

2023
ESG
REPORT





Table of Contents

| | |
|---|----|
| CEO Message | 4 |
| Chartwell's Vision, Mission and Values | 5 |
| Our Residents | 6 |
| Our People | 14 |
| Corporate Responsibility | 29 |
| The Environment | 33 |
| Corporate Governance | 43 |

CEO Message

We are in the business of serving and caring for Canada's seniors. We exist to Make People's Lives Better. It is a privilege to be a leader within a sector that generates such tremendous positive societal impact. We understand this privilege comes with responsibility – responsibility to evolve, improve and grow our contribution to society.

With that in mind, we continue to expand the scope and enhance the quality of the services we offer to our residents. Varied activity programs, new Care Assist plans, and dining services that focus on locally sourced seasonal ingredients are just some examples of these enhancements. We want to be known as the company that delivers exceptional resident experiences in each of our residences. This is an ambitious goal, and more work will have to be done to reach it. I know our people are up for the task. Numerous resident testimonials, online reviews and letters of gratitude I personally receive from our residents and their families tell me that we are on the right track.

I am proud of how our people stepped up to the challenges of the last three years, always putting our residents and their families first while supporting each other. Visiting nearly 50 of our residences last year I saw firsthand their commitment, creativity and drive to use learnings from the pandemic to become better at what we do, and to grow from there. Chartwell is fortunate to attract dedicated individuals with diverse cultural, educational and life experiences who are united in their desire to serve seniors. We have an impressive track record of developing our talent with a large proportion of our leaders being promoted internally. In the future, we will be even more focused on promoting these development opportunities to our team members from underrepresented groups.

In October 2022 we launched The Chartwell Foundation, embarking on our mission to fulfill the wishes of Canadian Seniors. At The Chartwell Foundation, we believe dreams last a lifetime and hope has no expiry date, and we are committed to shifting the way society views and values our eldest generation. Raising over \$200,000 in the first year and granting 10 wishes since its launch, The Chartwell Foundation is off to a great start.

Our continuing focus on environmental stewardship saw the launch of the employee led Chartwell Environmental Sustainability Committee and our first submission of ESG data to GRESB. We now have a base line and will work towards establishing environmental sustainability targets.

We implemented several important improvements in our governance practices in 2022, including ongoing board renewal through the onboarding of two new directors. We were once again recognized as a leader in governance by the Globe and Mail "Board Games" publication. We were also recognized for our leadership in gender diversity by the Globe and Mail's "Women Lead Here" publication.

Our culture manifests itself in our results and lives in our stories. Stories about our residents, employees, and the communities in which we operate are heartwarming and inspirational. They deserve to be told. I invite you to read our 2023 ESG report, where you will find, in addition to statistics and key performance indicators, many of these great stories.

Sincerely,



Vlad Volodarski,
CEO



OUR VISION

making people's lives **BETTER**

OUR MISSION

To provide a happier, healthier and more fulfilling life experience for seniors

To provide peace of mind for our residents' loved ones

To attract and retain employees who care about making a difference in our residents' lives

To provide an investment opportunity that benefits society with reasonable and growing returns to our unitholders

OUR SERVICE VISION

Delivering an exceptional resident experience that is personalized, memorable, and feels like home - where family and friends feel welcome and respected.

OUR VALUES

RESPECT

Respect

We honour and celebrate seniors

Empathy

We believe compassion is contagious

Service Excellence

We believe in providing excellence in customer service

Performance

We believe in delivering and rewarding results

Education

We believe in lifelong learning

Commitment

We value commitment to the Chartwell family

Trust

We believe in keeping our promises and doing the right thing

ENRICHING THE LIVES OF OUR RESIDENTS

At Chartwell, we are all about people. We are in the business of health, happiness and peace of mind for older adults, their families and the communities across Canada where we operate. We are passionate about helping people live their best lives, both inside our residences and within our communities.

Active Living

PROMOTING AN ACTIVE, SOCIAL, AND FULFILLING RETIREMENT

Active living is a critical component in helping seniors maintain their overall health and well-being. Our residence managers and staff make it easy for residents to remain physically active as well as socially engaged in their communities so they can enjoy a happier, healthier and more vibrant lifestyle. Chartwell's signature activities and programs are designed to engage the body, mind and spirit and help our residents live life to the fullest. They are offered in all Chartwell retirement residences across the country. In addition, a wide variety of unique recreational programs have been developed and are offered by individual residences.

LIVE NOW

Our LiveNow program is at the heart of Life Enrichment and provides residents with opportunities to live an actively engaged lifestyle. Our aim is to provide memorable experiences, both big and small, that enrich lives and foster connections with new friends. LiveNow brings together six dimensions of wellness: spiritual, physical, emotional, intellectual, social and vocational, recognizing the importance of the body, mind and spirit in overall wellbeing.

Artful Enrichment is a series of art programs consisting of 36 projects throughout the year promoting creative expression, social connectivity, and lifelong learning. Led by our Lifestyle & Program Managers, these experiences are designed to empower our residents' inner creativity and develop fundamental skills with items such as printable tutorials, art presentations, live workshops and more.

Ports of Call is a travel-themed activity celebrating a specific destination through a variety of cultural programs including live entertainment and themed meals. Offered every other month, it gives our residents an opportunity to gather together, socialize and share past travel experiences with one another.

Rhythm 'n' Moves, Stretch & Relaxation and **Gentle Fitness** are weekly programs engaging residents in fun and interactive music and movement programs that supports their health and physical wellbeing. Facilitated by our Lifestyle and Program Managers, classes are held in a relaxed and supportive atmosphere where residents of varying mobility levels can participate at their own pace.

H.O.P.E. is a vocational signature program encouraging residents to explore personal interests and goals through meaningful activities such as learning new skills, participating in hobbies and goal setting. H.O.P.E., which stands for Helping Others for Purposeful Engagement creates opportunities for our residents to connect with their community, which in turn promotes a sense of purpose and meaning in their lives.

The **Java Music Club** offers an enjoyable and inclusive way to help build a culture of positive mutual support. On a weekly basis, our residents meet in a safe, warm and inviting group atmosphere where they are encouraged to express themselves and seek out support from others without fear of judgment.

Chartwell's **Moments that Matter** program encourages residents to share a special moment they have been dreaming about and, twice a month, let Chartwell staff help make it a reality, enriching the lives of our residents by enabling them to accomplish their dreams and participate in activities that make them happier, healthier and more engaged in their communities.

FitMinds is an intellectual program that offers residents two distinct options to help enhance and support their overall brain health. The Stay Sharp program, offered on a weekly basis, is aimed at encouraging cognitive resilience and better brain fitness for healthy seniors, while the Interact program, offered twice a week, is a cognitive stimulation therapy program for seniors with dementia that is intended to help slow the disease's progression.

"Recreation's purpose is not to kill time, but to make life, not to keep a person occupied, but to keep them refreshed; not to offer an escape from life, but to provide a discovery of life." – Author Unknown

On average, a single Chartwell residence will provide over 120 Life Enrichment experiences across the six dimensions of wellness per month. That's over 1,400 available enriching experiences per year for residents in each of our residences.

Wellness and Care

ENRICHING LIVES THROUGH ENHANCED CARE, PROMOTING SAFETY THROUGH INFECTION CONTROL

We are committed to helping residents enjoy their retirement years with the comfort, dignity and peace of mind they deserve, in the place they have chosen to call home. Chartwell's various Care and Wellness programs allow residents to manage their needs on a continuum of care and in the comfort and privacy of their Chartwell residence. Our implementation of strict protocols for preventing the spread of infectious diseases, such as COVID-19, provides security and peace of mind for families.

CARE LEVELS

Providing older adults with a variety of care options to help maintain their independence and quality of life is one way in which we, at Chartwell, aim to make a positive difference in seniors' lives. Chartwell's communities offer a continuum of care, adapting to our residents' care needs and giving their families the peace of mind knowing that their loved ones are receiving the care and support they need in a safe and comfortable setting:

- Our **Independent Supportive Living** residences combine all of the benefits of an independent lifestyle in a retirement residence—housekeeping and laundry, leisure and social opportunities and 24-hour security—with delicious daily meals and the ability to take advantage of personal support services like medication administration or assistance with daily routine.
- **Assisted Living** programs are specially designed to support individuals who would benefit from daily personalized care to lead a better quality of life. Staff are there to ensure their days are spent in comfort and satisfaction, and aim to maximize independence and peace of mind through convenient services, such as medication administration and supervision, assistance with aspects of daily routine, or an escort to meals and activities.
- Chartwell's **Memory Care** services are offered to seniors living with dementia or Alzheimer's. Dedicated memory care floors provide 24/7 security with caring staff who are trained on how to support individuals living with cognitive impairment.

