

**Module: Introduction****Page: Introduction**

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**CC0.1****Introduction**

Please give a general description and introduction to your organization.

Ventas, Inc. (NYSE: VTR), an S&P 500 company, is a leading real estate investment trust (REIT), with a highly diversified portfolio of more than 1,600 seniors housing and healthcare properties in the United States, Canada and the United Kingdom. Approximately 75% of our NOI is derived from private pay, non-government sources.

Ventas has delivered consistent, superior long-term returns to shareholders for more than a decade, outperforming both the S&P 500 and the MSCI US REIT Index, while providing compound annual dividend growth of 9%. We are disciplined acquirers with rigorous investment standards and a well-earned reputation for bringing both creativity and financial strength to completing transactions of all sizes and complexity. At the same time, we have maintained reliable internal cash flow growth from our high-performing portfolio.

By maintaining an outstanding balance sheet and ample liquidity, we continue to improve our cost of capital and enhance stakeholder value. Our leadership team is committed to building on our legacy of excellence that shareholders and customers have come to expect.

As a leading owner of seniors housing and medical office buildings, we support and apply measurable sustainability practices and standards. Sustainability is good for the environment and our business – creating lasting economic efficiencies, while preserving and protecting the planet.

Our accomplishments are being recognized and honored. The National Association of Real Estate Investment Trusts (NAREIT) awarded Ventas its 2014 Health Care “Leader in the Light Award,” the highest achievement for healthcare real estate companies in recognition of superior and sustained energy use practices. Ventas was also named a 2014 Global Sector Leader and a Green Star company by the Global Real Estate Sustainability Benchmark (GRESB) for improving the energy efficiency of its seniors housing and medical office building portfolios.

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**CC0.2**

**Reporting Year**

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

| Enter Periods that will be disclosed |
|--------------------------------------|
| Wed 01 Jan 2014 - Wed 31 Dec 2014    |

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**CC0.3****Country list configuration**

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

| Select country           |
|--------------------------|
| United States of America |
| Canada                   |

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**CC0.4****Currency selection**

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

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## CC0.6

### Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.

If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email [respond@cdp.net](mailto:respond@cdp.net).

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

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## Further Information

**Module: Management**

**Page: CC1. Governance**

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## CC1.1

**Where is the highest level of direct responsibility for climate change within your organization?**

Board or individual/sub-set of the Board or other committee appointed by the Board

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## CC1.1a

**Please identify the position of the individual or name of the committee with this responsibility**

The individual with the highest level of direct responsibility for sustainability efforts at Ventas is Debra A. Cafaro, Chairman and Chief Executive Officer. Ms. Cafaro is a member of the Sustainability Committee and oversees company-wide improvements to our environmental footprint and energy efficiency efforts. The Sustainability Committee includes senior leadership from different functional areas and meets monthly to consolidate and improve our awareness, information

collection and disclosure regarding environmental matters. The Sustainability Committee actively monitors all adverse and beneficial sustainability developments, identifies opportunities to invest in and improve sustainability performance, and participates with asset management, legal, acquisitions and risk management teams to provide quarterly reporting to the chairman of the Board of Directors on all sustainability efforts. Reporting on ESG matters, including climate change provides Ventas the opportunity to share our efforts with shareholders and better identify how climate change threats may be integrated in our risk management procedures. Also, reporting provides a unique opportunity to share best practices with the investment community and identify unlocked value in our portfolio, reducing unnecessary costs and growing net operating income (NOI).

**CC1.2**

**Do you provide incentives for the management of climate change issues, including the attainment of targets?**

Yes

**CC1.2a**

**Please provide further details on the incentives provided for the management of climate change issues**

| Who is entitled to benefit from these incentives? | The type of incentives | Incentivized performance indicator                    | Comment   |
|---|------------------------|---|---|
| Chief Executive Officer (CEO)                     | Monetary reward        | Efficiency project Behaviour change related indicator | Under the long-term incentive plan, one of the qualitative performance measures affecting compensation is values, reputation and industry leadership, including ESG efforts.  |
| Corporate executive team                          | Monetary reward        | Efficiency project Behaviour change related indicator | Under the long-term incentive plan, one of the qualitative performance measures affecting compensation is values, reputation and industry leadership, including ESG efforts.  |
| Corporate executive team                          | Monetary reward        | Efficiency project Behaviour change related indicator | Sustainability Committee – compensation structure tied to sustainability reporting and improvements, identifying green projects and investment opportunities, promoting carbon reduction best practices, increasing ENERGY STAR® certificates and portfolio operational efficiency, LEED® designations/certifications across the portfolio, setting, tracking and achieving short and long-term |

| Who is entitled to benefit from these incentives? | The type of incentives     | Incentivized performance indicator                    | Comment  |
|---|----------------------------|---|--|
|   |                            |   | emissions targets and serving as a sustainability resource to team members.  |
| All employees                                     | Recognition (non-monetary) | Efficiency project Behaviour change related indicator | Improve energy performance at the community level and promote efforts to reduce utility expenses via reduced consumption and improved, responsible purchasing efforts. Identify opportunities to accretively invest capital in energy-saving projects within the portfolio and assist in certification of additional ENERGY STAR designations. |

#### Further Information

Page: **CC2. Strategy**

#### CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

#### CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

| Frequency of monitoring | To whom are results reported? | Geographical areas considered | How far into the future are risks considered? | Comment |
|-------------------------|-------------------------------|-------------------------------|---|---------|
|-------------------------|-------------------------------|-------------------------------|---|---------|

| Frequency of monitoring        | To whom are results reported?  | Geographical areas considered | How far into the future are risks considered? | Comment   |
|--------------------------------|--|-------------------------------|---|---|
| Six-monthly or more frequently | Board or individual/sub-set of the Board or committee appointed by the Board | US and Canada                 | 3 to 6 years                                  | Ventas is insured by one of the leading property insurers in the world. As a condition of coverage participation, our carrier inspects each one of our directly insured properties on a 3-year cycle. Included in its inspection services are probable loss estimates for catastrophe perils such as wind, floods and earthquakes. As flood maps are updated, Ventas is provided an analysis of its exposure and offered recommendations to mitigate potential risks. |

#### CC2.1b

##### **Please describe how your risk and opportunity identification processes are applied at both company and asset level**

At a company level, risks are routinely evaluated and opportunities are identified by our third-party energy procurement and management partners, and their efforts are an important part of our ENERGY STAR bench-marking initiative. Ventas is an ENERGY STAR partner, and we continually look for opportunities to reduce consumption as we measure energy usage (lighting, HVAC, water, waste and utilities). 67 of our senior living communities and medical office buildings have received ENERGY STAR certification, meeting national energy efficiency benchmarks established by the U.S. Environmental Protection Agency. We have enrolled all of our U.S. Seniors Housing Operating Portfolio and MOB assets with the ENERGY STAR registry and have received a total of 144 ENERGY STAR labels awarded as of fourth quarter 2014.

On an asset level, Ventas requires that property condition reports, risk management assessments by our global insurer and Phase I Environmental Surveys be provided for each of our individual properties prior to acquisition and on a recurring cycle as part of the risk management process. This is to ensure that known condition deficiencies and updates to flood, seismic and other surveys are identified and addressed in a timely manner. In addition, property condition inspections are performed by a leading property loss control engineering insurer. Recommendations for property improvements are prioritized by the insurer and presented to and reviewed by Ventas's asset management team.

#### CC2.1c

##### **How do you prioritize the risks and opportunities identified?**

Evaluating and prioritizing risks and opportunities across the real estate portfolio is a collaborative process with the executive leadership team, asset management, and when appropriate, the Sustainability Committee. The executive leadership team provides guidance and feedback, with respect to protection against threats and proactively identifying and prioritizing opportunities to invest in our assets and promote NOI optimization and growth.

As a company whose business focus is income and value appreciation from owning real estate assets operated primarily by third parties, the greatest risk is deterioration of physical plants due to climate change. Rising sea levels, flooding, drought, earthquakes, tornados and other severe weather all pose significant risks to the valuation of our company. This aggregate risk of climate change to our real estate portfolio of over 1,600 properties has led to a company-wide priority of engagement with the operators of our real estate to address issues faced individually at each property and determining plans of action. Engagement and collaboration starts around risks and issues identified by our procurement and management partners and our routine property condition reports, insurance risk assessors, and Phase I Environmental Surveys. Next steps and opportunities are then dependent on finding terms of the action plan that are agreeable to Ventas and the building operator. As a matter of course, the opportunities that provide the highest NOI optimization with the most reliable business partners become the greatest priorities.

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**CC2.1d**

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

| Main reason for not having a process | Do you plan to introduce a process? | Comment |
|--------------------------------------|-------------------------------------|---------|
|--------------------------------------|-------------------------------------|---------|

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**CC2.2**

**Is climate change integrated into your business strategy?**

Yes

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**CC2.2a**

**Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process**

(i) How the business strategy has been influenced

The integration of climate change into our business strategy is manifested in processes across our enterprise in several key areas. Pursuing sound and effective environmental practices is a key strategic objective for our existing portfolio of buildings, for future acquisitions and for the daily work of our employees. It is both good business and good policy. We believe that strong environmental performance will lead, over time, to improved risk-adjusted returns from our real estate

holdings.

At the Executive level, our CEO chairs the Sustainability Committee comprised of business leaders from across the company, including LEED certified staff members. The committee meets monthly to consolidate and improve our awareness, information collection and disclosure regarding environmental matters, as well as proactively identifying opportunities to incrementally improve the climate change profile of the portfolio in ways that are cost effective and will provide a measurable benefit to our shareholders.

