

Independent Assurance Report

DNV Business Assurance USA, Inc. (DNV) has been commissioned by the management of Ventas Healthcare Realty, LLC (Ventas) to carry out an independent limited level assurance engagement of Selected Information for calendar year 2020 for the company's 2021 Corporate Sustainability Report (The Report). The assurance was carried out in May-July, 2021.



Our Conclusion:

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the criteria stated.

This conclusion relates only to the Selected Information and is to be read in the context of this Assurance Report, in particular, the inherent limitations explained below.

Selected Information

The scope and boundary of our work is restricted to the performance indicators included within the Report (the Selected Information) listed below:

Data verified for the periods January 1, 2020-December 31, 2020:

- Diversity & Inclusion
 - Total Workforce: Gender, Ethnicity, & Age
 - Ventas Leadership (VP level and Above): Gender
 - Ventas Board of Directors: Gender
- Talent Attraction & Retention:
 - Employee Engagement and Feedback
 - Medical Benefits
 - Employee wages: Minimum wage for full-time employees
 - Lost Time Incident Rate (LTIR) per 100 equivalent full-time employees
 - Lost Time Injury Frequency Rate (LTIFR) per one million hours worked

DNV conducted assurance on the following 2020 environmental indicators: GHG Emissions, Energy, Water, and Waste. Our opinion for the environmental performance data in scope is provided in separate statements dated July 19, 2021 for reporting to GRESB and Dow Jones Sustainability Indices Corporate Sustainability Assessment and attached for submittal to CDP and publication with The 2021 Report. We do not express any conclusions on any other information that may be published on Ventas' website or Corporate Responsibility report for the current reporting period or for previous periods.

Our competence, independence, and quality control

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any part of Ventas' data or report. This is our third year of providing assurance for Ventas. We adopt a balanced approach towards all stakeholders when performing our evaluation.



Scope and approach

We performed a **limited level** assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The boundary of our work included global operations except for medical benefits and employee engagement which excluded an indirect, wholly owned subsidiary representing 3% of the total workforce.

Selected Information

Diversity and Inclusion

2020 Total Workforce by Gender	48% female 52% male
2020 Employee Category, Ventas Leadership, by Gender	23% female 77% male
2020 Total Workforce by Age	
• Under 30 years old	11%
• 30-50 years old	52%
• Over 50 years old	37%
2020 Total Workforce by Ethnicity	
• White	81%
• American Indian or Alaska Native	<1%
• Asian	4%
• Black or African American	5%
• Hispanic or Latino	6%
• Two or more races	3%
Number of women on the Board of Directors, including CEO, at 2020 year-end	4

Employee Wages

Full-time employees earning \$15/hour or greater	100%
Full-time employees earning \$17/hour or greater	99.1%

Medical Benefits

2020 Average Spend per Employee	\$20,170
2020 Spend against Medical Plan Benchmark spend	48% greater than

Employee Engagement

2020 Delta of Ventas Reported Engagement Points against 2019 Benchmark percentile	50 th
	+3%

Lost Time Incident Reporting

2020 Lost Time Incident Reports	.2
2020 Lost Time Incident Frequency Rate	1.13

Responsibilities of Ventas and DNV

Ventas has sole responsibility for:

- Preparing and presenting the Selected Information in accordance with the criteria
- Designing, implementing, and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements
- Measuring and reporting the Selected Information
- Contents and statements contained within the Report or websites

In performing our assurance work, our responsibility is to the management of Ventas; however, our assurance report represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report or website except for the referenced Assurance Statements.

Level of Assurance

We are providing a ‘**limited level**’ of assurance. We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance conclusion, so that the risk of this conclusion being in error is reduced but not reduced to very low. A ‘reasonable level’ of assurance would have required additional work at headquarters and site levels to gain further evidence to support the basis of our assurance conclusion. DNV’s assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. This includes but is not limited to sales and acquisitions, square footage, occupancy rates, data coverage, property type, and financial/operational control. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Conducting interviews with Ventas' management to obtaining an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Reviewing that the evidence, measurements and the scope provided to us by Ventas for the Selected Information is prepared in line with the agreed upon procedures and criteria
- Reading the Report and narrative accompanying the Selected Information within it with regard to the criteria
- Reviewing benchmark reports provided by external providers for employee engagement and medical benefits
- Reviewing employee rosters at year-end 2020 at general employee, manager, senior leadership, and executive leadership levels to determine gender, age band, and ethnicity ratio
- Review Board of Directors roster at year end for gender ratio
- Reviewing medical plan summary
- Reviewing payroll aggregation processes to assess completeness
- Review annual salaries, working hours, starting and current salaries for subset of full-time employees to confirm progress towards minimum wage goal
- Reviewing Workers Compensation insurance claims, number of employees, hours worked, employee categories(LTIR)
- Replicating the LTIR following the reporting criteria below:
 - Ventas Claims Reporting Manual for Medical Office Buildings (LTIR)
 - OSHA Injury and Illness Recordkeeping and Reporting Requirements (LTIR)
- Reviewing employee engagement survey results

Independence

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals.

