COMMUNITY CARE
THE DAVITA VISION FOR SOCIAL RESPONSIBILITY
2008
At DaVita®, “One for All, and All for One” is a phrase you will hear exclaimed at team gatherings and words you will see on some of the artwork that lines our hallways. It is a commitment many of us make to each other that helps us reach our collective goal: “To Be the Greatest Kidney Care Company the World Has Ever Seen.” Like many goals, ours started with imagination and a belief that we can accomplish amazing things together. Through dedication, shared traditions and leadership, we continue to make dreams into reality.
Since 2000, our vision for DaVita® was to be more than just a dialysis company. It was to be a community that just happens to be organized in the form of a company—a warm, healthy and sustainable community, as imperfect but as caring as the citizens who make it up. This has become our reality. Today, DaVita is a kidney care community that provides a broad and deep spectrum of care for our patients and teammates.

DaVita does dialysis, but is not about dialysis. DaVita is about life. The lives of our patients, teammates and their families. When we succeed in creating a special working environment for our teammates, they in turn create a special clinical and caring environment for our patients and their families. We also help our teammates support the communities in which they live, as well as the global community in which we all live.

“Tis better to light a small candle than curse the darkness,” said Confucius. You will see as you page through this annual social responsibility report that the citizens of DaVita light thousands of glorious community candles every year.

Kent J. Thiry
Chairman and CEO
Mayor of the DaVita Village
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A MESSAGE FROM KENT “KT” THIRY

“DaVita is a community first, and a company second.”

Kent Thiry
DAVITA IS A COMMUNITY FIRST—A COMPANY SECOND

“What Does This Mean?”

In a true and healthy community, people care about each other with distinctive consistency and intensity. In a true and healthy community, people also care about the community itself and its sustainability. In a true and healthy community, the community itself provides both opportunities for and safety nets to its citizens, which helps them to realize their full potential while protecting them from unforeseen difficulties.

These are the things we strive to do at DaVita.
This declaration of interdependence written by KT, DaVita’s CEO, elaborates on our company philosophy that DaVita is a community first, and a company second. We are a community that just happens to be organized in the form of a company.

In 1999, we sat down with a future vision of our community as we faced the nearly bankrupt, troubled corporation with 11,000 teammates before us. Since that time, we have transformed DaVita and transformed many of us at the same time.

We know of no other FORTUNE 500® company or health care company where clinicians and caregivers chose the company’s name, logo and Core Values.

THE DAVITA STORY:
WHAT YOU’RE ABOUT TO READ

The balance of this annual report lays out a host of examples and data that reflect the cumulative and current effect of our efforts since we began in 1999. But it is important to remember that in the end these programs and accomplishments are not the community. They are simply manifestations of our philosophy and our fervent conviction to be a community.

First, we want to share our idea of Community Care—the four essential components making up the backbone of who we are, what we do.

1. BUILDING A COMMUNITY
2. BUILDING THE GREATEST KIDNEY CARE COMPANY THE WORLD HAS EVER SEEN
3. BEING A ROLE MODEL FOR AMERICAN HEALTH CARE
4. SENDING FORTH RIPPLES OF CITIZEN LEADERSHIP

Second, we will focus on our clinical performance. We are, first and foremost, a community of caregivers. Working with our physician partners, our clinical outcomes have improved every year for nine straight years, and in several key areas we lead the nation in quality of care.

But consistent with our community paradigm, not only do we work to deliver exceptional clinical outcomes, we are also strong advocates of rigorous transparency and accountability regarding these outcomes. We believe there should be standardized measurement and reporting, so that patients and taxpayers have a greater ability to discern the true realities of quality and expense.

Third, we will talk about our vision, which reflects our conviction that while we do dialysis we are not only about dialysis. We are about life. This is one of the reasons the people of DaVita chose to name our company DaVita, which in Italian means “giving life.”

A company is just a vehicle. The important thing is whether that vehicle is delivering:

- Strong economic value for society
- Excellent care and warm compassion for our patients
- The potential for fulfillment, fun, development and security for our teammates
- Positive behaviors and contributions for our local communities to benefit the world in which we all live
WHAT ABOUT THE PROFITS AND LOSSES, YOU ASK?

What about the shareholders, and the Board of Directors with their fiduciary responsibility? We have serious regard for our responsibilities in these areas. And we believe there is no inherent conflict between these responsibilities and the concept of a corporate community. If you ask most people what it means to create and sustain a healthy community, they will tell you that a healthy community must have taxes, it must have competitive businesses and schools, and it must attract and retain the right talent, all in order to stay healthy over the long term.

A return to shareholders is quite analogous to a tax paid to the government. Both are necessary to make a vibrant and sustainable way of life.

The critical question is whether it is a “fair deal”—whether the individual citizens get a good return on their investment in their personal and professional development. Citizens expect their taxes to enable the government to increase their quality of life and protect their family from harm. Our teammates and society should expect the “tax of profits” is also justified by what the company in turn does for them and for society. We believe in a strong “social contract” between our teammates and our company and between each other.

We hope you find your journey through this annual social responsibility report as thought provoking as we have found our journey since 1999. When we arrived and contemplated the nearly bankrupt and troubled corporation with 11,000 teammates before us, we asked ourselves, “What would it take to create a special place?” We accept the constructive reality that profits are necessary. But, we believe that healthy profits are the means to a healthy community, not the end. The community is the end.

And off we went, each month asking ourselves what else a healthy community would do. As you will see in the pages to come, in many cases we realized much was possible.

We are far from perfect. But we are also far from done.
THE IDEA OF COMMUNITY CARE

Consistent with our community paradigm, we not only work to deliver superior clinical outcomes, we are also strong advocates of rigorous transparency and accountability regarding these outcomes. We believe there should be standardized measurement and reporting rules, so that patients and taxpayers have a greater ability to discern the true realities of quality and expense.

COMMUNITY CARE

Naturally, as a health care company, caring for our patients is the top priority. However, by the nature of kidney care, unique relationships are formed between patients and their professional caregivers. As much as DaVita teammates care for their patients, they are also inspired and enlightened by them.

Since we began in 1999, we have developed programs to enrich the lives of our community’s members. In creating programs for our 110,000 patients and 32,000 teammates, we realized that goodwill has also spread to our families, into 1,600 local communities and around the world.
The following four components envelop the idea of Community Care at DaVita. We believe, especially in these troubled times, that it isn’t enough for companies to do well—they should do good.

These have become our guiding principles for doing good.

1. **BUILDING A COMMUNITY**
   DaVita teammates and patients refer to the company as “the DaVita Village.” Creating a sense of community was just the start. Building a community is an ongoing process. The foundation is in place and now we are proud to watch our citizens continue to shape and grow our community.

2. **BUILDING THE GREATEST KIDNEY CARE COMPANY THE WORLD HAS EVER SEEN**
   We used to say our goal was to build the “Greatest Dialysis Company The World Has Ever Seen”; however, now we have broadened that goal to build the “Greatest Kidney Care Company The World Has Ever Seen”—and the facts reflect we are on track. We are bringing value to kidney care in ways other than dialysis, such as helping prevent or delay kidney failure, increasing access to care and managing related conditions. We are mindful that the core of our company is providing quality dialysis, and we continue to focus on superior clinical dialysis outcomes while we expand kidney care for people with chronic kidney disease.

3. **BEING A ROLE MODEL FOR AMERICAN HEALTH CARE**
   While much of the health care reform debate is centered on financing, real progress cannot be made without focusing on health care delivery. Improvements cannot be made without innovation in how America’s chronically ill populations are served.

   Five percent of America’s Medicare beneficiaries consume about 50% of Medicare’s resources due to chronic disease—and these trends are not improving. DaVita has invested millions of dollars in developing an integrated care management model, as well as information and operating systems to serve as a best practice example of how to reform chronic-care delivery systems.

   While DaVita has concentrated on providing significant benefits to the kidney care population through fighting kidney disease, creating healthier entries into dialysis and helping keep people out of the hospital once they are on dialysis, this model can be used for other chronic illnesses to help patients as well as taxpayers.
Our Mission
To be the Provider, Partner and Employer of Choice.

