

# CECP

8<sup>TH</sup> Annual CEO Investor Forum  
Long-Term Plan Presentation

The Welltower logo is displayed in a white horizontal band. It features the word "welltower" in a sans-serif font, with "well" in a lighter blue and "tower" in a darker blue. The band has a diagonal cut on its right side.

welltower

*Thomas J. DeRosa*  
*Chairman & CEO*

# Welltower at a Glance

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

**~1,300**  
Senior Living  
Communities

**~24M** sq. ft.  
of Outpatient  
Facilities



**\$52B**  
Enterprise Value<sup>(1)</sup>

S&P **500**

Dow Jones  
**Sustainability  
World Index**

Bloomberg Gender  
Equality Index

*Strong Balance Sheet*  
**BBB+ / BBB+ / Baa1** **42%**  
*5 yr total return<sup>(1)</sup>*

1. Source: Bloomberg as of 2/23/2020.

# Forward Looking Statements and Supplemental Measures

This presentation contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When we use words such as “may,” “will,” “intend,” “should,” “believe,” “expect,” “anticipate,” “project,” “pro forma,” “estimate” or similar expressions that do not relate solely to historical matters, we are making forward-looking statements. In particular, these forward-looking statements include, but are not limited to, those relating to our opportunities to acquire, develop or sell properties; our ability to close anticipated acquisitions, investments or dispositions on currently anticipated terms, or within currently anticipated timeframes; the expected performance of our operators/tenants and properties; our expected occupancy rates; our ability to declare and to make distributions to shareholders; our investment and financing opportunities and plans; our continued qualification as a REIT; our ability to access capital markets or other sources of funds; and our ability to meet our earnings guidance. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that may cause our actual results to differ materially from our expectations discussed in the forward-looking statements. This may be a result of various factors, including, but not limited to: the status of the economy; the status of capital markets, including availability and cost of capital; uncertainty from the expected discontinuance of LIBOR and the transition to any other interest rate benchmark; issues facing the health care industry, including compliance with, and changes to, regulations and payment policies, responding to government investigations and punitive settlements and operators’/tenants’ difficulty in cost-effectively obtaining and maintaining adequate liability and other insurance; changes in financing terms; competition within the health care and seniors housing industries; negative developments in the operating results or financial condition of operators/tenants, including, but not limited to, their ability to pay rent and repay loans; our ability to transition or sell properties with profitable results; the failure to make new investments or acquisitions as and when anticipated; natural disasters and other acts of God affecting our properties; our ability to re lease space at similar rates as vacancies occur; our ability to timely reinvest sale proceeds at similar rates to assets sold; operator/tenant or joint venture partner bankruptcies or insolvencies; the cooperation of joint venture partners; government regulations affecting Medicare and Medicaid reimbursement rates and operational requirements; liability or contract claims by or against operators/tenants; unanticipated difficulties and/or expenditures relating to future investments or acquisitions; environmental laws affecting our properties; changes in rules or practices governing our financial reporting; the movement of U.S. and foreign currency exchange rates; our ability to maintain our qualification as a REIT; key management personnel recruitment and retention; and other risks described in our reports filed from time to time with the Securities and Exchange Commission. Finally, we undertake no obligation to update or revise publicly any forward-looking statements, whether because of new information, future events or otherwise, or to update the reasons why actual results could differ from those projected in any forward-looking statements. Reconciliations of supplemental reporting measures and the supplemental information package for the quarter ended December 31, 2019 is available on the company’s website ([www.welltower.com](http://www.welltower.com)).



# Welltower Purpose

*Addressing societal challenges through  
reimagining and reinventing the built environment  
for effective health and wellness care delivery*

