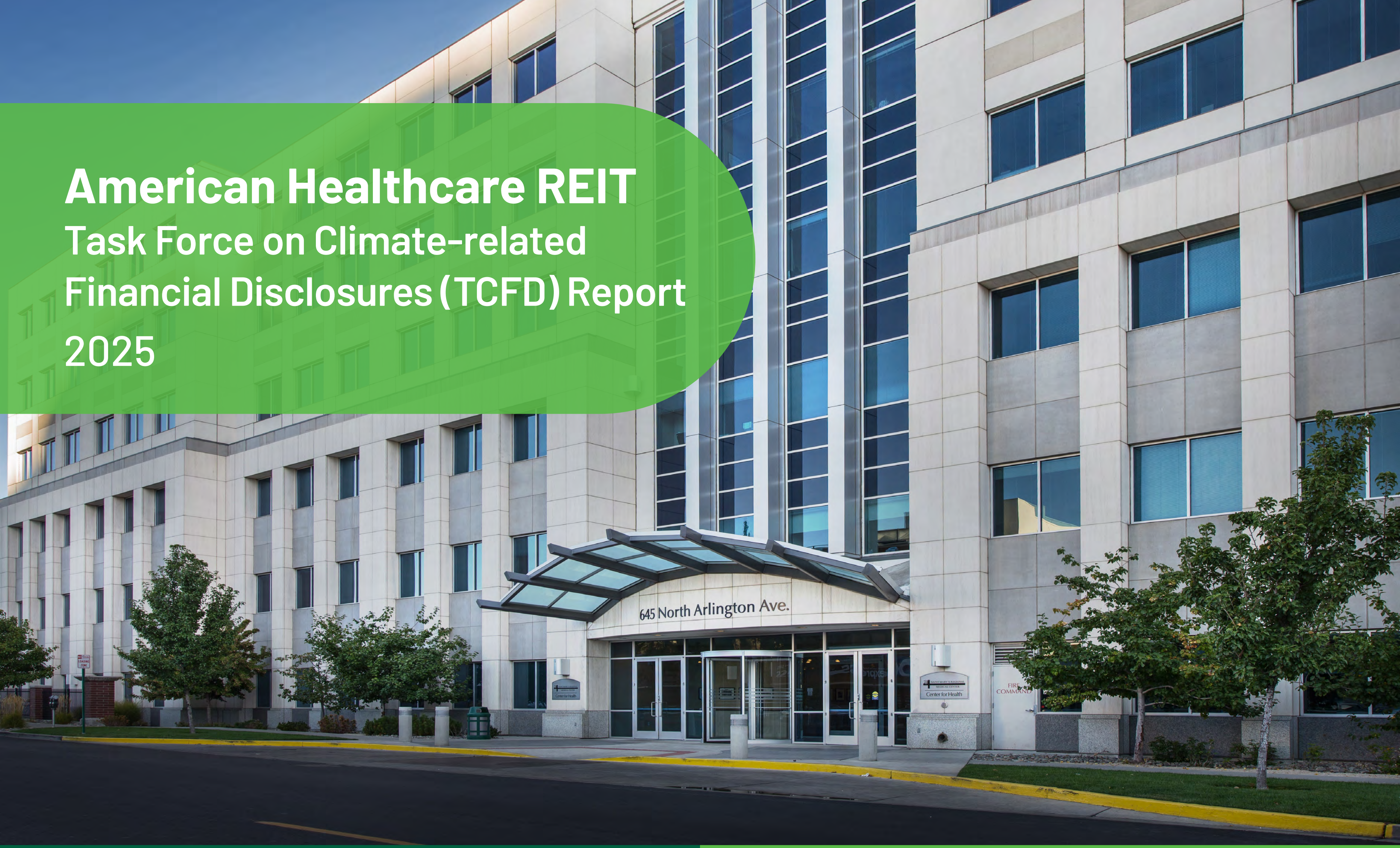
American Healthcare REIT

Task Force on Climate-related Financial Disclosures (TCFD) Report