DNV Business Assurance

DNV Business Assurance is a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.

<https://www.dnv.us/assurance/>

For and on behalf of DNV Business Assurance USA, Inc.

Oakland, CA

September 9, 2021



Natasha D'Silva
Sr. Consultant and Lead Assuror



Tom Gosselin
Director and Reviewer

Independent Assurance Statement

Introduction

DNV Business Assurance USA, Inc. (DNV) has been commissioned by the management of Ventas Healthcare Realty, LLC (Ventas) to carry out an independent verification of its 2020 environmental footprint claims and assertions relating to GHG emissions (Scope 1, 2, and 3), Energy Consumption, Water Consumption, and Waste Generated. These assertions are relevant to the 2020 calendar year.

Ventas has sole responsibility for preparation of the data and external report. DNV, in performing our assurance work, is responsible to the management of Ventas. Our assurance statement, however, represents our independent opinion and is intended to inform all stakeholders including Ventas.

Scope of Assurance

The scope of work agreed with Ventas includes the following:

- Organizational boundaries for the environmental data inventory are as follows:
 - o All global assets operating under Ventas' operational control including assets with monthly or whole year estimates based on historical or projected performance in cases where data is not available. In 2020, this represents 656 of 1,195 owned properties. Assets excluded from control boundary include:
 - Owned single-tenant, triple-net leased assets, and other Office and Senior Housing operating Portfolio assets where Ventas does not pay the utility bills
 - Development and major redevelopment projects
 - o All tenant-controlled assets where Ventas has available data
- All environmental data were verified for the following periods:
 - o January 1st to December 31st, 2020
- Environmental data verified includes:
 - o Scope 1
 - o Scope 2 (location-based)
 - o Scope 3
 - Purchased Goods and Services, Fuel and Energy Related Activities, Waste Generated in Operations, Business Travel, Employee Commuting, Upstream Leased Assets, Downstream Leased Assets, Other downstream emissions- mobile combustion
 - o Emissions reductions associated with Diverted Waste
 - o Emissions reductions from 2018 (baseline year) and 2019 performance
 - o Energy consumption
 - o Energy intensity reductions from 2018 (baseline year) and 2019 performance for assets under operational control
 - o Water consumption for assets under operational control
 - o Water intensity reductions from 2018 (baseline year) and 2019 performance for assets under operational control
 - o Waste generated for assets under operational control
 - o Percentage of assets under operational control with recycling programs
- The assurance was carried out in April-August 2021

Level of Assurance

We performed a limited assurance engagement in accordance with the *International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’*, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing, and are less detailed than those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced, but not eliminated completely.

DNV's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. This includes but is not limited to sales and acquisitions, square footage, occupancy rates, data coverage, property type, and financial/operational control. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Assurance Methodology

DNV is a leading provider of sustainability services, including verification of GHG emissions data and other environmental metrics. Our environmental and social assurance specialists work in over 100 countries. In that respect, the environmental footprint inventories have been evaluated against the following reporting criteria:

- World Business Council for Sustainable Development (WBCSD) / World Resources Institute (WRI) Greenhouse Gas Protocol, Corporate Accounting Standard REVISED EDITION
- WBCSD/WRI Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3)

DNV used a risk-based approach throughout the assurance engagement, concentrating on the areas that we believe are most material for both Ventas and its stakeholders. DNV applied a materiality threshold of five percent for all GHG emissions and Energy Consumption.