# The Power of Our Platform

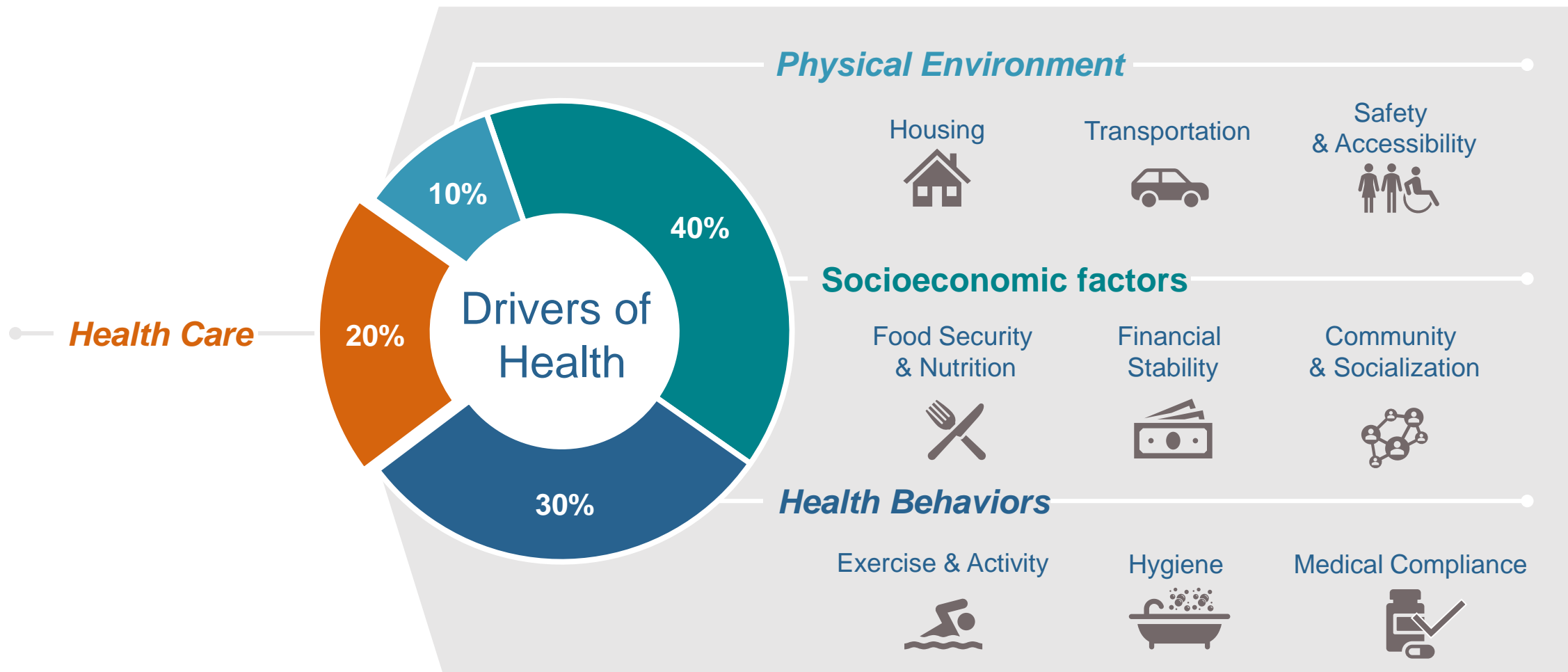


# The Power of Our Platform



# Secular Theme | Social Determinants of Health

80% of an individual's health and wellness is influenced by **social determinants**<sup>(1)</sup>

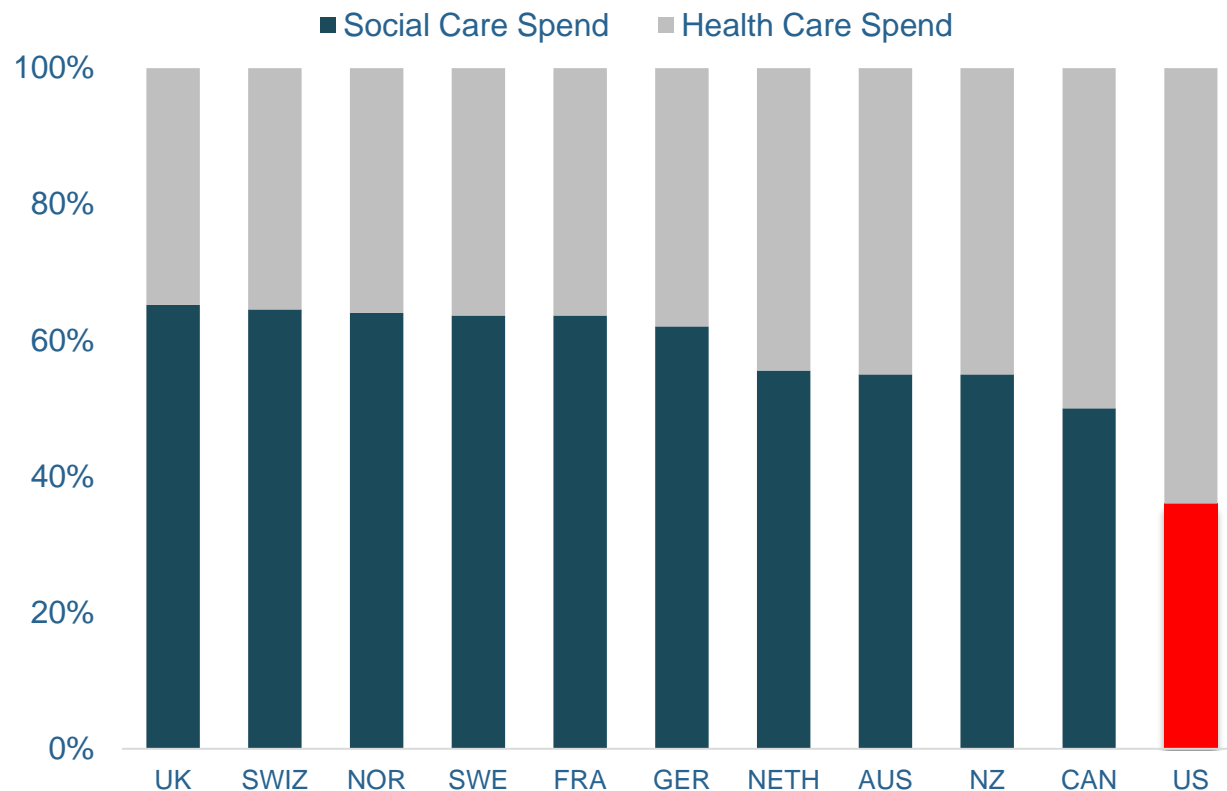


1. Source: Artiga, S., & Hinton, E. (2019, May 29). Beyond Health Care: The Role of Social Determinants in Promoting Health and Health Equity.

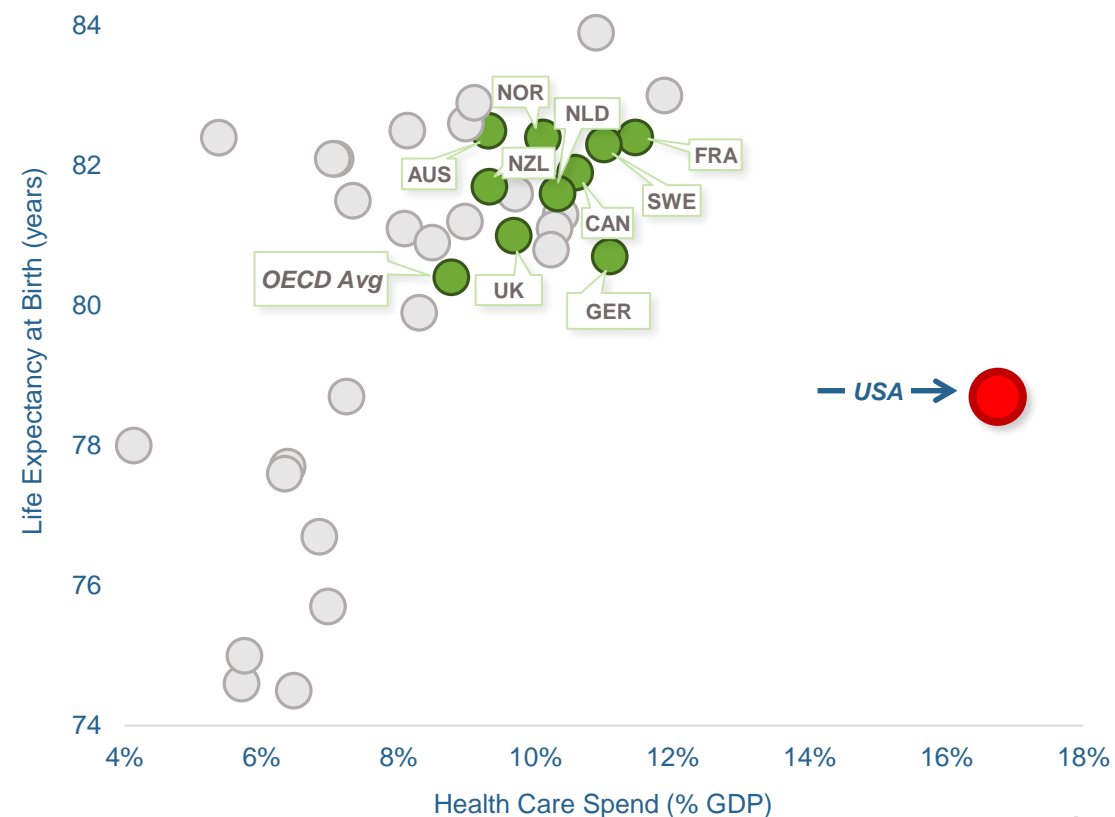
# Secular Theme | The Need for Value-Based Care