CARE ASSIST

Our Care Assist Program is an offering of à la carte wellness services and all-inclusive care packages for residents. The program is designed to help residents achieve comfort and quality of life delivered by caring Chartwell staff whose highest priority is to help them feel their best each and every day. Examples of services include:

- Medication management
- Assistance with bathing or showering
- Escort assistance to meals or activities
- Resident lifting and repositioning
- Injection service
- Physiotherapy
- Oxygen therapy
- Audiology services
- Lab service
- Assistance with morning or evening routine
- Continence care
- Meal assistance
- Oxygen management
- Therapeutic bath
- Foot care

PHARMACY

We have partnered with CareRX, one of Canada's leading providers of pharmacy services to seniors, to offer residents innovative and convenient digital health services that enhance the overall resident experience and provide even greater peace of mind for families and loved ones. Through CareRX's large network of pharmacy fulfillment centres in Ontario, British Columbia and Alberta, our residents in these provinces are able to receive their medications in a timely and cost-effective manner that is responsive to their routine changes in medication management.

INFECTION PREVENTION AND CONTROL PROGRAM

Chartwell continues to work closely with Public Health officials and follow pandemic outbreak protocols and infection control practices. From regular cleaning and disinfecting of all common areas and high-touch surfaces, to screening staff at the beginning of their shifts and monitoring residents for symptoms, we ensure that our residences are as safe as possible.

We understand that trust is earned, and we strive to earn the trust of our residents, families and the community through consistent, timely and open communication.



The Dining Experience



SAVOURING EVERY BITE AND CELEBRATING EACH DAY

Our residents deserve great food and great service, so it is our priority to ensure that every meal residents enjoy with us is delicious, wholesome and appealing. Our food and beverage teams get to know our residents well so they can anticipate their preferences, allowing residents to relax and savour an appetizing meal in good company.

TASTE OF THE SEASON

Chartwell's menus are uniquely crafted for all four seasons of the year and highlight local ingredients.

DAILY FEATURES

Each day, our retirement residents see a new lunch and dinner feature on their menu—but if for any reason a resident does not want the day's fresh feature, they can choose from a variety of popular favourites prepared to their preferences from our à la carte menu. Lunch and dinner features are not repeated within a four-week period.

CHARTWELL'S CULINARY CENTRE

The first of its kind in the Canadian senior living sector, Chartwell built its own in-house Culinary Centre, where we train food and beverage employees and test new recipes in a state-of-the-art commercial kitchen.



Resident Satisfaction

MEASURING OUR UNIQUE VALUE PROPOSITION - RESIDENT EXPERIENCE

We strive to deliver resident experiences that are personalized, memorable and feel like home where family and friends are welcome and respected. We measure our progress delivering our unique value proposition - resident experience - through our annual Resident Satisfaction Survey conducted by a third-party specializing in the senior living sector ("Sensight"). We asked our residents to respond to 38 statements covering all aspects of their experience at Chartwell - staff, management, environment, care and wellness, dining services and lifestyle activities. We focus and evaluate our success based on "Very Satisfied" responses.

For 2022, Chartwell's resident satisfaction score for the Retirement Platform was **54% "Very Satisfied"**. When including "Satisfied" residents, **Chartwell's score for 2022 was 88%**. Our overall results are better than Sensight's senior living industry average score of **52% "Very Satisfied"**.



Value Stories



Monique, Huguette and Myrande are “Les Veilleuses,” also known as “The Nightwatchers” at **Chartwell Villa Jonquière** in Saguenay, Quebec. Together, they offer their companionship to other residents if they need cheering up, laughter and conversation.

Charlie, the son of **Chartwell Gibson’s** General Manager Vida, helped spread holiday cheer with cards of joy at the residence! Charlie handed out holiday cards handcrafted by himself and his classmates to our residents, who were thrilled to receive them. One resident wrote a thank-you card back to the teachers and students for their thoughtfulness and kindness too.



At Chartwell, we offer residents many opportunities to make a positive difference through our signature volunteerism program, H.O.P.E (“Helping Others for Purposeful Engagement”). **Chartwell Langley Gardens** residents made fidget blankets (a quilt that provides sensory and tactile stimulation for restless hands) for other residents living in the Memory Living and Long-Term Care neighbourhoods of the residence.

Staff and residents from **Chartwell Westmount** in Kitchener, Ontario were excited to celebrate Earth Day by planting cedar trees.



Residents of **Chartwell Deerview Crossing** in Hamilton, Ontario, received a visit from adorable baby goats. Residents got up close and personal with the animals!

Jean, a resident of **Chartwell Oxford Gardens** in Woodstock, Ontario, was recently surprised with a visit from her sister Isabel, whom she had not seen since before the pandemic.



During the summer, residents of **The Sumach by Chartwell** were invited to play a vital part in the Dundas East Beautification Project. With the help of other members in the community, our residents planted vegetables and other plants.



Chartwell Gibson in North York, ON, celebrated their annual Multicultural Day. The staff enjoyed being the main entertainment, showcasing their talents and dressing in traditional clothes. From the Philippines, India, Columbia and Ukraine, everyone proudly celebrated their unique cultures.



The Sumach by Chartwell had the pleasure of hosting Mathis Bailey, a prominent writer in the LGBTQ+ community, for a book signing. His novel, *Black Truffle and Spice*, explores food, family, culture and love.

At **Chartwell Grenadier** Retirement Residence in Toronto, Ontario, employees Nahida, Farzana, Tuweiba and Hafzah shared with residents what Ramadan means to them and memories from their childhood, like preparation for Iftar (breaking of the fast).



At **Chartwell Royal on Gordon** in Guelph, Ontario, the home scheduled a Bake Sale and raffle with a goal of raising \$1,000 to donate to Ukrainian relief efforts. Within two days, before they had even hosted the Bake Sale, they reached \$1,500. By the end of the week, they raised a total of nearly \$4,500.

Many of our employees and residents in Chartwell communities across Canada honoured

National Day of Truth & Reconciliation by wearing their orange shirts and sharing important education about the painful legacy of the residential school system and the trauma experienced by Indigenous families and communities.



Residents, their loved ones and employees of **Chartwell Jardins Notre-Dame** and **Domaine Notre-Dame** in Gatineau, Quebec have joined forces to collect clothing donations for newly arrived Ukrainian families in the Outaouais region, in Quebec. The Chartwell shuttle bus was used to deliver donations across the city to help more than twenty families welcomed in the region. The initiative was orchestrated by the Food Service Manager of Chartwell Jardins Notre-Dame and his spouse in support of the Ukraine-Gatineau self-help group.



OUR PEOPLE

ATTRACT, ENGAGE,
DEVELOP AND EMPOWER

At Chartwell, we are committed to enriching the lives of our employees and empowering them to make a difference in the lives of our residents and the communities in which we operate. We invest in their well-being, providing them with healthy workplaces, autonomy, and the right tools and training so they can thrive in their roles.

Employee Engagement Survey

We strive to provide an engaging work environment where employees feel fulfilled and committed to Making People’s Lives Better. Our annual Employee Engagement Survey provides employees an opportunity to provide confidential feedback about Chartwell, their jobs, and the factors that inspire them to go above and beyond in their roles. This feedback helps us understand if we are meeting the expectations of our employees and what we can do better to ensure employees are engaged at work.

We use this feedback from our employees to continue implementing various initiatives and programs to recruit and retain our valuable employees and continue to make Chartwell an employer of choice. We also use the feedback and data to foster diversity in our business, along with a culture of inclusivity and open communication, promoting diverse, inclusive and accessible work environments that facilitate collaboration and give employees the support they need to succeed.

For 2022, Chartwell’s employee satisfaction score for our retirement platform was **48% “Highly Engaged,”** a 5-percentage point increase from 2021. When including **“Engaged”** employees, **Chartwell’s score for 2022 was 81%,** a 4-percentage point improvement from 2021.

Importantly, our employees are telling us they are seeing progress in our Diversity and Inclusion initiatives with **“Strongly Agree”** scores, relating to Chartwell prioritizing inclusion, **increasing from 44% in 2021 to 52%** in 2022 in our retirement operations.

Despite the ongoing pressures of the pandemic and staffing challenges across our industry, our people continue to deliver exceptional personalized experiences to our residents, giving peace of mind to their loved ones and supporting their fellow co-workers. Our employees’ high level of engagement speaks volumes about the kind of people who choose to work at Chartwell and about our culture.

TARGET:

55% “HIGHLY ENGAGED”

EMPLOYEES BY 2025

Diversity and Inclusion of Chartwell Employees

Chartwell employees represent various cultures, life experiences, identities and backgrounds. This rich diversity is a huge asset to Chartwell as it helps us to think differently and create an environment more conducive to innovation, which is especially critical in our ever evolving and complex world.

“

Diversity, equity and inclusion is fundamental to our culture. Our staff, residents and unitholders benefit from Chartwell being a diverse and inclusive organization that values and celebrates our differences. This focus allows us to attract top talent, drive innovation and growth, and contributes to our vision of **Making People's Lives BETTER**. I am proud of our current progress and excited by the steps we continue to take in developing a welcoming, respectful and inclusive culture for all.

- Jonathan Boulakia, Chair, DILC
Chief Investment Officer and Chief Legal Officer

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DIVERSITY AND INCLUSION LEADERSHIP COUNCIL (“DILC”)

Chartwell's Diversity and Inclusion Leadership Council (“DILC”) is comprised of a diverse group of employees from the corporate office and our residences. The DILC advises and supports Chartwell in the development and implementation of its diversity and inclusion strategies.

The DILC is responsible for the implementation of Chartwell's Diversity and Inclusion Framework which sets the direction for Chartwell's priorities and objectives with respect to Diversity and Inclusion.

