




Healthful Environments

2013 Corporate Social Responsibility Report



To heal.
To live.
To work.
To invest.
To grow.

HEALTHFUL ENVIRONMENTS

In this second annual Corporate Social Responsibility Report, we are pleased to share our progress in building an organization that sustains strong financial returns over the long term by creating healthful environments.



ABOVE:
 Medical Office Building
 Community Health Systems,
 Tuscon MSA
 ENERGY STAR® Certified

TABLE OF CONTENTS

CEO STATEMENT	4
ECONOMIC IMPACT	6
Company and Industry Overview	9
HCN's Investment Segments	10
A Focused Investment Strategy	11
Growth	12
HCN's Reach	14
ENVIRONMENTAL IMPACT	18
Managing Environmental Impact	20
Encouraging Sustainable Practices	22
Managing Energy Consumption	23
Energy Use	24
Renewable Energy Generation	26
Case Study	27
GOVERNANCE	28
HCN's Board of Directors	30
Transparency	31
Risk Management	32
SOCIAL IMPACT	34
Learning and Development	36
Hiring and Employment	39
Corporate Culture	39
Corporate Citizenship	40
Recruiting Future Leaders	41
APPENDIX I: CONTROL AND INFLUENCE	44
APPENDIX II: GRI INDICATOR INDEX	48



TOM DEROSA
CEO, Health Care REIT

We are playing a pivotal role in the evolution of health care. We partner with some of the most innovative health care providers by delivering long-term capital combined with operating knowledge and expertise. Together, we are redefining home for the world's aging population and driving efficiencies and better outcomes in health care delivery.

Real estate is an essential variable in the health care equation. Modern, high-quality health care properties promote better outcomes at lower costs. Consumers expect access to high-quality care and cutting-edge technology in a comfortable and safe setting. We work with health care providers to achieve efficiencies, reduce environmental impacts and improve patient satisfaction by promoting sustainability and best practices.

As a world-class company, we focus on driving enduring, long-term results. Our mandate to maximize shareholder returns and our mission to improve health care are linked. We believe investments that align with the needs of patients and caregivers will yield the best returns for our shareholders who count on us for driving value appreciation and a growing dividend.



\$2.9 MILLION

Invested in projects to modernize HCN's portfolio and reduce environmental impact.

To that end, our outstanding team completed a number of important initiatives in 2013. This report describes each of the following in greater detail.

- We invested \$2.9 million to modernize our unparalleled portfolio and reduce environmental impact.
- We expanded our Executive Forum, a collaborative platform for our strategic seniors housing operating partners to share best practices and drive efficiencies that directly enhance operational effectiveness and the resident experience.
- We developed and launched innovative employee programs that will help us attract, train and retain a diverse group of talented individuals and develop leaders.
- We made significant corporate governance improvements based on feedback from the investment community.

I am also pleased to share that this report includes the Global Reporting Initiative (GRI) G4 guidelines, the leading third-party reporting framework for corporate responsibility. This is another example of our continual effort to increase transparency and accountability.

We are more than a real estate company. We are deeply engaged in the seniors housing and the broader health care industries. We have a seat at the table with health care systems and seniors housing operators who are creating efficiencies and improvements in health care delivery. We believe our investments across the health care continuum will create significant, long-term value for all our stakeholders.

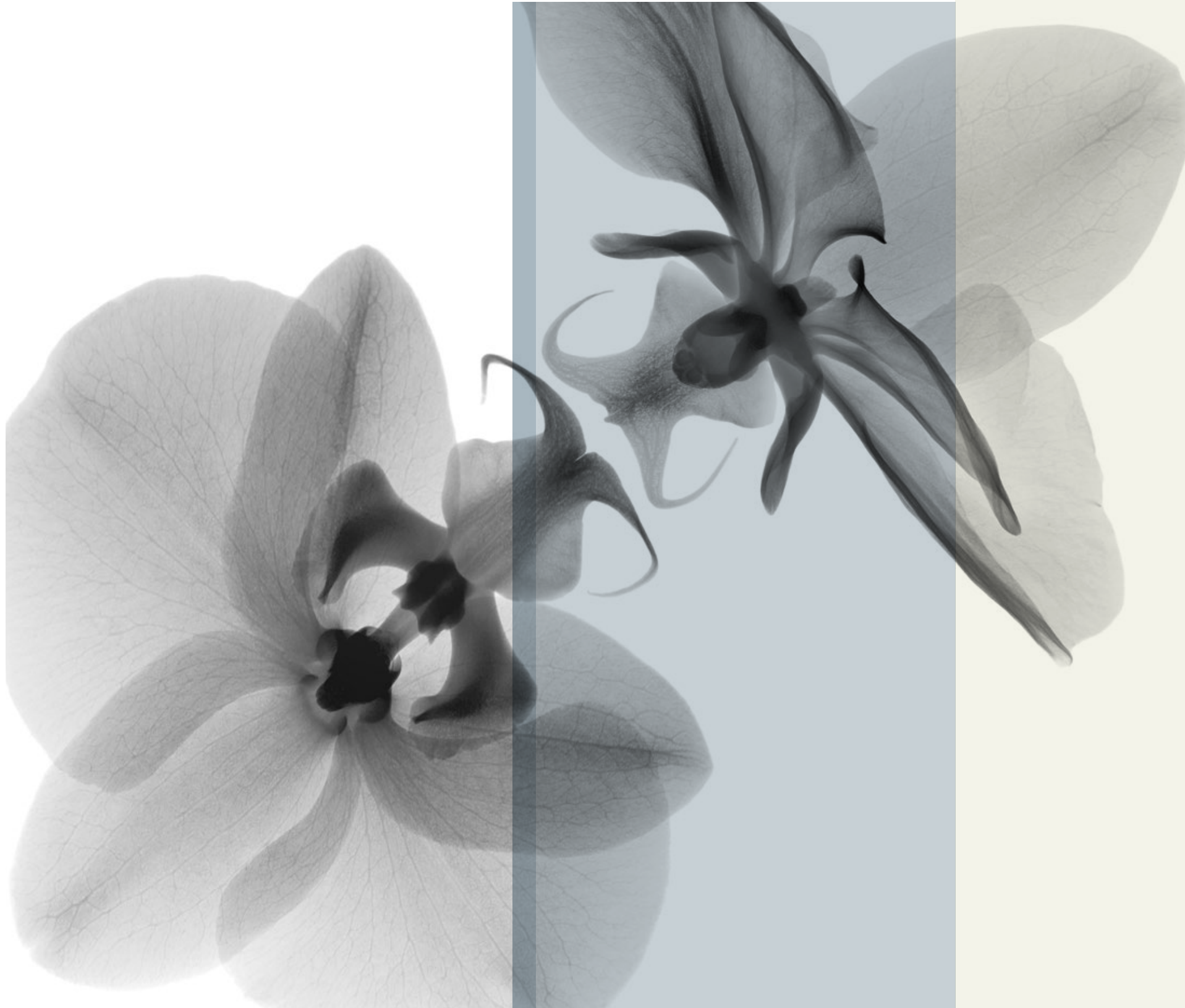
LEFT & BELOW:
Medical Office Building
Virtua Health,
Philadelphia MSA

“Our objective is to keep people out of acute care hospitals and allow them to be cared for and thrive in the places that are best for them.”

— TOM DEROSA, CEO



ECONOMIC IMPACT



EXCELLENCE AND INNOVATION BUILT ON RELATIONSHIPS

HCN has built a premier, diversified global health care real estate portfolio and a network of trusted relationships with best-in-class partners that operate, manage and lease its properties. This network of partnerships has been built over decades and is at the heart of HCN's approach to investing.

HCN helped pioneer the seniors housing industry through its financial partnerships with some of the industry's first operators, and the company continues to actively support and drive health care innovation. As the health care and seniors housing industries have grown, HCN's impact on health care has also expanded.