Core Values
• Service Excellence
• Integrity
• Team
• Continuous Improvement
• Accountability
• Fulfillment
• Fun

With DaVita’s unyielding commitment to chronic disease management, we offer to Congress that we will be transparent and accountable as this new integrated care model is rolled out. As a health care citizen and leader, we are determined to do all we can to ensure this forward momentum is maintained.

4. SENDING FORTH RIPPLES OF CITIZEN LEADERSHIP
DaVita feels that we are not about building business leaders, but life leaders.

Our DaVita University offers thought-provoking courses to inspire the kind of self-awareness epiphanies that are a necessary crucible for becoming a life leader. One way we accomplish this is through DaVita Academy. Every DaVita teammates is invited to a two-day program to explore leadership concepts and apply them to the reality of our operating environment.

We also provide grants to support teammates and their families who desire to conduct local, hands-on community service work to improve their neighborhoods.

While we are sad when teammates move on to other opportunities outside of DaVita, we are delighted to receive notes from these teammates stating that their time at DaVita made them better leaders. Many former teammates tell us they look to build their new teams with the same shared commitment to their mission and values they had at DaVita. We are inspired that these DaVita Core Values live on and flourish in former teammates, wherever their paths may go.
TRILOGY OF CARE

DEFINITION
In creating our community, it was apparent early on that the programs we were developing fell into one of three categories:

- CARING FOR OUR PATIENTS
- CARING FOR OUR TEAMMATES
- CARING FOR OUR WORLD

Thus, we penned our Trilogy of Care. While each program works to enhance one of the trilogies, the total effect of all the programs gives continued renewal of purpose.

By caring for our teammates, they are better empowered to care for our patients. Caring for our world enables teammates to reach into their communities and enhance their own lives whereby the giving continues.

DaVita’s Trilogy of Care has shaped DaVita. It is part of the reason teammates and patients consider DaVita a “village.” It is what makes DaVita a community first, and a company second. It guides DaVita in creating community programs and expanding our business model. It is why we proclaim, “One for All, and All for One.”
Throughout this annual social responsibility report, you will see the stamps below designating where DaVita is the “leader” in the industry, as well as the “only” or “first” kidney care company that offers a service or received a distinction.

You are invited to review the impact of our work through a showcase of examples and data. While we are proud of our efforts so far—as none of this existed before 1999—we are far from finished. We continue to enhance our current programs and look to create new ways to make the greatest impact on our future.

In keeping with our Trilogy of Care, first, we will focus on our patients and DaVita’s clinical performance. We are, first and foremost, a community of caregivers for our dialysis patients. Our clinical outcomes for dialysis have improved every year for the past nine years in a row. In many key areas measuring quality dialysis care, we lead the nation.

DaVita and our physician partners work to deliver exceptional clinical outcomes, while advocating for transparency and accountability regarding

Photography by: Noah Berger/The New York Times/Redux

Ranked #1 in health care medical facilities for innovation, long-term investment and quality of products and services. The only and first kidney care company 2006, 2007, 2008 and 2009.
those outcomes. We believe there should be standardized measurements and reporting, so that patients and taxpayers have a greater ability to discern the true realities of quality and expense.

Clinical performance is followed by patient-focused programs and community building in our dialysis centers.

Next, our Trilogy of Care will lead us to Caring for our Teammates. We will examine DaVita as a place to work and develop leadership skills through training and further education. You will learn about several programs to benefit teammates’ children and the communities where they live. Because we ask much of our teammates, we also choose to honor them in many ways.

We finish our journey with a look at some of the ways DaVita is Caring for our World. From medical missions across the globe to educating people about the risks of kidney disease and reducing our carbon footprint through the Village Green™ program, DaVita works to make our world a better place.

In sharing our journey with you, we hope that you find it as inspiring as we have. As Mahatma Gandhi said, “You must be the change you want to see in the world.” These are the changes we started to make nine years ago to turn our struggling company into a thriving community. A community of caring. One that gives life.
CARING FOR OUR PATIENTS

“Teamwork is the fuel that allows common people to attain uncommon results.”

Unknown
PATIENT CARE IS OUR PRIORITY

Patient care at DaVita begins with superior clinical outcomes for our dialysis patients. We, along with our physician partners, continually innovate ways to keep improving clinical outcomes year after year. In addition to caring teammates, DaVita offers patients value-added services to help improve their outcomes and quality of life. In providing these services, we are shaping the future of kidney care.

SUPERIOR CLINICAL OUTCOMES

DaVita is a leading provider of kidney care services, setting the standard for clinical care and improved patient quality of life. DaVita has consistently demonstrated clinical outcomes that are among the best or are the best in virtually every category when compared to national averages. DaVita also has a proven track record in its innovative approach to working with our physician partners to care for their patients.

Most recently, DaVita outperformed other providers by as much as 40% on four key clinical performance outcomes. A recent study that compared the mortality trends for the major dialysis providers found that DaVita had a significant improvement in survival compared to non-chain centers. This achievement is notable among the nation’s kidney care community because DaVita serves approximately 1 in 3 dialysis patients in America.

Put another way, outcomes data confirms that the risk of mortality faced by patients at DaVita centers may be 8.6% lower than the national average.

As a leader in kidney care, DaVita focuses first on providing high quality care to our more than 110,000 dialysis patients. Our consistently superior clinical outcomes confirm DaVita’s leadership position in the kidney care industry.

There are four key measures that are the most common indicators of quality care for dialysis providers. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations.

In an effort to better serve all kidney patients, DaVita believes in requiring that all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty.

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1. **Adequacy: Kt/V < 1.2**
   - DaVita: 5%
   - Other Providers*: 8%
   - DaVita is 37% better

2. **Nutrition: Albumin > 4.0g/dl**
   - DaVita: 42%
   - Other Providers*: 30%
   - DaVita is 40% better

3. **Fistulas In Use**
   - DaVita: 53%
   - Other Providers*: 51%
   - DaVita is 4% better

4. **Bone and Mineral Metabolism: CaXP < 55**
   - DaVita: 72%
   - Other Providers*: 57%
   - DaVita is 26% better

* Other providers defined as the national average less Large Dialysis Organization

Source: Kt/V and Albumin reported in 2007 CPM Report (2006 Data); Fistula data reported in January ’09 Fistula First Outcomes Report; Hemoglobin – April 2008 Industry figure; Calcium-phosphate product – average from Plantinga study
On each of these measures, DaVita and our physician partners have demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients, the monetary result of which is $210M to $230M in hospitalization savings to the health care system and the American taxpayer.

1. Adequacy: Kt/V < 1.2

**Description:**
Measures how well toxins were removed from the patient’s blood (the main purpose of dialysis)

**Impact of poor performance:**
- Increased hospitalizations resulting from toxin build-up
- Increased mortality

2. Nutrition: Albumin > 4.0g/dl

**Description:**
Measures the nutritional status of the patient

**Impact of poor performance:**
- Increased mortality

3. Fistulas In Use

**Description:**
The preferred access to deliver the best dialysis treatment

**Impact of poor performance:**
- Increased infections
- Increased hospitalizations
- Increased mortality

4. Bone and Mineral Metabolism: CAxP < 55

**Description:**
Measures the management of metabolic bone disease

**Impact of poor performance:**
- Increased cardiovascular disease
- Increased mortality
“An important part of measuring and tracking our clinical performance is through the DaVita Quality Index, or DQI. The DQI focuses on key clinical parameters, giving physicians a snapshot of how well their patients in DaVita centers are meeting these goals. Over the past five years of using the DQI, we have seen that as overall DQI scores improve, overall mortality decreases.”

