

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2025

February 26, 2026

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EXPLANATORY NOTES

The information in this AIF is stated as at February 26, 2026, unless otherwise indicated.

For an explanation of the capitalized terms and expressions and certain defined terms used in this AIF, please refer to the "Glossary" at the end of this AIF.

All references in this AIF to "Chartwell", "we", "our" and "us", unless the context otherwise requires, mean Chartwell Retirement Residences and its subsidiaries. For ease of reference, the term "Chartwell" has then been used extensively throughout this AIF in reference to the ownership, operation and development of seniors housing residences and the seniors housing operations management business of Chartwell. Chartwell owns all of the debt and equity of CSH Trust, which in turn controls the Operator. Actual direct and indirect ownership interests are held by, and the operation of the seniors housing residences management business is conducted by, the Operator which holds both direct and indirect freehold interests and long-term leasehold interests. For ease of reference, the terms "own", "owned" or "ownership" in reference to Chartwell's Properties include such long-term leasehold interests and joint venture interests.

All references in this AIF to "suite" when used in relation to a seniors housing residence that is an ISL Residence or an AL Residence mean a separate living unit comprising living room/bedroom areas generally in a congregate living setting; and when used in relation to a LTC Residence mean a long-term care bed in such a residence. Based on the nature of the Operator's business, suites may be reconfigured from time to time to meet residents' needs, such that the actual number of suites within a residence may vary from time to time. Additionally, all references to "income-producing" suites mean suites which are available for lease, whether in Lease-Up or Stabilized. For the purposes of segmented financial reporting and management's discussion and analysis, Chartwell categorizes residences as LTC Residences based on the predominant level of care provided, the type of licensing and funding provided, and Chartwell's internal management responsibility. For the purposes of this AIF, residences are classified as LTC Residences solely on the basis of the predominant level of care provided, and accordingly, the number of LTC Residences reported is higher than referred to in Chartwell's management's discussion and analysis.

The information contained on our website at www.chartwell.com, including Chartwell's ESG Report, is not intended to be included in or incorporated by reference into this AIF.

All references to "dollars" or "$" are to Canadian dollars, unless otherwise indicated.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This AIF contains forward-looking information based on management's expectations, estimates and projections about the future results, performance, achievements, prospects or opportunities for Chartwell and the seniors housing industry as of the date of this AIF. Forward-looking statements refer to, without limitation, possible events, statements with respect to possible events, Chartwell's ability to maintain its status as a mutual fund trust, our business, development and portfolio management strategies and expected results of such strategies, expected capital expenditures, expected timing of closings of, and proceeds, from acquisitions and dispositions, market demand, unitholder returns, capital requirements and financing activities including issuances of Units under the ATM Program, anticipated cash flows, investment restrictions and indebtedness, operating and development costs, impact of certain litigation, government regulation of the seniors housing industry, possible portfolio management, co-investment and development opportunities, intentions regarding its remaining ownership interests in LTC Residences, expected taxes payable, classification and payment of distributions, Chartwell's objectives, Chartwell's internal growth, industry profile and competitive advantages, Chartwell's use of artificial intelligence, Chartwell's ESG practices and targets and its relationship with its unionized employees. The words "plans", "expects", "is expected", "budget", "scheduled", "estimates", "intends", "anticipates", "projects", "believes", "aims", "timeline", "forecast", "outlook", "potential", "prospects", "strategy", "target", "maintain" or positive and negative variations of such words and phrases or statements to the effect that certain actions, events or results "may", "will", "could", "should", "would", "might", "occur", "be achieved" or "continue" and similar expressions identify forward-looking statements.

Forward-looking statements are based on a number of estimates and assumptions that, while considered reasonable by Chartwell as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Chartwell's estimates and assumptions, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein as well as assumptions about:

(a) Chartwell's business strategy and the achievement of its objectives and priorities;

(b) the expected costs and completion dates of communities under development;

(c) Chartwell's ability to renew maturing debt in due course;

(d) the occurrence and resolution of a pandemic, epidemic or outbreak of a contagious disease, such as COVID-19;

(e) the impact of new laws and regulations in Canada, and the likelihood of continued funding of Chartwell programs by government agencies; and

(f) tax laws and taxes that are expected to be payable in future years under the SIFT Rules.

In addition, certain specific assumptions were made in preparing forward-looking information including growth in revenue and service fees, growth in occupancy rates due to industry demand, growth in operating expenses including continued growth in labour costs as a result of labour shortages and market conditions, continued access to Canada Mortgage and Housing Corporation's mortgages at competitive rates, continued access to capital markets which will continue to provide Chartwell with access to equity and/or debt at reasonable rates to meet financial and operating needs, no unforeseen changes to tax laws and our ability to maintain our status as a mutual fund trust. While Chartwell anticipates that subsequent events and developments may cause Chartwell's views to change, Chartwell does not intend to update this forward-looking information, except as required by applicable securities laws. This forward-looking information represents Chartwell's views as of the date of this AIF and such information should not be relied upon as representing Chartwell's views as of any date subsequent to the date of this document. Chartwell has attempted to identify important factors that could cause actual results, performance or achievements to vary from those current expectations or estimates expressed or implied by the forward-looking information. See "Risk Factors" in this AIF, "Risks and Uncertainties" in our management's discussion and analysis, and risk factors highlighted in materials filed with the securities regulatory authorities in Canada from time to time. However, these factors are not intended to represent a complete list of the factors that could affect us. There may be other factors that cause results, performance or achievements not to be as expected or estimated and that could cause actual results, performance or achievements to differ materially from current expectations. **There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those expected or estimated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.**

CHARTWELL

Chartwell is in the business of providing care for Canada's seniors. Our vision is Making Peoples' Lives Better. We are passionate about what we do because we know we are positively impacting the lives of many. We are committed to providing a safe and fulfilling environment for our residents, peace of mind for their families, and an engaging and rewarding place to work for our employees.

Chartwell is an unincorporated, open-ended real estate trust which indirectly owns and operates a complete range of seniors housing communities from independent living through assisted living to long-term care. It is one of the largest owners and operators of senior residences in Canada. Chartwell's priority is the health and safety of its residents. It also strives to deliver exceptional services and quality care to its residents and ensure high resident and family satisfaction, which Chartwell believes is the best way to enhance occupancy and grow revenues. Chartwell intends to capitalize on the strong demographic trends present in its markets to maximize the value of its existing portfolio of retirement residences and prudently avail itself of opportunities to grow internally, through development and through acquisitions.

CORPORATE STRUCTURE

Name and Incorporation

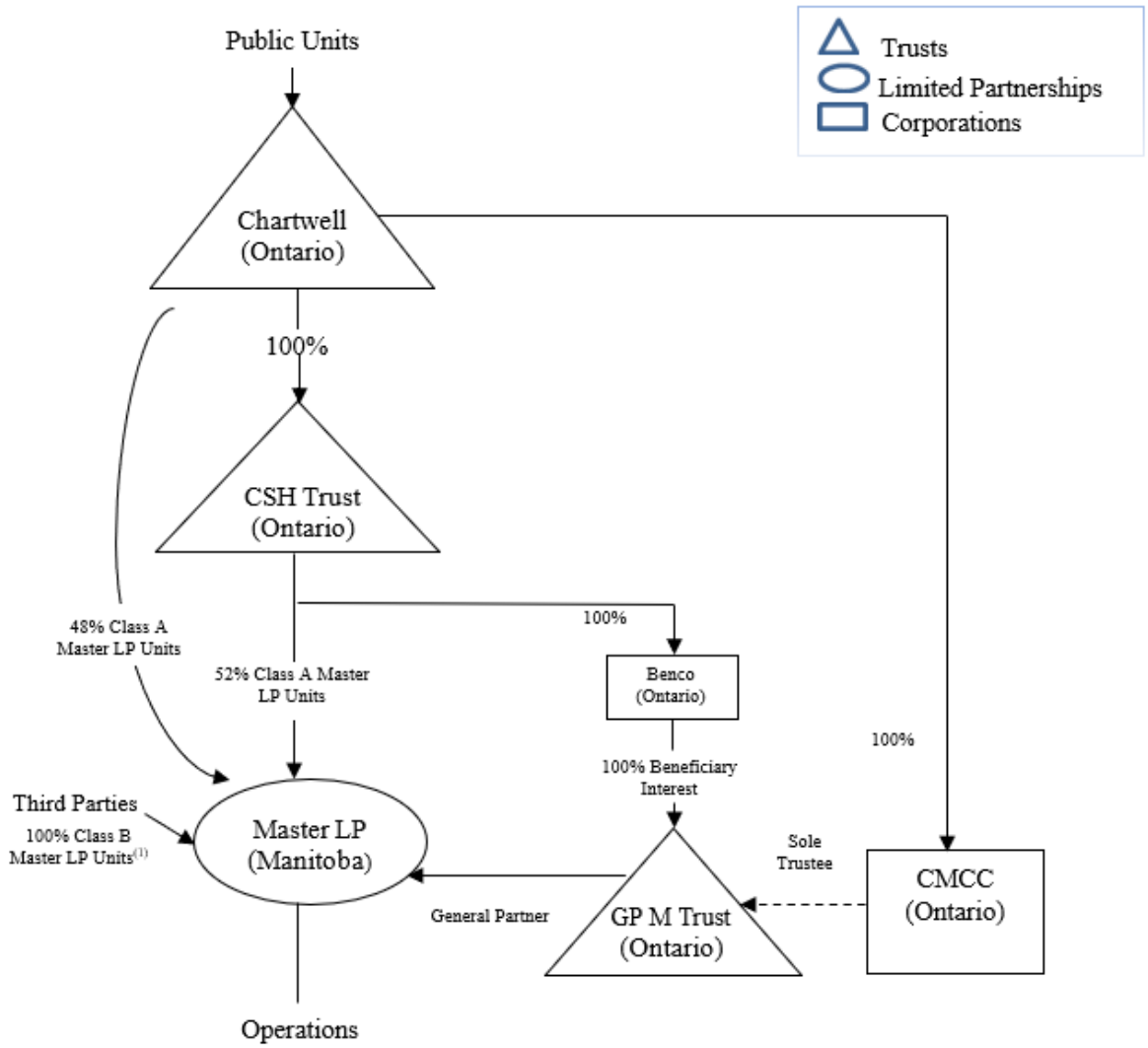
Chartwell Retirement Residences is an unincorporated open-ended real estate trust governed by the laws of the Province of Ontario, created as of July 7, 2003, and subsisting under the Declaration of Trust. Chartwell's head office is located at 7070 Derrycrest Drive, Mississauga, Ontario, L5W 0G5.

CSH Trust is an unincorporated open-ended real estate trust governed by the laws of the Province of Ontario, created as of September 8, 2003, and subsisting under the CSH Trust Declaration. Chartwell owns all of the CSH Trust Units. CSH Trust holds 52% and Chartwell holds 48% of the issued and outstanding Class A Master LP Units, and CSH Trust holds 100% of the issued and outstanding common shares of Benco. Master LP is a limited partnership created under the laws of the Province of Manitoba as of September 30, 2003, and subsisting under the Master LP Partnership Agreement. Master LP, together with its subsidiaries and General Partner (collectively, together with entities in which Master LP directly or indirectly has a joint venture interest, the "Operator") carries on the business of the operation of seniors housing residences.

The general partner of Master LP is GP M Trust, a trust established under the laws of the Province of Ontario as of 2003. GP M Trust's sole trustee is CMCC, a corporation formed under the laws of the Province of Ontario and wholly owned by Chartwell. GP M Trust's sole beneficiary is Benco, which is wholly owned by CSH Trust.

Intercorporate Relationships

The following chart illustrates, on a simplified basis, the intercorporate relationships of Chartwell as at February 26, 2026.



(1) Indirectly exchangeable into Units on a one-for-one basis and are accompanied by Special Voting Units.

GENERAL DEVELOPMENT OF THE BUSINESS

History of the Business

The following is a summary of the significant events that have influenced Chartwell's business in each of the past three years.

2023

On January 31, 2023, Chartwell entered into an amending agreement for the LBA to increase the AFFO payout ratio requirement for the period ending December 31, 2023 and extend the debt service coverage relief period to June 30, 2024.

On March 24, 2023, Chartwell completed the sale of one non-core property, Chartwell Kanata Retirement Residence (82 suites), located in Ontario for a sale price of $5.0 million. A vendor take-back mortgage was extended to the purchaser in the amount of $3.9 million, bearing an interest rate of 10.0% per annum with a three-year term. Of the remaining purchase price, $325,000 was held back as a deposit for transition services and $275,000 as potential income support guarantee payments and the remainder of the purchase price was paid in cash. The holdback was settled with the full amount of the income support guarantee being paid to the purchaser. The vendor take-back mortgage is expected to be paid out on March 5, 2026.

In April 2023, Chartwell Riverpark Retirement Residence (161 units) in Nepean, Ontario ceased operations. The vacant property was sold on December 11, 2023 for a sale price of $13.9 million.

On April 18, 2023, Chartwell entered into amending agreements to extend the maturity date of the 2017 Credit Facilities with a combined maximum potential capacity of $400.0 million from May 29, 2024 to May 29, 2025 with substantially the same terms.

On May 15, 2023, Chartwell announced the departure of Sheri Harris from the role of Chief Financial Officer. Jonathan Boulakia, Chief Investment and Chief Legal Officer was appointed Chief Financial Officer on an interim basis.

On July 17, 2023, Chartwell Rideau Retirement Residence (109 suites) was closed, with the majority of the residents in this property relocating to another Chartwell retirement residence in the area. Chartwell completed the sale of the property for an alternative use on August 23, 2023 for a purchase price of $17.5 million paid in cash.

On August 4, 2023, Chartwell entered into an unsecured delayed draw credit facility with a syndicate of Canadian financial institutions. The facility had a maximum capacity of $200.0 million with a maturity date of May 29, 2025. The facility was available any time prior to December 11, 2023 as required to repay the maturing 3.786% Series A senior unsecured debentures. The facility was not drawn and the availability has been terminated.

On September 6, 2023, Chartwell completed the sale of 16 Ontario long term care homes with 2,418 beds to AgeCare Health Services Inc. ("AgeCare") and Axium Infrastructure Inc. ("Axium") and its affiliates along with the transition of Chartwell's Ontario long term care home management platform (the "LTC Transaction") previously announced on March 31, 2022. The gross sale price for the LTC Transaction was $378.7 million. Net proceeds, after property-specific debt, working capital adjustments, transaction costs, and taxes was $150.7 million which was used to pay down amounts outstanding on Chartwell's Secured Credit Facility (see "Financing").

On November 1, 2023, Chartwell completed the sale of a vacant property located in Smith Falls, Ontario for a sale price of $2.3 million. A vendor take-back mortgage was extended to the purchaser in the amount of $1.8 million with a three-year term. The remaining purchase price was paid in cash.

On November 1, 2023, Chartwell completed the construction of the expansion development of 89 independent supportive living apartments to the existing 109 ISL apartments at Chartwell Ridgepointe Retirement Residence in Kamloops, British Columbia. Development costs were approximately $33.0 million.

On November 9, 2023, Chartwell entered into a definitive agreement with Welltower to wind-up the existing joint venture arrangements between Chartwell and Welltower (the "Restructuring Agreement"). Under the terms of the Restructuring Agreement, Chartwell conveyed its ownership interest in 23 assets (the "Welltower Assets") to Welltower for consideration of: (i) Welltower's ownership interest in 16 assets (the "Chartwell Assets") and (ii) $93.1 million in cash (the "Welltower Transaction"). Net proceeds to Chartwell after transaction costs of $12.9 million and taxes of $1.8 million was $78.4 million (the "Cash Consideration"). Closing of the transaction was completed on February 1, 2025. Chartwell acquired $210.4 million in property, plant and equipment and assumed approximately $131.7 million in debt on the Chartwell Assets, bearing a weighted average interest rate of 3.1% and a weighted average term to maturity of 5.3 years.

On November 13, 2023, Mr. Jeffrey Brown was appointed as Chief Financial Officer of Chartwell.

On November 28, 2023, Chartwell announced that DBRS published an update of its credit rating of Chartwell to BBB(low) Stable Trend.

On December 8, 2023, Chartwell closed an issuance $250.0 million aggregate principal amount of 6.000% Series C senior unsecured debentures with a maturity date of December 8, 2026 (the "Series C Debentures"). DBRS assigned a "BBB(low)" credit rating with a "Stable" trend to the Series C Debentures. The net proceeds of the Series C Debenture offering were used to repay Chartwell's maturing 3.786% Series A senior unsecured debentures and for general trust purposes, including the repayment of a portion of existing indebtedness under the Secured Credit Facility.

During 2023, Chartwell issued 333,377 Units pursuant to the EUPP, issued 173,799 Deferred Units pursuant to the Deferred Unit Plan, granted 718,529 Restricted Units pursuant to its Restricted Unit Plan and issued 3,867,229 Units under Chartwell's Distribution Reinvestment Plan.

2024

On February 2, 2024, Chartwell completed the sale of Chartwell Bridlewood Retirement Residence for a sale price of $3.8 million. A vendor take-back mortgage was extended to the purchaser in the amount of $2.8 million, maturing in February 2027, and bearing an interest rate of 8% per annum for the first two years and 10% per annum for the third year.

On March 19, 2024, Chartwell announced the closure of Chartwell Heritage Glen Retirement Residence in Mississauga, Ontario, effective July 31, 2024. Chartwell assisted residents with relocation and supported staff to find alternative employment at Chartwell homes. The property was sold for an alternate use on September 18, 2024 for $79.5 million, settled in cash.

On April 30, 2024, Chartwell renewed its short form base shelf prospectus, qualifying the distribution of Units, subscription receipts and debt securities, or any combination thereof, for a 25-month period.

On May 3, 2024, Chartwell completed the acquisition of 85% ownership in Chartwell Le Prescott from Batimo in Vaudreuil, Québec for a purchase price of $80.3 million, partially settled through the assumption of a $42.1 million mortgage maturing on December 1, 2024. Acquisition-related costs of $0.7 million and mark-to-market adjustments of $0.4 million were capitalized. The remainder of the purchase price, subject to normal working capital and other closing adjustments, was paid in cash utilizing our cash on hand and credit facilities.

On May 15, 2024, Chartwell completed the acquisition of 85% ownership in Chartwell Trait-Carré from Batimo in Québec City, Québec, for a purchase price of $85.7 million, settled through assumption of a $58.4 million demand variable rate mortgage. $0.2 million was held back for net operating income support provided by Batimo, and the remainder of the purchase price, subject to normal working capital and other closing adjustments, was paid in cash utilizing cash on hand and credit facilities. On March 10, 2025, Chartwell acquired the remaining 15% ownership interest for $17.2 million before working capital adjustments and closing costs, which included the $10.0 million proportionate assumption of the in-place demand variable rate mortgage.

On May 22, 2024, amendments related to debt service coverage and AFFO were removed from both the Secured and Unsecured Credit Facilities and previous borrowers pricing was reinstated. Additionally, the facilities were extended for an additional year with maturity extended to May 29, 2027.

On June 21, 2024, Chartwell completed the acquisition of 85% ownership in Residence Legende from Batimo in Greenfield Park, Québec. The purchase price was $87.1 million, settled through the assumption of a $59.1 million variable rate mortgage maturing on January 1, 2025, as well as the settlement of an outstanding mezzanine loan. Of the total purchase price, $1.6 million was held in escrow for net operating income support provided by Batimo until the property achieved stabilization which occurred in Q4 2025. The remainder of the purchase price, subject to normal working capital and other closing adjustments, was paid in cash utilizing our cash on hand and credit facilities. On December 18, 2025, Chartwell acquired the remaining 15% ownership interest for $17.9 million before working capital adjustments and closing costs. The purchase price included the proportionate assumption of the $10.1 million mortgage in place at closing, with the balance settled in cash. Chartwell now has 100% ownership interest in the residence.

On June 22, 2024, Residence L'Aubier (376 suites) opened in Lévis, Québec, under the management of Chartwell. On November 1, 2025, Chartwell completed the acquisition of 100% ownership interest in Residence L'Aubier from Batimo for $128.2 million.

On June 27, 2024, Chartwell completed a public offering of 28,290,000 Units inclusive of 3,690,000 Units issued pursuant to the exercise in full of the over-allotment option at a price of $12.20 per Unit for total gross proceeds of $345.1 million. Underwriting commission and other offering related costs amounted to $13.5 million.

On July 22, 2024, Chartwell entered into a $150.0 million unsecured term loan agreement with a Canadian chartered bank. The terms of the loan include borrowings based on either the bank's Prime rate or Canadian Overnight Repo Rate Average ("CORRA"), with an initial term of six months and an optional extension for an additional six months. On October 31, 2024, $75.0 million was repaid. The extension was exercised on January 22, 2025. On March 5, 2025, the remaining $75.0 million was repaid.

On July 22, 2024, Chartwell completed the acquisition of a 100% ownership interest in a portfolio of five retirement residences (1,428 suites) located in Québec. The purchase price was $297.0 million and, subject to normal working capital and other closing adjustments, was paid in cash.

On July 31, 2024, Chartwell acquired the remaining 10% ownership interest in land located in Pickering, Ontario, which was previously accounted for as a joint operation. The purchase price of $1.2 million was paid in cash.

On August 15, 2024, Chartwell completed the sale of one non-core property in Ontario, Chartwell Van Horne Retirement Residence, for a sale price of $10.8 million, which was settled in cash.

On August 29, 2024, Chartwell announced that it entered into definitive agreements for acquisition of three modern retirement residences on Vancouver Island totalling 384 suites. The purchase of two of the properties (Vista Retirement Residence and Nanaimo Memory Care) were completed on October 31, 2024. Chartwell acquired the 152-suite Vista Retirement Residence, located in Victoria for a purchase price of $103.9 million, subject to normal working capital and other closing adjustments. The vendor provided Chartwell with a 24-month net operating income guarantee, with $9.2 million of the purchase price held in escrow to support the vendor's obligation. The 77-suite Nanaimo Memory Care, located in Nanaimo, was acquired for a purchase price of $20.3 million, subject to normal working capital and other closing adjustments and was paid in cash. The third property, The Edgewater Retirement Residence located adjacent to Nanaimo Memory Care, is a new 155 suite IL residence that was completed in Q4 2025. The purchase price for Edgewater was $102.7 million, subject to normal working capital and other closing adjustments, and was paid in cash. The vendor has agreed to provide a 36-month net operating income guarantee, with $8.7 million of the purchase price to be held in escrow to support the vendor's obligation. Any remaining funds in the escrow account at the end of the net operating income guarantee period will be split 50/50 between Chartwell and the vendor. Chartwell acquired the residence on December 2, 2025.

On August 30, 2024, Chartwell completed the sale of one non-core property in Ontario, Chartwell White Eagle Long Term Care Residence, for a sale price of $4.6 million, which was settled in cash. Upon closing, Chartwell entered into a lease with the purchaser and continued to operate the Long-Term Care Residence at the property through a third-party manager, AgeCare, until it closed on December 27, 2024, pursuant to a Closure Agreement between Chartwell and the Director, Long Term-Care under the *Fixing Long-Term Care Act, 2021*.

On October 18, 2024, DBRS confirmed the BBB (low) with stable trends rating of Chartwell's Issuer Rating and Senior Unsecured Debentures.

On October 24, 2024, CMHC confirmed the termination of Chartwell's LBA and the transition of Chartwell to a Large Borrower Risk Management Framework (the "LBRMF"). The LBRMF provides a more flexible financing environment and removes previous financial covenant and cross collateralization requirements.

On October 28, 2024, Chartwell issued $150.0 million of 4.4% Series D senior unsecured debentures (the "Series D Debentures") due on November 5, 2029. The net proceeds of the Series D Debentures were used to repay existing indebtedness, including indebtedness under our Secured Credit Facility and term loan, and to partially finance certain previously announced acquisitions of retirement residences.

On November 14, 2024, Chartwell filed a prospectus supplement to its base shelf prospectus to establish an at-the-market equity distribution program (the "2024 ATM Program"). The 2024 ATM Program allowed Chartwell to issue up to $250 million of Units from treasury to the public from time to time during the term of the 2024 ATM Program, at its discretion. Chartwell used the net proceeds from the 2024 ATM Program for property acquisitions, development and redevelopment opportunities and repayment of indebtedness. In connection with the 2024 ATM Program, Chartwell entered into an equity distribution agreement dated November 14, 2024 (the "2024 Distribution Agreement") with TD Securities Inc. and Scotia Capital Inc. Units sold under the 2024 ATM Program were distributed through the Toronto Stock Exchange or other permitted marketplace at the market prices prevailing at the time of sale. During the year ended December 31, 2024, Chartwell issued 1,228,500 Units under the 2024 ATM Program at an average price of $15.90 per Unit for total gross proceeds of $19.5 million.

On November 18, 2024, Chartwell completed the purchase of a 50% ownership interest in a portfolio of five retirement residences with 1,807 suites located in the Québec City area and Shawinigan. The purchase price of $214 million was partially satisfied by the assumption of approximately $154.0 million of mortgages. The vendor provided a two-year net operating income guarantee on two properties in lease-up, with $4.7 million of the purchase to be held in escrow to support the vendor's obligation. The remainder of the purchase price, subject to normal working capital and other closing adjustments was paid in cash utilizing cash on hand and credit facilities. Chartwell has a call right to purchase its partners' 50% interest in 2028 or subject to certain conditions in 2029.

During 2024, Chartwell issued 162,195 Units pursuant to the EUPP, issued 122,475 Deferred Units pursuant to the Deferred Unit Plan, granted 498,382 Restricted Units pursuant to its Restricted Unit Plan, issued 3,162,401 Units under Chartwell's Distribution Reinvestment Plan, issued 28,290,000 Units pursuant to the public offering, and 1,228,500 Units under the 2024 ATM Program.

2025

On January 6, 2025, Chartwell announced the appointment of Alka Gautam to the Board of Directors.

On January 15, 2025, Chartwell acquired a 131-suite ISL retirement residence in Victoria, B.C., now Victoria Harbour by Chartwell, for a purchase price of $75.0 million paid in cash.

On January 29, 2025, Chartwell entered into a definitive agreement to acquire a 631-suite Rosemont Les Quartiers, a continuum of care retirement residence in the Rosemont–La Petite-Patrie neighbourhood of Montreal for $136 million. The transaction closed on March 1, 2025 and was structured with $130 million to be paid at closing and a deferred payment of $6 million to be paid in three years.

On February 1, 2025, the Welltower Transaction previously announced on November 9, 2023, closed.

On March 6, 2025, Chartwell issued $200.0 million of 3.650% Series E senior unsecured debentures due on May 6, 2028 (the "Series E Debentures"), and $200.0 million of 4.500% Series F senior unsecured debentures due on March 6, 2032 (the "Series F Debentures"). The net proceeds of the Series E Debentures and the Series F Debentures were used to repay indebtedness under Chartwell's Secured Credit Facility, to repay the remaining $75.0 million outstanding on an unsecured term loan and to partially finance acquisitions.

On March 10, 2025, Chartwell acquired the remaining 15% ownership interest in Chartwell Trait-Carré, a 361-suite retirement residence in Québec from Batimo for $17.2 million before working capital adjustments and closing costs. The purchase price included the proportionate assumption of $10.0 million of an in-place demand variable rate mortgage, with the balance settled in cash. Chartwell now has 100% ownership interest in this residence. In addition, Chartwell repaid the $66.5 million mortgage on the property following closing of the transaction.

On April 1, 2025, Chartwell acquired Residence Le Florilège, a 345-suite retirement residence in Québec City, Québec from Batimo. The purchase price of $112.9 million was partially settled through the assumption of a $77.6 million variable rate mortgage bearing interest at CORRA plus 1.95% and maturing in six months. This mortgage was subsequently repaid. The remainder of the purchase price, subject to normal working capital and other closing adjustments, was paid in cash.

On April 1, 2025, Chartwell acquired Chartwell L'Envol, a 360-suite retirement residence in Québec City, Québec from Batimo. The purchase price of $117.8 million was partially settled through a $65.4 million variable rate mortgage bearing interest at CORRA plus 1.95% and maturing in six months as well as the settlement of a mezzanine loan. This mortgage was subsequently repaid. The remainder of the purchase price, subject to normal working capital and other closing adjustments, was paid in cash. In addition, a loan of $4.2 million extended by Chartwell to Batimo was settled at closing.

On April 28, 2025, Chartwell repaid the $150.0 million aggregate principal amount of 4.211% Series B senior unsecured debenture issued on April 27, 2018 (the "Series B Debentures").

On May 5, 2025, Chartwell entered into a 15-year lease agreement with the Ottawa Hospital for one of Chartwell's properties in Ottawa, Ontario. Under the terms of the lease, Chartwell will receive annual lease payments of $2.3 million, subject to annual rent escalators, and incurred one-time leasing costs of approximately $2.7 million.

On June 1, 2025, Chartwell acquired an additional 5% ownership interest in The Sumach by Chartwell residence in Toronto, Ontario for a purchase price of $6.7 million. The purchase price, subject to normal working capital and other closing adjustments, was paid in cash. Chartwell now has a 50% ownership interest in the property.

On June 3, 2025, Chartwell entered into amending agreements to extend the maturity date of the 2017 Credit Facilities from May 29, 2027 to May 29, 2029. Additionally, changes were made to the Secured Credit Facility's applicable margins and underlying mortgageability amount calculation.

On June 11, 2025, Chartwell and Batimo entered into an agreement to jointly develop a 247-suite addition to the existing Chartwell Le Prescott residence, Chartwell Le Prescott II, comprised of 223 independent living suites and 24 assisted living suites. Chartwell acquired 50% of the project for a purchase price of $7.8 million. Development costs are estimated to be approximately $93 million, 50% of which Chartwell is responsible for, with an estimated completion date in Q1 2027. Batimo will act as development manager and construction manager for the project and Chartwell will be the operations manager starting at the lease-up period. Chartwell expects to acquire an incremental 35% ownership interest in the 247-unit retirement residence expansion once it reaches stabilization. The development group will provide Chartwell with a 3-year occupancy support (refer to "Chartwell – Relationship with Batimo").

On July 3, 2025, Chartwell entered into an agreement with Batimo to jointly develop Lib Vaudreuil-Dorion, a 187-suite seniors' apartment building tailored to active, independent 55+ adults on land adjacent to Chartwell Le Prescott II. Chartwell acquired 50% of the project for a purchase price of $6.3 million. Development costs are estimated to be approximately $77 million, 50% of which Chartwell is responsible for, with an estimated completion date in Q1 2027. Batimo will act as the development manager and construction manager and Chartwell will be the operations manager once the property reaches stabilization.

