

**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 nearly 1,300 seniors housing and healthcare properties in the United States, Canada and the United Kingdom. Approximately 83% 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 Indices, 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. Ventas was named 2015 Global Real Estate Sustainability Benchmark's (GRESB) Global and North American Healthcare Sector Leader and was awarded their Green Star recognition in both 2014 and 2015 for improving the energy efficiency of its seniors housing and medical office building portfolios. The National Association of Real Estate Investment Trusts (NAREIT) also 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 is a proud member of the FTSE4GOOD Sustainability Index Series and the MSCI Global Sustainability Index. That's not just excellence. That's Excellence. Sustained.®

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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**

Thu 01 Jan 2015 - Thu 31 Dec 2015

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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 and Chief Executive Officer on all sustainability efforts. Reporting on environmental, social and governance (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) and margins.

**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	Energy reduction project Efficiency project Behaviour change related indicator	Under the long-term incentive plan, compensation awards for the Company's executives are, in part, based on the qualitative performance measures including values, reputation and industry leadership, and ESG efforts. Compensation awards are, in part, based on ESG progress, and are reviewed and approved by the Board of Directors.
Corporate executive team	Monetary reward	Energy reduction project	Under the long-term incentive plan, compensation awards for the Company's executives are, in part, based on the qualitative performance measures including values, reputation and industry leadership,

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
		Efficiency project Behaviour change related indicator	and ESG efforts. Compensation awards are, in part, based on ESG progress, and are reviewed and approved by the Board of Directors.
Corporate executive team	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator Environmental criteria included in purchases Supply chain engagement	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 emissions targets, monitoring compliance with green purchasing and supply chain, communicating sustainability vision among employee base, and serving as a sustainability resource to team members.
All employees	Recognition (non-monetary)	Efficiency project Behaviour change related indicator	Improve consumption and emissions 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
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	United States, Canada and the United Kingdom	> 6 years	i. Regulation-driven risks: Building codes, product labelling regulations & standards, carbon taxes Ventas conducts frequent property condition & environmental surveys across our portfolio to monitor physical plant compliance. ii. Physical-driven risks: Mean temperature, resiliency & extreme weather As a condition of coverage, our property insurance carrier inspects each of our insured properties on a 3-year cycle. Inspections include probable loss estimates for catastrophe such as wind, floods & earthquakes. As flood maps are updated, we are provided with a risk analysis & offered recommendations to mitigate. Ventas monitors our asset base, & assesses EM lighting & generators to mitigate extreme weather. iii. Other: Change in energy availability, use, cost Ventas monitors risk to energy use & pricing monthly, via checks on budgeted use and cost. We mitigate these risks by investing in ENERGY STAR & LEED development. Maximizing the efficiency of our portfolio mitigates these risks.

**CC2.1b**

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

i. At a company level: Risks are routinely evaluated and opportunities are identified by our third-party energy procurement and management partners, as well as insurance providers, and oversight by internal risk management teams; 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).

ii. At the asset level: Risks associated with energy are routinely evaluated and opportunities are identified by our third-party energy procurement and management partners, as well as insurance providers, and oversight by internal risk management teams. 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. Sixty-eight 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 164 ENERGY STAR labels awarded as of fourth quarter 2015.

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#### 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, tornadoes 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 nearly 1,300 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.

Ventas has set short-, medium- and long-term consumption reduction targets that are continuously measured, and progress against these targets are reported to investors at least annually. Ventas has set 10-year consumption reduction targets of 10% for electricity and natural gas, a 5% reduction target in water consumption, and a 4% reduction target in waste directed to landfills.

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

Ventas has committed to pursue ENERGY STAR and LEED certification across the portfolio. Evidence of the strategy commitment can be found in our asset management and future acquisition policies and processes. One of the factors considered 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 45 MOB sites valued \$3.65mm is underway in 2015 and 2016; built off of successful building upgrades and retrofit pilots in prior years. As these investments continue to generate strong risk adjusted returns, we continue to evaluate and invest in similar programs more broadly across our portfolio to reduce consumption and emissions.