—Allen R. Nissenson, M.D., DaVita Chief Medical Officer

### IMPROVING QUALITY OUTCOMES THROUGH ACQUIRING CENTERS

To address the notion that mere association with a specific provider cannot account for such a difference in clinical outcomes, DaVita conducted a retrospective study evaluating the results of integrating several hundred acquired centers into DaVita’s process of clinical care. At the time of acquisition, DaVita’s existing centers had significantly better performance on the key indicators than the acquired centers. Once DaVita care processes were implemented, significant outcome improvements occurred in the acquired centers, culminating in a 3% decrease in mortality rates.*


### HOW WE DRIVE IMPROVED OUTCOMES

DaVita and our physician nephrology counsel created a benchmarking tool called DaVita Quality Index (DQI) to rank each center as it compares to company-wide performance. By having a consistent measurement with regular follow-up, DaVita holds all centers to a standard that has resulted in improved outcomes and survival rates across the company.
VACCINATIONS

Research published in Kidney International concludes that vaccinations in hemodialysis patients reduce the odds of hospitalization by 7%. In alignment with this finding, the Healthy People 2000 initiative set a goal of achieving 60% flu vaccination rate by 2006. The industry, as a whole, fell short of that goal with flu vaccination rates in 2006 reported at 57%. Currently, DaVita exceeds the 2006 target and is pushing toward the Healthy People 2010 goal of 90%. In 2008, a full two years in advance of the target, DaVita has nearly achieved the 2010 goal by attaining 86% of patients with flu vaccinations.

DaVita has a 40% higher vaccination rate than other providers in the industry. Based on DaVita’s proportion of the current dialysis population, this intentional focus results in approximately 50,000 more dialysis patients with vaccinations that are likely to experience fewer hospitalizations, rendering $50M to $60M of savings to the health care system.


QUALITY CARE DRIVES PATIENT SATISFACTION

Consistent with our Core Values of Service Excellence and Continuous Improvement, DaVita annually surveys patient satisfaction. Our 2008 results show that our patients are pleased with the care they receive at DaVita.

- 94% of patients are very satisfied or satisfied with their treatment and care from DaVita
- 93% of patients would recommend DaVita to a friend who needed dialysis
Patient-centric care means putting the needs of our patients at the forefront. Not just doing the best job for their clinical outcomes but keeping in mind that quality of life is important as well. We treat the whole person and that person’s needs, and we are mindful that everyone’s individual needs are unique.

PATIENT-CENTRIC KIDNEY CARE CHOICES

DaVita is an industry leader when it comes to offering modality choices to our patients and physician partners:

• The fastest growing in-center nocturnal program
• The largest home hemodialysis program in the U.S.
• The largest peritoneal dialysis patient population in the U.S.
• Close partnerships with leading technology vendors for home hemodialysis and peritoneal dialysis
• The largest independent provider of acute dialysis services

DaVita caregivers and our physician partners support patients with kidney transplants, and our patients’ transplant rates consistently meet the industry standard.
DaVita offers dialysis modality choices so patients and their physicians can decide the care plan that best fits their health and lifestyle needs today, and provides a seamless transition if their needs change tomorrow.

In-center dialysis options include:
- Traditional hemodialysis
- Nocturnal hemodialysis*
- Self Care hemodialysis*

Traditional in-center hemodialysis is offered in more than 1,400 centers across the U.S. In-center nocturnal is gaining in popularity as patients appreciate having their days free and a longer, gentler treatment while they sleep. In-center self care provides patients the opportunity to be more involved in their care, fostering increased self-esteem.

At-home dialysis options include:
- Home hemodialysis*
- Peritoneal dialysis

DaVita works with patients’ physicians to provide training and full, ongoing services for patients who prefer to take an active role in their treatment because they want more freedom and control.

Providing patients with kidney care treatment choices encourages them to be empowered and to discuss treatment options with their doctors. They can fit dialysis into their lives on their terms.

*Available in select locations nationwide
Fiscal responsibility is a cornerstone to the success of any business. Having the discipline to manage our financial resources responsibly helps us achieve superior clinical outcomes for our patients and lays a foundation for continued growth in the future. At the same time, we are responsible stewards of taxpayer dollars.

Recognized by a recent Health Affairs article as ninth among the 15 most costly U.S. medical conditions, chronic kidney disease (CKD) is a significant public health concern. Nearly 500,000 Americans currently have end stage renal disease (ESRD) requiring dialysis or kidney transplantation for survival, and an estimated 13 million individuals with significant CKD are at risk of needing dialysis in the future.1 As the largest independent provider in kidney care, in 2008 DaVita generated approximately $540 million in total health care savings and total taxes paid to governmental authorities through improved care and leading innovation initiatives. This direct financial benefit to society exceeds DaVita profits by 45%, giving society a sizable return above and beyond the quality of the care itself.

From a policy point of view, it is important to note that these quality improvements and hard-dollar health care cost savings did not come quickly or cheaply. DaVita invested tens of millions of dollars over several years to experiment with, refine and roll out these practice insights. If the health care reimbursement system does not allow health care providers the time and flexibility to invest in innovations as pharmaceutical and technology companies do, America will not solve its basic problem of paying too much money for too little value.

The following table summarizes DaVita’s estimated savings to the system based on extensive studies in literature.

<table>
<thead>
<tr>
<th>PROGRAM / FOCUS</th>
<th>SOCIETAL BENEFIT (M$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improved clinical outcomes ¹</td>
<td>$210 – 230</td>
</tr>
<tr>
<td>Innovative care not included in dialysis reimbursement</td>
<td>$130 – 190</td>
</tr>
<tr>
<td>TOTAL SAVINGS GENERATED IN MEDICARE AND PRIVATE MEDICAL COSTS</td>
<td>$340 – 420</td>
</tr>
<tr>
<td>Corporate taxes paid in 2008</td>
<td>$163</td>
</tr>
<tr>
<td>TOTAL SAVINGS PLUS TAXES</td>
<td>$503 – 583</td>
</tr>
<tr>
<td>DaVita’s 2008 after-tax profits</td>
<td>$374</td>
</tr>
<tr>
<td>NET SAVINGS TO AMERICAN HEALTH CARE SYSTEM ²</td>
<td>$129 – 209</td>
</tr>
</tbody>
</table>

¹ While there are many excellent small and mid-size dialysis providers, for purposes of the clinical outcomes savings calculation only, DaVita compared its clinical outcomes to the non-LDOs (large dialysis organizations) average because the other LDO within the industry also has consistently strong clinical results.

² Excludes the benefit to society of new jobs created through de novo facility development, which totals approximately $70 million.

DaVita is taking a holistic view of the care of ESRD patients and optimizing outcomes within the dialysis setting, while developing several innovative approaches to care that other providers simply do not offer. Each activity is focused on improving quality while controlling overall care costs. Such approaches include a sizable network of outpatient vascular access centers (Lifeline Vascular AccessSM), the availability of pharmacy services within dialysis centers (DaVita RXSM) and care coordination/disease management programs (VillageHealthSM).
Numerous industry publications acknowledge the benefits of empowering patients through education. Specifically, these benefits have included a 22% reduction in urgent hospital dialysis starts, the delayed progression to end stage renal disease (ESRD) by up to three months and improvement of the likelihood of initiating dialysis with a functional AV fistula.

Since 2003, DaVita Kidney Education and You® (KEY) classes, including its EMPOWER™ and ENGAGE™ classes, have educated more than 150,000 people diagnosed with chronic kidney disease (CKD) and their loved ones. DaVita professionals empower people with information on how to manage their CKD. DaVita invests in this educational program to help people delay or prevent kidney failure even though we are not reimbursed for this service. People ask, “Why would a dialysis company try to help people stay off of dialysis?” We say, “Because it’s the right thing to do.”
KEY and The Kidney TRUST™ are two programs conceived by DaVita out of the conclusions of the Levin, Orlando and other researchers. While both programs are in early stages of achieving their potential, applying the clinical impact of such activities to the current enrollment and screening rates implies $5-10M of savings to the health care system through delayed progression to ESRD, less costly dialysis starts and improved vascular access at the initiation of dialysis.

In addition, DaVita provides care management services to CKD patients through a Medicare demonstration program called Key to Better Health. This program, provided by VillageHealth, enables thousands of Medicare beneficiaries with CKD in New York state to access specially trained nurse case managers to help manage their health. The program began in 2005, and was renewed by Medicare in 2008 for an additional three years. The program focuses on helping patients avoid unnecessary hospitalizations and delaying or preventing the onset of dialysis.

