LETTER FROM THE CEO

Dear Fellow Shareholders,

While current macroeconomic conditions remain highly uncertain with heightened concerns surrounding economic growth, inflation, and the health of the banking system, I am pleased to report that Welltower's prospects have only *improved* as we've entered 2023. The recession-resilient nature of our business model has been on full display in recent quarters, with stellar top-line growth being reported from our seniors housing business just as the economy has shown signs of cooling. To be clear, we may not be completely immune from exogenous shocks which may surface and we will not take anything for granted in the current environment. However, we believe that the drivers of our business are only getting better, setting the stage for an extended period of outsized growth.

I can confidently say that the future for Welltower has never appeared brighter than it does today.

UNPRECEDENTED INTERNAL & EXTERNAL GROWTH DRIVERS

Within the real estate space, rarely do companies have the *simultaneous* opportunity to drive growth through both operations (internal growth) and capital deployment (external growth). This is because, usually, when fundamentals are robust, capital quickly flows to the sector, driving asset prices higher. However, we currently find ourselves in a period in which organic growth is clearly accelerating and acquisition opportunities and pricing are growing more attractive for us.

I've previously spoken about the rare and powerful combination we are currently witnessing with a cyclical recovery in seniors housing fundamentals superimposed on demographic-driven secular tailwinds. I'll now add another dimension to this equation: our efforts to optimize the seniors housing business through an operating platform unlike anything seen in the industry (i.e. structural change or disruption). I'll touch upon each of these important drivers below but, suffice it to say, we believe that the result of this "trifecta" will be what every company should strive for: long-term compounding of per share growth.

Additionally, while these drivers alone should support sustained growth, we remain well-positioned to create meaningful value through capital deployment. While the events of the past year have left many participants paralyzed, we remain active, yet disciplined allocators of the capital entrusted to us by our shareholders.

As most of you are aware, we are at the precipice of a dramatic shift in the demographic profile of our country, marked by a sharp acceleration of the 80+ population, a trend that will persist well into the next decade. Not only has demand within our seniors housing operating portfolio strengthened on the back of this trend, but the growth of this age cohort has also coincided with a 10-year low in new construction. As a result, in 2022, we reported another year of both healthy occupancy gains and pricing power aided by the largely inelastic nature of our product type. And while we're undoubtedly encouraged by the prospects of another year of near double-digit revenue growth in 2023, we're perhaps even more excited about recent expense trends, with our operators reporting a meaningful improvement across key line items. And if the Fed is successful in reining in inflation and John Burkart's team continues to rack up wins with respect to its asset management efforts, the pace of improvement will only intensify.

Simply put, the building blocks for a period of strong and sustained net operating income growth are solidly in place.

RELENTLESS PURSUIT OF HIGHER STANDARDS

As I described in last year's letter, we are in the midst of a critical initiative to professionalize the seniors housing business through the creation of an industry-leading operating platform. The process of building out a platform which encompasses over one thousand seniors housing properties across three countries has been exhausting, expensive, and, at times, downright frustrating. Nevertheless, it is absolutely necessary. Under the leadership of our COO, John Burkart, we continue to attract incredible talent from *outside of the healthcare real estate sector* to drive this imperative. Just a few months ago, John convinced Jerry Davis, another prolific operator in the multifamily space, to join Welltower as a strategic advisor. Jerry previously spent 30 years at UDR, an S&P 500 multifamily REIT, most recently serving as President and COO of the company. John and Jerry (known as J^2), amongst others, upended the multifamily sector through the use of technology and data, resulting in extraordinary growth for their respective companies (and tremendous value creation for their investors). The path we are currently pursuing is a similar one. And, as our investors have very well come to know, we will never hesitate to take the tough road as long as it's in the interest of long-term value creation. *At Welltower, we are relentless in our pursuit of higher standards.*

EXTERNAL GROWTH

2022 was another extraordinary year for Welltower, as we completed over $4.0 billion of pro rata gross investments across a wide range of opportunities. As you have come to expect from us, these deals were executed in a granular and off-market manner and completed at a significant discount to replacement cost.

While we are pleased with our teams' success in sourcing and executing on these deals, our opportunity set has expanded dramatically in recent months – across property sectors, regions, and up and down the capital stack. Following the Fed's unprecedented monetary tightening over the past year, distress has emerged across the commercial real estate space. Yet, few large participants are able to capitalize on the opportunity due to significant equity outflows from core and other real estate investment vehicles and a significant tightening in lending standards by most financial institutions. This confluence of events has created an exceedingly rare moment in which seniors housing sector fundamentals are rapidly improving while, simultaneously, we are one of very few companies positioned to deploy capital in size, at an attractive basis, and with in-place cash flow.

