

**SCHEDULE A**  
**EXTENDICARE INC.**

**STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

This statement of corporate governance practices sets out Extendicare Inc.'s ("**Extendicare**" or the "**Company**") overview of its corporate governance practices, as assessed in the context of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* "**NI 58-101**") and National Policy 58-201 – *Corporate Governance Guidelines* of the Canadian Securities Administrators. This overview has been prepared by the Governance and Sustainability Committee (the "**GS Committee**") and has been approved by the board of directors (the "**Board of Directors**", the "**Board**" or "**Directors**") of the Company.

**Overall Responsibilities of the Board**

The Board of Directors is responsible for the overall stewardship of the business and affairs of the Company, including overseeing the Company's financial and strategic planning and direction, as well as management's implementation of the Company's plans. In fulfilling its responsibilities, the Board delegates the day-to-day authority to management of the Company, while reserving the ability to review management decisions and exercise final judgment on any matter. The Board reviews and approves on an annual basis the corporate objectives developed and adopted by the senior management team. The Board discharges its responsibilities directly and through committees. The Board and committee members operate under charters that clearly define their roles and responsibilities.

**Independence of Directors**

Independence of the Board of Directors is essential to fulfilling its role in overseeing the Company's business and affairs. Pursuant to a resolution of the Board of Directors, the number of directors of Extendicare to be elected at the May 23, 2024 annual meeting of holders of common shares ("**Common Shares**") of the Company (the "**Shareholders**") has been fixed at nine. Information relating to each of the nine nominees proposed for election as directors of Extendicare is set out in the "Business of the Meeting – Election of Directors" section of the management information circular (the "**Information Circular**") relating to such meeting. The Board of Directors have determined that eight of these nine individuals are "independent", as determined in accordance with NI 58-101. By virtue of Dr. Guerriere's current role as President and Chief Executive Officer, he is a non-independent Director. All committees of the Board are composed entirely of independent Directors.

Details of other reporting issuers on which Directors also sit as board members are disclosed under "Business of the Meeting – Election of Directors" in this Information Circular. At present six of the nine nominees are independent board members of another publicly listed company, none of which exceed three such boards.

The roles of Extendicare's Chief Executive Officer (the "**CEO**") and Board Chairman are separate. The Board has implemented the practice of holding *in camera* non-management director meetings at each meeting of the Board to enable open and frank discussion.

**Director Attendance**

Board members are expected to attend all Board meetings and meetings of committees on which they serve. The Board met on 12 occasions during 2023, at which attendance averaged 97%. Each Director's attendance record at Board meetings held during the 2023 financial year is described under the "Business of the Meeting – Election of Directors" section of this Information Circular.

**Board Mandate**

The mandate of the Board of Directors is attached as Schedule B to this Information Circular.

**Position Descriptions**

The Board of Directors has developed a written position description for its Chairman and for the chair of each of its committees.

The Board of Directors has developed a written position description for the CEO that outlines the basic functions and responsibilities of the CEO. The CEO's responsibilities include, among other things: leading the business with the objective of providing quality care and service excellence to clients and customers; providing maximum profit and return on invested capital; establishing current and long-range objectives, plans and policies; representing Extendicare with its major clients, and the public, and building an industry leading management team.

## **Orientation and Continuing Education**

A handbook has been developed that contains Board of Directors and committee mandates, codes of conduct, policies and other relevant information. Materials are updated annually, or more frequently as necessary. To ensure that the members of the Boards remain fully informed about Extendicare's operations on a continuing basis, management reports on Extendicare's and its subsidiaries' activities and on various aspects relevant to the business on an on-going basis, during regularly scheduled Board meetings and through periodic mailings. Management from the main operating divisions are invited to Board of Directors meetings to provide the Directors with an overview of the current issues and business strategies. In addition, meetings are periodically combined with tours of the senior care centers of Extendicare so that the Directors can gain greater insight into the business operations.

## **Ethical Business Conduct**

Extendicare maintains an approved Business Conduct Policy for its directors, officers and employees, for which no waivers have currently been sought or granted. The Business Conduct Policy addresses conflicts of interest, confidentiality, protection of the assets, fair dealing, and compliance with laws, rules and regulations, and it encourages reporting of any illegal or unethical business practices. Anyone may obtain a copy of the Business Conduct Policy on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under Extendicare's issuer profile or on Extendicare's website at [www.extendicare.com](http://www.extendicare.com).