DaVita.com, the company’s website, was repurposed in 2004 to focus on educational articles, videos and tools for chronic kidney disease patients and their caregivers. Now as the premier online resource for kidney disease and dialysis information, it has been recognized as a leading kidney care website. Content on the website includes a growing collection of more than 500 kidney-friendly recipes and a meal planning tool, DaVita Diet Helper™, to help patients adhere to their renal diet, which significantly impacts their health and clinical outcomes.

150K
pre-dialysis patients have been educated by KEY
LIFELINE VASCULAR ACCESS

A healthy vascular access is essential to successful dialysis treatments. A poorly maintained access can lead to infections, complications and hospitalizations. Lifeline Vascular Access℠—a DaVita affiliate—is the industry-leading provider of management services to physician practices providing vascular access services. Like DaVita’s dialysis centers, it too has achieved superior clinical outcomes:

- 97% overall procedure success rate versus 85% K/DOQI target
- 1.7% total complications rate versus an industry threshold of 5.0%
- Average savings of $10K per Lifeline Vascular Access procedure compared to a hospital procedure

Proactive access care helps reduce access-related complications, keep patients healthier and out of the hospital, and offers significant savings potential to taxpayers and government.

As a testament to the quality care provided to patients, Lifeline Vascular Access℠ has received system-wide accreditation from the Joint Commission.

Lifeline Vascular Access managed centers have grown from 18 to 58 centers across the U.S. and Puerto Rico in just over five years. Their managed center base is three times larger than the next largest provider of similar services. Lifeline Vascular Access managed centers do not solely serve DaVita patients; in fact, 55% of patients come from non-DaVita centers.

Using figures from the USRDS to approximate the percentage of inpatient hospitalizations related to a mechanical complication of the vascular access device, the estimated savings generated from the current population served by Lifeline Vascular Access centers is approximately $20M to $40M.
DAVITA CLINICAL RESEARCH

DaVita is committed to research today that will benefit renal patients everywhere in the days to come. As the nation’s largest kidney research network, DaVita Clinical Research® (DCR) is committed to advancing the knowledge and practice of kidney care. DCR is the first and only clinical research network to offer services across the entire drug development lifecycle. Working with more than 75 drug and device sponsors, DCR has successfully conducted more than 250 clinical trials in the past two decades.

The DCR staff locates high-quality studies and makes it easier for physicians to do clinical trials in DaVita centers. The staff are friendly, responsive and supportive, and they work with physicians to initiate research efforts and help them develop and prosper.

“Recent DaVita Clinical Research accomplishments can be attributed to our continuous research quality index measurements and commitment to service excellence. These values serve as a catalyst for our research objectives, and allow us to participate in the advancement of renal knowledge and practice.” –Chris Rucker, DCR Vice President and General Manager
DAVITA ACUTE SERVICES
DaVita Acute Services is the largest independent provider of acute dialysis services. We provide a range of dialysis and other blood-related services to patients in hospitals and nursing homes, including:

• Hemodialysis
• Peritoneal dialysis
• Ultrafiltration (for CHF)
• Apheresis
• Continuous renal replacement therapies (CRRT)

DaVita Acute Services provides 24-hour services in more than 700 hospitals across the nation, administering more than 63,000 treatments every month. DaVita is dedicated to working with our hospital partners to ensure high-quality of care for each individual patient. The cornerstone of our success is the philosophy that we align our goals around delivering high quality patient care with those of the hospital.

DAVITA LABORATORY SERVICES
Selecting a clinical laboratory service provider is essential to achieving optimal patient care and center management outcomes. End stage renal disease (ESRD) patients and centers have specialized testing requirements that are most effectively managed by an ESRD clinical laboratory. DaVita’s laboratory services include two state-of-the-art ESRD clinical laboratories servicing DaVita centers as well as other dialysis centers and hospitals nationwide. Each laboratory is uniquely positioned to meet the specialized testing and service needs of ESRD patients, nephrologists and clinicians with unmatched levels of efficiency and accuracy in managing clinical and operational outcomes.

DaVita Laboratory Services® and DVA Laboratory ServicesSM are fully accredited by federal and state governing agencies as well as the College of American Pathologists Laboratory Accreditation program.
DAVITA RX

DaVita Rx™ is the first and largest U.S. renal pharmacy—and recently delivered its one-millionth prescription. Created in 2005, DaVita Rx is a licensed, full-service retail pharmacy that provides prescriptions for more than 15,000 DaVita patients in more than 850 centers nationwide. Patients appreciate having their medicines delivered to them at the dialysis center, and benefit from having access to a team of pharmacists with expert knowledge of ESRD (available 24/7), insurance specialists and financial assistance counselors that provide a higher level of service than is available locally.

DaVita Rx coordinates care with physicians by providing them with clear insight into the full range of medications that patients are taking. We also record patients’ adherence and refill practices, which allows doctors to better manage patient outcomes, reduce the potential for adverse drug interactions and work with patients fulfill prescribed therapies.

Recent studies point to some differences between dialysis patients who use DaVita Rx and patients who use other pharmacies:

- DaVita Rx patients fill their prescriptions more regularly and have better improvement in some key lab values over time
- DaVita Rx patients have fewer hospitalizations per year (as much as 25% based on conservative estimates for those solely related to DaVita Rx involvement)
- Fewer hospitalizations result in as much as $16,500 fewer dollars spent per member per year based on recent USRDS data

Even discounting for the likelihood that not all hospitalizations are due solely to poor prescription adherence, annual savings generated from the existence of this service is estimated to be between $40M and $60M.
VillageHealth™ is an integrated care management plan for kidney patients. The purpose of VillageHealth is to help patients stay healthier and save taxpayers money by slowing the progression of kidney disease to delay or prevent dialysis and avoid unnecessary hospitalizations. Through its programs, VillageHealth currently helps 6,000 patients with chronic kidney disease (CKD) and end stage renal disease (ESRD) manage their illness more successfully, leading to better clinical outcomes, lower costs and improved quality of life.

VillageHealth works with CKD and ESRD patients through several Medicare demonstration projects and through partnerships with insurers. Within each of these programs, VillageHealth nurse care managers ensure preventive care and coordinate care delivery across multiple providers and comorbidities.

VillageHealth is the largest renal disease management organization in the U.S., and has advanced care management programs in 22 states. It is the first renal disease management organization to achieve National Committee for Quality Assurance (NCQA) Disease Management accreditation.

DaVita’s focused efforts in these areas, although limited in number of patients, have resulted in an additional $15M to $20M in savings to the health care system.

“I had a kidney infection several weeks ago and I could not get in to see a doctor for treatment. The VillageHealth program had a nurse practitioner come out to my home and treat me for my infection. I appreciate not having to go to the emergency room for treatment.” –William Coricelli, VillageHealth patient
CREATING OUR COMMUNITY

WALL OF FAME

DaVita’s Wall of Fame allows teammates and patients to get to know each other better—and have some Fun (a DaVita Core Value)—by decorating a wall in the center or business office together. The Wall contains personal photos and fun facts for each teammate and patient, and the designs are submitted for an annual Village-wide contest. There is a Wall of Fame in more than 1,300 DaVita dialysis centers across the U.S.

“In the process of collecting photos and stories of our patients and teammates, we uncovered many hidden treasures and stories; we shall continue this tradition to foster our strong sense of pride and community in our center.” —DaVita teammate in Santa Monica, CA

Shared traditions help create a sense of community, such as our annual Wall of Fame contest. Patients and teammates pool their talents to come up with a theme to showcase their pictures and fun facts at the dialysis center. Business offices also participate. The Wall of Fame is a uniquely DaVita tradition.
DAVITA VILLAGE GREETERS
DaVita patients and their family members who volunteer as Village Greeters give the gift of their time and generous spirit by providing a warm welcome and friendly smile to all who come to their dialysis center. Village Greeters visit with patients, their spouses and other guests in the center’s waiting room. Since the program began, more than 1,000 Village Greeters have donated more than 294,000 hours to this wonderful program.

Evelyn is a Village Greeter who returned to the Beverly Hills Dialysis Center after her husband passed away. She realized how much she enjoyed volunteering there, and how much she missed her “DaVita family.”