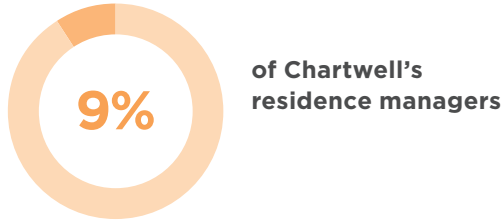
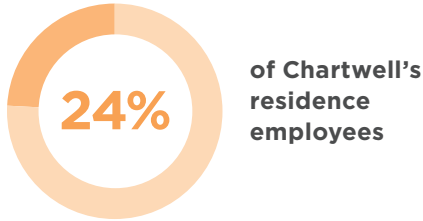
Embodying varied perspectives, life experiences, cultures and ways of looking at the world to generate insight and better results, Chartwell is committed to:

- Strengthening a culture of inclusion and addressing barriers to career advancement.
- Enabling learning through diversity and inclusion, including addressing unconscious bias and fostering inclusive leadership.
- Enabling and promoting work practices that foster diversity of thought.
- Recruiting, developing and advancing persons from groups that have been historically disadvantaged in Canada including indigenous peoples, women, visible minorities, religious minorities, persons with disabilities and persons of minority sexual orientations and gender identities.

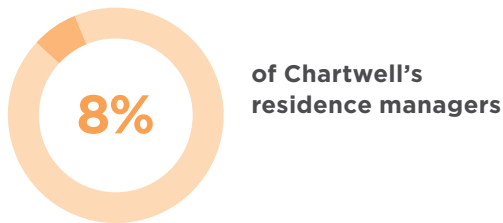
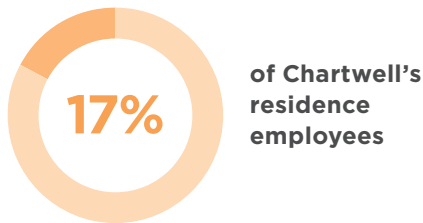
In connection with Chartwell's diversity initiatives, 2022 was the second year we asked our employees to self-identify based on specified diversity categories, including questions relating to gender identity, race/ethnicity, disabilities, and sexual orientation and surveyed how they felt about Chartwell's handling of issues relating to Diversity and Inclusion.

DEMOGRAPHICS AT CHARTWELL RESIDENCES

BIPOC¹

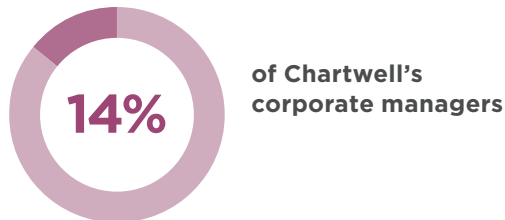
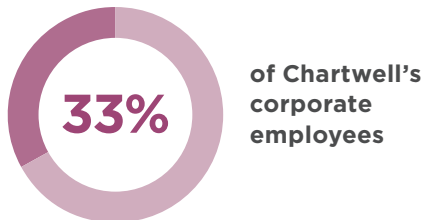


LGBTQ+²

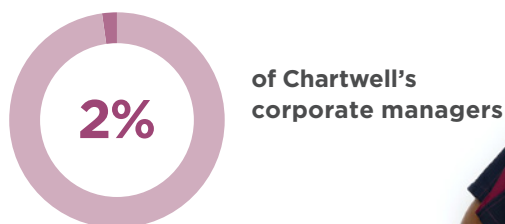
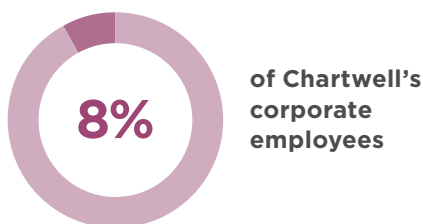


DEMOGRAPHICS AT CHARTWELL CORPORATE OFFICES

BIPOC¹



LGBTQ+²



*Statistics based on Chartwell's 2022 Diversity Survey, where participating employees self-disclosed their status.

- 1. Self identified as Black, Indigenous or a person of colour.
- 2. Lesbian, Gay, Bisexual, Transgender, Transsexual, 2/Two-Spirit, Queer, Intersex, Asexual

WOMEN WITH LEADERSHIP ROLES AT CHARTWELL

“

I believe that women have a unique and important perspective in our business in particular because of the number of women who live and work in Chartwell residences across the country. Throughout my career I have had the pleasure of working with and for some of the most amazing women in our sector. In my current role, I am proud to have the opportunity to mentor and, hopefully inspire, young women who I know will make a difference at Chartwell for years to come.

- Karen Sullivan, President and Chief Operating Officer

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WOMEN LEADING CHARTWELL

33% of Board Directors (3 of 9)

50% of Executive Officers (2 of 4)

52% of Vice Presidents (13 of 25)

43% of Independent Board Directors (3 of 7)*

71% of Sr. Vice Presidents (5 of 7)

44% of Sr. Directors (8 of 18)

52%

**OF ALL SENIOR LEADERSHIP
ROLES AT CHARTWELL (28 OF 54)**
A 2% increase from 2021

*As of March 16, 2023, Chartwell has 8 Independent Board Members.

CHARTWELL'S EMPLOYEE DATA (AGE AND GENDER REPRESENTATION)

CORPORATE

Senior Director and Above

54 Total Number of Active Employees



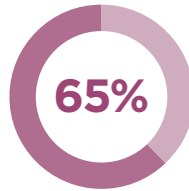
Percent Female

52 Average Age

CORPORATE

Directors and Below

520 Total Number of Active Employees



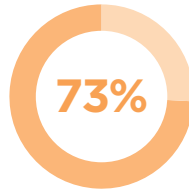
Percent Female

45 Average Age

RESIDENCES

Managers

1,328 Total Number of Active Employees



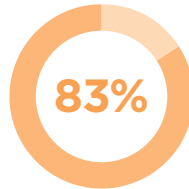
Percent Female

46 Average Age

RESIDENCES

Other Staff

14,024 Total Number of Active Employees



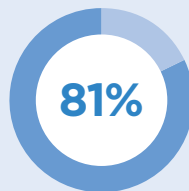
Percent Female

41 Average Age

TOTAL

Corporate and Residence Staff

15,926 Total Number of Active Employees



Percent Female

42 Average Age

Since 2011, 162 participants have completed Chartwell's **Aspiring Leaders Program** for candidates with the potential to become Retirement Residence General Managers or Long-Term Care Administrators, including 18 participants in 2022. Of the attendees since inception, 73% were female and 46% of those women were ultimately promoted. In 2022, 12 women (67%) participated in the program.

In 2022, 283 participants graduated from **The Chartwell Experience Program** designed to create exceptional resident experiences, 193 of these participants (68%) were women.

The Globe and Mail Report on Business' **Women Lead Here** publication recognized Chartwell as a trailblazer in gender diversity in corporate Canada in 2020, 2022 and 2023.



DRIVING PROGRESS WITHIN OUR OWN WORKPLACE

Diversity, development, training, rewarding performance and providing opportunities for continued growth are the cornerstones of our Human Capital strategy.

| | PARTICIPATION | | STRONGLY AGREE | |
|---|---------------|------|----------------|------|
| | 2021 | 2022 | 2021 | 2022 |
| OVERALL (Retirement and Long Term Care) | 65% | 66% | 41% | 49% |
| RETIREMENT ONLY | 65% | 70% | 44% | 52% |

In both long-term care and retirement, we saw improvement in our employee perception on how Chartwell is handling the important issue of Diversity and Inclusion, with an overall 8 percentage point positive change in Retirement, 9 percentage point positive change in Corporate and 10 percentage point improvement in the answer to the question on “Chartwell is Committed to Diversity and Inclusion.”

TENURE

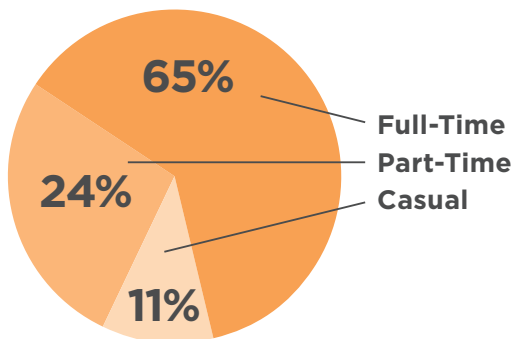
7.5 Years average length for Chartwell’s long term care employees

5.4 Years average length for Chartwell’s retirement employees

Including full-time, part-time and casual employees

POSITION DISTRIBUTION

Chartwell is a 24/7 business. Our part-time and casual employees play an important role in ensuring around the clock resident care services.



Breakdown of all Chartwell residences and corporate employees on the full-time equivalent (“FTE”) measure.

Learning, Development and Recognition

Continuous professional and personal growth opportunities help us attract and retain the best people. Through career development opportunities and various learning opportunities, our employees find ways to grow personally and professionally, having an even greater impact on the residents and communities we serve.

