|---|---|
| Total Portfolio | Total in Control Boundary |
| **2021** | |
| 88.57 | 80.58 |
| **2020** | |
| 84.32 | 78.79 |
| **2019** | |
| 84.04 | 80.08 |
| **2018** | |
| 83.05 | 81.63 |
| **Total Change Over 2018 Baseline** | |
| 6.6% | -1.3% |
| **Total Change from 2020 to 2021** | |
| 5.0% | 2.3% |

REFERENCE THE CONSUMPTION DATA CHART ON PAGES 57-58 FOR DETAILED PERFORMANCE INFORMATION

# Water Conservation

303-1 | 303-5

Caring for our environment means conserving our water usage, which at Welltower is primarily made up of domestic water and irrigation.

**GOAL**

10% Water Usage Intensity Reduction

BY 2025 OVER A 2018 BASELINE

## OUR WATER CONSERVATION EFFORTS

- Benchmarking usage and monitoring usage trends
- Utilizing low-flow and high-efficiency fixtures and equipment throughout our portfolio
- Installing leak detection technology that will alert staff to high usage or slow leaks
- Installing drip irrigation systems
- Planting drought tolerant landscaping
- Aiding in the water management efforts of our properties outside of our operational control

| WATER INTENSITY (GALLONS/SQFT) | |
|---|---|
| Total Portfolio | Total in Control Boundary |
| **2021** | |
| 47.15 | 36.55 |
| **2020** | |
| 50.06 | 35.51 |
| **2019** | |
| 53.00 | 38.25 |
| **2018** | |
| 49.99 | 40.38 |
| **Total Change Over 2018 Baseline** | |
| -5.7% | -9.5% |
| **Total Change from 2020 to 2021** | |
| -5.8% | 2.9% |

# Waste Management

We are committed to comprehensive waste management. By tracking our waste and recycling consumption, we are able to leverage accurate data to establish goals and monitor our progress.

In 2021, our total waste diversion rate was 12% and Welltower recycled 14,696 total tons. In addition, we increased our waste data coverage from 7% in 2020 to 20% in 2021.

## OUR WASTE MANAGEMENT EFFORTS

- Reducing landfill waste and increasing recycling capabilities and rates
- Making responsible purchasing decisions based on the lifecycle of the product
- Requiring outpatient medical buildings within our operational control to have recycling programs
- Encouraging our senior living operating associates to educate residents on responsible waste management and diversion

| WASTE (TONS) | |
|---|---|
| Total Portfolio | Total in Control Boundary |
| **2021** | |
| 111,823 | 44,719 |

| RECYCLING (TONS) | |
|---|---|
| Total Portfolio | Total in Control Boundary |
| **2021** | |
| 14,696 | 6,311 |

REFERENCE THE CONSUMPTION DATA CHART ON PAGES 57-58 FOR DETAILED PERFORMANCE INFORMATION

# Sustainable Purchasing and Supply Chain

102-9 | 102-10 | 102-17 | 308-1

By having a goal of prioritizing purchases with various environmentally-friendly characteristics, there is an embedded reduced environmental impact, as well as a greater opportunity for responsible end-of-life disposal. Welltower has developed relationships with key vendors in our supply chain who have inherent sustainable business models, which provides great opportunities for utilization of sustainable products throughout our outpatient medical office portfolio. In 2020, as part of our biennial review, Welltower surveyed its top suppliers. Out of the suppliers who responded to our questionnaire, no critical supply ESG risks were identified.

## EXTENDING OUR REACH

To further Welltower's commitment to responsible purchasing, these relationships have been extended to the seniors housing operating partners through the Welltower Advisory Services program, an initiative created to actively seek services on behalf of our operating partners to lower costs, improve services, reduce risk and improve sustainability throughout the entire Welltower portfolio. By selecting sustainable vendors offering superior pricing and/or services, Welltower drives participation in this program and the utilization of these sustainable vendors throughout its senior living communities.

## UPDATED VENDOR CODE OF CONDUCT

In 2021, Welltower worked to refresh it's Vendor Code of Conduct and formally released it in 2022 with a broader reach beyond direct suppliers to also include operators, tenants, contractors, consultants and other business associates. Our Vendor Code of Conduct provides specific guidance related to several of Welltower's ESG priorities: business ethics, human rights, ethical labor practices, diversity, equity, inclusion, health, safety, use of company assets and data privacy.

Our Vendor Code of Conduct also provides instructions for how to report known violations and includes an expectation for vendors to self-monitor their compliance. The wide dissemination of our Vendor Code of Conduct facilitated setting expectations for many of Welltower's relationships and helps to align vendor practices with Welltower's ESG goals.

Over $238,000 in Sustainable Building Supply Purchases from HD Supply, a Key Vendor, in 2021

REPRESENTING 23% OF SPEND

# ShawContract:

## *A BENEFICIAL PARTNERSHIP*

Strategic supplier relationships help Welltower drive sustainability throughout its portfolio, reduce supply chain risk and facilitate purchasing of environmentally preferred products. A great example is the relationship with ShawContract. Welltower has worked with Shaw to purchase Cradle to Cradle (C2C) carpet products that are recyclable, have PVC-free backing systems and come with an environmental guarantee for free reclamation and recycling by Shaw.

## FEATURES AND BENEFITS

- EcoWorx provides ingredient transparency through Cradle to Cradle Certification™ at the Silver Level.
- Uses 40% less energy in production than traditional carpet tile
- Weighs 40% less than traditional carpet tile—creating carbon reductions in transport and increasing efficiency in installation

## MEASURABLE PURCHASING IMPACTS

| | |
|---|---|
| 597,892 | Square feet of C2C carpet tile purchased in 2021 |
| 1,721,002 | Square feet of C2C carpet tile purchased since 2017 |
| 367,400 | Pounds of carpet diverted from the landfill in 2021 |
| 1,052,300 | Pounds of carpet diverted from the landfill since 2017 |

# Sustainable Buildings

203-1 | 304-2

In 2022 we anticipate funding approximately **$728 million** in new development projects that were underway as of December 31, 2021.

## CERTIFICATIONS

44 ENERGY STAR® certified properties
*+13 from 2020*

7 LEED® certified properties
*+1 from 2020*

1 WELL® certified property
*NEW in 2021*

5 BREEAM® certified properties
*+1 from 2020*

21 IREM® Certified Sustainable Properties

16 properties with Energy Performance Certificate (EPC) grades B or above

## NEW DEVELOPMENT

Providing high-quality and affordable health care to an aging global population requires vast investments and infrastructure development. Welltower works with its operators and development partners to build state-of-the-art facilities that are environmentally friendly and promote health and wellness for occupants.

One of our strategies is to pursue development opportunities in large metro areas, allowing us to take advantage of existing infrastructure and minimizing the effects on surrounding biodiversity. Through Welltower's best practices, we incorporate energy and water efficient equipment such as high-efficiency lighting and low-flow fixtures in our new developments. We also consider human health and well-being in our spaces, including using materials and finishes that are low emitting to enhance indoor air quality.

### Breaking Ground in 2021/2022

- In an exclusive relationship with Kisco Senior Living, The Carnegie at Washingtonian Center is being designed to International Green Construction Code requirements and exemplifies Welltower and Kisco's focus on developing premier communities with first class amenities and care in an inspirational environment.
- The Balfour at Brookline project, located in the historic 1896 colonial/classical revival style building now known as Mitton House, started construction in 2021 and is pursuing LEED Gold certification.

# Coterie Cathedral Hill:

## *NURTURING MIND, BODY, AND SOUL*

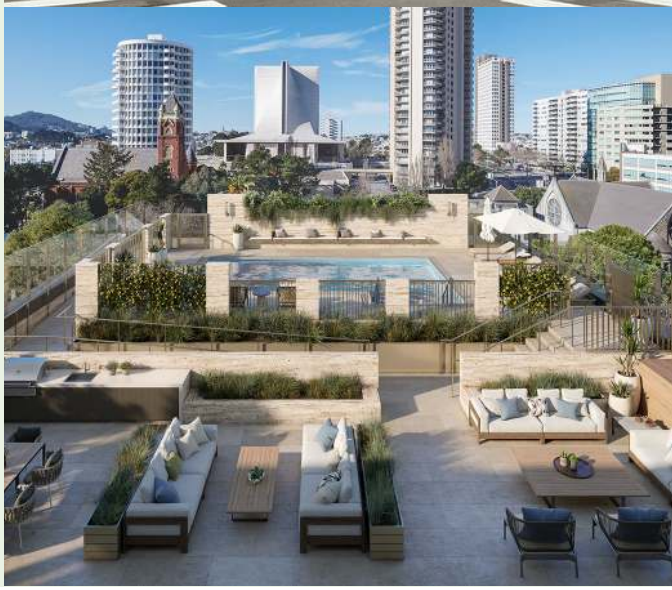
Located in the heart of San Francisco, Coterie Cathedral Hill is a new luxury senior living community in coalition with Related Companies, Atria Senior Living and Welltower which opened in March of 2022.