On July 14, 2025, Chartwell announced a $34.0 million expansion of Chartwell des Mille-Îles in Terrabonne, Quebec. The addition of 91independent living suites to the existing 226 suite residence is scheduled for completion in fall 2026.

On July 21, 2025, Chartwell announced that it had entered into a definitive agreement to acquire a portfolio of six senior housing communities comprising 1,024 suites located in London, Waterloo, and Mississauga, Ontario for a total

purchase price of $432.0 million, including a forward purchase agreement to acquire 29 townhomes at one of the communities upon completion of their development expected in Q4 2026. Closing of the transaction is subject to third-party approvals.

On July 17, 2025 Chartwell completed two CMHC-insured financings on previously unencumbered properties in the aggregate amount of $87.0 million. The new mortgages bear interest at 4.33% and mature in August 2035.

On August 7, 2025, Chartwell filed an amendment no. 1 to the prospectus supplement dated November 14, 2024 to its base shelf prospectus to increase the size of its 2024 ATM Program (the "Amended 2024 ATM Program") to allow Chartwell to issue up to $500 million of Units from treasury to the public from time to time during the term of the Amended 2024 ATM Program, at its discretion. In connection with the increase, Chartwell entered into an amending agreement to the 2024 Distribution Agreement (the "Amended 2024 Distribution Agreement") dated August 7, 2025 with TD Securities Inc. and Scotia Capital Inc. The Amended 2024 ATM Program was terminated on November 6, 2025. During the year ended December 31, 2025, Chartwell issued 26,894,775 Units under the Amended 2024 ATM program at an average price of $17.86 per Unit based on market prices for total gross proceeds of $480.5 million.

On August 15, 2025, the newly developed 224 bed Chartwell Ballycliffe LTC, located in Ajax, Ontario, opened. The residence is managed by AgeCare.

On September 30, 2025, Morningstar DBRS changed the trends on Chartwell to Positive from Stable and confirmed its BBB (low) rating. The change of trends was in recognition of the successful execution of Chartwell's portfolio optimization, capital recycling and growth programs in a credit-friendly manner and improving operational and financial performance of the business.

On October 1, 2025, Chartwell completed the acquisition of 100% ownership interest in a 449-suite retirement residence, Les Tours Angrignon in Montreal, Québec, for $88.5 million. The purchase price was partially settled through the assumption of a CMHC-insured mortgage of $68.7 million bearing interest at 2.22% maturing in December 2026 with the remainder of the purchase price, subject to normal working capital and other adjustments, paid in cash.

On October 16, 2025, Chartwell announced the development of the 111-suite Chartwell Kingsview Retirement Residence in Calgary with an advance of $4.5 million of the total committed $6.5 million mezzanine financing to local developers. The mezzanine loan is for a three-year term with a one-year extension option and is secured by a second charge on the project and personal guarantees of the principals of the borrower. The loan will bear interest at 13%, reducing to 12% upon the project achieving break-even cash flow. Chartwell will be the operations manager of the residence and have a call option to acquire the residence on stabilization. The remaining $2 million was advanced in November 2025.

On November 1, 2025, Chartwell completed the acquisition of 100% ownership interest in Residence L'Aubier (376 suites) in Lévis, Québec from Batimo for $128.2 million. The purchase price was settled in cash and the repayment of a $10.0 million loan extended by Chartwell to Batimo. A portion of the purchase price of $0.65 million is held back to support the vendor NOI guarantee obligations to Chartwell.

On November 3, 2025, Chartwell completed the acquisition of Residence Panorama, a 238-suite retirement residence in Laval, Québec for $76.0 million. The purchase price was settled in cash.

On November 6, 2025, Chartwell filed a new prospectus supplement to renew its at-the-market equity program (the "ATM Program") to allow Chartwell to issue up to $500.0 million of Units from treasury to the public from time to time during the term of the ATM Program. In connection with the renewed ATM Program, Chartwell entered into an equity distribution agreement dated November 6, 2025 (the "Distribution Agreement") with TD Securities Inc., Scotia Capital Inc. and RBC Dominion Securities Inc. The ATM Program will be effective until May 30, 2026, unless terminated prior to such date by Chartwell or otherwise in accordance with the terms of the Distribution Agreement which sets out the terms of the sale of Units under the ATM Program. During the year ended December 31, 2025, Chartwell issued 11,999,667 Units under the renewed ATM Program at an average price of $20.0 per Unit based on market prices for total gross proceeds of $240.0 million.

On December 1, 2025, Chartwell completed the acquisition of Residence Azalis (334 suites) in Repentigny, Québec for $111.0 million. The purchase price was settled in cash.

On December 2, 2025, Chartwell completed the acquisition of The Edgewater Retirement Residence in Nanaimo, B.C. for $102.7 million. The purchase price was settled in cash.

On December 15, 2025 Chartwell completed the acquisition of The Edward, a modern boutique retirement residence offering independent living in a Calgary neighbourhood, for $53.0 million. The purchase price was settled in cash.

On December 15, 2025, Chartwell announced a Board renewal plan, reinforcing its strong commitment to corporate governance and a thoughtful approach to succession planning, with Board and Audit Committee changes to be effective January 1, 2026.

On December 18, 2025, Chartwell acquired the remaining 15% ownership interest in Residence Legende in Greenfield Park, Québec from Batimo for $17.9 million.

Recent Developments

On January 1, 2026, James D. Scarlett and Ann V. Davis stepped down as Trustees of Chartwell and Directors of the CMCC Board, Mr. Rael Diamond was appointed to the Board of CMCC, Ms Alka Gautam and Mr. Diamond were appointed as Trustees of Chartwell, in addition to their service as Directors of CMCC, and Ms Gautam was appointed Chair of the Audit Committee. These changes were part of the board renewal strategy announced on December 15, 2025.

On February 19, 2026, Chartwell entered into a definitive agreement to sell one non-core property in Ontario for a sale price of $49.0 million, with an expected closing in Q1, 2026.

On February 26, 2026, the Chartwell Trustees approved an increase in Chartwell's monthly distributions from $0.051 per Unit ($0.612 annualized) to $0.052 per Unit ($0.624 annualized). The increase will be effective for the March 31, 2026 distribution payable on April 15, 2026.

Interests of Management and Others in Material Transactions

Except as described otherwise in this AIF, no Director, CSH Trustee, Chartwell Trustee, executive officer of Chartwell, or unitholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Units or Special Voting Units, or any associate or affiliate of any of the foregoing persons, has or has had any material interest, direct or indirect, in any transaction within the last three years or during the current financial year that has materially affected or would materially affect Chartwell.

DESCRIPTION OF THE BUSINESS

Some of the industry data provided in this section was prepared by third parties. Although Chartwell has no reason to believe such information is inaccurate or incomplete, Chartwell cannot guarantee the accuracy or completeness of such information.

Seniors Housing Industry in Canada

Types of Residences

Seniors in Canada continue to enjoy and demand an expanding range of housing alternatives and service choices. Broadly speaking, the seniors housing industry serves the needs of Canadians aged 75 and over seeking housing outside a single-family home, though there are variations in markets and jurisdictions. The types of seniors housing residences can be grouped in the following categories described below.

- **Independent Living (IL) Residences** are residences designed for autonomous seniors and include retirement apartments/townhouses/bungalows with the availability of dining, life enrichment and housekeeping services. Personal care services are not available in these residences. Throughout this AIF, the term "ISL Residences" includes IL Residences as a subset thereof, unless otherwise noted.

- **Independent Supportive Living (ISL) Residences:** These residences are designed for seniors and include retirement suites/apartments/townhouses/bungalows with the availability of dining, life enrichment and housekeeping services. Personal assistance and care services are available and can be included in monthly fees or purchased a la carte. Most Chartwell retirement homes are ISL Residences.

- **Assisted Living (AL) Suites/Floors or Residences:** These residences ("AL Residences"), floors and/or suites are designed for seniors who require personal care services and/or personal care services for persons with Alzheimer's disease or other forms of dementia. These services are included in residences' monthly fees and are most often delivered on a separate floor or wing of an ISL residence. In some jurisdictions government and/or government agencies may pay for the care services portion of the monthly fees.

- **Long-Term Care (LTC) Residences:** These are residences for people who cannot live independently and require professional nursing care on a daily basis and 24-hour supervision. Typically, LTC residences ("LTC Residences") are licensed or authorized as government-regulated and/or funded residences, generally have controlled admission policies and must meet government design and operating standards. Suites can be shared or private. In most cases, LTC residents pay only a portion of their fees and the government subsidizes their care, programs and nursing supplies.

Characteristics of the Industry

Fragmentation and Consolidation

The seniors housing sector in Canada is fragmented, with the three largest operators as at December 31, 2025, accounting for approximately 22.6% of the retirement housing suites. This calculation is based on beds under management as well as owned beds. While the industry remains fragmented, consolidation of ownership has over the past decade resulted in a higher level of professional management, cost efficiencies and access to capital, which have improved the quality of services and choices available in the industry.

The following table sets out the top three retirement operators as of December 31, 2025. The table excludes LTC operators as Chartwell's business is focused on the retirement segment and LTC represents approximately 3% of Chartwell's business.

Existing Retirement Properties [(1)] as at December 31, 2025

	No. of Properties Operated [(2)]	No. of Suites Operated [(2)]
Cogir Management Corporation	173	34,318
Chartwell Retirement Residences [(3)]	144	26,564
Le Groupe Maurice	37	11,361
Largest-Three Operators	**354**	**72,243**
Largest-Three Operators Concentration Ratio[(2)]		**22.6%**

(1) Excludes properties under development, includes properties managed for third parties and excludes holdings if any, in the US.

(2) Estimate of number of properties operated and number of suites operated in Canada are compiled by Chartwell based on publicly available information as well as information provided by Cushman & Wakefield ULC.

(3) Includes two long term care homes (426 beds) and one retirement home (165 suites) operated by third parties, and one property that is leased to and operated by a third party

Barriers to Entry

The successful operation of any type of seniors housing residence demands a broad range of expertise. The operational skill sets required include property management, hotel services (food service and housekeeping), social activation, management of health care programs, sales, marketing and community relations, human resources services and labour relations, liaising with government, regulators and other professionals and supply chain management. Established industry leaders can attract and retain key managers, professionals and frontline staff to provide all of these needed skills by offering better career paths, working conditions and management support than smaller operators. Larger operators also enjoy economies of scale in purchasing and invest in more technology, marketing and branding strategies. For new entrants to the

seniors housing sector, obtaining financing can be difficult since lenders consider the prospective operator's level of experience when assessing any loan application. Management believes that Chartwell has the requisite experience and expects to have a continued competitive advantage in accessing capital and financing compared with many small operators.

Stability and Nature of Income

Given the favourable demographics, the seniors housing industry in Canada should benefit from sustained demand. While revenues in the seniors housing industry are not immune from economic factors (notably the ability of a senior to sell their home, interest rates on retirees' savings and concerns about the funding of pension plans), the decision to select seniors housing is often driven by an individual's immediate needs rather than being a discretionary decision.

It has been management's experience that, as long as living arrangements are satisfactory, seniors and their families generally prefer to remain in a particular retirement residence setting unless changing health status demands otherwise. Affordability is not generally an issue once a particular residence is selected.

Risks and Rewards

The risks and rewards associated with seniors housing depend in part on the types of residences which are owned or operated. ISL and AL Residences are similar to apartments in that space for living accommodation is rented, but they also offer various levels of services. The principal factors affecting a residence's occupancy levels and revenues are the size of the seniors population in the surrounding area, the income of the seniors in that area and the existing comparable supply of seniors housing in that market. Effective sales and marketing strategies can positively influence revenues and occupancy rates.

Profit margins for ISL and AL Residences are generally higher than for LTC Residences. The ownership and operation of LTC Residences tend to involve lower revenue risk and generate lower profit margins than other types of seniors housing because of government regulations and higher levels of care and costs. Furthermore, where government funding is involved, much of it is considered "pass through" monies which must be spent or returned to the government. The greatest risks for all types of seniors housing residences are in the development phase, which includes land assembly, zoning approvals, construction and lease up.

For a detailed review of risk factors relating to Chartwell, see "Risk Factors".

Regulation in Canada

Long-Term Care

The long-term care sector is regulated provincially in Canada. In order for an LTC Residence to receive government funding when such funding is provided, such residence must be licensed or approved by applicable government bodies. LTC Residences must generally be built to specified design criteria and government funding is generally tied to the level of delivery of mandated care services. Licences for LTC Residences are controlled based on, among other criteria, government perceived local demand and government budget constraints. All provinces in which Chartwell carries on business have LTC Residences operated by charitable, municipal or other governmental operators, and private operators.

The effect of government licensing has resulted in more standardized facility design and program options in LTC Residences. While licensing is not accompanied by government funding in some provinces, regulation has nonetheless served to control growth in supply. Thus, in most markets, LTC Residences enjoy stable high occupancy rates and do not typically need to compete for residents. Admission to an LTC Residence at government subsidized rates is controlled by provincial agencies. However, provinces across Canada offer a different range of services and cost coverage. Provinces are responsible for system design, allocation of funding, development policy, and standards and regulations applicable to LTC Residences in their province.

Federal funding for long-term care comes from a block transfer to provinces – there is no targeted federal funding for long-term care. On December 1, 2022, the CSA Group published its "Long-Term Care Home Operations and Infection Prevention and Control" Standard, which focuses on creating safer physical environments in LTC Residences. On January 31, 2023, the Health Standards Organization published the "Long-Term Care Services" Standard, which focuses on the

delivery of high-quality long-term care services. Currently, compliance with these two standards is voluntary as no provincial government has mandated compliance with them.

British Columbia

The delivery of long-term care in British Columbia is governed by the CCALA, addressing both community care facilities and registered assisted living residences. In British Columbia, LTC Residences are referred to as "community care facilities", which includes "a premises or part of a premises in which a person provides care to three or more persons who are not related by blood or marriage to the person" and other premises or parts of a premises used, in the opinion of the medical health officer, in conjunction with a community care facility for the purpose of providing care or as designated by the Lieutenant Governor in Council. Chartwell operates 249 LTC suites in British Columbia located in residences that offer a continuum of care, as well as one stand-alone private pay LTC home with 77 suites.

In providing direct care and supervision to persons in care, operators under the CCALA are obligated to protect and promote the health, safety, dignity, and well-being of persons in care, employ only persons of good character who meet the standards for employees specified in the regulations to the CCALA, display the licence in the prescribed manner, display the rights of adult persons in care in a prominent place in the facility, appoint a manager for the community care facility, and provide a forum for persons in care and family members and substitute decision makers through the establishment of resident and family councils for LTC Residences.

The CCALA and the regulations thereunder affect Chartwell's operations as it regulates a variety of operational matters, including: care and supervision, hygiene and communicable disease control, licensing, medication, nutrition and food services, the physical facility (including equipment and furnishings), policies and procedures, programs, records and reporting and staffing.

Fees for government subsidized beds in LTC Residences in British Columbia are based on the income level of the client. An individual may pay up to 80% of their after-tax income toward the cost of housing and hospitality services, subject to a minimum and maximum monthly rate. Base global funding is allocated to regional health authorities on a population needs-based funding model. Health authorities then receive new funding according to the population's relative health needs at which point the authority determines the appropriate allocation of funds to hospital, home and community care. Admissions to LTC Residences are managed by the local health authority and an individual may apply for admission through the local health authority.

Alberta

On April 1, 2024, the CC Act came into effect in Alberta, repealing multiple pieces of legislation including the ANHA and the SLALA, bringing long-term care, assisted living, supportive living, home care and palliative care under one piece of legislation. The CC Act establishes oversight for licensing, accommodations, and the delivery of publicly funded health care in the continuing care system. It includes requirements for licensing, service standards, compliance and enforcement actions. Under the CC Act, LTC Residences are now called "Type A continuing care homes". Type A homes are for individuals with complex, unpredictable medical needs who require 24-hour on-site registered nurse assessment and/or treatment. Residents in Alberta LTC Residences pay an accommodation fee, while LTC health services in Alberta are publicly funded by Alberta Health. Chartwell does not currently operate any LTC Residences in Alberta.

The *Health Statutes Amendment Act, 2024* was proclaimed in force on June 21, 2024. This legislation enables the transition from the current single regional health authority, Alberta Health Services, into four sector-based provincial health agencies in Alberta. As part of this change, in February 2025, the Alberta government announced the creation of Assisted Living Alberta moving all continuing care services from the Ministry of Health to the Ministry of Assisted Living and Social Services.

Ontario

LTC Residences in Ontario are governed by the FLTC Act. The FLTC Act contains provisions related to licensing procedures based on standards for licence review; the granting of licences for fixed terms of up to 30 years, depending on bed classifications; the granting of replacement licences to be based on a home's structural classification that will be issued for a maximum of 30 years; duties imposed on licensees; defined expectations and requirements for key services to be provided in residences, including the requirement that a registered nurse be on site 24-hours a day, seven days a week; requirements for the qualification, training and orientation of staff, volunteers and persons who provide direct services to residents; and unannounced annual inspections of residences.

The FLTC Act establishes a target of an average of four hours of direct care by personal support workers or nurses per resident per day to be achieved by March 31, 2025, and once achieved, to continue at that level. In the spring of 2025, the Ontario government surpassed its four-hour direct care target. This was made possible through government increases to LTC funding for nursing and personal care over the past number of years. The FLTC Act also includes a target of an average of 36 minutes of direct care by allied health care professionals per resident per day. Regulations under the FLTC Act address issues relating to the operation of LTC Residences, including: (a) plans of care; (b) calculating direct care targets, (c) key high risk areas of resident care; (d) prevention of abuse and neglect; (e) minimizing the restraining of residents; (f) residents' rights, care and services; (g) continuous quality improvement; (h) admission of residents; (i) residents' and family councils; (j) operation of homes; (k) funding; (l) licensing; (m) municipal homes and first nations homes; (n) compliance and enforcement; and (o) administration. As of January 15, 2024, the Ontario government launched a new investigations unit to strengthen oversight of compliance with the FLTC Act and to ensure resident safety in LTC Residences.

LTC Residences in Ontario receive funding from the provincial government based on the delivery of mandated care services, the relative level of assessed care required by the residents in the LTC Residence, the LTC Residence's occupancy level, and the residents' financial status. Long-term care is publicly funded on a "cost-shared" basis with residents whereby the government does not pay the full cost of long-term care and sets the portion that residents must pay the home. Residents may have an opportunity, based on their income, to qualify for a government subsidy if basic accommodations for a particular resident are not affordable. As of June 28, 2024, admissions are managed by Ontario Health at Home, following the amalgamation of the 14 former regional Home and Community Care Support Services organizations. As of September 7, 2023, Chartwell no longer operates any LTC Residences in Ontario, although it retains ownership of two LTC Residences managed by a third party.

Québec

In Québec, LTC Residences are known as nursing homes or "centres d'hébergement et de soins de longue durée" (CHSLD) and provide 24-hour supervision and nursing care for individuals with complex care needs and who are unable to live independently. In contrast to some other jurisdictions, an income/asset test is not a standard component of the admissions assessment. The "Régie de l'assurance maladie du Québec" (Health Insurance Board of Québec) will conduct an assessment and establish the cost that the resident must pay for his or her placement based on various factors. Chartwell does not currently operate any LTC Residences in Québec.

ISL and AL

All of Chartwell's ISL Residences and AL Residences meet or exceed in all material respects, applicable legislative standards and applicable minimum industry-wide voluntary standards relating to such properties.

Most ISL Residences and AL Residences across Canada are also typically subject to applicable tenant protection regulation on the accommodation portion of their monthly fees, health care regulation in relation to the care provided and public health and safety regulations. The residences themselves are also subject to provincial building codes and fire safety provisions.

In addition to regulation at the provincial level, municipalities within the provinces where Chartwell operates also impose licensing requirements pursuant to local by-laws and require inspection by local public health and fire safety authorities. The principal requirement of such licensing by-laws is generally the payment of nominal licensing fees and the undertaking of various inspections.

British Columbia

In British Columbia, the CCALA provides consumer protection and regulation of retirement homes such that all types of seniors housing providing a certain level of care in British Columbia must be registered with the Assisted Living Registry. AL Residences are explicitly regulated under the CCALA and are defined as "premises or part of a premises, other than a community care facility, in which housing, hospitality services, and assisted living services are provided by or through the operator to three or more adults who are not related by blood or marriage to the operators, and do not require, on a regular basis, unscheduled professional health services, or as designated by the Lieutenant Governor in Council." AL Residences are available in British Columbia through publicly subsidized and private-pay operators. In publicly subsidized AL Residences, an individual will pay a monthly rate based on income, calculated as 70% of "after tax income" (as defined by the Continuing Care Fees Regulation under the Continuing Care Act).

Alberta

In Alberta, the CC Act governs ISL and AL Residences, which must be licensed in order to operate. Under the CC Act, ISL Residences are called supportive living accommodations. In order to be considered a supportive living accommodation, the residence must be home to four or more adults, include 24-hour safety and security services and provide accommodation services such as meals, housekeeping and social or leisure activities. Under the CC Act, AL Residences are called "Type B continuing care homes". Type B homes are for individuals with varying levels of medical needs who are unable to safely stay at home or in supportive living accommodations, but do not require the level of support provided in Type A (LTC) homes. Residents in Type B homes are responsible for accommodation charges and receive some publicly funded care.

The continuing care agency, Assisted Living Alberta, is responsible for oversight of the continuing care health services sector in Alberta, including ISL and AL Residences.

Ontario

In Ontario, under the RH Act, operators of certain ISL Residences or AL Residences, referred to as "retirement homes", are required to be licensed by the RHRA. Licences granted under the RH Act are not transferable and may be revoked should the persons operating the residences fail to meet the requirements of the RH Act. Other measures outlined in the RH Act include: (a) granting the RHRA the power to conduct inspections, investigations and enforcement, including issuing financial penalties if necessary and issuing orders in extraordinary circumstances that have or may result in harm or risk of harm to a resident; (b) the establishment of mandatory care and safety standards, as well as requirements for emergency plans, infection control and prevention programs, assessment of care needs and care planning, police background checks and training for staff; (c) the establishment of a residents' bill of rights, including the right to know the true cost of care and accommodation and the residents' right to participate fully in making decisions regarding care; (d) the requirement to establish a policy that promotes zero tolerance of abuse or neglect; (e) the inclusion of whistle-blower protection provisions shielding persons disclosing information to the RHRA regarding the operation of a retirement home from any retaliation; and (f) pricing transparency.

Québec

In Québec, the *Act respecting the governance of the health and social services system* (the "Québec Act"), which came into force on December 1, 2024, replaced the *Act respecting health services and social services* and reorganized the Québec healthcare system by centralizing management under a new government entity, Santé Québec, while maintaining the regional health authorities (CIUSSS and CISSS). Santé Québec has its own board of directors, is responsible for the operationalization of services by public facilities, and for overseeing and coordinating the activities of private facilities.

Under the Québec Act, operators of ISL Residences or AL Residences are required to hold an authorization delivered by Santé Québec. This authorization is not transferable without Santé Québec's express and written consent and may be revoked should the persons operating the residences fail to meet operating standards for private seniors' residence. An authorization must be renewed every four years. The authorization regime replaces the old certification system. As a transitional measure, all certificates of compliance issued before December 1, 2024, under the old system are deemed to be authorizations issued by Santé Québec and remain valid until they expire, after which an authorization from Santé Québec will be required.

Other measures outlined in Québec law include: (a) granting Santé Québec the power to conduct inspections, investigations and enforcement, including issuing financial penalties if necessary; and (b) the establishment of mandatory care and safety standards, as well as requirements for emergency plans, infection control and prevention programs, assessment of care needs and care planning, and police background checks and training for staff.

In Québec, all private seniors' residences are classified into one of four categories: category 1 and category 2 residences are residences intended for "independent elderly persons"; and category 3 and category 4 are residences offering services intended for "semi-independent elderly persons".

Business Strategies of Chartwell

In 2018, Chartwell updated its five-year business strategy to establish Chartwell's operating targets and define the scope of Chartwell's business and its competitive advantage. Chartwell believed this clearly defined strategy would support improved alignment of initiatives and resources across the organization and would help managers and staff choose and prioritize their activities. As a result of the impact of the COVID-19 pandemic on Chartwell and the enhanced focus first and foremost on the health and safety of its residents, Chartwell adjusted its business strategy in 2020 to move the established targets from 2023 to 2025.

In 2025, Chartwell successfully executed and achieved its 2025 strategic targets as follows:

- Employee Engagement of 57% highly engaged (total engagement score 85%), exceeding the target of 55%
- Resident Satisfaction of 67% very satisfied (total satisfied score 90%), meeting the target of 67%
- Same Property Occupancy of 95.2% in December 2025, exceeding the target of 95%

Building on the successful execution of its 2025 Strategy and supported by a positive operating environment characterized by accelerating demand and limited new construction, Chartwell has established the following 2028 Strategy Statement:

"*We will continue delivering robust FFOPU growth in 2026-2028, through exceptional resident experiences, empowered teams, a well-established agile management platform and a prominent Chartwell brand—driving market leading occupancies in a growing and renewing portfolio of community tailored residences.*"

Chartwell has also introduced financial objectives and guidelines for the three-year period 2026-2028 across three areas: Operating, Portfolio Optimization and Capital and Risk Management, including the following:

Operating	• Same property occupancy of > 95% • Annual rental and services rate growth of > 4% • Annual operating expense growth of < 4%
Portfolio Optimization	• Growth Investments of $2 Billion • Non-core asset dispositions of $1 Billion • Upgrading core property portfolio • Partnering with reputable developers and capital providers to build future acquisition pipeline
Capital and Risk Management	• Net Debt to Adjusted EBITDA ratio[(1)] of < 7.5x • Interest coverage ratio[(1)] of > 3.0x • Distributions to unitholders < 60% of FFO

[(1)] *Net debt to adjusted EBITDA ratio and interest coverage ratio are non-GAAP measures. These measures do not have standardized meanings prescribed by GAAP and, therefore, may not be comparable to similar measures used by other issuers. These measures are used by management in evaluating operating and financial performance. Please see the "Additional Information on Non-GAAP Measures" and "Debt Covenant Calculations" sections in Chartwell's Fiscal 2025 MD&A dated February 26, 2026, which are incorporated by reference for definitions, methodologies and reconciliations where applicable.*

Management of Residences for Third Party Clients

Chartwell manages residences for third party clients on a limited scale. However, Chartwell may consider specific strategic portfolio management and co-investment opportunities with institutional or other well capitalized partners in the future.

Chartwell – Relationship with Batimo

On March 10, 2025, Chartwell acquired 15% ownership interest in Chartwell Trait-Carré from Batimo for $17.2 million before working capital adjustments and closing costs. On April 1, 2025, Chartwell acquired a 100% interest in Residence Le Florilège and Chartwell L'Envol from Batimo for $112.9 million and $117.8 million respectively, before working capital adjustments and closing costs. On November 1, 2025, Chartwell completed the acquisition of 100% ownership interest in Residence L'Aubier (376 suites) in Lévis, Québec from Batimo for $128.2 million and on December 18, 2025, Chartwell acquired the remaining 15% ownership interest in Residence Legende in Greenfield Park, Québec from Batimo for $17.94 million, before working capital adjustments and closing costs. Refer to "History of the Business – 2025".

Chartwell and Batimo remain co-owners of two ISL residences: Chartwell L'Unique (Phases I, II and III), located in Saint-Eustache, Québec; and Chartwell Le Prescott in Vaudreuil, Québec. Chartwell manages and owns an 85% interest in these residences and Batimo owns the remaining 15%. In addition, Chartwell and Batimo each own 50% interest each in two development projects adjacent to Chartwell Le Prescott.

Chartwell provides operations management services to Batimo and Batimo's equity partners for Chartwell Le Montcalm.

Pursuant to Chartwell's initial agreements with Batimo, upon achievement of certain conditions, Batimo may require Chartwell to acquire an 85% interest in the Batimo development properties which Chartwell manages (the "Batimo Option"), at 99% of the fair market value ("FMV") as defined in the agreements. These Batimo Option rights are for a five-year period commencing when the related property achieves a minimum 90% occupancy level for two consecutive months. Upon expiry of the Batimo Option, Chartwell has a two-year option to acquire an 85% interest in the property at fair market value. Chartwell Le Montcalm is the remaining property subject to the Batimo Option. Chartwell Le Montcalm has achieved the occupancy threshold giving effect to the Batimo put right. Chartwell estimates the current value of this project at approximately $86.5 million at 100% ownership interest.

In 2025, Chartwell and Batimo adopted a revised ownership structure for one 247-unit development project under construction adjacent to a residence co-owned by Chartwell and Batimo (Chartwell Le Prescott). Under this framework, Chartwell and Batimo each hold a 50% interest during construction and lease-up. Upon achievement of stabilized occupancy, the parties will negotiate the terms under which Chartwell's ownership interest would increase to 85%. If the parties are unable to reach an agreement, upon the expiry of the negotiation period, Batimo will have the right to require Chartwell to acquire a 35% interest in the RPA properties which Chartwell manages for 98% of the FMV and Chartwell shall have the right to require Batimo to sell a 35% interest in the RPA properties for 102% of the FMV (the "Put/Call Option"). The Put/Call Option rights are for a period of five years.

In addition to Le Prescott II, Chartwell and Batimo entered into an agreement to develop a 187-unit seniors' apartment on land adjacent to Le Prescott II ("LIB"). Chartwell and Batimo will each hold a 50% interest in the LIB during development and lease up. Pursuant to the agreement, Batimo will act as the development manager and the construction manager. Chartwell will manage the property once the property reaches stabilization. Upon the achievement of certain conditions, including when the related property achieves a minimum of 90% occupancy for three consecutive months, Chartwell will have the ability to reduce its ownership down to 15% or exit the investment entirely via a third-party sale.

In some cases, Chartwell provides mezzanine loans in respect of Batimo development projects (see "Description of the Business – Loans Receivable"). There are currently no mezzanine loans in place.

Environmental, Social and Governance (ESG) Practices

Chartwell believes that the long-term success of its business and the world around it are fundamentally connected. By paying careful attention to the areas where Chartwell feels it can have the biggest impact – People, Corporate

Responsibility, Environmental Stewardship and Corporate Governance – Chartwell creates economic, social and environmental value for its residents, employees, communities and the planet, while delivering positive returns for unitholders.