RATES OF INTERNAL PROMOTIONS INTO LEADERSHIP POSITIONS

We acknowledge and applaud the hard work and contributions of our employees through succession planning:

| | |
|--|---|
| 47% of General Managers and Administrators | 100% of Vice Presidents - Platform Leads |
| 74% of Directors, Regional Operations & Directors, Regional Sales | 40% of other Vice Presidents |
| 47% of Senior Directors | 86% of Senior Vice Presidents |
| 39% of Corporate Directors | 100% of Senior Executive team |

* As of December 31, 2022.

18,000+

hours of instructor-led content provided to Chartwell employees on a variety of topics, including customer experience, leadership and building resiliency. This is in addition to the mandatory training delivered mainly through eLearning.

ENCOURAGING EMPLOYEES TO LEARN AND GROW

Chartwell's learning and development programs provide our employees with the tools, resources, and knowledge they need to deliver our Vision of Making People's Lives Better and assist in advancing their knowledge and skills to grow within Chartwell. For Chartwell, employee growth facilitates business growth. Some of the training and development programs offered include:

- Career Development programs such as semi-annual Sales Training workshops, Coaching for Performance sessions for managers and the **Aspiring Leaders Program** ("ALP") for individuals who demonstrate the potential and aspiration to become a General Manager. ALP, a one-year program, enables participants to grow their leadership capabilities and operational knowledge through a blend of training, mentorship, case studies, structured reading clubs and job shadowing.
- **The Chartwell Experience** is a proprietary program that focuses on creating exceptional customer experiences in our Retirement residences, embodying Chartwell's Service Vision Statement of delivering an exceptional resident experience that is personalized, memorable, and feels like home - where family and friends feel welcome and respected.
- Role-specific new hire programs such as **Business Essentials** (for Office Managers), **Gateways** (for General Managers), and **The Sales Experience** (for Retirement Living Consultants) provide a blend of eLearning, facilitated training, and ask-an-expert sessions to provide individuals in key roles with the knowledge and skills needed to succeed in their new roles and develop foundational people skills for effective day-to-day management of teams.

- Skills training to support strategic initiatives and technology roll outs on new procedures and sales platforms so that our employees can acquire more advanced skills, including skills to adapt to various business environments.
- Chartwell's **National Leadership Conference**, where Residence General Managers and Administrators, and corporate leaders are provided with leadership education, recognition and delivery of directional messages annually, was held in a virtual format due to the pandemic. In 2022, over 500 Chartwell employees were in attendance and heard about programs and initiatives designed to build on Chartwell's strategic priorities, celebrate our success, and re-energize for the year ahead.

INSTRUCTION HOURS AND E-LEARNING

In 2022, our Learning & Development ("L&D") team continued to develop digital learning content such as eLearning micro-tutorials and video-based courses to provide learners with on-demand content, accessible whenever our employees need them. The L&D team partnered with various business units to co-create compliance, process, and technical training videos and eLearning courses.

The following infographic demonstrates the total instructional hours provided to our employees, and the number of eLearning course completions in 2022:

Career Development - 1,869 instruction hours

Chartwell Experience - 4,887 instruction hours

New Hire Programs - 2,200 instruction hours

Strategic and Technology Initiatives - 2,417 instruction hours

Long Term Care - 154,353 eLearning course completions

Corporate and Retirement - 135,693 eLearning course completions

PERFORMANCE MANAGEMENT

We want our team members to thrive at work, and continuous learning is a critical aspect of that. To emphasize the importance of learning and growth at Chartwell, career development is a key component of our performance management process. All our employees take part in a formal performance management process that includes self-reviews and manager reviews on an annual basis, talent development and goal-setting as well as ongoing coaching and mentoring. We encourage all our employees to work together with their manager to plan and identify resources to support their career growth. We offer resources, training and tools designed to help our new emerging professionals develop into future leaders, and our experienced professionals advance their careers.

EMPLOYEE REFERRAL

We are committed to investing in attracting the right talent and providing employees a workplace where they want to grow their careers. To recruit highly talented candidates, we introduced an employee referral program to reward employees with a bonus for referring a successfully hired candidate.

Value Stories



In March 2005, Kim Goodman started working at Chartwell as the Marketing Manager at Park Place Retirement Residence in Aurora, Ontario. She held that role for two years when she received a call from the Vice President of Sales. “I was encouraged to apply for a Regional Marketing Manager position despite being a less seasoned sales professional compared to some of the other applicants,” she recalls. When questioned why she thought she would be a good candidate for the role, she said that although she may not have all the answers, she was driven to succeed, had a passion to help people and was willing to work hard. She moved into the Director of Regional Sales role in 2007 and has worked closely with over 35 different homes ever since. “I look forward to continuing to grow within Chartwell and help others do the same,” she says.

When Ashley Tuffin began working at Chartwell, she was a 24-year-old graduate with career aspirations in Long Term Care, working as a Recreation Aide in a retirement residence. “I was lucky enough to work in a residence that offered both Long Term Care and retirement living. Working in a shared space with seasoned managers, I found myself inspired to observe and learn from them.” It was her General Manager at the time who encouraged her to take on a new challenge as a Program and Support Services Manager (“PSSM”) in LTC. After a number of years in that position, she was once again given the opportunity to grow and move out of her comfort zone as a Retirement Living Consultant, eventually developing into a Director of Regional Sales. “If it wasn’t for the voices of several leaders who encouraged me over my career, I may have let my inner critic take over and I would have never taken the jump to apply,” she says.



Steve Keery joined Chartwell in 2011 as the Administrator at Aurora Long Term Care. This was following several conversations with the VP of LTC at the time, who encouraged Steve to join an organization where there was lots of growth and opportunity. After a couple of successful years in that role, an opportunity arose for a Director of Regional Operations for Long Term Care and Steve was the successful candidate. “It was at this point in my career that I really started to focus on working closely with the many different departments throughout corporate office and getting as involved as I could in all aspects of the business,” he said. Over the next six years, Steve sat on several committees and took part in Chartwell’s mentorship program where he spent valuable time with leaders who instilled confidence and trust in his abilities. In 2021, Steve became the Director of Operations for the Staffing Optimization Project Team and most recently took on the role of Senior Director Ontario Operations and Sales. “Throughout my career, I have never been shy to tell people where I want to go next, and I have driven myself to take every opportunity provided.” he says.



Labour Relations

We recognize and respect the principles of freedom of association and our employee-partners' right to collective bargaining.

EMPLOYEE ASSOCIATIONS AND BARGAINING UNITS:

Retirement: **162**

LTC (RNs and Service Staff): **46**



79% of our frontline residence employees are unionized

We maintain a collaborative relationship with the unions representing our employees and our employee associations. We freely negotiated 35 of 47 collective bargaining and employee association agreements in 2022. This represents 74% of the collective agreements that were settled in 2022, representing a 3-percentage point increase from 2021. In addition, 80% of the freely negotiated agreements in 2022 were for multi-year terms.



Safety In Chartwell's Operations

Employee health, safety and wellness is essential. Chartwell offers numerous programs, safety measures and employee benefits to foster a culture of health, safety and wellness, guided by our Health and Safety Policy and in compliance with applicable provincial and local regulations.

Our occupational health and safety program identifies hazards with the potential to impair human health and wellbeing and promotes a positive health and safety culture that empowers and enables our employees to work in a manner that keeps them safe from harm. The program also helps our employees to identify, consider and effectively remove or reduce the risks associated with our work.

RESPONSE TO COVID-19

We continued to provide a safe work environment as the COVID-19 pandemic persisted during 2022. Our employees stepped up to address the unique challenges of COVID-19 by reinforcing safe behaviours, participating in expanded health and safety training and wearing additional personal protective equipment ("PPE"). Chartwell also leveraged our existing flu season reminders and preventive measures to address COVID-19 precautions. Our COVID-19 health and safety efforts included:

- Reinforcing and expanding our safety training programs and bolstering awareness of our stringent safety protocols to prevent the spread of the virus.
- Securing a significant supply of personal protective equipment, including face shields, face masks and gloves, and ensuring that employees could access additional PPE as needed and complied with all PPE requirements.
- Expanding the number of hand sanitizer stations at restrooms, reception areas, break areas and facility entry points.
- Maintaining a log of visitors, staff, and contractors with their time of entry to support contact tracing.
- Internal Incident Management Team directing implementation of all preventative measures.

100% OF ALL CHARTWELL EMPLOYEES ARE VACCINATED AGAINST COVID-19

38,000,000+ pieces of PPE
SOURCED BY CHARTWELL FROM
JANUARY 1, 2022 TO DECEMBER 31, 2022.

JOINT HEALTH AND SAFETY COMMITTEE

Providing a safe and healthy workplace is the most fundamental obligation we have to our employees.

Our commitment to health and safety is set out in our Code of Business Conduct and Ethics. All employees are responsible for acting in a way that protects themselves and others. They are expected and encouraged to identify and report any unsafe or unhealthy workplace practices or dangers.

We maintain a Corporate Joint Health and Safety Committee. The committee is an advisory body that helps to raise awareness of health, safety and wellness issues, recognizes workplace risks, and provides recommendations on addressing those risks. This well-coordinated group sets the stage for a company-wide focus on safety.