FIRST HEALTH CARE REIT FOUNDED IN 1970

S&P 500 MEMBER

1,199 PROPERTIES IN US, UK AND CANADA*

15.5%* ANNUAL TOTAL SHAREHOLDER RETURN SINCE INCEPTION

*AS OF 12.31.2013



LEFT:
Medical Office Building
Dignity Health,
Los Angeles MSA

1.1 COMPANY AND INDUSTRY OVERVIEW

Health Care REIT (NYSE:HCN) is a real estate investment trust ("REIT") that invests across the full spectrum of seniors housing and health care real estate. The company employs 400 professionals in its core business functions.

INVESTMENT

HCN's experienced capital markets and investment teams efficiently raise capital and execute HCN's investment strategy.

ASSET MANAGEMENT

HCN's seniors housing and care portfolio is managed through relationship investment teams that develop a detailed understanding of its partners' businesses and what those businesses need to grow. HCN's medical facilities portfolio is managed through its Management Services Group (MSG), a uniquely trained and specialized team that emphasizes superior service in order to form long-lasting relationships with tenants. These teams are supported by the sector's finest asset management systems and tools.

DEVELOPMENT

Through Frauenshuh HealthCare Real Estate Solutions, HCN provides comprehensive planning and development services to develop and own state-of-the-art medical facilities with leading health systems and physician groups.

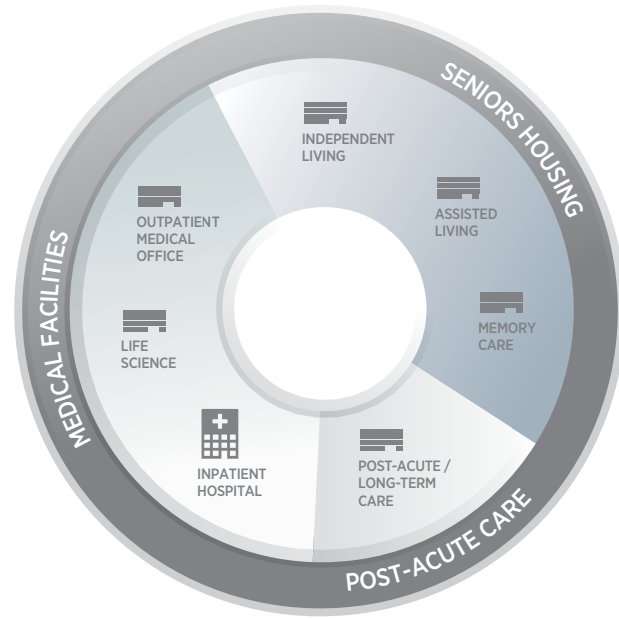
CORPORATE

The company's administrative team is dedicated to providing a best-in-class workplace environment and programs that develop and retain top talent, while providing the staffing and resources necessary for the company to execute its mission at the highest levels.

1.2 HCN'S INVESTMENT SEGMENTS

HCN's business is comprised of three investment segments: seniors housing triple-net, seniors housing operating and medical facilities. More information about each of these segments is available in the company's 10-K.

HCN'S PROPERTY TYPES



INDEPENDENT LIVING

Independent living communities are age-restricted, multifamily properties with central dining facilities that provide residents access to meals and other services such as housekeeping, linen service, transportation and social and recreational activities.

ASSISTED LIVING FACILITIES

Assisted living communities are state-regulated rental properties that provide the same services as independent living communities, but also provide supportive care from trained employees to residents who require assistance with activities of daily living, including, but not limited to, management of medications, bathing, dressing, toileting, ambulating and eating.

MEMORY CARE

Certain assisted living communities may include state-licensed settings that specialize in caring for those afflicted with Alzheimer's disease and/or other types of dementia.

POST-ACUTE/LONG-TERM CARE

Post-acute/long-term care communities are licensed facilities in which the majority of individuals require 24-hour nursing and/or medical care. All communities offer some level of rehabilitation services.

INPATIENT HOSPITAL

Hospitals include acute care hospitals, inpatient rehabilitation hospitals and long-term acute care hospitals. Acute care hospitals provide a wide range of inpatient and outpatient services, including, but not limited to, surgery, rehabilitation, therapy and clinical laboratories. Inpatient rehabilitation hospitals provide inpatient services for patients with intensive rehabilitation needs. Long-term acute care hospitals provide

inpatient services for patients with complex medical conditions that require more intensive care, monitoring or emergency support than is available in most post-acute/long-term care communities.

LIFE SCIENCE

In 2013, the life science portfolio consisted of laboratory and office facilities specifically designed and constructed for use by biotechnology and pharmaceutical companies. These facilities are located adjacent to the Massachusetts Institute of Technology, which is a well-established market known for pharmaceutical and biotechnology research. These buildings are unique because they possess advanced HVAC (heating, ventilation and air conditioning), electrical and mechanical systems.

OUTPATIENT MEDICAL OFFICE

The medical office building (MOB) portfolio consists of health care related buildings that generally include physician offices, ambulatory surgery centers, diagnostic facilities, outpatient services and/or labs.

1.3 A FOCUSED INVESTMENT STRATEGY

HCN's strategic objective is to own the highest quality health care portfolio in the world leased, operated or managed by the best operators and tenants in the sector. The company typically uses a 10-year outlook to evaluate investment decisions and evaluates asset quality on three primary factors: physical plant quality, location and operating partner. Sustainability criteria are an integral component of investment decisions.

A LEADER IN PORTFOLIO QUALITY*

OPERATORS

TOP 5 SENIORS HOUSING OPERATORS (BY INVESTMENT BALANCE):

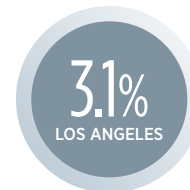
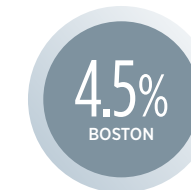
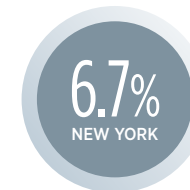


TOP 3 HEALTH SYSTEMS BY OCCUPIED MOB SQUARE FEET:



LOCATION

TOP 5 MARKETS (BY TOTAL PORTFOLIO INVESTMENT BALANCE):



PHYSICAL PLANT QUALITY

PORTFOLIO AVERAGE AGE



*All data as of December 31, 2013

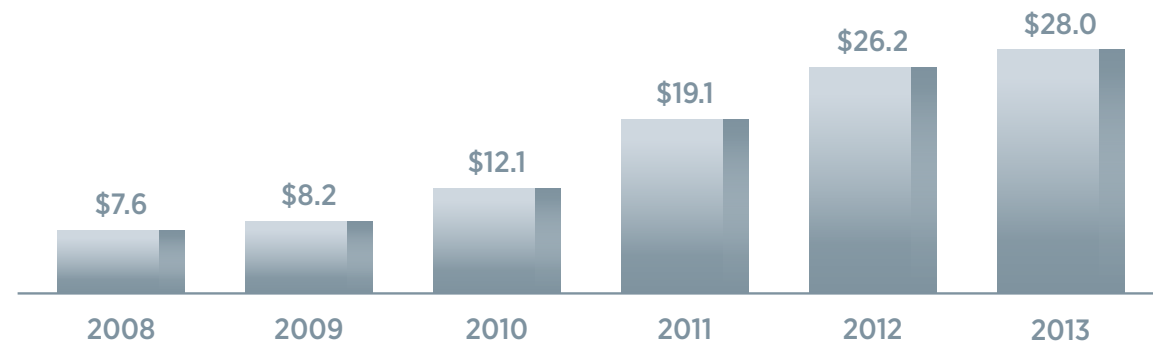
1. CoStar MOB industry average age for Class A & B buildings with greater than 20,000 square feet. HCN internal documents.