2025



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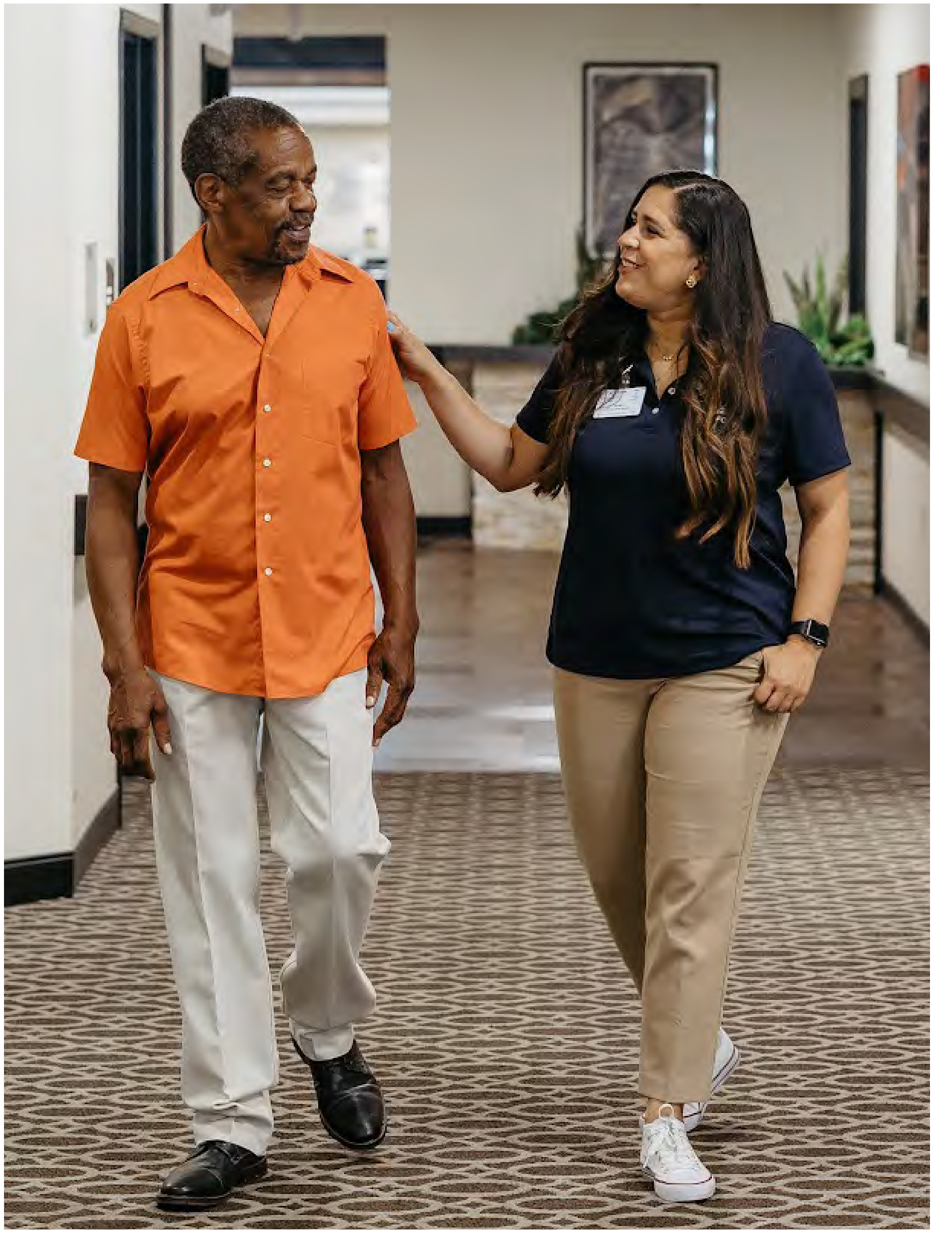