Every Chartwell residence also has a Joint Health and Safety Committee, which are partnerships between management and frontline employees within each residence. They meet on a monthly basis and proactively work to ensure the ongoing health and safety of all Chartwell employees through workplace inspections, incident reviews and general health and safety discussions. The committees have opportunities for input into Chartwell health, safety and wellness policies and are active contributors in addressing employee wellness.

ERGONOMIC ASSESSMENTS

Chartwell's Occupational Health and Safety team is involved in ensuring that corporate employees have the equipment, training and resources to work from home and to do so safely and avoid ergonomic related injuries. In support of this, individual ergonomic assessments are offered to our employees to improve employee posture and health.

WORKPLACE INSURANCE

At Chartwell, 100% of our employees are covered by workplace injury insurance through The Commission des normes, de l'équité, de la santé et de la sécurité du travail (CNESST – commission on workplace standards, fairness, health and safety), Workplace BC, Workers Compensation Board of Alberta, Ontario's Workers Safety and Insurance Board or private insurance carriers, as applicable.



100%

**OF ALL OUR
EMPLOYEES ARE
INSURED FOR
WORKPLACE
INJURIES.**

Employee Wellness

Employee wellness underpins our ability to deliver excellent service to our residents and to attract and retain top talent. It also helps to support our high-performance culture. We've been fostering employee wellness for years.

Mental health is a leading cause of disability worldwide. **We invested more than \$300,000 in support of our employees, personal health and wellness journey.** In 2022, we expanded the program with the provision of Mental Health First Aid Training for more than 200 employees.

LIFESPEAK

In 2022, Chartwell continued our partnership with LifeSpeak. This premier mental health and wellbeing platform provides all of our employees and their loved ones with confidential access to videos, podcasts, Ask the Expert events and more on a wide range of wellness topics.

As a fully bilingual digital wellbeing education platform, LifeSpeak offers our employees and their families around-the clock access to the world's leading experts on topics ranging from Mental Health and Preventative Health to Financial Wellbeing, Family Issues & Relationships and Professional Skills Development. **All information is available to all of our employees in both video and audio formats, 24 hours a day, 365 days a year.**

To continue to build usage and excitement around the LifeSpeak program, four Watch & Win contests were successfully organized this year. We also participated in three education campaigns: Thriving in a Digital World, Nurturing Personal Growth and Understanding and Improving Mental Health. In 2022 alone, our employees consulted 11,891 resources with 75% of our employees accessing the platform.

PROMOTING MENTAL HEALTH AT WORK

Chartwell engaged in an initiative with the Centre for Learning, Research & Innovation in Long Term Care at the Schlegel-UW Research Institute for Aging to be an early adopter of the National Standard of Canada for Psychological Health and Safety in the Workplace. This initiative provides a set of voluntary guidelines, tools and resources intended to guide organizations in promoting mental health and preventing psychological harm at work. This work continues into 2023.

EMPLOYEE FAMILY ASSISTANCE PROGRAM

Chartwell employs the services of Homewood Health to provide eligible employees, and their loved ones, with a complimentary suite of diverse services that address mental, physical, social, and financial wellbeing. Operating 24 hours a day, 365 days a year, Chartwell's **Employee and Family Assistance Program** is there to help at a moment's notice.

RIGHT TO DISCONNECT POLICY

Chartwell is committed to supporting the social and emotional wellbeing of our team members. This includes encouraging our team members to maintain a healthy balance between work and personal time.

Our **Right to Disconnect** policy supports this goal by outlining when team members can reasonably expect to disconnect from work. The policy requires that all employees respect each team member's right to enjoy time away from work-related interruptions. Further, we ask that our team members be mindful of their mode of contact if they need to contact other team members outside of normal working hours for legitimate or time-sensitive business reasons (e.g., emergencies).

REMOTE WORKING AND A FLEXIBLE WORKPLACE

Chartwell embraced the opportunity to incorporate more agile ways of working by adopting a hybrid work model for our corporate employees. We support our employees working from home through ergonomic assessment and equipment provisioning.

CORPORATE RESPONSIBILITY

CREATING SOCIETAL IMPACT

Chartwell believes in building and sustaining strong community relationships and incorporating ethical practices into Chartwell's sourcing and purchasing. Chartwell is proud of its charitable giving partnerships and community initiatives, which are directed toward projects that support seniors in meaningful ways.

Giving To Our Communities

Chartwell is an active member of the communities in which our residences operate. Our community-minded values have long been ingrained in our company and our culture. We strive to engage with our communities, understand current community issues and concerns and work to incorporate stakeholder input into our business.

THE CHARTWELL FOUNDATION

The Chartwell Foundation officially launched in October 2022, embarking on its mission to fulfill the wishes of Canadian seniors – not just those living in Chartwell residences – and contribute to meaningful charities with a shared purpose of Making People’s Lives Better.

The purpose of The Chartwell Foundation is to provide social and recreational activities to seniors experiencing loneliness and isolation through the granting of wishes. Fulfilling the dreams of seniors—whether it be reuniting someone with a long-lost friend or relative, meeting a real-life hero, or receiving long overdue recognition for military service—has a lasting effect. The anticipation and memories of a wish remain with someone for their lifetime and can have a profound impact on their quality of life, overall wellness and sense of purpose, including lessened feelings of isolation.

At The Chartwell Foundation, we believe dreams last a lifetime and hope has no expiry date, and we are committed to shifting the way society views and values our eldest generation.

In 2022, Chartwell contributed \$100,000 to The Chartwell Foundation and raised over \$115,000 through our various fundraising activities.

Through the Chartwell Foundation we are very proud to have granted a number of memorable wishes in 2022 for individuals like Joseph, a 91-year-old Toronto resident and avid football fan, who wished to attend a Toronto Argonauts game at BMO field, and 87-year-old Melanie, who wished to fly high above her hometown of Maniwaki, Quebec in a helicopter. Other memorable wishes included a gondola ride up the beautiful mountains in Banff, a Hamilton Tiger-Cats game for a couple whose love blossomed over 60 years ago, and a Blue-Jays themed 102nd birthday party. We are honoured to help improve the quality of life for wish recipients and give them a renewed sense of purpose and achievement.

To read additional wish stories and learn more about donating, submitting a wish or nominating a senior, visit thechartwellfoundation.ca.

SENIOR LIVING CaRES FUND

Chartwell is proud to be a founding partner of the Senior Living CaRES Fund (the “CaRES Fund”), a charity inspired by the heroic efforts of long-term care and retirement residence employees, most especially during the COVID-19 pandemic.

The CaRES Fund offers one-time financial grants of up to \$10,000 for urgent financial needs to employees of all retirement and long-term care operators in Canada.

To date, more than 872 employees in the senior living sector have received emergency financial assistance totaling more than \$2.9 million since CaRES Fund’s inception in May 2020. Adding to Chartwell’s contribution of \$70,000 in 2022, the Chartwell Foundation donated an additional \$50,000.

Many Chartwell corporate employees have volunteered their time to CaRES to ensure that the fund continues to support senior living employees across Canada. The CaRES Fund will continue its legacy post-COVID-19 with the mandate to provide consistent support to employees.

The CaRES Fund will build a legacy for the future with the goal to continue to provide financial support for workers experiencing hardship and to support workers in the sector as they pursue relevant educational opportunities to advance their careers. As the CaRES Fund evolves, it will always be rooted in the history of COVID-19 so that Canadians will never forget the heroic contributions and dedication of senior living sector employees.



SPOTLIGHT - ERIC SETS SAIL AGAIN

Eric, 86, a resident at Chartwell Hampton House in Chilliwack, B.C., was in the Navy from 1951-1959 where after a year and a half of trade training, he became a radio operator and cryptographer. "I still remember morse code and procedures used in naval communications," he says. After his time in the Royal Canadian Navy, Eric worked as a claims investigator and eventually ran life skills programs at the Walkerton Jail. He even helped train cadets at the South Weymouth Air Station in Massachusetts. He now lives at Chartwell Hampton House with his wife, Christine, where they regularly take part in our activity programs.

Eric loves reminiscing about his time spent at sea and wanted to share those meaningful memories with his family. With no current connections to the Navy Base and limited mobility, Eric thought his dream of boarding a ship had sailed away.

On November 11th, Remembrance Day, The Chartwell Foundation was honoured to make Eric's dream a reality. Eric, along with his wife and daughter, attended a special ceremony aboard the HMCS Edmonton, and received a personal tour of the ship. "This is meaningful to me because it might be my last time on a military ship," Eric said, "I would like to thank Chartwell very much for this opportunity, I really enjoyed it. It took me right back to my youth and remembering the days when I was in the Navy. My wife and I thank you very much."



Responsible Supply Chain

We take supply chain related social risks seriously and seek out reputable and responsible vendors. By prioritizing purchases with various environmentally friendly characteristics, we are reducing the impact on the environment. Over time we have built a robust, two-pronged approach to vendor compliance, with an emphasis on social issues, that is comprised of our Vendor Code of Conduct and our Vendor Compliance Survey.

Chartwell's Vendor Code of Conduct and Ethics (the "Vendor Code") formalizes our expectations regarding the standards national and significant local suppliers are required to uphold as a prerequisite for engaging in a commercial relationship with Chartwell.

The Vendor Code was implemented to improve visibility and direct engagement with vendors on ethical, social and environmental issues.