2. National Investment Center excluding CCRCs and skilled nursing facilities. HCN internal documents.

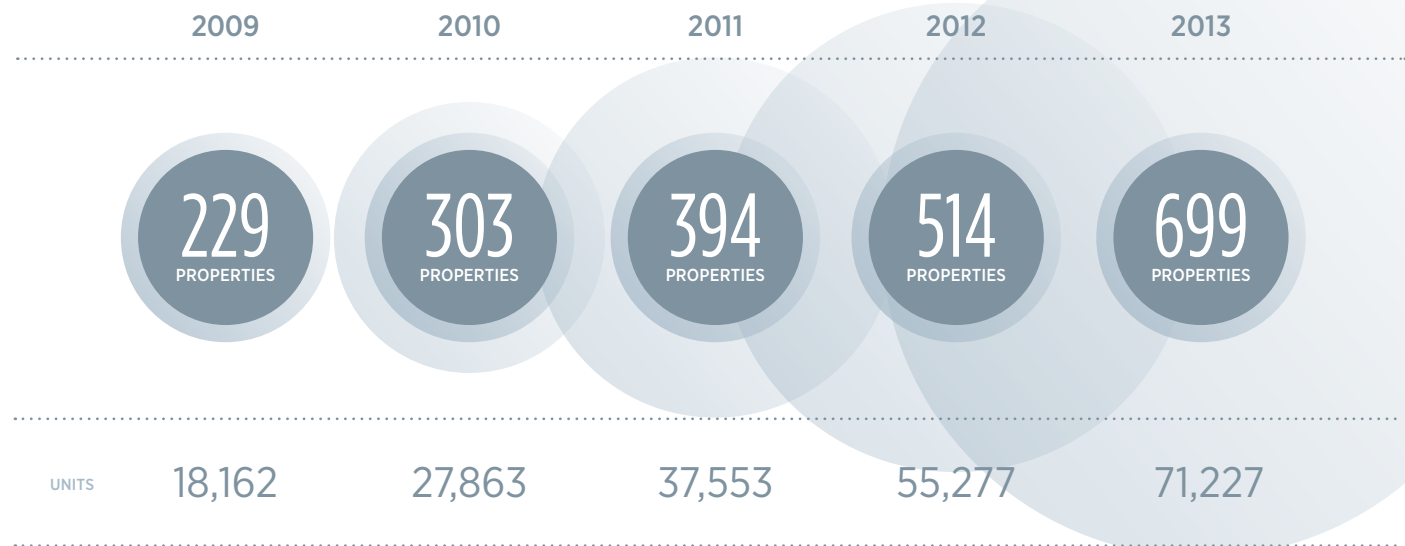
1.4 GROWTH

In July 2013, HCN completed the acquisition of the Sunrise Senior Living portfolio, which included 125 properties in the United States, Canada and the United Kingdom. The company also completed the acquisition of a portfolio of 47 high-quality properties with Revera Inc., located in major Canadian metropolitan markets. As of December 31, 2013, HCN owned 1,199 assets in the United States, the United Kingdom and Canada, an increase of 174 properties from the previous year.

ENTERPRISE VALUE GROWTH (BILLIONS)*



SENIORS HOUSING PORTFOLIO*



*All data as of December 31, 2013



LEFT:
Medical Office Building
Roper St. Francis Healthcare,
Charleston MSA

1.5 HCN'S REACH

HCN has a meaningful economic impact both directly and indirectly on a national, regional and local level. The company is a source of consistent, reliable dividend income that grows over time for thousands of investors; works with hundreds of vendors; and employs 400 talented professionals. However, the company's indirect economic impact is significantly broader. For the purpose of this report, the company defines its direct and indirect economic impacts as described in the illustration.

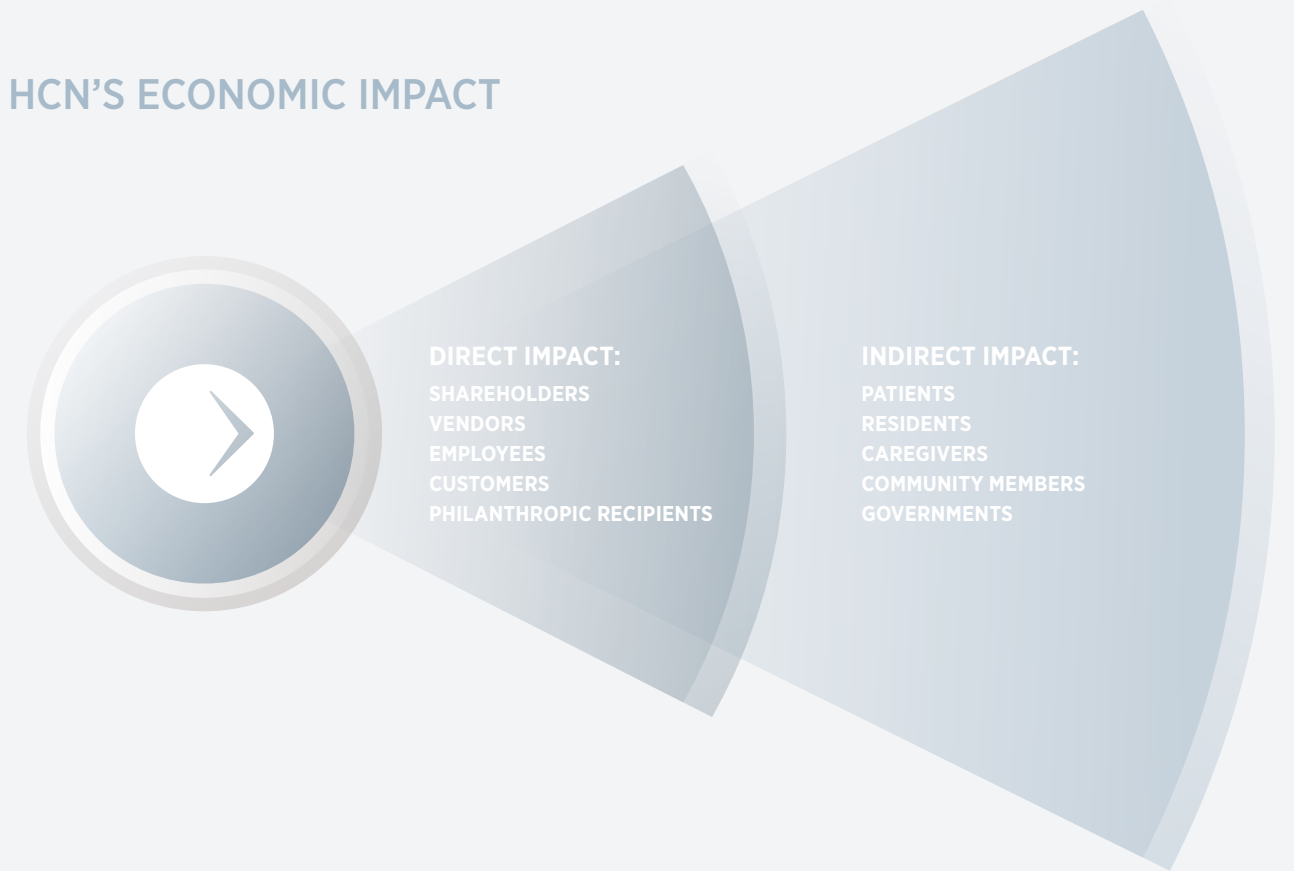
BELOW:
Seniors Housing Community
Belmont Village of Cardiff by the Sea,
San Diego MSA
ENERGY STAR® Certified



1.5.A LOCAL IMPACT

HCN's portfolio has a significant impact at the community level.

HCN'S ECONOMIC IMPACT



450,000

HOSPITAL OUTPATIENT VISITS PER YEAR*

13,621,000

MOB PATIENT VISITS PER YEAR*

13,140,390**

SQUARE FEET OF MEDICAL OFFICE SPACE UNDER MANAGEMENT

65,000

SENIORS HOUSING HEALTH CARE PROFESSIONALS*

50,000

MOB HEALTH CARE PROFESSIONALS*

71,227**

SENIORS HOUSING UNITS

14 OF 17

AWARD CATEGORIES FOR THE ALFA BEST OF THE BEST AND HERO AWARDS WON BY HCN PARTNERS

\$85,500,000

PROPERTY TAX PAID IN 2013***

* Estimated as of December 31, 2013
** As of December 31, 2013
*** As of December 31, 2013. Includes corporate office and Medical Facilities and Seniors Housing Operating portfolios; in USD at HCN's ownership percentage.