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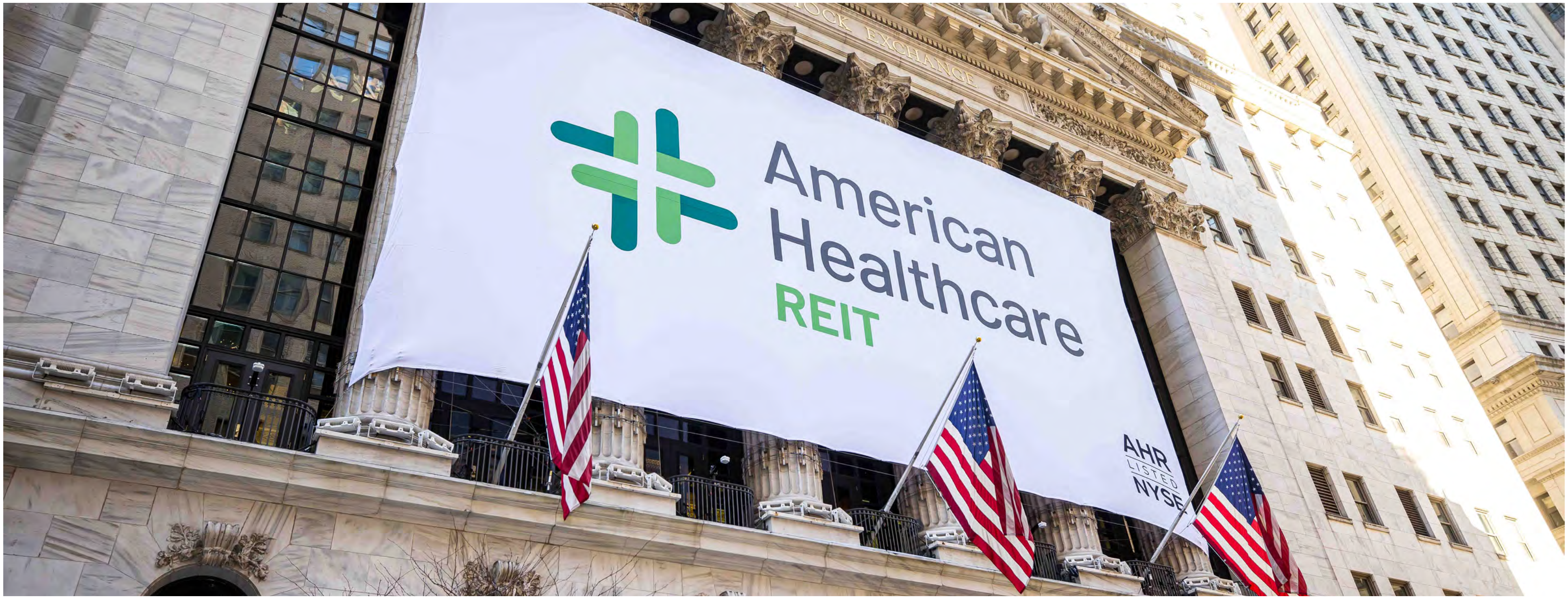


Introduction

American Healthcare REIT, Inc. (AHR) leadership is committed to evaluating and disclosing climate-related risks material to its business. This report covers the calendar year 2024 period and reflects the results of our initial climate scenario analysis conducted in 2025, aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TFCD) framework[2] and the requirements of California Senate Bill (SB) 261.

About AHR

AHR is a real estate investment trust (REIT) that acquires, owns and operates a diversified portfolio of clinical health care real estate, focusing primarily on senior housing communities, skilled nursing and outpatient medical buildings across the United States, the United Kingdom and the Isle of Man.

1 References in this report to "we", "our", "us", "AHR", "Company" and similar terms refer to American Healthcare REIT, Inc.

2 The TCFD was subsumed in 2023. The IFRS Foundation is tasked with taking over the monitoring of the progress of companies' climate-related disclosures.

Governance

Board oversight of climate-related risks and opportunities

Our Board of Directors oversees our stockholders' and other stakeholders' interest in the long-term success of our business strategy and overall financial strength. Our Board of Directors is actively involved in overseeing risks associated with our business strategies and decisions. This includes those risks that are climate-related.

The Corporate Responsibility Committee consists of cross-functional representation from across our organization, including representatives from accounting, legal, asset management, operations, human resources, finance and investor relations. The Corporate Responsibility Committee Chair provides regular updates to the Board's Nominating and Corporate Governance Committee on the status of our Corporate Responsibility program, which includes climate-related risks and opportunities. Additionally, the Corporate Responsibility Committee Chair also provides updates to Company leadership and the Board as requested by the Nominating and Corporate Governance Committee.

Management's role in assessing and managing climate-related risks and opportunities

The Corporate Responsibility Committee is responsible for providing oversight and guidance on our corporate responsibility strategy and program, and for monitoring compliance with legal requirements and regulations. To keep the Corporate Responsibility Committee informed of key climate-related issues, its cross-functional members were selected by the Chief Operating Officer to cover an appropriate balance of skills, experience and functional-area expertise. As part of their role on the Corporate Responsibility Committee, these members leverage their expertise within their functions and relevant professional experience to provide input on how to identify and respond to climate-related issues.

Our Corporate Responsibility Charter outlines the purpose, duties, composition, reporting obligations and frequency of meetings of the Corporate Responsibility Committee. One duty is to identify and evaluate current and emerging corporate responsibility risks and opportunities and their impacts on the Company's business and operations. This includes identification and monitoring of the Company's climate-related risks and opportunities. Scenario analysis is used by some members of the Committee to identify and better understand the corporate responsibility risks and opportunities that are climate-related. The Committee meets quarterly, and additionally as necessary, to understand these potential impacts and develop strategies to address climate-related risks and opportunities. Our leadership is committed to proactive governance around climate-related risks and opportunities now and in the future.