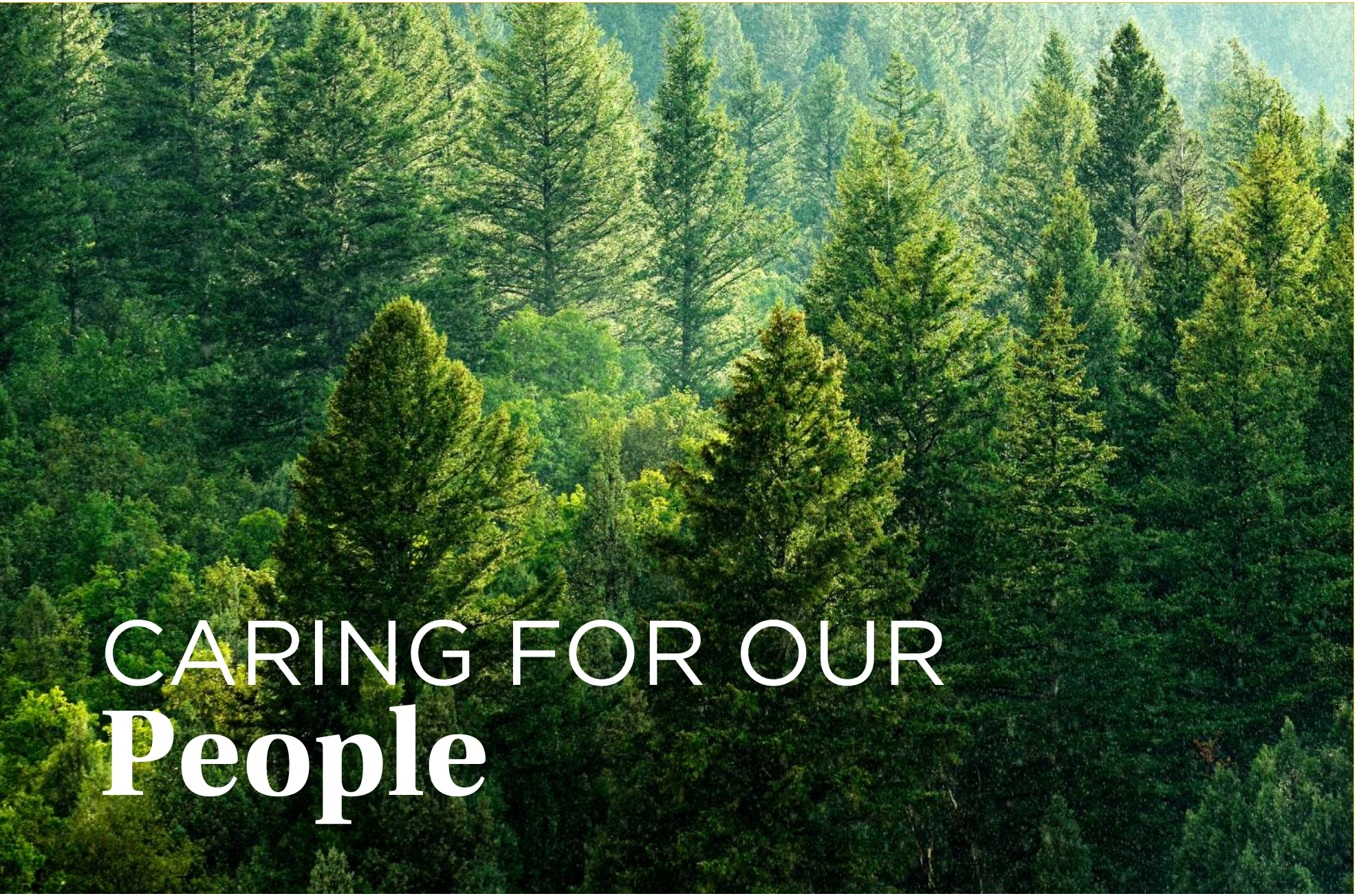
The property was designed with efficiency in mind and utilizes ENERGY STAR certified appliances, low flow plumbing fixtures, and electric vehicle charging in the parking garage, but it is the health and wellness amenities that also make this community stand out.

Awarded
LEED Silver Certification
MAY 2022

**HEALTH AND WELLNESS FEATURES INCLUDE:**

- Circadian lighting system that helps regulate residents' sleep and mood by harnessing natural light
- A rooftop garden with gardening plots available for residents' use
- A state-of-the-art fitness center, staffed with fitness experts for residents who need assistance
- Daily fitness programs and group classes led by local instructors
- A daily social calendar with resident engagement opportunities
- Social connection and engagement for memory care residents
- Private on-site care facilities including a physical therapy room
- Rooftop-pool access for aqua therapy sessions
- 24/7 care team, nursing services, and telemedicine
- Wellness Directors on staff to assist residents with coordination of their health-related needs





# CARING FOR OUR **People**

# Caring for Our People

Welltower is at its core about people. From caring for the residents, to embracing and uplifting our employees, and working with our operators to provide care and support for the aging community, we strive to lead the way on our social contributions. We work to engage our employees, residents, and tenants through satisfaction surveys regularly to make sure that we are providing for their needs and taking action to identify areas for improvement.

## WHO OUR PEOPLE ARE:

465

EMPLOYEES

Our employees are our greatest asset and we seek to provide an inclusive environment, embrace diverse thinking and offer opportunities for them to grow professionally.

1,688

OUTPATIENT MEDICAL RELATIONSHIPS AND TENANTS

We value our relationships with our outpatient medical tenants through whom we are able to provide quality care for our visitors and patients.

### SENIORS HOUSING RESIDENTS & OPERATORS

244k+

RESIDENTS SERVED

91k+

CARE WORKERS

With a 45% projected increase in the 80+ population in the U.S. by 2030, we are dedicated to working with our operating relationships to deliver communities centered around resident wellness and high-quality healthcare for our current and future residents.

# Providing for Our Residents

As one of the first companies to invest in seniors housing, we are helping to redefine the concept of home for an aging population. We provide homes for the growing 55+ demographic which includes senior apartments, independent living, assisted living and memory care communities. Our residents are important to us, and they continue to affirm that the services provided are important to them as well.

## WELLTOWER'S INITIATIVES:

**Align with high-quality operators**

Our operators deliver best-in-class care and coordination services as well as a breadth of wellness and social programming, all designed to enhance residents' quality of life and individual well-being. Integration of technology, including the use of Philips and Amazon Alexa at our East 56th Community, promotes safety and comfort for residents, and peace of mind for their families and loved ones.

**Push for better insurance options**

We facilitate the creation of provider-sponsored health plans to offer more comprehensive care models for both physical and social wellness.

**Connect residents**

We provide education and opportunities for low-deductible and low premium health insurance options for fixed-income residents.

## Case Study: Delivering Wellness Coordination in 2021

In an effort to strengthen our residents' connection with healthcare and wellness resources, we partnered to add onsite Wellness Advisors for our properties across the New York market. To date, this program has been integrated at 10 senior apartment buildings and services approximately 1,200 residents throughout our seniors housing portfolio. The relationship provides residents with services such as clinical advice surrounding blood pressure and chronic conditions, administering vaccines and conducting house call visits.

# Providing for Our Employees

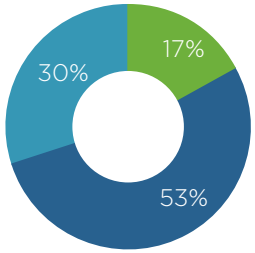
102-8 | 103-3 | 405-1

We are committed to the success of our people. We understand that it is through their unique combination of skills and experiences that we can achieve our mission. Diversity, development, training, rewarding performance and providing opportunities for continued growth are the cornerstones of our Human Capital strategy.

"Welltower is extremely pleased to be named to the Bloomberg Gender-Equality Index for the third consecutive year. Our inclusion in this prestigious index reflects Welltower's prioritization of issues of gender equality and the contributions of a diverse workforce to our overall success."

**PAM BYRNE**
**SENIOR VICE PRESIDENT, HUMAN CAPITAL**

## AGE



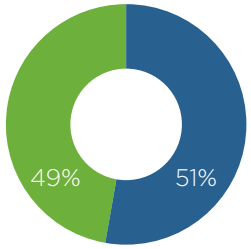

● <30 ● 30-50 ● >50

TOTAL EMPLOYEES

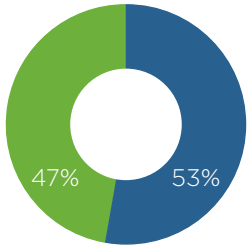
**465**
EMPLOYEES

**82%**
OF THE BOARD OF DIRECTORS ARE WOMEN OR ETHNICALLY DIVERSE

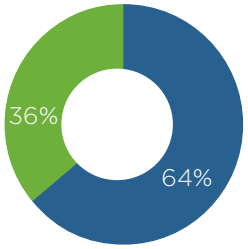
## GENDER DIVERSITY




Total Employees



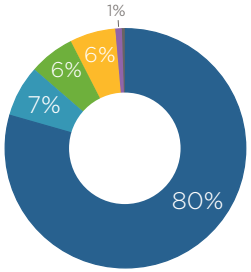

Manager & Above



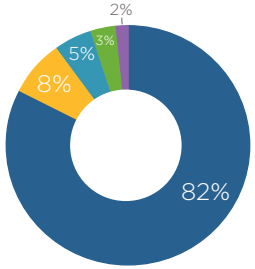

Board of Directors

● FEMALE ● MALE

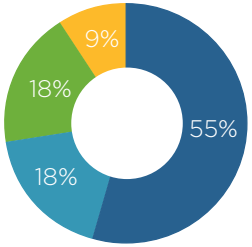
## ETHNIC DIVERSITY




Total Employees




Manager & Above




Board of Directors

● ASIAN ● BLACK OR AFRICAN AMERICAN ● HISPANIC OR LATINO
● NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER ● TWO OR MORE RACES ● WHITE

NUMBERS AS OF 12/31/21. ETHNIC DIVERSITY METRICS ONLY INCLUDE US-BASED EMPLOYEES.

# Diversity and Inclusion at Welltower

405-1

"At Welltower, we believe that the success of our business is a result of our employees. Diversity and inclusion are key forces that help sustain our company's idea-driven culture. Our focus has always been on attracting and retaining the best people who bring with them innovative approaches and ideas. Diversity is a direct result of this focus, it is not possible to achieve without it."