ESG considerations have long been integrated into Chartwell's overall strategy and operations. However, in recent years additional steps have been taken to provide a more structured and proactive approach to incorporation of ESG's considerations in Chartwell's strategy and business practices. For example, Chartwell has an Environmental Sustainability Committee, comprised of senior leaders of Chartwell, which meets quarterly to provide guidance and support to our senior leadership team in making and implementing sustainable initiatives and decisions. Chartwell participates in the annual Global Real Estate Sustainability Benchmark ("GRESB") assessment, which evaluates practices by participating real estate companies in areas such as management, governance, sustainability, environmental and social programs and policies. In 2025, Chartwell achieved its highest score to date, earning GRESB's Green Star Designation for the third consecutive year (2023–2025). Chartwell demonstrated best-in-class performance in corporate governance and transparency, achieving perfect scores (100%) in the Leadership and Reporting categories of the Management component and outperforming the peer group average in the overall Governance dimension.

Chartwell's ESG Approach

- Environmental – Chartwell supports the global transition to a low-carbon economy through sustainable operations and practices, achieving 100% data coverage for energy and Scope 1 and 2 greenhouse gas ("GHG") emissions to drive verifiable efficiency improvements.
- Social – Chartwell strives to put the customers, Chartwell's residents, at the heart of everything Chartwell does and is focused on diversity and inclusion in its workforce. These efforts are a commitment reflected in our industry-leading GRESB Stakeholder Engagement scores.
- Governance – Chartwell remains committed to high standards of governance promoting long-term value creation, transparency, and accountability to our stakeholders, validated by our top-tier performance in GRESB's ESG leadership and disclosure assessment categories.

Climate Change

Chartwell and the Board have focused as a key priority on climate change and its effect on Chartwell and its residences, residents and staff and are committed to reducing the environmental impact of Chartwell's operations. Chartwell helps mitigate the effects of climate change: on its residents by installing and upgrading cooling systems in suites and common areas, reducing the need for personal vehicle use by providing bicycle storage, and transporting residents in electric vehicles across our communities; on financial effects with insurance coverage (flood, fire, earthquakes) and compliance with all relevant climate and energy-related regulations; and on physical impacts through enhanced emergency preparedness plans, strengthened preventive maintenance protocols, and capital expenditures on water proofing, roof maintenance, implementation of biophilic design elements, and energy-efficient technologies (Energy Star appliances, LED lighting and insulated flooring technologies) to further reduce heating and cooling loads.

The following actions provide a snapshot into some of the key ways Chartwell is addressing the climate impact of our operations:

- **Retrofits**: Chartwell has continued with retrofit projects at its residences emphasizing sustainable design and energy efficiency. By incorporating energy efficient technologies like energy star appliances, LED lighting, and more durable and sustainably-produced finishings, we reduce power consumption and limit GHG emissions.
- **GHG Emissions Monitoring**: Having established a baseline of its annual Scope 1 and 2 GHG emissions and achieved 100% data coverage across the portfolio, Chartwell continues to implement emission reduction practices enabling measurable improvements. These efforts have driven year-over-year reductions in GHG emissions across our same-property portfolio, validating the effectiveness of its decarbonization initiatives.
- **Decarbonization.** Chartwell has advanced its strategic decarbonization strategy, engaging specialized consultants to establish performance baselines and identify utility rebate opportunities that support efficiency upgrades. This data-driven roadmap will guide long-term capital planning by prioritizing high-impact carbon-reduction measures and defining appropriate equipment specifications.

- **Procurement**: Chartwell continues to strengthen its sustainable procurement practices, integrating environmental criteria into supplier selection with an emphasis on life cycle assessments. Our procurement strategy prioritizes materials and suppliers that demonstrate superior performance in energy efficiency, water conservation, waste reduction, and GHG emissions minimization.
- **Renewable Energy:** Chartwell continues to explore and implement strategies to reduce carbon-based fuel consumption, focusing on building energy analytics to identify opportunities for green energy adoption and the electrification of processes and fleet vehicles while enhancing energy efficiency throughout our property portfolio.
- **Water Conservation Efforts**: Chartwell has increasingly focused on measures to improve water conservation, with focus on integrating water-efficient fixtures and employing water stewardship practices in our residences.
- **Environmental and Social Policies and Implementation:** Chartwell has implemented key policies that are fundamental to its operations, encompassing: (1) environmental stewardship through an appointed Environmental Officer who oversees compliance programs, property assessments, and sustainability initiatives across properties, with specific focus on energy conservation and, including a new targeted waste diversion pilot program; (2) workplace diversity practices promoting workforce representation with a specific target of maintaining at least one-third women on the Board of Directors; (3) vendor conduct standards requiring ethical business practices, fair labour conditions, workplace safety, and environmental responsibility with vendor certification every three years; and (4) business conduct guidelines establishing ethical standards for employee behaviour and corporate integrity. Implementation is monitored through dedicated officers, regular audits, annual employee surveys, and routine reporting to senior management, with specific accountability measures including corrective action plans and internal compliance reviews to ensure ongoing effectiveness.

For more information on Chartwell's ESG initiatives, including its ESG Report and policies, please visit the ESG section of Chartwell's website https://investors.chartwell.com/English/environmental-social-governance/esg-report-related-policies/default.aspx.

Management and Employees

A typical 100-suite ISL Residence has the following management team: general manager, health and wellness manager, lifestyle and program manager, office manager, food services manager and maintenance manager. In addition, ISL Residences each employ a retirement living consultant. An ISL Residence typically has approximately 40 additional frontline staff (including: full and part-time nurses, support workers, cooks, dietary aides, activities staff, reception staff and housekeepers). Staffing in AL wing or floor will be higher than in a typical ISL Residence. In provinces that fund nursing and care services, staffing levels are directed and funded by the provincial health system, and non-funded homes may not have care staff.

The management team at each of Chartwell's residences is responsible for day-to-day operations, sales and marketing, overseeing inspections, monitoring staffing, implementing policies and reporting on the residence's performance. The staff in each residence are employed by that particular residence, although they are subject to Chartwell's policies and procedures. Chartwell, through the Operator and its subsidiaries, directly and indirectly employs 11,492 people, of which 10,974 work at Chartwell residences. Excluding managers, approximately 77% of employees working in our residences are represented by labour unions and employee associations. Generally, each unionized residence will be represented by its own collective bargaining unit. There are many different unions representing different residences that Chartwell owns or manages. Chartwell's residences, with unionized employees, have generally enjoyed good relationships with the applicable unions, and Chartwell expects to continue these positive relationships. The residences that Chartwell operates in Ontario are subject to legislation that prohibits both strikes and lockouts and require compulsory interest arbitration to settle disputes. In the other jurisdictions where Chartwell operates, strikes and lockouts are permitted pursuant to essential service regulations to ensure the continuation of resident care and most services.

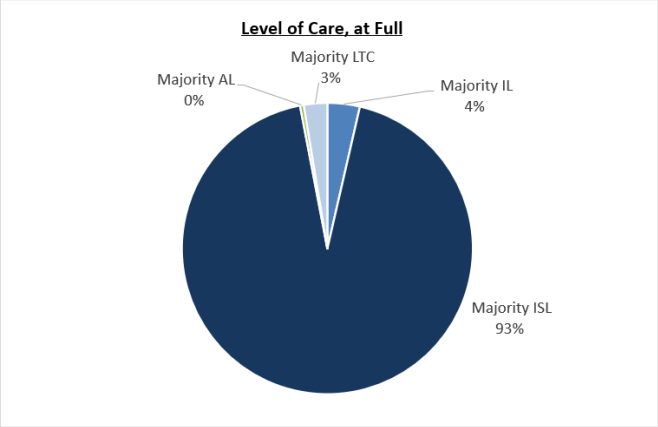
Properties and Management Business

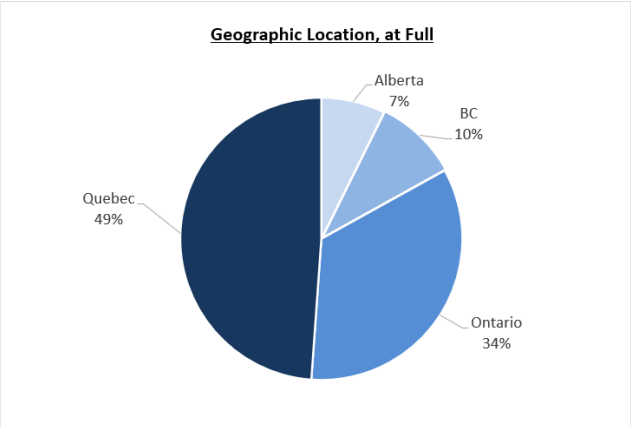
Properties and Management Business as at December 31, 2025

Summary of Chartwell Properties Owned, Managed and Leased

	Properties	Majority IL [1]		Majority ISL [1]		Majority AL [1]		Majority LTC [1]		Total	
		Properties	Suites [2]	Properties	Suites [2]	Properties	Suites [2]	Properties	Suites [2]	Properties	Suites [2]
100% Owned By Chartwell	**129**	7	945	118	20,991	1	110	3	683	**129**	**22,729**
Partially Owned by Chartwell [3]	**13**	-	-	13	3,552	-	-	-	-	**13**	**3,552**
Total Owned	**142**	**7**	**945**	**131**	**24,543**	**1**	**110**	**3**	**683**	**142**	**26,281**
Managed Properties	**1**	-	-	1	283	-	-	-	-	**1**	**283**
Properties under operating lease	**1**	-	-	-	-	-	-	-	-	**1**	**-**
Total	**144**	**7**	**945**	**132**	**24,826**	**1**	**110**	**3**	**683**	**144**	**26,564**

(1) Where a community provides more than one level of care, it has been designated according to the predominant level of care provided, type of licensing and funding received and internal management responsibility.
(2) As at December 31, 2025. The number of suites within a property may vary from time to time as suites may be reconfigured to meet residents' needs.
(3) We have a 50% ownership interest in ten residences (2,643 suites), a 60% ownership interest in one residence (165 suites) and an 85% ownership interest in two residences (744 suites).





Management of Residences for Third-Party Clients

Management of residences for select third-party clients involves undertaking on behalf of owners, all aspects of the management of a seniors housing residence. Such management includes hiring of general managers and staff on behalf of the residence's owner, marketing, purchasing, financial administration, record-keeping and regulatory compliance. Fees payable for such services are generally based on a percentage of residence revenue. While most management contracts provide for a term of five years, the term can vary. Notwithstanding the expressed term, however, management contracts may also provide that they can be terminated upon 90 days' notice.

The fees payable to Chartwell for operations management services are typically 4-5% of gross revenues for ISL and AL Residences, often with incentives and penalties where the managed property over or under performs. Following the closing of the LTC Transaction, Chartwell does not manage any LTC Residences for third-party clients.

As of February 26, 2026, Chartwell manages one property in which Chartwell has no ownership interest, which is owned by Batimo.

Properties Owned and Managed by Chartwell

The Retirement Operations segment includes an interest in 142 retirement residences (2024 - 171) that Chartwell owns and operates in Canada. Effective Q1 2025, Chartwell changed its property count methodology, to include all residences located on the same site or address as one property. The change resulted in a reduction of 12 properties. The property count of 171 properties in 2024 was based on the prior methodology and has not been re-calculated under with the new approach that became effective in Q1 2025. The retirement residences provide services to residents at rates set by Chartwell based on

the services provided and market conditions. Where a retirement residence provides more than one level of care, it has been designated to a segment according to the predominant level of care, type of licensing and funding and internal management responsibility.

The accounting policies of each of the segments are the same as those for Chartwell, except these segments include Chartwell's proportionate share of its joint ventures. The “Reconciliation” column shows the adjustments to account for these joint ventures using the equity method, as applied in these condensed consolidated interim financial statements. Certain general, administrative and trust expenses are managed centrally by Chartwell and are not allocable to reportable operating segments. Chartwell has no material inter-segment revenue, transfers or expenses.

Upon the closing of the LTC Transaction on September 6, 2023, long term care is no longer a segment and all remaining LTC beds are included in the retirement home segment. The measure of segment profit or loss is adjusted net operating income which is resident revenue less direct property operating expenses, including Chartwell's proportionate share of its joint ventures’ revenue and direct property operating expenses, respectively.

Retirement Revenue for the year ended December 31, 2025 and December 31, 2024 is as follows:

Year	Retirement Operations	Segment Total	Reconciliation	Total
2025	$ 1,130,691	$ 1,130,691	-$ 51,656	$ 1,079,035
2024	$ 939,643	$ 939,643	-$ 139,720	$ 799,923

Seasonal Factors

The effect of seasonal factors on Chartwell’s Retirement Operations reporting segment is primarily related to outbreaks and weather patterns which affect both direct operating expenses, primarily utilities, staffing and maintenance cost trends, and also revenue due to changes in occupancy based on new resident move-in trends.

The table on the following pages provides information regarding the seniors housing properties owned and managed by Chartwell.

Properties Owned, Managed and Leased by Chartwell Retirement Residences as at December 31, 2025

	Property Name	Province	City	Independent Living (IL) [1]	Independent Supportive Living (ISL) [2]	Assisted Living (AL) [3]	Long Term Care (LTC) [4]	Total	Chartwell Ownership
ONTARIO									
EAST									
	Chartwell Bayview Retirement Residence	ON	Belleville	-	59	-	-	59	100%
	Chartwell Chateau Cornwall Retirement Residence	ON	Cornwall	-	100	-	-	100	100%
	Chartwell Conservatory Pond Retirement Residence	ON	Kingston	-	85	-	-	85	100%
	Chartwell Empress Kanata Retirement Residence	ON	Kanata	-	64	23	-	87	100%
	Chartwell Jackson Creek Retirement Residence	ON	Peterborough	-	68	-	-	68	100%
	Chartwell Lord Lansdowne Retirement Residence	ON	Ottawa	-	99	24	-	123	100%
	Chartwell McConnell Retirement Residence	ON	Cornwall	118	92	-	-	210	100%
	Chartwell New Edinburgh Square Retirement Residence	ON	Ottawa	-	118	-	-	118	100%
	Chartwell Pinewood Retirement Residence	ON	Pembroke	-	45	-	-	45	100%
	Chartwell Quail Creek Retirement Residence	ON	Renfrew	-	90	-	-	90	100%
	Chartwell Rockcliffe Retirement Residence	ON	Ottawa	-	110	17	-	127	100%
	Chartwell Rosedale Retirement Residence	ON	Brockville	-	66	-	-	66	100%
	Chartwell Stillwater Creek Retirement Residence	ON	Nepean	-	145	58	-	203	100%
	Chartwell Wedgewood Retirement Community	ON	Brockville	-	82	27	-	109	100%
	Kingsbridge Retirement Community	ON	Kingston	-	135	30	-	165	60%
GTA									
	Chartwell Avondale Retirement Residence	ON	Toronto	-	79	-	-	79	100%
	Chartwell Ballycliffe Long Term Care [5]	ON	Ajax	-	-	-	224	224	100%
	Chartwell Barton Retirement Residence	ON	Newmarket	-	82	-	-	82	100%
	Chartwell Bowmanville Creek Retirement Residence	ON	Bowmanville	-	121	22	-	143	100%
	Chartwell Colonial Retirement Residence	ON	Whitby	-	94	-	-	94	100%
	Chartwell Gibson Long Term Care Residence	ON	North York	-	-	-	202	202	100%
	Chartwell Gibson Retirement Residence	ON	North York	-	71	-	-	71	100%
	Chartwell Grenadier Retirement Residence	ON	Toronto	-	184	73	-	257	100%
	Chartwell Harwood Retirement Residence	ON	Ajax	-	130	-	-	130	100%
	Chartwell Hollandview Trail Retirement Residence	ON	Aurora	-	88	37	-	125	100%
	Chartwell Lansing Retirement Residence	ON	Toronto	-	89	-	-	89	100%
	Chartwell Montgomery Village Retirement Residence	ON	Orangeville	-	258	-	-	258	100%
	Chartwell Oak Ridges Retirement Residence	ON	Richmond Hill	-	110	19	-	129	100%
	Chartwell Oakville Retirement Residence	ON	Oakville	-	147	-	-	147	50%
	Chartwell Park Place Retirement Residence	ON	Aurora	-	91	-	-	91	100%
	Chartwell Pickering City Centre Retirement Residence	ON	Pickering	-	117	-	-	117	100%
	Chartwell Regency Retirement Residence	ON	Mississauga	-	81	-	-	81	100%
	Chartwell Robert Speck Retirement Residence	ON	Mississauga	-	113	-	-	113	100%
	Chartwell Rouge Valley Retirement Residence	ON	Markham	-	89	-	-	89	100%
	Chartwell Scarlett Heights Retirement Residence	ON	Etobicoke	-	180	28	-	208	100%
	Chartwell Thornhill Retirement Residence	ON	Thornhill	-	121	-	-	121	50%
	Chartwell Valley Vista Retirement Residence	ON	Vaughan	-	139	-	-	139	100%
	Chartwell Waterford Retirement Residence	ON	Oakville	-	98	33	-	131	100%
	Chartwell Wynfield Retirement Residence	ON	Oshawa	-	84	19	-	103	100%
	The Sumach by Chartwell	ON	Toronto	-	332	-	-	332	50%
NORTH									
	Chartwell Allandale Station Retirement Residence	ON	Barrie	-	120	23	-	143	100%
	Chartwell Balmoral Retirement Residence	ON	Collingwood	50	111	20	-	181	100%
	Chartwell Collegiate Heights Retirement Residence	ON	Sault Ste. Marie	-	107	-	-	107	100%
	Chartwell Georgian Traditions Retirement Residence	ON	Collingwood	-	78	21	-	99	100%
	Chartwell Glacier Ridge Retirement Residence	ON	Thunder Bay	-	80	-	-	80	100%
	Chartwell Hilldale Retirement Residence	ON	Thunder Bay	-	66	-	-	66	100%
	Chartwell Isabella Retirement Residence	ON	Thunder Bay	-	94	-	-	94	100%
	Chartwell Meadowbrook Retirement Community	ON	Lively	86	132	-	-	218	100%
	Chartwell Southwind Retirement Residence	ON	Sudbury	-	82	-	-	82	100%
	Chartwell Thunder Bay Retirement Residence	ON	Thunder Bay	16	102	-	-	118	100%
	Chartwell Tiffin Retirement Residence	ON	Midland	-	49	61	-	110	100%
	Chartwell Westmount on William Retirement Residence	ON	Sudbury	-	84	-	-	84	100%
	Chartwell Whispering Pines Retirement Residence	ON	Barrie	-	108	-	-	108	100%
WEST									
	Chartwell Anne Hathaway Retirement Residence	ON	Stratford	-	61	-	-	61	100%
	Chartwell Bankside Terrace Retirement Residence and Seniors Apartments	ON	Kitchener	58	86	-	-	144	100%
	Chartwell Clair Hills Retirement Residence	ON	Waterloo	-	100	20	-	120	100%
	Chartwell Deerview Crossing Retirement Residence	ON	Hamilton	-	91	28	-	119	100%
	Chartwell Georgian Retirement Residence	ON	Dundas	-	64	-	-	64	100%
	Chartwell Hartford Retirement Residence	ON	Morrisburg	-	87	-	-	87	100%
	Chartwell Lakeshore Retirement Residence	ON	Burlington	-	91	58	-	149	100%
	Chartwell Martha's Landing Retirement Residence	ON	Burlington	-	57	-	-	57	100%
	Chartwell Oak Park LaSalle Retirement Residence	ON	Lasalle	-	113	-	-	113	100%
	Chartwell Oak Park Terrace Retirement Residence	ON	Windsor	-	112	-	-	112	100%
	Chartwell Orchards Retirement Residence	ON	Vineland	-	66	42	-	108	100%
	Chartwell Oxford Gardens Retirement Residence	ON	Woodstock	-	187	-	-	187	100%
	Chartwell Queen's Square Retirement Residence	ON	Cambridge	-	80	-	-	80	100%
	Chartwell Riverside Retirement Residence	ON	London	17	121	-	-	138	50%
	Chartwell Royal on Gordon Retirement Residence	ON	Guelph	14	98	-	-	112	100%
	Chartwell St. Clair Beach Retirement Residence	ON	Tecumseh	-	115	-	-	115	100%
	Chartwell Terrace on the Square Retirement Residence	ON	Waterloo	-	84	-	-	84	100%
	Chartwell Tranquility Place Retirement Residence	ON	Brantford	94	124	-	-	218	100%
	Chartwell Wellington Park Retirement Residence	ON	Guelph	-	116	-	-	116	100%
	Chartwell Westmount Retirement Residence	ON	Kitchener	-	75	25	-	100	100%
73	**TOTAL ONTARIO**			**453**	**7,397**	**708**	**426**	**8,984**	

Properties Owned, Managed and Leased by Chartwell Retirement Residences as at December 31, 2025

	Property Name	Province	City	Independent Living (IL) [1]	Independent Supportive Living (ISL) [2]	Assisted Living (AL) [3]	Long Term Care (LTC) [4]	Total	Chartwell Ownership
BRITISH COLUMBIA									
	Chartwell Birchwood Retirement Residence	BC	Chilliwack	-	80	-	-	80	100%
	Chartwell Carlton Retirement Residence	BC	Burnaby	-	105	-	-	105	100%
	Chartwell Carrington House Retirement Residence	BC	Mission	-	126	-	-	126	100%
	Chartwell Carrington Place Retirement Residence	BC	Vernon	-	135	-	-	135	100%
	Chartwell Cedarbrooke Retirement Residence	BC	Mission	-	138	-	-	138	100%
	Chartwell Chatsworth Retirement Residence	BC	Kelowna	-	103	-	-	103	100%
	Chartwell Churchill House Retirement Residence	BC	North Vancouver	-	98	-	-	98	50%
	Chartwell Crescent Gardens Retirement Community	BC	Surrey	-	105	-	75	180	100%
	Chartwell Edgewater Care Residence	BC	Nanaimo	-	-	-	77	77	100%
	Chartwell Hampton House Retirement Residence	BC	Chilliwack	98	-	-	-	98	100%
	Chartwell Imperial Place Retirement Residence	BC	Surrey	-	104	-	-	104	100%
	Chartwell Kamloops Retirement Residence	BC	Kamloops	-	97	-	-	97	100%
	Chartwell Langley Gardens Retirement Community	BC	Langley	-	166	35	92	293	100%
	Chartwell Lynnwood Retirement Residence	BC	Chilliwack	121	-	-	-	121	100%
	Chartwell Ridgepointe Retirement Residence	BC	Kamloops	199	-	-	-	199	100%
	Chartwell Victoria Harbour Retirement Community	BC	Victoria	-	131	-	-	131	100%
	Chartwell Vista Retirement Community	BC	Victoria	-	105	-	48	153	100%
	Chartwell Willow Retirement Community	BC	Maple Ridge	-	100	-	34	134	100%
	Edgewater by Chartwell	BC	Nanaimo	-	155	-	-	155	100%
18	**TOTAL BRITISH COLUMBIA**			**418**	**1,748**	**35**	**326**	**2,527**	
ALBERTA									
	Chartwell Colonel Belcher Retirement Residence	AB	Calgary	-	175	-	-	175	100%
	Chartwell Eau Claire Care Residence	AB	Calgary	-	125	24	-	149	100%
	Chartwell Emerald Hills Retirement Residence	AB	Sherwood Park	-	256	-	-	256	100%
	Chartwell Fountains of Mission Retirement Residence	AB	Calgary	53	43	-	-	96	100%
	Chartwell Griesbach Retirement Residence	AB	Edmonton	-	268	-	-	268	100%
	Chartwell Harbours Retirement Residence	AB	Calgary	116	-	-	-	116	100%
	Chartwell Hawthorn Retirement Residence	AB	Edmonton	-	100	-	-	100	100%
	Chartwell Heritage Valley Retirement Residence	AB	Edmonton	-	205	-	-	205	100%
	Chartwell Royal Park Retirement Residence	AB	Calgary	105	-	-	-	105	100%
	Chartwell St. Albert Retirement Residence	AB	St. Albert	-	230	-	-	230	100%
	Chartwell Wescott Retirement Residence	AB	Edmonton	-	107	30	-	137	100%
	The Edward Boutique Living by Chartwell	AB	Calgary	-	90	-	-	90	100%
12	**TOTAL ALBERTA**			**274**	**1,599**	**54**	**-**	**1,927**	
QUEBEC									
	Chartwell Azalis résidence pour retraités	QC	Repentigny	-	304	30	-	334	100%
	Chartwell Belvédères de Lachine résidence pour retraités	QC	Montréal	-	229	35	-	264	100%
	Chartwell Cité-Jardin résidence pour retraités	QC	Gatineau	-	796	65	-	861	100%
	Chartwell Des Chutes résidence pour retraités	QC	Lévis	-	287	34	-	321	50%
	Chartwell Des Mille-Îles résidence pour retraités	QC	Terrebonne	-	191	35	-	226	100%
	Chartwell Des Rivières résidence pour retraités	QC	Lévis	-	244	10	-	254	50%
	Chartwell Domaine de Bordeaux résidence pour retraités and Appartements de Bordeaux	QC	Québec	-	253	45	-	298	100%
	Chartwell Domaine des Trembles résidence pour retraités	QC	Gatineau	-	202	35	-	237	100%
	Chartwell Du Plateau résidence pour retraités	QC	Gatineau	-	279	27	-	306	100%
	Chartwell Jardins de la Gare résidence pour retraités	QC	Saint-Hyacinthe	40	168	45	-	253	100%
	Chartwell Jardins Notre-Dame résidence pour retraités	QC	Gatineau	-	151	-	-	151	100%
	Chartwell Le Duplessis résidence pour retraités	QC	Trois-Rivières	-	220	-	-	220	100%
	Chartwell L'Envol residence pour retraites	QC	Cap-Rouge	-	324	36	-	360	100%
	Chartwell Le Florilège residence pour retraites	QC	Beauport	-	309	36	-	345	100%
	Chartwell Le Jules-Verne résidence pour retraités	QC	L'Ancienne-Lorette	181	409	33	-	623	50%
	Chartwell Le Normandie résidence pour retraités	QC	Richelieu	-	224	37	-	261	100%
	Chartwell Le Prescott residence pour retraites	QC	Vaudreuil-Dorion	-	323	-	-	323	85%
	Chartwell Les Écores résidence pour retraités	QC	Laval	-	181	16	-	197	100%
	Chartwell Les Tours Angrignon résidence pour retraités	QC	Lasalle	-	426	23	-	449	100%
	Chartwell L'Unique résidence pour retraités	QC	Saint-Eustache	-	421	-	-	421	85%
	Chartwell Manoir Archer résidence pour retraités	QC	Québec	-	209	19	-	228	100%
	Chartwell Manoir et Cours de L'Atrium résidence pour retraités	QC	Québec	-	565	48	-	613	100%
	Chartwell Manoir Kirkland résidence pour retraités	QC	Kirkland	-	189	-	-	189	100%
	Chartwell Manoir Saint-Jérôme résidence pour retraités	QC	Saint-Jérôme	-	513	-	-	513	100%
	Chartwell Monastère d'Aylmer résidence pour retraités	QC	Gatineau	-	206	53	-	259	100%
	Chartwell Notre-Dame résidence pour retraités	QC	Gatineau	-	149	73	-	222	100%
	Chartwell Notre-Dame Victoriaville résidence pour retraités	QC	Victoriaville	-	154	-	-	154	100%
	Chartwell Oasis Saint-Jean résidence pour retraités	QC	Richelieu	-	260	36	-	296	100%
	Chartwell Panorama résidence pour retraités	QC	Laval	-	206	32	-	238	100%
	Chartwell Rivière-du-Nord résidence pour retraités	QC	Saint-Jérôme	105	197	-	-	302	100%
	Chartwell Rock Forest résidence pour retraités	QC	Sherbrooke	-	308	25	-	333	100%
	Chartwell Rosemont Les Quartiers	QC	Patrie	-	582	49	-	631	100%
	Chartwell Seigneuries du Carrefour résidence pour retraités	QC	Sherbrooke	-	261	-	-	261	100%
	Chartwell Shawinigan résidence pour retraités	QC	Shawinigan	-	285	31	-	316	50%
	Chartwell Ste-Marthe résidence pour retraités	QC	Saint-Hyacinthe	-	166	20	-	186	100%
	Chartwell Trait-Carré résidence pour retraités	QC	Québec City	-	324	37	-	361	100%
	Chartwell Val-Bélair résidence pour retraités	QC	Québec City	-	270	23	-	293	50%
	Résidence L'Aubier	QC	Lévis	-	340	36	-	376	100%
	Résidence Légende	QC	Greenfield Park	-	333	35	-	368	100%
39	**TOTAL QUEBEC**			**326**	**11,458**	**1,059**	**-**	**12,843**	

Properties Owned, Managed and Leased by Chartwell Retirement Residences as at December 31, 2025

	Property Name	Province	City	Independent Living (IL) [1]	Independent Supportive Living (ISL) [2]	Assisted Living (AL) [3]	Long Term Care (LTC) [4]	Total	Chartwell Ownership
142	**TOTAL PROPERTIES OWNED [6]**			**1,471**	**22,202**	**1,856**	**752**	**26,281**	
MANAGED PROPERTIES									
	Chartwell Le Montcalm résidence pour retraités	QC	Candiac	-	283	-	-	283	0%
1	**TOTAL PROPERTIES MANAGED**			**-**	**283**	**-**	**-**	**283**	
LEASED BUILDINGS									
	Chartwell Duke of Devonshire Retirement Residence [7]	ON	Ottawa	-	-	-	-	-	100%
1	**TOTAL LEASED BUILDINGS**			**-**	**-**	**-**	**-**	**-**	
144	**TOTAL PROPERTIES OWNED, MANAGED AND LEASED**			**1,471**	**22,485**	**1,856**	**752**	**26,564**	

(1) IL - Apartments with availability of dining, life enrichment and housekeeping services.

(2) ISL - Apartments and suites with availability of dining, life enrichment, housekeeping, personal assistance, and care services.

(3) AL - Suites with a base level of personal assistance services and/or personal care services for persons with Alzheimer's disease or other forms of dementia included in the base fee, located in a separate/secure wing, floor or building. Additional care services may be added on top of base fee.

(4) LTC - Access to 24-hour nursing care or supervision in a secure setting, assistance with daily living activities and high levels of personal care. Admission and funding are overseen by local government agencies in each province.

(5) The redevelopment of the existing 100-bed LTC home to a 224-bed LTC home was completed in Q3 2025.

(6) Effective Q1 2025, we changed our approach to the property count which resulted in a reduction of 12 properties. Where more than one residence is located on the same site or address, it is now counted as one property.