“My goal as a Village Greeter is to put the patients at ease as they wait for their life-saving treatment. I listen to the patients as they express concerns about living with kidney disease and try to get them to talk about their lives away from DaVita. The patients seem to have grown accustomed to having a familiar face greet them in the waiting room. If I miss a day, they let me know about it.” – DaVita Village Greeter

SHINING STAR CAREGIVER
DaVita’s Shining Star Caregiver program engages patients in their care by giving them the opportunity to recognize outstanding caregivers at their centers and providing them with a forum to share how these caregivers have positively impacted their lives. Since the program’s inception in 2004, more than 4,400 individual and team awards have been given.

“She is very caring and accurate when inserting the needle... She may not be one of the fastest, but she is one of the most efficient and caring techs. In my estimation, she is a shining star caregiver and I appreciate her.” – DaVita patient
THANKS, DOC!
Thanks, Doc! encourages and assists patients and teammates in sending letters of gratitude to their physicians, thanking them in their own words for the quality care that has made a difference in their lives. Since the program began in 2006, more than 25,000 letters have been sent.

“I typed up all the Thanks, Doc! notes on a lovely piece of paper, cut the paper with decorative edges, rolled it up as a scroll and tied it with a ribbon. The doctors were very appreciative of the gesture and patient sentiments. An ounce of gratitude takes us miles and strengthens the relationship we have with our physicians. It also helps us to dispel some of the real and imagined barriers between the physician and the rest of the care team. It helps us all to remember that we are human and we each need to hear the words, ‘thank you’—regardless of our position in life or at DaVita.” —Kendra Davis, DaVita Facility Administrator

DAVITA CIRCLE OF LIFE
DaVita’s Circle of Life program was started in 2006 to further the good work that many DaVita centers were already doing to help patients, teammates, families and physicians address many of the life planning and end-of-life issues that are prevalent in the dialysis community.

DaVita Circle of Life initiatives include:
• An annual memorial service at DaVita’s annual nationwide meeting and local memorial services across the country
• Donations to The Kidney TRUST in honor of patients who pass away
• Individual dialysis center remembrances for patients when they pass
• Educational materials about end-of-life issues

“The most rewarding aspect of hosting the DaVita Circle of Life Memorial Service was seeing families gather together and offer each other support and comfort. Many family members made new friends and renewed friendships that had started at the dialysis unit.” —Deborah Bliss, DaVita Social Worker

“Thank you for saving my life. I have never had a doctor that is as kind, caring, patient and as smart as you are. You have given me strength and confidence to handle this major change in my life. I am very blessed to have you as my doctor as I go on with my life.”
—DaVita patient

25K
letters of thanks from patients to physicians
CARING FOR OUR TEAMMATES

“One for all, and all for one.”
Alexander Dumas
INVESTING IN TRAINING

DAVITA UNIVERSITY ACADEMY
Every single DaVita teammate across the country is invited to a two-day leadership and cultural development session. Teammates learn tools related to communication, team dynamics, conflict resolution, service excellence and compliance. DaVita University Academy provides a greater understanding of DaVita as a company and, more importantly, as a Village. Teammates are taught they can be leaders in their family, community and at DaVita. Our teammates respond with enthusiasm for their job, toward fellow teammates and for providing outstanding patient care. As of January 2009, we’ve made a significant investment in teammates by holding 96 Academy sessions with 28,000 total attendees.

DSS LEADERSHIP
This is a succession planning program that provides training to prepare high-potential teammates for positions in management and tracks their progress. Metrics include tracking how many participants are promoted as a result of their participation in the program. In the past year, 66 teammates, or 55% of DSS Leadership participants, were promoted to a supervisor or manager level as a direct result of the training they received in this program.

“
A career at DaVita has been so rewarding on many levels. The patients I serve give me a reason to get up in the morning. I have been given so many opportunities to develop professionally. It makes me a better caregiver.” — DaVita teammate

DaVita invests in training teammates because proficient and motivated teammates take pride in their work and give back to their patients. To continue providing quality care and surpassing the national averages in clinical outcomes, DaVita offers teammates the opportunity to grow both professionally and personally. DaVita University offers seven teammate programs.
Ranked #1 in U.S. among national health care service companies for five consecutive years.

DAVITA WAY OF MANAGING
DaVita Way of Managing (DWOM) is required of all dialysis center facility administrators and business office managers after having been in their position at least six months. It is a four-day, in-depth program of self discovery to assist leaders in mastering the skills, knowledge and expectations we have for them as Village leaders. DWOM is a structured set of internally researched and developed leadership behaviors and expectations for leaders and includes 360 survey feedback. The elements of DWOM are fully integrated into the hiring, performance evaluation and improvement action planning practices of the Village.

PRECEPTOR PROGRAM
DaVita provides internal development-based programs to assist with teammate advancement. Our Preceptor program is a detailed mentoring program to guide new teammates in learning and development. We provide a three-day intensive “train-the-trainer” workshop for preceptors. Our preceptors are existing teammates in various clinical positions who are chosen by their administrators who meet a prescribed set of exemplary attributes.

REALITY 101
Recently highlighted by The Wall Street Journal, Reality 101 is required for DaVita executives and provides them with clinical training so they can be better aware of the intellectual, physical and emotional demands of kidney care clinicians. By spending time in the dialysis center, side-by-side with clinical caregivers, DaVita executives better understand the rigors of work in the field and learn what the dialysis experience is like for patients.
GROWING OUR LEADERS

REDWOODS PROGRAM
DaVita’s Redwoods Leadership Development Program provides unparalleled leadership experience, mentorship by senior management and maximum responsibility.

The Redwoods Leadership Development Program is named after the strong redwood trees that grow in Northern California. Transplanting debilitates them. Raising them from seed to sapling endows longevity. The process by which these trees are cultivated from seeds to their current strong and tall stature is analogous to how DaVita wants to help grow its future leaders.

The Redwoods Leadership Development Program launched in 2008 and continues to thrive.

- The Redwoods Leadership Development Program has provided more than 60 scholarships to outstanding DaVita teammates for MBA and similar programs at leading universities.
- Thirty-seven business school graduates who have been trained in the Redwoods Program have entered leadership roles and are continuing to advance toward senior management.

“One of my MBA classmates was the director of wellness programs for a large San Francisco-based company. During the winter term, one of her employees needed to begin dialysis. Because of our connection, my friend was able to give her employee information about DaVita At Home® programs that allowed the patient to continue working full-time and to become a Home patient in our Daly City, CA, program. The Redwoods MBA program was a great opportunity for self-growth and improvement, as well as a chance to send forth ripples to the larger community. Its impact extended far beyond my own personal experience.” – LuAnn Aakhus, Regional Operations Director

DAVITA RN SCHOLARSHIP PROGRAMS
The Nurse Tomorrow Program provides DaVita teammates seeking a career in nursing up to $5,000 per calendar year for tuition, books and some associated fees.

The Nurse Today Program provides education reimbursement for recent nursing school graduates who are working for DaVita as RNs; up to $10,000 for an associate’s degree and up to $15,000 for a bachelor’s degree.

DaVita is committed to the personal and professional development of all of our teammates. We believe this makes our company strong and helps us all serve our patients and fellow teammates more effectively.
WOMEN AND MINORITIES

A diverse workplace is one that is creative and open to new ideas. DaVita is an Equal Opportunity Employer. We serve a diverse patient population and appreciate the unique backgrounds and experiences of all who enter our doors to either receive or give care. We continue to make good progress through our recruiting efforts, including the Redwoods Leadership Development program.

45% of our teammates are self-identified as non-Caucasian

General teammate population:
- 45% of our teammates are self-identified as non-Caucasian
- 77% of our total teammate population is female
- 70% of our field leaders are women
- Our teammates reflect the communities in which they serve

Redwoods Leadership Development program statistics:
- 45% of our resident Redwoods are women
- 35% of our resident Redwoods are minorities

When recruiting new teammates, we look for talented individuals who will embrace our goal: To Be the Greatest Kidney Care Company the World Has Ever Seen; share our Mission: To Be the Provider, Partner and Employer of Choice; and live our Core Values: Service Excellence, Integrity, Team, Continuous Improvement, Accountability, Fulfillment and Fun.