Environmental sustainability was also a major factor in the selection of our company headquarters in Chicago, as well as our offices in Louisville, KY and Irvine, CA. All are LEED certified and recognized for their innovative green designs.

(ii) Aspects that influenced strategy

Reputation risk associated with sustainability in terms of investor perception has been a focal point for our existing portfolio as well as future acquisitions. One of the factors we consider when making new investments is the sustainability profile of the property/portfolio. Investment approval presentations to senior management include a section about the attributes of the investment that may impact climate change, or any negative attributes that would require mitigation. This section typically identifies whether the building is LEED certified, ENERGY STAR certified, green attributes, consumption-reducing capital projects recently completed or underway, or has any other significant attributes that may positively impact climate change. While our primary focus is on investing in stable, cash flowing properties that generate superior returns to our shareholders, we are focused on identifying attributes of these investments that are good not only for shareholders, but also for the environment.

(iii) The most important components of short term strategy

Across our entire portfolio we are auditing the key energy consumption features including lighting, HVAC, water, waste and utilities. The goal is to opportunistically identify strategic investment opportunities that will increase the efficiency of each facility.

Once we own a property, our asset management team follows a process to ensure that we are identifying ways in which we can mitigate exposure (and contribution) to climate change. Similar to our acquisitions strategy, we mine our portfolio for properties and engage with our tenants and managers to identify assets with excellent climate change-friendly profiles, and share best practices across operators. For example, our short term strategy has led us to engage a consultant on our Sunrise portfolio to identify ways to reduce energy consumption via installation of energy-reducing equipment on lighting, fans, and vending machines. An energy and emissions-reducing capital investment at 20 communities valued +\$3mm is underway in 2015; based on the results, we will evaluate similar programs more broadly across our portfolio if we determine that they generate reduced consumption and a return on the initial investment in equipment.

(iv) The most important components of long term strategy

We work with an energy consultant across our MOB and SHOP portfolios to identify outlier properties where energy consumption is above portfolio averages, and we dive further into the details to determine what is driving the consumption and what ways, if any, we can improve. We continuously pursue this process to harvest emissions reduction strategies and drive cost savings in the future (>10 years).

(v) Strategic advantages gained over competitors

We partner with local utilities and their sponsored third party vendors for audit, retrofit, and rebate programs designed to reduce water and/or electricity consumption. We leverage the scale of our respective portfolios in purchasing, consumption and management to provide an advantage over our competitors.

(vi) Most substantial business decisions influenced by climate change driven aspects of the strategy

In 2014, Ventas increased total buildings certified with the EPA ENERGY STAR program to 67 properties and have received and a total of 124 certificates to date. We also have a portfolio of 11 assets built to LEED standards with various certification levels, and 5 additional LEED projects underway.

Specific investments in significant capital improvements toward reducing the consumption of energy in 2014, include:

-\$145M in LEED development and redevelopment across the Atria Senior Living portfolio, which now includes 11 properties built to and/or receiving LEED

certification.

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**CC2.2b**

Please explain why climate change is not integrated into your business strategy

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**CC2.2c**

**Does your company use an internal price of carbon?**

No, and we currently don't anticipate doing so in the next 2 years

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**CC2.2d**

Please provide details and examples of how your company uses an internal price of carbon

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**CC2.3**

**Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)**

Direct engagement with policy makers  
Trade associations

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**CC2.3a**

**On what issues have you been engaging directly with policy makers?**

| Focus of legislation | Corporate Position | Details of engagement  | Proposed legislative solution  |
|----------------------|--------------------|--|--|
| Energy efficiency    | Support            | Ventas's vice president of construction and development Doug Johnson participates in the Sustainability Policy Action Committee (SPAC) of the Real Estate Roundtable. The Real Estate Roundtable brings together leaders of the nation's top publicly held and privately owned real estate ownership, development, lending and management firms with major national real estate trade organizations to jointly address key national policy issues relating to real estate and the overall economy. | At the top of SPAC's energy and sustainability agenda is enactment of bipartisan "Tenant Star" legislation. Tenant Star would build upon the success of the EPA's long-running, voluntary ENERGY STAR program for commercial buildings by creating a similar, tenant-oriented certification for leased spaces. |

**CC2.3b**

**Are you on the Board of any trade associations or provide funding beyond membership?**

Yes

**CC2.3c**

**Please enter the details of those trade associations that are likely to take a position on climate change legislation**

| Trade association | Is your position on climate change consistent with theirs? | Please explain the trade association's position  | How have you, or are you attempting to, influence the position?   |
|-------------------|--|--|---|
| NAREIT            | Consistent   | The National Association of Real Estate Investment Trusts (NAREIT) is a worldwide voice for REITs and publicly traded real estate companies. Specifically, NAREIT sponsors a political action committee known as REITPAC. REITPAC and NAREIT are known as outspoken supporters of legislation that encourages energy-efficient real estate. REITPAC has engaged members of Congress to advocate support for the Commercial | Ventas is proactively engaged with NAREIT and REITPAC. Annually, Ventas accepts voluntary contributions from employees that support NAREIT's legislative agendas. For 2014, voluntary contributions from Ventas employees totaled \$53,900. Throughout the year, Ventas has participated in and led discussions at NAREIT events. |

| Trade association | Is your position on climate change consistent with theirs? | Please explain the trade association's position  | How have you, or are you attempting to, influence the position?  |
|-------------------|--|--|--|
|                   |  | <p>Building Modernization Act (“CBMA”) and Section 179D of the Internal Revenue Code, both in an effort to promote energy-efficient retrofits and broaden incentive language to be more accessible for real estate investment trusts.</p>  |  |
| ASHA              | Consistent   | <p>The American Seniors Housing Association (ASHA) is an independent, nonprofit, member-based organization that provides leadership to the seniors housing industry relating to legislative and regulatory matters, the advancement of research and the exchange of strategic business information. To help understand energy use in senior care communities and begin to formulate strategies for energy conservation, ASHA has teamed up with the Assisted Living Federation of America (ALFA), American Association of Homes and Services for the Aging (AAHSA), the American Health Care Association (AHCA), the National Center for Assisted Living (NCAL), and the U.S. Environmental Protection Agency’s (EPA) ENERGY STAR® program to provide senior care communities with tools and resources to help effectively manage energy use and demonstrate environmental stewardship. ASHA sponsors its own political action committee known as SHPAC (Seniors Housing Political Action Committee), which is funded entirely by voluntary contributions.</p> | <p>Ray Lewis, Ventas president, has previously served as chairman of SHPAC and currently serves as vice chairman of the Executive Committee of the American Seniors Housing Association. Ventas is consistently ranked in the top two contributors to SHPAC based on voluntary contributions from employees for 2012, 2103 and 2014.</p>     |
| ULI               | Consistent   | <p>The Urban Land Institute (ULI) provides leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. ULI is an independent global nonprofit supported by members representing the entire spectrum of real estate development and land use disciplines. ULI, through its Greenprint Center for Building Performance, also offers an environmental management platform that tracks energy use—as well as emissions, water use, and waste generation—for office, retail, industrial, multifamily buildings and hotels. Greenprint members reduced their energy consumption by 14% between 2009 and 2012. ULI hosts multiple meetings and conferences across the country each year for its members.</p>   | <p>Several Ventas employees are members of the Urban Land Institute and one employee is a member of the Seniors Housing Council of ULI. One way Ventas keeps apprised of new technologies, rising trends and sustainability benchmarking tools in the real estate industry is via strong employee engagement in ULI events and councils.</p> |

| Trade association | Is your position on climate change consistent with theirs? | Please explain the trade association's position  | How have you, or are you attempting to, influence the position?   |
|-------------------|--|--|---|
| ALFA              | Consistent   | <p>The Assisted Living Federation of America (ALFA) is the largest national association exclusively dedicated to professionally managed, resident-centered senior living communities and the seniors and families they serve. ALFA's programs promote business and operational excellence through education research, publications, professional networking and online tools. Since 2009, ALFA has issued an annual energy survey of senior care communities with the purpose of obtaining detailed national benchmarking information on energy, consumption, costs, fuel sources, and services that drive energy use in senior care communities. The results of the survey were shared with the Environmental Protection Agency (EPA) with the goal of creating an ENERGY STAR rating system for senior care communities. Using survey results, the ENERGY STAR rating system for senior living communities launched in 2011. Additionally, ALFA added a "Going Green, Saving Green: Energy, Recycling, and Expense Reductions Strategies" category to the Best of the Best contest in 2013 utilizing ENERGY STAR's Portfolio Manager benchmarking tool. The inability of commercial building owners to access whole-building energy data, including energy consumption data in separately metered tenant spaces, restricts the capacity of both building owners and tenants to make informed decisions to drive energy efficiency improvements. This category aggregates whole-building data, which provides vital information to the building owner while protecting the privacy concerns of tenants.</p> | <p>Ventas has worked to certify several ENERGY STAR senior care communities after ALFA and the EPA partnered to establish the program. Ventas is an ALFA President's Council member. Annually, Ventas participates in ALFA Best of the Best contests and won an "Award of Excellence" in 2012 for Atria Tamalpais Creek. The building is a 1970s-built Ventas-owned property that received a redevelopment refresh and repositioning that earned a LEED Silver certification.</p> |
| BOMA              | Consistent   | <p>BOMA International supports tax incentives for energy efficiency upgrades and calls on Congress to consider conservation and demand side management tools, such as tax incentives, to address the growing energy challenge. BOMA International supports voluntary and incentive-based programs for reducing greenhouse gas (GHG) emissions. BOMA International also believes the value of GHG reductions will accelerate building energy efficiency investments most efficiently if the benefits</p>  | <p>BOMA (Building Owners and Managers Association) International has taken a number of positions on climate change legislation and put forth efforts to increase the benefit of energy-efficient real estate investments to owners and operators. Ventas, as a building owner of over 1,600 health care properties in the U.S., Canada, and the United Kingdom, supports BOMA's position.</p>   |