It requires vendors to provide a safe environment and reasonable working hours and wages for their employees, prohibits forced and child labour, reprisals or discrimination, and covers other topics including, but not limited to, conflicts of interest, confidentiality and quality of products.

National and significant local vendors are required to adhere to the letter and spirit of the Vendor Code and are required to certify compliance with the Vendor Code every three years.



THE ENVIRONMENT

MEANINGFUL APPROACH TO ENVIRONMENTAL STEWARDSHIP

As the largest senior living owner/operator in Canada, we are committed to reducing the environmental impacts of our business while maintaining and improving the wellbeing and quality of life for our residents.

We are focusing on integrating sustainable design and practices into our development projects and aim to reduce energy and water consumption, limit carbon emissions and improve indoor environmental air quality in our buildings.

New Developments

Efficient buildings are integral to our focus on sustainability, they provide cost savings, attract residents, employees and investors, while reducing our impact on climate change. **We strive to continually improve our asset portfolio through the implementation of sustainability initiatives such as:**



coordinating sites close to public transit and public amenity retail, providing ample bicycle storage for staff, visitors and residents, and providing electric vehicles and electric charging stations in an effort to reduce vehicular demand and fuel consumption;



implementing energy star appliances, LED lighting, room motion sensors and building automation systems to effectively manage and control internal temperature and air quality;



creating healthy indoor environments through naturally greening interior spaces through biophilic design offsetting natural carbon production;



implementing irrigation systems to manage water consumption; and



managing materials and resources efficiently through local product and trade sourcing.

Where possible, our new builds also:

- connect to district-based energy systems to support the heating and cooling of buildings. Chartwell's reliance on a centralized energy source reduces our need to procure, install and maintain a large portion of building mechanical equipment,
- incorporate green roofs to improve internal energy and rainwater management and reduce carbon emissions, as well as provide individual suite utility metering,
- incorporate community gardens when possible,
- implement semi-underground garbage container systems for waste management to reduce outdoor odours and allow for better compaction of waste.

ONE TREE PLANTED AND LIFE CYCLE ASSESSMENTS

In 2021, Chartwell affiliated with One Tree Planted, a leader in global reforestation. Through this partnership Chartwell supports reforestation with measurable outcomes. For all new Chartwell developments, Chartwell will donate .1% of total project costs to One Tree Planted or others to support sustainable projects.

In addition, we are committed to engage sustainability consultants for all future development projects, performing Life Cycle Assessments — a methodology for assessing the environmental aspects associated with the development over its life cycle — and applying a meaningful carbon offset contribution through donation to One Tree Planted or other similar organizations.

ENVIRONMENTAL POLICIES AND LEGAL COMPLIANCE

We have implemented development policies to foster sustainable practices in construction and renovation and minimize the direct and indirect environmental impact of our construction sites. These policies encourage use of green materials; implementation of efficiency measures and equipment with respect to emissions, energy, water and waste; proximity to pedestrian, bicycle and mass-transit networks; and the protection and conservation of natural habitats.

Pursuant to Chartwell's Environmental Policy, Chartwell conducts thorough due diligence, including third party environmental reports and studies, on existing or new land it acquires and Chartwell undertakes remediation efforts for material issues affecting the land and/or the environment.

We are committed to complying with Federal, Provincial and local climate and energy-related regulations. There were no material environmental compliance violations reported in 2022.

ENVIRONMENTAL SUSTAINABILITY COMMITTEE

We encourage our employees to take action and get involved in making environmentally responsible decisions that promote sustainable and safe communities. In 2022, Chartwell launched an employee-led Environmental Sustainability Committee. Co-chaired by our Chief Investment Officer and Chief Legal Officer and our Vice President of Planning and Development, the Committee meets on a quarterly basis and is responsible for providing guidance and support to our senior leadership team in making and implementing sustainable initiatives and decisions, identifying and evaluating new technologies, products and services that can help the organization to reduce our environmental impact and developing and implementing sustainable policies and procedures.

As Chartwell's ESG program continues to evolve, the Committee will monitor and track Chartwell's environmental performance, including energy consumption, waste management, and emissions and report regularly on such matters to the Board of Directors.



Chartwell Heritage Valley Retirement Residence
Edmonton, Alberta

ADHERENCE TO ESG FRAMEWORK REPORTING

In 2022, Chartwell committed to the external review of its ESG performance by submitting its data for an annual Global Real Estate Sustainability Benchmark (“GRESB”) assessment. The GRESB survey evaluates real estate companies in areas such as management, governance, sustainability, environmental and social programs and policies.

Chartwell has been assigned to the Healthcare: Senior Homes peer group, determined by GRESB on the basis of a variety of characteristics such as the legal structure (public/private) of the entities and property types and geographical locations, with the goal of the peer group allocation being to compare participants who share as many characteristics as possible and providing consistent treatment for all such participants in 2022. Chartwell’s peer group constituents include:

1. **AEDIFICA NV.** A Belgian listed company that specializes in investments in European healthcare real estate, in particular housing for seniors with care needs.
2. **Bridge Seniors Housing & Medical Properties Fund.** Bridge Seniors is among the largest owners of seniors housing units in the US.
3. **Healthcare & Medical Investment Corporation.** A Japanese REIT which mainly invests in housing care facilities and medical facilities for seniors.
4. **Target Healthcare REIT PLC.** A UK REIT which invests in healthcare and holds a large portfolio of care homes.
5. **Welltower Inc.** A US REIT that invests in healthcare infrastructure including seniors housing.

Chartwell’s score was better than our peer average in the following categories:

- **ESG Policies.** The existence and scope of Chartwell’s policies addressing ESG issues.
- **ESG Reporting.** Chartwell is an effective communicator of our ESG actions and performance.
- **Stakeholder Engagement.** Chartwell demonstrates commitment from senior and other stakeholders, including employees and suppliers, in improving the sustainability performance of our real estate portfolio.
- **Energy and Water Consumption, and GHG Emissions.** Chartwell’s environmental footprint (excluding waste) across the portfolio.

We are using the GRESB scorecard to track performance metrics changes and make measurable and sustainable year-over-year improvements in our sustainability program.

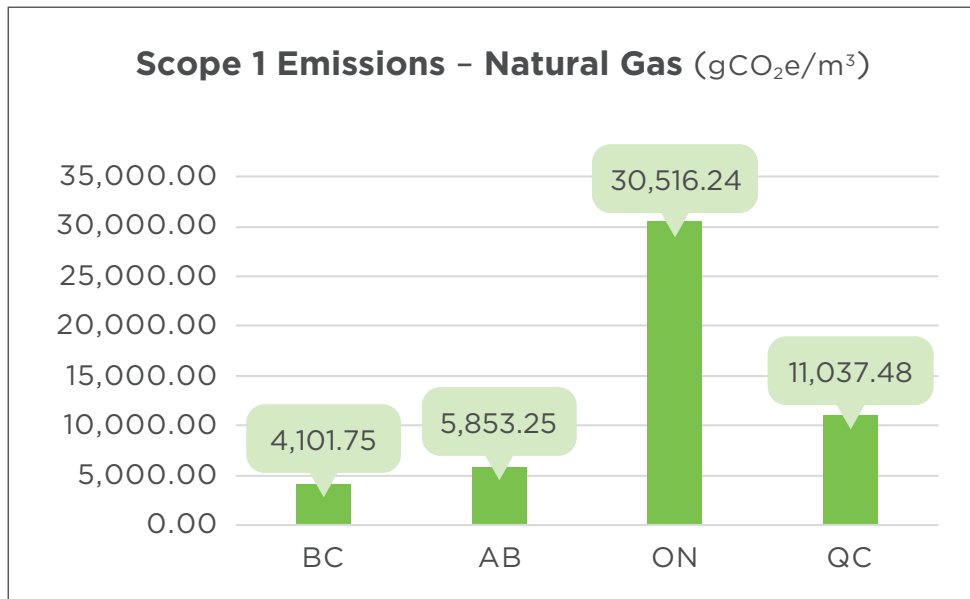
For the 2023 GRESB reporting year, we aim to:

- adopt a formal ESG tenant engagement program to facilitate resident communication and engagement on ESG related issues and opportunities;
- incorporate sustainability into performance evaluations and reward employees who have demonstrated their commitment to sustainability;
- focus on water conservation efforts to reduce water usage and costs by implementing water-efficient fixtures such as low-flow toilets and faucets, to reduce water usage and costs;
- communicate the organization’s sustainability goals and progress through regular communication channels, such as company newsletters, intranet, and meetings; and
- provide education and training to residents and employees alike on sustainability topics, such as energy efficiency, waste reduction, and sustainable procurement.