1.5.B NATIONAL IMPACT: INDUSTRY LEADERSHIP THROUGH ADVOCACY

As society addresses the challenges of an aging global population, improved health care outcomes and reduced costs are an increasingly important priority. HCN's experienced management team actively contributes to the future of high-quality, well-planned, accessible health care delivery systems by participating on leading health care and real estate industry association boards. The following page details some of the contributions that HCN's leaders are making in the industry. The company also sponsors these organizations to support research and inspire industry innovations. Section 4.3 describes how the company partners with leading educational institutions to help train and recruit the next generation of health care industry leaders.



HCN LEADS ACROSS THE SENIORS HOUSING, HEALTH CARE AND REAL ESTATE INDUSTRIES



CHUCK HERMAN
President — Seniors Housing & Post-Acute

Mr. Herman is on the Executive Boards of the Assisted Living Federation of America, National Investment Center for the Seniors Housing Care Industry and American Seniors Housing Association.



JOHN GETCHEY
Senior Vice President — Investments, Seniors Housing

Mr. Getchey is a member of the Future Leaders Council of the National Investment Center for the Seniors Housing Care Industry.



MERCEDES KERR
Senior Vice President — Marketing

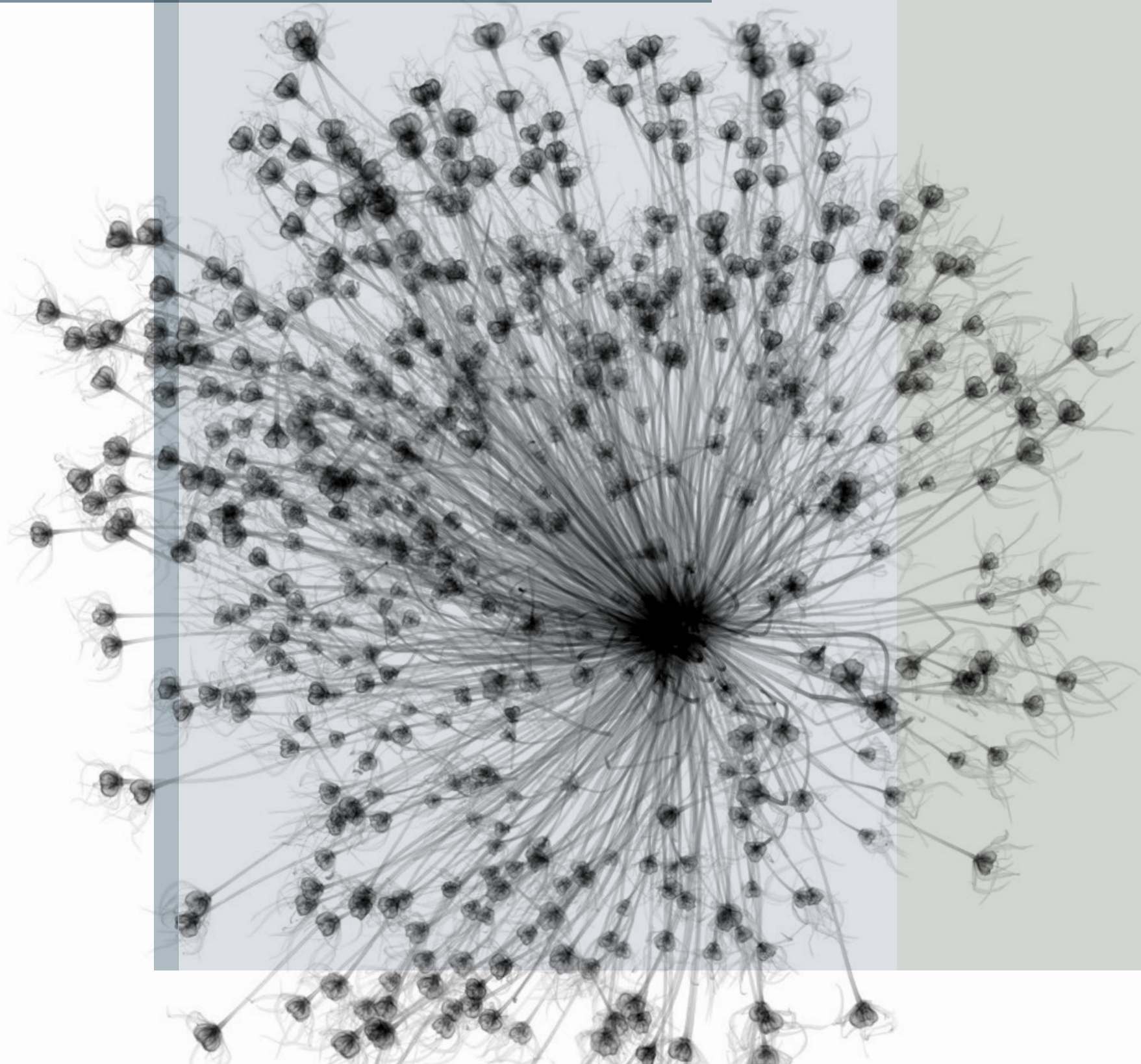
Ms. Kerr is a member of the California Assisted Living Association Board of Trustees and Planning Committee and serves on the National Investment Center Planning Committee.



DAN KLEIN
Senior Vice President — Medical Facilities Group

Mr. Klein is a member of the Urban Land Institute Health Care & Life Sciences Council and the Building Owners and Managers Association Medical Office Planning Committee.

ENVIRONMENTAL IMPACT



COMMITMENT TO BETTER STEWARDSHIP

Mitigating environmental impacts is an important component of HCN's mission to drive better outcomes for residents, patients and caregivers. It reduces the cost of care and creates more healthful living and working environments.

2.1 MANAGING ENVIRONMENTAL IMPACT

HCN emphasizes environmental stewardship in properties that are inside and outside of its operational control boundary. Working with its operating partners, the company continuously implements programs to operate buildings more efficiently and meet consumer health care demands. These programs include assessing environmental impact, setting performance goals, incorporating environmentally conscious best practices, benchmarking performance and investing in energy conservation measures. The company's ability to influence environmental impacts varies based on its level of operational control.

2.1.A BENCHMARKING FOR OPTIMIZATION

HCN uses the EPA's ENERGY STAR Portfolio Manager® system to track electricity, natural gas, renewable energy and water consumption data. The company uses this tool to benchmark energy use and performance in its medical office and seniors housing portfolios and identify opportunities for operational enhancements. Outside the reporting period, the company expanded its benchmarking program to include recycling and waste stream performance indicators during 2014.

2.1.B CREATING HEALTHFUL WORKPLACES

HCN has implemented measures throughout its operationally controlled portfolio that improve workplace quality and limit environmental impacts. MSG has implemented green cleaning practices that support the use of environmentally friendly products. The company also limits exposure to potentially hazardous chemical, biological and particulate contaminants, which adversely affect indoor air quality, human health, building finishes and systems and the environment. As described in the company's 2012 CSR, HCN continues to expand its corporate office and medical office recycling programs.

RECYCLING PROGRAMS IN HCN'S MEDICAL OFFICE BUILDING PORTFOLIO*			
	Full Recycling Program	Partial Recycling Program	Electronics, Bulbs and Batteries Recycling Program
NUMBER OF BUILDINGS	59	41	152
% MSG MANAGED PROPERTIES	39%	27%	100%

*In addition to the company's Medical Office Building portfolio, the company's corporate office has a full recycling program.



HCN Corporate Campus, Toledo

HCN's corporate headquarters in Toledo, Ohio, holds LEED Platinum and Gold certifications for new construction. In 2013, HCN received LEED Gold (operations and maintenance) certification for the day-to-day management of the facility.

2013 LEED CERTIFICATIONS



Operations and Maintenance (Gold) at HCN's corporate headquarters in Toledo, Ohio.



Commercial Interiors (Silver) at the Biltmore medical office building for the Phoenix Eye Surgery Center suite in Phoenix, Arizona.