**TIM MCHUGH**
**EVP & CHIEF FINANCIAL OFFICER**

Welltower understands that fostering diversity and inclusion allows us to benefit from understanding, appreciating, and leveraging our differences to give our organization a competitive advantage. We are committed to making Welltower a diverse and inclusive workplace, as well as valuing our people for who they are as much as what they contribute.

## DIVERSITY COUNCIL

### MISSION

To foster a shared culture at Welltower that promotes the goals of accepting, respecting and valuing differences that include attributes such as age, race, gender, ethnicity, religion, sexual orientation, gender expression, gender identity, ability, language, family circumstances and cultural backgrounds.

### PRIORITIES

- Attracting and retaining talent with a broad variety of skills, a key attribute of the Welltower talent experience
- More effectively addressing market, tenant, and resident needs
- Growing our reach through new business relationships

## EMPLOYEE NETWORK GROUPS (ENG)

**235+**

EMPLOYEES PARTICIPATED IN AN ENG IN 2021

*OUR GOAL FOR 2022 IS TO GROW PARTICIPATION BY 10%*

Welltower encourages employees to participate in our successful ENGs, reflecting the demographic diversity in our workforce. Our ENGs meet regularly throughout the year and ENG leaders participate in the Diversity Council.

**Our ENGs include**

- African American ENG
- Armed Forces ENG
- Hispanic ENG
- LGBTQIA+ ENG
- Parents ENG
- South Asian ENG
- Well+CORE Women's ENG
- Young Professionals ENG

## PROMOTING JEDI (JUSTICE, EQUITY, DIVERSITY AND INCLUSION) 412-2

### Justice
**THROUGH DISCUSSION**

- We issued a public Call for Peace and Understanding.
- We hosted a Welltower Diversity Forum, a Well+CORE Corporate Social Responsibility Forum, and multiple employee-led small group conversations on equity and justice.

### Diversity
**THROUGH LEADERSHIP**

- Our Diversity Council carries out Welltower's core values by celebrating and harnessing the strengths of our diverse organization.
- We champion gender equity and diversity in our boardrooms, C-suite and leadership with over 82% diversity on our Board and a 50% diverse leadership team in 2021.

### Equity
**THROUGH DEVELOPMENT**

- Our Rotational Analyst & Associate Programs create leadership paths for under-represented groups by meeting with minority student clubs at universities where we recruit.
- We provide ESG-specific training for employees and encourage unconscious bias training for managers.
- Our ENGs hosted virtual trivia nights to promote diversity education and connect with colleagues of all backgrounds.

### Inclusion
**THROUGH PARTICIPATION**

- We honor multiple days and months for JEDI-aligned education and remembrance, including Black History Month, Juneteenth, Martin Luther King Day, Memorial Day, Women's History Month, Pride Month and Hispanic Heritage Month.
- We launched, support and contribute to eight Employee Network Groups (ENGs)
- We encourage employee participation in WELL-READ, a book club founded with the mission of promoting diversity and inclusion through discussion of books that have been picked by our ENGs.

Chosen by the Hispanic ENG in recognition of Hispanic Heritage Month, the October WELL-READ book was "My Beloved World" by Sonia Sotomayor.

# Recruitment and Retention

401-1

Above Minneapolis Team celebrating their 2021 holiday party; Below: West Region team bowling

**welltower Awards**

We acknowledge and applaud the hard work and contributions of our employees through the Welltower Award. **Thirteen employees were recognized** company-wide for their innovation, leadership, value creation, and customer focus in 2021.

## 2021 New Hires

| 128 NEW HIRES | 10%+ NET TEAM EXPANSION |
|---|---|
| **Female** | 62 |
| **Male** | 66 |
| **Racially Diverse** | 26% |

*+8% increase in number of diverse hires over 2020*

## 2021 Retention

| 87.5% MALES | 88.4% OVERALL RETENTION | 89.3% FEMALES |
|---|---|---|

| | |
|---|---|
| **Voluntary Retention** | 94.9% |

**Voluntary Employee Turnover**

| | | | |
|---|---|---|---|
| 2015 | 8.9% | 2019 | 9.2% |
| 2016 | 8.2% | 2020 | 6.1% |
| 2017 | 10.7% | 2021 | 8.5% |
| 2018 | 14.4% | | |

Congratulations to Mark Coleman of the Minneapolis team who retired this year after a dedicated career of 32 years as a building engineer at Westminster in St. Paul, MN.

# Training and Development

404-1 | 404-2 | 404-3 | 405-2

We encourage all our employees to work together with their manager to plan and identify resources to support their career growth. We offer resources, training and tools designed to help our new emerging professionals develop into future leaders, and our experienced professionals advance their careers.

| 2021 Promotions | |
|---|---|
| 34 PROMOTIONS | |
| **Female** | 47.1% |
| **Male** | 52.9% |

| 2021 Compensation Ratio: Male / Female | |
|---|---|
| **Senior VP / Executive** | 1 / 0.86 |
| **Assistant VP & Director / VP** | 1 / 0.96 |
| **Manager** | 1 / 0.83 |
| **Non-Manager** | 1 / 0.89 |

INCLUDES ALL EMPLOYEES, IN ALL COUNTRIES

**Our employee development opportunities include**

- Certification/Professional Development Assistance for job-related certification courses
- Manager Development & Coaching Program
- Mentorship Program
- Rotational Analyst & Associate Program
- Internship Program
- Department Speaker Series
- Tuition Reimbursement and Student Debt Program
- Unlimited access to LinkedIn Learning

**Training is a crucial part of career development. We are proud to invest in our employees' futures.**

- $773K+ invested in employee training in 2021*
- $62K+ in tuition reimbursement
- $80K+ in student loan reimbursement
- $1,663 per full time equivalent (FTE) on training and development**
- 14.7 Hours of training per FTE** +6.7 hours per FTE over 2020
- 99.1% of employees received professional training
- 166 employees participated in the Mentorship program
- 97% of employees received ESG training
- 99% of employees received health & safety training

## Promoting ESG with Our Employees

*Since 2016, we have engaged employees in our "Walk the Walk" campaign educating and engaging our employees to be leaders in sustainability.* ***HERE IS HOW WE DO IT...***

- Participation in ESG specific trainings
- ESG Communication via Instant messaging and social media posts
- Weekly sustainability updates to the Finance, Capital Markets and Accounting teams
- Promoting ESG topics in "The Now," our popular internal podcast

*TRAINING INCLUDES INSTRUCTOR LED PROGRAMING, WEB-BASED SELF-STUDY, TUITION ASSISTANCE, AND SUPPORT TO ATTEND CONFERENCES AND SEMINARS
**AVERAGE

# Ensuring a Culture of Safety

102-17 | 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-9

Managed by our cross-functional safety committee, our safety program's objective is to empower employees to take ownership of their safety and the safety of those around them. Our recently updated Employee Handbook contains health and safety procedures and policies as well as instructions for reporting injuries to Risk Management using our Riskonnect portal.

## We strive to maintain a safe working environment through the following methods:

### SAFETY TRAINING

We regularly train our employees to recognize and mitigate common safety risks.

### SAFETY INSPECTIONS

Routine safety inspections at our properties assess operational risks and provide recommendations on how to reduce them.

### SAFETY COLLABORATION

Through our Vendor Code of Conduct we require external contractors to follow regulatory requirements and work in a safe manner when completing projects at our facilities.

### CHEMICAL SAFETY

In 2021 we started utilizing Verisk 3E software as a centralized data collection tool to track and list chemicals being used at our properties. The list can be quickly accessed via phone or computer and contains Safety Data Sheets on each chemical as well as 24/7 support in case of an emergency.

### SAFETY BY THE NUMBERS

**2.45**
EMPLOYEE LOST TIME INJURY FREQUENCY RATE
(PER MILLION HOURS WORKED)

**0**
WORK RELATED EMPLOYEE FATALITIES

**1,637**
HOURS OF SAFETY TRAINING PROVIDED

# Caring Through COVID-19

Since the start of the COVID-19 pandemic through today, Welltower has been working with our residents, employees, healthcare partners, operators and managers to help create safe and healthy environments for our building occupants. In 2021, we took actions designed to provide for safety and well-being.

## COVID-19 RESPONSE BY THE NUMBERS

**$137M+**

OF FUNDING SECURED FROM HHS AND SIMILAR PROGRAMS IN THE U.K. & CANADA*

**Over 90%**

OF SENIOR HOUSING RESIDENTS ARE VACCINATED FOR COVID-19**

**Over 90%**

OF SENIOR HOUSING STAFF ARE VACCINATED FOR COVID-19**

**89%**

WELLTOWER EMPLOYEES VACCINATED FOR COVID-19***

**99%**

OF WELLTOWER EMPLOYEES RECEIVED COVID-19 TRAINING

*TOTAL FUNDING RECEIVED THROUGH 3/31/2022
**AS REPORTED BY OPERATORS AS OF 4/30/2022
***AS OF 5/31/2022

## FOR OUR EMPLOYEES:

- Established office safety protocols
- Implemented alternative work schedules including, hybrid, remote, and flexible working arrangements
- Deferred non-essential activities or adjusted timing to non-business hours
- Remotely monitored mechanical plant/ equipment
- Provided enhanced PPE and healthcare monitoring
- Conducted training courses on COVID-19 prevention
- Encouraged vaccinations and boosters
- Offered paid time off for obtaining and managing vaccine side effects
- Increased internal communications across the organization

## FOR OUR RESIDENTS:

- Implemented enhanced cleaning procedures built from EPA and CDC guidance
- Adjusted HVAC operations following guidance issued by ASHE and ASHRAE
- Suspended amenities with high contact frequency or replaced them with remote alternatives
- Posted signage to provide guidance and enhance social distancing

# Well+BEING Program

***ENRICH YOUR MIND,***

***EMPOWER YOUR BODY,***

***ENGAGE YOUR COMMUNITY***

We believe in empowering our employees with the knowledge and tools to make healthy and positive lifestyle decisions. Our signature wellness program, Well+BEING, focuses on mental and physical health challenges that commonly affect employees. We offer tools such as fitness classes, gym membership reimbursements, stress relief programs, seminars and health screenings.