DiVersifying oUr Village

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COMPLIANCE COMMITTEE
Our Compliance Committee oversees and monitors the effectiveness of our Compliance Program, reviews compliance risk areas, other than those areas addressed by our audit committee, and examines the steps management is taking to monitor, control and report on risk exposures. The Compliance Committee works closely with our Chief Compliance Officer and the compliance team in carrying out these tasks.

COMPLIANCE PROGRAM
DaVita’s Compliance Program ensures company adherence with policy standards and applicable regulations, and includes the following resources:
• Compliance Team and Organization
• Code of Conduct
• Compliance Policies and Procedures
• Compliance Training
• Compliance Guidance
• Board Level Oversight
• Disclosure Program
• Auditing and Monitoring
• Compliance Hotline (1-888-458-5848)

DaVita’s Compliance Program and Code of Conduct are tools that help the company and teammates adhere to the laws and regulations affecting our industry. Our work in this area is led by our Chief Compliance Officer, who reports directly to our Chairman and CEO as well as to our Board of Directors’ Compliance Committee.

100% of teammates fulfill compliance training
OPENING LINES OF COMMUNICATION

Open communication is essential to the DaVita Way. For this reason, we offer regular “open forums” for our teammates to hear directly from them on how our policies and practices may or may not be working. Our teammates know they are valued and that their opinions drive decisions.

VOICE OF THE VILLAGE CALLS
Each quarter, our CEO and other senior officers join about 2,000 to 4,000 DaVita teammates across the country and the company on the Voice of the Village call. These calls were created to share the state of the company and to address areas of concern to the entire Village. After a prepared presentation, there is an opportunity for teammates to ask questions and make comments on any subject of their choosing, opening the dialog and providing access to senior management.

TOWN HALL MEETINGS
Town Hall meetings are gatherings of all the teammates in a local dialysis center or business office to showcase new programs, highlight teammates who have gone above and beyond in their work and share various department updates. Town Hall meetings also provide an opportunity for management to answer teammates’ questions about DaVita’s business practices and where our company is headed. Town Halls are held regularly, and whenever one of our more than 80 Vice Presidents visits a local center or business office, a Town Hall is held for the local team.
A BETTER LIFE WITH BENEFITS

HEALTH AND WELLNESS BENEFITS
DaVita offers choices of medical and dental plans designed to provide teammates with health benefits that best meet personal medical needs for them, their spouses or domestic partners, dependent children and even the family pets.

- Medical insurance
- Dental insurance
- Vision insurance
- Flexible Spending Account
- Employee Assistance Program
- Village Vitality Wellness Program
- Pet insurance

DaVita pays for life insurance, and both short- and long-term disability benefits, for all full-time teammates to help ease the financial burden associated with being unable to work. Teammates also have the option to increase their disability and life coverages at group rates. Legal services are also available to teammates.

- Life insurance
- Accidental death and dismemberment insurance
- Short-term disability
- Long-term disability
- Legal services

In preparing for the future, DaVita offers teammates opportunities to save money for retirement, or reimbursement for furthering their career through education.

- Triple Crown Profit Sharing Program
- 401(k) Retirement Savings Plan
- Employee Stock Purchase Plan
- Tuition reimbursement

Renewal throughout the year and the opportunity to take time away from work and still get a paycheck is important to the health and well-being of our teammates. That is why teammates accrue time off for vacation, holidays and sick days for hours worked.

- Paid time off (PTO)
Celebrating the achievements of individual teammates who perform above and beyond what is considered good work is something we value. Gathering teammates in a center or business office to award a member of their team is a thrill for the recipient and inspiring for fellow teammates.

“I could not believe a company would present such an award to its teammates, and to this day I am touched deeply both by the experience of receiving the award and by Paris itself.”
—Diane Hendricks, DaVita Patient Assistance Department Manager

AWARDING ACHIEVEMENTS

WE ARE HERE
The We Are Here Award recognizes teammates for living the Core Values of Team and Service Excellence by sustaining perfect attendance. Each business quarter, every eligible teammate with perfect attendance is awarded a pin, certificate and congratulatory letter during a center-wide celebration. Fifty of those teammates are then selected at random and awarded $1,000 in vacation expenses. Since the program’s inception, 1,451 teammates have been awarded $1,451,000.

VILLAGE PARADISE AWARDS
Similar to the We Are Here program, the Village Paradise Awards honor those who exemplify our Core Values. Annually, all-expense-paid vacations—typically in the range of $2,500 to $3,000—are awarded to recognize nominated facility administrators, managers, dietitians and social workers for their ongoing commitment to DaVita’s Mission. Awards have already been given to 85 recipients, totaling $473,000. DaVita funds half of the facility administrator/manager award, and half is funded by DaVita CEO Kent Thiry and his wife.

NATIONWIDE SHINING STAR
The Nationwide Shining Star is one of the most coveted honors a teammate can receive. Recipients are selected based on their demonstration of DaVita’s Mission and Core Values on a daily basis. Nationwide Shining Stars are selected by their director to represent their region at DaVita’s annual leadership meeting, where they are honored by executives at a special ceremony. In 2008, 184 DaVita teammates were honored as Nationwide Shining Stars.

CORE VALUE AWARDS
DaVita Teammates are awarded a Core Value award when they are nominated by a fellow teammate for going above and beyond their standard duties in exemplifying DaVita Core Values. Core Value Plaques with one of the DaVita Core Values of Service Excellence, Integrity, Team, Continuous Improvement, Accountability, Fulfillment or Fun are presented at center-wide meetings while Core Value Pins are awarded at team meetings.
DAVITA VILLAGE NETWORK
DaVita Village Network (DVN) may provide teammates or their immediate dependents with limited financial aid during a time of crisis, such as a natural disaster or life-threatening emergency. DaVita teammates voluntarily contribute money to the DVN through payroll deductions, and DaVita matches each contribution teammates make to this fund. For 174 families, tragedy has happened—as it could to any of us. Since its inception, DaVita Village Network and DaVita have provided over $1.3 million to teammates or their dependents in need through this program.

"It was a financial disaster. I had to choose — either take chemo and lose everything due to financial strain or stop chemo and become even more ill...Going through this illness has really strengthened my faith. For my teammates to help me was a humbling experience."
—Cindy Keele, DaVita teammate

DAVITA CHILDREN'S FOUNDATION
DaVita Children’s Foundation (DCF) provides scholarships to teammates’ children and grandchildren based on their leadership and community service to help make their college education more affordable. At this point, 186 families have been awarded these grants totaling $363,000.

Receiving this scholarship was an absolute honor to say the least, especially coming from such an esteemed company that my mother truly enjoys working for.
—Johnathan Dindak, DaVita teammate’s son

Our community extends beyond our teammates to their loved ones. By offering a safety net in times of financial or personal crisis, providing scholarship opportunities for children and grandchildren of our teammates and connecting with our brave soldiers, our vision of an all-inclusive community becomes a reality.

$1.3M provided to teammates in need
“Our family has been under tremendous stress this past year. I am so proud to work for a company that offers these opportunities for the family members of its teammates. This opportunity tells me that DaVita strives to reach out to their teammates in ways that go the extra mile. I want Mr. Thiry to know and the people you work with on this project, that these scholarships make such a difference.”

– Kay, DaVita teammate

$480K
invested in educating children of DaVita teammates

K.T. FAMILY FOUNDATION
Since the DaVita Children’s Foundation takes care of children applying to and in college, Kent Thiry and his wife, Denise, founded the K.T. Family Foundation (KTF) to provide scholarships for children between sixth grade and 11th grade. Children are chosen based on academics, leadership and/or community service. KTF has now helped 227 families, with more than $480,000 invested in their futures.

STAR TROOPERS
DaVita recognizes the value in supporting the concept of community beyond our Village. The Star Troopers program ensures that if a teammate has a family member serving in Iraq or Afghanistan, multiple DaVita teammates will regularly write that person—in most cases, someone they have never met. At latest count, 208 men and women serving overseas are now receiving correspondence from DaVita teammates.
GOVERNING THROUGH OUR BOARD

OUR BOARD OF DIRECTORS
DaVita’s Board of Directors is composed of a majority of directors who are independent of the Company and management. All members of the Board are required to be elected annually by a majority of votes cast by our stockholders. Because DaVita’s directors are elected by a majority vote, DaVita’s Board of Directors is held to a high standard of accountability to our stockholders. The Board of Directors has established an Audit Committee, Compensation Committee, Nominating and Governance Committee, Public Policy Committee and Clinical Performance Committee, each of which is composed of independent members of the Board of Directors.