18%



Increase in percent of buildings participating in ENERGY STAR® benchmarking (2012 = 37%, 2013 = 43.7%)

10%

Increase in percent of Certified Buildings as a percentage of the total portfolio (2012 = 5%, 2013 = 5.5%)

13%

Increase in percent of Certified Buildings as a percentage of total portfolio SF (2012 = 4%, 2013 = 4.5%)

TOTAL CERTIFIED BUILDINGS		
	2012	2013
 LEED	7	9
 ENERGY STAR	44	58

*Data covers buildings in all control levels including 152 medical office buildings and the corporate campus.

2.2 ENCOURAGING SUSTAINABLE PRACTICES

Outside of its control boundary, HCN works with its seniors housing operating partners to encourage environmentally conscious practices and minimize environmental impact. The company's Executive Forum is an opportunity to engage the company's partners in dialogue about incorporating sustainable practices. Best practices covered in the Executive Forum include energy and water benchmarking, energy conservation measures and sustainability operations.

MSG's proprietary Green Arrow program, which is described in greater detail in HCN's 2012 CSR, offers a platform for HCN's 48 property managers to engage in a guided and ongoing dialogue with medical office tenants about opportunities to reduce environmental impact through capital improvements or operational changes. The program also offers learning and development opportunities regarding sustainability best practices.



ABOVE:
Medical Office Building
Northside Hospital Health
System, Atlanta MSA

HCN 2013 ENERGY USE REDUCTION PROJECTS (\$2.9 MILLION INVESTED)

16

ENERGY MANAGEMENT SYSTEMS—
BUILDING CONTROLS/AUTOMATION

24

HVAC UPGRADES

6

LIGHTING RETROFITS

2

MOTORS AND
VARIABLE FREQUENCY DRIVES

2

COMMISSIONING

6

BUILDING EXTERIOR

2.3 MANAGING ENERGY CONSUMPTION

HCN actively considers responsible energy use in the implementation of its strategic objectives and thoughtfully balances it with investing in the facilities that meet evolving consumer demands. Health care delivery is focused increasingly on providing care in lower-cost settings. Modern medical office buildings generally have a larger total footprint and larger suites that incorporate greater imaging, laboratory and outpatient surgical services, requiring more energy to operate. However, by investing in these properties, HCN helps create a more sustainable health care model, because providing more complicated medical services in lower-cost settings reduces the overall cost of health care.

From 2012 to 2013, the average square footage of a medical office building within HCN's control boundary increased by 16%. Section 2.4 describes the corresponding changes in HCN's energy use from 2012 to 2013. The company optimizes performance by programmatically replacing equipment with more energy-efficient systems and monitoring performance (see 2.1.A). In 2013, HCN completed 56 energy use reduction projects that mitigate environmental impact.

2.4. ENERGY USE

HCN's active energy management platform led to minimal year-over-year energy use growth within the same-store portfolio of the control boundary. Electricity usage increased 0.03% (KwH) and natural gas increased 1.15% (Therm). These strong results, in light of increased utilization within the portfolio, demonstrate the effectiveness of the company's ongoing energy management efforts. In the table below, the increase in overall energy usage is the result of growth in the company's portfolio. As buildings are integrated, the energy management team works to reduce environmental impact. Please see the Johnson Ferry Case Study on page 27.

At the corporate campus, HCN's natural gas use decreased in 2013 versus 2012. This reduction is a result of enhanced operational changes in building control strategies. While electricity use increased, the growth is in line with the growth in utilization by a larger workforce. Year-over-year, the employee population at the corporate headquarters grew 26%.

ELECTRICITY USE (KWH)			
	2012	2013	% CHANGE
CORPORATE OFFICE	2,315,056	2,553,938	10.3%
MEDICAL OFFICE BUILDINGS	209,514,826	252,120,302	20.3%
TOTAL	211,829,882	254,674,240	20.2%

NATURAL GAS USE (THERM)			
	2012	2013	% CHANGE
CORPORATE OFFICE	72,908	61,265	-16.0%
MEDICAL OFFICE BUILDINGS	972,392	1,043,841	7.3%
TOTAL	1,045,300	1,105,106	5.7%

2.4.A BEST PRACTICES

In addition to HCN's industry leadership described in Section 1.5.B, the company actively participates in a number of sustainability-focused industry initiatives, including the National Association of Real Estate Investment Trusts' (NAREIT) Leader in the Light, the Better Building Alliance and the US Green Building Council. Through the company's engagement, it gains access to relevant data that improves its sustainability program.

2.4.B PERFORMANCE GOALS

MSG establishes and evaluates annually asset-level performance goals to measure investments in energy conservation and operational improvements. MSG categorizes each property by performance band and creates specific and absolute facility energy and water use reduction goals. HCN management uses these goals to assess individual property teams' annual performance.

2.4.C GREENHOUSE GAS EMISSIONS

GREENHOUSE GAS EMISSIONS ^{1, 2, 3, 4}									
	SCOPE 1 (METRIC TONS CO2E)			SCOPE 2 (METRIC TONS CO2E)			SCOPE 3 (METRIC TONS CO2E)		
	2012	2013	% CHANGE	2012	2013	% CHANGE	2012	2013	% CHANGE
CORPORATE OFFICE BUILDINGS	388	326	-16.0%	1,555	1,499	-3.6%			
MEDICAL	5,168	5,549	7.4%	116,817	144,424	23.6%			
TRAVEL EMISSIONS									
VEHICLE FLEET	109	109	0.0%						
AIR TRAVEL & EMPLOYEE COMMUTE							1,135	1,164	2.6%
TOTAL	5,665	5,984	5.6%	118,372	145,923	23.3%	1,135	1,164	2.6%

- The majority of underlying data for the greenhouse gas inventory is housed in a comprehensive third-party utility expense management database, which is supplemented by ENERGY STAR® Portfolio Manager data, direct bills, energy consumption modeling and other activity data surrounding travel and vehicle fleet usage.
- HCN has established 2012 as its base year for measuring future improvements in greenhouse gas emissions.
- The greenhouse gas emissions data is in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). Additional emissions guidance included the Climate Registry: General Reporting Protocol, the US EPA Climate Leaders: Direct Emissions From Mobile Combustion Sources global warming potentials from the IPCC Second Assessment Report and Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
- Limited Assurance third-party verification of the greenhouse gas data was completed by Point 380.



2.4.D CARBON INTENSITY

HCN measures its carbon intensity to understand better energy consumption and Greenhouse Gas emissions across the operational control boundary. This analysis leads to greater operating efficiencies in the portfolio and reduced environmental impacts.

CARBON INTENSITY* (MT CO2E / SQ FT)		
2012	2013	% CHANGE
13.56	14.31	5.5%

*Based on actual bill data captured through the company's environmental data management system.

2.4.E WATER CONSUMPTION

The table below shows year-over-year water consumption data in HCN's control boundary. HCN encourages its partners to disclose water consumption data to understand better its operational impact and to reduce the risks associated with water use.

WATER USE									
BUILDING TYPE	WATER CONSUMPTION (GALLONS IN THOUSANDS)			WATER CONSUMPTION (GALLONS PER SQ FT)			BUILDINGS REPRESENTED		
	2012	2013	% CHANGE	2012	2013	% CHANGE	2012	2013	% CHANGE
MEDICAL OFFICE	221,113	239,850	8.5%	24.18	22.58	-7.0%	115	126	9.6%

*HCN has split control over 152 medical office buildings. Reliable water use data is available for 83% of these sites. Please see Appendix I for the definition of HCN's control boundaries.

2.5 RENEWABLE ENERGY GENERATION

Within its control boundary, HCN has invested in three solar arrays. In 2013, the arrays generated 487 MWh of electricity. The company continues to evaluate opportunities to grow and enhance its renewable energy portfolio.

CASE STUDY: JOHNSON FERRY ENERGY USE REDUCTION PROJECTS



JOHNSON FERRY ENERGY USAGE

YEAR	KWH	COST
2010	5,570,000	\$490,020
2011	5,432,400	\$532,276
2012*	4,691,200	\$446,007
2013	3,428,800	\$341,166

*HCN acquired the property in May 2012.