**WELL+BEING BY THE NUMBERS**

241

PEOPLE PARTICIPATED IN STEP CHALLENGES

$54,000+

CONTRIBUTED TO EMPLOYEE GYM AND WELLNESS REIMBURSEMENTS

58

BIOMETRIC HEALTH SCREENINGS CONDUCTED

## Reaching Silver Status

In 2021, we proudly achieved the Silver level of the American Heart Association's 2021 Workplace Health Achievement Index. This is our 4th consecutive year on this list and our first Silver recognition.

# Employee Benefits

201-3 | 401-2 | 401-3

## A number of competitive and comprehensive benefits are available to care for our employees and their families.

### HEALTH & WELLNESS

- Comprehensive and progressive Medical/Dental/Vision options
- Treatments for autism, fertility, acupuncture and more
- Hybrid, remote, and flexible working arrangements
- Wellness reimbursement for qualified wellness expenses
- Well+BEING Program

### FINANCIAL WELLBEING

- Employer-matching 401(k) Retirement Program
- Student Debt Program
- Employee Stock Purchase Program
- Short and long-term disability coverage and life insurance

### TIME OFF & FAMILY

- 12 weeks fully compensated Maternity Leave for primary caregiver*
- 2 weeks fully paid Caregiver Leave (includes birth of a child, adoption, foster care, or care for a family member with a serious health condition)
- 3 days of paid Senior Caregiver leave
- Summer Hours Program
- Generous Paid Time Off and Holidays (152+ hours of PTO, which increases with tenure)
- Dedicated breast-feeding/ lactation facilities
- Flexible Spending Account in which employees can contribute pre-tax funds (up to $5,000) for dependent care

*WHEN COMBINED WITH CAREGIVER LEAVE

EMPLOYEES ACKNOWLEDGE THAT THEY HAVE REVIEWED THE EMPLOYEE HANDBOOK OUTLINING WORKPLACE POLICIES, BENEFITS AND GUIDELINES

# Supporting Our Community

413-1

Welltower cares about community, and we maintain a very active presence in the communities where we live and work. As part of our community involvement, we have supported a variety of causes including disaster relief efforts, culture and the arts, health and social services, diversity and inclusion, education and more.

**CHARITABLE GIVING**

$326,000+

IN CHARITABLE GRANTS AND EMPLOYEE MATCHING IN 2021

**VOLUNTEERING**

262.5

EMPLOYEE VOLUNTEER HOURS IN 2021

**WELLTOWER'S DAY OF GIVING**

73

EMPLOYEES VOLUNTEERED ACROSS 5 LOCAL OFFICE ORGANIZED VOLUNTEER ACTIVITIES

## THE WELLTOWER CHARITABLE FOUNDATION

Established in 2016 and expanded and relaunched in 2021, the Welltower Charitable Foundation has provided more than $42 million in cash and in-kind support since its inception. Support in 2021, totaling over $326,000, includes:

wellMATCHED

Employee matching - **$30,000+**

give well

Corporate Charitable Grants - **$180,000**

Employee Network Group (ENG) sponsored contributions - **$78,000**

### Supporting Our Military

In honor of Veterans Day, Welltower's Armed Forces ENG hosted Sergio Alfaro on behalf of the Wounded Warrior Project, who graciously shared his story as a veteran of the Iraq War. In addition, a donation of $10,000 was presented to the Wounded Warrior Project in support of its mission to aid veterans.

**THIS YEAR WE SUPPORTED**

**50+**

**501(C)(3) ORGANIZATIONS**

## 2ND ANNUAL DAY OF GIVING

We expanded our second annual Day of Giving in 2021, allowing our employees an opportunity to make an impact for local charitable organizations through global volunteer opportunities conducted during work hours. Above is a group of employees who helped pack, serve and deliver meals to seniors in their neighborhood through the Citymeals on Wheels program. In addition, donations were awarded to five very deserving organizations as part of our Day of Giving.

# Leadership
## BUILT ON CARING

# Leadership Built on Caring

102-18 | 102-19 | 102-20 | 102-22 | 102-32

Welltower is working to utilize best practices for corporate governance. Our governance framework is guided by our Corporate Governance Guidelines in conjunction with our Certificate of Incorporation, By-Laws and Board committee charters. This framework is aligned with our ESG principles and provides structure for our ESG programs and commitments.

## OUR ESG GOVERNANCE CURRENTLY INCLUDES:

- Dedicated ESG team members led by the Assistant Vice President, Capital Markets & ESG
- Oversight by our Board of Directors through the Board's Nominating/ Corporate Governance Committee
- An ESG Steering Committee responsible for assisting and advising our leadership teams on ESG matters
- Regular ESG communications with the Board of Directors, Chief Executive Officer and Chief Financial Officer
- Expanded benchmarking and sustainability data collection protocols
- ESG goals and organization-wide performance requirements that are open to contributions by employees at all levels

## We are a Member of the Chief Executives for Corporate Purpose (CECP) Coalition

Welltower was proud to have 82% female and minority representation on our Board of Directors in 2021, making us an industry leader for board diversity and earning us recognition in the 2021 Bloomberg Gender-Equality Index for the third consecutive year. Our Board also brings diverse expertise from a range of industries, including health care, health insurance, real estate, cyber security and hospitality.

# Meet Our Board of Directors

102-18 | 102-19 | 102-22 | 102-23

Kenneth J. Bacon
CHAIR AND
INDEPENDENT DIRECTOR

Shankh Mitra
DIRECTOR

Karen B. DeSalvo
INDEPENDENT DIRECTOR

Philip L. Hawkins
INDEPENDENT DIRECTOR

Dennis G. Lopez
INDEPENDENT DIRECTOR

Ade J. Patton
INDEPENDENT DIRECTOR

Diana W. Reid
INDEPENDENT DIRECTOR

Sergio D. Rivera
INDEPENDENT DIRECTOR

Johnese M. Spisso
INDEPENDENT DIRECTOR

Kathryn M. Sullivan
INDEPENDENT DIRECTOR

Jeffrey H. Donahue served as a director since 1997.
He retired from the Board on May 23, 2022 and did not stand for election at the 2022 Annual Meeting of Shareholders.

# Stakeholder Engagement

102-40 | 102-42 | 102-43

Welltower employs outreach efforts with our stakeholders relating to ESG matters such as reviewing operational issues, identifying priorities and developing services. Feedback is shared with our Board of Directors, giving us valuable insights to inform our decisions.

We engage with our stakeholders year-round through our ESG communications which include our ESG website, annual ESG Report, financial data and reports, press releases and meetings.

## EMPLOYEES

- Engagement through periodic employee surveys, dedicated internal communication platforms, town halls and new hire onboarding
- Podcasts on "The Now"
- Whistleblowing and the Governance Hotline
- Welltower Code of Business Conduct and Ethics
- Workshops and training sessions

## TENANTS AND OPERATING RELATIONSHIPS

- Green lease utilization
- Newsletters and the Performance Playbook
- Events throughout the year on efficiency topics
- Welltower Advisory Services
- Welltower Vendor Code of Conduct
- ESG Materiality Assessment
- Tenant Survey

## INVESTORS AND FINANCIAL COMMUNITY

- Periodic face-to-face discussions, meetings, conferences and roadshows
- Publication of our annual ESG Report
- Governance Hotline
- Participation in investor ESG surveys and ESG-related conversations
- Welltower Vendor Code of Conduct
- ESG Materiality Assessment

## SUPPLY CHAIN

- Business review meetings with key national suppliers
- Welltower Vendor Code of Conduct
- Modern Slavery and human trafficking statement
- Communication and engagement tools
- Biennial vendor evaluation questionnaire to measure vendor risk and opportunities, including ESG criteria

## LOCAL COMMUNITY COHORTS

- Hosting community events at Welltower properties
- Periodic face-to-face discussions and meetings

## GOVERNMENT AGENCIES

- Responding to and consulting with government bodies
- Working to comply with municipality ordinances which often result in cost savings for Welltower and operators
- Working with regulatory bodies and local authorities on local and state planning and policy matters

## INDUSTRY PEERS

- Participating in multi-stakeholder forums and roundtables
- Presenting at industry-wide events and conferences
- Joining and leading industry initiatives
- Belonging to trade and industry associations

# Risk Management Process

102-30

To identify, prioritize and coordinate the mitigation of risks that can impact our operations, Welltower has an established Enterprise Risk Management (ERM) program. The ERM program is led by a cross-functional leadership committee which reports regularly to the Board of Directors and Executive Leadership through the General Counsel.

**Welltower is diligent about assessing and mitigating risk exposure. Risks are categorized into one of four areas:**

- Financial
- Compliance
- Operational
- Strategic

**Our process:**

- Identify high-risk focus areas on an annual basis, and relevant risks through regular communication between the committee and each business area throughout the year.
- Conduct meetings to discuss the magnitude of each risk and related mitigation strategies.
- Confirm risk mitigation strategies.
- Present the high-risk focus areas and mitigation strategies to the Board of Directors for review and approval.
- Implement the mitigation strategy. This may include but is not limited to the enhancement of company polices, employee training, or the development and deployment of a standardized action plan.
- Report on the progress of the mitigation strategies to the Board of Directors.

## CLIMATE RISK & TRANSITIONAL RISK MANAGEMENT

102-15 | 201-2

To proactively assess and manage risks that could impact critical business functions, Welltower has taken various strategic steps to identify physical climate risks and transitional risks. In 2021, Welltower built on its strong risk management processes and added another layer of analysis for heat stress, water stress, wildfire risk, flood risk, hurricanes, typhoons, changing regulations, and changes in customer and investor preferences.