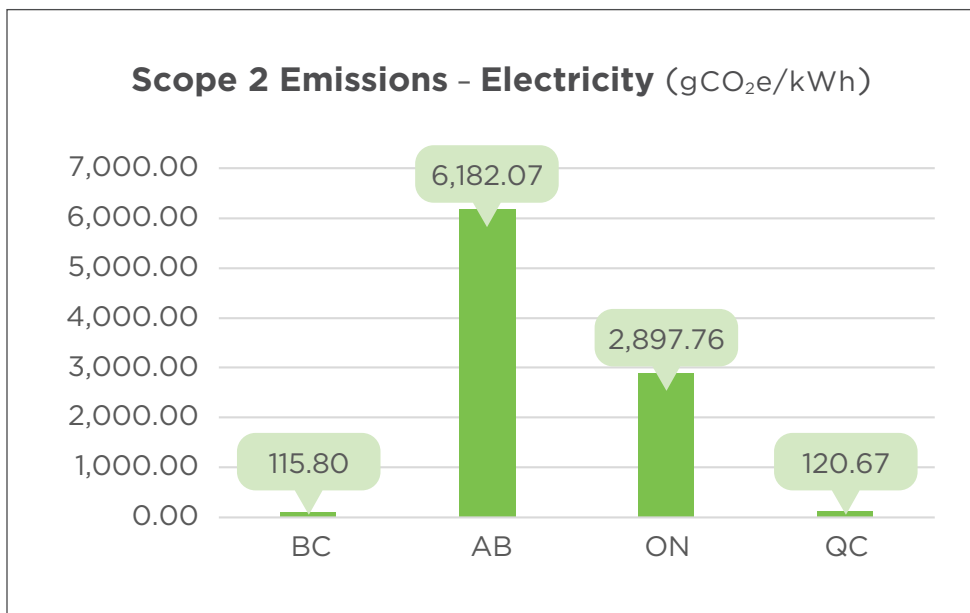
CHARTWELL'S GHG EMISSIONS

We engaged a third-party consultant to complete a greenhouse gas (“GHG”) inventory summary for the 2021 calendar year, as part of our GRESB submission.

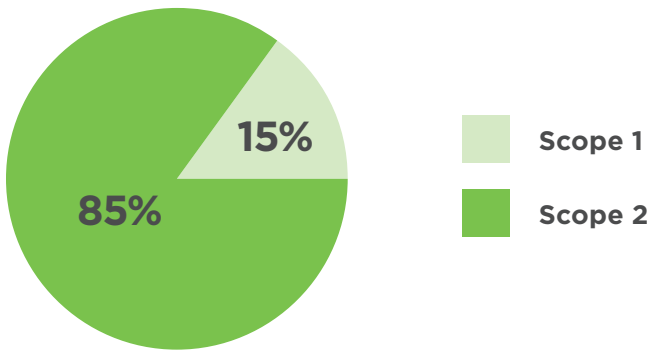
Chartwell’s Scope 1 Emissions, broken down by province, were as follows:



Chartwell’s Scope 2 Emissions, broken down by province, were as follows:



ANALYSIS OF CHARTWELL'S GHG EMISSIONS



Of all the carbon emissions generated by Chartwell, 15% are directly attributed to us as these are emissions from sources owned or controlled by Chartwell, such as combustion of fossil fuels in our boilers, vehicles and other direct emissions from the operations of a our residences – Scope 1 Emissions

Chartwell will continue taking steps to reduce our Scope 1 emissions by investing in renewable energy, improving energy efficiency, and, where possible, switching to low-carbon fuels. We are exploring avenues in which we can improve our collective energy efficiency in our residences, vehicles, and other processes – such as electrifying processes and equipment that previously relied on fossil fuels, including preferring electric vehicles in our fleet – to reduce the amount of energy consumed and lower overall emissions.

Scope 2 emissions are produced from our purchased energy and are outside the direct control of Chartwell as we do not control the energy generation. However, we are exploring options to reduce consumption of energy at our residences, including energy resulting in scope 2 emissions, through the deployment of environmentally friendly operational practices by our employees and residents.



Sustainable Procurement for Building Materials

At Chartwell, we take ethical and environmental considerations seriously when selecting suppliers for building materials. We expect our suppliers to prioritize environmental best practices in their specification proposals and focus on the entire life cycle of the materials, including the way they are made, used, transported, stored, packaged, and disposed of. We give preference to suppliers that align with environmental initiatives and best practices. By doing so, we ensure that our residences have a minimal impact on the environment and promote sustainability. The following are being considered in the selection of our suppliers:

- **Sustainability:** If product is certified at the Silver, Gold or Platinum Level in accordance with NSF/ANSI 140 the Sustainability Assessment for Carpet.
- **End of Life Recycling:** Cradle to Grave or Cradle to Cradle recycling.
- **Used Carpet Programs:** It will be expected that Installers will remove carpet and recycle regardless of manufacturer, fiber type or construction. Reclamation Agency and Carpet Remover shall certify in writing that Used Carpet was removed and recycled. Landfills are not an option.
- **Material Health:** Ensuring chemical ingredients in products are defined as net positive (either optimal/green or tolerable/yellow).
- **Water Stewardship Programs:** Demonstrate how water resources are used responsibly and efficiently and that the water discharge from factories into local rivers is as clean as possible.
- **Energy Management:** Such as participation in renewable energy systems, lowering of CO₂ emissions, etc.
- **Social Responsibility:** Policies and procedures that protect the basic human rights of workers.

Additional considerations will be made for suppliers who provide packaging/packing materials that meet at least one of, and preferably, all of the following criteria:

- **Made from 100% post-consumer recycled materials;**
- **Recyclable;**
- **Reusable;**
- **Non-toxic; and**
- **Biodegradable**



Retrofits And Refurbishments

Chartwell continuously seeks to improve and maintain our buildings, with a focus on reducing energy consumption. To achieve this, we have been finding practical solutions for our properties that make the highest impact in reducing our environmental footprint. Our portfolio of nearly 200 properties provides opportunities to invest in projects that improve the long-term sustainability of our assets, while generating reasonable annual returns.

SUSTAINABLE DESIGN ELEMENTS EMPLOYED BY CHARTWELL

Chartwell's approach to retrofitting our residences, incorporating a variety of sustainable practices, minimizes negative impacts on the environment and promotes the well-being of the people who use them. These benefits extend to our business through reduced costs and risks as well as increased resiliency:

- Chartwell employees Evidence Based Design (“EBD”) in our retrofit projects, a novel approach to designing care facilities, including senior residences, using the latest data and research on improving resident outcomes. We incorporated EBD elements in resident suites, common spaces and even staff working areas to account for natural light, views of nature and noise reduction, resulting in increased overall resident satisfaction and operational efficiencies.
- Building our spaces in a manner that focuses on the human connection between nature and the constructed environment using principles from nature in order to induce healing states in the body, we implemented bio-philic design elements in two Ontario retirement residences and one long term care facility in British Columbia in 2022, including living and moss walls.
- By replacing low-impact materials with quality, durable and longer lasting materials, Chartwell is actively reducing the impact of our residences on the environment through reducing energy and water consumption and minimizing waste.



WASTE REDUCTION

- We are retrofitting our residences from broadloom carpeting to tile carpeting, resulting in a reduction of waste contributing to landfill waste and pollution by as much as 42%. In addition, Chartwell utilizes Green Label Plus certified carpet tile that uses 40% less energy in production than traditional carpet tile, weighs 40% less than traditional carpet tile - creating carbon reductions in transport and increasing efficiency in installation and is low on volatile organic compounds (“VOCs”) that are harmful to the environment by oxidation to NO₂.
- Dekton, carbon neutral countertop material, is Chartwell’s standard for all common area countertop and solid surface renovations. As a durable, low-maintenance, recyclable, energy-efficient in production, and made from sustainably sourced materials, Dekton promotes waste reduction.
- In 2022, Chartwell completed a rigorous Request for Proposal for paint and wall coatings. We selected LEED certified painting that produces zero VOCs. Higher quality wall coatings mean more durability, less wear and tear, and better longevity, reducing overall waste from production to installation to disposal.

ENERGY EFFICIENCY

- **Lighting.** In 2022, Chartwell standardized LED lighting and engaged in major retrofit projects at Chartwell Terrace on the Square Retirement Residence and Chartwell Whispering Pines Retirement Residence, replacing all incandescent and fluorescent lighting. LED lighting is more energy efficient, resulting in energy savings of up to 80% and reducing overall energy consumption and greenhouse gas emissions.
- **Gas.** In 2022, Chartwell standardized high efficiency and energy efficient boilers, make-up air units and other gas-fired HVAC equipment and retrofitted 3 residences. This resulted in improved indoor air quality and energy savings of up to 50% per residence.
- **Building Sealants Replacement Program.** In 2022, Chartwell undertook four major sealant replacement projects, reducing energy consumption by up to 20% and preserving longevity of the building structure and enhancing structural strength.

WATER EFFICIENCY

- In 2022, Chartwell standardized the expected water consumption of its plumbing fixtures to a Maximum Performance (“MaP”) rating of 800 from the traditional plumbing fixtures rated at 350 MaP. Chartwell’s future plumbing fixtures will adhere to this standard.

The toilet equivalent of horsepower, higher MaP ratings toilets have been tested and rated to effectively remove more solid waste with a single flush. This means that they require less water per flush compared to toilets with lower ratings, reducing the overall water consumption. In addition, by using less water per flush and effectively removing waste with a single flush, toilets with higher MaP ratings reduce water waste. This helps to conserve water resources, as less water is being consumed in daily household activities.



Reduce, Reuse and Recycle

Purchasing sustainable products, building relationships with environmentally and socially sustainable vendors, and building a culture where sustainable purchasing is the norm are all critical components of a socially and environmentally sustainable purchasing program.