Constructed in 1984, 975 Johnson Ferry is a 5-story, 100,000-square-foot medical office building located in Atlanta, Georgia. When HCN acquired the property in 2012, the company's due diligence assessment identified multiple operational and building control systems in need of replacement. Rather than replacing aging mechanicals with similar equipment, the company determined that it could achieve significant savings by replacing the systems with modern technology.

In 2013, HCN replaced the HVAC system with a properly sized and sequenced system, replaced motor controls with variable frequency drives and replaced building controls with a modern, direct digital control system. The company additionally remodeled common areas, improved the building envelope, installed updated elevator systems and retrofitted lighting systems. The improvements resulted in a 27% average monthly energy reduction, reduced operating expenses, improved indoor air quality and reduced risk of refrigerant leaks.



GOVERNANCE



BEST PRACTICES FOR GROWTH AND OPPORTUNITY

HCN is committed to adopting corporate governance practices that align the company's policies and procedures with stakeholder interests.

3.1 HCN'S BOARD OF DIRECTORS

In 2013, the Board elected Independent Director Timothy J. Naughton. As of December 31, 2013, nine of the 10 members of the Board were independent, non-employee directors. Biographical information regarding the company's Directors is available on the company's website and in its annual Proxy Statement.



In April 2014, outside the boundary of this report, HCN announced the retirement of its Chairman and CEO George Chapman. The Board appointed Tom DeRosa as CEO and elected Lead Independent Director Jeffrey Donahue as Chairman of the Board. Separating the role of CEO from Chairman is consistent with HCN's commitment to corporate governance that reflects best practices and the highest level of business ethics. The Board also designed Mr. DeRosa's contract to align with CEO compensation best practices, including strengthening the link between pay and performance; aligning management and shareholder interests through short- and long-term objectives; and moving a component of the long-term incentive awards to a three-year forward-looking program.



In June 2014, HCN received the second-highest overall ranking in Green Street Advisors' annual corporate ranking for the second consecutive year.

3.1.A BOARD COMMITTEES

Each of the Board's six standing committees contributes to the development of the company's economic, environmental and social policies. HCN reviews annually its committee composition, committee charters and Corporate Governance Guidelines. Current copies are available on the company's website.

3.1.B EVALUATION AND EDUCATION

The Board and the Nominating/Corporate Governance Committee conducts an annual self-evaluation to assess the Board's size, composition and diversity and to determine whether it and its committees are functioning effectively. The Nominating/Corporate Governance Committee also conducts an annual individual evaluation of each Director. The Board reviews evaluation results and identifies steps to enhance its performance.

The Board maintains an orientation program for new Directors. The process includes providing Directors with comprehensive information about HCN's business and financial performance, as well as policies, procedures and responsibilities of the Board and its committees. The company facilitates relevant continuing education programs for Directors with respect to accounting and finance matters, leadership, industry practices and general management and strategic planning.

3.2 TRANSPARENCY

HCN provides shareholders with comprehensive disclosures and continuously works to enhance its communications. The company made several notable improvements in 2013.

- HCN now includes the street addresses of all its properties in the Schedule III of its 10-K filing. While it is common for REITs that invest in multifamily, office and retail to provide this information, health care REITs have not traditionally disclosed this level of detail.
- The company's quarterly supplement now includes payment coverage stratification for its seniors housing triple net, post-acute/long-term care and hospital portfolios.
- The company's CFO and Board Compensation Committee engaged in a shareholder outreach program to solicit feedback about the company's performance and executive compensation program. Details and results of the program are available in the company's 2013 Proxy Statement.

ABOVE:
Medical Office Building
Adventist Health System,
Kansas City MSA



3.3 RISK MANAGEMENT

HCN's Enterprise Risk Management (ERM) program has evolved significantly to manage the risks that result from its rapid growth and increasing influence in the seniors housing and health care sector.

The program provides ERM controls that create and preserve value by (i) improving decision-making processes, (ii) ensuring accountability to stakeholders, (iii) protecting assets and (iv) providing for more efficient and focused sustainable growth in the future.

3.3.B ANTI-CORRUPTION

As HCN's platform has expanded into new markets, the company has developed an anti-corruption policy and associated training programs to assure compliance with applicable laws and regulations. The program supplements HCN's existing ethics and compliance policies. The policy was developed and training conducted by a leading international law firm.

As part of the policy, the company has established standard operating procedures for evaluating business relationships and for addressing actions by employees or third parties that could implicate anti-corruption laws or regulations.

BELOW:
Seniors Housing Community
Revera McKenzie Towne,
Calgary CMA



3.3.A EVALUATING RISK AND OPPORTUNITY

Throughout 2013, HCN implemented systems that identify, evaluate, control and communicate the company's comprehensive risks across all business groups and in all markets on a recurring basis. The Board oversees the management of the company's ERM program, and works with an internal ERM Advisory Committee to address risks and opportunities.

HCN'S RISK EVALUATION APPROACH

Identify	Evaluate	Communicate	Control
Identify risks relevant to the organization's objectives, in accordance with industry standards and best practices.	On a recurring and annual basis identify, analyze, control, validate and monitor HCN's risks.	Regularly communicate substantiated findings to Senior Management, executive leadership and the Board.	Mitigate and respond to risks with appropriate and targeted policies, standards, procedures and tools.

ERM CONTROL AREAS

Financial	Regulatory	Operational
<ul style="list-style-type: none"> • Reporting • Compensation • Accounting • Treasury 	<ul style="list-style-type: none"> • SOX • Personally Identifiable Information • Tax 	<ul style="list-style-type: none"> • Privacy • Information Technology • Data Management • Cyber Security Continuity



SOCIAL IMPACT

A KNOWLEDGEABLE TEAM, A CULTURE OF EXCELLENCE

Building a culture of excellence and recruiting, hiring and retaining top-level talent is fundamental to HCN's long-term sustainability and driving the future of health care.





4.1 LEARNING AND DEVELOPMENT

HCN is committed to assuring that its team will create superior shareholder value in a positive and thriving environment. To achieve this objective, the company launched several learning and development initiatives in 2013 that were focused on developing the next generation of managers; assuring that the company's strategic objectives and stated standards are embraced at every level of the organization; continuously improving skills, health and job satisfaction; and creating a rewarding cultural environment.

Learning Map

In 2013, 75% of employees participated in Learning Map sessions. The Learning Map is a unique tool that deploys illustrations, data and small group dialogue to help employees gain deeper insights about the company and its business. The curriculum is designed to ensure employees understand the company's strategic priorities and how their work connects to those priorities.

Manager Training

HCN engaged a leading national consultant to provide foundational training for managing individuals and teams. In December 2013, the company piloted its manager training program with 16 employees who had less than five years of management experience. The company has trained additional managers in 2014.



SOAR

In 2013, the company expanded significantly its annual performance review and development program, Success through Ongoing Assessment and Review (SOAR). Previously, the company's annual review program focused primarily on manager/employee feedback in the fourth quarter of the year. Under the expanded program, employees work with their managers to develop and monitor goals and development plans throughout the year.

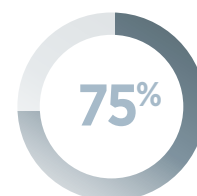


CORE

In 2013, HCN announced the creation of its women's initiative to accelerate the development and advancement of women by fostering relationships and creating professional development opportunities. Launched in January 2014, the CORE Women's Network offers quarterly educational and networking activities centered on three principles—business acumen, personal effectiveness and community service.

95

Average hours of formal corporate training per employee.



In 2013, 75% of employees participated in a Learning Map session.



100% of employees go through the annual performance review process below the executive level.