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

**Launching a Portfolio-wide Climate Change Scenario Analysis**

We have utilized Moody's ESG Solutions Physical Climate Risk Application to perform a portfolio-wide climate change analysis to help us identify and measure our potential climate risk exposure. The analysis located across the next three pages summarizes these risks and groups them by timeframe, as well as identifies opportunities for risk mitigation.

We are also aligned with the Task Force on Climate-Related Financial Disclosures (TCFD), which helps guide our strategy for identifying, managing and disclosing climate risks and opportunities. The TCFD Index can be found on page 44.

**Managing Climate Risk**

Welltower maintains a diversified portfolio with the majority of assets located outside of high-risk areas. We work to confirm that our insurance policies substantively cover climate-change-related events, though our ultimate goal is to proactively determine how we can prevent property damage and loss before these extreme weather events occur.

To prepare our properties for potential climate risks, Welltower develops and deploys disaster recovery plans to applicable locations and employees, which includes identifying critical business functions, holding stakeholder interviews and producing key policies and procedures.

By conducting climate assessments at the individual asset level, we are able to identify which properties are potentially at high risk of severe weather events caused by climate change. Ultimately, this allows us to efficiently implement new technologies and systems across our portfolio, including:

- Installing cool roofing systems to reduce heat transfer
- Optimizing HVAC run times
- Incorporating leak detection systems and drought-tolerant landscaping
- Installing hurricane-proof windows (where applicable)
- Incorporating green lease language and developing engagement and support programs (Performance Playbook and Tenant Improvement Guidelines)
- Expanding green bond program funding

| Risk | Exposure* | Approach and Opportunities |
|---|---|---|
| **SHORT TERM: 1-4 YEARS** | | |
| **Heat Stress**<br>An increase in extreme temperature could cause increases in building cooling loads and associated operating and maintenance costs, heighten risk of brownouts / power outages as well as create stress in human health / labor force. | **Financial: Low**<br>**Geographic: Low**<br><br>Represents exposure to relatively high changes in extremes compared to the global temperature average. | Install cool roofing systems across applicable climate-impacted assets to reduce the heat transfer, keep HVAC run times optimized, improve occupant comfort and reduce heat island effect.<br><br>Welltower has already installed cool roofing systems at multiple properties. |
| **Water Stress**<br>Change in water supply and demand can increase water cost, erode social license to operate and/or damage property reputation. | **Financial: Medium**<br>**Geographic: Medium**<br><br>Represents areas where competition for water resources is extreme and areas where water stress is already high and water supplies are diminishing. | Perform water efficiency upgrades designed to have 25% or higher efficiency gain, including irrigation systems, leak detection, drought-tolerant landscaping and low-flow fixtures. |
| **Wildfire**<br>Change in fire potential can create a permanent loss of property value, cause stress on human health and ecosystem services, create business interruptions and increase insurance costs. | **Financial: Low**<br>**Geographic: Low**<br><br>Represents areas with high wildfire potential and/or availability of burnable fuel. | Welltower maintains a large, diversified portfolio with the majority of assets located outside of high-risk areas for wildfires.<br><br>Develop and deploy Disaster Recovery plans, which includes identifying critical business functions, holding stakeholder interviews and producing key policies and procedures. |
| **Regulatory**<br>There is an increasing number of national, local and state policies and ordinances around energy and carbon reduction in the U.S., the U.K. and Canada. Legislation continues to increase and there is the potential for new legislation to require companies to meet certain energy/water efficiency or carbon reduction standards. | Portfolio-wide transitional risk exposure. | Annually review legislative requirements for the portfolio and individual assets to support ongoing reporting and compliance efforts. |

*REPRESENTS OUR IN-PLACE PORTFOLIO'S POTENTIAL EXPOSURE TO THE TOP TWO RISK THRESHOLDS OUT OF FIVE AS IDENTIFIED BY MOODY'S ESG SOLUTIONS PHYSICAL CLIMATE RISK APPLICATION. FINANCIAL EXPOSURE IS MEASURED AS A PERCENTAGE OF 4Q21 IN-PLACE NOI, WHILE GEOGRAPHIC EXPOSURE IS MEASURED AS A PERCENTAGE OF PRO RATA SQUARE FEET OWNED AS OF 4Q21. EXPOSURE IS GROUPED INTO THREE CATEGORIES: LOW: LESS THAN 30%; MEDIUM: 30-60%; AND HIGH: GREATER THAN 60%.

| Risk | Exposure | Approach and Opportunities |
|---|---|---|
| **MEDIUM TERM: 5-9 YEARS** | | |
| **Floods**<br>Change in rainfall conditions, size and frequency of possible floods could result in damage and/or loss of property, compromise infrastructure and create operational interruptions. | **Financial: Low**<br>**Geographic: Low**<br><br>Represents exposure to high frequency and/or severe rainfall or riverine flooding during a 100-year flood, and susceptibility to some flooding during rainfall or riverine flood events. | Develop and deploy Disaster Recovery plans, which includes identifying critical business functions, holding stakeholder interviews and producing key policies and procedures. Take steps to confirm that Welltower's insurance policies substantively cover weather-related events. |
| **Hurricanes & Typhoons**<br>Increased exposure to cyclones, hurricanes, and typhoons could result in severe damage and/or loss of property, permanent loss of property value, substantial relocation costs and higher insurance premiums in higher risk areas. | **Financial: Low**<br>**Geographic: Low**<br><br>Represents highest risk areas and areas situated in a regular path of tropical cyclones. | |
| **Technology**<br>As technology continues to advance, outdated systems may need to be replaced with more advanced or efficient systems in order to communicate with other building or automated systems. New equipment, upgrades, trainings, and software have an associated cost and may be essential for continued operation. | Portfolio-wide transitional risk exposure. | Evaluate opportunities to integrate new technologies, automation systems or other high-efficiency options across the portfolios in an effort to reduce operating costs and mitigate transitional risk.<br><br>Lower cost of capital from Green Bond proceeds used to support the integration of new, advanced systems and technologies across our portfolio. These include projects such as financing or refinancing properties that are anticipating top-tier green building certifications or energy ratings from organizations such as LEED or BREEAM, and energy and water efficiency upgrades designed to have 25% or higher efficiency gain, including LED lighting retrofits, HVAC and chiller replacements, irrigation systems and installation of low-flow fixtures. |

| Risk | Exposure | Approach and Opportunities |
|---|---|---|
| **LONG TERM: 10+ YEARS** | | |
| **Sea Level Rise**<br>Heightened storm surges augmented by sea level rise could cause physical damage to our buildings along the coast, business interruptions for our operators and tenants, permanent loss of property value, increased relocation costs and increased insurance premiums on properties in "high-risk" locations. | **Financial: Low**<br>**Geographic: Low**<br><br>Represents areas at the highest risk and areas that are susceptible to some degree of coastal flooding in 2040. | Welltower maintains a large, diversified portfolio with the majority of assets located outside of coastal and other high-risk areas. |
| **Reputational Risk**<br>Due to evolving stakeholder preferences for supporting more sustainable companies, there is a reputational risk of not incorporating sustainability practices and addressing high-risk assets. | Portfolio-wide transitional risk exposure. | Proactively and publicly work to reduce energy usage, water usage and GHG emissions in our buildings while increasing building value for our stakeholders. Our goal is to reduce our greenhouse gas emissions, energy and water usage 10% by 2025 over a 2018 baseline.<br><br>Annually publish an ESG report to share progress towards goals and other ESG accomplishments. |

# Governing Policies and Best Practices

102-17 | 102-18 | 102-25 | 205-1 | 205-2 | 412-2

At Welltower, we always strive to govern with integrity and require our directors, officers and employees to adhere to a strict set of ethical standards. We have established and enforce policies in the following areas to promote mitigating risk exposure, behaving ethically and protecting our employees, residents, investors, assets and environment.

Our governance documents are publicly available on our website, including a Governance Hotline for anyone who has a concern regarding questionable accounting, internal accounting controls or auditing matters relating to Welltower Inc.

## CYBERSECURITY

Welltower's management team identifies and assesses information security risks using industry practices aligned to recommendations from the National Institute of Standards and Technology (NIST).

**Our process:**

- Engage independent firms to assess cybersecurity capabilities and preparedness.
- Update the Audit Committee regularly on cybersecurity threats and new systems.
- Provide mandatory annual cybersecurity training for all employees with network access.
- Maintain a security risk insurance policy.

We have not experienced any material information security breaches and have not incurred any material expenses related to such in the last three years.

## HUMAN RIGHTS STATEMENT AND MODERN SLAVERY POLICY

We respect and promote human rights in our opperations in accordance with the principals outlined in the United Nation's Universal Declaration of Human Rights. We are also committed to promoting transparency in our own business and in our approach to eliminating modern slavery throughout our supply chain, consistent with the obligations of the U.K. Modern Slavery Act.

## CODE OF CONDUCT, ANTI-CORRUPTION AND EMPLOYEE ETHICS

Compliance with all applicable laws, regulations and policies is the standard of conduct required of our directors, officers and employees. Through training and our annually updated Code of Business Conduct and Ethics and Anti-Corruption Policies, we communicate our ethical expectations.

**Our process:**

- Provide policies that detail the responsible business conduct we expect from our employees upon hire and annually.
- Provide and facilitate access to resources for employees who have questions or concerns.
- Train employees regularly on our policies, anti-corruption laws and regulations and behavioral expectations.

## OUR VENDOR CODE OF CONDUCT

In 2021, Welltower worked to refresh it's Vendor Code of Conduct and formally released it in 2022. We hold our vendors, operators, tenants and contractors to the same standards as we commit ourselves and ask them to adopt similar polices as outlined in our Vendor Code of Conduct.