(iv) The most important components of long term strategy

We work with an energy consultant across our MOB and Seniors Housing 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 and emissions. 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 2015, Ventas increased total buildings certified with the EPA ENERGY STAR program to 68 properties and have received a total of 164 certificates to date. We also have a portfolio of 15 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 2015, include:

- \$304M in 5 LEED development and redevelopment projects across the Atria Senior Living portfolio, which now includes 11 properties built to and/or receiving LEED certification
- \$23.5M of capital investments in energy efficiency projects across our Senior Housing Operating and Medical Office Building Portfolio, including LED lighting retrofits, interior lighting controls and HVAC systems with underwritten savings of \$3.0M/year in reduced operating expenses
- Comprehensive green purchasing in our SHOP portfolio, including lighting, green chemicals and low/no VOC paints
- \$700K of water efficiency projects, including desert-scaping, low-flow faucets, dual-flush toilets and water monitoring systems with underwritten operational savings of >\$300k/year

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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 and emission reductions. REITPAC has engaged members of Congress to advocate support for the Commercial Building Modernization Act ("CBMA") and Section 179D of the Internal Revenue Code, both in an effort	Ventas is proactively engaged with NAREIT and REITPAC. Annually, Ventas accepts voluntary contributions from employees that support NAREIT's legislative agendas. For 2015, voluntary contributions from Ventas employees totaled more than \$50,000. 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?
		to promote energy-efficient retrofits and broaden incentive language to be more accessible for real estate investment trusts.	
ASHA	Consistent	The American Seniors Housing Association (ASHA) is an independent, non-profit, 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 Argentum, 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.	Ventas's President has previously served as chairman of SHPAC and recently served 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 since 2012.
ULI	Consistent	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 non-profit 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.	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.
Argentum	Consistent	Argentum is the largest national association exclusively dedicated to professionally managed, resident-centered senior living communities and the seniors and families they serve.	Ventas CFO Bob Probst is on the Argentum Board of Directors. Ventas has worked to certify 41 ENERGY STAR senior care communities after Argentum and the EPA partnered to establish

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>Argentum's programs promote business and operational excellence through education research, publications, professional networking and online tools. Since 2009, Argentum 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, Argentum 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>the program. Ventas is an Argentum President's Council member. Annually, Ventas participates in Argentum's 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 re-positioning 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 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</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 nearly 1,300 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>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>	

CC2.3d

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

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**CC2.3e**

Please provide details of the other engagement activities that you undertake

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**CC2.3f**

**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 and emissions. 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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**CC2.3g**

Please explain why you do not engage with policy makers

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**Further Information**

**Page: CC3. Targets and Initiatives**

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**CC3.1**

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

Absolute target

**CC3.1a**

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
Abs1	Scope 1	73.5%	10%	2013	74414	2023	Yes	Target to reduce electricity emissions will be achieved through reductions in electricity consumption in our Seniors Housing and MOB portfolios.
Abs2	Scope 2 (location-based)	70.2%	10%	2013	371990	2023	Yes	Target to reduce natural gas emissions will be achieved through reductions in natural gas consumption in our Seniors Housing 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 covered by target	Target year	Is this a science-based target?	Comment
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**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
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**CC3.1d**

Please provide details of your renewable energy consumption and/or production target

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment
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**CC3.1e**

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

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Abs1	20%	52%	Scope 1 emissions reduction ahead of target on a like-for-like basis assuming consistent occupancy
Abs2	20%	22%	Scope 2 emissions reduction on target on a like-for-like basis assuming consistent occupancy

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**CC3.1f**

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

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**CC3.2**

Do you classify any of your existing goods and/or services as low carbon products or do they enable a third party to avoid GHG emissions?