The US spends **the most per capita** on health care, yet achieves **significantly lower health outcomes**

Health Care vs Social Care Spend<sup>(1)</sup>



Health Care Spend vs. Life Expectancy<sup>(2)</sup>



1. The Common Wealth Fund

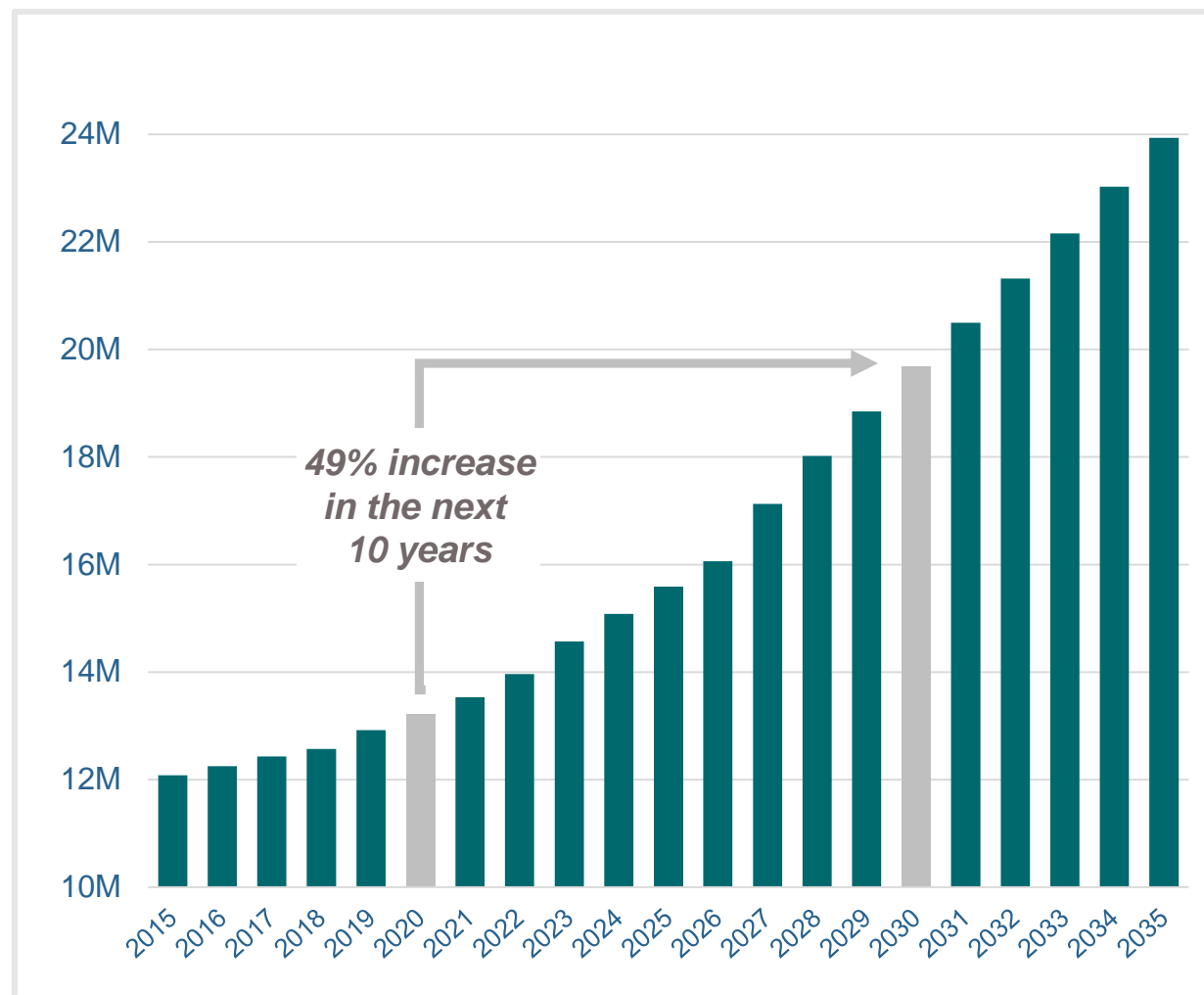
2. Organization for Economic Cooperation and Development. Data as of 2017



# Secular Theme | An Aging Population

80+ U.S. Population Growth<sup>(1)</sup>

The Aging Population is **growing exponentially**, and **outspends** every other age cohort combined on health care



1. United States Census Bureau: *Projected Population by Single Year of Age, Sex, Race, Hispanic Origin and Nativity for the United States: 2016 to 2060.*