# Disclosures

# Disclosures

| TCFD Disclosures | | RESPONSE PAGE |
|---|---|---|
| **GOVERNANCE** | | |
| Board oversight of climate-related risks and opportunities | The Assistant Vice President of Capital Markets & ESG of Welltower makes regular reports to the Nominating/Corporate Governance Committee of the Board ("NCGC"), the Leadership Team, and the Board of Directors. Through the NCGC, Welltower's leadership and Board of Directors are regularly informed and provide oversight to the ESG Committee and Welltower's ESG initiatives. The NCGC is comprised of at least three members of the Board of Directors. | 34 |
| Management's role in assessing and managing climate-related risks and opportunities | | |
| **STRATEGY** | | |
| Climate-related risks and opportunities we have identified over the short, medium and long term | | 39-41 |
| Impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning | | 39-41 |
| Resilience of the organization's strategy taking into consideration different climate-related scenarios, including a 2 degrees C or lower scenario | | 38-41 |
| **RISK MANAGEMENT** | | |
| Organizational processes for identifying and assessing climate-related risk | | 37-38 |
| Organizational process for managing climate-related risks | | 37-38 |
| Process for identifying, assessing, and managing climate-related risks as integrated into the organization's overall risk management | | 37-38 |
| **METRICS AND TARGETS** | | |
| Metrics used to assess climate-related risks and opportunities in line with strategy and risk management process | | 38-41 |
| Scope 1 and 2 Greenhouse Gas Emissions and related risks | | 13, 39-41 |
| Targets used by the organization to manage climate-related risks and opportunities and performance against targets | | 13, 39-41 |

| SASB Disclosures | UNIT OF MEASURE | TOTAL | CODE | RESPONSE PAGE |
|---|---|---|---|---|
| **ENERGY MANAGEMENT** | | | | |
| Energy consumption data coverage as a percentage of total floor area, by property subsector | Percentage (%) by floor area | 100% | IF-RE-130a.1 | 57 |
| (1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector | Gigajoules (GJ), Percentage (%) | (1) 11,154,879 GJ<br>(2) 51% for Seniors Housing; 87% for Medical Office Buildings (MOBs)<br>(3) 4% for MOBs | IF-RE-130a.2 | 57 |
| Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector | Percentage (%) | -5% for Seniors Housing<br>2% for MOB | IF-RE-130a.3 | 57 |
| Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector | Percentage (%) by floor area | (1) 57% Medical Office Buildings, 35% Seniors Housing<br>(2) 0.2% Medical Office Buildings, 3% Seniors Housing | IF-RE-130a.4 | 57 |
| Description of how building energy management considerations are integrated into property investment analysis and operational strategy | To help our managers and operators successfully benchmark their buildings and improve energy efficiency, we utilize the Welltower Performance Playbook: A Guide for Senior Housing Efficiency and Excellence. Through the Playbook, operators and managers can learn about industry-standard maintenance best practices, low-cost efficiency projects, project resources, action plans for managing energy, water, and waste. When new operators join us, we share the Playbook and a recording of the benchmarking training with them so they can get involved with our efficiency initiatives immediately. We also continued our LED retrofit initiative across our portfolio. | | IF-RE-130a.5 | 12, 14 |

| SASB Disclosures | UNIT OF MEASURE | TOTAL | CODE | RESPONSE PAGE |
|---|---|---|---|---|
| **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 | Percentage (%) by floor area | (1) 32%<br>(2) N/A | IF-RE-140a.1 | 57 |
| (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 sector | Thousand cubic meters (m3), Percentage (%) | (1) 7,687 thousand cubic meters<br>(2) N/A, Medium Risk | IF-RE-140a.2 | 39, 57 |
| Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector | Percentage (%) | 8% Seniors Housing<br>10% MOB | IF-RE-140a.3 | 57 |
| Description of water management risks and discussion of strategies and practices to mitigate those risks | Welltower uses a sustainable model to monitor water usage, including benchmarking, high-efficiency fixtures, and low-flow plumbing. Recent projects to address water efficiency include planting drought tolerant landscaping, installing drip irrigation systems, and installing leak detection technology, allowing us to monitor domestic water usage and leaks, check equipment to resolve leaks in a timely manner, and avoid extra costs on water bills due to leak detection. | | IF-RE-140a.4 | 15 |

| SASB Disclosures | UNIT OF MEASURE | TOTAL | CODE | RESPONSE PAGE |
|---|---|---|---|---|
| **MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS** | | | | |
| Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants | | Welltower provides new tenants with a copy of our Tenant Improvement Guidelines where we encourage the use of ENERGY STAR labeled products. We also engage potential tenants with our standard green lease, which includes language on data sharing, benchmarking in ENERGY STAR Portfolio Manager, and the ability to recover costs for capital projects that lower building operating costs. Because of our widespread implementation of this green leasing initiative, we were named a 2020 Green Lease Leader at the gold level by the Institute for Market Transformation and the Better Buildings program. We were first awarded the Green Lease Leader distinction in 2017, and we are eligible to reapply every three years. | IF-RE-410a.3 | 8, 36, 38 |
| **CLIMATE CHANGE ADAPTION** | | | | |
| Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks | | Welltower's Board of Directors regularly reviews Welltower's significant risk exposure, including operational, strategic, financial, legal, environmental sustainability and regulatory risks. The effectiveness of our enterprise risk management procedures is regularly analyzed and communicated with our Board. Welltower evaluates climate change through climate risk assessments that measure impacts to properties throughout our portfolio. Our risk assessment process informs the development of our policies and the training we deliver to our employees around anti-corruption, business ethics, and climate action. | IF-RE-450a.2 | 37-41 |

| GRI 102: General Disclosures | | RESPONSE PAGE |
|---|---|---|
| **ORGANIZATIONAL PROFILE** | | |
| 102-1 | Name of the organization | 2 |
| 102-2 | Activities, brands, products, and services | 2 |
| 102-3 | Location of headquarters | 2 |
| 102-4 | Location of operations | 2 |
| 102-5 | Ownership and legal form | 2 |
| 102-6 | Markets served | 2 |
| 102-7 | Scale of the organization | 2 |
| 102-8 | Information on employees and other workers | 23-31 |
| 102-9 | Supply chain | 16-17 |
| 102-10 | Significant changes to the organization and its supply chain | 16 |
| 102-11 | Precautionary Principle or Approach | 5 |
| 102-12 | External initiatives | 8, 12, 14-19 |
| 102-13 | Membership of associations | 9 |
| **STRATEGY** | | |
| 102-14 | Statement from senior decision-maker | 1 |
| 102-15 | Key impacts, risks, and opportunities | 38-41 |

| GRI 102: General Disclosures | | RESPONSE PAGE |
|---|---|---|
| **ETHICS AND INTEGRITY** | | |
| 102-16 | Values, principles, standards, and norms of behavior | 4 |
| 102-17 | Mechanisms for advice and concerns about ethics | 16, 28, 42<br>https://welltower.com/investors/governance/ |
| **GOVERNANCE** | | |
| 102-18 | Governance structure | 34-35, 42 |
| 102-19 | Delegating authority | 34-35 |
| 102-20 | Executive-level responsibility for economic, environmental and social topics | 34 |
| 102-21 | Consulting stakeholders on economic, environmental and social topics | 6 |
| 102-22 | Composition of the highest governance body and its committees | 34-35 |
| 102-23 | Chair of the highest governance body | 35 |
| 102-24 | Nominating and selecting the highest governance body | 2022 Proxy Statement pages 10-17 |
| 102-25 | Conflicts of interest | 42 |
| 102-26 | Role of highest governance body in setting purpose, values and strategy | 1; 2022 Proxy Statement pages 10-17 |
| 102-27 | Collective knowledge of highest governance body | 2022 Proxy Statement page 7, 11, 20-24 |
| 102-28 | Evaluating the highest governance body's performance | 2022 Proxy Statement pages 25-26, 35-53 |
| 102-29 | Identifying and managing economic, environmental and social impacts | 6 |
| 102-30 | Effectiveness of risk management processes | 37 |

| GRI 102: General Disclosures | | RESPONSE PAGE |
|---|---|---|
| 102-31 | Review of economic, environmental and social topics | 6 |
| 102-32 | Highest governance body's role in sustainability reporting | 34 |
| 102-33 | Communicating critical concerns | https://welltower.com/investors/governance/ |
| 102-34 | Nature and total number of critical concerns | No material critical concerns in 2021 |
| 102-35 | Renumeration policies | 2022 Proxy Statement pages 34-63 |
| 102-36 | Process for determining renumeration | 2022 Proxy Statement pages 34-63 |
| 102-37 | Stakeholders involvement in renumeration | 2022 Proxy Statement pages 34-63 |
| 102-38 | Annual total compensation ratio | 2022 Proxy Statement pages 34-63 |
| 102-39 | Percentage increase in annual total compensation ratio | 2022 Proxy Statement pages 34-63 |
| **STAKEHOLDER ENGAGEMENT** | | |
| 102-40 | List of stakeholder groups | 36 |
| 102-41 | Collective bargaining agreements | As of December 31, 2021, no Welltower employees were subject to a collective bargaining agreement. |
| 102-42 | Identifying and selecting stakeholders | 36 |
| 102-43 | Approach to stakeholder engagement | 36 |
| 102-44 | Key topics and concerns raised | 6 |