(7) Operational closure of Chartwell Duke of Devonshire Retirement Residence has been completed and 104 suites have been removed from available capacity. On May 5, 2025, we entered into a 15-year lease agreement with the Ottawa Hospital.

Loans Receivable

At December 31, 2025, two loans receivable from Batimo totalling $14.2 million have been settled and paid in full. On April 1, 2025, the mezzanine loan of $4.2 million for the development of a 360-suite retirement residence (Chartwell L'Envol Retirement Residence) in Québec City, Québec, was paid in full upon the acquisition of the property. On November 1, 2025, the mezzanine loan of $10.0 million for the development of a 376-suite retirement residence in Lévis, Québec (L'Aubier) was paid in full upon the acquisition of the property.

On March 17, 2023, Chartwell entered into a loan agreement with Camellia Residence Inc. to provide $2.9 million of mezzanine loan financing on a newly constructed 117-unit retirement residence (Camellia), located in Surrey, B.C. This mezzanine loan bore interest at the rate of 12% per annum and had a maturity date of February 28, 2025. The loan was secured by second charges on strata lots including a general assignment of rents and leases and has personal guarantees from the principal and other investors. On February 19, 2025 the mezzanine loan was paid in full.

On July 11, 2025, Chartwell entered into a loan agreement with Kingsland Retirement Residence Limited Partnership to provide $6.5 million of mezzanine loan financing for the development of the Kingsview 111-suite retirement residence, located in Calgary, Alberta. This mezzanine loan bears interest at a rate of 13% per annum, compounded on a monthly basis, until such time that the project becomes cash flow positive, at which point the interest rate shall be reduced to 12% per annum, and has a maturity date of July 11, 2028. Interest will accrue to the principal until the project reaches cash-flow break-even.

On December 16, 2024, Chartwell entered into a loan agreement with Nanaimo Retirement Living Limited Partnership to provide $14.6 million of mezzanine loan financing for the development of the Edgewater 155-suite retirement residence, located in Nanaimo, B.C. An additional $7.3 million of mezzanine loan financing was advanced on September 26, 2025. This mezzanine loan bearing interest at a rate of 14% per annum had a maturity date of December 31, 2025. On December 2, 2025, the mezzanine loan was paid in full upon the acquisition of the property.

As at December 31, 2025, Chartwell has three vendor take-back mortgages related to sale of properties totalling $9.6 million. These loans mature in 2026-2027 and bear interest rates of 6% to 10%.

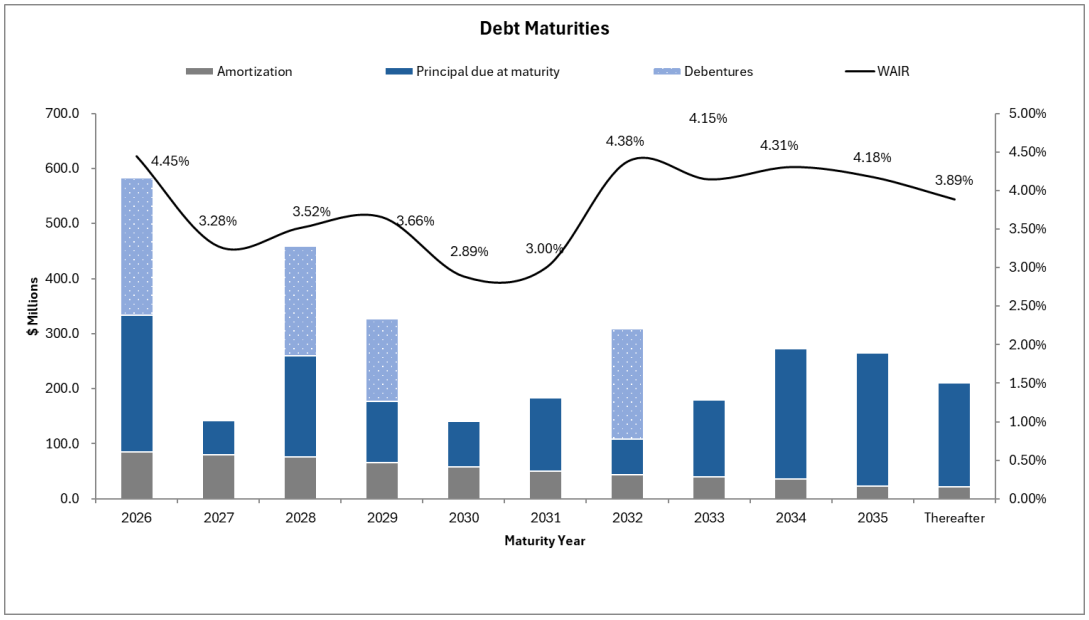
The three-year vendor take-back mortgage from the sale of a non-core property, Chartwell Kanata Retirement Residence, in March 2023, in the amount of $3.9 million at 10.0% interest per annum, is expected to be paid out on March 5, 2026.

Financing

Chartwell manages its mortgage portfolio to reduce interest costs while ensuring it is not overly exposed to interest rate volatility risk. Chartwell takes a portfolio approach to its mortgage debt, proactively staggering maturities to reduce risk while taking advantage of CMHC available debt. Chartwell is required to comply with limitations on its debt contained in the Declaration of Trust and under the terms of its borrowing agreements and the Supplemental Indentures. As at December 31, 2025, Chartwell complied in all material respects with the debt restrictions under the Declaration of Trust (see "Investment Guidelines and Operating Policies of Chartwell") and under the terms of its borrowing agreements and the Supplemental Indentures. As at December 31, 2025, the weighted average interest rate on outstanding mortgage indebtedness was 3.63%.

Chartwell's residences are eligible for government-backed mortgage insurance administered by CMHC. As a result, Chartwell is able to obtain lower interest rates than those available under conventional mortgages and the overall renewal risk for mortgage refinancing is reduced as the mortgage insurance premium is transferable between CMHC approved lenders and is effective for the full amortization period of the underlying mortgage. As at December 31, 2025, Chartwell's CMHC insured mortgage debt represented 95% of its mortgage debt.

The following chart provides a breakdown of our debt maturities at December 31, 2025, for our continuing operations:



On May 29, 2017, Chartwell established two credit facilities with a syndicate of Canadian financial institutions totalling $300.0 million with accordion options for an additional $150.0 million (the "2017 Credit Facilities"). The 2017 Credit Facilities each initially had three-year terms maturing in May 2020 and included annual extension options**.** The first credit facility is a $100.0 million unsecured facility which can be increased by up to $50.0 million during the term (the "Unsecured Credit Facility"). The second credit facility is a $200.0 million secured facility which can be increased by up to $100.0 million during the term (the "Secured Credit Facility"). Chartwell exercised the accordion option under the Secured Credit Facility on November 21, 2017. On May 10, 2019, both of the 2017 Credit Facilities were extended to May 29, 2024. On April 19, 2023, Chartwell entered into amending agreements to extend the maturity date of the 2017 Credit Facilities from May 29, 2024 to May 29, 2025 with substantially the same terms. On May 22, 2024 amendments related to debt service coverage and AFFO were removed from both the Secured and Unsecured Credit Facilities and the facilities were extended to May 29, 2027. On June 3, 2025, the 2017 Credit Facilities were extended to May 29, 2029. Additionally, changes were made to the Secured Credit Facility's applicable margins and underlying mortgageability amount calculation.

On May 19, 2022, Chartwell entered into an agreement with a Canadian chartered bank for a term loan (the "2022 Term Loan") with a principal amount of $13.6 million. The 2022 Term Loan matures on May 19, 2027, and through an interest rate swap bears interest at a fixed rate of 4.44%. The 2022 Term Loan is included in liabilities related to assets held for sale.

On July 22, 2024, Chartwell entered into a $150.0 million unsecured term loan agreement with a Canadian chartered bank. The terms of the loan include borrowings based on either the bank's Prime rate or CORRA, with an initial term of six months and an optional extension for an additional six months. On October 31, 2024, $75.0 million was repaid. The extension was exercised on January 22, 2025. On March 5, 2025, the remaining $75.0 million was repaid.

CHARTWELL, CSH TRUST AND MASTER LP

General

Under the Declaration of Trust, Chartwell is restricted to investing in only the securities of CSH Trust, Master LP, CMCC and their respective associates. Chartwell qualifies as a mutual fund trust under the Tax Act and is expected to continue to so qualify at all material times in the future. Chartwell has been established for an indeterminate term. The following is a summary, which does not purport to be complete, of the material attributes of the Voting Units and certain

provisions of the Declaration of Trust. Reference should be made to the Declaration of Trust, available on SEDAR+ (www.sedarplus.com), for the full text of its provisions and a complete description of the Voting Units including the rights of the Unitholders.

Voting Units are not shares in Chartwell. Holders of Voting Units in Chartwell do not have statutory rights like a shareholder in an OBCA corporation or a CBCA corporation normally associated with the ownership of shares of a corporation, including, for example, the right to bring "oppression" or "derivative" actions. The Voting Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of such act or any other legislation. Furthermore, Chartwell is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.

Description of the Units

The Declaration of Trust provides for the issuance of an unlimited number of Units. Each Unit represents a Unitholder's proportionate undivided ownership interest in Chartwell. No Unitholder has or is deemed to have any right of ownership in any of Chartwell's assets. Each whole Unit confers the right to one vote at any meeting of Unitholders and to participate *pro rata* in any Distributions to Unitholders by Chartwell, whether of net income, net realized capital gains or other amounts and, in the event Chartwell is terminated, in any distribution to Unitholders out of Chartwell's net assets remaining after all liabilities have been satisfied. Units will be fully paid and non-assessable when issued (unless issued on an installment receipt basis) and are transferable. Except as set out below under "Redemption Right", the Units have no conversion, retraction, redemption or pre-emptive rights. Issued and outstanding Units may be subdivided or consolidated.

Description of the Special Voting Units

The Declaration of Trust also provides for the issuance of an unlimited number of Special Voting Units that carry voting rights relating to Chartwell for persons holding Class B Master LP Units or other shares, units or other securities that are directly or indirectly exchangeable for Units. Each Special Voting Unit entitles the holder thereof to a number of votes at any meeting of Unitholders equal to the number of Units which may be obtained upon the exchange of the exchangeable shares, units or other securities, including the Class B Master LP Units, to which the Special Voting Units relate.

The Special Voting Units are subject to such other rights and limitations as may be determined by the Chartwell Trustees at the time of issuance of any such Special Voting Units. Holders of Special Voting Units shall be entitled to nominal distributions in proportion to the consideration payable on the redemption of such Special Voting Units. The Special Voting Units are not transferable separately from the Class B Master LP Units, or other securities to which they relate, and are automatically transferred upon the transfer of such securities. Upon the exchange or surrender of Class B Master LP Units for Units, the corresponding Special Voting Units are automatically redeemed by Chartwell for a nominal amount and are immediately cancelled.

Chartwell Trustees

The Declaration of Trust provides that Chartwell's board of trustees shall consist of a minimum of one and a maximum of 11 trustees. The number of Chartwell Trustees may be changed by the Voting Unitholders or by the Chartwell Trustees, provided that the Chartwell Trustees may not, between meetings of Voting Unitholders, unless otherwise approved by a majority of the Chartwell Trustees, appoint an additional Chartwell Trustee if, after such appointment, the total number of Chartwell Trustees would be greater than one and one-third times the number of Chartwell Trustees in office immediately following the last annual meeting of Voting Unitholders. Subject to certain conditions, a vacancy occurring among the Chartwell Trustees may be filled by resolution of the remaining Chartwell Trustees, so long as they constitute a quorum, or by Voting Unitholders at a meeting of the Voting Unitholders. Pursuant to policies adopted by the Chartwell Trustees, the Chartwell Trustees are to be elected individually by resolution passed by a majority of the votes cast at a meeting of the Voting Unitholders. The Chartwell Trustees elected at an annual meeting will be elected for terms expiring at the next annual meeting and will be eligible for re-election. A Chartwell Trustee elected to fill a vacancy will be elected for the remaining term of the Chartwell Trustee he or she is succeeding. Chartwell Trustees may be removed with or without cause by a majority of the votes cast at a meeting of Voting Unitholders or with cause by two-thirds of the remaining Chartwell Trustees.

The standard of care and duties of the Chartwell Trustees provided in the Declaration of Trust are similar to those imposed on a director of a corporation governed by the OBCA. Accordingly, each Chartwell Trustee is required to exercise the powers and discharge the duties of his or her office honestly, in good faith and in the best interests of Chartwell and the

Voting Unitholders, as a whole, and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Any written instrument which is, in the judgment of the Chartwell Trustees, a material obligation shall contain a provision or be subject to an acknowledgement to the effect that the obligation being created is not personally binding upon, and that resort shall not be had to, nor shall recourse or satisfaction be sought from, by way of lawsuit or otherwise, the private property of any of the Chartwell Trustees, Voting Unitholders, annuitants or beneficiaries under a plan of which a Voting Unitholder acts as a trustee or carrier, or officers, employees or agents of Chartwell, but that only property of Chartwell or a specific portion thereof shall be bound. Chartwell, however, is not required, but shall use all reasonable efforts, to comply with this requirement in respect of obligations assumed by Chartwell upon the acquisition of real property. Chartwell Trustees are provided with an indemnity from Chartwell consistent with indemnities provided to corporate directors.

Meetings of Voting Unitholders

The Declaration of Trust provides that meetings of Voting Unitholders are required to be called and held annually, for the purpose of: (a) electing the Chartwell Trustees; (b) appointing auditors of Chartwell for the ensuing year; (c) directing the election of nominees of Chartwell to serve as CSH Trustees; (d) directing the election of nominees of Chartwell to serve as Directors; (e) generally, any other matter which requires a resolution of Voting Unitholders; and (f) transacting such other business as the Chartwell Trustees may determine or as may be properly brought before the meeting. All meetings of Voting Unitholders shall be held in Canada, provided that the Chartwell Trustees may in their sole discretion determine that a meeting shall not be held at any place but may instead be held entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately during the meeting, if Chartwell is able to, and does, make available such a communication facility.

A meeting of Voting Unitholders may be convened at any time and for any purpose by the Chartwell Trustees and must be convened, except in certain circumstances, if requisitioned in writing by Voting Unitholders representing not less than 5% of the votes attached to all outstanding Voting Units. A requisition must state in reasonable detail the business proposed to be transacted at the meeting and must be sent to each Chartwell Trustee and to the principal office of Chartwell. Voting Unitholders have the right to obtain a list of Voting Unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the OBCA. If the Chartwell Trustees do not call a meeting within 21 days after receiving the requisition, any Voting Unitholder who signed the requisition may call a meeting. Chartwell shall reimburse a Voting Unitholder for expenses reasonably incurred by them in requisitioning, calling and holding the meeting, except in certain circumstances. In certain circumstances, a Chartwell Trustee or Voting Unitholder may apply to court to order a meeting of Voting Unitholders to be called, held and conducted in the manner that the court directs.

Voting Unitholders may attend and vote at all meetings of the Voting Unitholders either in person or by proxy and a proxyholder need not be a Voting Unitholder. Two persons present either holding personally or represented by proxy and representing in the aggregate at least 25% of the votes attached to all outstanding Voting Units shall constitute a quorum for the transaction of business at all such meetings. At any meeting at which a quorum is not present within one-half hour after the time fixed for the holding of such meeting, the meeting, if convened upon the request of the Voting Unitholders, shall be dissolved, but in any other case, the meeting will stand adjourned to a day not less than seven days later and to a place and time as chosen by the chair of the meeting, and if at such adjourned meeting a quorum is not present, the Voting Unitholders present either in person or by proxy shall be deemed to constitute a quorum. Where Chartwell has made available a telephonic, electronic or other communication facility for the purposes of attending and voting at a meeting of the Voting Unitholders, Voting Unitholders may vote by such means of the telephonic, electronic or other communication facility that Chartwell has made available for that purpose.

Voting Unitholders who hold 1% or more of the outstanding Voting Units and satisfy certain other eligibility criteria may submit proposals for consideration at the annual meeting of Voting Unitholders, subject to compliance with the process and procedures set out in the Declaration of Trust, including, in the case of nominations for election of Chartwell Trustees, Chartwell's advance notice policy.

The Declaration of Trust provides that without the authorization of at least $66^{2}/_{3}\%$ of the votes cast at a meeting of Voting Unitholders called for such purpose, the Chartwell Trustees and the Directors shall not, among other things: (a) authorize any combination, merger, amalgamation or arrangement of Chartwell; (b) dispose of all or substantially all of the assets of Chartwell; or (c) liquidate or dissolve the Operator, except in conjunction with an internal reorganization.

Rights of the Unitholders

The rights of the Unitholders as investors in Chartwell and the attributes of the Units are governed by Chartwell's Declaration of Trust. Although the Declaration of Trust confers upon a Unitholder many of the same protections, rights and remedies as an investor would have as a common shareholder of a corporation governed by the CBCA, there do exist some differences.

The Declaration of Trust includes provisions intended to limit the liability of Unitholders for liabilities and other obligations of Chartwell, although no statutory provisions historically confirmed the limited liability status of Unitholders in a manner comparable to shareholders of a CBCA corporation. However, the *Trust Beneficiaries' Liability Act, 2004* (the "Act") was enacted in Ontario, and provides that Unitholders of Chartwell are not liable, as beneficiaries of a trust, for any act, default, obligation or liability of Chartwell or the Chartwell Trustees, with reference to activities or obligations of Chartwell or the Chartwell Trustees occurring or arising after December 16, 2004. The Act has not yet been judicially considered and it is possible that reliance on the Act by a Unitholder could be successfully challenged on jurisdictional or other grounds.

Many of the provisions of the CBCA respecting the governance and management of a corporation have been incorporated in the Declaration of Trust. For example, Unitholders are entitled to exercise voting rights in respect of their holdings of Units in a manner comparable to the exercise of voting rights by shareholders of a CBCA corporation and to elect trustees (but without the right to cast votes against nominees for election) and to appoint auditors. The Declaration of Trust also includes provisions modeled after comparable provisions of the CBCA dealing with the calling and holding of meetings of Unitholders and trustees, the quorum for and procedures at such meetings and the right of investors to participate in the decision-making process where certain fundamental actions are proposed to be undertaken. Like the CBCA, the Declaration of Trust provides that Unitholders have the right to submit proposals for consideration at annual meetings of Unitholders. Unitholder proposals must be submitted at least 90 days before the anniversary date of the notice of meeting sent to Unitholders in connection with Chartwell's previous annual meeting of Unitholders. Matters for which Unitholder approval is required under the Declaration of Trust are also generally less extensive than the rights conferred on shareholders of a CBCA corporation but effectively extend to certain fundamental actions that may be undertaken by CSH Trust or Master LP. These Unitholder approval rights are supplemented by provisions of applicable securities laws that are applicable to Chartwell (for example, approval requirements relating to related party or other transactions that are subject to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*). The Declaration of Trust includes provisions concerning trustee independence, the composition of board committees, including the audit committee, limitations on delegation of authority by the Chartwell Trustees and conflicts of interest, which are based on provisions of the CBCA and are supplemented by applicable securities laws.

Unitholders do not have recourse to a dissent right under which shareholders of a CBCA corporation are entitled to receive the fair value of their shares where certain fundamental changes affecting the corporation are undertaken (such as an amalgamation, a continuance under the laws of another jurisdiction, the sale of all or substantially all of its property, a going private transaction or the addition, change or removal of provisions restricting: (a) the business or businesses that the corporation can carry on; or (b) the issue, transfer or ownership of shares). As an alternative, Unitholders seeking to terminate their investment in Chartwell are entitled to redeem their Units in accordance with the Declaration of Trust. Unitholders do not have recourse to a statutory oppression remedy that is available to shareholders of a CBCA corporation where the corporation undertakes actions that are oppressive, unfairly prejudicial or unfairly disregard the interests of the securityholders and other certain parties. Shareholders of a CBCA corporation may also apply to a court to order the liquidation and dissolution of the corporation in certain circumstances whereas Unitholders could rely only on the general provisions of the Declaration of Trust which permit the winding up of Chartwell with the approval of a special resolution of the Unitholders. Shareholders of a CBCA corporation may also apply to a court for the appointment of an inspector to investigate the manner in which the business of the corporation and its affiliates is being carried on where there is reason to believe that fraudulent, dishonest or oppressive conduct has occurred. The Declaration of Trust allows for the calling of a meeting to consider the appointment of an inspector to investigate the Chartwell Trustees' performance of their responsibilities and duties, upon the written request of holders of 25% of the outstanding Units, but any such process would not be subject to court oversight or the other investigative procedures, rights and remedies available under the CBCA. The CBCA also permits shareholders to bring or intervene in derivative actions in the name of the corporation or any of its subsidiaries, with leave of a court. The Declaration of Trust does not include a comparable right of the Unitholders to commence or participate in legal proceedings in Chartwell's name.

Purchases of Units

Chartwell may from time-to-time purchase Units in accordance with applicable securities legislation and the rules prescribed under applicable stock exchange or regulatory policies. Any such purchase will constitute an "issuer bid" under Canadian provincial securities legislation and must be conducted in accordance with the applicable requirements thereof.

Redemption Right

Units are redeemable at any time on demand by the holders thereof upon delivery to Chartwell of a duly completed and properly executed notice requesting redemption in a form reasonably acceptable to the Chartwell Trustees, together with written instructions as to the number of Units to be redeemed. A Unitholder not otherwise holding a fully registered Unit certificate who wishes to exercise the redemption right will be required to obtain a redemption notice form from the Unitholder's investment dealer who will be required to deliver the completed redemption notice form to Chartwell and to CDS. Upon receipt of the redemption notice by Chartwell, all rights to and under the Units tendered for redemption shall be surrendered and the holder thereof shall be entitled to receive a price per Unit ("Redemption Price") equal to the lesser of: (a) 90% of the "market price" of the Units on the principal market on which the Units are quoted for trading during the 10-day trading period ending immediately prior to the date on which the Units were surrendered for redemption (the "Redemption Date"); and (b) 100% of the "closing market price" on the principal market on which the Units are listed for trading on the Redemption Date.

For the purposes of this calculation, "market price" means the amount equal to the weighted average of the trading prices of the Units on the applicable market or exchange for each of the trading days on which there was a trade during the specified trading day period; provided that if there was trading on the applicable exchange or market for fewer than five of the trading days during the specified trading day period, the "market price" will be the average of the following prices established for each of the trading days during the specified trading period: the average of the last bid and last asking prices of the Units for each day on which there was no trading and the weighted average trading prices of the Units for each day that there was trading. The "closing market price" means an amount equal to: (a) the closing price of the Units on the applicable market or exchange if there was a trade on the specified date and the applicable exchange or market provides a closing price; (b) an amount equal to the weighted average of the highest and lowest prices of the Units on the applicable market or exchange if there was trading on the specified date and the exchange or other market provides only the highest and lowest prices of Units traded on a particular day; or (c) the weighted average of the last bid and last asking prices of the Units on the applicable market or exchange if there was no trading on the specified date.

If Units are not listed or quoted for trading in a public market, the Redemption Price will be the fair market value of the Units, which shall be determined by the Chartwell Trustees in their sole discretion.

The aggregate Redemption Price payable by Chartwell in respect of any Units surrendered for redemption during any calendar month shall be satisfied by way of a cash payment in Canadian dollars within 30 days after the end of the calendar month in which the Units were tendered for redemption, provided that the entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the limitations that: (a) the total amount payable by Chartwell in respect of such Units and all other Units tendered for redemption in the same calendar month shall not exceed $50,000 (provided that such limitation may be waived at the discretion of the Chartwell Trustees); (b) at the time such Units are tendered for redemption, the outstanding Units shall be listed for trading on the TSX or traded or quoted on any other stock exchange or market which the Chartwell Trustees consider, in their sole discretion, provides representative fair market value prices for the Units; (c) the normal trading of Units is not suspended or halted on any stock exchange on which the Units are listed (or, if not listed on a stock exchange, on any market on which the Units are quoted for trading) on the Redemption Date or for more than five trading days during the 10-day trading period commencing immediately after the Redemption Date.

Cash payable on redemptions will be paid *pro rata* to all Unitholders tendering Units for redemption in any month. To the extent a Unitholder is not entitled to receive cash upon the redemption of Units as a result of any of the foregoing limitations, then the balance of the Redemption Price for such Units shall, subject to any applicable regulatory approvals, be paid and satisfied by way of a distribution *in specie* of assets held by Chartwell. Where Chartwell makes a distribution *in specie* on the redemption of a Unitholder's Units, Chartwell currently intends to allocate to that Unitholder any capital gain or income realized by Chartwell on or in connection with such distribution.

Chartwell believes that the redemption right described above will not be the primary mechanism for Unitholders to dispose of their Units. Securities distributed by Chartwell on an *in specie* distribution of assets on a redemption will not be

listed on any exchange, no market is expected to develop in such securities and such securities may be subject to resale restrictions under applicable securities laws. Such securities may not be qualified investments under the Tax Act for Plans.

Takeover Bids

The Declaration of Trust contains provisions to the effect that if a takeover bid or issuer bid is made for all of the issued and outstanding Units (including securities then currently convertible, exchangeable or exercisable for Units) within the meaning of the *Securities Act* (Ontario) and not less than 90% of all the issued and outstanding Units (other than Units held at the date of the takeover bid or issuer bid by or on behalf of the offeror or associates or affiliates of the offeror) are taken up and paid for by the offeror, the offeror will be entitled to acquire the Units held by Unitholders who did not accept the offer, on the same terms as those offered to the Unitholders who accepted the takeover bid.

Issuance of Units

Chartwell may issue new Units and other securities of Chartwell (including Special Voting Units issued in conjunction with the issuance of Class B Master LP Units or securities convertible into or exchangeable for Units or other securities of Chartwell or warrants, options or other rights to acquire Units or other securities of Chartwell) (the "Other Issuable Securities") from time to time, in such manner, for such consideration and to such person, persons or class of persons as the Chartwell Trustees shall determine. Unitholders do not have any pre-emptive rights whereby additional Units or Other Issuable Securities proposed to be issued are first offered to existing Unitholders. If the Chartwell Trustees determine that Chartwell does not have enough cash to satisfy the full amount of any Distribution, the payment may include the issuance of additional Units or Other Issuable Securities having a value equal to the difference between the amount of such Distribution and the amount of cash which the Chartwell Trustees have determined is available for the payment of such Distribution. In addition, Units or Other Issuable Securities may be issued pursuant to the Distribution Reinvestment Plan, the EUPP, the Deferred Unit Plan and any option plan or long-term incentive plan established by Chartwell from time to time. New Units or Other Issuable Securities may also be issued for cash through public offerings, through rights offerings to existing Unitholders (i.e., in which Unitholders receive rights to subscribe for new Units or Other Issuable Securities in proportion to their existing holdings of the Units or Other Issuable Securities, which rights may be exercised or sold to other investors), through private placements (i.e., offerings to specific investors which are not made generally available to the public or existing Unitholders) or as a result of conversion rights exercised under convertible securities, including warrants and subscription receipts. Chartwell may also issue new Units or Other Issuable Securities as consideration for the acquisition of new properties or assets by it. The price or the value of the consideration for which Units or Other Issuable Securities may be issued will be determined by the Chartwell Trustees, and, where the Chartwell Trustees so determine, generally in consultation with investment dealers or brokers who may act as underwriters in connection with offerings of Units or Other Issuable Securities and subject to applicable regulatory approvals.

The Declaration of Trust also provides that immediately after any *pro rata* distribution of Units to all Unitholders in satisfaction of any non-cash distribution, the number of outstanding Units will be consolidated so that each Unitholder will hold after the consolidation the same number of Units as the Unitholder held before the non-cash distribution. In this case, each certificate representing a number of Units prior to the non-cash distribution is deemed to represent the same number of Units after the non-cash distribution and the consolidation. Notwithstanding the foregoing, where tax is required to be withheld from a Unitholder's share of the distribution, the consolidation will result in such Unitholder holding that number of Units equal to: (a) the number of Units held by such Unitholder prior to the distribution plus the number of Units received by such Unitholder in connection with the distribution (net of the number of whole and part Units withheld on account of withholding taxes); multiplied by (b) the fraction obtained by dividing the aggregate number of Units outstanding prior to the distribution by the aggregate number of Units that would be outstanding following the distribution and before the consolidation if no withholding were required in respect of any part of the distribution payable to any Unitholder.

Limitation on Ownership

For Chartwell to maintain its status as a "mutual fund trust" under the Tax Act, Chartwell must not be established or maintained primarily for the benefit of non-residents of Canada within the meaning of the Tax Act. Accordingly, at no time may non-residents of Canada (within the meaning of the Tax Act) be the beneficial owners of more than 49% of the Units and the Chartwell Trustees shall inform the transfer agent and registrar of this restriction. The Chartwell Trustees may require declarations as to the jurisdictions in which beneficial owners of Units are resident. If the Chartwell Trustees become aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 49% of the Units then outstanding are, or may be, non-residents or that such a situation is imminent, the Chartwell Trustees may

make a public announcement thereof and shall not accept a subscription for Units from or issue or register a transfer of Units to a person unless the person provides a declaration that the person is not a non-resident. If, notwithstanding the foregoing, the Chartwell Trustees determine that more than 49% of the Units are held by non-residents, the Chartwell Trustees may send a notice to non-resident holders of Units, chosen in inverse order to the order of acquisition or registration or in such manner as the Chartwell Trustees may consider equitable and practicable, requiring them to sell or redeem their Units or a portion thereof within a specified period of not less than 60 days. If the Unitholders receiving such notice have not sold or redeemed the specified number of Units or have not provided the Chartwell Trustees with satisfactory evidence that they are not non-residents within such period, Chartwell may, on behalf of such Unitholders sell or redeem such Units and, in the interim, shall suspend the voting and Distribution rights attached to such Units, if any. Upon such sale or redemption, the affected holders shall cease to be holders of Units and their rights shall be limited to receiving the net proceeds of sale or redemption. The Chartwell Trustees shall have no liability for the amount received provided they act in good faith.

Information and Reports

Chartwell will furnish to Voting Unitholders such financial statements (including quarterly and annual financial statements) and other reports as are from time to time required by applicable law, including prescribed forms needed for the completion of Voting Unitholders' tax returns under the Tax Act and equivalent provincial legislation. Prior to each annual and/or special meeting of Voting Unitholders, the Chartwell Trustees will provide the Voting Unitholders (along with notice of such meeting) information similar to that required to be provided to shareholders of a public corporation governed by the OBCA. A Unitholder has the right to examine the Declaration of Trust, minutes of meetings and resolutions of Unitholders and the securities register of Chartwell during normal business hours upon submission of a request and affidavit, together with payment of reasonable fees, in the manner as contemplated by the Declaration of Trust.