In circumstances in which the Board of Directors must consider transactions and agreements in respect of which a Director or executive officer has a material interest, the nature of such interest is declared, and the affected individual does not participate in the vote on the matter.

## **Nomination and Compensation of Directors**

Extendicare's GS Committee is composed of three members who are all independent Directors. On issues relating to the nomination of directors to the Board, the GS Committee makes recommendations as to the size and composition of the Board; reviews qualifications of potential candidates for election to the Board; recommends for the approval of the Board the nominees for the Board of Directors for presentation to each annual meeting of Shareholders; and makes recommendations with respect to the membership of committees. The GS Committee assesses the effectiveness of the Board, the committees and the contributions of individual Directors. These assessments include the use of formal surveys (see "Assessment of Directors"). The GS Committee identifies individuals who it believes bring the attributes necessary to ensure the Board consists of individuals with strengths in a number of different areas required to meet Extendicare's needs.

The GS Committee also oversees issues of governance as it applies to Extendicare and recommends amendments to governance procedures where appropriate. Any Director who wishes to engage outside advisors with respect to the affairs of Extendicare, at the expense of the Company, may do so by submitting a request through the GS Committee.

The GS Committee is also responsible for annually revising and recommending to the Board the compensation of the Board and committee members. In arriving at its recommendations, the GS Committee reviews external and internally prepared surveys to compare the compensation paid by the Company with compensation paid to directors in other organizations.

The GS Committee met on six occasions during 2023, with full attendance at each meeting.

## **Assessment of Directors**

The GS Committee is responsible for and has established a formal process for assessing the effectiveness of the Board and its committees and the contributions of individual directors.

The process for the assessment of board effectiveness as well as the contributions of individual directors, which includes peer review, is conducted over a three-year period and then repeated. In the first year of the process, as was the case in 2023, each director is interviewed, which may be facilitated by an external consultant, and asked to assess (i) the performance of every other board member and (ii) the overall performance of the Board as a whole and identify areas of improvement. The goal of the peer assessment is to provide candid feedback to individual Directors and to stimulate insight and motivate developmental action and enable Directors to enhance their individual contributions to Board and committee work. Directors are also asked to complete a short questionnaire on key dimensions of board effectiveness. The feedback is consolidated and a report developed for each director. The Chair then meets with each director to review results and develop an action plan specific to each director. The process concludes with the Board having a working session to review the results of the assessment and finalize a Board action plan. Both individual director plans and the board action plan are then tracked and augmented in each of the subsequent two years through surveys and one-on-one interviews with the Chair.

## **Diversity Among the Board and Executives**

Extendicare believes that a Board and senior management team consisting of highly qualified individuals that reflect the diverse populations of the communities in which Extendicare operates results in effective decision making and supports Extendicare's commitment to strong corporate governance. The Board has adopted a written diversity policy (the "**Diversity Policy**") by which Extendicare will promote diversity on the Board and senior management team. In support of the Diversity Policy, the GS Committee, in recommending future nominees for election to the Board and the President and CEO, in recruiting and hiring senior management, considers diversity criteria such as gender, race, religion, ethnicity, sexual orientation, physical ability, geographic representation, age and other characteristics of the communities in which Extendicare operates.

### ***Board Diversity***

The Board strongly believes in the benefits of a diverse Board, which include accessing a broader pool of qualified candidates and different perspectives, experiences and ideas which enhance decision making and provide the opportunity for innovation. Accordingly, consideration of the number of women who are directors, along with consideration of other diversity criteria, are important components of the selection process for nominees. In support of the Diversity Policy, when recommending nominees to the Board, the GS Committee develops and recommends strategies for identifying and attracting diverse candidates. Further, the Board has established that Extendicare will maintain a Board composition in which at least 30% of its directors are women.