| GRI 102: General Disclosures | | RESPONSE PAGE |
|---|---|---|
| **REPORTING PRACTICES** | | |
| 102-45 | Entities included in the consolidated financial statements | 2 |
| 102-46 | Defining report content and topic boundaries | 6 |
| 102-47 | List of material topics | 6 |
| 102-48 | Restatements of information | No significant restatements of information |
| 102-49 | Changes in reporting | No significant changes |
| 102-50 | Reporting period | This report covers calendar year 2021 |
| 102-51 | Date of most recent report | 2021 calendar year report published June 2022 |
| 102-52 | Reporting cycle | Reports are issued annually |
| 102-53 | Contact point for questions regarding the report | Back Cover |
| 102-54 | Claims of reporting in accordance with the GRI standards | 48-56 |
| 102-55 | GRI content index | 48-56 |
| 102-56 | External assurance | 59-62 |

| GRI 103: Management Approach | | RESPONSE PAGE |
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| **ORGANIZATIONAL PROFILE** | | |
| 103-1 | Explanation of the material topic and its boundary | 6 |
| 103-2 | The management approach and its boundary | 5, 6 |
| 103-3 | Evaluation of the management approach | 5, 7-8, 11-19, 23-32 |

| GRI 200: Economic | | RESPONSE PAGE |
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| **GRI 201: ECONOMIC PERFORMANCE** | | |
| 201-1 | Direct economic value generated and distributed | 2 |
| 201-2 | Financial implications and other risks and opportunities due to climate change | 38-41 |
| 201-3 | Defined benefit plan obligations and other retirement plans | 31 |
| 201-4 | Financial assistance received from government | Other than government funds received under the CARES Act related to the COVID-19 pandemic, and similar programs in the U.K. and Canada, Welltower does not receive financial assistance from the government. See 2021 Form 10-K. |
| **GRI 203: INDIRECT ECONOMIC IMPACTS** | | |
| 203-1 | Infrastructure investments and services supported | 2, 18 |
| 203-2 | Significant indirect economic impacts | 2 |

## GRI 200: Economic

| | | RESPONSE PAGE |
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| **GRI 205: ANTI-CORRUPTION** | | |
| 205-1 | Operations assessed for risks related to corruption | 42 |
| 205-2 | Communication and training about anti-corruption policies and procedures | 7, 42 |
| 205-3 | Confirmed incidents of corruption and actions taken | Welltower did not incur any material fines or settlements related to anti-competitive practices, no material incidents of corruption, and no material breaches against our code of conduct during the reporting year. |

## GRI 300 Environmental

| | | RESPONSE PAGE |
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| **GRI 302: ENERGY** | | |
| 302-1 | Energy consumption within the organization | 13-14, 57 |
| 302-2 | Energy consumption outside of the organization | 14. 57 |
| 302-3 | Energy intensity | 14, 57 |
| 302-4 | Reduction of energy consumption | 11, 14, 57 |
| **GRI 303: WATER AND EFFLUENTS** | | |
| 303-1 | Interactions with water as a shared resource | 15, 57 |
| 303-5 | Water consumption | 15, 57 |

| GRI 300 Environmental | | RESPONSE PAGE |
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| **GRI 304: BIODIVERSITY** | | |
| 304-2 | Significant impacts of activities, products, and services on biodiversity | 18 |
| **GRI 305: EMISSIONS** | | |
| 305-1 | Direct (Scope 1) GHG emissions | 13, 57 |
| 305-2 | Energy indirect (Scope 2) GHG emissions | 13, 57 |
| 305-3 | Other indirect (Scope 3) GHG emissions | 13, 57 |
| 305-4 | GHG emissions intensity | 13, 57 |
| 305-5 | Reduction of GHG emissions | 13, 57 |
| 305-7 | Nitrogen oxides ($NO_x$), sulfur oxides ($SO_x$), and other significant air emissions | 13, 57 |
| **GRI 307: ENVIRONMENTAL COMPLIANCE** | | |
| 307-1 | Non-compliance with environmental laws and regulations | No material non-compliance reported. |
| **GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT** | | |
| 308-1 | New suppliers that were screened using environmental criteria | 16 |

| GRI 400 Social | | RESPONSE PAGE |
|---|---|---|
| **GRI 401: EMPLOYMENT** | | |
| 401-1 | New employee hires and employee turnover | 26 |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | 31 |
| 401-3 | Parental leave | 31 |
| **GRI 403: OCCUPATIONAL HEALTH AND SAFETY** | | |
| 403-1 | Occupational health and safety management system | 28 |
| 403-2 | Hazard identification, risk assessment, and incident investigation | 28 |
| 403-3 | Occupational health services | 28 |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | 28 |
| 403-5 | Worker training on occupational health and safety | 28 |
| 403-6 | Promotion of worker health | 28 |
| 403-9 | Work-related injuries | 28 |
| **GRI 404: TRAINING AND EDUCATION** | | |
| 404-1 | Average hours of training per year per employee | 27 |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | 27 |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | 27 |

| GRI 400 Social | | RESPONSE PAGE |
|---|---|---|
| **GRI 405: DIVERSITY AND EQUAL OPPORTUNITY** | | |
| 405-1 | Diversity of governance bodies and employees | 23-24 |
| 405-2 | Ratio of basic salary and remuneration of women to men | 27 |
| **GRI 406: NON-DISCRIMINATION** | | |
| 406-1 | Incidents of discrimination and corrective actions taken | Welltower is an equal opportunity employer and had no known cases of discrimination in 2021. |
| **GRI 412: HUMAN RIGHTS ASSESSMENT** | | |
| 412-2 | Employee training on human rights policies or procedures | 25, 42 |
| **GRI 413: LOCAL COMMUNITIES** | | |
| 413-1 | Operations with local community engagement, impact assessments, and development programs | 32 |
| **GRI 415: PUBLIC POLICY** | | |
| 415-1 | Political contributions | Page 5 of our Code of Business Conducts and Ethics states that “no Welltower funds may be given directly to political candidates”. This statement is supplemented with a “Political Contribution Policy” that can be found on our website. |

| | TOTAL CONSUMPTION | | | | | | 2021 DATA COVERAGE | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2018 | 2019 | 2020 | 2021 | % Change over 2018 baseline | % Change from 2020 to 2021 | Data Coverage Floor Area Total | Data Coverage Building Count | Total Portfolio Floor Area | Total Portfolio Building Count | Data Coverage as a % of Total Floor Area (% sq ft) |
| **GHG EMISSIONS** | | | | | | | | | | | |
| **Emissions Totals ($MTCO_2e$)** | | | | | | | | | | | |
| Emissions Totals (Location-Based) | 875,122 | 891,830 | 856,905 | 856,210 | -2.2% | -0.1% | 134,336,693 | 1,704 | 134,336,693 | 1,704 | 100% |
| Scope 1 & 2 GHG Emissions[1] | 426,434 | 506,332 | 478,844 | 507,651 | 19.0% | 6.0% | 96,612,604 | 1,040 | 96,612,604 | 1,040 | 100% |
| **Emissions by Scope ($MTCO_2e$)** | | | | | | | | | | | |
| Scope 1[2] | 115,845 | 137,120 | 126,656 | 147,308 | 27.2% | 16.3% | 96,612,604 | 1,040 | 96,612,604 | 1,040 | 100% |
| Scope 2 (location-based)[2] | 310,589 | 369,212 | 352,188 | 360,343 | 16.0% | 2.3% | 96,612,604 | 1,040 | 96,612,604 | 1,040 | 100% |
| Scope 2 (market-based)[2] | 296,630 | 369,096 | 342,355 | 353,174 | 19.1% | 3.2% | 96,612,604 | 1,040 | 96,612,604 | 1,040 | 100% |
| Scope 3[3] | 448,688 | 385,498 | 378,061 | 348,559 | -22.3% | -7.8% | 37,724,089 | 664 | 37,724,089 | 664 | 100% |
| **ENERGY PERFORMANCE** | | | | | | | | | | | |
| **Energy (Kbtu)** | | | | | | | | | | | |
| Total Energy (kBtu) | 9,642,522,349 | 10,185,060,302 | 10,299,582,773 | 10,572,783,448 | 9.6% | 2.7% | 134,336,693 | 1,704 | 134,336,693 | 1,704 | 100% |
| Energy Total (control) | 5,440,856,976 | 6,292,235,224 | 6,202,614,250 | 6,789,454,886 | 24.8% | 9.5% | 96,612,604 | 1,040 | 96,612,604 | 1,040 | 100% |
| Energy Total (non-control) | 4,201,665,374 | 3,892,825,077 | 4,096,968,523 | 3,783,328,562 | -10.0% | -7.7% | 37,724,089 | 664 | 37,724,089 | 664 | 100% |
| **Renewable Energy/Offsets (kWh)** | | | | | | | | | | | |
| Total Renewable Energy (kWh) | 32,467,274 | 19,907,690 | 33,317,211 | 24,738,473 | -23.8% | -25.7% | 1,532,376 | 17 | 134,336,693 | 1,704 | 1% |
| Green Power Purchases (kWh) | 32,373,434 | 19,518,924 | 32,747,692 | 24,565,804 | -24.1% | -25.0% | 1,399,681 | 15 | 134,336,693 | 1,704 | 1% |
| Live Solar Generation (kWh) | 93,840 | 388,766 | 569,519 | 172,669 | 84.0% | -69.7% | 132,695 | 2 | 134,336,693 | 1,704 | 0% |
| **WATER PERFORMANCE** | | | | | | | | | | | |
| **Water (gallons)** | | | | | | | | | | | |
| Total Water (gallons) | 3,005,498,364 | 1,738,607,180 | 3,118,475,375 | 2,030,762,937 | -32.4% | -34.9% | 43,072,881 | 634 | 134,336,693 | 1,704 | 32% |
| Water Total (control) | 1,645,504,620 | 826,583,046 | 1,401,059,505 | 1,074,186,374 | -34.7% | -23.3% | 29,391,694 | 365 | 96,612,604 | 1,040 | 30% |
| Water Total (non-control) | 1,359,993,744 | 912,024,134 | 1,717,415,870 | 956,576,563 | -29.7% | -44.3% | 13,681,187 | 269 | 37,724,089 | 664 | 36% |