| Trade association | Is your position on climate change consistent with theirs? | Please explain the trade association's position   | How have you, or are you attempting to, influence the position? |
|-------------------|--|---|---|
|                   |  | <p>accrue directly to the building that makes these investments. In other words, buildings – not utilities – need to accrue any credits or offsets in a regulatory cap and trade program. Legislation must allow the free market to work by rewarding investors in efficiency or renewable energy with the financial value of the resulting CO2 emissions reductions. BOMA International opposes cap and trade policy options that do not reinvest funds raised into energy efficiency and would increase costs to business without reinvesting to effectively accomplish its environmental objectives. BOMA International also supports incentives to promote investment in water efficient products for commercial buildings, such as toilets, urinals, faucets, shower heads, re-landscaping, site irrigation systems and applicable HVAC systems. BOMA International supports voluntary and incentive-based programs for reducing greenhouse gas (GHG) emissions. BOMA International also believes the value of GHG reductions will accelerate building energy efficiency investments most efficiently if the benefits accrue directly to the building that makes these investments. In other words, buildings – not utilities – need to accrue any credits or offsets in a regulatory cap and trade program. Legislation must allow the free market to work by rewarding investors in efficiency or renewable energy with the financial value of the resulting CO2 emissions reductions. BOMA International opposes cap and trade policy options that do not reinvest funds raised into energy efficiency and would increase costs to business without reinvesting to effectively accomplish its environmental objectives. BOMA International also supports incentives to promote investment in water efficient products for commercial buildings, such as toilets, urinals, faucets, shower heads, re-landscaping, site irrigation systems and applicable HVAC systems.</p> |   |

Do you publicly disclose a list of all the research organizations that you fund?

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CC2.3e

Do you fund any research organizations to produce or disseminate public work on climate change?

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CC2.3f

Please describe the work and how it aligns with your own strategy on climate change

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CC2.3g

Please provide details of the other engagement activities that you undertake

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CC2.3h

**What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

Ventas employees participate in and support the efforts undertaken by the National Association of Real Estate Investment Trusts (NAREIT), American Seniors Housing Association (ASHA), Senior Housing Political Action Committee (SHPAC), Real Estate Investment Trust Political Action Committee (REITPAC) and the Urban Land Institute (ULI). The Ventas Sustainability Committee comprises members in multiple geographic locations and departments. The Sustainability Committee convenes monthly, in part to discuss the company's overall climate change response strategy. The committee members include LEED-certified staff and those highly engaged with specific industry groups such as ULI and the Sustainability Policy Action Committee of the Real Estate Roundtable. At each Ventas Sustainability Committee meeting, the agenda includes a discussion on improving our awareness, information collection and disclosure regarding environmental matters. This committee also discusses investment due diligence procedures as they relate to evaluating the energy efficiency of buildings to be acquired, as well as evaluating existing buildings for retrofits. The committee considers ways to incrementally improve the climate change profile of the portfolio in ways that are cost effective and will provide a measurable benefit to our shareholders.

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CC2.3i

Please explain why you do not engage with policy makers

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CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

No opinion

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CC2.4a

Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

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Further Information

**Page: CC3. Targets and Initiatives**

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CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute target

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CC3.1a

Please provide details of your absolute target

| ID   | Scope     | % of emissions in scope | % reduction from base year | Base year | Base year emissions (metric tonnes CO2e) | Target year | Comment   |
|------|-----------|-------------------------|----------------------------|-----------|--|-------------|---|
| Abs1 | Scope 2   | 92.8%                   | 10%                        | 2013      | 371990                                   | 2023        | Target to reduce electricity emissions will be achieved through reductions in electricity consumption in our SHOP and MOB portfolios. |
| Abs2 | Scope 1   | 64.6%                   | 10%                        | 2013      | 74414                                    | 2023        | Target to reduce natural gas emissions will be achieved through reductions in natural gas consumption in our SHOP and MOB portfolios. |
| Abs3 | Scope 1+2 | 5%                      | 5%                         | 2013      | 3073                                     | 2023        | Target to reduce water consumption will be achieved through reductions in water consumption in our SHOP and MOB portfolios.           |
| Abs4 | Scope 1+2 | 4%                      | 4%                         | 2013      | 28178                                    | 2023        | Target to reduce landfill waste will be achieved through recycling programs and initiatives in our SHOP and MOB portfolios.           |

### CC3.1b

Please provide details of your intensity target

| ID | Scope | % of emissions in scope | % reduction from base year | Metric | Base year | Normalized base year emissions | Target year | Comment |
|----|-------|-------------------------|----------------------------|--------|-----------|--------------------------------|-------------|---------|
|----|-------|-------------------------|----------------------------|--------|-----------|--------------------------------|-------------|---------|

### CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

| ID | Direction of change anticipated in absolute Scope 1+2 emissions at target completion? | % change anticipated in absolute Scope 1+2 emissions | Direction of change anticipated in absolute Scope 3 emissions at target completion? | % change anticipated in absolute Scope 3 emissions | Comment |
|----|---|--|---|--|---------|
|----|---|--|---|--|---------|

**CC3.1d**

**For all of your targets, please provide details on the progress made in the reporting year**

| ID   | % complete (time) | % complete (emissions) | Comment   |
|------|-------------------|------------------------|---|
| Abs1 | 10%               | 0%                     | Increased occupancy increased emissions by 3% on a like for like basis. As noted in Section 12, emissions intensity decreased.                            |
| Abs2 | 10%               | 4%                     | Total scope 1 decreased on a like for like basis. Increased occupancy did not have a material impact natural gas usage (primary scope 1 emission source). |
| Abs3 | 10%               | 1%                     | Total scope 1 decreased on a like for like basis. Increased occupancy did not have a material impact water usage.   |
| Abs4 | 10%               | 0%                     | Total waste emissions were flat due to increased occupancy  |

**CC3.1e**

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

**CC3.2**

**Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?**

Yes

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**CC3.2a**

**Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party**

Ventas has been focused on improving the NOI performance of our SHOP and MOB portfolios and tracking reductions based on the EPA ENERGY STAR certification guidelines. In these segments, we have a participation rate of 100%, with 505 properties tracking usage, auditing performance and setting new improvement targets to maintain existing ENERGY STAR certifications and add to the total portfolio of efficient buildings. Ventas engages a variety of partners to actively reduce GHG emissions, including: - Asset and property management groups working with operators and vendors to promote purchasing with companies that focus on providing sustainable services and products. - Development and redevelopment groups specifying material selections that promote and improve sustainable performance such as updated, efficient mechanical, electrical and plumbing equipment, building automation systems, low/no volatile organic compound (VOC) paints and waste management/reduction operations. - Designing and constructing properties that can be operated in an energy efficient manner. - Specific vendors, such as extermination service providers, provide material safety and data sheets (MSDS) for compliance prior to performing any work. - Ventas sets minimum green procurement and sourcing standards across our SHOP and MOB portfolios for vendors.

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**CC3.3**

**Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)**

Yes

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**CC3.3a**

**Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings**

| Stage of development      | Number of projects | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---------------------------|--------------------|--|
| Under investigation       |                    |  |
| To be implemented*        |                    |  |
| Implementation commenced* |                    |  |
| Implemented*              |                    |  |

| Stage of development  | Number of projects | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|-----------------------|--------------------|--|
| Not to be implemented |                    |  |

**CC3.3b**

For those initiatives implemented in the reporting year, please provide details in the table below

| Activity type                      | Description of activity | Estimated annual CO2e savings (metric tonnes CO2e) | Scope | Voluntary/ Mandatory | Annual monetary savings (unit currency - as specified in CC0.4) | Investment required (unit currency - as specified in CC0.4) | Payback period | Estimated lifetime of the initiative | Comment |
|------------------------------------|-------------------------|--|-------|----------------------|---|---|----------------|--------------------------------------|---------|
| Energy efficiency: Building fabric |                         |  |       |                      |   |   |                |                                      |         |
| Low carbon energy installation     | Solar and cogen         |  |       |                      |   |   |                |                                      |         |
|                                    |                         |  |       |                      |   |   |                |                                      |         |
|                                    |                         |  |       |                      |   |   |                |                                      |         |

**CC3.3c**

What methods do you use to drive investment in emissions reduction activities?

| Method  | Comment   |
|---|---|
| Lower return on investment (ROI) specification    | Recommend investment in energy consumption related capital projects that have a payback period of less than 24 months.  |
| Compliance with regulatory requirements/standards | Many sustainability measures have been mandated through legislation. In every case, Ventas strives to be compliant; in most cases going well beyond minimum compliance.   |
| Financial optimization calculations               | The Ventas Sustainability Committee and Senior Leadership Team review all investment decisions in sustainability-related projects related to emissions reduction.   |
| Other   | Ventas, along with many of our tenants, participates in the Energy Consortium of the Americas purchasing initiative, collecting water and sewer data and establishing reduction targets on MOBs, and engages The William-Thomas Group and Republic Services to improve existing waste management and recycling best practices on a national portfolio basis. These waste management efforts are maintained by a web-based system that coordinates waste and recycling efforts, providing options in selecting haulers, a network of the strongest haulers in the area of each asset and cost effective waste solutions. Many of our hospital assets operate on land leases, and we are actively promoting and participating with all parties to update site lighting operations and designs in an effort to reduce energy consumption and spearheading efforts to increase the presence of green space. |