Amendments to Declaration of Trust

The Declaration of Trust may be amended or altered from time to time. Certain amendments require approval by at least two-thirds of the votes cast in respect of the amendment at a meeting of the Voting Unitholders called for such purpose. Other amendments to the Declaration of Trust require approval by unanimous consent of the Voting Unitholders or by a majority of the votes cast in respect of the amendment at a meeting of the Voting Unitholders called for such purpose.

The following amendments, among others, require the approval by at least two-thirds of the votes cast by Voting Unitholders in respect of the amendment at a meeting:

(a) an exchange, reclassification or cancellation of all or part of the Voting Units;

(b) the addition, change or removal of the rights, privileges, restrictions or conditions attached to the Voting Units;

(c) the constraint on the issue, transfer or ownership of the Voting Units or the change or removal of such constraint;

(d) the sale or transfer of Chartwell's assets as an entirety or substantially as an entirety (other than as part of an internal reorganization of Chartwell's assets as approved by the Chartwell Trustees);

(e) the termination of Chartwell; and

(f) except as described herein, the amendment of Chartwell's investment guidelines and operating policies.

Any amendment to the Declaration of Trust to increase the number of votes of Voting Unitholders required to remove a Chartwell Trustee requires the unanimous consent of Voting Unitholders.

The Chartwell Trustees may, without the approval of the Voting Unitholders, make certain amendments to the Declaration of Trust, including amendments:

(a) aimed at ensuring continuing compliance with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over (i) the Chartwell Trustees or Chartwell, (ii) Chartwell's

status as a "mutual fund trust" or "registered investment" under the Tax Act, or (iii) the distribution of Voting Units;

(b) which, in the opinion of the Chartwell Trustees, provide additional protection for the Voting Unitholders;

(c) to remove any conflicts or inconsistencies in the Declaration of Trust, or of a minor or clerical nature, or to make minor corrections which are, in the opinion of the Chartwell Trustees, necessary or desirable and not prejudicial to the Voting Unitholders;

(d) which, in the opinion of the Chartwell Trustees, are necessary or desirable as a result of changes in IFRS (including accounting guidelines) or taxation or other laws;

(e) necessary or desirable to enable Chartwell to issue Voting Units for which the purchase price is payable in instalments; or

(f) for any purpose (except one in respect of which a vote is specifically otherwise required) which, in the opinion of the Chartwell Trustees, is not prejudicial to Voting Unitholders and is necessary or desirable.

Pursuant to the terms of the Declaration of Trust, the Chartwell Trustees shall submit any amendment to the Declaration of Trust that has not been approved by the Voting Unitholders pursuant to section 12.1 of the Declaration of Trust, other than amendments pursuant to section 4.5, 12.1(a), 12.1(c), 12.1(d) or 12.1(e) and amendments the Chartwell Trustees determine are necessary or advisable pursuant to or in connection with applicable tax laws, securities laws, accounting rules or other applicable laws or regulations or such amendments, the equivalent of which, would not otherwise be required to be ratified by shareholders pursuant to the OBCA, to the Voting Unitholders at the next meeting of Voting Unitholders and the Voting Unitholders entitled to vote on the amendment may, by a vote representing at least a majority of the Voting Units voted, in person or by proxy, confirm, reject or amend the amendment to the Declaration of Trust.

If an amendment to the Declaration of Trust is rejected by the Voting Unitholders, or if the Chartwell Trustees do not submit an amendment to the Voting Unitholders as required, such amendment ceases to be effective immediately after the meeting of Voting Unitholders referred to above and no subsequent resolution of the Chartwell Trustees to amend the Declaration of Trust having substantially the same purpose or effect is effective until it is confirmed or confirmed as amended by the Voting Unitholders.

A copy of the Declaration of Trust is available from Chartwell upon request and is also available on SEDAR+ (www.sedarplus.com).

Book-Based System; No Certificates for Special Voting Units

Except as otherwise provided below, the Units are held in book-entry form by CDS, as depository for the participants of CDS and registered in the name of CDS or its nominee, and registration of ownership and transfers of the Units will be effected only through the book-based system administered by CDS.

Except as described below, no holder of a Unit is entitled to a certificate or other instrument from Chartwell evidencing that purchaser's ownership thereof, and no holder of a beneficial interest in a Unit (a "Beneficial Owner") is shown on the records maintained by CDS except through book-entry accounts of a CDS participant acting on behalf of the Beneficial Owners. CDS is responsible for establishing and maintaining book-entry accounts for its participants having interests in the Units. Sales of interests in the Units can only be completed through participants in the depository services of CDS.

Except in the case of United States purchasers purchasing the Units under Rule 144A, Units will be issued in fully registered form to holders or their nominees, other than CDS or its nominee, only if: (a) Chartwell is required to do so by applicable law; (b) the depository system of CDS ceases to exist; (c) Chartwell determines that CDS is no longer willing or able or qualified to discharge properly its responsibility as depository and Chartwell is unable to locate a qualified successor; or (d) Chartwell at its option elects to terminate the book-entry system in respect of the Units through CDS.

No holder of Special Voting Units is entitled to a certificate or other instrument from Chartwell evidencing the holders' ownership of such Special Voting Units.

Transfer and Exchange of Units

Transfers of beneficial ownership of Units held through the book-entry system will be effected through records maintained by the depository for the Units (with respect to interests of participants) and on the records of participants (with respect to interests of persons other than participants). Unless Chartwell elects, in its sole discretion, to prepare and deliver definitive Unit certificates, Beneficial Owners who are not participants in the depository's book-entry system, but who desire to purchase, sell or otherwise transfer ownership of or other interest in Units, may do so only through participants in the depository's book-entry system.

A Beneficial Owner's ability to pledge the Unit or otherwise take action with respect to such owner's interest in the Unit (other than through a participant) may be limited due to the lack of a physical certificate.

Registered holders of definitive Unit certificates may transfer such Units upon payment of taxes or other charges incidental thereto, if any, by executing and delivering a form of transfer together with the definitive Unit certificates to the registrar for the Units at its principal office in the City of Toronto or such other city or cities as may from time to time be designated by Chartwell, whereupon new definitive Unit certificates will be issued in authorized denominations in the same aggregate principal amount as the definitive Unit certificates so transferred, registered in the name of the transferees.

Unitholder Rights Agreement

Chartwell has a rights agreement whereby Chartwell will issue one Right for each Voting Unit which is outstanding. The terms of such agreement are set out in the Unitholder Rights Agreement as amended and restated as of May 17, 2018, as reconfirmed from time to time and most recently in 2024. A copy of the Unitholder Rights Agreement is available from Chartwell upon request and is also available on SEDAR+ (www.sedarplus.com).

The Rights will separate and trade separately from the Voting Units after the Separation Time (as defined below). Following the Separation Time, Chartwell will determine whether it wishes to issue Rights Certificates or whether it will maintain the Rights in book entry form. Rights Certificates, or evidence of the Rights through an advice or other statement which is maintained electronically on the records of Chartwell's transfer agent, will be provided for registered Voting Unitholders as of the Separation Time and each separate Rights Certificate or book entry only form thereof will evidence the Rights. Registration of interests in and transfer of the Rights will be made only through a book entry system administered by CDS.

The "Separation Time" is the close of business on the tenth Business Day following the earliest of:

(a) the date of the first public announcement made by Chartwell or an Acquiring Person (as defined below) that a person has become an Acquiring Person;

(b) the date of the commencement of a takeover bid by any person for the Voting Units;

(c) the date upon which a permitted bid ceased to be a permitted bid; or

such later date as may be determined by the Chartwell Trustees.

If any takeover bid triggering the Separation Time expires or is cancelled, terminated or otherwise withdrawn prior to the Separation Time, the bid shall be deemed, for the purposes of determining the Separation Time, never to have been made.

The initial exercise price established under the Unitholder Rights Agreement is $50 per Unit. After the Separation Time and prior to the occurrence of a "Flip-in Event", as described below, each Right entitles the registered holder to purchase one Unit at the exercise price of $50 per Unit, subject to certain anti-dilution adjustments and other rights as set out in the Unitholder Rights Agreement. The terms of the Rights adjust significantly upon the occurrence of a Flip-In Event.

A "Flip-In Event" is triggered when a person becomes an Acquiring Person (as defined below). Upon the occurrence of a Flip-in Event, Chartwell must take such action as shall be necessary to ensure that each Right (except for Rights beneficially owned by the persons specified below) shall thereafter constitute the right to purchase from Chartwell upon exercise thereof in accordance with the terms of the Unitholder Rights Agreement that number of Units having an aggregate

current market price on the date of the consummation or occurrence of such Flip-in Event equal to twice the exercise price, for an amount in cash equal to the exercise price.

The Unitholder Rights Agreement provides that Rights that are beneficially owned by (a) an Acquiring Person (as defined below), any affiliate or associate of an Acquiring Person, any person acting jointly or in concert with an Acquiring Person, or any affiliate or associate of such Acquiring Person, or (b) a direct or indirect transferee of Rights from any of the foregoing, shall become null and void without any further action and any holder of such Rights (including transferees) shall not have any rights whatsoever to exercise such Rights under any provision of the Unitholder Rights Agreement.

An "Acquiring Person" is a person who beneficially owns 20% or more of the outstanding Voting Units. An Acquiring Person does not, however, include: (a) Chartwell, the Operator or any other affiliate controlled by Chartwell; or (b) any person who becomes the beneficial owner of 20% or more of the Voting Units as a result of certain exempt transactions.

The Voting Unitholders reconfirmed the Unitholder Rights Agreement at the annual and special meeting of Unitholders held on May 17, 2018, and reconfirmed and ratified the Unitholder Rights Agreement in 2021 and 2024. The Unitholder Rights Agreement shall expire on the earliest of: (a) the date on which the Unitholder Rights Agreement is waived or the Rights are redeemed by the Chartwell Trustees in the manner described above, (b) the date on which the Unitholder Rights Agreement is not reconfirmed, or not presented for reconfirmation, at an annual general meeting of the Voting Unitholders at which the Unitholder Rights Agreement is required to be presented for reconfirmation, or (c) upon the conclusion of Chartwell's annual meeting of unitholders in 2027.

Distribution Reinvestment Plan

Chartwell has implemented a Distribution Reinvestment Plan pursuant to which resident Canadian holders of Units may elect to have their cash Distributions automatically reinvested at a price per Unit calculated by reference to the current average of the closing price for the Units on the TSX for the five trading days immediately preceding the relevant Distribution Date. Eligible Unitholders who so elect will receive additional Units equal in value to 3% of each Distribution received.

DESCRIPTION OF DEBENTURES

On April 27, 2018, Chartwell issued $150.0 million aggregate principal amount of 4.211% Series B senior unsecured debentures due April 28, 2025. Chartwell repaid the Series B Debentures on April 28, 2025.

On December 8, 2023, Chartwell issued $250.0 million aggregate principal amount of 6.000% Series C senior unsecured debentures with a maturity date of December 8, 2026 (the "Series C Debentures").

On October 28, 2024, Chartwell issued $150.0 million aggregate principal amount of 4.400% Series D senior unsecured debentures with a maturity date of November 5, 2029 (the "Series D Debentures").

On March 6, 2025, Chartwell issued $200.0 million aggregate principal amount of 3.650% Series E Debentures with a maturity date of May 6, 2028, and $200.0 million aggregate principal amount of 4.500% Series F Debentures with a maturity date of March 6, 2032.

The following is a brief summary of the material attributes and characteristics of the Series C, the Series D, the Series E and Series F Debentures. This summary does not contain all of the terms and conditions of the 2017 Indenture (as defined below) or the Supplemental Indentures (as defined below). As a result, this summary does not purport to be complete and is subject to, and qualified in its entirety by the terms of, the 2017 Indenture and the Supplemental Indentures. For full particulars, reference is made to the 2017 Indenture, as amended, supplemented or restated from time to time, and to the Supplemental Indentures. The 2017 Indenture, as supplemented by the Series C Supplement (as defined below), is referred to as the "Series C Indenture". The 2017 Indenture, as supplemented by the Series D Supplement (as defined below), is referred to as the "Series D Indenture". The 2017 Indenture, as supplemented by the Series E Supplement (as defined below), is referred to as the 'Series E Indenture". The 2017 Indenture, as supplemented by the Series F Supplement (as defined below), is referred to as the "Series F Indenture". Should any conflict arise between the following summary and the 2017 Indenture or the Supplemental Indentures, the terms of the 2017 Indenture and the Supplemental Indentures, as the case may be, will govern. Copies of the 2017 Indenture and the Supplemental Indentures are available on SEDAR+ (www.sedarplus.com).

Definitions

For purposes of this "Description of Debentures", the term the "Trust" refers to Chartwell Retirement Residences and the term "Master LP" refers to Chartwell Master Care LP (or, in each case, their respective successors, if any, under the Supplemental Indentures) and not any of their respective subsidiaries, and the following terms have the meanings set out below:

"2017 Indenture" means the trust indenture dated as of June 9, 2017, between the Trust and the Indenture Trustee (as defined below).

"Acquired Indebtedness" means the Indebtedness of a person (i) existing at the time such person becomes a subsidiary of the Trust, or (ii) assumed by the Trust or any of its subsidiaries in connection with the acquisition of assets from such person, calculated as of the date such person becomes a subsidiary or the date of such acquisition, in each case, other than Indebtedness incurred in connection with or in contemplation of such person's becoming a subsidiary or of such acquisition.

"Aggregate Adjusted Assets" means, at any time, determined on a consolidated basis in accordance with GAAP adjusted by Proportionate Consolidation Adjustments, the book value of the assets of the Trust, plus accumulated depreciation and amortization on property, plant and equipment and on intangible assets (including fully amortized assets), and plus the difference between the gross book value of assets calculated under the previous generally accepted accounting principles and IFRS on the IFRS transition date of January 1, 2010.

"Appraisal" means a written report of the estimated fair market value of an asset prepared by a qualified valuator of commercial real estate, with experience in valuing seniors housing facilities in the province where the asset is located and who is acting at arm's length (within the meaning of the Tax Act) from the Trust and its subsidiaries.

"Balance Sheet Date" means the date of the Trust's most recently publicly released annual or interim consolidated balance sheet.

"Capital Lease Obligation" of any person means the obligation of such person, as lessee, to pay rent or other payment amounts under a lease of real or personal property which is required to be classified and accounted for as a finance lease or a liability on a consolidated balance sheet of such person in accordance with GAAP.

"Change of Control" means the acquisition by a person, or group of persons acting jointly or in concert, directly or indirectly, of more than 50% of the aggregate voting rights attached to the Units and Special Voting Units (taking into account (i) full dilution from the exchange of all then-outstanding Class B Master LP Units into Units; and (ii) in respect of any other securities that are convertible or exchangeable into Units, only dilution resulting from the conversion or exercise of such other convertible or exchangeable securities held by such person or group of persons).

"Change of Control Triggering Event" means the occurrence of both a Change of Control and a Rating Event.

"Consolidated Depreciation and Amortization Expense" means, for any period, depreciation and amortization expense of Chartwell, determined on a consolidated basis in accordance with GAAP adjusted by Proportionate Consolidation Adjustments.

"Consolidated EBITDA" of the Trust, for any period, means Consolidated Net Income for such period increased by the sum of, without duplication, (i) Consolidated Interest Expense for such period, (ii) Consolidated Depreciation and Amortization Expense for such period, (iii) Consolidated Income Tax Expense for such period (other than income taxes, either positive or negative, attributable to unusual or non-recurring gains or losses as adjusted for in calculating Consolidated Net Income), and (iv) the principal amount of any capital funding from any applicable governmental authority received by Chartwell in such period.

"Consolidated Income Tax Expense" of the Trust for any period means the income tax expense of the Trust for such period, determined on a consolidated basis and in accordance with GAAP adjusted by Proportionate Consolidation Adjustments.

"Consolidated Indebtedness" of the Trust as at any date means the consolidated Indebtedness of the Trust as at such date determined in accordance with GAAP adjusted by Proportionate Consolidation Adjustments.

"Consolidated Interest Expense" means, for any period, determined on a consolidated basis in accordance with GAAP adjusted by Proportionate Consolidation Adjustments, the aggregate amount of interest expense of the Trust in respect of Consolidated Indebtedness, Capital Lease Obligations, and to the extent interest has been capitalized on projects that are under development or held for future development during the period, the amount of interest so capitalized (including Proportionate Consolidation Adjustments), but excluding any yield maintenance, prepayment penalties or other related costs incurred with respect to repayments of Indebtedness, and any amortization of debt mark-to-market and finance cost. For the avoidance of doubt, distributions in respect of the Class B Master LP Units will not be included in determining Consolidated Interest Expense.

"Consolidated Net Income" of the Trust for any period means the net income (loss) of the Trust for such period determined on a consolidated basis in accordance with GAAP, excluding (i) the aggregate amount of distributions on the Class B Master LP Units for such period, (ii) any gain or loss attributable to the sale or other disposition of any asset or liability of the Trust, other than the sale or disposition of income properties held for resale, (iii) any non-cash changes in fair value and other non-cash gains or losses of the Trust, determined on a consolidated basis in accordance with GAAP, (iv) other non-recurring items, and adjusted by (v) any Proportionate Consolidation Adjustments; and including or excluding, as applicable, the related tax impact of items (i) to (iv).

"Consolidated Unsecured Indebtedness" of the Trust at any date means the Consolidated Indebtedness of the Trust that is not secured in any manner by any Lien as at such date, determined in accordance with GAAP adjusted by Proportionate Consolidation Adjustments.

"Debentures" means, collectively, the Series C Debentures, the Series D Debentures, the Series E Debentures and the Series F Debentures.

"GAAP" means generally accepted accounting principles in Canada (which for Canadian reporting issuers is IFRS) as in effect as of the date of the 2017 Indenture and as adopted by the Trust as of the date of the 2017 Indenture for the purposes of its public financial reporting.

"Indebtedness" of any person means (without duplication) (i) any obligation of such person for borrowed money (including, for greater certainty, the full principal amount of convertible debt, notwithstanding its presentation under GAAP), (ii) any obligation of such person incurred in connection with the acquisition of property, assets or businesses, (iii) any obligation of such person issued or assumed as the deferred purchase price of property, (iv) any Capital Lease Obligation of such person, and (v) any obligations of the type referred to in clauses (i) through (iv) of another person, the payment of which such person has guaranteed or for which such person is responsible or liable; provided that, (A) for the purpose of clauses (i) through (v) (except in respect of convertible debt, as described above), an obligation will constitute Indebtedness of such person only to the extent that it would appear as a liability on the consolidated balance sheet of such person in accordance with GAAP, (B) obligations referred to in clauses (i) through (iii) exclude trade accounts payable, distributions payable to holders of Units, accrued liabilities arising in the ordinary course of business which are not overdue or which are being contested in good faith, deferred revenues, intangible liabilities, amounts related to unit-based compensation, deferred income taxes, deferred financing costs, tenant deposits and indebtedness with respect to the unpaid balance of installment receipts where such indebtedness has a term not in excess of 12 months, and (C) Units, Class A Master LP Units and Class B Master LP Units and exchangeable securities do not constitute Indebtedness. Furthermore, obligations referred to in clauses (i) through (v) shall be adjusted, as and to the extent applicable, for Proportionate Consolidation Adjustments.

"Indenture Trustee" means Computershare Trust Company of Canada in its capacity as indenture trustee under the 2017 Indenture and its successors and permitted assigns in such capacity.

"Lien" means any security interest, encumbrance, lien, hypothec, mortgage, pledge, charge or any other arrangement (including a deposit arrangement) or condition that in substance secures payment or performance of an obligation.

"Permitted Indebtedness" means:

(a) Indebtedness of (A) the Trust owed to any of its subsidiaries and (B) any subsidiary of the Trust owed to the Trust and/or another of its subsidiaries (each of the entities in (A) and (B) being for these purposes a "related entity"), provided, however, that the provisions of this subsection (a) will no longer be applicable,

(i) upon the subsequent transfer or other disposition of such Indebtedness to any person that is not a related entity to the transferor, to the amount that was so transferred or otherwise disposed of to such other person; or

(ii) in the case of Indebtedness of the Trust owed to any of its subsidiaries, upon the subsequent issuance or disposition of common shares, units or equivalent securities (including, without limitation, by consolidation or merger) of such subsidiary which results in such subsidiary ceasing to be a subsidiary of the Trust (and thereby for this purpose a "third party"), to the amount of such Indebtedness equal to the product obtained by multiplying the amount of such Indebtedness by the percentage of common shares, units or equivalent securities of the third party owned immediately after such issuance or disposition of such common shares, units or equivalent securities by persons other than the Trust or one of its subsidiaries,

and, in each case, such amount of such Indebtedness will be deemed for the purpose of the calculation of the Indebtedness Percentage to have been incurred at the time of such transfer, issuance or disposition; and

(b) Indebtedness of the Trust or any of its subsidiaries which is incurred or the proceeds of which are used to renew, extend, repay, redeem, purchase, refinance or refund (each, a "refinancing") any Indebtedness of Chartwell outstanding on the date of the Series C Supplement, Series D Supplement, Series E Supplement or Series F Supplement, as applicable, or permitted to be incurred thereunder, provided, however, that (i) the Indebtedness which is incurred will not exceed the aggregate principal amount of all Indebtedness which is so refinanced at such time, plus the amount of any premium required to be paid in connection with such refinancing pursuant to the terms of the Indebtedness which is so refinanced or the amount of any premium reasonably determined by the Trust or the relevant subsidiary as necessary to accomplish such refinancing by means of a tender offer or privately negotiated agreement, plus the expenses of the Trust and the relevant subsidiary incurred in connection with such refinancing and (ii) for purposes of the Debentures, the Indebtedness which is incurred, the proceeds of which are used to refinance the Debentures or Indebtedness of Chartwell which ranks equally and rateably with the Debentures or Indebtedness of Chartwell which is subordinate in right of payment to the Debentures, will only be permitted if, in the case of any refinancing of the Debentures or Indebtedness of Chartwell which ranks equally and rateably with the Debentures, the Indebtedness which is incurred is made equal and rateable to the Debentures or subordinated to the Debentures and, in the case of any refinancing of the Indebtedness of Chartwell which is subordinate to the Debentures, the Indebtedness which is incurred is made subordinate to the Debentures at least to the same extent as is such Indebtedness which is being so refinanced.

"Proportionate Consolidation Adjustments" means accounting adjustments to reflect assets, liabilities, equity, revenues and expenses on a proportionate ownership basis in place of the Trust's use of equity accounting in accordance with GAAP with respect to real estate investments or interests in which the Trust participates.

"Rating" means a final rating assigned to the senior unsecured debt of the Trust or to the Trust, as applicable, by the Specified Rating Agency.

"Rating Event" means any of (A) the Rating of the Debentures of a particular series is lowered to below an investment grade rating by the Specified Rating Agency on any day within the 60-day period (which 60-day period will be extended so long as the Rating of the Debentures of such series is under publicly announced consideration for a possible downgrade by the Specified Rating Agency, but only to the extent that, and for so long as, a Change of Control Triggering Event would result if such downgrade were to occur) after the earlier of (i) the occurrence of a Change of Control, and (ii) public notice of the occurrence of a Change of Control or of the Trust's intention or agreement to effect a Change of Control, (B) the Rating of the Debentures of such series by the Specified Rating Agency is below an investment grade rating upon the occurrence of a Change of Control and the Rating of the Debentures of such series by the Specified Rating Agency remains below an investment grade rating 30 days after the occurrence of such Change of Control (which 30-day period will be extended so long as the Rating of the Debentures of such series is under publicly announced consideration for a possible increase by the Specified Rating Agency, and (C) following the occurrence of a Change of Control, the Specified Rating Agency ceases to rate the Debentures of such series.

"Reference Period" means the most recently completed four fiscal quarters for which consolidated financial statements of the Trust have been publicly released preceding the date of a calculation.

"Series C Debenture Canada Yield Price" means a price equal to the price of a Series C Debenture, exclusive of accrued and unpaid interest, calculated to provide a yield to December 8, 2026, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Government of Canada Yield calculated on the date on which the Trust gives notice of redemption pursuant to the Series C Indenture, plus 0.580%.

"Series C Debenture Government of Canada Yield" as at any date, means the arithmetic average of the respective percentages determined by two major Canadian investment dealers selected by the Trust to be the yield to December 8, 2026, which, assuming semi-annual compounding, would be carried by a non-callable Government of Canada bond, having a term to maturity equal to the remaining term to December 8, 2026 and issued in Canadian dollars in Canada at 100% of its principal amount.

"Series C Supplement" means the third supplemental indenture to the 2017 Indenture dated as of December 8, 2023 between the Trust and the Indenture Trustee, providing for the issuance of the Series C Debentures.

"Series D Debenture Canada Yield Price" means a price equal to the price of a Series D Debenture, exclusive of accrued and unpaid interest, calculated to provide a yield to October 5, 2029, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Government of Canada Yield calculated on the date on which the Trust gives notice of redemption pursuant to the Series D Indenture, plus 0.360%.

"Series D Debenture Government of Canada Yield" as at any date, means the arithmetic average of the respective percentages determined by two major Canadian investment dealers selected by the Trust to be the yield to October 5, 2029, which, assuming semi-annual compounding, would be carried by a non-callable Government of Canada bond, having a term to maturity equal to the remaining term to October 5, 2029 and issued in Canadian dollars in Canada at 100% of its principal amount.

"Series D Supplement" means the fourth supplemental indenture to the 2017 Indenture dated as of October 28, 2024 between the Trust and the Indenture Trustee, providing for the issuance of the Series D Debentures.

"Series E Debenture Canada Yield Price" means a price equal to the price of a Series E Debenture, exclusive of accrued and unpaid interest, calculated to provide a yield to May 6, 2028, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Government of Canada Yield calculated on the date on which the Trust gives notice of redemption pursuant to the Series E Indenture, plus 0.285%.

"Series E Debenture Government of Canada Yield" as at any date, means the arithmetic average of the respective percentages determined by two major Canadian investment dealers selected by the Trust to be the yield to May 6, 2028, which, assuming semi-annual compounding, would be carried by a non-callable Government of Canada bond, having a term to maturity equal to the remaining term to May 6, 2028 and issued in Canadian dollars in Canada at 100% of its principal amount.

"Series E Supplement" means the fifth supplemental indenture to the 2017 Indenture dated as of March 6, 2025 between the Trust and the Indenture Trustee, providing for the issuance of the Series E Debentures.

"Series F Debenture Canada Yield Price" means a price equal to the price of a Series F Debenture, exclusive of accrued and unpaid interest, calculated to provide a yield to January 6, 2032, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Government of Canada Yield calculated on the date on which the Trust gives notice of redemption pursuant to the Series F Indenture, plus 0.43%.

"Series F Debenture Government of Canada Yield" as at any date, means the arithmetic average of the respective percentages determined by two major Canadian investment dealers selected by the Trust to be the yield to January 6, 2032, which, assuming semi-annual compounding, would be carried by a non-callable Government of Canada bond, having a term to maturity equal to the remaining term to March 6, 2032 and issued in Canadian dollars in Canada at 100% of its principal amount.

"Series F Supplement" means the sixth supplemental indenture to the 2017 Indenture dated as of March 6, 2025 between the Trust and the Indenture Trustee, providing for the issuance of the Series F Debentures.

"Specified Rating Agency" shall mean DBRS, as long as such entity has not ceased to rate the Debentures or failed to make a rating of the Debentures publicly available for reasons outside of the Trust's control; provided that if DBRS ceases to rate the Debentures or fails to make a rating of the Debentures publicly available for reasons outside of the Trust's control, the Trust may select any other "designated rating organization" within the meaning of National Instrument 41-101 – *General Prospectus Requirements* of the Canadian Securities Administrators as a replacement agency.

"Subordinated Indebtedness" means Indebtedness of the Trust (or its successor) (i) that is expressly subordinate in right of payment to the Debentures and the obligations of the Trust and its subsidiaries under its revolving credit facilities and (ii) in connection with the issuance of which the Specified Rating Agency confirms in writing that its Rating, if any, for the Debentures upon the issuance of the Indebtedness will be at least equal to the Rating accorded to the Debentures immediately prior to the issuance of such Indebtedness.

"Supplemental Indentures" means, collectively, the Series C Supplement, the Series D Supplement, the Series E Supplement and the Series F Supplement; and a reference to a particular "Supplemental Indenture" means the supplemental indenture relating to the relevant series of Debentures, as the context requires.

"Unencumbered Aggregate Adjusted Assets" as at any date means, as at the relevant Balance Sheet Date, determined on a consolidated basis, the value of the operating real estate properties of the Trust, including the Trust's proportionate indirect interest in operating real estate properties, calculated using the fair market value of such assets determined for each such property by way of an Appraisal (or updated Appraisal) with a currency date not more than two years prior to the applicable Balance Sheet Date, excluding such assets of the Trust that are (i) subject to any Lien, (ii) property under development or (iii) land held for development.

General

On April 27, 2018, the Trust completed an offering of $150.0 million aggregate principal amount of Series B Debentures due April 28, 2025, on a private placement basis. The Trust repaid the Series B Debentures on April 28, 2025.

On December 8, 2023, the Trust completed an offering of $250.0 million aggregate principal amount of Series C Debentures due December 8, 2026, on a private placement basis.

On October 28, 2024, the Trust completed an offering of $150.0 million aggregate principal amount of Series D Debentures due November 5, 2029, on a private placement basis.

On March 6, 2025, the Trust completed an offering of $200.0 million aggregate principal amount of Series E Debentures due May 6, 2028, on a private placement basis, and an offering of $200.0 million aggregate principal amount of Series F Debentures due March 6, 2032, on a private placement basis.

Rank and Guarantee

The Debentures are direct senior unsecured obligations of the Trust and rank equally and rateably with one another and with all other present and future unsecured and unsubordinated indebtedness of the Trust, except for sinking fund provisions applicable to other unsecured indebtedness, if any, and except to the extent prescribed by law. The Debentures are effectively subordinated to all of the Trust's secured indebtedness and are unconditionally and irrevocably guaranteed by Master LP, on a senior unsecured basis.

Redemption

The Series C Debentures may be redeemed at any time prior to December 8, 2026 by the Trust, in whole or, from time to time, in part, on not fewer than 10 nor more than 60 days' prior notice, on payment of a redemption price equal to the greater of (i) the Series C Debenture Canada Yield Price and (ii) 100% of the principal amount outstanding of the Series C Debentures being redeemed, together in each case with accrued and unpaid interest to, but excluding, the date fixed for redemption.