Strategy

We believe that climate risk and opportunity management is part of responsible business management and, in 2025, we conducted a qualitative climate scenario analysis to better understand potential impacts of climate-related risks and opportunities across our assets and business segments. We identified a preliminary list of climate risks and opportunities through peer and sector benchmarking, market analysis of climate-related risks and opportunities, discussions with members of the Corporate Responsibility Committee and other cross-functional teams across our business.

Five of these initial climate risks and opportunities were prioritized for qualitative assessment after discussions across accounting, legal, asset management, operations, human resources, finance and investor relations and based on relevance to AHR's operations and business. The five climate risks and opportunities which we performed scenario analysis on included two physical risks, two transition risks and one opportunity.

This diagram provides a general summary of the process, from preliminary risk and opportunity identification to prioritization and scenario analysis:

Preliminary climate risks and opportunities identified through benchmarking, market analysis, management discussions and input from external consultants.

Five climate risks and opportunities prioritized for qualitative assessment after discussions with cross-functional teams and based on relevance to AHR.

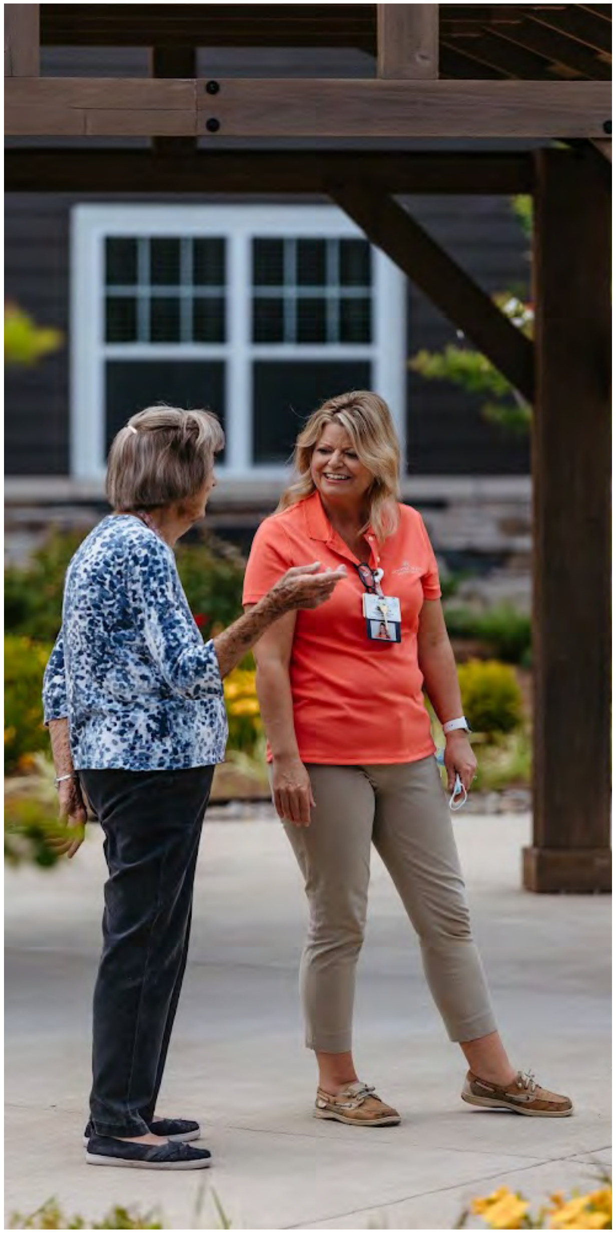
Scenario analysis was performed over these five prioritized climate risks and opportunities.

Each climate risk and opportunity was evaluated over short-, medium- and long-term time horizons defined as below:

	Short term	Medium term	Long term
Time horizon	1-3 years	3-10 years	10+ years
Value to AHR	Supports operational and financial planning in the next few years.	Supports strategic and capital planning including future capital market activity and value proposition.	Informs strategic and financial decisions, such as asset acquisition and disposition.

Time horizon selection was based on TCFD Recommendations and existing time horizons which we leverage across different areas of our business. The five prioritized climate risks and opportunities were assessed under two potential future pathways: a low-carbon pathway and a high-carbon pathway:

Scenario	Temperature alignment	Scenario description
Low carbon[3]	<1.5-2°C	Scenario where stringent and immediately introduced climate policy limits the greatest physical impacts of climate change by keeping global temperature increase below 2°C by 2100.
High carbon[4]	>3-4°C	Scenario where the world does not cut emissions and climate change accelerates, causing 2.5 °C warming by 2050 and >4 °C by 2100, leading to high physical risks. This assumes that only currently implemented policies or stated policies are implemented.