The following methods were applied during the assurance of Ventas' environmental footprint inventories and management processes, the data that supports the company's environmental footprint inventories including assertions and claims presented by the company:

- Review of documentation, data records and sources relating to the corporate environmental footprint data claims and GHG emission assertions;
- Review of the processes and tools used to collect, aggregate, and report on all environmental data and metrics;

- Interview of managers and data users representing relevant functions for supporting the environmental inventory management process;
- Assessment of environmental information systems and controls, including:
 - Selection and management of all relevant environmental data and information;
 - Processes for collecting, processing, consolidating, and reporting the environmental data and information;
 - Systems and processes that ensure the accuracy of the environmental data and information;
 - Design and maintenance of the environmental information system;
 - Systems and processes that support the environmental information system.
- Evaluation of whether assumptions and methodology used in cases of data estimation are valid;
- Performed sample-based audits of the processes for generating, gathering, and managing the data;
- Examination of the environmental data and information to develop evidence for the assessment of the environmental claims and assertions made;
- Evaluation of whether the organization conforms to the reporting criteria;
- Evaluation of whether the evidence and data are sufficient and support Ventas' environmental claims.

In addition to the above, specific to the environmental indicators, the following steps were conducted for the Water and Waste:

Water:

- Review of the water consumption methodology;
- Conduct data checks for the water data collected, transferred and calculated;
- Perform sample-based assessment of data reported against the source data water consumed provided by utility company and metered data.

Waste

- Review of the waste segregation methodology and description of waste categorization;
- Conduct data checks for the waste data collected, transferred and calculated;
- Perform sample-based assessment of data reported against the source data (waste collected to landfill and waste diverted) provided by waste management companies

Data Verified

2020 Environmental Performance Indicators

- **2020 Greenhouse Gas Emissions**
 - Total Scope 1 Emissions 106,691 (MtCO₂e)
 - Total Scope 2 Emissions (location-based) 254,332 (MtCO₂e)
 - Scope 3
 - Purchased Goods and Services 11,751 MtCO₂e
 - Fuel and Energy Related Activities not reported under Scope 1 and 2 21,273 (MtCO₂e)
 - Waste Generated in Operations 35,721 (MtCO₂e)
 - Business Travel 154 (MtCO₂e)
 - Employee Commuting 552 (MtCO₂e)
 - Upstream Leased Assets 593 (MtCO₂e)
 - Downstream Leased Assets (Scope 1 and 2) 360,280 (MtCO₂e)
 - Other Downstream (Mobile Combustion) 1,732 (MtCO₂e)
 - Emissions Reductions associated with Diverted Waste in Operations 9,539 (MtCO₂e)

- **2020 Energy Consumption**
 - Energy Consumption (non-renewable, under operational control only) 1,253,837 MWh
 - Energy Consumption (non-renewable total) 2,348,903 MWh

- **2020 Water Consumption**
 - Water Consumption (under operational control only) 9,032,267 m³

- **2020 Waste**
 - Waste Generated (under operational control only) 79,463 tonnes
 - Waste Diverted (under operational control only) 7,539 tonnes

2020 Environmental Performance against ESG Goals

Progress against goals are tracked for assets under operational control (except for Scope 3 emissions). Ventas defines same-store properties as those that are under operational control for the full period in both comparison periods (2019 and 2020). The baseline year for environmental performance data is 2018.

- **Reductions in Greenhouse Gas Emissions (absolute)**
 - Percentage of Scope 1 and 2 Emissions Reductions against baseline year 13.5%
 - Percentage of Scope 1 and 2 Emissions Reductions against 2019 performance 4.9%

 - Percentage of Scope 3 Emissions Reductions against baseline year 12.1%
 - Percentage of Scope 3 Emissions Reductions against 2019 performance 7.4%

- **Reductions in Energy Consumption (intensity)**
 - Percentage of Energy Intensity Reduction against baseline year 13.3%
 - Percentage of Energy Intensity Reduction (same-store) against 2019 Performance 5.7%

- **Reductions in Water Consumption (intensity)**
 - Percentage of Water Intensity Reduction against baseline year 1.2%
 - Percentage of Water Intensity Reduction (same-store) against 2019 performance 2.6%

- **Recycling Programs**
 - Percentage of properties (under operational control) with recycling programs 48%

Assurance Opinion

Based on the processes and procedures conducted with a limited assurance of the GHG Emissions and Energy Use Assertions for Ventas, DNV found no evidence that the claims and assertions listed are not materially correct and are not a fair representation of data and information, and have not been prepared in accordance with the calculation method referenced.

Independence

DNV was not involved in the preparation of any part of Ventas' data or report. We adopt a balanced approach towards all stakeholders when performing our evaluation. This is our second year providing assurance for Ventas GHG Emissions, Energy Consumption, Water Consumption, and Waste Generated data.

DNV Business Assurance USA, Inc.
Oakland, California
September 9, 2021



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