As of the date hereof, three of the Company's nine Directors (33%) are women. Two of the Company's nine Directors (22%) self-identify as a visible minority, and none self-identify as a person with disabilities or as an Indigenous person. Adherence to the Diversity Policy will be assessed by the Board and the GS Committee on an annual basis. As part of the GS Committee's assessment, it will consider the level of representation on the Board of the various diversity criteria outlined in the Diversity Policy, including the representation of women. The Board will also have the opportunity to evaluate the Board's effectiveness, including effectiveness of the Diversity Policy, through the Board's self-assessment process, see "Statement of Corporate Governance Practices – Assessments of Directors", for more information. The GS Committee will review the Diversity Policy at least annually and may recommend changes in order to achieve the goals outlined in the Diversity Policy.

### ***Executive Diversity***

Extendicare employs a mix of formal and informal policies and practices, including the Diversity Policy and Business Conduct Policy, aimed at promoting a diverse workforce. The Company also focuses on the development and advancement of women, along with consideration of other diverse individuals, as an integral part of the senior management team, which includes both executive officers and senior positions reporting directly to executive officers. Extendicare considers many factors, including necessary skills and experience required when recruiting and hiring senior management. Diversity criteria, including level of representation of women in senior management, is also considered during recruitment and hiring. While there are currently no targets with respect to diversity in executive officer positions, Extendicare recognizes that in order to achieve a representative balance in senior management it must develop strategies for identifying and attracting candidates with diversities for recruitment. Such strategies include engaging the services of external advisors where necessary to help identify future candidates who possess the necessary skills and experience as well as developing its internal talent to ensure that where possible, there will be highly qualified persons within Extendicare available to fill vacancies. To that end, Extendicare has made it an organizational goal to identify and address obstacles that may hinder the progression of individuals with diversities into senior management.

As of the date hereof, twelve out of twenty executive officers (60%), including Extendicare's Senior Vice President and Chief Human Resources Officer, are women. One out of twenty executive officers (5%) self-identifies as a visible minority, and none self-identify as a person with disabilities or as an Indigenous person.

As part of the GS Committee's assessment of the Diversity Policy, it will consider the level of diversity, including gender diversity, visible minorities, persons with disabilities and Indigenous persons, in the senior management team. The GS Committee will also review the Diversity Policy at least annually and may recommend changes to achieve Extendicare's diversity goals for senior management.

The commitment to diversity, as well as its promotion, expressed in the Diversity Policy also applies to Extendicare's recruitment, hiring and advancement practices in respect of all of its employees.

## **Environmental, Social and Governance (“ESG”) Responsibility**

The Company has a stated mission to help people live better, an important pillar of which is ESG. The Board’s GS Committee has oversight of ESG, along with the Audit Committee in respect of ESG related financial information disclosure, with support and engagement from the Board and management. Extendicare is proud to share its latest ESG report attached as Schedule C to this Information Circular. Although this is only the Company’s second formal ESG report, Extendicare has always been committed to ESG and ESG conscious practices have long been interwoven throughout the Company’s strategy and operations, from the way the Company powers and retrofits its long-term care homes to the diversity of Extendicare’s personnel.

## **Majority Voting Requirements**

The statutory voting requirement for an uncontested election of directors under the Canada Business Corporations Act (the “**CBCA**”) allows Shareholders to vote “for” or “against” a director nominee in such an election, rather than “for” or “withhold” as was the case previously. A nominee must receive a majority of “for” votes to be elected to the Board. If a director nominee does not receive a majority of votes cast in favour of their election, they will not be elected and the Board position will remain open, except that an incumbent director will be permitted to remain in office for 90 days following the vote or until a successor is appointed or elected, whichever is earlier. In light of these statutory majority voting requirements applicable to the Company under the CBCA, the Board of Directors has revoked the Company’s Majority Voting Policy.

At the meeting of shareholders of the Company held on May 29, 2023, each director was elected by at least a majority of the votes cast by proxy or in person at such meeting.