No

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**CC3.2a**

Please provide details of your products and/or services that you classify as low carbon products or that enable a third party to avoid GHG emissions

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
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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

### 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	550	6000
To be implemented*	10	798
Implementation commenced*	0	0
Implemented*	613	6620
Not to be implemented	0	0

### 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	Building Envelope - Voluntary window replacements, window film upgrades, shade installation, reflective roof coatings, sealants and caulking projects that will reduce scope 1 and 2 emissions.	250	Scope 1 Scope 2 (location-based)	Voluntary	242319	7387636	4-10 years	21-30 years	Window replacements, window film upgrades, shade installation, reflective roof coatings, sealants and caulking
Energy efficiency: Building services	Electricity - Voluntary installation and upgrades to occupancy sensors, motion sensors and variable frequency drive projects that will reduce scope 1 and 2 emissions.	1601	Scope 1 Scope 2 (location-based)	Voluntary	489293	5077533	11-15 years	16-20 years	Occupancy sensors, motion sensors, variable frequency drives
Energy efficiency: Building services	HVAC - Voluntary installation and upgrades to central chilled water plant, variable frequency drives, air intake louver upgrades, building automation controls, air handler and heat pump improvements and high-efficiency boiler	2274	Scope 1 Scope 2 (location-based)	Voluntary	1030029	7632825	4-10 years	16-20 years	Central chilled water plant upgrades, variable frequency drives, air intake louver upgrades, building automation controls, air handler and heat pump improvements, high-efficiency boiler upgrades.

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
	upgrades that will reduce scope 1 and 2 emissions.								
Energy efficiency: Building services	Lighting - Voluntary installation and upgrades to lighting retrofits, LED bulbs and fixtures, parking lighting, motion sensors and lighting control systems that will reduce scope 1 and 2 emissions.	2510	Scope 1 Scope 2 (location-based)	Voluntary	994083	3432069	1-3 years	11-15 years	Lighting retrofits, LED bulbs and parking structure upgrades, motion sensors, lighting control systems.

### 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.

Method	Comment
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 MOB's, 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.

CC3.3d

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

Further Information

Page: **CC4. Communication**

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	Comment
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	All - Ventas Quarterly Earnings Materials	<a href="https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/Supplemental-final-Sustainability.pdf">https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/Supplemental-final-Sustainability.pdf</a>	

Publication	Status	Page/Section reference	Attach the document	Comment
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	All - Ventas Investor Presentation	<a href="https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/VTR Investor presentation.pdf">https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/VTR Investor presentation.pdf</a>	
In voluntary communications	Complete	All	<a href="https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/2015-GRESB-Report.pdf">https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/2015-GRESB-Report.pdf</a>	
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	14 - Ventas Annual Report	<a href="https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/ventas-2015-annual-report.pdf">https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/ventas-2015-annual-report.pdf</a>	
In voluntary communications	Complete	Ventas Website - Sustainability Section	<a href="https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/Environmental Sustainability _ ventasreit.pdf">https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/Environmental Sustainability _ ventasreit.pdf</a>	
In voluntary communications	Complete	All - Ventas Sustainability Report	<a href="https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/vtr-sustainability-21hr.pdf">https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC4.1/vtr-sustainability-21hr.pdf</a>	

#### Further Information

### 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 and costs of developing and maintaining our asset base. 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 development and redevelopment spending commitments total \$300M, the net exposure could be between \$3M - \$15M.	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 building materials and more energy efficient equipment (e.g. through hiring trained LEED professionals and facilitating in-house training).	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
Product labelling regulations	Energy certifications such as LEED and	Other: Lower occupant demand and	3 to 6 years	Direct	About as likely as not	Low-medium	Financial implications include: (a) lower	Current risk management methods include	We estimate costs associated with improving building



Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
and standards	ENERGY STAR impact property markets where we operate and occupants are stipulating minimum acceptable energy ratings.	accelerated obsolescence of built stock					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 ENERGY STAR certifications.	(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 with tighter regulations and building LEED and/or ENERGY STAR standards and benchmarks.	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 certifications to be negligible, part of our due diligence process.
Carbon taxes	The growing threat of carbon tax legislation in the	Other: Increased capital and	Up to 1 year	Direct	About as likely as not	Low-medium	Current risk management methods include	Current risk management methods include	We estimate costs associated with implementing

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

CC5.1b

Please describe your inherent risks that are driven by changes 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 approximately 1,300 properties in the United States, Canada and the United Kingdom. This property portfolio spans a variety of climate zones, and changes in the mean temperature could lead to increased cooling and heating expenses.	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 increased cooling and heating expenses, which would increase operational costs from 10,000 - 100,000 USD over the course of a year, and result in margin erosion.	Current risk management methods include implementation of energy saving measures such as installation of energy efficient equipment, implementation of water conservation and energy saving procedures, and development of emergency preparedness plans to minimize risks.	The costs to install energy efficient equipment in new construction are 1% to 5% of construction costs and in existing buildings is over 100,000 USD across the portfolio. Such costs are mitigated by increased energy savings. The costs of internal awareness programs and development of emergency preparedness plans are estimated to be >10,000 USD.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
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 damage to our properties, and (b) service disruptions to residents	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.
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	Other: Increased capital costs, operational costs, maintenance/repair costs, loss of services	>6 years	Direct	More likely than not	Low-medium	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.	Current risk management methods include (a) negotiating competitive snow and ice removal contracts, insurance rates and favorable deductibles to reduce risks,	There can be significant operational expense costs incurred by the operators of our buildings; expense pressures have impact to NOI and payment of rent. There is

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	insurance-related costs, increased maintenance and repair costs for damaged enclosure components, and interruption of services.						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 could be in the tens of thousands of dollars.	and (b) development of emergency preparedness plans to minimize impact of service disruptions.	no cost associated with negotiating competitive insurance rates through a bidding process. Costs to develop emergency preparedness plans are minimal.
Sea level rise	Our property portfolio consists of properties in coastal markets that are subject to risks associated with rising sea levels. Rising	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.	Current risk management methods include (a) negotiating competitive insurance rates and favorable deductibles to reduce risks, and (b)	There is no cost associated with negotiating competitive insurance rates through a bidding process. Costs to develop emergency

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	sea levels could lead to capital and insurance-related costs and in extreme cases the potential destruction of property.						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 dollars.	development of emergency preparedness plans to minimize impact of service disruptions.	preparedness plans are minimal.
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,	Other: Increased capital costs, disruption of services, inability to do business	Up to 1 year	Direct	About as likely as not	Medium	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	Current risk management methods include (a) negotiating competitive insurance rates and favorable deductibles to reduce risks, and (b) development of emergency preparedness	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/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	disruption of services, and the inability to do business due to potential destruction of property.						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.	plans to minimize impact of service disruptions.	

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	Reputation risk associated with sustainability in	Reduced stock price (market valuation)	Up to 1 year	Direct	About as likely as not	Medium	Reputation is a key risk associated with sustainability	Current risk management methods include	The cost of implementing such practices as

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>terms of investor perception has been a focal point for our existing portfolio as well as future acquisitions. There are a growing number of investors who utilize sustainability and ESG data as a key factor in determining investment.</p>						<p>in terms of investor perception. A negative perception in terms of sustainability could pose a financial risk. An estimated -1% reduction in the Ventas stock price roughly correlates to a loss of \$200M. A growing number of investors are factoring sustainability data into their investment decisions.</p>	<p>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 15 properties built to LEED standards and 5 more under construction. Additionally, Ventas is an ENERGY STAR partner with 68</p>	<p>the promotion of sustainability in our everyday business is between \$10,000 to \$100,000 per year.</p>



Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								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 data in making leasing decisions.	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 implications of potential tenants not choosing our properties due to a lack of environmentally friendly spaces	Current risk management methods include (a) collaborating, across our portfolio with customers to improve environmental awareness and the sustainability of our properties and, (b) making	We estimate that obtaining LEED certification for our new construction costs approximately 1% to 5% of the total project costs. Strategic upgrades to existing buildings to make them more energy

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							could cost tens of thousands of dollars annually in lost rent.	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.	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.