Where less than all of the Series C Debentures are to be redeemed pursuant to their terms, the applicable Series C Debentures to be so redeemed will be redeemed on a pro rata basis according to the principal amount of Series C Debentures

registered in the respective name of each holder of Series C Debentures or in such other manner as the Indenture Trustee may consider equitable, provided that such selection will be proportionate.

The Series D Debentures may be redeemed at any time prior to October 5, 2029 by the Trust, in whole or, from time to time, in part, on not fewer than 10 nor more than 60 days' prior notice, on payment of a redemption price equal to the greater of (i) the Series D Debenture Canada Yield Price and (ii) 100% of the principal amount outstanding of the Series D Debentures being redeemed, together in each case with accrued and unpaid interest to, but excluding, the date fixed for redemption. The Series D Debentures may be redeemed at any time on or after October 5, 2029 by the Trust, in whole or, from time to time, in part, on not fewer than 10 nor more than 60 days' prior notice, on payment of a redemption price equal to 100% of the principal amount outstanding of the Series D Debentures being redeemed, together with accrued and unpaid interest to, but excluding, the date fixed for redemption.

Where less than all of the Series D Debentures are to be redeemed pursuant to their terms, the applicable Series D Debentures to be so redeemed will be redeemed on a pro rata basis according to the principal amount of Series D Debentures registered in the respective name of each holder of Series D Debentures or in such other manner as the Indenture Trustee may consider equitable, provided that such selection will be proportionate.

The Series E Debentures may be redeemed at any time prior to May 6, 2028 by the Trust, in whole or, from time to time, in part, on not fewer than 10 nor more than 60 days' prior notice, on payment of a redemption price equal to the greater of (i) the Series E Debenture Canada Yield Price and (ii) 100% of the principal amount outstanding of the Series E Debentures being redeemed, together in each case with accrued and unpaid interest to, but excluding, the date fixed for redemption.

Where less than all of the Series E Debentures are to be redeemed pursuant to their terms, the applicable Series E Debentures to be so redeemed will be redeemed on a pro rata basis according to the principal amount of Series E Debentures registered in the respective name of each holder of Series E Debentures or in such other manner as the Indenture Trustee may consider equitable, provided that such selection will be proportionate.

The Series F Debentures may be redeemed at any time prior to January 6, 2032 by the Trust, in whole or, from time to time, in part, on not fewer than 10 nor more than 60 days' prior notice, on payment of a redemption price equal to the greater of (i) the Series F Debenture Canada Yield Price and (ii) 100% of the principal amount outstanding of the Series F Debentures being redeemed, together in each case with accrued and unpaid interest to, but excluding, the date fixed for redemption. The Series F Debentures may be redeemed at any time on or after January 6, 2032 by the Trust, in whole or, from time to time, in part, on not fewer than 10 nor more than 60 days' prior notice, on payment of a redemption price equal to 100% of the principal amount outstanding of the Series F Debentures being redeemed, together with accrued and unpaid interest to, but excluding, the date fixed for redemption.

Where less than all of the Series F Debentures are to be redeemed pursuant to their terms, the applicable Series F Debentures to be so redeemed will be redeemed on a pro rata basis according to the principal amount of Series F Debentures registered in the respective name of each holder of Series F Debentures or in such other manner as the Indenture Trustee may consider equitable, provided that such selection will be proportionate.

Purchase of Debentures

Provided no Event of Default (as defined in the 2017 Indenture) has occurred and is continuing, the Trust may, at any time and from time to time, purchase Debentures in the market (which will include purchases from or through an investment dealer or a firm holding membership on or being a participating organization with respect to a recognized stock exchange) or by tender or private contract at any price. Debentures that are so purchased will be cancelled and will not be reissued or resold.

Certain Covenants in the Indentures

The Supplemental Indentures contain covenants substantially to the following effect:

Consolidated EBITDA to Consolidated Interest Expense Ratio

The Trust will maintain at all times a ratio of Consolidated EBITDA to Consolidated Interest Expense of not less than 1.65:1.00 calculated based on the applicable Reference Period.

The Supplemental Indentures provide that Consolidated EBITDA to Consolidated Interest Expense will be calculated on a pro forma basis for the Reference Period giving effect to Indebtedness incurred to and including the date of calculation and to the application of the proceeds therefrom and, for this purpose, (i) all Indebtedness incurred since the first day of the Reference Period and the application of the proceeds therefrom, including Indebtedness incurred to refinance other Indebtedness, will be deemed to have occurred at the beginning of the Reference Period, (ii) the repayment or retirement of any other Indebtedness since the first day of the Reference Period will be deemed to have been repaid or retired at the beginning of the Reference Period (except that, in making such computation, the amount of Indebtedness under any revolving credit facility will be computed based upon the average daily balance of such Indebtedness during the Reference Period), (iii) in the case of Acquired Indebtedness acquired since the first day of the Reference Period, the related acquisition will be deemed to have occurred as of the first day of the Reference Period with the appropriate adjustments with respect to such acquisition being included in such pro forma calculation and (iv) in the case of any acquisition or disposition by the Trust or its subsidiaries of any asset or group of assets since the first day of the Reference Period, whether by merger, share purchase or sale, or asset purchase or sale, such acquisition or disposition or any related repayment of Indebtedness will be deemed to have occurred as of the first day of the Reference Period with the appropriate adjustments with respect to such acquisition or disposition being included in such pro forma calculation.

Restrictions on Additional Indebtedness

The Trust will not incur, or permit any subsidiary of the Trust to incur, any Indebtedness, other than Permitted Indebtedness, unless: the quotient (expressed as a percentage) obtained by dividing Consolidated Indebtedness (excluding any convertible Indebtedness) by the amount of Aggregate Adjusted Assets (in the case of each such amount, less cash or cash equivalents on hand) and calculated on a pro forma basis would be less than or equal to 65% (the "Indebtedness Percentage").

The calculation of the Indebtedness Percentage will (i) be made on each day that the Trust or any subsidiary proposes to incur such Indebtedness, and (ii) include Proportionate Consolidation Adjustments.

The Supplemental Indentures provide that the Indebtedness Percentage will be calculated on a pro forma basis as at the Balance Sheet Date giving effect to the incurrence of the Indebtedness to be incurred and the application of the proceeds therefrom and to any other event that has increased or decreased Consolidated Indebtedness, convertible Indebtedness, or Aggregate Adjusted Assets (in each case, as applicable to such calculation) since the Balance Sheet Date to and including the date of calculation.

Maintenance of Unencumbered Aggregate Adjusted Assets

The Trust will maintain at all times a ratio of Unencumbered Aggregate Adjusted Assets (excluding construction assets and other non-income producing assets) to the aggregate principal amount of the Trust's outstanding Consolidated Unsecured Indebtedness (excluding Subordinated Indebtedness) (the "Coverage Ratio") of not less than 1.30:1.00.

The Supplemental Indentures provide that the Coverage Ratio will be calculated on a pro forma basis as at the Balance Sheet Date giving effect to any event that has increased or decreased Consolidated Unsecured Indebtedness (other than Subordinated Indebtedness) or Unencumbered Aggregate Adjusted Assets (excluding construction assets and other non-income producing assets) since the Balance Sheet Date to and including the date of calculation.

Restrictions on Consolidations and Mergers

Neither the Trust nor Master LP may consolidate with, amalgamate or merge with or into or sell, assign, transfer or lease all or substantially all of its properties and assets unless:

(a) the entity formed by such consolidation or amalgamation or into which the Trust or Master LP is merged or the entity which acquires by operation of law or by conveyance or by transfer the assets of the Trust or Master LP substantially as an entirety is a corporation or unincorporated organization organized or existing under the laws of Canada or any province or territory thereof, and, in each case (except where such assumption is deemed to have occurred solely by the operation of law), such entity assumes under a supplemental trust indenture all of the obligations of the Trust or Master LP, as applicable, under the 2017 Indenture, the Supplemental Indentures and the Trust's senior unsecured debentures and such transaction to the satisfaction of the Indenture Trustee and in the opinion of counsel will be upon such terms to preserve

and not to impair any of the rights and powers of the Indenture Trustee and the holders of the Trust's senior unsecured indentures;

(b) immediately before and immediately after giving effect to such transaction, no Event of Default (as defined below) has occurred and is continuing;

(c) immediately after giving effect to such transaction, the surviving entity could incur at least $1.00 of additional Indebtedness; and

(d) the Trust shall have delivered to the Indenture Trustee a Certificate (as defined in the 2017 Indenture) and an opinion of counsel, each stating that such consolidation, amalgamation, merger, sale, assignment, lease or transfer and such supplemental indenture comply with the 2017 Indenture and that all conditions precedent contained in the 2017 Indenture relating to such transaction have been complied with.

Repurchase upon Change of Control Triggering Event

If a Change of Control Triggering Event occurs with respect to the Debentures of a particular series, unless the Trust has exercised its optional right to redeem all of the Debentures of such series as described under "Description of Debentures — Redemption" above, the Trust will be required to make an offer to repurchase all or, at the option of the holder of the Debentures, any part (equal to $1,000 or an integral multiple thereof) of each holder's Debentures of a particular series pursuant to the offer described below (the "Change of Control Offer") on the terms set forth in the Supplemental Indentures. In the Change of Control Offer, the Trust will be required to offer payment in cash equal to 101% of the aggregate outstanding principal amount of the Debentures of such series together with accrued and unpaid interest to, but excluding, the date of repurchase.

Within 30 days following any Change of Control Triggering Event, the Trust will be required to give written notice to holders of the Debentures of such series describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase the Debentures of such series on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is given. The Trust will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if a third party makes such an offer substantially in the manner, at the times and in compliance with the requirements for a Change of Control Offer (and for at least the same purchase price payable in cash) and such third party purchases all Debentures of such series properly tendered and not withdrawn under its offer.

Maintenance of Properties

The Trust will maintain and keep or cause to be maintained and kept in good condition, repair and working order all of the properties owned by it or any of its subsidiaries used in its business or in the business of any of its subsidiaries and will make or cause to be made all necessary repairs and renewals to and replacements and improvements of these properties, in each case as in its judgment may be necessary to carry on its business properly and prudently. Notwithstanding the foregoing, the Trust and its subsidiaries will not be prohibited from selling or transferring any of their properties in the ordinary course of business.

Insurance

The Trust will maintain and cause its subsidiaries to maintain prudent property and liability insurance and/or similar arrangements.

Events of Default

The 2017 Indenture provides that each of the following events will constitute an event of default (each, an "Event of Default") under the Debentures of a particular series:

(a) default in payment of principal of the Debentures of such series when due;

(b) default in payment of any interest on the Debentures of such series when due where such default continues for a period of three Business Days after the relevant interest payment date;

(c) a breach of or default in the performance of any covenant of the Trust under the Debentures of such Series, the 2017 Indenture or the Supplemental Indenture for such series of Debentures where such breach or default continues for a period of 30 days after the Indenture Trustee has given notice in writing to the Trust

specifying the nature of such breach or default, and requiring the Trust to remedy such breach or default unless the Indenture Trustee (having regard to the subject matter of such breach or default) agrees to a longer period, and in such event within the period agreed to by the Indenture Trustee;

(d) certain events of bankruptcy, insolvency, winding up or dissolution related to the Trust or a Material Subsidiary (as defined in the 2017 Indenture) as set out in the 2017 Indenture;

(e) the rendering of a final judgment (not subject to appeal) against the Trust or any Material Subsidiary in an aggregate amount in excess of $25 million by a court of competent jurisdiction, which remains undischarged and unstayed for a period of 60 days after the date on which the right to appeal has expired; and

(f) default by the Trust or any Material Subsidiary under the terms of any Indebtedness (other than any Indebtedness of a subsidiary of the Trust which is a single purpose company or any subsidiary of the Trust whose principal assets and business are constituted by a particular property and pursuant to the terms of such Indebtedness payment is to be made from the revenues arising out of such property with recourse for such payment being available only to the revenues or the assets of such single purpose company or such property) where that default results in the acceleration of that Indebtedness (after expiration of any applicable grace period) unless such acceleration is waived or rescinded; provided that the aggregate of all such Indebtedness which is accelerated exceeds $25 million.

Subject to the provisions of the 2017 Indenture relating to the duties of the Indenture Trustee, in case an Event of Default occurs and is continuing, the Indenture Trustee will be under no obligation to exercise any of its rights or powers under the applicable Indenture at the request or direction of any of the holders of Debentures of a particular series, unless such holders have offered to indemnify the Indenture Trustee to its reasonable satisfaction. If an Event of Default (other than an Event of Default described in paragraph (d) above) occurs and is continuing in respect of the Debentures of a particular series, the Indenture Trustee may, in its discretion, or will, upon receiving instruction from the holders representing at least 25% of the aggregate principal amount of the outstanding Debentures of such series, accelerate the maturity of all Debentures of such series; provided that, notwithstanding any other provisions of the 2017 Indenture, after such acceleration, but before a judgment or decree based on acceleration, the holders of a majority in aggregate principal amount of the outstanding Debentures of such series may rescind and annul such acceleration in certain circumstances described in the applicable Indenture. See "Description of Debentures – Modification and Waiver" below. If an Event of Default specified in paragraph (d) above occurs, the outstanding Debentures will become immediately due and payable without any declaration or other act on the part of the Indenture Trustee or any holder of Debentures.

Defeasance

The 2017 Indenture contains provisions requiring the Indenture Trustee to release the Trust from its obligations under the 2017 Indenture and the Supplemental Indentures relating to the Debentures, provided that, among other things, the Trust satisfies the Indenture Trustee that it has deposited funds or made due provision for the payment of the expenses of the Indenture Trustee and for payment of all principal and interest and other amounts due or to become due in respect of the Debentures.

Modification and Waiver

The rights of the holders of Debentures of a particular series issued under an Indenture may be modified if authorized by extraordinary resolution passed by the affirmative votes of holders representing not less than 66⅔% of the outstanding principal amount of Debentures of such series. If the proposed modification affects the rights of a separate series of debentures issued under a supplemental indenture to the 2017 Indenture rather than all of the debt securities of the Trust, the approval of a like proportion of the holders of such separate series of debentures outstanding under such supplemental indenture will be required.

Notwithstanding the above, the approval of holders of 75% of the outstanding principal amount of Debentures of a particular series will be required (a) to change the stated maturity of the principal, the redemption price of, or any installment of interest on, the Debentures of such series, (b) to reduce the principal amount of, or interest or premium (if any) on, the Debentures of such series, (c) to change the place or currency of payment of the principal of, premium (if any) on the redemption price of or interest on, the Debentures of such series, or (d) to amend the percentage of outstanding principal

amount of the Debentures of such series necessary to approve an extraordinary resolution. The holders of a majority of the outstanding principal amount of the Debentures of a particular series, on behalf of all holders of Debentures of such series, may waive compliance by the Trust with certain restrictive provisions of the 2017 Indenture or may waive certain Events of Default under the 2017 Indenture with respect to the Debentures of such series, subject to certain rights of the Indenture Trustee as provided in the applicable Indenture.

CREDIT RATINGS

Chartwell's credit ratings for the Series C Debentures, the Series D Debentures, the Series E Debentures and the Series F Debentures are summarized below:

Debt	Rating Agency	Long-term Credit Rating	Trend
Series C Debentures	DBRS	BBB (low)	Positive
Series D Debentures	DBRS	BBB (low)	Positive
Series E Debentures	DBRS	BBB (low)	Positive
Series F Debentures	DBRS	BBB (low)	Positive

On September 30, 2025, DBRS confirmed Chartwell's BBB (low) rating and changed the trends rating of Chartwell's Issuer Rating and Senior Unsecured Debentures to Positive from Stable.

Long-term ratings assigned by DBRS provide an opinion of DBRS on the risk of default; that is, the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued. DBRS' long-term credit ratings scale ranges from "AAA" (typically assigned to obligations of the highest credit quality) to "D" (typically assigned to obligations when the issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to pay or satisfy an obligation after the exhaustion of grace periods). A long-term obligation rated "BBB" by DBRS is the fourth highest-rated obligation after those rated "AAA", "AA" and "A" and is, in DBRS' view, of adequate credit quality. The capacity for payment of financial obligations is considered acceptable. DBRS indicates that "BBB" rated obligations may be vulnerable to future events. All DBRS rating categories other than "AAA" and "D" also contain subcategories "(high)" and "(low)". The addition of either a "(high)" or "(low)" designation indicates the relative standing within a rating category.

DBRS uses "rating trends" for its ratings in, among other areas, the real estate investment trust sector. DBRS' rating trends provide guidance in respect of DBRS' opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories: "Positive", "Stable" or "Negative". The rating trend indicates the direction in which DBRS considers the rating is headed should present circumstances continue, or in some cases, unless challenges are addressed. In general, DBRS assigns rating trends based primarily on an evaluation of the issuing entity or guarantor itself, but may also include consideration of the outlook for the industry or industries in which the issuing entity operates. A "Positive" or "Negative" trend assigned by DBRS is not an indication that a rating change is imminent, but represents an indication that there is a greater likelihood that the rating could change in the future than would be the case if a "Stable" trend was assigned.

The above-mentioned ratings assigned to the Senior Unsecured Debentures are not a recommendation to buy, sell or hold any securities of Chartwell and may be subject to revision or withdrawal at any time by DBRS. Chartwell has paid customary rating fees to DBRS in connection with the above-mentioned ratings. No other payments were made to DBRS in respect of any other service provided to Chartwell in the past two years. There can be no assurance that a rating will remain in effect for any given period of time or that a rating will not be lowered, withdrawn or revised by the rating agency if in its judgment circumstances so warrant. As at February 26, 2026, there has been no change to Chartwell's Issuer Rating or the ratings of the Senior Unsecured Debentures.

CSH TRUST

The CSH Trust Declaration contains provisions substantially similar to those of the Declaration of Trust relating to Chartwell. The principal differences between the CSH Trust Declaration and the Declaration of Trust for Chartwell are those described below. The description below is a summary only and is qualified in its entirety by reference to the text of the CSH Trust Declaration available on SEDAR+ (www.sedarplus.com).

Chartwell is the sole holder of CSH Trust Units. At each annual meeting of Chartwell, the Voting Unitholders will direct Chartwell as to the nominees to be elected CSH Trustees. Chartwell will elect the nominees as directed from time to time by a majority of the votes cast by the holders of Voting Units.

CSH Trust Units are redeemable at any time on demand by the holders thereof upon delivery to CSH Trust of a duly completed and properly executed notice requiring CSH Trust to redeem CSH Trust Units, in a form reasonably acceptable to the CSH Trustees, together with the certificates for CSH Trust Units representing the CSH Trust Units to be redeemed and written instructions as to the number of CSH Trust Units to be redeemed. Upon tender of CSH Trust Units by a holder thereof for redemption, the holder of CSH Trust Units tendered for redemption will no longer have any rights with respect to such CSH Trust Units other than the right to receive the redemption price for such CSH Trust Units. The redemption price for each CSH Trust Unit tendered for redemption will be based on: (a) the cash redemption price per Unit of Chartwell; (b) the aggregate number of Units outstanding; (c) the aggregate unpaid principal amount and accrued interest thereon of indebtedness of CSH Trust to Chartwell and the fair market value of any other assets or investments held by Chartwell (other than CSH Trust Units); and (d) the aggregate number of CSH Trust Units outstanding held by Chartwell.

The aggregate redemption price payable by CSH Trust in respect of any CSH Trust Unit tendered for redemption by the holders thereof during any month will generally be satisfied by the issuance of such aggregate principal amount of Series 2 Trust Notes as is equal to the aggregate redemption price payable, rounded down to the nearest $100 (with the balance of any such aggregate redemption price not paid in Series 2 Trust Notes paid in cash) if so elected by Chartwell, or if no such election is made by Chartwell, at the discretion of CSH Trust generally by any combination of cash and Series 2 Trust Notes as the CSH Trustees shall determine, in their discretion.

The CSH Trustees have a policy to distribute all of CSH Trust's available cash, subject to applicable law, to holders of CSH Trust Units by way of monthly cash distributions, after satisfaction of administrative and other expenses (including reasonable reserves for such expenses), any debt service obligations (principal and interest) and any amounts payable in connection with any cash redemptions or repurchases of CSH Trust Units. Such distributions are intended to be received by Chartwell prior to its related monthly cash Distributions to Unitholders. The CSH Trustees may pay other Distributions out of the capital of CSH Trust in such amounts, and at such time, as the Trustees determine from time to time.

CSH Trust Notes

The following is a summary of the material attributes and characteristics of the CSH Trust Notes, which does not purport to be complete. Reference is made to the Note Indenture for a complete description of the CSH Trust Notes and the full text of its provisions. As of February 26, 2026, there are no CSH Trust Notes outstanding and the only CSH Trust Notes intended to be issued are Series 2 Trust Notes issuable to holders of CSH Trust Units as full or partial payment of the redemption price for CSH Trust Units.

Series 2 Trust Notes and any other notes issued under the Note Indenture will be issuable in Canadian currency. CSH Trust Notes are issuable in denominations of $100 and integral multiples of $100. No fractional CSH Trust Notes will be distributed and where the number of CSH Trust Notes to be received by a Unitholder includes a fraction, such number shall be rounded to the next lowest whole number.

Series 2 Trust Notes will be reserved by CSH Trust to be issued exclusively to holders of CSH Trust Units as full or partial payment of the redemption price for CSH Trust Units, as the CSH Trustees may decide or, in certain circumstances, be obliged to issue.

Each Series 2 Trust Note will mature on a date which is no later than the first anniversary of the date of issuance thereof and bears interest at a market rate to be determined at the time of issuance thereof, payable on the 15th day of each calendar month that such Series 2 Trust Note is outstanding. On maturity, CSH Trust will repay the CSH Trust Notes by paying under the Note Indenture in cash to the holder, an amount equal to the principal amount of the outstanding CSH Trust

Notes which have then matured, together with accrued and unpaid interest thereon. The CSH Trust Notes will be redeemable at the option of CSH Trust prior to maturity, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, payable in cash.

Payment of the principal amount and interest on the CSH Trust Notes is subordinated in right of payment to the prior payment in full of the principal of and accrued and unpaid interest on, and all other amounts owing in respect of, all senior indebtedness which is defined in the Note Indenture as all indebtedness, liabilities and obligations of CSH Trust which, by the terms of the instrument creating or evidencing the same, is expressed to rank in right of payment in priority to the indebtedness evidenced by the Note Indenture. The Note Indenture provides that upon any distribution of the assets of CSH Trust in the event of any dissolution, liquidation, reorganization or other similar proceedings relative to CSH Trust, the holders of all such senior indebtedness will be entitled to receive payment in full before the holders of the CSH Trust Notes are entitled to receive any payment. The CSH Trust Notes are unsecured debt obligations of CSH Trust.

The Note Indenture provides for a number of events that would constitute an event of default under the Note Indenture. However, the provisions governing an event of default under the Note Indenture and remedies available thereunder do not provide protection to the holders of CSH Trust Notes which would be comparable to the provisions generally found in debt securities issued to the public.

MASTER LP

Master LP is entitled to issue various classes of partnership interests. Master LP has outstanding one general partnership unit, Class A Master LP Units, all of which are held by CSH Trust and Chartwell, and Class B Master LP Units which have been issued to certain of the vendors as partial consideration for the acquisition of Properties by the Operator. The Class A Master LP Units represent approximately 99.7% of the total Master LP units outstanding and the Class B Master LP Units represent approximately 0.3% of the total Master LP units outstanding. Holders of Class A Master LP Units are entitled to notice of, and to attend and vote at, all meetings of holders of partnership units. Units of Master LP may not be issued to, transferred to or held by any person or partnership if such issuance, transfer or holding could cause Master LP to not qualify as an "excluded subsidiary entity" under the SIFT Rules.

Class B Master LP Units, which are issuable in series, may be issued in respect of seniors housing acquisitions made by Master LP from time to time. The Class B Master LP Units are, in all material respects, economically equivalent to the Units on a per unit basis. Under the Exchange Agreement and pursuant to the terms of the Class B Master LP Units: (a) the Class B Master LP Units are indirectly exchangeable on a one-for-one basis for Units at any time at the option of the holder, unless the exchange would jeopardize Chartwell's status as a "unit trust", "mutual fund trust" or "registered investment" under the Tax Act; (b) each Class B Master LP Unit entitles the holder thereof to receive distributions from Master LP, where practicable, which are economically equivalent on a per unit basis to Distributions made by Chartwell on a Unit; (c) a registered holder of Class B Master LP Units will receive Special Voting Units entitling the holder to receive notice of, to attend and to vote at all meetings of Unitholders; (d) except as required by-law and in certain specified circumstances in which the rights of a holder of Class B Master LP Units are affected, holders of the Class B Master LP Units will not be entitled to vote at any meeting of the limited partners of Master LP; (e) Master LP will be entitled to require the redemption of the Class B Master LP Units in certain specified circumstances; and (f) Class B Master LP Units may not be transferred without the consent of the Directors.

By virtue of the fact that Chartwell is the sole shareholder of CMCC (which in turn is the sole trustee of the General Partner of Master LP), at each annual meeting of Chartwell, the Voting Unitholders will direct Chartwell as to the nominees to be elected the Directors. Chartwell will elect and remove the nominees as directed from time to time by a majority of the votes cast by the holders of Voting Units.

In complying with its reporting issuer obligations, Chartwell has treated, and has undertaken to relevant securities regulatory authorities that it will treat, Master LP as a subsidiary of Chartwell; however, if IFRS measures prohibit the consolidation of financial information of Master LP and Chartwell, and for so long as Master LP (including any of its significant business interests) represents a significant asset of Chartwell, Chartwell will provide Unitholders with separate financial statements for Master LP (including information about any of its significant business interests). In addition, Chartwell has taken, and for so long as Chartwell is a reporting issuer has undertaken to relevant securities regulatory authorities that it will take, the appropriate measures to require each person who would be an insider of Master LP if Master LP were a reporting issuer to: (a) file insider reports about trades in Units and Class B Master LP Units; and (b) comply with statutory prohibitions against insider trading. Chartwell will also annually certify that it has complied with such undertakings and file such a certificate on SEDAR+ concurrently with the filing of its annual financial statements.

INVESTMENT GUIDELINES AND OPERATING POLICIES OF CHARTWELL

Investment Restrictions

Chartwell's constating documents provide for certain restrictions on investments which Chartwell may make. Chartwell's assets may be invested, directly or indirectly, only in securities of CSH Trust, Master LP, CMCC and their respective associates and only in accordance with the following restrictions:

(a) Chartwell shall focus its acquisition activities on seniors housing and services and businesses related to seniors housing and seniors in Canada and the United States;

(b) Chartwell shall not acquire any interest in a single real property if, after giving effect to the proposed acquisition, the cost to Chartwell of such acquisition (net of the amount of acquisition debt) will exceed 15% of Chartwell's Adjusted Gross Book Value;

(c) Notwithstanding anything else contained in the Declaration of Trust, Chartwell shall not make any investment, take any action or omit to take any action that would result in: (i) Chartwell failing or ceasing to qualify as a "mutual fund trust" or "registered investment" within the meaning of the Tax Act; (ii) the Units being disqualified for investment by deferred income plans; or (iii) that would result in CSH Trust being liable to pay tax under Part XII.2 of the Tax Act;

(d) Chartwell may make its investments and conduct its activities, directly or indirectly, through an investment in one or more persons on such terms as the Chartwell Trustees may from time to time determine, including by way of joint ventures, partnerships (general or limited) and limited liability companies;

(e) Except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province of Canada, short-term government debt securities, some or all of the receivables under instalment receipt agreements or money market instruments of, or guaranteed by, a Canadian bank listed on Schedule I to the *Bank Act* (Canada) maturing prior to one year from the date of issue, Chartwell may not acquire or hold securities other than securities of entities that invest in seniors housing and/or services and businesses related to seniors housing and seniors;

(f) Chartwell shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;

(g) Chartwell shall not invest in operating businesses other than seniors housing or services and businesses related to seniors housing and seniors;

(h) Chartwell may invest in mortgages and mortgage bonds (including, a participating or convertible mortgage, mezzanine financings and "vendor take-back mortgages"), if the income from such property is primarily from a seniors housing facility or if not currently income producing it is to be developed primarily for the purpose of producing income for senior housing facilities, which in each case would otherwise meet the investment restrictions of Chartwell on a consolidated basis and where the aggregate amount of such investments after giving effect to the proposed investment, will not exceed 20% of the Adjusted Gross Book Value calculated at the time of such investment; and

(i) Chartwell may invest an amount (which, in the case of an amount invested to acquire real property, is the purchase price to Chartwell of such property, and in the case of an equity investment, the amount of such investment or amount paid for the equity purchase) up to 15% of Chartwell's Adjusted Gross Book Value in investments or transactions which do not comply with paragraphs (e) and (g) above.