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**CC3.3d**

If you do not have any emissions reduction initiatives, please explain why not

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**Further Information**

**Page: CC4. Communication**

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**CC4.1**

**Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)**

| Publication   | Status   | Page/Section reference                    | Attach the document   |
|---|----------|---|---|
| In mainstream financial reports in accordance with the CDSB Framework | Complete | All - Ventas Quarterly Earnings Materials | <a href="https://www.cdp.net/sites/2015/73/22873/Climate%20Change%202015/Shared%20Documents/Attachments/CC4.1/Ventas%20Sustainability%20Reporting%20to%20Investors%20-%20Quarterly%20Supplemental%20Reports.pdf">https://www.cdp.net/sites/2015/73/22873/Climate Change 2015/Shared Documents/Attachments/CC4.1/Ventas Sustainability Reporting to Investors - Quarterly Supplemental Reports.pdf</a> |
| In mainstream financial reports in accordance with the CDSB Framework | Complete | All - Ventas Investor Presentation        | <a href="https://www.cdp.net/sites/2015/73/22873/Climate%20Change%202015/Shared%20Documents/Attachments/CC4.1/Ventas%20Sustainability%20Reporting%20to%20Investors.pdf">https://www.cdp.net/sites/2015/73/22873/Climate Change 2015/Shared Documents/Attachments/CC4.1/Ventas Sustainability Reporting to Investors.pdf</a>   |
| In voluntary communications   | Complete | All                                       | <a href="https://www.cdp.net/sites/2015/73/22873/Climate%20Change%202015/Shared%20Documents/Attachments/CC4.1/2014-ventas-GRESB-FINAL.pdf">https://www.cdp.net/sites/2015/73/22873/Climate Change 2015/Shared Documents/Attachments/CC4.1/2014-ventas-GRESB-FINAL.pdf</a>   |
| In mainstream financial reports in accordance with the CDSB Framework | Complete | 6 - Ventas Annual Report                  | <a href="https://www.cdp.net/sites/2015/73/22873/Climate%20Change%202015/Shared%20Documents/Attachments/CC4.1/ventas_2014_annual-report.pdf">https://www.cdp.net/sites/2015/73/22873/Climate Change 2015/Shared Documents/Attachments/CC4.1/ventas_2014_annual-report.pdf</a>   |
| In voluntary communications   | Complete | Ventas Website - Sustainability Section   | <a href="https://www.cdp.net/sites/2015/73/22873/Climate%20Change%202015/Shared%20Documents/Attachments/CC4.1/Sustainability%20Website%20Snapshot.pdf">https://www.cdp.net/sites/2015/73/22873/Climate Change 2015/Shared Documents/Attachments/CC4.1/Sustainability Website Snapshot.pdf</a>   |
| In voluntary communications   | Complete | All - Ventas Sustainability Report        | <a href="https://www.cdp.net/sites/2015/73/22873/Climate%20Change%202015/Shared%20Documents/Attachments/CC4.1/4458_VTR_Sustainability_10.pdf">https://www.cdp.net/sites/2015/73/22873/Climate Change 2015/Shared Documents/Attachments/CC4.1/4458_VTR_Sustainability_10.pdf</a>   |

### Further Information

As a signatory to CDP, we are committed to transparency and timely disclosure of climate change risk. For 2014, Ventas ranked in the top half of participants in the Financial Sector, and we make our complete CDP report and scoring results publicly available for download and review on our corporate sustainability page of our website, <http://www.ventasreit.com/corporate-responsibility/sustainability>, along with our 2014 GRESB report which named Ventas as Global Sector Leader, Green Star and 2014 Leader in the Light in the Healthcare category. Environmental awareness is a focal point for our existing portfolio and a factor in our acquisition, redevelopment and divestiture decisions.

## Module: Risks and Opportunities

### Page: CC5. Climate Change Risks

#### CC5.1

**Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

CC5.1a

**Please describe your inherent risks that are driven by changes in regulation**

| Risk driver                                  | Description  | Potential impact       | Timeframe    | Direct/ Indirect | Likelihood             | Magnitude of impact | Estimated financial implications   | Management method   | Cost of management  |
|--|--|------------------------|--------------|------------------|------------------------|---------------------|--|---|---|
| Product efficiency regulations and standards | The enactment of new building codes governing minimum product performance could result in higher construction costs. This includes but is not limited to updates to ASHRAE 90.1 standards and IEC Code when adopted at the state and local jurisdiction levels following recommendations by the DOE. | Increased capital cost | 1 to 3 years | Direct           | About as likely as not | Low-medium          | The costs of specialized sustainable building materials and more energy efficient equipment could be 1% to 5% of total project cost. | Current risk management methods include gaining experience in construction methods and a better understanding of available materials and equipment to minimize additional costs of specialized sustainable building materials and more energy efficient | We estimate costs associated with hiring LEED trained professionals and facilitating in-house training programs to manage the risk of new construction using sustainable building materials and more energy efficient equipment to be in the tens of thousands of dollars |

| Risk driver                                 | Description   | Potential impact   | Timeframe    | Direct/ Indirect | Likelihood             | Magnitude of impact | Estimated financial implications   | Management method  | Cost of management   |
|---|---|--|--------------|------------------|------------------------|---------------------|--|--|--|
|   |   |  |              |                  |                        |                     |  | equipment (e.g. through hiring trained LEED professionals and facilitating in-house training).   |  |
| Product labelling regulations and standards | Energy certifications such as LEED and ENERGY STAR impact property markets where occupants are stipulating minimum acceptable energy ratings. | Other: Lower occupant demand and accelerated obsolescence of built stock | 3 to 6 years | Direct           | About as likely as not | Low-medium          | Financial implications include: (a) lower demand and in turn lower occupancies in areas where existing inefficient buildings did not achieve LEED and/or ENERGY STAR certifications; and (b) potential occupants who may be reluctant or unwilling to pay higher rental premiums or service charges associated with buildings that have achieved LEED and/or | Current risk management methods include (a) identifying areas where potential occupants are more sensitive to minimum acceptable energy ratings and strategically spending capital to improve building systems to maximize energy efficiencies; and (b) favoring local markets and potential occupant groups that are less sensitive to increasing costs in the form of higher rents that are associated | We estimate costs associated with improving building systems in markets where occupants stipulate minimum acceptable energy ratings as defined by LEED/ENERGY STAR to be in the hundreds of thousands of dollars. We estimate the costs identifying markets where occupants who are less sensitive to increasing costs in the form of higher rents associated with tighter regulations and building LEED/ENERGY STAR |

| Risk driver  | Description   | Potential impact                               | Timeframe    | Direct/ Indirect | Likelihood             | Magnitude of impact | Estimated financial implications   | Management method   | Cost of management  |
|--------------|---|--|--------------|------------------|------------------------|---------------------|--|---|---|
|              |   |  |              |                  |                        |                     | ENERGY STAR certifications.  | with tighter regulations and building LEED and/or ENERGY STAR standards and benchmarks.   | certifications to be negligible, part of our due diligence process.   |
| Carbon taxes | The growing threat of carbon tax legislation in the US, (Sanders-Boxer "Climate Protection Act") as well as implementation of carbon taxation in other countries where we operate including British Columbia, Canada and the United Kingdom result in an increase in capital expenditures for more energy efficient equipment and an increase in the costs of operations due to higher utility costs. | Other: Increased capital and operational costs | Up to 1 year | Direct           | About as likely as not | Low-medium          | Current risk management methods include (a) implementing internal awareness practices such as water and energy saving procedures company-wide, which aids in mitigating risks of any increased future utility costs; (b) installing energy efficient equipment in new construction projects to decrease carbon impact; and (c) anticipating carbon tax | Current risk management methods include (a) implementing internal awareness practices such as water conservation and energy saving procedures company-wide, which will aid in mitigating risks of any increased future utility costs; (b) installing energy efficient equipment in new construction projects to decrease the carbon impact; and (c) anticipating state and local carbon | We estimate costs associated with implementing internal awareness practices to be negligible and part of current business practices, the costs associated with the use of energy efficient equipment in new construction to account for 1% to 5% of construction costs, and the costs associated with anticipating state/local carbon tax policies in order to strategically institute capital expenditure programs to upgrade existing |

| Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications  | Management method   | Cost of management   |
|-------------|-------------|------------------|-----------|------------------|------------|---------------------|---|---|--|
|             |             |                  |           |                  |            |                     | policies to institute capital expenditure programs to upgrade existing inefficient buildings. | tax policies to strategically institute capital expenditure programs to upgrade existing inefficient buildings. | inefficient buildings to be in the hundreds of thousands of dollars. |