## **Board Renewal**

Extendicare is committed to Board refreshment. To strike a balance between retaining directors with deep knowledge of the Company and adding directors with a fresh perspective, the Board will seek to maintain an average tenure of 12 years or less for its independent directors as a group. As of April 4, 2024, the average tenure is seven years. In addition, the Board believes that its robust Board evaluation and peer review process described above also assists in achieving the appropriate level of renewal of the Board’s membership. As part of that process, the Board periodically reviews its composition to ensure that it continues to have the ideal mix of skills, perspectives, experience and expertise to effectively oversee management, and provide fresh ideas and viewpoints while not losing the insight and experience of longer serving directors and in particular their in-depth knowledge of the Company. The Company believes that it is important to achieve an appropriate balance of both, to ensure the effectiveness of the Board. In addition, the Board assessment and peer review process encompasses an assessment of the independence of directors, including any impacts on a Directors’ independence as a result of their tenure on the Board.

## **Compensation of Senior Management**

Extendicare’s Human Resources Committee (the “**HR Committee**”) is composed of four members who are all independent Directors. The HR Committee reviews the compensation of senior management with a view to ensuring that the level of compensation reflects performance. The HR Committee recommends to the Board of Directors for its approval the compensation to be given to the CEO and other senior executives of Extendicare and its subsidiaries. The HR Committee is responsible for planning succession to the position of the CEO and for reviewing the performance of the CEO on an annual basis, and for monitoring the development of senior management. Further information on how the HR Committee determines the compensation of the CEO and senior officers can be found under “Compensation Discussion and Analysis” in this Information Circular.

## **Executive Succession Planning**

Extendicare has established an ongoing review of, and succession plans for, members of its senior leadership team, including the President and CEO. The results culminate in an executive management succession plan and talent management plan which is reported to and discussed at least annually with the HR Committee. The Board monitors the development and performance of the President and CEO and other senior management against such plans and determines hiring, internal moves and development in support of the plans.

Extendicare recognizes that successful succession planning requires adequate talent management, including strategies for both identifying and attracting future candidates who possess the necessary skills and experience, as well as developing its internal talent to ensure that, where possible, there will be highly qualified candidates within Extendicare to fill vacancies.

## **Say on Pay**

Since 2010, Shareholders have participated in an annual non-binding advisory vote on Extendicare's approach to executive compensation, commonly known as "Say on Pay", which gives Shareholders the opportunity to endorse or not endorse Extendicare's approach to its executive compensation program.

At the annual meeting of Extendicare held in May 2023, 96.89% of the Shareholders voted in favour of Extendicare's approach to executive compensation.

The Board of Directors' policy on "Say on Pay", as adopted in 2010, is summarized in this Statement of Corporate Governance Practices, a full copy of which is posted on the Company's website at [www.extendicare.com](http://www.extendicare.com), and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under Extendicare's issuer profile. The Board of Directors believes that this policy is meaningful to its Shareholders and is substantially consistent with that proposed by the Canadian Coalition for Good Governance and with other issuers.

The Board of Directors believes that Shareholders should have the opportunity to fully understand the objectives, philosophy and principles the Board of Directors has used in its approach to executive compensation decisions and to have an advisory vote on the Board's approach to executive compensation.

The result of the advisory vote will be disclosed as part of the Company's report on voting results for its annual meeting. The HR Committee and the Board will take the results of the vote into account, as appropriate, together with feedback received from Shareholders, when considering future compensation policies, procedures and decisions. In the event that a significant number of Shareholders oppose the resolution, the Board will consult with its Shareholders (particularly those who are known to have voted against it) to understand their concerns and will review the Company's approach to compensation in the context of those concerns. Shareholders are encouraged to contact the Board of Directors to discuss their specific concerns.

## **Shareholder Engagement**

The Board of Directors believes that active engagement with Shareholders and other stakeholders is important to facilitating open, informed and constructive dialogue with Shareholders and accordingly has adopted a Shareholder Engagement Policy. In addition to the Company's annual Shareholder meeting and quarterly results presentations, all of which are webcast and broadly available, senior management also meet with Shareholders through investor conferences and individual meetings.

The Board appreciates that active communication and engagement with Shareholders is an important part of its oversight of the Company.