3 Climate reference scenarios include International Energy Agency (IEA) net zero 2050 "NZE2050", IEA Announced pledges (APS), Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathway (SSP)-1, Representative Concentration Pathway (RCP) 2.6, Network for Greening the Financial System (NGFS) Net Zero 2050, Carbon Risk Real Estate Monitor (CRREM) "Global Pathways" 1.5°C.

4 Climate reference scenarios include IEA currently stated policies "STEPS", IPCC SSP5-RCP8.5, NGFS current policies.

Overview of climate-related risks and opportunities

The physical and transition risks and opportunities we assessed along with their potential impacts and our approach to addressing them over the relevant time frames are described below:

Risk/opportunity driver	Climate scenario	Risk/opportunity trend direction	Potential risk/opportunity impact to AHR	AHR's approach
Acute physical risk: Increased frequency and severity of extreme weather events (e.g., precipitation, flooding, wildfires, tornadoes and hurricanes).	High carbon	↗	Across all time horizons, extreme weather events could lead to: • Increased capital repair costs from property damage up to maximum deductibles. • Increased insurance premiums. • Potential unavailability of insurance. • Displacement of evacuated residents and temporary closure of properties.	• Continue to enhance climate-related due diligence procedures for new acquisitions and dispositions (e.g., exposure to floods and hurricanes). • Monitor and review insurance coverage and financial exposure in high-risk areas and monitor financial capacity to cover damages. • Consider enhancing extreme weather response plans for new and existing buildings to help prepare managers and residents for increasing frequency and severity across locations.
Acute/chronic physical risk: Rising mean temperatures and increasing extreme heat and cold.	High carbon	↗	Increased hot days in the medium and long term could lead to: • Increased demand for cooling, increasing operational costs (e.g., greater heating, ventilation and air conditioning (HVAC) maintenance and potential HVAC resizing). • Increased power outages (e.g., backup generator costs and patient care contingencies). Unexpected extreme cold in the short, medium and long term could lead to: • Ice, snow and hail in historically unimpacted regions, with high associated operational costs (e.g., snow removal, de-icing activities, roof replacement). • Frozen or ruptured pipes in facilities where insulation and exterior shells have been compromised, with high associated operational repair costs.	• Continue to implement best practices related to plant maintenance and repair in order to detect and mitigate physical conditions which, if unaddressed, would result in material damage, repair costs and/or operation disruption following an extreme heat or cold event. • Routinely inspect HVAC functionality and load capacity, insulation integrity, and other building systems and components appropriate for the age and location of our buildings. • Update and size HVAC appropriately at exposed sites to prepare for cooling loads from warming weather and consider future potential climate-related risks when conducting routine maintenance and retrofitting activities. • Develop operational contingency plans where extreme heat or cold poses a risk to resident safety or care.

↗ **Increasing risk/opportunity** → **Constant risk/opportunity**

Risk/opportunity driver	Climate scenario	Risk/opportunity trend direction	Potential risk/opportunity impact to AHR	AHR's approach
Policy and legal transition risk: Increasing regulations covering construction codes, building energy performance standards, disclosure requirements and carbon pricing.	Low carbon	↗	**Building performance and design standards:** Compliance with emerging regulations in the medium and long term could lead to: • Increased capital expenditures to make required upgrades to existing and new buildings to reduce greenhouse gas emissions. **Disclosure regulation and carbon pricing:** Future carbon pricing in the long term could lead to: • Higher tax burden on AHR (if introduced). Increased disclosure regulations across all time horizons could result in: • Operational costs associated with disclosure preparation or penalties for noncompliance.	**Building performance and design standards:** • Continue to monitor building code revisions. • Incorporate potential low-emissions building requirements into asset upgrades (e.g., HVAC) if required. • Consider incorporating potential low-emissions building requirements into long-term acquisition and disposition strategy. **Disclosure regulation and carbon pricing:** • Monitor and comply with emerging climate disclosure regulations. • Consider additional carbon efficiency investment if carbon pricing is introduced.
Technology/market transition risk and energy source/resource efficiency opportunity: Property upgrades to improve energy efficiency and accommodate changing energy sources.	Low carbon	→	Energy efficiency upgrades and changing energy sources in the long term could lead to: • Higher capital expenditures to upgrade properties, particularly if net-zero building standards are introduced. Integration of new technologies (e.g., energy efficiency or solar PV) across all time horizons could lead to: • Operational savings for AHR and tenants on utilities.	• Continue to implement cost-effective energy efficiency upgrades (e.g., building controls, LED retrofits, parking lot lighting retrofits). • Continue to prioritize properties with available cost-effective energy efficiency upgrades. • Monitor emerging building energy requirements and adjust investments in energy efficiency upgrades if required. • Continue to measure and benchmark performance of energy efficiency across the portfolio. • Expand energy efficiency initiatives across portfolio and continue to adopt strategic approach towards buildings upgrades.