# Our Business

## Aging



- Assisted Living
- Memory Care
- Independent Living
- Long-Term/Post-Acute Care

## Access to Care



- Ambulatory Care

## Wellness



- Senior Apartments/  
Limited Service Housing

# Our Business



Aging



Access to Care



Wellness



Chronically Ill

Preventable Illness

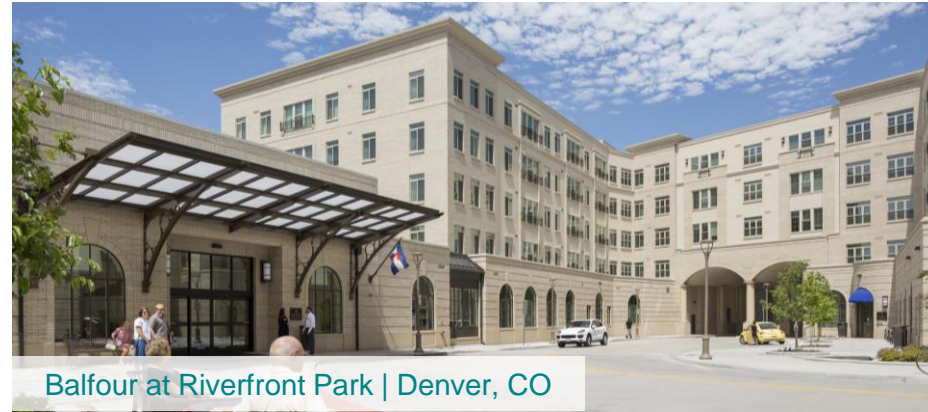


# Aging | Dominant Premium Senior Housing Provider

High Barrier to Entry  
Premier Markets

Next Generation  
Physical Infrastructure

47 Best-In-Class  
Brands





# Aging | Welltower Family of Brands



*Operators diversified across geographies and acuity mix*

# Access to Care | Outpatient Medical

**Strategic Health System  
Partnerships**

**Integrated Real Estate  
Management Team**

**Consumer-focused  
Care Settings**



Virtua Voorhees | Voorhees, NJ



Providence St. Joseph Health | Mission Viejo, CA

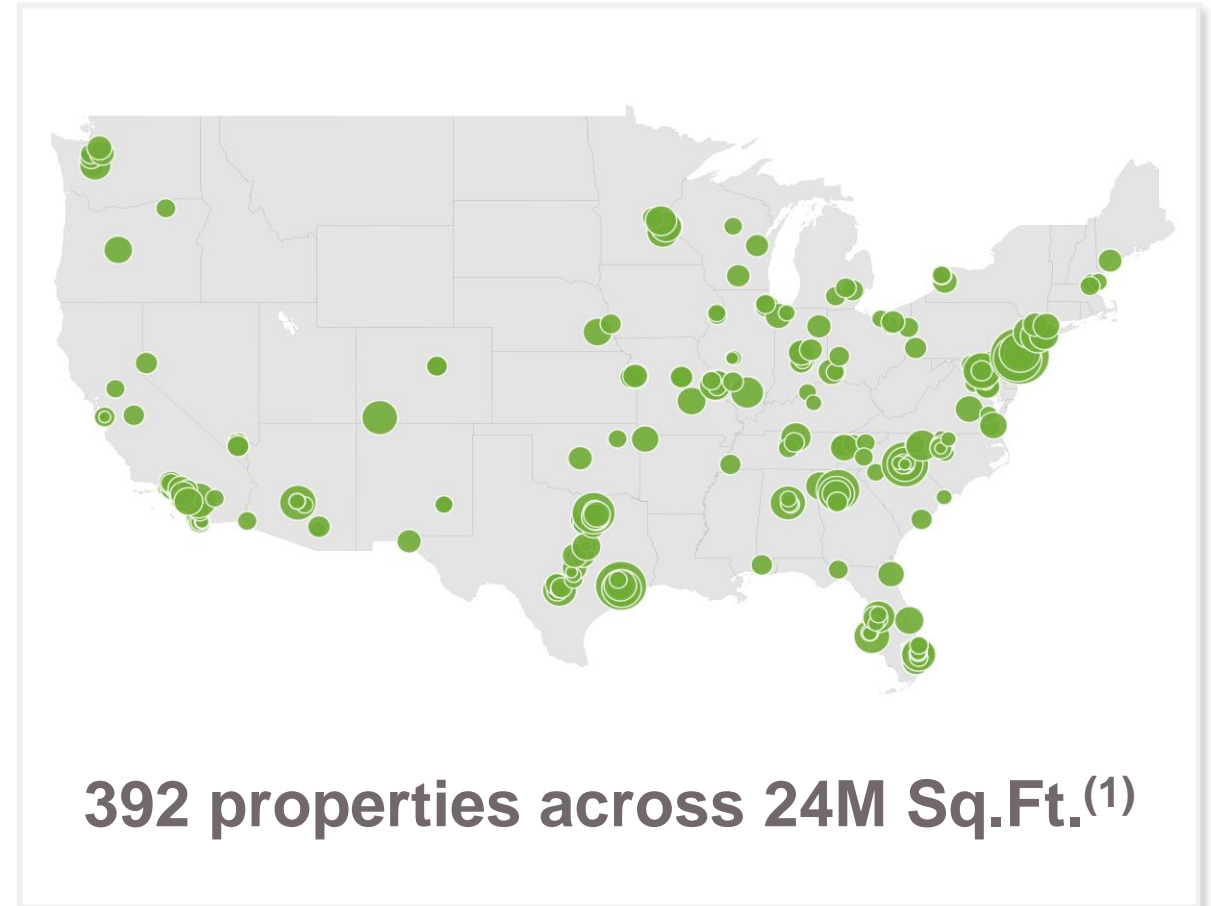


Kelsey-Seybold | Houston, TX

# Access to Care | The Largest Owner of Medical Office Real Estate

*Diversified portfolio across geographies and health systems*

— Growing Relationships with Key Health System Partners —



1. Based on total property count as of 12/31/2019. See 4Q19 Supplemental, which can be found on the investor section of our website, [www.welltower.com](http://www.welltower.com)



# Access to Care | State-of-the-Art Ambulatory Care

*Health System Development Capabilities*



Health system joint venture for development of a 100K+ SF state-of-the-art cancer center



Two building, 5.5-acre multi-phase development for cardiologic care in the Atrium Sanger Heart & Vascular Institute



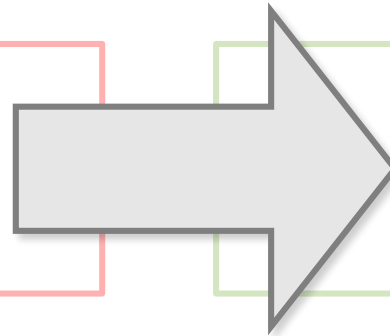
The background of the slide is a faded, light-colored photograph. It depicts a person's hands, likely of an older individual, holding several US dollar bills. One bill is clearly a \$20 bill. The hands are positioned over a dark-colored calculator on a light surface. The overall tone is soft and slightly desaturated, serving as a backdrop for the text.