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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

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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 valuations. The potential energy savings are as high as 35% in ENERGY STAR buildings. Extrapolating those savings across the	The specific methods we are using to take advantage of these opportunities include making strategic investments to increase the efficiency of our facilities, reduce emissions and costs, 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. Management of this opportunity is ongoing, and is expected to	While costs associated with increasing efficiencies of our existing facilities and constructing new energy efficient facilities can be significant, we believe the operational cost savings of an energy efficient building and the increased market valuation can result in additional revenue. Extrapolating a cost premium of 1% to 5% across our existing development platform of \$300M could net a total increase in capital spending of between \$3M to \$15M.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							Ventas portfolio could provide cost savings between \$20M - \$30M annually, as well as increasing margins by approximately 100bps.	continue in perpetuity.	
General environmental regulations, including planning	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 (GRESB) and as a signatory to the CDP, we are well positioned to market to the growing	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	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	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

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	investor and consumer markets whose decisions are influenced by these partnerships and this type of dedication to creating lasting economic efficiencies and be transparent, while preserving and protecting the planet.						the planet. We estimate the combined positive financial impact resulting from this market positioning in terms of increased demand for our product by investors and consumers could be between \$100K - \$500K.	the sustainability portion of our website to keep consumers and investors informed of our continued dedication to improve environmental awareness and the sustainability of our properties.	thousands of dollars. There is minimal cost for actions such as updating our sustainability webpage and informing 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, the green Ventas portfolio will continue to be, and increasingly become attractive to potential tenants, residents and customers, resulting in increased demand for our asset base.	Reduced operational costs	>6 years	Direct	Unlikely	Low-medium	We estimate the financial opportunity from increased tenant, customer, and resident demand to be significant. Extrapolating a 1% revenue premium across the total Ventas portfolio of \$3.4B could result in additional revenue of \$34M.	Specific methods to manage the opportunity of potential increased demand for our assets assuming a rising mean temperature include (a) LEED and ENERGY STAR certifications across our portfolio, (b) publication of our annual sustainability report, (c) supplemental sustainability disclosures, (d) annual CDP and GRESB reporting, and (e) various sustainability publications are an integral task of our Sustainability Committee, which promotes awareness to the Ventas commitment to ESG.	Extrapolating a cost premium of 1% to 5% across our existing development platform of \$300M could net a total increase in capital spending of between \$3M to \$15M. 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 stakeholders of our continued focus on sustainability.

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, our 68 assets with ENERGY STAR certification, 15 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,	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 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.	Specific methods we are using to manage these opportunities 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	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 is no additional 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
	along with our continued focus to report sustainability efforts, improves our reputation and increases the value of our properties in the eyes of consumers and investors.							consumers and investors focused on sustainability.	stakeholders of our continued focus on sustainability.
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	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	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

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							opportunities to be in the hundreds of thousands of dollars.	webpage on our website and investor presentations with information regarding newly awarded LEED and ENERGY STAR certifications to attract consumers and investors focused on sustainability.	thousands of dollars. There are minimal costs associated with promoting our sustainability programs.

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

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

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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)**

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Tue 01 Jan 2013 - Tue 31 Dec 2013	74414
Scope 2 (location-based)	Tue 01 Jan 2013 - Tue 31 Dec 2013	371990
Scope 2 (market-based)		

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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

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**CC7.3**

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

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

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**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	0.37842	metric tonnes CO2e per metric tonne	2013 Climate Registry (Release 1.16.13)
Natural gas	0.05311	metric tonnes CO2e per metric tonne	2013 Climate Registry (Release 1.16.13)

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#### Further Information

Page: **CC8. Emissions Data - (1 Jan 2015 - 31 Dec 2015)**

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#### CC8.1

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

Financial control

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#### CC8.2

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

101611

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#### CC8.3

Does your company have any operations in markets providing product or supplier specific data in the form of contractual instruments?