↗ **Increasing risk/opportunity** → **Constant risk/opportunity**

Impact of climate-related risks and opportunities on our strategy

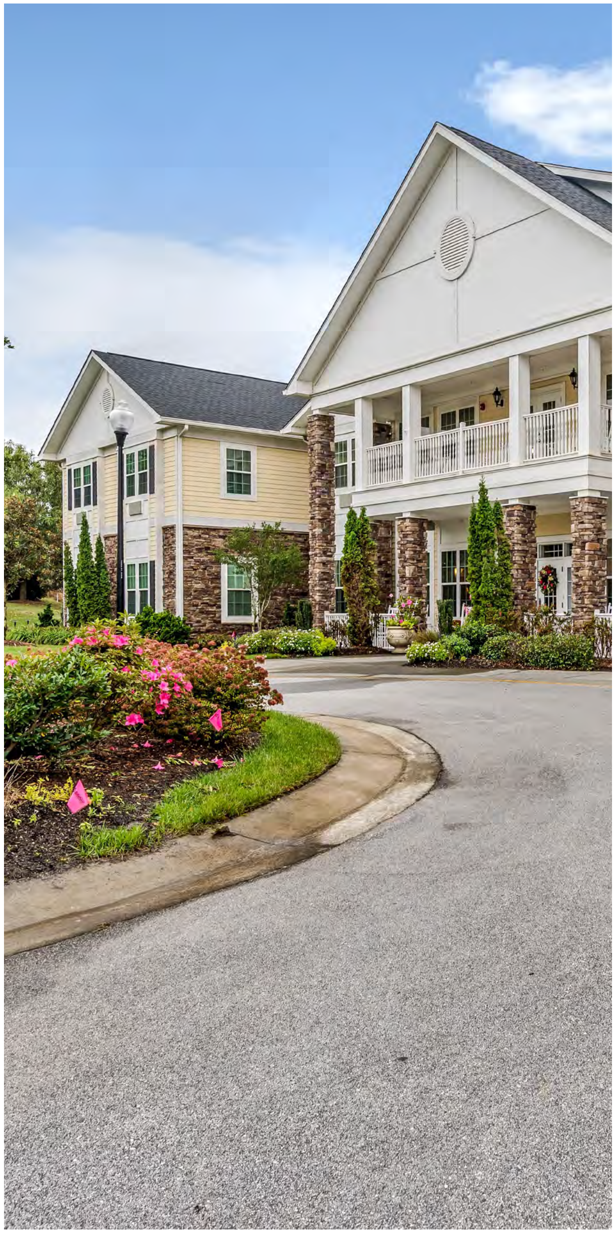
Climate impacts are included in our financial planning process along with other factors which could impact our business strategy. These factors are considered over the time horizons used in our climate scenario analysis. For example, we increase electricity budgets in line with rising electricity prices and consider the need for snow removal when budgeting. In addition, climate impacts are considered among other factors to determine how to adapt to them or mitigate their effects. In our qualitative scenario analysis, different macroeconomic trends, technology and policy assumptions were examined in the high- and low-carbon scenarios to understand how AHR could be impacted (financially and non-financially) and how we can best respond. AHR's business objectives and growth strategies are focused on earnings growth, maintenance of financial flexibility, increasing the value of our portfolio, making regular cash distributions to our stockholders and generating attractive risk-adjusted returns. These are primarily driven by external growth through targeted acquisitions to expand our portfolio, continuing to develop our integrated senior health campuses, generating strong organic growth in our long-term care portfolio and actively positioning our balance sheet for growth. In line with our business objectives. Climate scenario analysis helps us to consider how potential climate impacts can inform our current growth and ongoing operational strategy.

From a physical climate risk perspective, we consider climate-related impacts to our properties as a part of our capital allocation strategy, factoring in the possibility of extreme weather events when making asset acquisition and disposition decisions. For example, due to impacts from hurricanes and other factors, we recently made the decision to substantially reduce our exposure to properties located in geographic areas with a higher frequency of extreme weather events. Additionally, we regularly seek to acquire clusters of senior housing operating properties (SHOP) in close geographic proximity to one another. This has allowed us to develop resident safety plans, such as moving our residents to locations within a property cluster that is clear of the path of an extreme weather event.