| | TOTAL CONSUMPTION | | | | 2021 DATA COVERAGE | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2018 | 2019 | 2020 | 2021 | Data Coverage Floor Area Total | Data Coverage Building Count | Total Portfolio Floor Area | Total Portfolio Building Count | Data Coverage as a % of Total Floor Area (% sq ft) |
| **WASTE PERFORMANCE** | | | | | | | | | |
| **Waste (tons)** | | | | | | | | | |
| Total Waste (tons) | 49,223 | 32,416 | 27,902 | 111,823 | 27,214,555 | 417 | 134,336,693 | 1,704 | 20% |
| Waste Total (control) | 33,573 | 30,023 | 26,449 | 44,719 | 13,818,254 | 149 | 96,711,063 | 1,041 | 14% |
| Waste Total (non-control) | 15,650 | 2,393 | 1,453 | 67,104 | 13,396,301 | 268 | 48,671,824 | 819 | 28% |
| Total Recycling (tons) | 10,610 | 6,146 | 6,144 | 14,696 | 16,812,329 | 266 | 134,336,693 | 1,704 | 13% |
| Recycling Total (control) | 7,258 | 6,055 | 5,998 | 6,311 | 9,109,444 | 96 | 96,711,063 | 1,041 | 9% |
| Recycling Total (non-control) | 3,352 | 90 | 146 | 8,385 | 7,702,885 | 170 | 48,671,824 | 819 | 16% |
| Total Diversion Rate | 17.7% | 15.9% | 18.0% | 11.6% | | | | | |

**EXPLANATIONS**

1. The floor area used to calculate the Scopes 1 & 2 emissions intensities and the total portfolio energy intensity is weighted for the time each property was operational during that reporting year. For example, if an asset was purchased in March 2021, we would estimate its energy consumption for the days owned between March 2021 and 12/31/2021, not the whole year. By applying the same coefficient (days owned in year / days in year) to the floor area, we are adjusting for properties that were acquired or disposed throughout the year.

2. The floor area used to calculate the Scope 1 and Scope 2 (location- and market-based) emissions intensities is the sum of gross floor area for buildings that are within Welltower's control boundary, not under construction, and owned in that reporting year. This means properties within Welltower's financial control boundary and considered stable or in lease-/fill-up for the reporting year are included.

3. The floor area used for Scope 3 emissions intensity calculations, as well as for any intensity and data coverage for "non-control" properties, is the sum of the gross floor area for buildings that are not in Welltower's control boundary, not under construction, and owned in that reporting year. This means properties outside of Welltower's financial control boundary and considered stable or in lease-fill-up are included.

# LRQA Independent Assurance Statement

Relating to Welltower Inc. GHG Emission and Sustainability Data for the CY2021

This Assurance Statement has been prepared for Welltower Inc. in accordance with our contract.

**Terms of Engagement**

LRQA was commissioned by Welltower Inc. (Welltower) to provide independent assurance of its greenhouse gas (GHG) emissions inventory and Sustainability Data ("the Report") for calendar year (CY) 2021 against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using LRQA's verification procedure and ISO 14064 - Part 3 for greenhouse gas emissions. LRQA's verification procedure is based on current best practise and is in accordance with ISAE 3000 and ISAE 3410.

Our assurance engagement covered Welltower's operations and activities for their properties in United States (US), Canada (CA) and the United Kingdom (UK) using the financial control reporting method and specifically the following requirements:

- Verifying conformance with:
  - Welltower's reporting methodologies for the selected datasets; and
  - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD GHG Protocol) for the GHG data[1].
- Reviewing whether the Report has been based on:
  - Service sector guidelines.
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
  - Direct (Scope 1), Energy Indirect (Scope 2) GHG emissions;
  - Other Indirect (Scope 3) GHG emissions:
    - Scope 3 GHG emissions were limited to: Business Travel, Employee Commuting, Downstream Leased Assets, and Waste Generated in Operations for approximately 20% of properties, based on property sq. ft;
  - Scope 1 & 2 GHG Emission Intensity;
  - Energy use Intensity;
  - Water consumption for approximately 32% of properties, based on property sq. ft.;
  - Waste generated and recycling;
  - Workforce Diversity and Remuneration Data; and
  - Safety Metrics.

Our assurance engagement excluded the following data and information from Welltower's report:

- 236 properties as they are treated by Welltower as Fixed Asset Investments under the GHG Protocol Accounting Category;
- Direct fugitive GHG emissions from Refrigeration and Air Conditioning equipment, on the basis of their de minimis contribution to the GHG emissions inventory; and
- Diesel Backup Generator fuel use.

LRQA's responsibility is only to Welltower. LRQA disclaims any liability or responsibility to others as explained in the end footnote. Welltower's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of Welltower.

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1. *http://www.ghgprotocol.org/*

## LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that Welltower has not, in all material respects:

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data and information as summarized in Tables 1, 2, and 3 below.

The opinion expressed is formed on the basis of a limited level of assurance[2] and at the materiality of the professional judgement of the verifier.

**Table 1. Summary of Welltower's GHG Emissions for CY 2021:**

| Scope of GHG emissions | Tonnes CO2e |
|---|---|
| Scope 1: Total Direct GHG emissions<br>- Natural Gas Direct GHG emissions<br>- Propane Direct GHG emissions | 147,308<br>146,424<br>884 |
| Scope 2 Emissions Location Based[1] | 360,343 |
| Scope 2 Emissions Market Based[1] | 353,174 |
| Scope 3 (downstream leased assets, business travel, employee commuting, waste generated) | |
| - Waste Generated GHG Emissions | 34,665 |
| - Employee Commuting GHG Emissions | 1,055 |
| - Business Travel GHG Emissions | 478 |
| - Electricity Location-Based GHG Emissions (downstream leased assets) | 218,263 |
| - Electricity Market-Based GHG Emissions (downstream leased assets) | 217,121 |
| - Natural Gas GHG Emissions (downstream leased assets) | 93,458 |
| - Propane GHG Emissions (downstream leased assets) | 640 |
| Recycling GHG Emissions (Avoided Emissions)[2] | (41,885) |
| Note 1: Scope 2, Location-based and Market-based are defined in the GHG Protocol Scope 2 Guidance, 2015.<br>Note 2: In accordance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, avoided emissions from recycling are reported separate from Scope 1, 2 and 3 emissions categories. | |

**Table 2. Summary of Welltower's Environmental Data for CY 2021:**

| Sustainability Parameter & Units | Data |
|---|---|
| Electricity Use (kWh) | 1,772,686,440 |
| Natural Gas Use (Therms) | 45,011,361 |
| Propane Use (Therms) | 240,791 |
| Water Use (thousand gallons) | 2,030,763 |
| Waste Generated (US tons) | 111,823 |
| Waste Recycled (US tons) | 14,696 |
| Electricity & Natural Gas Use Intensity (kWh/sqft) | 25.98 |
| Scope 1 & 2 GHG Emissions Intensity ($MTCO_2e$/ 1,000sqft.) | 6.03 |

2. The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

**Table 3. Summary of Welltower's Employee Demographics and Safety Metrics for CY 2021:**

| Human Capital | | |
|---|---|---|
| **Compensation equity by level** | **Ratio (Male/Female)** | |
| Assistant Vice President & Director / Vice President | 1/ 0.96 | |
| Manager | 1/ 0.83 | |
| Non-Manager | 1/ 0.89 | |
| Senior Vice President / Executive | 1/ 0.86 | |
| **Employee Ethnic Diversity** | | |
| Hispanic/ Latinx | 7% | |
| Asian | 6.1% | |
| Black or African American | 6.1% | |
| Others (two or more races) | 0.9% | |
| Indigenous/ Native (Native Hawaiian or Other Pacific Islander) | 0.5% | |
| Total (All other Ethnicity) | 20.5% | |
| White | 79.5% | |
| **Number of Employees by Age and Level** | | |
| Age <30 | 76 | |
| Age 30-50 | 248 | |
| Age >50 | 141 | |
| **Gender Breakdown by Level** | **Male** | **Female** |
| Non Manager | 137 | 137 |
| Manager | 51 | 65 |
| Assistant Vice President /Director | 19 | 13 |
| Vice President | 19 | 9 |
| Senior Vice President /Executive | 12 | 3 |
| **Safety Metrics** | | |
| **Rate & Units** | **Data** | |
| Injury Rate (Number of cases *200,000 hours / total number of hours worked) | 4.65 | |
| Lost Day Rate (Number of workdays lost *200,000 hours / total number of hours worked) | 49.40 | |
| Note 1: The Human Capital data in this table includes all employees in all countries, except for Employee Ethnic Diversity which is reported only for the US. | | |

## LRQA's Approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- interviewing relevant employees of the organization responsible for managing GHG emissions and Sustainability data and records;
- assessing Welltower's data management systems to confirm they are designed to prevent significant errors, omissions or mis-statements in the Report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal quality control; and
- verifying historical GHG emissions and Sustainability data and records at an aggregated level for CY 2021.

## Observations

Further observations and findings, made during the assurance engagement, are:

- Welltower should consider including the estimated fugitive GHG emissions from refrigeration and air conditioning equipment.
- In the OSHA 300A form, for some properties there are recordable cases reported but, the total hours reported for these properties is zero. Consider determining a methodology to assign hours worked for these properties.

## LRQA's Standards and Competence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO/IEC 17021 *Conformity assessment – Requirements for bodies providing audit and certification of management systems* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

Signed Dated: 27 June 2022
Neville Dias
LRQA Lead Verifier
On behalf of LRQA, Inc.
1330 Enclave Pkwy, Suite 200, Houston, TX 77077

LRQA reference: UQA00000909

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