Operating Policies

Chartwell's constating documents provide that Chartwell's operations and affairs will be conducted in accordance with the following policies:

(a) (i) Chartwell shall not purchase, sell, market or trade in currency or interest rate futures contracts otherwise than for hedging purposes where, for the purposes hereof, the term "hedging" shall have the meaning ascribed thereto by National Instrument 81-102 – *Mutual Funds* adopted by the Canadian Securities Administrators, as amended from time to time; and (ii) other than with respect to its own Units and other securities, Chartwell shall not underwrite, sell or market or participate therein;

(b) (i) any written instrument creating an obligation which is or includes the granting by Chartwell of a mortgage, and (ii) to the extent the Chartwell Trustees determine to be practicable and consistent with their fiduciary duty to act in the best interests of the Unitholders, any written instrument which is, in the judgment of the Chartwell Trustees, a material obligation shall contain a provision or be subject to an acknowledgement to the effect that the obligation being created is not personally binding upon, and that resort shall not be had to, nor shall recourse or satisfaction be sought from, by way of lawsuit or otherwise, the private property of any of the Chartwell Trustees, Voting Unitholders, annuitants or officers, employees or agents of Chartwell, but that only property of Chartwell or a specific portion thereof shall be bound; Chartwell, however, is not required, but shall use all reasonable efforts, to comply with this requirement in respect of obligations assumed by Chartwell upon the acquisition of real property;

(c) title to each real property shall be held by and registered in the name of Chartwell, the Chartwell Trustees, or a corporation or other entity wholly owned by Chartwell or jointly owned by Chartwell with joint venturers;

(d) Chartwell shall not incur or assume any indebtedness if, after giving effect to the incurring or assumption of the indebtedness: (i) the total indebtedness of Chartwell and its consolidated subsidiaries would be more than 65% of the Adjusted Gross Book Value;

(e) Chartwell may only provide a guarantee in respect of the indebtedness of (i) Master LP or a wholly-owned subsidiary of Chartwell if the provision by Chartwell of such guarantee will not cause Chartwell to cease to qualify as a "mutual fund trust" for the purposes of the Tax Act; and (ii) any person other than a person referred to in (i) if the provision by Chartwell of such guarantee will not cause Chartwell to cease to qualify as a "mutual fund trust" for the purposes of the Tax Act and such guarantee is approved by a majority of the Chartwell Trustees or unanimously by the Investment Committee of Chartwell;

(f) unless the requirement for such an independent appraisal and an engineering survey is waived by the Chartwell Trustees, Chartwell shall conduct or receive on terms approved by the Chartwell Trustees an independent appraisal and engineering survey with respect to the physical condition thereof (including capital replacement programs) of each property that it intends to acquire;

(g) Chartwell shall obtain and maintain at all times insurance coverage in respect of potential liabilities of Chartwell and the accidental loss of value of the assets of Chartwell from risks, in amounts, with such insurers, and on such terms as the Chartwell Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties;

(h) unless the requirement for such Phase I environmental site assessment is waived by the Chartwell Trustees, Chartwell shall conduct or receive on terms approved by the Chartwell Trustees a Phase I environmental site assessment of each property to be acquired by it and, if the Phase I environmental site assessment recommends that further environmental site assessments be conducted, Chartwell shall conduct or receive on terms approved by the Chartwell Trustees such further environmental site assessments, in each case by an independent and experienced environmental consultant; such assessment as a condition to any acquisition shall be satisfactory to the Chartwell Trustees; and

(i) Chartwell shall not, directly or indirectly, guarantee any indebtedness or liabilities of any kind of another person, except indebtedness or liabilities assumed or incurred by an entity in which Chartwell invests,

directly or indirectly, or by an entity jointly-owned by Chartwell with joint venturers and operated solely for the purpose of holding a particular property or properties where such indebtedness, if granted by Chartwell directly, would not cause Chartwell to otherwise contravene the investment restrictions set out in Section 4.1 of the Declaration of Trust or the operating policies set out in Section 4.2 of the Declaration of Trust. Chartwell is not required but shall use its reasonable best efforts to comply with this requirement (i) in respect of obligations assumed by Chartwell pursuant to the acquisition or disposition of real property or (ii) if doing so is necessary or desirable in order to further the initiatives of Chartwell permitted under the Declaration of Trust.

For the purposes of the foregoing restrictions and policies, the assets, liabilities and transactions of a corporation, partnership or other entity wholly or partially owned by Chartwell will be deemed to be those of Chartwell on a proportionate, consolidated basis. In addition, any references in the foregoing investment restrictions and operating policies to investment in real property will be deemed to include an investment in a joint venture arrangement. In addition, the term "indebtedness" means (without duplication) on a consolidated basis:

(a) any obligation of Chartwell for borrowed money;

(b) any obligation of Chartwell incurred in connection with the acquisition of property, assets or business other than the amount of future income tax liability arising out of indirect acquisitions;

(c) any capital lease obligation of Chartwell; and

(d) any obligation of the type referred to in clauses (a) through (c) of another person, the payment of which Chartwell has guaranteed or for which Chartwell is responsible for or liable;

provided that (i) for the purposes of (a) through (d), an obligation (other than an obligation relating to convertible debentures) will constitute indebtedness only to the extent that it would appear as a liability on the consolidated balance sheet of Chartwell in accordance with IFRS; (ii) obligations referred to in clauses (a) through (d) exclude trade accounts payable, Distributions payable to Unitholders and accrued liabilities arising in the ordinary course of business; (iii) convertible debentures will constitute indebtedness to the extent of the principal amount thereof outstanding and (iv) indebtedness shall not include any obligation of Chartwell which is Deferred Purchase Price of Property.

Amendments to Investment Restrictions and Operating Policies

Pursuant to Chartwell's constating documents, all of the investment restrictions set out above under the heading "Investment Restrictions" and the operating policies contained in subparagraphs (a), (d), (e), (f), (g), (h), and (i) under the heading "Operating Policies" above may be amended only with the approval of 66⅔% of the votes cast by Voting Unitholders of Chartwell at a meeting of Voting Unitholders called for such purpose. The remaining operating policies may be amended with the approval of a majority of the votes cast by holders of Voting Units at a meeting of Voting Unitholders called for such purpose.

MATERIAL CONTRACTS

Except for agreements entered into in the ordinary course of business, the only agreements which are material to Chartwell and which were entered into during 2025, or which were entered into prior to 2025 but are still in effect, are the:

(a) Declaration of Trust, as described under "Chartwell, CSH Trust and Master LP";

(b) CSH Trust Declaration, as described under "CSH Trust";

(c) Master LP Partnership Agreement, as described under "Master LP", "Distribution Policy" and "Trustees, Executives and Officers – Governance of Master LP";

(d) EUPP, as described below;

(e) Exchange Agreement, as described under "Master LP";

(f) Unitholder Rights Agreement, as described under "Chartwell, CSH Trust and Master LP – Unitholder Rights Agreement";

(g) Secured Credit Agreement and Unsecured Credit Agreement as described below and as amended;

(h) Distribution Reinvestment Plan, as described under "Chartwell, CSH Trust, and Master LP – Distribution Reinvestment Plan";

(i) Deferred Unit Plan, as described below; and

(j) 2017 Indenture, Series C Supplement, Series D Supplement, Series E Supplement and Series F Supplement as described under "Description of Debentures".

Executive Unit Purchase Plan

The Chartwell Trustees, Directors, officers and employees of Chartwell (collectively, the "Eligible Persons"), among others, have historically been eligible to participate in the EUPP. As of April 1, 2014, only C-Line executives are eligible to acquire Units pursuant to the EUPP. Existing participants in the EUPP continue to participate in the plan but only with respect to previously acquired Units.

A maximum of 5,900,890 Units are reserved for issuance under the EUPP representing approximately 1.86% of the issued and outstanding Units. As of December 31, 2025, 1,801,375 Units have been issued and are outstanding under the EUPP, which represent approximately 0.57% of the issued and outstanding Units. There remain 1,332,691 Units which are reserved for issuance, which represent approximately 0.42% of the outstanding Units. The EUPP is administered by the Compensation Committee, which has the power to determine, among other things, (a) which Eligible Persons may subscribe for EUPP units; (b) the number of EUPP units allocated to each such Eligible Person; and (c) the market price for the Units at the time such EUPP units are purchased. An Eligible Person who participates in the EUPP is referred to as an "EUPP Participant". The "market price" for Units under the EUPP is equal to the volume weighted average trading price of Units on the TSX for the 20 trading days immediately preceding their purchase, except for the "initial plan units" purchased by Eligible Persons at the IPO price as disclosed in the final prospectus of Chartwell dated October 31, 2003. The EUPP prohibits any reduction or other change in the price paid for Units, except to reflect a consolidation or split of the Units or similar capital reorganization.

The maximum number of Units issuable to insiders of Chartwell under all security-based employee arrangements, including the EUPP, at any time cannot exceed 10% of the issued and outstanding Units, and the number of securities to be issued to insiders of Chartwell pursuant to such arrangements within any one-year period cannot exceed 10% of the issued and outstanding Units. The purchase price for Units, other than the initial payment, if applicable, is payable from the proceeds of Distributions. The initial payment is equal to 5% of the market price for Units on the date of purchase of EUPP units. EUPP Participants are required to pay interest to Chartwell on the outstanding balance of the remaining unpaid purchase price at a fixed rate, which interest rate shall not be less than the prescribed rate under the Tax Act applicable at the time the EUPP units are issued. The Board of Directors may from time to time reduce the rate at which the outstanding unpaid amount of the purchase price for EUPP units previously issued shall bear interest, provided that such interest rate shall not be less than the prescribed rate under the Tax Act at the time of such reduction. All Distributions paid on the Units are applied to pay such interest and to pay the remaining unpaid purchase price such that, following all such payments, the EUPP Participants will have paid the full market price for the Units.

Until all of the unpaid purchase price has been paid, EUPP Participants will not be allowed to vote or transfer or dispose of their Units issued under the EUPP, other than a transfer to a registered retirement savings plan, registered retirement income fund, or other entity approved by Chartwell.

Under the EUPP, the unpaid purchase price of Units acquired prior to April 1, 2014, must be paid over a period of not more than 20 years and the unpaid purchase price of Units acquired on or subsequent to April 1, 2014, must be paid over a period of not more than 10 years. If an EUPP Participant fails to make any required payment of unpaid purchase price, the Units may, at the option of Chartwell and subject to applicable law, (a) be acquired by Chartwell for cancellation or (b) be sold by the custodian in the market and that portion of the proceeds equal to remaining unpaid purchase price owing delivered to Chartwell, in each case in full satisfaction of the obligations of the EUPP Participant.

Deferred Unit Plan

Chartwell established the Deferred Unit Plan in 2008 to provide non-employee Chartwell Trustees, CSH Trustees and Directors ("DTU Participants") with the opportunity to acquire Deferred Units. The Deferred Unit Plan allows DTU Participants to invest all or a portion of the fees earned as non-employee Chartwell Trustees, CSH Trustees and Directors in Deferred Units and thereby to participate in the long-term success of Chartwell. Chartwell believes the Deferred Unit Plan promotes a greater alignment of interests between the DTU Participants and Unitholders. The Deferred Unit Plan was approved by Unitholders at Chartwell's annual and special meeting in 2009, and ratified at the annual and special meetings in 2012 and 2015 and at the annual meetings in 2018, 2021 and 2024. Unitholders will be asked to approve the Deferred Unit Plan again at the 2027 annual meeting.

The Deferred Unit Plan is administered by the Compensation Committee. Under the Deferred Unit Plan, a DTU Participant has the right to elect to receive his or her retainer and meeting fees for the calendar year paid in whole or in part in Deferred Units. Deferred Units are each equivalent in value to a Unit and are credited on the books of Chartwell. With respect to any portion of the fees such DTU Participant is to be paid in Deferred Units, Chartwell will credit to the DTU Participant's account the number of Deferred Units equal to the amount of the fees deferred, if any, divided by the fair market value of the Units as determined in accordance with the Deferred Unit Plan on the date of the award. The DTU Participant's account will be credited with Distribution equivalents in the form of additional Deferred Units in respect of normal cash Distributions. Deferred Units are non-transferable, except to a DTU Participant's estate in the event of his or her death, as provided for in the Deferred Unit Plan.

For the above purpose, "fair market value" with respect to a Unit, as at any date, means the volume weighted average of the prices at which the Units traded on the TSX (or, if the Units are not then listed and posted for trading on the TSX or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the Units are then listed and posted for trading as may be selected for such purpose by the Board of Directors in its sole and absolute discretion) for the five trading days on which the Units traded on the said exchange immediately preceding such date. In the event that the Units are not listed and posted for trading on any stock exchange, the fair market value shall be the fair market value of the Units as determined by the Board of Directors in its sole and absolute discretion.

The Deferred Units are exercisable by a DTU Participant upon delivery of a notice of exercise to the secretary of CMCC, specifying the exercise date, which shall be either: (a) the Cessation Date; or (b) such later date as the DTU Participant may elect, provided that such date is not later than December 1st of the second calendar year following the calendar year in which the Cessation Date occurred.

Upon the exercise of an award under the Deferred Unit Plan, a DTU Participant will receive the number of Units equal to the number of Deferred Units recorded in the DTU Participant's account on the exercise date. Upon the issuance of such Units, the Deferred Units will be cancelled.

The number of Deferred Units reserved for issuance under the Deferred Unit Plan cannot exceed 2% of the aggregate number of issued and outstanding Units. The number of Units issuable to insiders, at any time, under all security-based compensation arrangements of Chartwell, including under the Deferred Unit Plan, cannot exceed 10% of the issued and outstanding Units. Within any one-year period, the number of Units issued to insiders under all security-based compensation arrangements of Chartwell, including under the Deferred Unit Plan, cannot exceed 10% of the issued and outstanding Units.

The Deferred Unit Plan may be amended from time to time by Chartwell to: (a) determine eligibility for participation and awards of Deferred Units under the Deferred Unit Plan; (b) determine whether any election or notice requirement or other administrative procedure under the Deferred Unit Plan has been adequately observed; (c) remedy possible ambiguities, inconsistencies or omissions by general rule or particular decision; (d) determine the fair market value of the Units on any date; (e) prescribe, amend and rescind rules and regulations relating to the Deferred Unit Plan; (f) interpret the Deferred Unit Plan; and (g) make any and all other determinations deemed necessary or advisable for the administration of the Deferred Unit Plan. The Deferred Unit Plan may also be terminated by Chartwell or CMCC at any time.

Any such amendments are subject to the prior approval of any applicable regulatory bodies, including the TSX. If Chartwell amends or suspends the Deferred Unit Plan, such amendment or suspension will not affect previously granted Deferred Units without the consent of Chartwell and the DTU Participant to whom such awards have been made. If the Deferred Unit Plan is terminated, no new Deferred Units (other than those issued as credit for Distributions) will be issued but previously credited Deferred Units shall be paid out in accordance with the terms of the Deferred Unit Plan.

Credit Agreements

On May 29, 2017, Chartwell entered into the Secured Credit Agreement and the Unsecured Credit Agreement with a syndicate of Canadian financial institutions for two new credit facilities totaling $300 million with accordion options for an additional $150 million (consisting of unsecured and secured credit facilities). On November 21, 2017, Chartwell exercised the $100 million accordion option of the Secured Credit Facility. The 2017 Credit Facilities each initially had three-year terms maturing in May 2020 and include annual extension options. On May 10, 2019, the Secured Credit Agreement and Unsecured Credit Agreement were both extended to May 29, 2024. On April 18, 2023, Chartwell entered into amending agreements to extend the maturity date of the Secured Credit Agreement from May 29, 2024 to May 29, 2025 with substantially similar terms.

Borrowing under the Secured Credit Facility can be in the form of a prime rate or Canadian Overnight Repo Rate Average loan. Originally, the amounts borrowed under the Secured Credit Facility bore interest at rates ranging from the bank's prime rate plus 0.65% to the bank's prime rate plus 0.85% or banker's acceptance rate plus 1.65% to banker's acceptance rate plus 1.85% depending on Chartwell's overall leverage ratio, as defined in the Secured Credit Agreement. On April 3, 2018, the Secured Credit Facility was amended, changing interest rates on the drawn portion to grid-based pricing, being the bank's prime rate plus 0.70% or banker's acceptance rate plus 1.70%, so long as Chartwell's credit rating is BBB(L). The foregoing rates shall be reduced by 5 basis points provided the facility is secured, regardless of the credit rating at such time. On June 3, 2025, the Secured Credit Facility was further amended to increase the reduction by an additional 10 basis points. As of the date of the Secured Credit Agreement, the Secured Credit Facility was secured, inter alia, by first and second ranking mortgages on 29 seniors housing facilities owned by the Operator. Pursuant to the terms of the Secured Credit Agreement, the properties securing the facility may be added to or removed from time to time. As of December 31, 2025, $300 million was available under the Secured Credit Facility, secured by first and second ranking mortgages on 19 seniors housing facilities.

The $100.0 million unsecured facility established under the Unsecured Credit Agreement (the "Unsecured Credit Facility") can be increased by up to $50.0 million during its term. Borrowing under the Unsecured Credit Facility can be in the form of a prime rate or bankers' acceptance loan. Originally, the amounts borrowed under the Unsecured Credit Facility bore interest at rates ranging from the bank's prime rate plus 0.80% to the bank's prime rate plus 1.10% or banker's acceptance rate plus 1.80% to banker's acceptance rate plus 2.10% depending on Chartwell's overall leverage ratio, as defined in the Unsecured Credit Agreement. On April 3, 2018, the Unsecured Credit Facility was amended, changing interest rates on the drawn portion to grid-based pricing, being the bank's prime rate plus 0.70% or banker's acceptance rate plus 1.70%, so long as Chartwell's credit rating is BBB(L).

The Credit Agreements include covenants generally applicable for such facilities, such as limitations on overall leverage ratio, debt service coverage ratio, distributions payout ratio and, in the case of the Unsecured Credit Agreement, secured indebtedness ratio and unencumbered property asset value ratio.

On February 16, 2021, Chartwell entered into amending agreements for both the Secured Credit Agreement and the Unsecured Credit Agreement, temporarily reducing the debt service coverage ratio requirement for the period ending December 31, 2022. On December 6, 2021, Chartwell entered into further amending agreements extending the debt service coverage ratio relief period to December 31, 2023. On December 21, 2022, Chartwell extended the debt service coverage relief period for both the Secured Credit Agreement and the Unsecured Credit Agreement to May 29, 2024. In the same amending agreements, Chartwell increased the AFFO payout ratio requirement from 100% to 115%, and to include up to $20 million of the cash proceeds from gain on sales, for the period ending December 31, 2023. During the temporary accommodation period Chartwell is subject to a rate increase of 0.50% on amounts borrowed. In addition, prior to year end, Chartwell entered into additional amending agreements for the Secured Credit Agreement and Unsecured Credit Agreement, the LBA and other secured mortgages to exclude incremental direct operating expenses and net reimbursement of such expenses (if any) directly related to the COVID-19 pandemic, for the period ending March 31, 2023, from certain definitions for the purpose of the calculation of our debt service coverage and payout ratios for the periods ending at the earlier of December 31, 2023 and the maturity of the applicable agreement. On January 31, 2023, Chartwell entered into an amending agreement for the LBA to increase the AFFO payout ratio requirement for the period ending December 31, 2023 and extend the debt service coverage relief period to June 30, 2024. On May 22, 2024, amendments related to debt service coverage and AFFO were removed from both the Secured and Unsecured Credit Facilities and previous borrowing rates were reinstated. Additionally, the facilities were extended for an additional year with maturity extended to May 29, 2027. On June 3, 2025, Chartwell entered into amending agreements to extend the maturity date of the 2017 Credit Facilities to May 29, 2029.

Additionally, changes were made to the Secured Credit Facility's applicable margins and underlying mortgageability amount calculation.

DISTRIBUTION POLICY

The following outlines the Distribution policy of Chartwell as contained in the Declaration of Trust, the CSH Trust Declaration and the Master LP Partnership Agreement. The Distribution policy may be amended only with the approval of a majority of the votes cast at a meeting of Voting Unitholders.

General

Chartwell's Declaration of Trust permits the Chartwell Trustees, in their discretion, to determine Chartwell's income which is to be distributed to Unitholders, provided that Chartwell receives amounts equal to such Distributions from its investments.

All Distributions paid in respect of Units outstanding under the EUPP are repaid by the EUPP Participants as repayments of unpaid purchase price, resulting in no net cash impact to Chartwell.

The Operator is the primary source of cash flow to fund Distributions and their payments. The Master LP Partnership Agreement requires Master LP to distribute all of its cash on hand that is derived from any source (other than receipt of any subscription proceeds for Class A Master LP Units or Class B Master LP Units), subject to certain priorities and in a specified manner.

Chartwell intends to use all amounts received by it, net of amounts required to pay its own expenses, to pay Distributions to Unitholders of a sufficient amount to ensure that Chartwell will not be subject to the highest personal marginal income tax rate, subject to the application of the SIFT Rules.

Distributions by Chartwell are paid in cash, subject to an election by eligible Unitholders to utilize the Distribution Reinvestment Plan. Where the Chartwell Trustees determine that Chartwell does not have available cash in an amount sufficient to make payment of the full amount of any Distribution which has been declared to be payable on the due date for such payment, the payment may, at the option of the Chartwell Trustees, include the issuance of additional Units, or fractions of such Units, if necessary, having a fair market value as determined by the Chartwell Trustees equal to the difference between the amount of such Distribution and the amount of cash which has been determined by the Chartwell Trustees to be available for the payment of such Distribution. Distributions will be made to Unitholders of record as at the close of business on the last Business Day of the calendar month for the relevant Distribution. The Distribution for any month will actually be paid on or about the 15th day of the following month. On February 26, 2026, the Chartwell Trustees approved an increase in Chartwell's monthly distributions from $0.051 per Unit ($0.612 annualized) to $0.052 per Unit ($0.624 annualized). The increase will be effective for the March 31, 2026 distribution payable on April 15, 2026.

Distributions Made

From March 2023 until present, Chartwell made Distributions on Units in the amount of $0.051 per unit per month.

RISK FACTORS

There are certain risks inherent in the activities of Chartwell and the Operator, including the ones described below. Chartwell and the Operator are exposed to a number of risks and uncertainties in the normal course of business that have the potential to affect operating performance. Chartwell and the Operator have risk management strategies and insurance programs to help minimize these operating risks and uncertainties, including one or more incident management teams at any given time with experience in incident management (e.g. infectious disease outbreaks, media relations). In addition, Chartwell has entity-wide controls and governance procedures, including but not limited to a Code of Business Conduct & Ethics, articulated corporate mission and values, whistleblower policies and procedures, and policies and procedures regarding signing authorization and delegation.

Oversight of Chartwell's Risk Management program is undertaken at the Board level. Chartwell approaches the management of risk strategically through its enterprise risk management ("ERM") program and the Board has provided oversight to the development of a disciplined and focused approach to risk management. Chartwell conducts an annual ERM

assessment which is prepared by Chartwell's senior management team and is reported to the Board. Within the ERM assessment, Chartwell maintains a Business Risk Matrix that identifies the risks to the organization and prioritizes them based on likelihood and impact. Management, working with the Board, has developed mitigation strategies for risks identified which are updated regularly. Chartwell monitors risks and changing economic conditions on an on-going basis and adapts its operating strategies as needed.

Risks Related to Chartwell and the Industry

General Business Risks

Chartwell is dependent on the business and assets of the Operator for its cash flow. The Operator is subject to general business risks and to risks inherent in the seniors housing industry and in the ownership of real property. These risks include general economic conditions, health-related risks, disease outbreaks (for example, COVID-19) and control risks, fluctuations in occupancy levels, the inability to achieve economic residency fees (including anticipated increases in such fees), rent control regulations, increases in labour costs, and other operating costs including the costs of utilities, possible future changes in labour relations, reduction in personnel below acceptable levels (e.g. due to events such as a pandemic or disease outbreak), competition from or the oversupply of other similar properties, changes in neighbourhood or location conditions and, the imposition of increased taxes or new taxes, capital expenditure requirements, changes in interest rates, and changes in the availability and cost of money for long-term financing which may render refinancing of mortgages difficult or unattractive. Moreover, there is no assurance that expected demographic trends will continue or that the occupancy levels achieved to date at the Properties and expected in the future will continue or be achieved. Any one of, or a combination of, these factors may adversely affect the cash available to, or the financial position of, Chartwell.

There are inherent legal, reputational and other risks involved in providing housing and health care services to seniors. The vulnerability and limited mobility of some seniors increases such risks. Such risks include disease outbreak, fires or other catastrophic events at a property which may result in injury or death, negligent or inappropriate acts by employees or others who come into contact with our residents, and unforeseen events at Chartwell or even non-Chartwell properties that result in damage to Chartwell's brand or reputation or to the industry as a whole.

Occupancy, Business Volumes and Competition

Revenue and operating results depend significantly on the occupancy levels at our residences. Numerous other developers, managers and owners of seniors housing residences compete with Chartwell in seeking residents. The existence of competing developers, managers and owners and competition for Chartwell's residents may adversely affect Chartwell's ability to find residents for its seniors housing residences and the level of rents or rental rate which may be charged, and could adversely affect Chartwell's revenues and, consequently, its ability to meet its debt obligations. An increased supply of suites in the regions in which Chartwell owns or manages ISL Residences and AL Residences may have an impact on the demand for suites in such residences. Chartwell's ability to compete successfully depends on a number of factors, including the number of competitors in the local market, the types of services available, Chartwell's reputation in the local area, cost of services and the location, physical condition and age of the residences.

Access to Capital, Interest Rate, Credit Rating and Other Debt and Financing Risks

Chartwell has and will continue to have substantial outstanding consolidated indebtedness comprised primarily of the Property Mortgages, term loans, debentures and indebtedness under its operating credit facilities. Chartwell's level of indebtedness could adversely affect its business and results of operations, including: limiting its ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions and general business purposes; restricting Chartwell's flexibility and discretion to operate its business; limiting Chartwell's ability to make Distributions; having to dedicate a portion of cash flows from operations to the payment of interest on Chartwell's existing indebtedness and not having such cash flows available for other purposes; exposing Chartwell's business to increased debt capital market risks, including interest rate risk and refinancing risk at maturity; exposing Chartwell to increased interest expense on borrowings at variable rates; limiting our ability to adjust to changing market conditions; and making Chartwell vulnerable in a downturn in general economic conditions.

Chartwell intends to finance its growth strategy, including acquisitions and developments, through a combination of its working capital and its cash flow from operations, additional indebtedness and public or private sales of equity or debt securities. In the event that Chartwell requires additional equity or debt financing for any reason, there can be no assurance

that such financing will be available when required or on commercially favourable terms or on terms that are otherwise satisfactory to us. Chartwell is also subject to the risk that any of its existing indebtedness may not be able to be refinanced upon maturity or that the terms of such refinancing may not be as favourable as the terms of its existing indebtedness. This may be due to factors including our financial condition, results of operations and cash flows, the terms of our existing indebtedness, general economic conditions and volatility, disruption and other unfavourable trends in the North American capital and credit markets. In particular, Chartwell currently has access to the government-backed mortgage insurance program through the National Housing Act, which is administered by CMHC. Chartwell entered into the LBA with CMHC in December 2015. In October 2024, CMHC terminated the LBA and replaced it with the LBRMF. There can be no guarantee that the provisions of the mortgage insurance program will not be changed in the future so as to make costs of obtaining mortgage insurance prohibitive or so as to restrict access to the insurance program in the future. To the extent that any financing requiring CMHC consent or approval is not obtained or that such consent or approval is only available on unfavourable terms, Chartwell may be required to use a conventional mortgage or other financing alternatives which may be less favourable to Chartwell than a CMHC-insured mortgage. No assurance can be given that Chartwell will be successful in obtaining additional financing, or refinancing existing indebtedness, on acceptable terms, at reasonable cost and at the required times, or at all. If we cannot obtain financing on acceptable terms, at reasonable cost and at the required times, Chartwell's operations, liquidity and financial condition may be materially adversely affected and Chartwell may have to forgo, delay, or abandon some or all of its planned capital expenditures or any development, investment, or acquisition opportunities that we identify, which could adversely affect our revenues and results of operations.

Increases in market interest rates could significantly increase Chartwell's debt servicing costs, which could have a material adverse effect on Chartwell's business and results of operations. A portion of Chartwell's cash flow is devoted to servicing its debt, and there can be no assurance that Chartwell will continue to generate sufficient cash flow from operations to meet required interest and principal payments. If Chartwell is unable to meet interest or principal payments, it could be required to seek renegotiation of such payments or obtain additional equity, debt or other financing.

If Chartwell fails to comply with the covenants, restrictions and requirements of any of its debt obligations, it could be in default under the relevant agreement which could have a material adverse effect on Chartwell's liquidity, financial condition and results of operations. A default under one debt financing arrangement could cause cross-defaults under other financing arrangements, including our Property Mortgages, term loans, debentures and indebtedness under our credit facilities. For example, because the terms of Chartwell's Property Mortgages, term loans and debentures contain cross-default provisions, a default by us related to one property could affect a significant number of our other properties and corresponding Property Mortgages. In the event of any such default, if Chartwell failed to obtain replacement financing or amendments to or waivers under the applicable financing arrangement, its lenders could cease making further advances, declare Chartwell's debt to be immediately due and payable, impose significant restrictions and requirements on Chartwell's operations, institute foreclosure procedures against their collateral, or impose significant fees and transaction costs. If debt acceleration occurs, economic conditions may make it difficult or expensive to refinance the accelerated debt or Chartwell may have to issue equity, which would have dilutive effects on unitholders. Even if new financing is made available to Chartwell, credit may not be available to us on acceptable or reasonable terms. In addition, the terms of Chartwell's indebtedness generally contain customary provisions that, upon an event of default, restrict the Distributions that may be made by Chartwell and its subsidiaries.

On September 30, 2025, DBRS confirmed the BBB (low) with Positive trends rating of Chartwell's Issuer Rating and Senior Unsecured Debentures. There is no assurance that Chartwell will continue to receive such credit ratings. Accordingly, real or anticipated changes in Chartwell's Issuer Rating and/or Senior Unsecured Debentures credit ratings may adversely affect the business, operating results and financial condition of Chartwell.

Human Capital

The Operator competes in local markets with other health care providers with respect to attracting and retaining qualified personnel. Chartwell and the Operator are also dependent upon the available labour pool of employees. A shortage of qualified personnel may require the Operator to enhance wage and benefits packages in order to compete. No assurance can be given that labour costs will not increase or, if they do increase, that they can be matched by corresponding increases in rental or management revenue. The health care industry continues to face shortages of qualified personnel, including but not limited to nurses and personal support workers, particularly in non-urban settings. Continuation of such shortages could impact the delivery of services to residents, result in increased competition for staff and increased labour costs. This shortage, along with general economic and industry related pressures, may require the Operator to enhance its pay and benefits package to effectively compete for qualified personnel. The Operator may not be able to recover such added costs through increased

rates charged to residents or increased government funding. The inability to retain and/or attract qualified personnel may result in: a reduction in occupancy levels or services provided; use of staffing agencies at added cost; and an increased risk of deficiencies in operations which could potentially result in fines or penalties. An increase in personnel costs or a failure to attract, train and retain qualified and skilled personnel could adversely affect the business, results of operations and financial condition of Chartwell.

Economic and Financial Conditions

Adverse changes to the economic and financial conditions in Canada, the United States and globally could impact Chartwell's ability to execute upon its operating, investing and financing strategies which, in turn, could have a material adverse impact on its business, sales, profitability and financial position. In addition to labour costs, supply expenses make up a substantial portion of our cost of services. Those expenses can be subject to increases in periods of rising inflation or trade wars (including the imposition of new tariffs, duties and other trade protection measures and any responses thereto). Although historically we have generally been able to implement cost control measures, proactive procurement practices and/or obtain increases in government funding sufficient to substantially offset increases in these expenses, there can be no assurance that we will be able to anticipate fully or otherwise respond to any cost pressures or receive such increased funding, which may have a material adverse effect on the business, results of operations and Chartwell's financial condition.