The Compliance, Public Policy and Clinical Performance Committees have been in place since 2000 and were established to focus on issues important to our industry. Each committee has adopted a charter that outlines the various responsibilities of each committee specific to its area of focus and purpose. In addition, each committee is required to conduct an annual self-evaluation of its performance.

All non-employee directors are subject to stock ownership guidelines and receive compensation for their valuable services.

All directors have direct access to senior management and other teammates as necessary to receive valuable insight and expertise in order to fulfill their duties.

The Board and its committees have the ability to hire and have hired independent legal, financial or other advisors as it may deem necessary, without first consulting or obtaining the approval of any officer of DaVita.

CLINICAL PERFORMANCE COMMITTEE
DaVita’s Clinical Performance Committee regularly advises the Board and management on policies, issues and procedures relating to quality clinical performance. We have established an internal audit process on our clinical quality index to address the integrity of this quality assessment and its effectiveness as a performance-measuring tool.

COMPENSATION COMMITTEE
DaVita’s Compensation Committee reviews the performance of our CEO and other executives annually. This committee makes decisions regarding compensation with the goal of ensuring that such compensation is aligned with the long-term objectives of our company and stockholders.

Our CEO has made a three-year (2007-2009) pledge to give his salary to kidney and health-related charities, including teammate support programs.

DaVita is a leader among health care service company in America by having a Clinical Performance Committee at the Board of Directors level. DaVita is committed to robust corporate governance policies and practices, as well as dedicated compliance with federal, state and local laws and regulations that apply to our business. We know that sound regulatory policies and practices can complement DaVita’s commitment to quality and integrity and together provide a foundation for success.

3 YRS.
in a row our CEO has made a pledge to donate his salary to kidney and teammate support programs
“You must be the change you wish to see in the world.”
Mahatma Gandhi
BRIDGE OF LIFE—DAVITA MEDICAL MISSIONS

DaVita launched Bridge of Life—DaVita Medical Missions™ in 2006 to help improve kidney health and save lives in underserved areas where lifesaving dialysis is not readily available. Bridge of Life—DaVita Medical Missions together with DaVita teammates, establishes dialysis centers, trains local health care staff, pre-screens residents for chronic kidney disease (CKD) and works with area hospitals to provide quality kidney care. So far, this program has reached Pakistan, Cameroon, India, Ecuador and the Philippines.

While Bridge of Life—DaVita Medical Missions was conceived by DaVita, it is not funded by DaVita. It is a 501(c)(3) nonprofit organization that operates on donations from others who share the vision of the mission. DaVita, however, participates financially by giving its teammates the opportunity to volunteer—allowing time away from work and covering all their expenses—as well as contributing dialysis equipment.

“Yesterday, a 17-year-old girl was dialyzed in Jodhpur and had to be carried in by her brother, as she could not walk due to weakness. After treatment she walked out of the clinic.”—JoAnn Zynda, Group Facility Administrator, Cameron, MO

Some say the world is getting smaller. So, while DaVita is an American company, we are reaching out to our neighbors far from home as good ambassadors for America. In most U.S. cities and developed countries, people have access to dialysis treatment; however, those in some underdeveloped areas are not as fortunate. Opportunities to help people around the world are enriching the lives of our teammates as well as kidney patients afar.

- 12 missions
- 150 teammates volunteered
- $535K dollars donated

COMMUNITY CARE 2008
The Kidney TRUST™ is an independent, public 501(c)(3) charity founded by DaVita in 2006. It was formed to increase awareness of kidney disease through public education and no-cost, rapid screening tests in non-medical settings. About one in eight Americans have chronic kidney disease, but many are not aware until their kidneys fail. DaVita has donated thousands of dollars to this nonprofit organization to help it provide financial assistance to people affected by kidney disease and support the expansion of The Kidney TRUST’s rapid screening program so that people at risk can take action to improve their kidney health.

Estimates indicate there are 26 million people who have chronic kidney disease in the U.S. alone. And, sadly, about 90% do not even know it. Because kidney disease is a progressive disease, early diagnosis is imperative for getting treatment that may prolong kidney function and even help prevent dialysis. Education is the key, and DaVita has created a nonprofit organization to focus on this necessary task.

$1.8M

Total DaVita event revenue raised for The Kidney TRUST

$500K

Raised by DaVita Kidney Awareness Run | Walk events

DAVITA KIDNEY AWARENESS RUN | WALK

DaVita Kidney Awareness Run | Walks™ are annual events put on by DaVita to help raise awareness and funds to fight kidney disease. The fundraising event is in its fourth year with events in 10 cities in 2009. Kidney Awareness Run | Walk events have brought in more than $537,000 to benefit The Kidney TRUST.
TOUR DAVITA

Tour DaVita is an annual 250-mile bicycle ride designed to raise funds and to promote awareness of chronic kidney disease. DaVita teammates nationwide raise at least $1,000 per entry to participate, which has been donated directly to The Kidney TRUST. In addition, DaVita helps fund supplementary costs associated with Tour DaVita to ensure that the funds teammates donate go toward the fight against kidney disease. In 2007 and 2008, Tour DaVita raised more than $1,000,000 for kidney education and awareness.

$1M+
raised in last two years for CKD awareness and education by DaVita
COMMUNITY SERVICE

Giving back to the communities where we live and work is a way we express our gratitude for the goodness in our lives. Community service projects can include planting a community garden, creating a play area for neighborhood children or anything else a DaVita teammate can imagine.

$90K has been awarded via 35 KTC grants since 2006

11K+ hrs. of community service by DaVita teammates

KT COMMUNITY FOUNDATION

Funded by DaVita CEO Kent Thiry and his wife, Denise O’Leary, KT Community (KTC) Foundation allows DaVita teammates, their families and neighbors the opportunity to contribute time and energy to transform the communities where they live. The KTC Foundation provides financial grants for materials, tools and supplies necessary to plan and complete a community service project. Thirty-five grants—totaling more than $90,000—have been awarded since 2006.

VILLAGE SERVICE DAYS

DaVita and DaVita teammates donate time and money to do major service projects in local communities. From building bikes for underprivileged children to planting trees in parks, more than 1,800 DaVita teammates have participated in more than 67 community service projects across the country through this program—totaling 11,700 hours.

A recent example: More than 100 teammates participated in a project to revitalize a 36-bed AIDS home in San Antonio, TX. As part of this major face-lift, teammates replaced ceiling tiles and painted walls, ceilings and drawers. DaVita purchased new privacy curtains and installed new blinds, window treatments, linens, pillows and comforters. We also persuaded local merchants to donate decorating services, new rec-room furniture, a 50-inch” plasma screen and newer televisions for patients’ rooms.
A SUSTAINABLE FUTURE

VILLAGE GREEN IN OUR CENTERS

Reducing medical waste is a top priority. In kidney care, dialyzers are a significant source of medical waste. Because dialyzer components are made from 100% crude oil, the non-degradable parts add up to more than 60 million pounds of medical waste annually and add to our country’s dependence on foreign oil. While patients have a choice to reuse or use single-use dialyzers, if DaVita only offered single-use, our contribution would be 20 million pounds of waste each year. By offering reuse, each year DaVita saves more than 8 million pounds of medical waste and helps reduce our dependence on foreign oil.

In 2007, DaVita began purchasing sharps containers that contain 30% recycled plastic to dispose of needles and syringes. By using these new containers, more than 120,000 pounds of plastic are kept out of landfills annually.

Reducing paper consumption has been a goal. DaVita has changed our default paper to 30% post-consumer recycled content paper. With this change, every two years DaVita will save a forest the size of New York’s Central Park.

As of June 2008, information securely stored in our data center no longer prints out automatically in centers. This modification lowers DaVita’s annual paper consumption by 7%, which equates to 20 million pieces of paper, or about 2,000 trees.