## Wellness | The Challenge for Middle-Income Seniors

**85% of seniors live on an income of less than \$50,000 per year.**



- ✗ Not purpose built for seniors
- ✗ No community space
- ✗ Stairs with no elevator
- ✗ Narrow doors and hallways, no handrails



- ✓ Purpose built for aging residents
- ✓ Community gathering spaces
- ✓ Near-ADA compliant bathrooms
- ✓ Wide doors and hallways



# Partnering With Provider Sponsored Health Plans

*Enabling a comprehensive clinical and social wellness platform in the residential setting*

- ✓ On-site **wrap-around clinical** and **social offerings** geared towards a 65+ age group
- ✓ Sponsoring **low-deductible** and **low-premium health insurance options** for fixed-income residents

Geisinger  
Gold

Geisinger

Geisinger  
**65Forward**



# The Power of Partnerships

*Strategy in Action*



# The Inquirer

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## Jefferson's new deal with real estate investor could help pay for continued expansion

by [Harold Brubaker](#), Updated: January 14, 2020

Thomas Jefferson University is exploring a deal to raise money by selling ownership in some of its real estate to a large health-care real estate investor.

Under an initial agreement signed between Jefferson and Toledo, Ohio-based Welltower Inc., the two would “create a joint venture whereby Welltower would acquire a stake in certain real estate assets of Jefferson.”

# Transformational Strategic Partnership



*The Essential Health System in the  
Greater Philadelphia MSA*



*World's Largest Health and Wellness  
Real Estate Platform*

## A Strategic Real Estate Joint Venture

Unlocks strategic capital from a  
portion of Jefferson Health's  
real estate and physical  
infrastructure portfolio

## Programmatic Development

Explores the development of  
strategically aligned clinical,  
academic, administrative and/or  
senior focused residential care  
communities

## Clinical Program Integration

Integrates Jefferson Health's  
clinical, home health and  
payor-related services with  
Welltower's platform of  
senior-focused residential care  
communities



# Capturing Another Level of Value

**Anthem** 

with access to

 **CareMore**  
HEALTH

Large population of seniors living  
in a controlled assisted living  
environment now eligible for  
**Medicare Advantage products**



***Integrated Clinical and  
Wellness Program***

**welltower**™

**Expansion of use of  
seniors housing real estate**

*Ability to leverage senior housing real estate for  
clinical purposes*

**Integration of Programs**

*Enabling best-in-class clinical programs and payor  
programs to impact care, outcomes and cost across  
our communities*

# New Models of Technology Integration

*Using technology to improve workflow efficiency*



# PHILIPS



+



+



- ✓ Improved ability to **track wander-risk** memory care residents
- ✓ Optimized staff workflows **leveraging EHR-integrated alert messaging** and mobile-enabled communications
- ✓ **Automatic fall detection** and help requests for quick and seamless communications between residents and staff



# Capitalizing our Long-Term Plan

# High Quality Assets

Establishing health care real estate as high quality, modern, sustainable and relevant