**CC5.1b**

Please describe your inherent risks that are driven by change in physical climate parameters

| Risk driver                          | Description  | Potential impact           | Timeframe | Direct/ Indirect | Likelihood           | Magnitude of impact | Estimated financial implications  | Management method   | Cost of management  |
|--------------------------------------|--|----------------------------|-----------|------------------|----------------------|---------------------|---|---|---|
| Change in mean (average) temperature | Our property portfolio consists of over 1,600 properties in the United States, Canada and the United Kingdom. This property portfolio spans a variety of climate zones, and changes in | Increased operational cost | >6 years  | Direct           | More likely than not | Medium              | With properties located across the United States, Canada and the United Kingdom, we are vulnerable to extreme weather due to changes in mean temperature. This risk can result in | Current risk management methods include implementation of energy saving measures such as installation of energy efficient equipment, implementation of water conservation and energy saving | The costs to install energy efficient equipment in new construction can be 1% to 5% of construction costs and in existing buildings could cost hundreds of thousands of |

| Risk driver                                   | Description  | Potential impact                               | Timeframe | Direct/<br>Indirect | Likelihood           | Magnitude<br>of impact | Estimated<br>financial<br>implications   | Management<br>method  | Cost of<br>management  |
|---|--|--|-----------|---------------------|----------------------|------------------------|--|---|--|
|   | the mean temperature could lead to increased cooling and heating expenses.   |  |           |                     |                      |                        | increased cooling and heating expenses, which could cost thousands or tens of thousands of dollars and margin erosion.   | procedures, and development of emergency preparedness plans to minimize risks.  | dollars. Such costs will be mitigated by increased energy savings. The costs of internal awareness programs and development of emergency preparedness plans are estimated to be in the thousands of dollars. |
| Change in precipitation extremes and droughts | Changes in precipitation extremes resulting in flooding and/or droughts can result in increased insurance-related costs and increased capital and operational costs due to interruption of services. | Other: Increased capital and operational costs | >6 years  | Direct              | More likely than not | Medium                 | With properties located across the United States, Canada and the United Kingdom, we are vulnerable to extreme weather due to precipitation extremes and droughts. These risks can result in (a) more frequent payments of insurance deductibles due to claims of | Current risk management methods include (a) negotiating competitive insurance rates and favorable deductibles to reduce risks, and (b) development of emergency preparedness plans to minimize impact of service disruptions. | There is no cost associated with negotiating competitive insurance rates through a bidding process. Costs to develop emergency preparedness plans are minimal.   |

| Risk driver  | Description  | Potential impact  | Timeframe | Direct/<br>Indirect | Likelihood           | Magnitude<br>of impact | Estimated<br>financial<br>implications   | Management<br>method  | Cost of<br>management  |
|--------------|--|---|-----------|---------------------|----------------------|------------------------|--|---|--|
| Snow and ice | Our property portfolio consists of properties that are subject to accumulations of snow and ice which may result in increased operating costs, capital and insurance-related costs, increased maintenance and repair costs for damaged enclosure components, and interruption of services. | Other: Increased capital costs, operational costs, maintenance/repair costs, loss of services | >6 years  | Direct              | More likely than not | Low-medium             | damage to our properties, and With properties located across the United States, Canada and the United Kingdom, we are vulnerable to extreme weather due to heavy snow and/or ice accumulation. These risks can result in (a) increased costs of snow removal, (b) more frequent payments of insurance deductibles due to damage to our properties, (c) higher insurance premiums due to increased claims, and (d) temporary service disruption. Snow removal and insurance related costs | Current risk management methods include (a) negotiating competitive insurance rates and favorable deductibles to reduce risks, and (b) development of emergency preparedness plans to minimize impact of service disruptions. | There is no cost associated with negotiating competitive insurance rates through a bidding process. Costs to develop emergency preparedness plans are minimal. |

| Risk driver    | Description   | Potential impact         | Timeframe | Direct/<br>Indirect | Likelihood | Magnitude<br>of impact | Estimated<br>financial<br>implications   | Management<br>method  | Cost of<br>management  |
|----------------|---|--------------------------|-----------|---------------------|------------|------------------------|--|---|--|
|                |   |                          |           |                     |            |                        | could be in the tens of thousands of dollars.  |   |  |
| Sea level rise | Our property portfolio consists of properties in coastal markets that are subject to risks associated with rising sea levels. Rising sea levels could lead to capital and insurance-related costs and in extreme cases the potential destruction of property. | Inability to do business | >6 years  | Direct              | Unlikely   | Medium                 | With properties located across the United States, Canada and the United Kingdom, we are vulnerable to extreme weather due to sea level rise. These risks can result in (a) more frequent payments of insurance deductibles due to damage to our properties, (c) higher insurance premiums due to increased claims, and (d) temporary service disruption. Snow removal and insurance related costs could be in the tens of thousands of | Current risk management methods include (a) negotiating competitive insurance rates and favorable deductibles to reduce risks, and (b) development of emergency preparedness plans to minimize impact of service disruptions. | There is no cost associated with negotiating competitive insurance rates through a bidding process. Costs to develop emergency preparedness plans are minimal. |

| Risk driver                                 | Description  | Potential impact   | Timeframe    | Direct/<br>Indirect | Likelihood             | Magnitude<br>of impact | Estimated<br>financial<br>implications  | Management<br>method  | Cost of<br>management  |
|---|--|--|--------------|---------------------|------------------------|------------------------|---|---|--|
| Tropical cyclones (hurricanes and typhoons) | Our property portfolio consists of properties that are subject to risks associated with tropical cyclones. Tropical cyclones could lead to capital and insurance-related costs, disruption of services, and the inability to do business due to potential destruction of property. | Other: Increased capital costs, disruption of services, inability to do business | Up to 1 year | Direct              | About as likely as not | Medium                 | dollars.<br>With properties located across the United States, Canada and the United Kingdom, we are vulnerable to extreme weather due to tropical cyclones. These risks can result in (a) more frequent payments of insurance deductibles due to damage to our properties, (b) higher insurance premiums due to increased claims, and (c) temporary service disruption. Insurance related costs could be in the tens of thousands of dollars. | Current risk management methods include (a) negotiating competitive insurance rates and favorable deductibles to reduce risks, and (b) development of emergency preparedness plans to minimize impact of service disruptions. | There is no cost associated with negotiating competitive insurance rates through a bidding process. Costs to develop emergency preparedness plans are minimal. |

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

| Risk driver | Description  | Potential impact                       | Timeframe    | Direct/ Indirect | Likelihood             | Magnitude of impact | Estimated financial implications  | Management method  | Cost of management  |
|-------------|--|--|--------------|------------------|------------------------|---------------------|---|--|---|
| Reputation  | There are a growing number of investors who utilize sustainability and ESG data as a key factor in determining investment. | Reduced stock price (market valuation) | Up to 1 year | Direct           | About as likely as not | Medium              | Reputation is a key risk associated with sustainability in terms of investor perception. A negative perception in terms of sustainability could pose a financial risk. A growing number of investors are factoring sustainability data into their investment decisions. | Current risk management methods include making sustainability a focal point for our existing portfolio and a factor in our acquisition and divestiture strategy. Spearheading these efforts is a Sustainability Committee comprised of senior leadership from different functional areas that meets regularly to consolidate and improve our awareness, information collection and disclosure regarding environmental matters. Currently our portfolio includes 11 | The cost of implementing such practices as the promotion of sustainability in our everyday business is minimal. |

| Risk driver                 | Description  | Potential impact                  | Timeframe    | Direct/<br>Indirect | Likelihood             | Magnitude of impact | Estimated financial implications   | Management method   | Cost of management  |
|-----------------------------|--|-----------------------------------|--------------|---------------------|------------------------|---------------------|--|---|---|
|                             |  |                                   |              |                     |                        |                     |  | properties built to LEED standards and 5 more under construction. Additionally, Ventas is an ENERGY STAR partner with 144 properties ENERGY STAR Certified. As a signatory to the CDP we are committed to transparency and timely disclosure of climate change risk. Every year, we also participate in the Global Real Estate Sustainability Benchmark (GRESB) survey as part of its annual global survey on the sustainability of real estate properties. |   |
| Changing consumer behaviour | Potential residents in certain areas of the country are utilizing sustainability | Reduced demand for goods/services | Up to 1 year | Direct              | About as likely as not | Medium              | Tenants are increasingly requesting environmentally friendly spaces. The financial | Current risk management methods include (a) collaborating, across our portfolio with customers to   | We estimate that obtaining LEED certification for our new construction costs approximately 1% |

| Risk driver | Description                       | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications  | Management method  | Cost of management  |
|-------------|-----------------------------------|------------------|-----------|------------------|------------|---------------------|---|--|---|
|             | data in making leasing decisions. |                  |           |                  |            |                     | implications of potential tenants not choosing our properties due to a lack of environmentally friendly spaces could cost tens of thousands of dollars annually in lost rent. | improve environmental awareness and the sustainability of our properties and, (b) making strategic investments to increase the efficiency of each facility. These initiatives create more demand for the properties and significantly decrease operating costs, which helps to mitigate costs associated with these strategic investments. | to 5% of the total project costs. Strategic upgrades to existing buildings to make them more energy efficient can cost hundreds of thousands of dollars. Product efficiency regulations and standards will lead to improved energy efficiency across our portfolio resulting in lower operating costs and higher market values. |

CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

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CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