Management is principally responsible for Shareholder communications and engagement, and Shareholders may communicate their views to management through Extendicare's investor relations group by contacting:

**In writing:** Extendicare Inc.  
Attention: Vice President, Investor Relations  
3000 Steeles Avenue East, Suite 400  
Markham, ON L3R 4T9

**By email:** [investor.relations@extendicare.com](mailto:investor.relations@extendicare.com)

At the same time, the Board wishes to ensure there is the opportunity for direct dialogue between Directors and Shareholders. Shareholders are encouraged to initiate communications directly with the Board. To do so, Shareholders should deliver a sealed envelope or email, in each case marked "Confidential", to:

**In writing:** Extendicare Inc.  
Attention: Chairman of the Board  
3000 Steeles Ave. East, Suite 400  
Markham, Ontario L3R 4T9

**By email:** [chairman@extendicare.com](mailto:chairman@extendicare.com)

The Board also reaches out to key shareholders periodically, either directly or with the assistance of Extendicare's Investor Relations team, and offers to meet with them to discuss any matters of interest.

The GS Committee will ensure that shareholder engagement is considered annually and discussed in the Committee's annual report to the Board.

## **Other Board Committees**

In addition to the HR Committee and the GS Committee described above, Extendicare's other standing committees are the Audit Committee, the Quality and Risk Committee (the "**QR Committee**") and the Investment Committee (the "**INV Committee**"). From time to time, the Board may also establish special committees to review and make recommendations on specific matters. Copies of each of the committee's mandates may be found on the Company's website at [www.extendicare.com](http://www.extendicare.com).

Information on the Audit Committee, required by National Instrument 52-110 – *Audit Committees*, is disclosed in the Company's 2023 Annual Information Form under "Audit Committee Information", which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under Extendicare's issuer profile.

## **Quality and Risk Committee**

Extendicare's QR Committee is composed of four independent Directors. The primary objective of the QR Committee is to assure that Extendicare and its operations have in place the programs, policies and procedures, including an enterprise-wide risk management framework and action plan, to support and enhance the quality of care provided and compliance with applicable health care laws and regulations. The QR Committee's responsibilities include providing oversight of Extendicare's clinical, compliance and quality programs; monitoring Extendicare's clinical performance and outcomes against internal and external benchmarks; reviewing policies, procedures and standards of conduct designed to provide the appropriate quality of care, client safety and compliance with applicable laws and regulations; and overseeing and monitoring the Company's enterprise risk management framework, overall risk profile and risk management policies, procedures and programs. The QR Committee met on four occasions during 2023, at which attendance averaged 94%.

## **Investment Committee**

Extendicare's INV Committee is composed of four independent Directors. The primary objective of the INV Committee is to review and, if deemed advisable, recommend to the Board acquisition, investment and divestiture transaction proposed by senior management of the Company that exceed senior management's authority. The INV Committee's responsibilities include reviewing such transactions with management and periodically reviewing the execution, financial results and integration of completed acquisition and investment transactions.

**SCHEDULE B**  
**EXTENDICARE INC.**  
**MANDATE OF THE BOARD OF DIRECTORS**

The board of directors (the “**Board**”) of Extendicare Inc. (“**Extendicare**” or the “**Company**”) is responsible for the stewardship of the business and affairs of the Company, including the strategic planning process, approval of the strategic plan, the identification of principal risks and implementation of systems to manage these risks.

The Board has the responsibility to oversee the conduct of the business of the Company and to supervise management, which is responsible for the day-to-day conduct of the business. The Board’s fundamental objectives are to enhance and preserve the business of the Company and its underlying value. In performing its functions, the Board should consider the legitimate interests its stakeholders, such as employees, customers and communities, may have in the Company. In supervising the conduct of the business, the Board, through the Chief Executive Officer of the Company (the “**CEO**”), shall set the standards of conduct for the enterprise.

The following points outline the key principles or guidelines governing how the Board will operate to carry out its overall stewardship responsibility.

**Number of Directors**

The articles of the Company provide that the Board may have a minimum of one director and a maximum of twenty directors, with the number of directors from time to time within such range being fixed by resolution of the Board. The ideal size of the Board will provide a diversity of expertise and opinion, as well as efficient operation and decision-making. At least 25% of the directors of the Company shall be resident Canadians.