Ultimately, our capital deployment strategy, which focuses on buying assets when they're out of favor (or with little to no competition), at the right price, and in the right structure, allows for outsized returns with a large margin of safety. We believe that basis (i.e. price) – not exposure – is the ultimate mitigant of risk. And, as always, we will remain disciplined and patient, but not fearful of taking bold and decisive action when the right opportunities manifest themselves.

APPRECIATION

Before discussing the principles which embody who we are at Welltower, I would be remiss not to express my gratitude to Ken Bacon, our Independent Director and Board Chairman, and to our committed, experienced and passionate directors who have served alongside our team. I am also deeply grateful to the Welltower team, which I am convinced is the deepest in the real estate space (and beyond) with the longest runway ahead. And to you, our fellow shareholders, I remain humbled by the trust you have placed in our team and for your continued support during both the highs and lows of the past few years. We have never been as excited about our future as we are today and look forward to the journey ahead with you.

GROUND RULES

After a whirlwind period for our Company and industry, I thought it would be instructive to take a step back and reflect upon a simple, yet thought-provoking question posed to me by a legendary investor whom I am also privileged to call a mentor and a father figure: as we embark on this journey to drive long-term per share growth, who do we seek as our investor partners? Because, in his words, "you deserve the shareholder you get." Our management team has spent significant time considering this question and has created a set of ground rules or common principles which form the philosophical foundation for how we run the Company – with our ultimate goal of generating superior returns for our continuing shareholders on both an absolute and relative basis. We have included these principles below.

At Welltower, we believe that stock is the fractional ownership of a business, not a ticker symbol. Hence, as an investor, you are a partner in this business. This is no different from owning a lemonade stand or a farm together. We take the responsibility of managing the business with utmost pride and promise to always act in the best interests of the long-term continuing owners of the Company. And, because of that, we think you should know what we represent and, as importantly, what we do not.

We believe that a great investment has three characteristics:

1) superior returns
2) lower risk
3) long duration or longevity

While much of the investment world is focused on #1, we are equally focused on #2 and #3. We recommend that you do not invest in our Company unless the following principles resonate with you.

IT IS ALL ABOUT:

1 LONG-TERM CAPITAL ALLOCATION

We, as capital allocators, strive every day to create per share value by compounding over a LONG PERIOD OF TIME. While we hope near-term priorities do not conflict with those of the long term, practically speaking, we often encounter situations where these time horizons diverge. It is critical that our investors understand that, at these crossroads, we will always follow the path to long-term value creation at the expense of short-term gains. These ideas include:

- An adherence to a capital allocation framework fixated on risk-adjusted total cash returns (IRRs) through the lens of opportunity cost rather than GAAP earnings accretion. We will not hesitate to make capital allocation decisions, which are a drag today but have the potential to create significant value tomorrow
- Making bold, long-term investment decisions that may not be initially popular on Wall Street. In fact, you can count on us to do so
- A willingness to sacrifice near-term financial returns for opportunities to build long-term win/win partnerships which will add significant longevity to our superior returns. That is, we are focused on sowing seeds for the best long-term interests of our partnership; not harvesting short-term gains to please Wall Street
- Real estate is a long-term business. It takes at least three years for an acquisition to play out and perhaps five years for a development to do so. Hence, we prefer a five-year relative performance measurement period but insist on a window of at least three years to gauge performance of the partnership
- Our capital allocation decisions today, the power of our platform, and the long-term value creation we hope to achieve, may not be captured in point-in-time earnings multiples or NAV but, instead, will be reflected through a long-term cash flow growth analysis
- Remaining within our circle of competence, which we define as the area where we can assess and allocate capital with house odds rather than gamblers' odds. We invest within the boundaries of probabilities while acknowledging that the boundaries of possibilities are much wider. We remain humble and remind ourselves each day that we could be wrong; yet, we are unafraid to look foolish. This is a game of batting average

2 MARKET LEADERSHIP AND MOAT

While capital intensive infrastructure businesses rarely possess a competitive advantage, we firmly believe we have established a deep and wide moat through our data analytics and operating platform, and uniquely entrepreneurial culture. We focus on fairness and creating win/win solutions which result in an additive-sum mentality as opposed to the zero-sum mentality which is prevalent in our industry.