No

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**CC8.3a**

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

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
529917		

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**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

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**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 location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why the source is excluded
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**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 Data Management	Aggregation of usage and consumption data from multiple vendors, across multiple sites, as well as property and portfolio acquisition in reporting year. No attempt was made to "annualize" data to account for acquisitions/divestitures.
Scope 2 (location-based)	Less than or equal to 2%	Data Gaps Data Management	Aggregation of usage and consumption data from multiple vendors, across multiple sites, as well as property and portfolio acquisition in reporting year. No attempt was made to "annualize" data to account for acquisitions/divestitures.
Scope 2 (market-based)			

**CC8.6**

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

Third party verification or assurance process in place

**CC8.6a**

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

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC8.6a/CDP 2015 Assurance.pdf">https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC8.6a/CDP 2015 Assurance.pdf</a>	FM Assurance Letter - pages 1 & 2	The Climate Registry's General Verification Protocol	99

**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
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**CC8.7**

Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

Third party verification or assurance process in place



**CC8.7a**

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

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2016/73/22873/Climate%20Change%202016/Shared%20Documents/Attachments/CC8.7a/CDP%202015%20Assurance.pdf">https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC8.7a/CDP 2015 Assurance.pdf</a>	FM Assurance Letter - pages 1 & 2	The Climate Registry's General Verification Protocol	99

**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 reduction targets. Not externally assured/verified.

**CC8.9**

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

No

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CC8.9a

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

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**Further Information**

**Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2015 - 31 Dec 2015)**

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CC9.1

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

Yes

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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	93359
Canada	8252

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**CC9.2**

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

By business division

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**CC9.2a**

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

<b>Business division</b>	<b>Scope 1 emissions (metric tonnes CO2e)</b>
Residential, Senior Homes	66138
Healthcare	21831
Medical Office	13536

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**CC9.2b**

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

<b>Facility</b>	<b>Scope 1 emissions (metric tonnes CO2e)</b>	<b>Latitude</b>	<b>Longitude</b>
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CC9.2c

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

GHG type	Scope 1 emissions (metric tonnes CO2e)
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CC9.2d

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

Activity	Scope 1 emissions (metric tonnes CO2e)
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**Further Information**

**Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2015 - 31 Dec 2015)**

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CC10.1

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

Yes

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**CC10.1a**

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

Country/Region	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
United States of America	496267			
Canada	33376			

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**CC10.2**

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

By business division

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**CC10.2a**

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

Business division	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
Residential, Senior Homes	256065	

Business division	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
Healthcare	100564	
Medical Office	173013	

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**CC10.2b**

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

Facility	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)

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**CC10.2c**

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

Activity	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)

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**Further Information**

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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%

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**CC11.2**

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

Energy type	Energy purchased and consumed (MWh)
Heat	0
Steam	783
Cooling	126

---

**CC11.3**

**Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year**

500706

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**CC11.3a**

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

Fuels	MWh
Natural gas	498994
Diesel/Gas oil	790
Propane	922

**CC11.4**

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

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor	0	

**CC11.5**

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
822295	821948	347	347	347	Total electricity produced via solar and renewable/low-carbon generation



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**Further Information****Page: CC12. Emissions Performance**

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**CC12.1**

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

Decreased

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**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	Please explain and include calculation
Emissions reduction activities	14	Decrease	metric tonnes of emission reductions tied to sustainable projects divided by total scope 1 & scope 2
Divestment	0	No change	No divestitures within scope.
Acquisitions	1	Increase	metric tonnes of emission increase tied to new portfolio acquisitions divided by total scope 1 & scope 2
Mergers	0	No change	No mergers within scope.
Change in output	0	No change	Occupancy was flat year-over-year within scope.
Change in methodology	0	No change	Methodology has been consistent.
Change in boundary	0	No change	Boundary has been consistent.
Change in physical operating conditions	1	Decrease	2015 experienced milder temperatures vs. 2014, resulting in lower consumption and emissions.
Unidentified	0	No change	All emission changes accounted for in above rows.
Other	0	No change	All emission changes accounted for in above rows.