TOTAL CORPORATE EMPLOYEES AS OF DECEMBER 31, 2013			
			400
GENDER AND ROLE			
	MEN	WOMEN	% OF ALL EMPLOYEES
NON-MANAGERS	48%	52%	65%
MANAGERS	26%	74%	13%
DIRECTORS	67%	33%	9%
EXECUTIVES	90%	10%	13%
BOARD OF DIRECTORS	80%	20%	N/A
AGE AND GENDER			
	MEN	WOMEN	% OF ALL EMPLOYEES
UNDER 30	60%	40%	13%
30-50	51%	49%	63%
OVER 50	52%	48%	24%

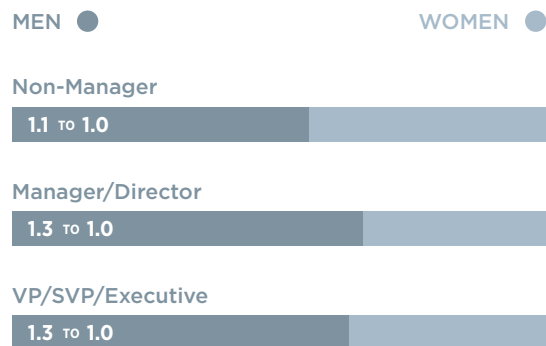
EMPLOYEES BY LOCATION



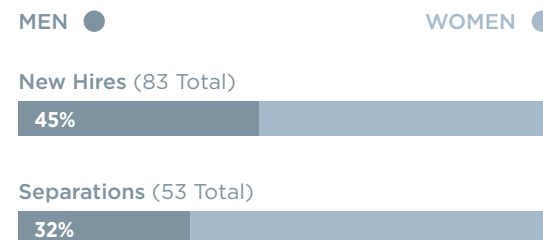
401(k) PARTICIPATION



COMPENSATION EQUITY



2013 NEW HIRES AND SEPARATIONS



*All data as of December 31, 2013



4.2 HIRING AND EMPLOYMENT

HCN attracts and retains a highly talented workforce that is committed to the company's high performance and excellence at all levels. The company does that by offering compensation that is among the best in the regional market and nationally competitive. Compensation includes base salary, a company supported 401(k), excellent health care benefits, flexible spending accounts, performance-based annual bonuses, a long-term incentive program and tuition reimbursement. Additionally, the company maintains a corporate campus with world-class amenities. To learn more about HCN's corporate headquarters, visit the company's website.

4.3 CORPORATE CULTURE

HCN's culture is mission-driven. The company strives to deliver excellent financial returns while improving seniors housing and care and health care delivery. These values, coupled with the company's partnership philosophy, create a cultural environment that promotes teamwork, approachability and a deep feeling of engagement. Employee programs that support this culture are an important part of the company's strategy. In 2013, HCN developed key initiatives to measure employee engagement and expectations and to enhance the company's strong and collaborative culture.

4.3.A WELLNESS

HCN developed its corporate wellness initiative, REITLIFE, to help employees achieve a high standard of personal health and a well-balanced life. Launched in January 2014, the program includes health screenings, healthful meal solutions, monthly educational programs featuring expert guest speakers and individual and team fitness challenges. For more information about HCN's wellness initiatives, please review Section 4.E of HCN's 2012 CSR.

4.3.B ENGAGEMENT

The People and Performance team began planning and developing the company's first employee culture and engagement survey. Deployed in mid-2014, the company expects to gain important insights about employee needs and expectations. The company intends to use the data to focus its human capital plan and strengthen employee engagement efforts.

HCN's corporate culture is supported with team-building activities like the Komen Race for the Cure®, Bike MS and family-oriented company events, such as the REITLIFE 5K.

4.4 CORPORATE CITIZENSHIP

HCN's employees are leaders in their communities. The company's United Way campaign has consistently achieved more than 90% employee participation since 2006. In 2013, employee giving increased more than 30% across the company. Additionally, employees are actively involved on non-profit boards and volunteer their time generously to local programs.

HCN's corporate citizenship is distinguished by its commitment to philanthropy. In 2013, HCN contributed to more than 90 local organizations focused on education, the arts and health. HCN's 2012 CSR further describes the company's philanthropy initiatives.



HCN employees volunteer for community programs including Junior Achievement and Boys and Girls Clubs of Greater Toledo.

EMPLOYEE SPOTLIGHT:



CHERLYNN WEBB
Payroll and Benefits Specialist

Cherlynn Webb joined HCN in 2008. She leads HCN's annual Salvation Army Angel Tree campaign in the company's corporate office.

“In addition to investing across the US, UK and Canada, I think HCN's focus on local communities is important and strategic. Employees want to feel a bond with their community. The company encourages and provides opportunities for associates to serve with non-profit groups as a means of creating that connection and developing professional leadership skills. HCN's commitment to local community advancement also improves employee fulfillment and keeps HCN connected and present as well.”

4.5 RECRUITING FUTURE LEADERS

HCN is working with its partners to cultivate a stronger industry awareness among future leaders. HCN created an annual symposium with Cornell University's well-regarded business, real estate and hospitality schools that features panel discussions and lectures from seniors housing operators and HCN leaders. Students learn about the seniors housing and health care industries, facility design, operations, marketing and the role of REITs and the capital markets. The company is actively working with other universities to develop similar efforts that promote industry awareness and attract talent into the sector.

Through the company's Executive Forum, its strategic operating partners have also discussed best practices for retaining employees at the seniors-housing-community level. These initiatives have included better employee screening practices, training and employee engagement projects.

EMPLOYEE SPOTLIGHT:



PRATIK SHAH
Finance Associate

Pratik Shah joined HCN in 2012 after graduating from Cornell University with a Masters of Business Administration and a Masters of Management in Hospitality. He participated in the Seniors Housing Symposium presented by HCN and its operating partners during his second year of studies.

“Before the symposium, I never considered a career in seniors housing. My focus was on real estate and hospitality, but the executives from HCN and from top seniors housing operators were impressive. They were enthusiastic and passionate about the industry. And they were there in person to recruit candidates to shape the future of seniors housing and care. That direct access told us this was an opportunity-rich industry.”

APPENDIX I



A.1 CONTROL AND INFLUENCE

HCN approaches environmental sustainability based on the level of control or influence the company maintains over each asset class in its portfolio. The company's operational control of a facility correlates directly to the level of control HCN has in implementing environmental sustainability initiatives. Table A.1.B demonstrates HCN's level of control throughout the portfolio.

A.1.A CONTROL DEFINITIONS

Operational Control: As the sole owner and occupant of HCN's corporate headquarters building and the sole tenant of its corporate office suites, HCN has operational control over the activities in these spaces.

Split Control: In facilities managed by MSG, the company has operational control over building systems and common area spaces, but does not dictate the activities of tenants within leased areas. However, HCN does have the opportunity to influence tenants with respect to sustainability initiatives.

Limited Influence: In those facilities that HCN owns, but third parties wholly lease or manage, the company has no operational control. In those cases, HCN has limited influence over the operator or health system and their implementation and management of sustainability initiatives.

Influence: In those facilities that comprise the company's seniors housing portfolio, HCN does not dictate the activities of the company managers. However, through proactive engagement with the managers, the company can influence their implementation of sustainability efforts.

TABLE A.1.B

HCN LEVEL OF CONTROL (AS OF DECEMBER 31, 2013)				
	CORPORATE HEADQUARTERS	MEDICAL FACILITIES	SENIORS HOUSING TRIPLE-NET & SKILLED NURSING	SENIORS HOUSING OPERATING
PORTFOLIO REVENUE (%)	NA	16%	28%	56%
PROPERTY COUNT	1*	256**	620	323
AVERAGE PROPERTY SIZE (SF)	145,212	72,220	70,480	90,523
CONTROL TYPE	OPERATIONAL CONTROL	SPLIT CONTROL: 152 LIMITED INFLUENCE: 104	LIMITED INFLUENCE	INFLUENCE

*HCN rents additional office space in Jupiter, FL, Minneapolis, MN, Nashville, TN and Newport, CA

** Includes medical office, life science and hospital buildings

A.1.C REPORTING BOUNDARIES

HCN is committed to providing regular disclosures about the company's economic, environmental, social initiatives and governance. This report contains standard disclosures from the Global Reporting Initiative's (GRI) G-4 Guidelines. It covers the timeframe beginning January 1, 2013, through December 31, 2013. Where appropriate and material to a thorough disclosure, the company has included information outside of the formal reporting timeframe and noted it accordingly.