**\$18B**

gross investments  
since 2015<sup>(1)</sup>

**\$10B**

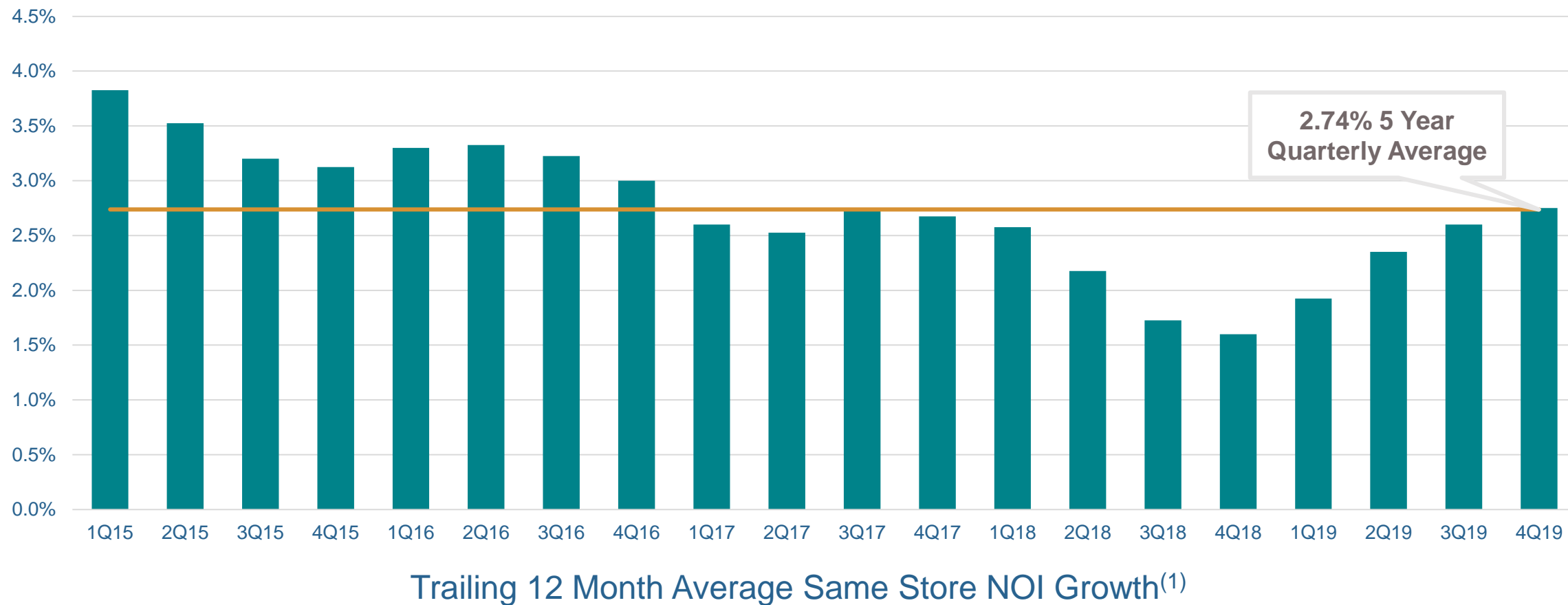
dispositions  
since 2015

**28%**

of our 2015 asset base  
recycled into **higher  
quality assets**

1. Investment amounts pro rata as of 12/31/2019. See the Supplemental Reporting Measures section of our 4Q19 Supplemental for additional information. The 4Q19 Supplemental can be found on the investor section of our website. [www.welltower.com](http://www.welltower.com).

# Stable Cash Flow Growth



1. Represents the average Total Portfolio Same-Store NOI for the trailing four quarters of each period represented. See the Supplemental Information section on the Investor section of our website for historical quarterly figures as well as definitions of the measures and reconciliation of Same Store NOI to GAAP Net Income.