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**Further Information**

**Page: CC6. Climate Change Opportunities**

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CC6.1

**Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

Opportunities driven by changes in regulation

Opportunities driven by changes in physical climate parameters

Opportunities driven by changes in other climate-related developments

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CC6.1a

**Please describe your inherent opportunities that are driven by changes in regulation**

| Opportunity driver                           | Description  | Potential impact          | Timeframe | Direct/Indirect | Likelihood           | Magnitude of impact | Estimated financial implications   | Management method  | Cost of management  |
|--|--|---------------------------|-----------|-----------------|----------------------|---------------------|--|--|---|
| Product efficiency regulations and standards | Product efficiency regulations and standards such as ASHRAE 90.1 standards and IEC Code will lead to improved energy efficiency across our portfolio, resulting in lower operating costs and higher market values. | Reduced operational costs | >6 years  | Direct          | More likely than not | Medium-high         | Conforming to and complying with regulation changes related to product efficiency standards present opportunities that could have a positive financial impact through a reduction in operating costs due to lower energy consumption and higher market valuation. The potential energy savings are as high as 35% in ENERGY STAR buildings and the potential of increased revenue is | The specific methods we are using to take advantage of these opportunities include making strategic investments to increase the efficiency of our facilities and continuing to voluntarily partner/comply with third party green building standards such as ENERGY STAR and LEED which are closely aligned with the latest ASHRAE 90.1 and IEC Code standards. | While costs associated with increasing efficiencies of our existing facilities and constructing new energy efficient facilities can be tens of thousands of dollars, we believe the operational cost savings of an energy efficient building and the increased market valuation can result in additional revenue measuring in the hundreds of thousands of dollars. |

| Opportunity driver                          | Description   | Potential impact                                | Timeframe    | Direct/Indirect | Likelihood           | Magnitude of impact | Estimated financial implications  | Management method   | Cost of management   |
|---|---|---|--------------|-----------------|----------------------|---------------------|---|---|--|
|   |   |   |              |                 |                      |                     | estimated in the hundreds of thousands of dollars.  |   |  |
| Product labelling regulations and standards | As a result of our experience as an ENERGY STAR partner, our LEED certifications, our participation in the in the Global Real Estate Sustainability Benchmark and as a signatory to the CDP, we are well positioned to market to the growing investor and consumer markets whose decisions are influenced by these partnerships and this type of dedication | Increased demand for existing products/services | Up to 1 year | Direct          | More likely than not | Medium              | We are well positioned to market to the growing investor and consumer markets whose decisions are influenced by our sustainability partnerships and experience and this type of dedication to creating lasting economic efficiencies, while preserving and protecting the planet. We estimate the combined positive financial impact resulting from | Specific methods we are using to manage opportunities associated with product labeling regulations and standards include (a) our continued voluntary compliance with third party green building standards, (b) the continued expansion of our ENERGY STAR and LEED certified portfolios, and (c) updating the sustainability portion of our website to keep consumers and investors informed of our continued dedication to | We believe continued voluntary compliance with third party green building will lead to operational cost savings and in turn increased revenues making our product economically and environmentally attractive to consumers and investors. This additional revenue could potentially measure in the hundreds of thousands of dollars. There is minimal cost for actions such as updating our sustainability webpage and informing |

| Opportunity driver | Description  | Potential impact | Timeframe | Direct/Indirect | Likelihood | Magnitude of impact | Estimated financial implications  | Management method   | Cost of management                                     |
|--------------------|--|------------------|-----------|-----------------|------------|---------------------|---|---|--|
|                    | to creating lasting economic efficiencies, while preserving and protecting the planet. |                  |           |                 |            |                     | this market positioning in terms of increased demand for our product by investors and consumers could be in the hundreds of thousands of dollars. | improve environmental awareness and the sustainability of our properties. | stakeholders of our continued focus on sustainability. |

CC6.1b

Please describe the inherent opportunities that are driven by changes in physical climate parameters

| Opportunity driver                   | Description   | Potential impact          | Timeframe | Direct/Indirect | Likelihood | Magnitude of impact | Estimated financial implications   | Management method   | Cost of management   |
|--------------------------------------|---|---------------------------|-----------|-----------------|------------|---------------------|--|---|--|
| Change in mean (average) temperature | As the average mean temperature in many climate zones continues to rise, geothermal energy may become a | Reduced operational costs | >6 years  | Direct          | Unlikely   | Low-medium          | Geothermal energy can lead to a 30 - 40% reduction in energy utility costs which will translate to tens of thousands of dollars in | Current risk management methods include (a) making sustainability a focal point for our existing portfolio and a factor in our acquisition strategy which leads to opportunities that | While costs associated with investing in existing facilities with renewable energy sources and constructing new facilities that will use renewable energy sources is extremely |

| Opportunity driver | Description  | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications | Management method   | Cost of management   |
|--------------------|--|------------------|-----------|------------------|------------|---------------------|----------------------------------|---|--|
|                    | more viable renewable energy resulting in lower operating costs. |                  |           |                  |            |                     | operational savings.             | allow for investment in properties already implementing the use of renewable energy sources. Additionally, when investing in capex and new construction, management actively investigates and reviews opportunities to include renewable energy products such as solar arrays and geothermal systems. | costly, we believe the operational cost savings of a building powered by renewable energy and the increased market valuation can result in additional revenue measuring in the hundreds of thousands of dollars. |

CC6.1c

Please describe the inherent opportunities that are driven by changes in other climate-related developments

| Opportunity driver | Description  | Potential impact                         | Timeframe    | Direct/ Indirect | Likelihood           | Magnitude of impact | Estimated financial implications   | Management method   | Cost of management  |
|--------------------|--|--|--------------|------------------|----------------------|---------------------|--|---|---|
| Reputation         | As the nation's largest owner of seniors housing and medical office buildings, | Increased stock price (market valuation) | Up to 1 year | Direct           | More likely than not | Medium              | By making sustainability a focal point of our existing portfolio and factor in our | Specific methods we are using to manage these opportunities | We believe our continued mission to achieve LEED and ENERGY |

| Opportunity driver | Description   | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications  | Management method  | Cost of management   |
|--------------------|---|------------------|-----------|------------------|------------|---------------------|---|--|--|
|                    | <p>our 67 assets with ENERGY STAR certification, 11 properties built to LEED standards and 5 additional LEED projects underway have achieved such awards as the 2012 ALFA Award of Excellence, 2010 Gold Nugget Award for Merit, The Outstanding Building of the Year (TOBY) award in 2009 and 2010 and 2012 BOMA 360 Performance Building. Recognition such as this, along with our continued focus to report sustainability efforts, improves our reputation and increases the value of our properties in the eyes of</p> |                  |           |                  |            |                     | <p>acquisition and divestiture strategy, we have the opportunity to gain new tenants and investors who prefer to do business with more environmentally responsible companies. The financial implications of increased revenues and investment in our company are estimated to be in the hundreds of thousands of dollars.</p> | <p>include (a) our continued voluntary compliance with third party green building standards, (b) continued expansion of our ENERGY STAR and LEED certified properties, and (c) updating the sustainability webpage on our website with information regarding newly awarded LEED and ENERGY STAR certifications to attract consumers and investors focused on sustainability.</p> | <p>STAR compliance will lead to operational cost savings and in turn increased revenues making our product economically and environmentally attractive to consumers and investors. This additional revenue could potentially measure in the hundreds of thousands of dollars. There is no additional cost for actions such as updating our sustainability webpage and informing stakeholders of our continued focus on sustainability.</p> |

| Opportunity driver          | Description  | Potential impact                                | Timeframe    | Direct/ Indirect | Likelihood           | Magnitude of impact | Estimated financial implications  | Management method  | Cost of management  |
|-----------------------------|--|---|--------------|------------------|----------------------|---------------------|---|--|---|
|                             | consumers and investors.   |   |              |                  |                      |                     |   |  |   |
| Changing consumer behaviour | Changing consumer behavior by promoting environmentally friendly programs at our communities, such as recycling, water conservation and energy-saving efforts can result in lower energy consumption leading to lower operating costs, optimized NOI and higher market values. | Increased demand for existing products/services | Up to 1 year | Direct           | More likely than not | Medium              | Changing consumer behavior by promoting environmentally friendly programs such as recycling, water conservation, and energy saving efforts can result in lower energy consumption leading to lower operating costs and higher market values. We estimate the positive financial implications resulting from such opportunities to be in the hundreds of thousands of dollars. | Specific methods to manage these opportunities include (a) collaborating with customers to improve environmental awareness (b) promoting the expansion of recycling, water conservation, and energy saving programs, (c) the installation of energy efficient light bulbs (d) updating the sustainability webpage on our website and investor presentations with information regarding newly awarded LEED and ENERGY | We believe our continued mission to achieve LEED and ENERGY STAR compliance will lead to operational cost savings and in turn increased revenues making our product economically and environmentally attractive to consumers and investors. This additional revenue could potentially measure in the hundreds of thousands of dollars. There are minimal costs associated with promoting our sustainability programs. |

| Opportunity driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications | Management method   | Cost of management |
|--------------------|-------------|------------------|-----------|------------------|------------|---------------------|----------------------------------|---|--------------------|
|                    |             |                  |           |                  |            |                     |                                  | STAR certifications to attract consumers and investors focused on sustainability. |                    |

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CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

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CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

---

CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

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**Further Information**

**Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading**

**Page: CC7. Emissions Methodology**

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**CC7.1**

**Please provide your base year and base year emissions (Scopes 1 and 2)**

| <b>Scope</b> | <b>Base year</b>                  | <b>Base year emissions (metric tonnes CO2e)</b> |
|--------------|-----------------------------------|---|
| Scope 1      | Sun 01 Jan 2012 - Mon 31 Dec 2012 | 74414   |
| Scope 2      | Sun 01 Jan 2012 - Mon 31 Dec 2012 | 371990  |

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**CC7.2**

**Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions**

Please select the published methodologies that you use

The Climate Registry: General Reporting Protocol

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**CC7.2a**

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

---

**CC7.3**

Please give the source for the global warming potentials you have used

| Gas | Reference                                      |
|-----|--|
| CO2 | IPCC Second Assessment Report (SAR - 100 year) |