The governance and sustainability committee of the Board (the “**GS Committee**”) will review the size of the Board annually and make a recommendation to the Board if it believes a change in the size of the Board would be in the best interests of the Company. The Board should have an appropriate mix of skills, knowledge and experience in the business and an understanding of the industry in which the Company operates. Directors are required to commit the requisite time for all of the business of the Board and to demonstrate integrity, accountability and informed judgment. At least a majority of the Board will be comprised of directors who are determined to be “independent”, as defined in applicable securities laws and the rules or guidelines of any stock exchange upon which the securities of the Company are listed for trading.

**Director Nomination**

The GS Committee shall be responsible for recommending to the Board suitable candidates for nominees for election as directors.

**Election and Term**

Directors shall be elected by the shareholders at each annual meeting of shareholders to hold office for a term expiring at the close of the next annual meeting. The directors may, between annual meetings of shareholders, appoint one or more additional directors for a term to expire (subject to further appointment) at the close of the next annual meeting of shareholders, but the number of additional directors so appointed shall not at any time exceed one-third of the number of directors who held office immediately after the expiration of the immediately preceding annual meeting of shareholders.

**Vacancy**

A quorum of directors may fill a vacancy among the directors, except a vacancy resulting from an increase in the minimum and maximum number of directors or from a failure to elect the minimum number of directors provided for in the articles. If there is not a quorum of directors, or if there has been a failure to elect the minimum number of directors provided for in the articles, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any shareholder. A director appointed or elected to fill a vacancy shall hold office for the unexpired term of their predecessor.

**Review of Independence of Outside Directors**

The GS Committee will review on an annual basis any relationship between outside directors and the Company which might be construed in any way to compromise the designation of any director as being independent or unrelated to the Company. The objective of such review will be to determine the existence of any relationships, to ensure that the composition of the Board remains such that at least a majority of the directors are independent and unrelated and that where relationships exist, the director is acting appropriately. A director should bring to the attention of the Chairman and the GS Committee any potential conflicts of interest as they arise.

Directors shall disclose all actual or potential conflicts of interest and refrain from voting on matters in which the director has a conflict of interest. In addition, a director should excuse themselves from any discussion or decision on any matter in which the director is precluded from voting as a result of a conflict of interest or which otherwise affects their personal, business or professional interests.

### **Board Meetings**

Meetings of the directors shall be called and held in accordance with By-Law No. 1 of the Company. The Board may invite any of Extendicare's officers, employees, advisors or consultants or any other person to attend meetings of the Board to assist in the discussion and examination of the matters under consideration by the Board. Attendees will be excused for any agenda items that are reserved for discussion among directors only.

### **Committees**

The directors may appoint from their number one or more committees of directors and, subject to By-Law No. 1 of the Company, may grant or delegate to the committees such authority and such powers as the directors may in their sole discretion deem necessary or desirable. Unless otherwise determined by the directors, a quorum for meetings of any committee shall be a majority of its members and each committee shall have the power to appoint its chairman. Each member of a committee shall serve during the pleasure of the directors and, in any event, only so long as they shall be a director.

The Board shall appoint from among the directors an audit committee of the Board (the "**Audit Committee**") to consist of not less than three members. The composition of the Audit Committee shall comply with applicable securities laws, including National Instrument 52-110 – *Audit Committees*.

### **Board and Committee Meeting Agendas and Information**

The Chairman and the CEO, in consultation with the Secretary, will develop the agenda for each Board and committee meeting. Agendas will be distributed to the Board or committee members before each meeting, and all members shall be free to suggest additions to the agenda in advance of the meeting.

Whenever practicable, information and reports that are important to the Board's or committee's understanding of meeting agenda items will be circulated to the directors and committee members in advance of the meeting. Reports may be presented during the meeting by members of the Board, management and/or staff, or by invited outside advisors. It is recognized that under some circumstances, due to the confidential nature of matters to be discussed at a meeting, it may not be prudent or appropriate to distribute written materials in advance.

### **External Advisors**

Each director shall have the authority to retain outside counsel and any other external advisors as appropriate with the approval of the GS Committee.

As well, the Board or any of its committees may conduct or authorize investigations into any matters within their respective scope or responsibilities. As such, the Board or any of its committees are authorized to retain and determine funding for independent professionals to assist in the conduct of any such investigation.