As noted in Table A.1.B, HCN has operational or split control over 152 buildings in its Medical Facilities portfolio and its corporate headquarters. Environmental metrics, such as energy consumption and greenhouse gas emissions, are limited to the sites that fall within the operational control boundary as defined by the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)*. This report also discusses HCN's efforts to improve sustainability impacts across all its assets, including those where it does not have operational control.

A.1.D STAKEHOLDER ENGAGEMENT

HCN proactively engages stakeholders throughout the year to solicit input about stakeholder needs, to communicate and solicit feedback about the company's response to industry issues, to promote awareness of HCN's value-adding programs and to communicate the company's performance. These stakeholder groups include tenants and operating partners, industry peers, shareholders, debt capital providers, credit rating agencies, government officials and employees. HCN's engagement approach includes one-on-one dialogue with stakeholders, participation in industry forums and industry association boards, surveys, formal information sharing and regulatory filing and anonymous reporting mechanisms.

HCN prioritized the issues most material to stakeholders for deeper examination in this report. The company selected aspects for detailed disclosure which were most frequently mentioned by stakeholders or which resulted in significant economic, environmental, social or governance impact. HCN reports annually on its sustainability and corporate responsibility initiatives and progress. The company also participates in the Global Real Estate Sustainability Benchmark (GRESB) and the Carbon Disclosure Project (CDP), and provides quarterly financial disclosures and a thorough annual financial report.

The company encourages ongoing stakeholder feedback on economic, environmental, social and governance issues. Concerns regarding accounting, internal accounting controls, auditing matters or questionable behavior relating to the company may be reported through the company's Hotline at (877) 411-9375 or through the contact form on the company's website. While no concerns have ever been received, any issues would be transcribed and submitted to the Audit Committee on a confidential basis. Questions or comments about the company's sustainability and corporate responsibility initiatives may also be emailed to sustainability@hcreit.com.

GLOBAL REPORTING INITIATIVE (GRI)
CONTENT INDEX



GENERAL STANDARD DISCLOSURES

This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines.

GENERAL STANDARD DISCLOSURE	PAGE	COMMENTS
STRATEGY AND ANALYSIS		
G4-1	4-5	
ORGANIZATIONAL PROFILE		
G4-3	X	Health Care REIT, Inc. (NYSE:HCN)
G4-4	9-10	
G4-5	X	4500 Dorr St., Toledo, OH 43615
G4-6	12	United States, United Kingdom, Canada
G4-7	X	Health Care REIT, Inc. is a publicly traded Real Estate Investment Trust registered in Delaware.
G4-8	10-12	Schedule III of HCN's 10-K filing for the period ending December 31, 2013 provides physical addresses for all properties.
G4-9	12, 15	HCN's 10-K filing for the period ending December 31, 2013 includes financial data for all of the company's operations unless otherwise noted.
G4-10	38	
G4-11	X	HCN is not a party to any collective bargaining agreements.
G4-12	9-15	Described throughout Economic Impact Section.
G4-13	12	
G4-14	X	HCN does not have a formal policy relative to the precautionary principle; however, it balances the business needs of its stakeholders with responsible operations. For example, relative to energy use, while changes in consumer health care needs are resulting in greater energy use, they are also important steps in creating a more sustainable health care model. Providing more complicated medical services in lower-cost settings reduces the overall cost of health care.
G4-16	17	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	X	HCN's 10-K filing for the period ending December 31, 2013 includes financial data for all of the company's operations unless otherwise noted.
G4-18	44-45	
G4-19	X	Please see Specific Standard Disclosures referenced at the end of the General Standard Disclosures.
G4-20	X	HCN has various levels of control over operations and facilities as outlined on page 44. Information regarding material aspects is reported throughout the Corporate Sustainability Report with specific reference to the activities within, and external to, the organization that are covered by the information provided. For example, page 20 references HCN's recycling programs, which are relevant to properties managed by HCN's Management Services Group.
G4-21	X	HCN has various levels of control over operations and facilities as outlined on page 44. Information regarding material aspects is reported throughout the Corporate Sustainability Report with specific reference to the activities within, and external to, the organization that are covered by the information provided. For example, page 16 references HCN's Industry Leadership Through Advocacy which influences activities external to HCN.
G4-22	21	Previously, HCN reported the company's total number of LEED certified buildings in 2012 as 4 and the restated total is 7.
G4-23	X	There are no significant changes from previous reporting periods in the scope and aspect boundaries.
STAKEHOLDER ENGAGEMENT		
G4-24	45	
G4-25	45	
G4-26	45	
G4-27	45	
REPORT PROFILE		
G4-28	45	
G4-29	X	HCN's last Corporate Social Responsibility report was issued in 2013.
G4-30	45	HCN reports annually on Corporate Social Responsibility matters.
G4-31	45	sustainability@hcreit.com
G4-33	25	HCN has sought external verification of greenhouse gas data through Point 380 and energy consumption modeling through ENERGY STAR®

GENERAL STANDARD DISCLOSURES (CONTINUED)

GENERAL STANDARD DISCLOSURE	PAGE	COMMENTS
GOVERNANCE		
G4-34	30	
G4-38	X	The composition of the board is available in the investor relations section, under governance, of the company's website www.hcreit.com.
G4-39	30	
G4-41	X	Please see page 36 of HCN's 2012 CSR.
G4-48	X	The highest governing body to approve HCN's 2013 CSR was its Management Committee.
G4-51	X	Please see page 8 of the company's annual 2014 proxy statement for calendar year 2013. The proxy statement is available in the investor relations section of the company's website www.hcreit.com.
G4-52	X	Please see page 11 of the company's annual 2014 proxy statement for calendar year 2013. The proxy statement is available in the investor relations section of the company's website www.hcreit.com.
ETHICS AND INTEGRITY		
G4-56	30, 33	Additional detail regarding the company's Code of Conduct and other related items are available in the investor relations section, under governance, of the company's website www.hcreit.com.
G4-58	45	Anyone who has a concern regarding questionable accounting, internal accounting controls or auditing matters relating to HCN may communicate that concern to the Audit Committee by contacting the company's Corporate Governance Hotline. These calls will be transcribed and submitted on a confidential, anonymous basis.

SPECIFIC STANDARD DISCLOSURES

MATERIAL ASPECTS AS LISTED IN G4-19	DMA AND INDICATORS	INDICATOR DETAIL	PAGE
ECONOMIC			
INDIRECT ECONOMIC IMPACTS	G4-EC8	Significant indirect economic impacts, including the extent of impacts.	14-16
ENVIRONMENTAL			
ENERGY	G4-EN3	Energy consumption within the organization.	24
	G4-EN6	Reduction of energy consumption.	24
WATER	G4-EN8	Total water withdrawal by source.	26
	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1).	25
EMISSIONS	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2).	25
	G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3).	25
	G4-EN18	Greenhouse gas (GHG) emissions intensity.	26
LABOR PRACTICES AND DECENT WORK			
EMPLOYMENT	G4-LA1	Total number and rates of new employee hires and turnover by gender.	38
	G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	36, 38, 39
TRAINING AND EDUCATION	G4-LA9	Average hours of training per year per employee by gender and by employee category.	36
	G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	37
DIVERSITY AND EQUAL OPPORTUNITY	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity.	38
EQUAL REMUNERATION FOR WOMEN AND MEN	G4-LA13	Ratio of basic salary of women to men by employee category.	38
SOCIETY			
ANTI-CORRUPTION	G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	32
	G4-SO4	Communication and training on anti-corruption policies and procedures.	33

HEALTHCARE  REIT™

Health Care REIT, Inc.
4500 Dorr Street
Toledo, Ohio 43615

www.hcreit.com
(877) 670-0070



The cover and text are both FSC Certified and SFI Certified papers.