---

**CC7.4**

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

| Fuel/Material/Energy | Emission Factor | Unit                                | Reference                               |
|----------------------|-----------------|-------------------------------------|---|
| Electricity          | .37842          | metric tonnes CO2e per metric tonne | 2013 Climate Registry (Release 1.16.13) |
| Natural gas          | .05311          | metric tonnes CO2e per metric tonne | 2013 Climate Registry (Release 1.16.13) |

---

**Further Information**

**Page: CC8. Emissions Data - (1 Jan 2014 - 31 Dec 2014)**

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**CC8.1**

**Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory**

Financial control

---

**CC8.2**

**Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e**

88044

---

**CC8.3**

**Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e**

456048

**CC8.4**

**Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

**CC8.4a**

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

| Source | Relevance of Scope 1 emissions from this source | Relevance of Scope 2 emissions excluded from this source | Explain why the source is excluded |
|--------|---|--|------------------------------------|
|--------|---|--|------------------------------------|

**CC8.5**

**Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations**

| Scope   | Uncertainty range        | Main sources of uncertainty  | Please expand on the uncertainty in your data   |
|---------|--------------------------|------------------------------|---|
| Scope 1 | Less than or equal to 2% | Data Gaps<br>Data Management | Aggregation of usage and consumption data from multiple vendors across multiple sites, as well as property and portfolio acquisitions in reporting year. No attempt was made to "annualize" data to |

| Scope   | Uncertainty range        | Main sources of uncertainty  | Please expand on the uncertainty in your data  |
|---------|--------------------------|------------------------------|--|
|         |                          |                              | account for acquisitions/divestitures.   |
| Scope 2 | Less than or equal to 2% | Data Gaps<br>Data Management | Aggregation of usage and consumption data from multiple vendors across multiple sites, as well as property and portfolio acquisitions in reporting year. No attempt was made to "annualize" data to account for acquisitions/divestitures. |

#### CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

#### CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

| Type of verification or assurance | Attach the statement  | Page/section reference | Relevant standard                                    | Proportion of reported Scope 1 emissions verified (%) |
|-----------------------------------|---|------------------------|--|---|
| Reasonable assurance              | <a href="https://www.cdp.net/sites/2015/73/22873/Climate Change 2015/Shared Documents/Attachments/CC8.6a/2014-CDP-Assurance-Report.pdf">https://www.cdp.net/sites/2015/73/22873/Climate Change 2015/Shared Documents/Attachments/CC8.6a/2014-CDP-Assurance-Report.pdf</a> | Pages 1-3              | The Climate Registry's General Verification Protocol | 99  |

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**CC8.6b**

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)

| Regulation | % of emissions covered by the system | Compliance period | Evidence of submission |
|------------|--------------------------------------|-------------------|------------------------|
|------------|--------------------------------------|-------------------|------------------------|

---

**CC8.7**

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

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**CC8.7a**

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

| Type of verification or assurance | Attach the statement  | Page/Section reference | Relevant standard                                    | Proportion of reported Scope 2 emissions verified (%) |
|-----------------------------------|---|------------------------|--|---|
| Reasonable assurance              | <a href="https://www.cdp.net/sites/2015/73/22873/Climate%20Change%202015/Shared%20Documents/Attachments/CC8.7a/2014-CDP-Assurance-Report.pdf">https://www.cdp.net/sites/2015/73/22873/Climate Change 2015/Shared Documents/Attachments/CC8.7a/2014-CDP-Assurance-Report.pdf</a> | Pages 1-3              | The Climate Registry's General Verification Protocol | 99  |

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**CC8.8**

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

| Additional data points verified            | Comment  |
|--|--|
| Progress against emission reduction target | Ventas in-house tracking of portfolio consumption and cost data against long-term emissions reductions targets. Not externally assured/verified. |

---

**CC8.9**

**Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?**

Yes

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**CC8.9a**

**Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2**

---

**Further Information**

Ventas planted over 568 trees at our MOB, NNN and SHOP portfolios in 2014 in locations that will not be disturbed.

**Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)**

---

**CC9.1**

**Do you have Scope 1 emissions sources in more than one country?**

Yes

---

**CC9.1a**

**Please break down your total gross global Scope 1 emissions by country/region**

| Country/Region           | Scope 1 metric tonnes CO2e |
|--------------------------|----------------------------|
| United States of America | 82504                      |
| Canada                   | 5540                       |

---

**CC9.2**

**Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)**

By business division

---

**CC9.2a**

**Please break down your total gross global Scope 1 emissions by business division**

| Business division                   | Scope 1 emissions (metric tonnes CO2e) |
|-------------------------------------|--|
| Seniors Housing Operating Portfolio | 46077                                  |
| Medical Office Building Portfolio   | 13514                                  |

| Business division | Scope 1 emissions (metric tonnes CO2e) |
|-------------------|--|
| NNN Portfolio     | 28453                                  |

---

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

| Facility | Scope 1 emissions (metric tonnes CO2e) | Latitude | Longitude |
|----------|--|----------|-----------|
|----------|--|----------|-----------|

---

CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

| GHG type | Scope 1 emissions (metric tonnes CO2e) |
|----------|--|
|----------|--|

---

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

| Activity | Scope 1 emissions (metric tonnes CO2e) |
|----------|--|
|----------|--|

---

**CC9.2e**

Please break down your total gross global Scope 1 emissions by legal structure

| Legal structure | Scope 1 emissions (metric tonnes CO2e) |
|-----------------|--|
|-----------------|--|

---

**Further Information**

**Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)**

---

**CC10.1**

Do you have Scope 2 emissions sources in more than one country?

Yes

---

**CC10.1a**

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

| Country/Region | Scope 2 metric tonnes CO2e | Purchased and consumed electricity, heat, steam or cooling (MWh) | Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh) |
|----------------|----------------------------|--|--|
|----------------|----------------------------|--|--|

| Country/Region           | Scope 2 metric tonnes CO2e | Purchased and consumed electricity, heat, steam or cooling (MWh) | Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh) |
|--------------------------|----------------------------|--|--|
| United States of America | 433703                     | 758331   | 757  |
| Canada                   | 22375                      | 24225  |  |

---

**CC10.2**

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

---

**CC10.2a**

Please break down your total gross global Scope 2 emissions by business division

| Business division                   | Scope 2 emissions (metric tonnes CO2e) |
|-------------------------------------|--|
| Seniors Housing Operating Portfolio | 165115                                 |
| Medical Office Building Portfolio   | 174350                                 |
| NNN Portfolio                       | 116583                                 |

---

**CC10.2b**

Please break down your total gross global Scope 2 emissions by facility

| Facility | Scope 2 emissions (metric tonnes CO2e) |
|----------|--|
|----------|--|

---

**CC10.2c**

Please break down your total gross global Scope 2 emissions by activity

| Activity | Scope 2 emissions (metric tonnes CO2e) |
|----------|--|
|----------|--|

---

**CC10.2d**

Please break down your total gross global Scope 2 emissions by legal structure

| Legal structure | Scope 2 emissions (metric tonnes CO2e) |
|-----------------|--|
|-----------------|--|

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**Further Information**

**Page: CC11. Energy**

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**CC11.1**

**What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

---

**CC11.2**

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

| Energy type | MWh    |
|-------------|--------|
| Fuel        | 485702 |
| Electricity | 782556 |
| Heat        |        |
| Steam       |        |
| Cooling     |        |

---

**CC11.3**

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

| Fuels                    | MWh    |
|--------------------------|--------|
| Natural gas              | 484462 |
| Propane                  | 362    |
| Diesel/Gas oil           | 19     |
| Distillate fuel oil No 2 | 859    |

---

**CC11.4**

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

| Basis for applying a low carbon emission factor   | MWh associated with low carbon electricity, heat, steam or cooling | Comment   |
|---|--|---|
| Non-grid connected low carbon electricity generation owned by company, no instruments created | 757  | Solar and cogen projects - Atria Woodbriar Place, Atria on the Hudson, Atria Cranford, Atria Huntington. At least one new solar array under construction at a new Atria redevelopment project for 2015. |

#### Further Information

#### Page: CC12. Emissions Performance

#### CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

#### CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

| Reason                         | Emissions value (percentage) | Direction of change | Comment  |
|--------------------------------|------------------------------|---------------------|--|
| Emissions reduction activities |                              |                     |  |
| Divestment                     |                              |                     |  |
| Acquisitions                   | 2                            | Increase            | Increase is driven primarily due to acquisitions across the portfolio and inclusion of hospitals that were not reported on in 2013 |
| Mergers                        |                              |                     |  |
| Change in output               | 5                            | Increase            | Increase in occupancy drove increased energy consumption   |
| Change in methodology          |                              |                     |  |

| Reason                                  | Emissions value (percentage) | Direction of change | Comment  |
|---|------------------------------|---------------------|--|
| Change in boundary                      |                              |                     |  |
| Change in physical operating conditions |                              |                     |  |
| Unidentified                            |                              |                     |  |
| Other                                   | 15                           | Increase            | Included hospital system into GHG reporting (did not have access to the data for 2013) |

### CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

| Intensity figure | Metric numerator   | Metric denominator | % change from previous year | Direction of change from previous year | Reason for change  |
|------------------|--------------------|--------------------|-----------------------------|--|--|
| 0.0000855        | metric tonnes CO2e | unit total revenue | 9                           | Decrease                               | 2013 - .00009385 Increased occupancy/hospitals were not part of data set in 2013 |

### CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

| Intensity figure | Metric numerator   | Metric denominator | % change from previous year | Direction of change from previous year | Reason for change  |
|------------------|--------------------|--------------------|-----------------------------|--|--|
| 1817             | metric tonnes CO2e | FTE employee       | 88                          | Increase                               | Based on 479 employees in 2015 Increased occupancy, acquisitions and inclusion of hospitals dramatically increased the number of facilities Ventas is reporting on this year) On a like for like basis, intensity only increased 8%. |

#### CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

| Intensity figure | Metric numerator   | Metric denominator | % change from previous year | Direction of change from previous year | Reason for change  |
|------------------|--------------------|--------------------|-----------------------------|--|--|
| .011             | metric tonnes CO2e | square foot        | 14.5                        | Increase                               | 2013 - .0096 Primary driver for increased intensity figure is increased occupancy. |

#### Further Information

**Page: CC13. Emissions Trading**

#### CC13.1

**Do you participate in any emissions trading schemes?**

No, but we anticipate doing so in the next 2 years

---

**CC13.1a**

Please complete the following table for each of the emission trading schemes in which you participate

| Scheme name | Period for which data is supplied | Allowances allocated | Allowances purchased | Verified emissions in metric tonnes CO2e | Details of ownership |
|-------------|-----------------------------------|----------------------|----------------------|--|----------------------|
|-------------|-----------------------------------|----------------------|----------------------|--|----------------------|

---

**CC13.1b**

**What is your strategy for complying with the schemes in which you participate or anticipate participating?**

Purchase carbon credits to offset emissions to a portion of our portfolio, as required.