- Over the course of many years, we have built an industry-leading predictive analytics platform which requires exceptional people, a perpetual supply of myriad and expensive data sources, and constant evolution. We do not sacrifice the quality and the depth of the platform because the cost drag may hurt quarterly earnings. While value remains part of our ethos, we will not hesitate to invest money in people and ideas which will help expand our moat

- Our proprietary predictive analytics platform allows us to make capital allocation decisions through a probabilistic framework that is focused on biasing outcomes in our favor rather than chasing the illusion of certainties

- We are the clean shirt in an industry where re-trading counterparties is the norm. We believe our handshake is worth more than a contract. This means we will leave pennies on the table today to earn dollars tomorrow. Our reputation is one of doing first-class business in a first-class way

- We only engage in businesses with clear market leadership and a differentiated view of how to create shareholder value. Following the herd only results in mediocre returns. We seek advantageous divergences in our specific niches

3 THE PEOPLE

We take great pride in the culture of our organization, with a foundation built on mutually beneficial solutions where all parties are motivated and incentivized by the same goals. Everyone is all in. We do not take advantage of our counterparties because we are a large company with access to an army of lawyers. We believe that just because you can do something doesn't mean you should. We treat people the way we want to be treated - in an old fashioned, Ben Franklin way.

- We aim to attract the best and brightest to our team and we retain them long-term by providing a meritocracy-based environment that is entrepreneurial, collaborative, and transparent. We are focused on value – NOT cost – while rewarding our people. But, in all cases, our compensation structure is very simple – we eat our own cooking and we get paid a fraction of the profits generated for our investors

- We believe in bringing in people from industries with higher standards. In other words, we value a desire for constant improvement and emphasize kinetic energy over experience and potential energy

- We are all students, continuously learning and applying lessons from great businesses and capital allocators in all industries. We do not confine ourselves to Wall Street's version of real estate or its perception of how a real estate company should operate its business. There is no complacency at Welltower; instead we operate with "healthy paranoia" looking to always push forward and up. Like the Navy Seals, we believe "the only easy day is yesterday." Hence if your goal is to solve for a stable and passive exposure, we recommend you look elsewhere

- Being an extreme fiduciary is our pride; not just our responsibility. Decades from now, we want to be known as one of the best capital allocators of any industry. Long-term compounding is what we are truly after

4 BASIS AND STAYING POWER

We believe the accepted model of investing in real estate – one which is focused on cap rates – is a faulty and dangerous one (if you don't know what a cap rate is, consider yourself lucky). We think there are two metrics which cannot be faked while investing in real estate:

1) basis (price per unit or price per foot) when buying
2) realized unlevered total returns when selling

Hence, our strong belief that capital allocation priorities should be judged by these two metrics. And, because we are focused on the long-term and believe in a handshake business, it is of paramount importance that we have staying power to see the thesis play out and a balance sheet that no counterparty ever questions. We absolutely believe that real estate is a leverageable asset class where our point-in-time leverage may appear suboptimal depending on where we are in the cycle. However, we want you to understand that in the context of how we operate our business (i.e. contrarian investment philosophy in a handshake format) we are required to think about our balance sheet through an entire cycle and not at a point-in-time.

5 RISK AS DEFINED BY PERMANENT CAPITAL LOSS; NOT VOLATILITY

As mentioned above, one of the hallmarks of a great investment is lower risk. While many efficient market theory proponents believe that an asset's risk is defined by its level of volatility, we strongly disagree. At Welltower, we believe that risk should be assessed through the lens of permanent capital loss; not volatility. In order to reduce risk, we seek a large margin of safety in all of our capital allocation decisions – that is, acquiring assets for less than what it costs to build. We believe it is important to understand this key point of differentiation between ourselves and others as it relates to risk. We would also note that a vast majority of our management's personal wealth is invested with the partnership as compared to many shareholders who benefit from a diversified portfolio. In addition to the tomatoes you will deservedly throw at us, please remember that a permanent loss of capital will likely impact our life's work and wealth disproportionately. We are all in with you and highly focused on permanent capital loss; not winning a popularity contest.

We hope these principles provide you with perspective on who we are and how we think about creating per share value for our long-term continuing owners. Each day, we strive to not only be the employer of choice and the partner of choice but also the investment of choice. We therefore believe it is as important for us to find the right capital allocation opportunities as it is the right long-term investors.

We look forward to learning more about you and we hope you will about us.

Best regards,

Shankh Mitra

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CEO, Welltower Inc.