### **Contacts with Senior Management**

All of the directors shall have open access to senior management of Extendicare. It is expected that directors will exercise judgment to ensure that such contact is not disruptive to the operations of Extendicare. Written communications from directors to members of management shall be copied to the Chairman and CEO of the Company.

### **Board/Committee Assessment**

The Board, through the GS Committee, shall establish and conduct orientation and education programs for new directors through which the performance expectations for members of the Board shall be communicated. The GS Committee shall implement a process for assessing the effectiveness of the Board as a whole, the committees and the contributions of individual directors, which may include the use of periodic formal surveys.

### **Senior Management Succession Planning**

The Board shall have responsibility for the appointment and evaluation of the performance of the CEO and senior officers of the Company and its subsidiaries and shall require the human resources committee of the Board (the "**HR Committee**") to make recommendations with respect to such matters. The HR Committee shall monitor, review and provide guidance in respect of executive management training, development and succession planning.



## **Directors' and Senior Management Compensation**

The GS Committee shall be responsible for making recommendations to the Board concerning the compensation of directors, and the HR Committee shall be responsible for making recommendations concerning the CEO and senior officers of the Company and its subsidiaries. The recommendations of the HR Committee shall include the adequacy and form of compensation, including the use of incentive programs and awards made pursuant thereto. The HR Committee shall review senior management's performance against the objective of maximizing shareholder value, measuring their contribution to that objective, and overseeing compensation policies.

## **Strategic Planning**

The Board will adopt a strategic planning process to establish the objectives and goals for Extendicare's business, approve the strategic plans and monitor corporate performance against those plans.

## **Managing Risk**

The Board shall have overall responsibility for assessing the principal risks facing the Company, ensuring the implementation of the appropriate strategies and systems to manage such risks, and reviewing any material legal matters relating to the Company as a whole or its investment in any major operating business.

## **Communications Policy**

The Board shall approve Extendicare's core public disclosure documents disseminated to shareholders and the investing public, including the annual report, management information and proxy circular, annual information form, interim quarterly reports and any prospectuses. The Audit Committee shall review and recommend for approval to the Board the quarterly and annual financial statements, including the related management's discussion and analysis, press releases relating to financial matters and any other financial information contained in core public disclosure documents. The Board requires that Extendicare make accurate, timely and effective communication to shareholders and the investment community.

The Board shall have responsibility for reviewing the Company's policies and practices with respect to disclosure of financial and other information, including insider reporting and trading. The Board shall approve and monitor the disclosure policies designed to assist the Company in meeting its objective of providing timely, consistent and credible dissemination of information, consistent with disclosure requirements under applicable securities law. The Board shall review the Company's policies relating to communication and disclosure on an annual basis.

Generally, communications from shareholders and the investment community will be directed to either of the Chief Executive Officer, Chief Financial Officer, Director of Investor Relations, or Corporate Secretary of Extendicare to provide an appropriate response depending on the nature of the communication. It is expected that, if communications from stakeholders are made to the Chairman or to other individual directors, management will be informed and consulted to determine any appropriate response.

## **Internal Control and Management Information Systems**

The Board shall review the reports of management of Extendicare and the Audit Committee concerning the integrity of the Company's internal control and management information systems. Where appropriate, the Board shall require management of Extendicare and the Audit Committee to implement changes to such systems with a view to ensuring integrity of such systems.

## **Corporate Governance Policy**

The Company shall make full and complete disclosure of its system of corporate governance on an annual basis in its annual shareholder documents and/or securities commission filings where required, and on its website. The Board, through the GS Committee, shall have the responsibility for developing the Company's approach to governance issues, including the responsibility for this disclosure.

## **Environmental, Social and Governance ("ESG")**

The Board, through the GS Committee, shall oversee and monitor the Company's ESG strategy, including execution against the ESG strategy by management. The GS Committee is accountable for public ESG reporting, along with the Audit Committee in respect of ESG related financial information disclosure, and it is expected that the GS Committee will regularly review general ESG trends and internal Company reports regarding ESG impacts. Where appropriate, the GS Committee may implement processes required to ensure the integration of ESG priorities into the Company's business practices. Ultimately, the GS Committee is responsible for making recommendations to the Board in respect of ESG and ensuring the Company's continuing commitment to ESG.