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**CC12.1b**

Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

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**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 (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.000246	metric tonnes CO2e	2572228868.8	Location-based	8.9	Decrease	Consumption and emission reducing activities (approximately 80% of the total reduction), as well as milder winter in 2015 vs. 2014 (approximately 20% of the total reduction)

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**CC12.3**

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.0104	metric tonnes CO2e	square foot	52678284	Location-based	1.46	Increase	Increase due to portfolio composition (approximately 125%) of increase, offset by consumption and emission reducing activities (80% decrease, year over year), as well as milder winter in 2015 vs. 2014.

#### 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.

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**CC13.2**

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

No

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**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

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**Further Information**

**Page: CC14. Scope 3 Emissions**

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**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	Not relevant, explanation provided	0		0.00%	Purchased goods and services consist of supplies for corporate headquarters, which are insignificant.
Capital goods	Relevant, not yet calculated	0		0.00%	The embodied carbon footprint for capital goods purchased (e.g. HVAC equipment, lighting), is insignificant compared to the emissions resulting from the use of capital goods over the life span of said product.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Not relevant, explanation provided	0		0.00%	All emissions accounted for in scope 1 & 2 emissions data.
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	Not relevant, explanation provided	0		0.00%	Waste generated from operations would include only Ventas corporate offices, and is de minimis.
Business travel	Relevant, calculated	563	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	100.00%	

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
			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: Distance * CO2 Index = CO2 lbs.		
Employee commuting	Relevant, calculated	7.67	Ventas surveyed all corporate employees in 2015, 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 2015. 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	15	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 provided	0		0.00%	Ventas does not produce products that require 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.

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
Downstream leased assets	Not relevant, explanation provided	0		0.00%	Downstream leased asset emissions are captured in scope 1 and scope 2 emissions.
Franchises	Not relevant, explanation provided	0		0.00%	Ventas does not franchise.
Investments	Not relevant, explanation provided	0		0.00%	This category is applicable to investors, Ventas does not invest in projects from which emissions need to be reported, and not captured in our scope 1 and scope 2 data.
Other (upstream)	Not relevant, explanation provided	0		0.00%	None identified.
Other (downstream)	Not relevant, explanation provided	0		0.00%	None identified.

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**CC14.2**

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

Third party verification or assurance process in place

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**CC14.2a**

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

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 3 emissions verified (%)
Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2016/73/22873/Climate%20Change%202016/Shared%20Documents/Attachments/CC14.2a/CDP%202015%20Assurance.pdf">https://www.cdp.net/sites/2016/73/22873/Climate Change 2016/Shared Documents/Attachments/CC14.2a/CDP 2015 Assurance.pdf</a>	Pages 1 and 2	The Climate Registry's General Verification Protocol	99

#### 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

#### 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
Business travel	Change in output	0.7	Increase	Business travel emissions have increased slightly due to acquisitions and subsequent growth in employees.
Employee commuting	Change in boundary	20	Increase	Employee commuting emissions have increased slightly due to acquisitions and subsequent growth in employees.
Upstream leased assets	Change in physical operating conditions	6.7	Decrease	Emissions from LEED certified offices have decreased due to operational efficiencies and favorable seasonal temperatures.

#### 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 engagement 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: i) LEED-certified facilities, ii) Waste recycling and water conservation, iii) Energy conservation. Success is measured via energy consumption and emission reductions.

#### 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 (direct and indirect)	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

#### Further Information

**Module: Sign Off**

**Page: CC15. Sign Off**

#### 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	Director, Asset Management	Business unit manager

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#### Further Information

CDP