# Excellent Balance Sheet

**BBB+**

**S&P Global**

**BBB+**

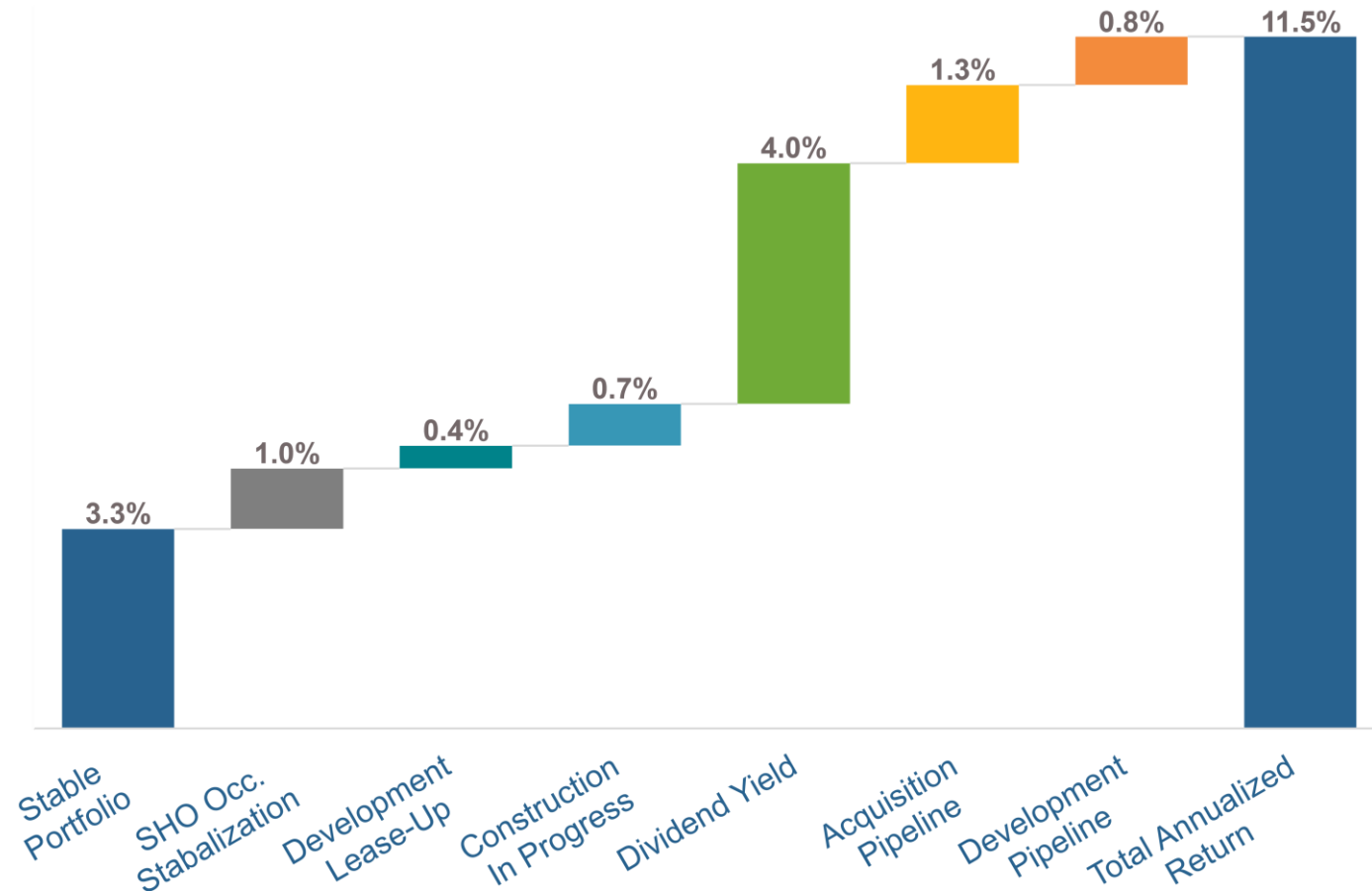
**Fitch**Ratings

**Baa1**

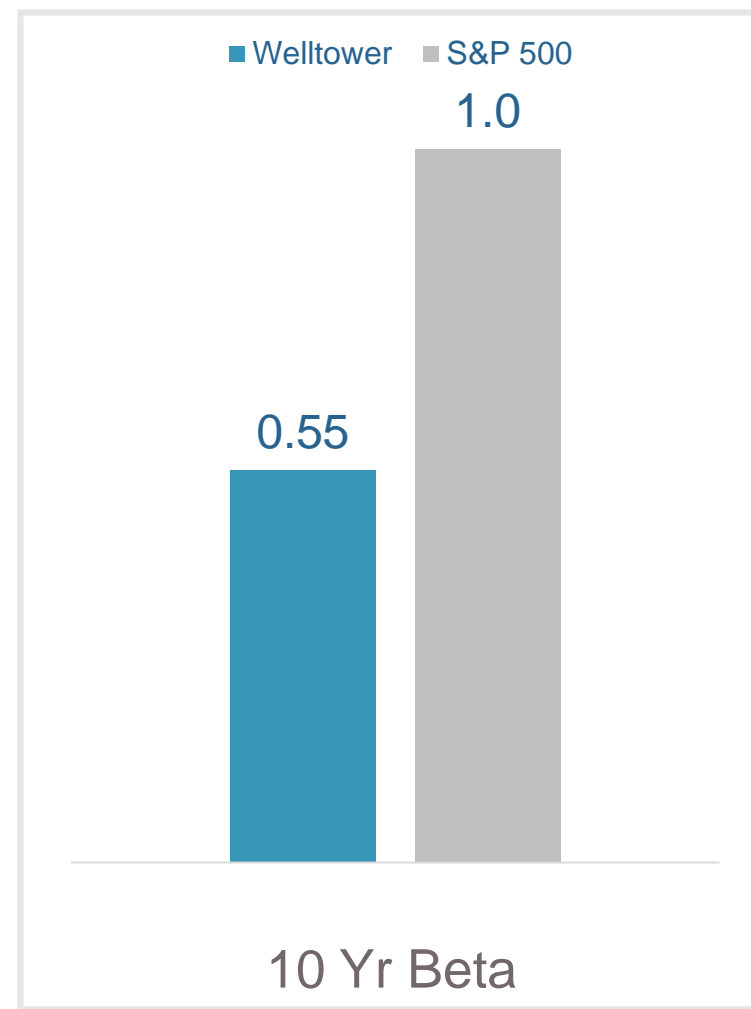
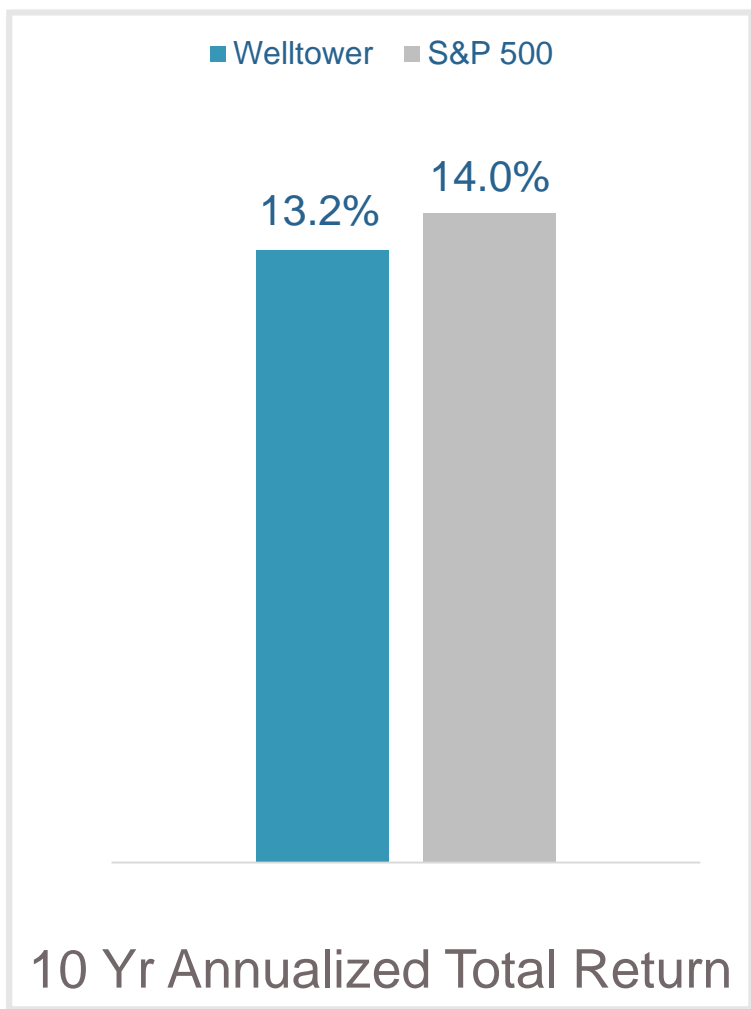
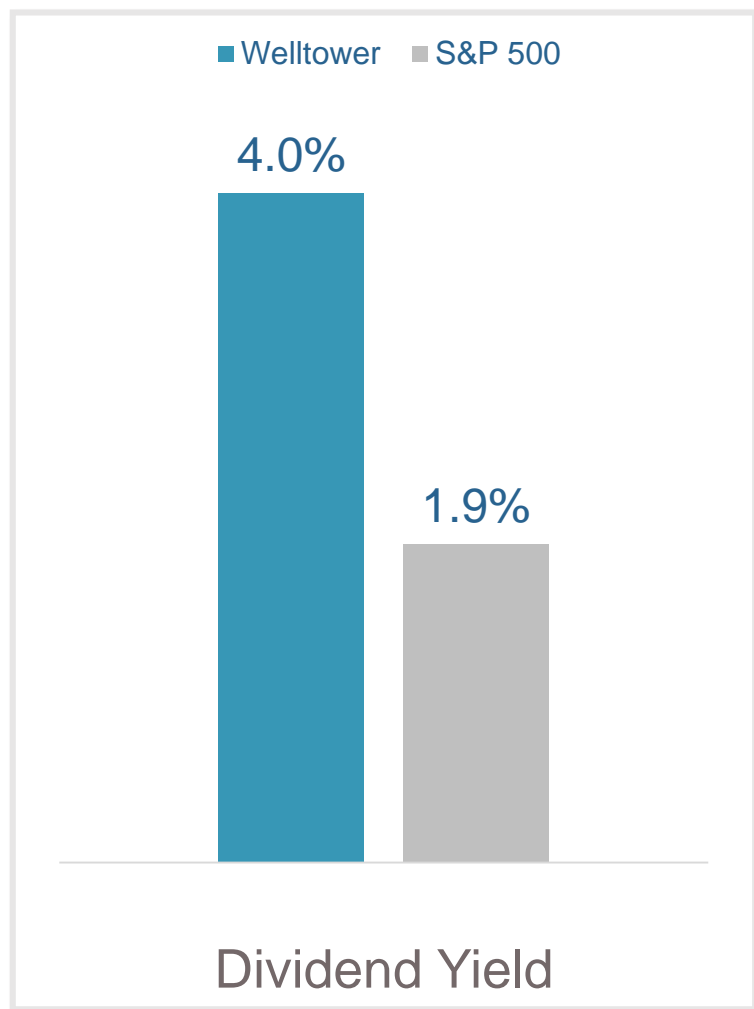
**MOODY's**