From a transition climate risk perspective, we are proactive in our efforts to comply with emerging climate risk disclosure regulations. We are making key investments now to ensure that processes and baseline disclosures are in place to mitigate the risk of increasing disclosure regulation over time. To this end, mandatory disclosure regulation has impacted our corporate responsibility strategy, driving us to report in line with the TCFD Recommendations and the Greenhouse Gas (GHG) Protocol for Scope 1 and 2 emissions. To be in compliance with emerging climate-related regulations as early as practical, we are actively monitoring regulatory developments and are proactively preparing in advance.

Furthermore, we incorporate climate-related risks and opportunities into our current decision-making and strategy formulation. For example, we consider energy efficiency upgrades in our asset management strategy, including tracking LED upgrades at the site level for certain properties and considering solar energy generation where it makes financial sense. Additionally, select sites exposed to extreme cold have experienced frozen pipes, and we are considering ways to both track the causes of this issue and to implement strategies to mitigate this issue from occurring again in the future.

Based upon our continued monitoring and proactive considerations around business risk, including assessment in a below 2°C warming scenario, AHR is preparing for a resilient future inclusive of the potential risks identified in this analysis.



Risk Management

Process for identifying, assessing and managing climate-related risks

Our scenario analysis of climate-related risks and opportunities involves a three-step process that considers exposure, impact and response in order to assess the potential size and scope of identified climate-related risks and opportunities:

- **Exposure** to climate-related risks and opportunities is assessed using climate reference scenarios described in the Strategy section. These scenarios inform how risk and opportunity drivers (e.g., extreme weather event occurrences) for each of the climate risks and opportunities could change over the short-, medium- and long-term time horizons in the high- and low-carbon scenarios.
- **Potential impacts** are derived for each climate-related risk and opportunity over the short, medium and long term in both scenarios based on cross-functional internal discussions, analysis of our business, market trends of our peers, academic papers, media coverage and regulatory developments.
- **Potential responses** to climate-related risks and opportunities are derived based on cross-functional internal discussions, analysis of our business, and research on peers and market trends.

As part of the discussions with finance, accounting, operations, legal, investor relations and human resources, the relative significance of climate-related risks was considered in relation to other risks. Internal potential impact ratings were derived based on the process described above to further help determine the relative significance of the assessed climate-related risks compared to other risks.

We consider exposure to existing and emerging regulations as part of our first assessed transition risk. Potential regulations include GHG emission disclosure laws, building performance standards and building design standards in states where we currently own assets, and carbon pricing. As discussed in the Strategy section, we proactively seek to monitor and comply with these regulations to mitigate the potential impacts of this risk. The Strategy section of this report provides a more detailed description of potential impacts of these emerging regulations.

By involving members of our Executive team in our climate scenario analysis, we have integrated the identification, assessment and management of climate-related risks into our overall risk management process. The Executive team will continue to be actively involved in future climate risk management.

Metrics and Targets

In 2025, we calculated our inaugural Scope 1 and 2 GHG emissions for the calendar year 2024 period in line with the GHG Protocol methodology.

The initial step in calculating our Scope 1 and 2 GHG emissions involved defining our organizational boundary and identifying all global assets at the parent-company level encompassed within this boundary. We have used an operational control approach for our GHG inventory given data availability and our ability to monitor and decrease emissions from sources within our control. Operational control is defined to include assets where we have the ability to introduce and implement operational policies, including but not limited to managing lighting and access to our facilities and implementing CapEx projects.

Based on our operational control criteria, we determined that our assets within this scope included our office space, SHOP facilities and integrated senior health campuses; additionally, our vehicles and equipment within our operational control, which contribute to mobile emissions.

Assets that did not fall within our operational control were excluded from our Scope 1 and 2 GHG inventory and comprised our debt investment, triple-net leased properties and outpatient medical buildings.

We currently do not track or report historical data, and this is our first year reporting Scope 1 and 2 GHG emissions.

We have not calculated Scope 3 GHG emissions but we may evaluate calculating them in the future. We will continue to actively refine our GHG data collection, aggregation and reporting processes to drive further improvements in data quality and accuracy.

Metric	GHG emissions (metric ton CO_2e)
Scope 1	45,214
Scope 2 (Location-based)	77,507
Scope 2 (Market-based)	86,027
Scope 1 and 2 total (Location-based)	122,720
Scope 1 and 2 total (Market-based)*	131,240

*Total does not sum due to rounding.