---

**CC13.2**

**Has your organization originated any project-based carbon credits or purchased any within the reporting period?**

No

---

**CC13.2a**

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

| Credit origination or credit purchase | Project type | Project identification | Verified to which standard | Number of credits (metric tonnes of CO2e) | Number of credits (metric tonnes CO2e): Risk adjusted volume | Credits cancelled | Purpose, e.g. compliance |
|---------------------------------------|--------------|------------------------|----------------------------|---|--|-------------------|--------------------------|
|---------------------------------------|--------------|------------------------|----------------------------|---|--|-------------------|--------------------------|

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization’s Scope 3 emissions, disclosing and explaining any exclusions

| Sources of Scope 3 emissions                                      | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation   |
|---|------------------------------------|--------------------|-----------------------------------|---|---|
| Purchased goods and services                                      | Relevant, not yet calculated       | 0                  |                                   | 0.00%   | Purchased goods and services scope 3 emissions are relevant to Ventas, but not yet calculated.                                      |
| Capital goods   | Relevant, not yet calculated       | 0                  |                                   | 0.00%   | Ventas does not produce capital goods.  |
| Fuel-and-energy-related activities (not included in Scope 1 or 2) | Relevant, not yet calculated       | 0                  |                                   | 0.00%   | Fuel-and-energy-related activities (not included in Scope 1 or 2) scope 3 emissions are relevant to Ventas, but not yet calculated. |
| Upstream transportation and distribution                          | Not relevant, explanation provided | 0                  |                                   | 0.00%   | Ventas does not produce goods that require upstream transportation and distribution.  |
| Waste generated in operations                                     | Relevant, not yet calculated       | 0                  |                                   | 0.00%   | Waste generated operations Scope 3 emissions are relevant to Ventas, but not  |

| Sources of Scope 3 emissions               | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology  | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation  |
|--|------------------------------------|--------------------|--|---|--|
|  |                                    |                    |  |   | yet calculated.  |
| Business travel                            | Relevant, calculated               | 62                 | Ventas works with our travel coordination partner to calculate business travel carbon emissions by estimating the carbon dioxide emissions from air travel based on the number and distance of trips. First we calculate the distance between origin and destination city based on latitude and longitude. Then we categorize flights as a short, medium, or long haul trip and estimate the amount of fuel burned per mile of the trip based on a carbon index. Since planes burn more fuel at takeoff and landing than at cruising altitude, short haul trips are less fuel efficient per mile flown. Finally, we multiply the carbon index by the distance to determine the amount of fuel burned per passenger for the flight. The calculations are as follows:<br>Distance * CO2 Index = CO2 lbs. | 100.00%   |  |
| Employee commuting                         | Relevant, calculated               | 6.39               | Ventas surveyed all corporate employees in 2013, requesting commuting information including type of transportation most commonly utilized, distance and frequency. Daily commuting habits were then extrapolated across a full year, adjusting for holidays and PTO, increasing YoY for 2014. Total commuter miles were calculated for personal car, train, bike, walking, bus and carpool. CO2e emissions were then calculated using the Greenhouse Gas Protocol Initiative GHG emissions from transport or mobile sources, Version 2.5, June 2013.   | 100.00%   |  |
| Upstream leased assets                     | Relevant, calculated               | 16                 | Emissions from LEED certified leased office spaces in Chicago, IL, Louisville, KY and Irvine, CA.  | 0.00%   |  |
| Downstream transportation and distribution | Not relevant, explanation provided | 0                  |  | 0.00%   | Ventas does not produce goods that require downstream transportation and distribution. |
| Processing of sold products                | Not relevant, explanation          | 0                  |  | 0.00%   | Ventas does not produce products that require  |

| Sources of Scope 3 emissions           | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation  |
|--|------------------------------------|--------------------|-----------------------------------|---|--|
|  | provided                           |                    |                                   |   | processing for a sale.   |
| Use of sold products                   | Not relevant, explanation provided | 0                  |                                   | 0.00%   | Ventas is a real estate investment trust and does not generate scope 3 emissions to sell products. |
| End of life treatment of sold products | Not relevant, explanation provided | 0                  |                                   | 0.00%   | Ventas is a real estate investment trust and does not generate scope 3 emissions to sell products. |
| Downstream leased assets               | Relevant, not yet calculated       | 0                  |                                   | 0.00%   | Downstream leased assets scope 3 emissions are relevant to Ventas, but not yet calculated.         |
| Franchises                             | Not relevant, explanation provided | 0                  |                                   | 0.00%   | Ventas does not franchise.   |
| Investments                            | Not relevant, explanation provided | 0                  |                                   | 0.00%   | None identified.   |
| Other (upstream)                       | Not relevant, explanation provided | 0                  |                                   | 0.00%   | None identified.   |
| Other (downstream)                     | Not relevant, explanation provided |                    |                                   | 0.00%   | None identified.   |

**Please indicate the verification/assurance status that applies to your reported Scope 3 emissions**

Third party verification or assurance complete

---

**CC14.2a**

**Please provide further details of the verification/assurance undertaken, and attach the relevant statements**

| Type of verification or assurance | Attach the statement  | Page/Section reference | Relevant standard                                    | Proportion of Scope 3 emissions verified (%) |
|-----------------------------------|---|------------------------|--|--|
| High assurance                    | <a href="https://www.cdp.net/sites/2015/73/22873/Climate%20Change%202015/Shared%20Documents/Attachments/CC14.2a/2014-CDP-Assurance-Report.pdf">https://www.cdp.net/sites/2015/73/22873/Climate Change 2015/Shared Documents/Attachments/CC14.2a/2014-CDP-Assurance-Report.pdf</a> |                        | The Climate Registry's General Verification Protocol | 99   |

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**CC14.3**

**Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?**

Yes

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**CC14.3a**

**Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year**

| Sources of Scope 3 emissions | Reason for change  | Emissions value (percentage) | Direction of change | Comment |
|------------------------------|--------------------|------------------------------|---------------------|---------|
| Employee commuting           | Change in boundary | 8                            | Increase            |         |
| Upstream leased assets       | Change in boundary | 1                            | Decrease            |         |
| Business travel              | Change in output   | 10                           | Decrease            |         |

#### CC14.4

**Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)**

Yes, our suppliers

#### CC14.4a

**Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success**

We engage with service and material suppliers across eight centrally-managed procurement categories related to corporate sustainability strategies and commitments. Supplier Diversity and Sustainability are two very important company social responsibility criteria that we use in sourcing and qualifying suppliers. We target suppliers who can help align our goals of responsibly serving our portfolio both competitively and sustainably. Reporting of GHG emissions is the primary measure and indicator of a supplier's commitment to sustainability. During the RFP process for suppliers, we use CDP to identify and search for suppliers that provide reporting on their sustainability strategies and carbon footprint. As part of an RFP and/or RFQ discovery process, we request a copy of a supplier's CDP survey response, scoring, and corporate responsibility report. We prefer a robust disclosure and a CDP score of 'C' or better. We also evaluate their use of environmentally-friendly products, and we request documents for current initiatives and programs in three specific areas: • LEED-certified facilities • Waste recycling and water conservation • Energy conservation

#### CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

| Number of suppliers | % of total spend | Comment   |
|---------------------|------------------|---|
| 4                   | 10%              | Green purchasing of routine/non-routine capex items (ENERGY STAR appliances, green cleaning products, low-/no-VOC paints, etc.) |

---

#### CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

| How you make use of the data                                | Please give details   |
|---|---|
| Identifying GHG sources to prioritize for reduction actions | We use this data to qualify and select suppliers for eight centrally managed third party procurement spend categories. We rely only on strategies for GHG emissions and climate change reported to the Carbon Disclosure Project (CDP), and look for directional trends in this data over a minimum of three years. Finally, based on the reported strategies and data, we make estimates of a company's capital investment to support sustainability strategies and include in our supplier evaluation and award recommendation. |

---

#### CC14.4d

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

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#### Further Information

**Module: Sign Off**

**Page: CC15. Sign Off**

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#### CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

| Name         | Job title                 | Corresponding job category |
|--------------|---------------------------|----------------------------|
| Brian G. Fry | Manager, Asset Management | Business unit manager      |

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#### Further Information

CDP