FRESH LOCAL INGREDIENTS

Chartwell has increased its supply of produce from local Canadian farmers. This reduces our carbon footprint relating to shipping and provides residents with fresher, better tasting and more nutritious food:

- **Fresh Dairy:** 100% Canadian in each province through our partnership with Agropur.
- **Fresh Bread:** 100% Canadian in each province through our partnership with Weston Bakeries.
- **Fresh Produce:** 25% sourced locally in-season between April-October and 70% sourced locally during peak summer season.
- **Beef and Poultry:** 80% of Poultry and Beef served at our residences is sourced in Canada.



BIODEGRADABLE PPE

Chartwell is now using grade A surgical Canadian made biodegradable masks that are made of polylactide, sourced from eco-friendly cornstarch and straw for our staff. In addition to reducing its carbon footprint relating to shipping, Chartwell is also diverting waste.



**2.5 MILLION BIODEGRADABLE MASKS
SHIPPED TO RESIDENCES IN 2022**
60,000 pounds of waste diversion
Equivalent to 4.5 full transport trucks of product

CORPORATE GOVERNANCE

LEADING WITH TRANSPARENCY
AND ACCOUNTABILITY

Corporate governance is a vital component to achieving our business objectives and properly managing risk. We are committed to corporate governance practices that promote long-term value creation, transparency, and accountability to our stakeholders. These practices are overseen by the Board and senior executive team who strive to adhere to the highest levels of ethics and oversight.

Corporate Governance

BOARD RENEWAL

Chartwell has renewed its Board significantly over its 19-year history and continues to implement a plan for Board renewal as we believe that smooth Board succession is an important responsibility.

Chartwell employs a robust Board evaluation process which ensures the Board renews itself appropriately and balances the benefits of experience with the need for new perspectives. Pursuant to Chartwell's Renewal and Diversity Policy (the "Policy"), annually, the Board identifies the key characteristics - skills, experience, knowledge, backgrounds, diversity and other personal attributes - desired of Directors and of the Board as a whole to best add value. The Board then assesses its overall effectiveness and the effectiveness of individual Directors through formal and informal internal and third-party evaluations.

Pursuant to the Policy, Chartwell's commitment to diversity on the Board includes business experience, functional expertise, geography, gender, orientation, persons with disabilities, visible minorities, age, indigenous people and other personal characteristics.

When identifying suitable candidates for appointment to the Board, Chartwell considers candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board. The Board is required to engage third-party executive search firms to identify candidates for appointment to the Board and any search firm engaged is specifically directed to include candidates of diverse genders, sexual orientation, disabilities, ages and/or visible minorities and indigenous people.



1/3 of Chartwell's directors are women

3/7 of Chartwell's independent directors are women¹

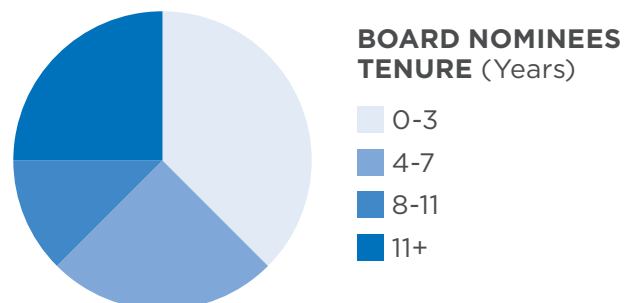
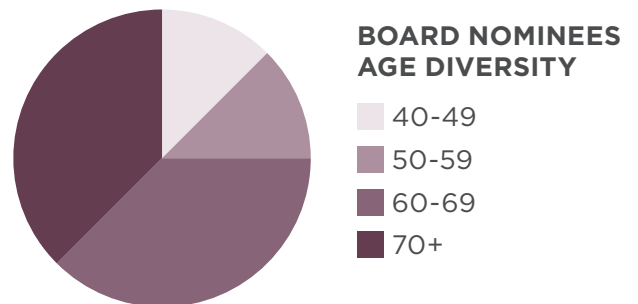
5.5 Years average tenure of independent directors

1. As of March 16, 2023, Chartwell has 8 independent directors.

UNITHOLDER ENGAGEMENT

Every year, Chartwell engages formally and informally with our Unitholders to discuss strategic, operational, financial, environmental, social and governance matters and receive their feedback. This process allows us to identify and consider the issues that are most important to our stakeholders, which is critical to our success.

In 2022, Chartwell's CEO and CFO conducted over 55 and 35 meetings with unitholders over the year, respectively.



Recognition For Good Governance

For the 20th year in a row, the Report on Business has rated the work of Canada's corporate boards using a rigorous set of governance criteria designed to go far beyond minimum mandatory rules imposed by regulators.

The David and Sharon Johnston Centre for Corporate Governance Innovation at the University of Toronto examined the boards of directors of 220 companies and trusts in the S&P/TSX Composite Index to assess the quality of their governance practices. Chartwell has been ranked in the top 20% of all Canadian companies since the inception of the publication.

In addition, after evaluating hundreds of companies, the Globe and Mail identified 73 organizations at the forefront of women in leadership positions. In its "Women Lead Here" publication, Chartwell has been consistently recognized for our leadership in gender diversity.



Value Stories

Our executive, management and departmental meetings all start with the sharing of values stories. These stories are of our people going above and beyond for our residents, our colleagues, and our communities. Stories like:



Doing the unasked, seeing a need and always going beyond sums up the dedication of our staff at Chartwell. At **Chartwell Willow** in Maple Ridge, BC, staff member Valia noticed resident Billie was starting to experience mobility challenges and didn't have a walker. So when Valia found out a close friend had a walker they were going to throw away, she arranged to get the walker to surprise Billie.

Change can be difficult for many people - that's why we trust in our staff to make the transition as easy as possible. Recently, Ilona at **Chartwell Lakeshore** did exactly that. "Ilona made one the most difficult times in my life with my mother not only seamless, but also stress free, and I can honestly say I could not have done this without her," writes her daughter in a message to our CEO.



Ethics, Compliance And Cybersecurity

Chartwell promotes the highest standards of business ethics through policies that require consistent and transparent corporate governance practices. Integrity and ethics are paramount for ensuring the sound operation of our company and mitigation of potential risks. We seek to mitigate cybersecurity risk through robust processes.

CODE OF CONDUCT

Chartwell has adopted a **Code of Business Conduct and Ethics (the “Code of Conduct”)** which sets out the expected practices and behaviours of its Trustees, Directors, Officers and all other employees of Chartwell in their interactions with residents, their families, service and product suppliers, co-workers and the various communities they serve. This includes prohibitions on bribery and kickbacks, related-party transactions, antitrust and anti-competition, employment discrimination and harassment, as well as occupational health and safety. The Code of Conduct requires the adherence to the highest ethical standards for Chartwell employees. Such standards are critical to Chartwell achieving its vision of **Making People’s Lives BETTER**.

DISCLOSURE CONTROLS

Chartwell has a **Disclosure Controls Policy** which governs how the Directors, senior management and employees of Chartwell are to communicate and interact with investors and members of the investment community. It sets out specific rules relating to trading in Chartwell’s securities by such persons, including trading restrictions and blackout periods. The Disclosure Controls Policy also sets out Chartwell’s strict prohibition on Directors and executives trading in any securities that are designed to hedge Chartwell securities.

WHISTLEBLOWER POLICY

Chartwell’s **Whistleblower Policy** sets out our expectations in regard to reporting any illegal or unethical behaviour without the threat of retaliation and provides whistle blowers with safe avenues to report misconduct. This policy is intended to improve accountability and contribute to an ethical workplace environment. It also protects against financial and reputational harm, reduces the cost of misconduct, promotes employee engagement and enhances governance oversight.

CYBERSECURITY RISK MANAGEMENT

Chartwell’s cybersecurity strategy is designed to protect the business, comply with applicable laws and regulations, and support its growth. To ensure its effectiveness, Chartwell follows the CIS Critical Security Controls framework to implement industry recommended safeguards and protect against advanced malware, data leakage, and denial of service attacks. Although Chartwell has not experienced any material financial losses relating to technology failures, cyber-attacks or security breaches, we remain vigilant. We also maintain a comprehensive Cyber Security Incident Response Plan that is reviewed annually to ensure the company can effectively respond to a possible cyber attack. To further compliment our information security program, we have in place appropriate cybersecurity insurance to help protect our business against cybersecurity risks and data breaches.

SAFEGUARDING PERSONAL INFORMATION

Chartwell is committed to respecting and protecting the privacy and confidentiality of the personal information that our residents and employees entrust to us. We comply with all legal and regulatory requirements related to privacy in the four Canadian provinces in which we operate. Chartwell’s Privacy Policy outlines our commitment to our customers and the 10 key privacy principles we embrace. The Privacy Policy also outlines the channels through which our customers can make and escalate privacy complaints. Our Privacy Officer oversees a privacy risk governance program, which sets out Chartwell’s policies and procedures for identifying, measuring, managing, mitigating and reporting privacy risk. All incidents involving suspected or actual breaches of privacy are reported to the Privacy Officer, who then manages Chartwell’s response.



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