# 11.5% Total Annualized Return to Shareholders

Total Portfolio Annualized Return		
1	Stable Portfolio	3.3%
2	SHO Occ. Stabilization	1.0%
3	Development Lease-Up	0.4%
4	Construction In Progress	0.7%
5	Dividend Yield	4.0%
Embedded Total Return		9.4%
7	Acquisition Pipeline	1.3%
8	Development Pipeline	0.8%
Total Annualized Return		11.5%



# Attractive Return Profile Relative to S&P 500



# ESG Leadership

# Environmental | Leadership through Sustainability

## Sustainability Goals Publication and Advancement



10% reduction  
in GHG emissions

10% reduction  
in water use

10% reduction  
in energy use

*by 2025*

## Green Buildings



190+ Green Building Certifications  
(Energy Star, LEED, IREM, BREEAM)



405K sq ft of executed green leases



\$1M+ of sustainable building related  
purchases



# Inaugural Green Bond | Effective Access to Capital



## \$500M 7-Year note at 2.7%

- ✓ First U.S. health care REIT to offer
- ✓ WELL's lowest coupon on 7 year
- ✓ Demand 7.0x oversubscribed
- ✓ Over 100 investors consisting of high-quality asset managers, insurance funds, hedge funds, and central banks

### Use of Proceeds:



Green Buildings



Water Efficiency



Energy Efficiency

# Social | Diversity and Inclusion

1:1

Gender parity  
across the  
Organization

50%

Representation by  
Women and People of  
Color on executive  
leadership team

CEO **ACT!ON**  
FOR DIVERSITY  
& INCLUSION

ISS QualityScore  
SOCIAL  
Highest Rating By  
INSTITUTIONAL SHAREHOLDER SERVICES

★ ★ ★ ★  
AMERICA'S MOST  
RESPONSIBLE  
COMPANIES  
2020  
Newsweek  
POWERED BY  
statista

EMPOWERMENT  
WOMEN'S PRINCIPLES  
EQUALITY MEANS BUSINESS

2019  
= Bloomberg  
Gender-E  
Ind  
2020  
= Bloomberg  
Gender-Equality  
Index



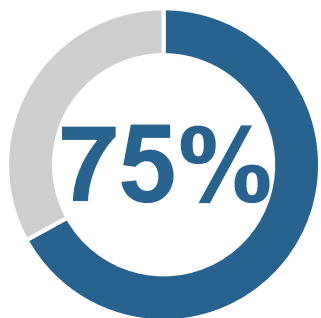


# Addressing societal issues including isolation, homelessness, and access to care



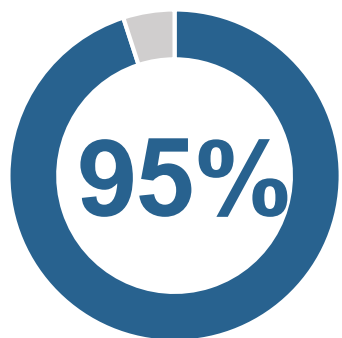
# Governance | Great Governance is Good Business

## Board Diversity



**Female and Minority Independent Director Leadership** on Board of Directors<sup>(1)</sup>

## Code of Business Conduct



of Employees received refresher **training** on **insider trading** and **anti-corruption**

## Disclosure & Reporting



**Published 7<sup>th</sup> consecutive annual Global Reporting Initiative-aligned Corporate Social Responsibility Report**



**Filed Sustainable Accounting Standards Board-aligned Annual Report**



**Improved already strong Dow Jones Sustainability Index, GRESB, ISS and ISS-ESG scores through enhanced tracking and reporting**

1. Data as of 2/21/2020.

# Board of Directors

- ✓ 50% of Independent Directors represented by Women: **#3 Company among Fortune 500<sup>(1)</sup>**
- ✓ 75% of Independent Directors represented by Women and Minorities versus 33% Fortune 500 Average<sup>(1)</sup>

## Welltower CEO



Thomas J. DeRosa  
Chairman of the Board

## Real Estate, Affordable Housing



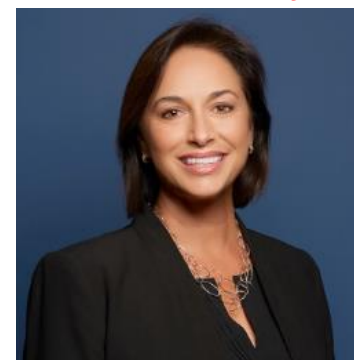
Jeffrey H. Donahue  
Independent Lead Director

## Real Estate



Kenneth J. Bacon  
Independent Director

## Health Policy



Dr. Karen B. DeSalvo  
Independent Director

## Economics & Organization Management



Sharon M. Oster  
Independent Director

## Health Systems & Providers



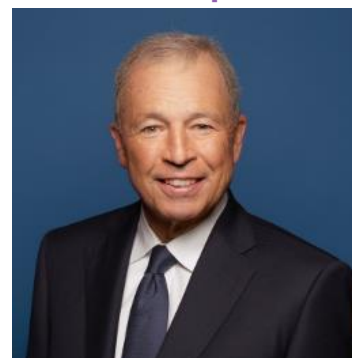
Johnese M. Spisso  
Independent Director

## Health Payors



Kathryn M. Sullivan  
Independent Director

## Finance & Operations



R. Scott Trumbull  
Independent Director

## Hospitality



Sergio D. Rivera  
Independent Director





# Conclusion

By delivering a built environment focused on maintaining and enhancing the social determinants of health for aging and other at-risk populations, Welltower is delivering on a long-term plan that achieves industry-leading financial performance and builds shareholder value while positively impacting some of today's most pressing societal challenges.

**welltower**