VILLAGE GREEN IN OUR OFFICES

DaVita’s Information Technology (IT) team is spearheading national recycling programs for toner cartridges, electronics and cell phones. In addition to environmental rewards, DaVita’s recycling program will raise about $20,000 annually for The Kidney TRUST, a nonprofit organization dedicated to kidney care education.

Our new payroll information system saves paper by allowing teammates to view pay stubs electronically.

We are also looking to environmentally friendly growth for the future. In Southern California, DaVita is building a Leadership in Energy and Environmental Design (LEED)-certified center, which should be constructed by the end of 2009.

Village Green™ was born in 2007 out of a desire to encourage, enable and recognize teammate efforts to reduce DaVita’s environmental impact. As a medical company with business offices, there are many opportunities to be conscientious when it comes to our environmental impact. Through Village Green, DaVita is demonstrating its holistic commitment to care for our patients, teammates and the world.

Reduce.
• Reducing annual paper consumption by 7% (20 million pieces of paper)

Reuse.
• Saving more than eight million pounds of medical waste reusing dialyzers

Recycle.
• Using 30% recycled plastic sharps containers and 30% post-consumer recycled paper
“If we all did the things we are capable of doing, we would literally astound ourselves.”

Thomas Alva Edison
TRANSFORMING KIDNEY CARE

It is both in doing dialysis better—driving superior clinical outcomes—and in providing a set of kidney care services that others aren’t, that DaVita has consistently led the industry.

DaVita is optimistic that the future will be brighter for people with chronic kidney disease. We will do our part by maintaining our focus on providing an integrated care environment, continuing to excel in our clinical outcomes and searching for new opportunities to provide quality care to benefit patients’ health and quality of life.

We have found that by doing the right thing for our patients’ health and well-being, we have been able to save the government money because healthier patients require fewer hospitalizations and have fewer complications.

IN CLOSING

Thank you for visiting the DaVita Village through the pages of our annual social responsibility report. We are proud of the company we have created and embrace the opportunity to soar beyond where we are today.
CARING FOR OUR PATIENTS

Patient care is our priority. DaVita teammates work with physician partners to achieve superior clinical outcomes for our dialysis patients. DaVita is an industry leader when it comes to offering modality choices that fit our patient health and lifestyle needs. Investing in education for people with chronic kidney disease (CKD) and their caregivers also helps patients live a better life with CKD.

- Nine years in a row DaVita has improved clinical outcomes
- 93% of patients would recommend DaVita for dialysis
- 150,000 people have been educated by DaVita Kidney Education and You® (KEY) program

DaVita leads the way in providing other renal-related services in addition to dialysis for people with chronic kidney disease. Lifeline Vascular Access®, DaVita Clinical Research®, DaVita Laboratory Services®, DVA Laboratory ServicesSM, DaVita RxSM and VillageHealthSM are working to give kidney care patients a greater quality of life.

- When added to the company’s $163M in federal and state taxes, the approximate savings to the health care system exceeds the company’s after-tax profits for 2008 by approximately $170M
- Lifeline Vascular Access managed centers have a 97% overall procedure success rate on more than 250,000 patient encounters
- DCR is the first and only kidney care research network to offer services across the entire development lifecycle
- DaVita Laboratory Services and DVA Laboratory Services are fully accredited by federal and state governing agencies as well as the College of American Pathologists Laboratory Accreditation program
- DaVita Rx is the first and largest U.S. renal pharmacy with results demonstrating greater medication adherence and 25% fewer hospitalizations per year
- VillageHealth helps 6,000 patients in 22 states and is the first renal disease management organization to achieve National Committee for Quality Assurance (NCQA) Disease Management accreditation

Creating a community is important at DaVita. Teammates and patients come together in each center to get to know each other as individuals and share in each others’ lives.

- More than 1,000 people have volunteered more than 294,000 hours to be Village Greeters in DaVita dialysis centers
- More than 4,400 individual and team awards have been presented to DaVita teammates through the Shining Star Caregiver program
- 25,000 letters of thanks have been presented to physicians from their patients through the Thanks, Doc! program
- DaVita Circle of Life has helped patients, their family members and teammates honor patients who have passed away
CARING FOR OUR TEAMMATES
DaVita would not be able to provide quality kidney care without its more than 32,000 teammates. Offering opportunities to grow both professionally and personally is crucial to maintaining a healthy DaVita Village.

- Investing in training with more than 1,000,000 hours of teammate training and development
- Providing advanced educational programs through Redwoods Leadership Development and RN Scholarship programs
- Maintaining regular communication through live open forums and regular teleconferences for teammates to have access to senior management
- Ranked #1 in U.S. among national health care service companies for five consecutive years by Training magazine
- Only nationwide health care services company ranked in Modern Healthcare magazine as one of the 100 Best Places to Work in 2008
- First FORTUNE 500® and health care company to make the list in WorldBlu’s Most Democratic Workplaces™ 2008
- Creating a diverse workplace with 45% of teammates self-identified as non-Caucasian
- Offering fair salaries and health and wellness benefits with 33 cents of each dollar of revenue going to teammates
- Acknowledging and awarding teammate achievements through a variety of programs
- Extending assistance to teammates and their families in times of financial and personal crisis
- Our CEO has made a three-year (2007-2009) pledge to give his salary to kidney and health-related charities, including teammate support programs
- Ensuring 100% of teammates fulfill compliance training
- Committing to robust corporate governance policies and practices

1M+
hours of training and development

33¢
of each dollar of revenue goes to teammates
CARING FOR OUR WORLD

Being thoughtful citizens and caring for those in the world around us have helped thousands of people around the globe. DaVita-founded charities have raised hundreds of thousands of dollars to assist those overseas and at home.

Bridge of Life—DaVita Medical Missions™ has helped save lives far from home by organizing 12 missions to countries including Pakistan, Cameroon, India, Ecuador and the Philippines. Approximately 150 DaVita teammates have volunteered to bring chronic kidney disease and dialysis care to underserved areas. More than $500,000 has been donated by DaVita for the missions.

The Kidney TRUST™ works to increase awareness of chronic kidney disease through public education and no-cost, rapid screening tests. Monies have been donated to The Kidney TRUST through fundraising events including DaVita Kidney Awareness Run | Walk events and Tour DaVita. DaVita Kidney Awareness events have raised more than $500,000 and Tour DaVita has raised more than $1,000,000 in the last two years to promote chronic kidney disease education.

Since 2006, teammates have been awarded 95 grants and service projects and spent more than 11,700 hours to help benefit their local communities in several ways including planting a community garden and creating a neighborhood play area.

Going green is another way we help our planet. DaVita has been working to reduce our environmental impact and formed Village Green in 2007 to encourage, enable and recognize teammate efforts to go green. By reducing medical wastes in our centers and conserving resources in our business offices, DaVita practices earth-friendly kidney care throughout the company.
EXTERNAL ENGAGEMENTS

SHARING OUR STORY
Over the years, we have been invited to share the DaVita story and business philosophy with various organizations and institutions of higher learning. These encounters and the feedback we received inspired us to create this social responsibility report outlining our philosophy.

Other external engagements:
Harvard University
University of Wisconsin
University of Michigan
We are proud of the awards and recognition we receive for our work. While the inspiration to do great work isn’t for the awards, but in helping our patients enjoy better health and better lives, we are honored to be recognized by such well-respected organizations and publications.

While some may be modest about recognition, at DaVita, we feel it is important to recognize hard work, dedication and successful efforts. We have created many programs to reward our teammates for living the DaVita Mission and Core Values. Providing recognition for a job well done to a deserving individual makes everyone feel good—the recipient, the company and fellow teammates.

Our company’s goal is “To Be the Greatest Kidney Company the World Has Ever Seen.” DaVita teammates work tirelessly at this goal, and we always appreciate when people notice our accomplishments and contributions to the health care and business communities.
## DAVITA DISTINCTIONS

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Managing Editor  Mary Ann La Russa
Art Director  Zareh Aghajanian
Contributors  Kelsey Rood, Merry Walker
Report Committee  Eric Berger, Anthony Gabriel, Richard Grenell,
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Our Mission
To be the Provider, Partner and Employer of Choice

Core Values
Service Excellence
Integrity
Team
Continuous Improvement
Accountability
Fulfillment
Fun