Metric	Energy consumption (MWh)
Electricity consumption	189,017
Fuel consumption	161,449
Total energy consumption	350,466

These metrics tabulated above are the key quantitative metrics used to measure and manage our climate-related risks and opportunities in line with the TCFD Recommendations.

Climate-related issues are not formally factored into our remuneration policies. These policies can be found in our Proxy Compensation Discussion and Analysis and our Policy on Recoupment of Incentive Compensation. Additionally, we do not presently use an internal carbon price.

While we have not publicly committed to a specific GHG emissions reduction target and do not operate in jurisdictions with such requirements, we will continue to take measures to increase the efficiency of our properties and will remain attentive to market conditions and investor interests. We will continue to monitor the need for such targets and consider them in the future.

Our climate risk and opportunity management will continue to evolve with the aim of building a more resilient future and creating long-term value for our residents, operators, tenants, employees, communities and investors.

TCFD Recommendations Index

The table below displays where in our TCFD report we disclose information regarding each of the eleven TCFD recommended disclosures.

TCFD pillar	TCFD recommendation	Page number
Governance	Describe the Board's oversight of climate-related risks and opportunities.	Page 3
	Describe management's role in assessing and managing climate-related risks and opportunities.	Page 3
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Pages 4-7
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Page 6-8
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Page 5-8
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	Page 4, 5 Page 9
	Describe the organization's processes for managing climate-related risks.	Page 9
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	Page 9
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Page 10
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Page 10
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Page 10

Forward-Looking Statements

Certain statements contained in this report, other than historical facts, may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which generally can be identified by the use of forward-looking terminology such as "may," "will," "can," "expect," "intend," "anticipate," "estimate," "believe," "continue," "possible," "initiatives," "focus," "seek," "objective," "goal," "strategy," "plan," "potential," "potentially," "preparing," "projected," "future," "long-term," "once," "should," "could," "would," "might," "uncertainty," or other similar words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. Any such forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which we operate, and beliefs of, and assumptions made by, our management and involve uncertainties that could significantly affect our operating and financial results. Such statements include, but are not limited to, statements about our plans, strategies, initiatives, prospects, including any future capital-raising initiatives and planned or future acquisitions or dispositions of properties and other assets, and our corporate responsibility program. Such statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those projected or anticipated, including, without limitation: changes in economic conditions generally and the real estate market specifically; legislative and regulatory changes, including changes to laws governing the taxation of real estate investment trusts, or REITs, and regulations or proposed regulations governing the operations and sales of health care properties; the availability of capital; our ability to maintain our qualification as a REIT for U.S. federal income tax purposes; changes in interest rates, and foreign currency risk; competition in the real estate industry; the success of our investment strategy; cybersecurity incidents and information technology failures, including unauthorized access to our computer systems and/or our vendors' computer systems and our third-party management companies' computer systems and/or their vendors' computer systems; our ability to retain our executive officers and key employees; unexpected labor costs and inflationary pressures changing macroeconomic, domestic legal and fiscal policies and geopolitical conditions; the accuracy and completeness of information obtained by published sources or third-parties; and those risks identified in Item 1A, Risk Factors in our 2024 Annual Report on Form 10-K, as filed with the SEC on February 28, 2025 and any future filings we make with the SEC. These risks and uncertainties should be considered in evaluating forward-looking statements, and undue reliance should not be placed on such statements.

This report includes information as of the date of its publication, unless stated otherwise. The metrics and quantitative data contained in this report are not based on accounting principles generally accepted in the United States of America, or GAAP, and have not been audited. Neither AHR nor any of its affiliates assume any responsibility or obligation to update or revise any such information, data, opinions, or activities. Additional information concerning us and our business, including additional factors that could materially affect our financial results, is included in our filings with the SEC. This report does not, and is not intended to, create any relationship, rights or obligations, legal or otherwise, and you should not rely upon this report to do so.

The inclusion of information and data in this report is not an indication that such information or data or the subject matter of such information or data is material to AHR for purposes of applicable securities laws or otherwise. Any goal stated in this report is aspirational in nature and there are no guarantees that we will meet all or any of these goals. Any quantitative data regarding our climate-related activities are estimates and may be based on assumptions or developing standards.

No part of this report constitutes, or shall be taken to constitute, an offer to sell or the solicitation of an offer to buy any securities of AHR or any other entity. This report is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, tax considerations, or financial situation or needs of any investor. This report and the information contained in this report are not incorporated by reference into and are not a part of any offer to sell or solicitation of an offer to buy any securities of AHR pursuant to any offering registered under or any offering exempt from the Securities Act of 1933.