Chartwell relies on certain key suppliers to provide it with certain equipment and supplies. A shortage of such equipment or supplies, due to supply chain disruptions, could have a material adverse impact on Chartwell's business, especially if it is unable to find reasonable alternatives or secure such equipment or supplies at reasonable prices. Chartwell's ability to secure sufficient equipment and supplies is affected by many factors beyond its control. A shortage or disruption of equipment and supplies that are critical to Chartwell's operations may adversely affect Chartwell's business, results of operations and financial condition.

Labour Relations

Chartwell, through the Operator and its subsidiaries, directly and indirectly employs 11,492 people in Canada. Excluding managers approximately 77% of the employees working in the residences are represented by labour unions or employee associations. Labour relations with the unions are governed by collective bargaining agreements with many different unions. There can be no assurance that the Operator and Chartwell will not at any time, whether in connection with the renegotiation process or otherwise, experience strikes, labour stoppages or any other type of conflict with unions or employees which could have a material adverse effect on Chartwell's and the Operator's business, operating results and financial condition. However, collective bargaining in most seniors housing residences in the Province of Ontario falls under the jurisdiction of the *Hospital Labour Disputes Arbitration Act*, which prohibits strikes and lockouts in the seniors housing sector in favour of resolving collective bargaining disputes in Ontario through compulsory third party arbitration.

In British Columbia, Alberta and Québec where strikes and lockouts may be permitted, certain essential services regulations apply which ensure the continuation of resident care and most services. Non-unionized seniors housing residences may become unionized in the event they are approached for certification by a trade union. There can be no assurance that the seniors housing residences owned by Chartwell that are currently unorganized will not in the future be subject to unionization efforts or that any such efforts will not result in the unionization of such a seniors housing facility's employees.

In December 2025, the British Columbia Ministry of Health announced that it had entered into a Memorandum of Agreement with the Health Employers Association of British Columbia ("HEABC") and the Facilities Bargaining Association ("FBA") pursuant to which eligible publicly funded care home operators in British Columbia would be brought into HEABC membership and the collective bargaining agreements negotiated by HEABC would be applied to those facilities, notwithstanding any existing collective bargaining agreements in place at such facilities. At this time, it is not known whether any Chartwell properties will be included within the scope of this initiative or how eligibility will be determined. Chartwell has a total of 126 funded beds at two British Columbia properties. If any Chartwell properties are included, the application of HEABC-negotiated collective bargaining agreements could result in increased labour costs, which could have an adverse effect on the impacted properties.

Certain Ontario LTC homes achieved pay equity by 2005 under a sector framework that used the "proxy" method, with the Ontario government directly funding the related obligations. In subsequent litigation commenced in 2010, unions asserted that additional adjustments were required to maintain pay equity. Although the Ontario Pay Equity Tribunal (the

"Tribunal") found generally in favour of the participating LTC homes, appellate courts later found in favour of unions and directed the Tribunal to determine a process for providing access to male comparators to maintain pay equity. The Supreme Court of Canada denied leave to appeal on October 14, 2021, thereby upholding the appellate court decision.

Chartwell owns or previously owned four Ontario LTC homes that are respondents to this decision and previously owned seven additional Ontario LTC homes that also used the proxy method and could also be affected. Although Chartwell completed the sale of its LTC operations in 2023, it continues to participate in sector discussions with unions, other LTC homes and the Ontario government regarding an appropriate pay equity maintenance framework.

There are significant uncertainties regarding how the decision will be implemented, including the scope of any required pay equity adjustments, the methodology and timing for implementation, and the ultimate financial impact on Chartwell. Discussions among the affected parties have not meaningfully progressed. As a result, Chartwell cannot currently reliably estimate any potential liability. Chartwell expects that any required pay equity adjustments will be fully funded by the Ontario government; however there is no assurance that such funding will be provided in full or on a timely basis. No liability for potential pay equity adjustments, or related recovery from the Ontario government, has been recognized in Chartwell's financial statements. Any requirement to fund pay equity adjustments, in whole or in part, could increase Chartwell's labour costs and adversely affect its financial condition and results of operations.

Joint Venture Interests

Chartwell has entered into and may enter new joint venture arrangements in respect of certain of its seniors housing operations. These joint venture arrangements have the benefit of sharing the risks associated with ownership and management of such seniors housing residences including those risks described above, and provide Chartwell with access to properties and development sites it would otherwise not have. Chartwell may be exposed to adverse developments, including a possible change in control, in the business and affairs of its joint venture partners which could have a significant impact on, or termination of, Chartwell's interests in its joint ventures and could affect the value of the joint ventures to Chartwell and/or cause Chartwell to incur additional costs if it were to solely undertake the operations of the joint venture. In addition, there are risks which arise from the joint venture arrangements themselves, including: the risk that the other joint venturer may exercise buy-sell, put or other sale or purchase rights which could obligate Chartwell to sell its interest or buy the other joint venturer's interest at a price which may not be favourable to Chartwell or at a time which may not be advantageous to Chartwell, the effect of which could be materially adverse to Chartwell's financial position or resources.

Government Regulation

Health care in general is an area subject to extensive regulation and frequent regulatory change. In Canada, a number of provinces are promoting regionally managed and regulated health care systems. These changes favour larger operators having the resources to provide more cost-effective management services and well-developed staff training programs on a regional basis. There can be no assurance that future regulatory changes in health care, particularly those changes affecting the seniors housing industry, will not adversely affect Chartwell.

In all provinces, LTC Residences and retirement homes are subject to government oversight, regulation and licensing requirements, which may change or become more onerous in the future. In addition, governments in some jurisdictions have increased, and may continue to increase, regulatory oversight of seniors housing, including through more prescriptive operational requirements, enhanced inspection and enforcement regimes, and measures affecting the pricing of accommodation and services, such as rent control. There can be no assurances that future regulatory changes affecting the seniors housing industry would not have an adverse impact on the business, operating results and financial condition of Chartwell. While the Operator endeavours to comply with all regulatory requirements in its residences, it is not unusual for stringent inspection procedures to identify deficiencies in operations. In such circumstances, for all legitimately identified deficiencies, it is Chartwell's intention to correct deficiencies or have its manager correct deficiencies within the time frames allowed.

For a detailed description of the regulatory landscape affecting seniors housing see "Description of the Business – Seniors Housing Industry in Canada".

Maintenance of Assets

Chartwell is committed to keeping its communities in a good state of repair. Chartwell fundamentally believes that investing back into communities increases resident and staff satisfaction, which ultimately makes the business more profitable. In 2025, Chartwell invested $111.1 million of capital back into its property portfolio. In addition to recurring capital maintenance projects, these investments include large, often multi-phased, renovation projects and projects undertaken to comply with the requirements of various regulatory or government authorities, projects that improve the revenue-generating potential of its properties and projects identified during acquisition due diligence. The amount of these investments varies from time to time based on the volume of specific projects in progress. Chartwell takes into account the capital maintenance requirements of its residences when determining future cash flows available for Distributions. A significant increase in capital maintenance requirements could adversely impact the cash available to Chartwell.

Acquisition, Dispositions and Development

Agreements to acquire, sell and develop properties entered into with third parties may be subject to unknown, unexpected or undisclosed liabilities which could have a material adverse impact on the operations and financial results of Chartwell. Representations and warranties given by such third parties to Chartwell may not adequately protect against these liabilities and any recourse against third parties may be limited by the financial capacity of such third parties.

Moreover, the acquired properties may not meet expectations of operational or financial performance due to unexpected costs associated with operating an acquired property, as well as the general investment risks inherent in any real estate investment.

In addition, the letters of intent and purchase or sale agreements entered into with third parties with respect to such acquisitions or sales, as applicable, are generally subject to certain closing conditions, and in some cases, the granting of regulatory approvals. Such acquisitions or sales may not be completed due to the failure to satisfy closing conditions or the failure to receive required regulatory approvals and certain funds paid by Chartwell may not be recoverable.

Chartwell is pursuing several development activities. These activities create development-specific risks, including: the risk of subcontractors placing liens on projects, constructions delays, increasing costs, labour disputes, delays in obtaining municipal and regional approvals and disputes with development partners.

Chartwell may also face additional risks, including those associated with forward purchase commitments, potential cash flow dilution from on-balance sheet developments, and concerns related to construction quality, developer reputation, and other related factors.

Workplace Health and Safety

Chartwell recognizes that ensuring a healthy and safe workplace reduces work-related injury, illness and disability, improves productivity, lowers absenteeism and helps minimize any liability or penalties which could be incurred in connection with workplace injuries or illness. Chartwell has occupational health and safety programs in place and has established policies, procedures and training aimed at ensuring compliance with applicable legislative requirements. Failure to comply with workplace health and safety policies and procedures or applicable legislative requirements could result in increased work-related injury or illness, fines and/or penalties and damage to Chartwell's reputation and thus have a material adverse effect on the business, results of operations and financial condition of Chartwell.

Pandemic, Epidemic or Outbreak of Disease

The occurrence of a pandemic, epidemic, or other outbreak of an infectious disease or other public health crisis in areas in which Chartwell operates could have a material adverse effect on the business, results of operations, liquidity, borrowing capacity and financial condition of Chartwell. Federal, provincial or local health agencies may, or Chartwell may choose to, restrict, limit or suspend in-person tours by or on behalf of prospective residents and/or admissions to our residences as a precautionary measure in a crisis to avoid the spread of a contagious illness or other public health crisis, resulting in decreased occupancy. Even in the absence of any such restriction, limit or suspension, prospective residents may delay or defer moving into a residence due to negative perceptions of congregate living and/or in an attempt to avoid possible exposure to infectious diseases. Enhanced procedures, protocols and care put in place to assist in reducing the likelihood of exposure to infectious diseases or to address actual outbreaks in our residences (for example, enhanced screening, personal

protective equipment, increased disinfection, mandatory vaccination policies, rapid testing and other health and safety measures) would result in increased costs. A pandemic, epidemic or other outbreak may also adversely affect operations by causing staffing and supply shortages. Although government funding or assistance may mitigate some of these impacts, there is no certainty of the extent to which that will be the case. There is uncertainty regarding the implementation and impact of any government funding, pandemic-related legislation and any other future relief measures. In addition, outbreaks cause our staff and our management team to spend considerable time planning for and addressing such events, which diverts their attention from other business concerns. Further, a pandemic, epidemic or contagious disease outbreak may impact the overall economy so that credit markets are adversely affected, which may make it more difficult for Chartwell to access the credit markets or, if able to do so, at a higher cost or less advantageous terms, potentially impacting, among other things re-financings and Chartwell's development plans and timelines. A pandemic, epidemic, or other outbreak of an infectious disease may result in an increased risk that Chartwell may be subject to litigation related to Chartwell's handling of the pandemic, epidemic or other outbreak of infectious disease at its residences, which, even if not meritorious, and even if covered by Chartwell's insurance, could result in increased operating costs to Chartwell to defend. See "Cautionary Notice Regarding Forward-Looking Statements Risk" and "Legal Proceedings and Regulatory Actions" in this AIF.

Growth and Strategic Objectives

We may not be able to successfully execute our growth strategy and portfolio optimization and capital recycling programs. Our ability to achieve our strategic objectives is subject to known and unknown risks and uncertainties, including those discussed herein. Chartwell's ability to grow may require the issuance of additional Units and such issuances may not always be a viable capital raising option. Furthermore, timing differences may occur between the issuance of additional Units and the time the proceeds may be used to invest in acquiring or developing new properties. Depending on the duration of this timing difference, this may be dilutive. Our strategy includes growth through identifying suitable acquisition opportunities, pursuing such opportunities, consummating acquisitions and effectively operating such properties and disposing other properties. While Chartwell expects that it will have opportunities to acquire properties which will be accretive and enable Chartwell to increase cash flow through improved management and dispose of properties that are no longer aligned with Chartwell's strategy and areas of focus, there can be no assurance that will be the case.

Liability and Insurance

The businesses which are carried on, directly or indirectly, by the Operator entail an inherent risk of liability. Management expects that from time-to-time Chartwell and/or the Operator may be subject to such lawsuits as a result of the nature of our businesses. In addition, attempts to advance class action lawsuits have become more prevalent in senior care. There can be no assurance that Chartwell will not face risks of this nature. See discussion under "Legal Proceedings and Regulatory Actions".

The Operator maintains business and property insurance policies in amounts and with such coverage and deductibles as deemed appropriate, based on the nature and risks of the businesses, historical experience and industry standards. There can be no assurance, however, that claims in excess of the insurance coverage or claims not covered by the insurance coverage will not arise or that the liability coverage will continue to be available on acceptable terms or that coverage for certain risks such as infectious diseases will continue to be available at all. A successful claim against Chartwell and/or the Operator not covered by, or in excess of, Chartwell's and the Operator's insurance could have a material adverse effect on Chartwell's and the Operator's business, operating results and financial condition. Claims against Chartwell and/or the Operator, regardless of their merit or eventual outcome, also may have a material adverse effect on their ability to attract residents or expand their businesses, and will require management to devote time to these matters rather than to the operation of the business.

Real Property Ownership and Lack of Diversity

Real property equity investments are relatively illiquid. This illiquidity will tend to limit the ability of Chartwell to respond to changing economic or investment conditions. By specializing in a particular type of real estate, Chartwell is exposed to adverse effects on that segment of the real estate market and does not benefit from a diversification of its portfolio by property type.

Geographic Concentration

Chartwell's business and operations are conducted in Canada. As of December 31, 2025, as a percentage of total suites, 34% of Chartwell's suites were located in Ontario, 49% were located in Québec, 10% were located in British Columbia and 7% were located in Alberta. The net operating income distribution percentages by geographic region as of December 31, 2025, at share, are 46% Ontario, 32% Quebec, 11% British Columbia and 11% Alberta. The market value of these properties and the income generated from them could be negatively affected by changes in local, regional or national economic or environmental conditions or legislative/regulatory changes in the respective jurisdictions.

Management Contracts

Chartwell receives management fees from non-owned residences that it manages for others and earns management fees from co-owned properties. Chartwell will not receive this revenue if the management agreements with the residences' owners are terminated or not renewed upon their expiry. Such contracts are generally terminable upon 90 days' notice, with the exception of Management Agreements on properties with secured mezzanine loans advanced by Chartwell.

Conflicts of Interest

The Chartwell Trustees, CSH Trustees and Directors will, from time to time, in their individual capacities deal with parties with whom Chartwell may be dealing, or may be seeking investments similar to those desired by Chartwell. The relevant constating documents of Chartwell, CSH Trust and Master LP contain conflict of interest provisions requiring the Chartwell Trustees, CSH Trustees and Directors to disclose material interests in material contracts and transactions and to refrain from voting thereon.

Loans Receivable

Chartwell's loans receivable are generally secured by subordinated charges of the borrowers' interests in real estate and rank behind senior financing. Similarly, the vendor take-back mortgages provided by Master LP are secured by subordinate charges on properties. If Chartwell's borrowers face financial difficulty and are not able to meet their commitments to their lenders, including Chartwell, Chartwell could suffer a loss of either interest or principal or both on the loans it has advanced, since other lenders will rank ahead of Chartwell in any recovery. Additionally, Chartwell may not, at the applicable time, have the financial capacity to acquire all properties that it is entitled or required to acquire from borrowers. There is a risk if property values deteriorate or the financial capacity of its borrowers deteriorates that Chartwell could suffer losses on such loans.

Environmental laws and regulations may change and Chartwell or the Operator may become subject to more stringent environmental laws and regulations in the future. Compliance with more stringent environmental laws and regulations could have a material adverse effect on Chartwell's business, financial condition or results of operation and Distributions.

Privacy, Cyber Security and Information Technology

As a custodian of a large amount of personal information, including personal health information, relating to Chartwell's employees and its residents, Chartwell is exposed to the legal and reputational risk of the loss, misuse or theft of any such information. Chartwell helps mitigate this risk by deploying appropriate technology and training for preventing unauthorized access or theft for its employees relating to the safeguarding of such information and Chartwell maintains cybersecurity insurance in amounts and with such coverage as deemed appropriate based on the nature and risks of the business.

Cyber security has become an increasingly problematic issue for issuers and businesses in Canada and around the world, including for Chartwell and the seniors housing industry. Cyber-attacks against large organizations are increasing in sophistication and are often focused on financial fraud, compromising sensitive data for inappropriate use or disrupting business operations. Such an attack could compromise our confidential information as well as that of our residents, employees, and third parties with whom we interact and may result in negative consequences, including remediation costs, loss of revenue, additional regulatory scrutiny, litigation and reputational damage. In particular, in connection with its business Chartwell maintains a large amount of personal health information about its residents. If Chartwell were to experience a security breach resulting in unauthorized access to our use or disclosure of such information, Chartwell could

be exposed to complaints, investigations or litigation and its reputation may be negatively affected. As a result, while Chartwell continually monitors for malicious threats and adapts accordingly in an effort to ensure we maintain high privacy and security standards, invest in cyber defense technologies to support our business model and to protect our systems, residents and employees employing industry best practices, there can be no assurance that these measures will prevent loss, misuse or theft of any such information.

Chartwell is a party to agreements with third parties for hardware, software, network, telecommunications and other information technology ("IT") services in connection with its operations. Chartwell's efficient operation of its business depends, in part, on computer hardware and software systems and on how well Chartwell and its suppliers protect networks, equipment, systems and software against damage from a number of threats (including cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, computer viruses, malware, vandalism, ransomware and theft). Chartwell's operations also depend on the timely maintenance, upgrade and replacement of systems and software, as well as pre-emptive expenses to help mitigate the risks of failures. Any of these and other events could result in IT system failures, delays and/or increase in capital expenses. The failure of IT systems could, depending on the nature of any such failure, may adversely impact the Chartwell's reputation and may adversely affect Chartwell's business, operating results and financial condition.

Artificial Intelligence

Chartwell has begun to introduce artificial intelligence ("AI") solutions into various aspects of its business and operation, including finance, administration and workforce management. Chartwell's competitors or other third parties may incorporate AI into their products and services quicker, which could impair its ability to compete effectively and adversely affect its operations. The adoption of AI solutions has taken and is expected to continue to take management efforts. There can be no assurance that Chartwell's use of AI will enhance its business or operations or produce the intended result.

The use of AI involves significant risks, including the risk that outputs or recommendations generated or assisted by AI applications may be deficient, inaccurate, misleading, biased or otherwise unreliable, which could adversely affect Chartwell's business, reputation, financial condition and results of operations. The use of AI solutions may result in cybersecurity incidents or privacy breaches involving personal information or confidential business information, including due to vulnerabilities in Chartwell's systems or those of third-party service providers. Chartwell may also be exposed to legal and regulatory risks related to the use of AI, including evolving government regulation and privacy laws, intellectual property and copyright issues, and allegations that AI-assisted content infringes on third-party rights or is otherwise improper.

Chartwell has adopted an AI policy and governance framework designed to support the responsible and ethical use of AI solutions, however, there can be no assurance that such measures will be effective in all circumstances or will prevent or mitigate all risks associated with AI. The rapid evolution of AI, including potential government regulation of AI and privacy laws, may require significant resources to develop, test and maintain Chartwell's IT infrastructure and systems to support the ethical implementation of AI and minimize any unintended and harmful impacts.

Environmental Liabilities

Environmental legislation and policies have become increasingly important in recent years. Under various environmental laws and regulations, the Operator, as either owner or manager, could become liable for the costs of removal or remediation of certain hazardous, toxic or regulated substances released on or in its properties or disposed of at other locations, in some cases regardless of whether or not the Operator knew of or was responsible for their presence. The failure to remove, remediate or otherwise address such substances, if any, may adversely affect an owner's ability to sell such properties or to borrow using such properties as collateral and could potentially result in claims against the owner by private plaintiffs. It is the Operator's operating policy to obtain a Phase I environmental site assessment, conducted by an independent and experienced environmental consultant, prior to acquiring or financing any property. Where Phase I environmental site assessments identify sufficient environmental concerns or recommend further assessments, Phase II or Phase III environmental site assessments are conducted. They are intrusive investigations that involve soil, groundwater or other sampling to confirm the absence or presence and extent of an environmental concern.

Climate Change Risks

Chartwell is exposed to climate change risk from natural disasters and severe weather, such as floods, ice storms, windstorms, earthquakes, wildfires or other severe weather that may result in damage or loss to our investment properties.

These adverse weather and natural events could cause substantial damage and/or revenue losses as well as cost increases. There can be no assurance that damages or losses caused by these adverse weather and natural events will not exceed Chartwell's or Chartwell's residents' property insurance coverage. Climate change may also have indirect effects on our business by increasing the cost of (or making unavailable) property insurance on terms we find acceptable.

Over time, climate change may also affect Chartwell's operational expenses, including utilities and preventative maintenance expenses, as temperatures fluctuate. In addition, changes in federal, provincial or local legislation and regulation on climate change could result in increased capital expenditures to improve the energy efficiency of our existing properties and could also require us to spend more on our new development properties without a corresponding increase in revenue. Chartwell's management reports on climate change risks regularly to Chartwell's Board of Directors, including mitigation strategies with respect to this risk.

ESG Risks

There are rapid and ongoing developments and changing expectations relating to ESG matters and factors such as the impact of operations on climate change, diversity, equity and inclusion, corporate governance and other matters, which may result in increased regulatory, social or other scrutiny on Chartwell. This scrutiny may be intensified as a result of the varying pro-ESG and anti-ESG views held by certain stakeholders. If we are unable to adequately recognize and respond to such developments and governmental, societal, investor and consumer expectations relating to such ESG matters, we may miss corporate opportunities, become subject to additional scrutiny, incur unexpected costs or experience damage to our reputation. If any of these events were to occur, there may be a material adverse effect on Chartwell's business, financial condition, cash flows and results of operations and the market value of our Units and/or Senior Unsecured Debentures may decline.

Risks Related to the Structure of Chartwell

Distributions

Chartwell Distributions are made at the discretion of the Chartwell Trustees based on forward-looking cash flow information, including forecasts and budgets, results of operations, requirements for capital expenditures and working capital, future financial prospects of Chartwell, debt covenants and obligations, and any other factors considered relevant by them in setting the distribution rate. Items such as principal repayments, capital expenditures, variances in operating results and redemption of Units, if any, or the failure of CSH Trust or Master LP to make distributions to Chartwell may affect Distributions. Chartwell may be required to decrease its Distributions in order to accommodate such items.

Restrictions on Redemption Right

It is anticipated that the redemption right will not be the primary mechanism for holders of Units to liquidate their investments (see "Chartwell, CSH Trust and Master LP – Redemption Right"). Cash redemptions are subject to limitations. Securities which may be distributed *in specie* to Unitholders in connection with a redemption will not be listed on any stock exchange and may not be qualified investments under the Tax Act for Plans. No established market is expected to develop in such securities and they may be subject to resale restrictions under applicable securities laws.

Dilution

Chartwell has issued an aggregate of 40,122,942 Units pursuant to the Amended 2024 ATM Program and the ATM Program. Chartwell may issue up to approximately $260.0 million worth of additional Units pursuant to the ATM Program. Chartwell may, in its sole discretion, issue additional Units from time to time, and the interests of the Unitholders may be diluted thereby.

Nature of Units

The Units are not traditional equity investments. The Units represent an undivided ownership interest in Chartwell. Chartwell's primary assets are CSH Trust Units. The Units do not represent a direct investment in the business of Master LP and should not be viewed by investors as direct securities of Master LP or its subsidiaries. As holders of Units, Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring "oppression" or "derivative" actions or rights to dissent from fundamental transactions undertaken by a

corporation and to apply to court to be paid "fair value" for their securities. As well, Chartwell may not be a recognized entity under certain existing insolvency legislation such as the *Bankruptcy and Insolvency Act* (Canada) and the *Companies Creditors' Arrangement Act* (Canada) and thus the treatment of Unitholders upon an insolvency is uncertain.

The Units are not debt instruments and are dissimilar to debt instruments in that there is no principal amount owing to Unitholders. Further, cash Distributions are not guaranteed amounts and may fluctuate with the performance of the entities in which Chartwell invests. The trading price of the Units will be greatly affected by such performance and the anticipated Distributions of Chartwell. The market value of the Units may deteriorate if Chartwell is unable to maintain its cash Distribution levels in the future and that deterioration may be significant.

Unitholder Liability

The Declaration of Trust provides that no Unitholder shall be subject to any liability whatsoever to any person in connection with a holding of Units. However, in jurisdictions outside the Provinces of Ontario, Québec, Alberta and British Columbia (and in those jurisdictions in certain circumstances), there remains a minimal risk, which is considered by Chartwell to be remote in the circumstances, that a Unitholder could be held personally liable, despite such statement in the Declaration of Trust, for the obligations of Chartwell to the extent that claims are not satisfied out of the assets of Chartwell. The affairs of Chartwell are conducted to seek to minimize such risk wherever possible.

Market for Units and Unit Price

The Units are listed on the TSX. There can be no assurance that an active public market for Units will be sustained. One of the factors that may influence the market price of the Units is the annualized yield on the Unit price from Distributions. Accordingly, an increase in market interest rates may lead purchasers of Units to demand a higher annual yield, which could adversely affect the market price of the Units. The market price of the Units does not necessarily reflect the net asset value of Chartwell. In addition, the market price for the Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities and numerous other factors outside the control of Chartwell which may cause the market price of Units to change in a manner which is different from the change in value of the underlying real estate assets.

Risks Related to Canadian Tax Matters

The SIFT Rules

The SIFT Rules, which relate to the federal income taxation of certain publicly traded trusts and certain other publicly-traded flow-through entities, were enacted on June 22, 2007. Generally, under the SIFT Rules, certain distributions from a "SIFT trust" (as defined in the Tax Act) will not be deductible in computing the trust's taxable income, and the trust will be subject to tax on such distributions at a rate that is comparable to the general tax rate applicable to a Canadian corporation. To the extent that a distribution attracts this tax, it will be taxed in the hands of the receiving Unitholder (whether received in cash, additional Units or otherwise) as a taxable dividend from a taxable Canadian corporation, which dividend will be eligible for the enhanced dividend tax credit (an "eligible dividend").

The SIFT Rules are not applicable to certain real estate investment trusts that meet certain conditions (as provided in the Tax Act) relating to the nature of their revenues and investments (the "REIT Conditions"). As currently structured, Chartwell does not meet the REIT Conditions. Chartwell has been a SIFT trust since 2007 and, unless Chartwell changes its structure and the nature of its operations, it expects to be a SIFT trust for 2026 and future years.

In 2025, 96.3% of our distributions were classified as return of capital and 3.7% were classified as eligible dividends. The Welltower Transaction resulted in taxes paid under the SIFT Rules of approximately $1.8 million in 2025.

As a general matter, the amount of tax payable by Chartwell under the SIFT Rules, if any, in any given taxation year may be affected by acquisitions, dispositions and other events occurring in such taxation year or other relevant taxation years.

Tax Status

If Chartwell ceased to qualify as a "mutual fund trust" for the purposes of the Tax Act or the Units ceased to be "qualified investments" under the Tax Act, the Canadian federal income tax considerations applicable to Chartwell and its Unitholders would be materially and adversely different in certain respects.

Chartwell will endeavour to ensure that Chartwell continues to qualify as a mutual fund trust and the Units continue to be qualified investments under the Tax Act for Plans but there is no assurance that Chartwell will be able to do so. Generally, Units will be qualified investments for Plans if, at the relevant time (a) the Units are listed on the TSX (or other designated stock exchanges for the purposes of the Tax Act), (b) the Units are registered investments under the Tax Act or (c) if Chartwell qualifies as a mutual fund trust (as defined in the Tax Act). The Tax Act may impose penalties for the acquisition or holding of non-qualified investments by a Plan. Any property distributed to a Unitholder on an *in specie* redemption of Units may not be a qualified investment under the Tax Act for a Plan. There can be no assurance that Canadian federal income tax laws (or the judicial interpretation thereof), the administrative and/or assessing practices of the CRA and/or the treatment of mutual fund trusts will not be changed in a manner which adversely affects Unitholders.

Net income and net realized capital gains of Chartwell in excess of the cash distributions it makes in a year may be distributed to Unitholders in the form of additional Units. Unitholders will generally be required to include an amount equal to the fair market value of those Units in their taxable income, notwithstanding that they do not directly receive a cash Distribution.

Although Chartwell is of the view that all expenses to be claimed by Chartwell and its subsidiaries will be reasonable and deductible, that the tax filing positions taken by Chartwell are reasonable, and that the cost amount and capital cost allowance claims of such entities will have been correctly determined and that the allocation of Master LP's income for tax purposes among its partners is reasonable, there can be no assurance that CRA will agree. If CRA successfully challenges Chartwell and/or its subsidiaries in any of these respects, the taxable income of Chartwell and the Unitholders, will increase or change.

Master LP has acquired many properties on a rollover basis with the result that the cost base for tax purposes in such properties was less than their fair market value at the time of acquisition. Master LP may acquire properties on a rollover basis in the future, with a similar result in their cost base. On a future sale of such properties for a sale price in excess of such cost base, income and capital gain will be realized which may result in tax being payable under the SIFT Rules.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Chartwell and/or its subsidiaries are defendants in various actions and proceedings that are brought against them from time to time in connection with their operations.

On June 1, August 14th and October 5, 2020, Chartwell was served with three different statements of claims (the "Claims") that were filed in the Ontario Superior Court of Justice, all seeking an order certifying the Claims as class actions pursuant to the *Class Proceedings Act (Ontario)*. In January 2022, the Court granted an order to consolidate the Claims into one proceeding (the "Consolidated Claim") seeking an order to be certified as a class action against. The Consolidated Claim alleges, among other things, gross negligence, breach of the Canadian Charter of Rights and Freedom, breach of contract and breach of fiduciary duty in respect of Chartwell's response to the pandemic. The plaintiffs are seeking $100,000,000 in general damages and $10,000,000 in aggravated, punitive and/or exemplary damages. Chartwell does not believe that the Claims or the damages sought have merit.

On November 20, 2020, the Ontario government enacted the *Supporting Ontario's Recovery Act* (the "Recovery Act"). Under the Recovery Act, which is retroactive to March 17, 2020, proceedings are barred and dismissed without costs if they allege injury by COVID-19 if the defendant made good faith efforts to follow public health guidance and COVID-19 related laws and did not act with gross negligence. On March 7, 2024, the Consolidated Claim was certified, but pursuant to the Recovery Act, only gross negligence claims survive the cause of action test. The litigation is currently in the discovery process. Chartwell is vigorously defending itself against these claims and does not believe the outcome will have a material adverse impact on its business, results of operations or financial condition and in any event believes that any potential liability would be resolved within the limits of its insurance coverage.

See "Risk Factors – Risks Related to Chartwell and the Industry – Liability and Insurance".

TRUSTEES, DIRECTORS AND EXECUTIVE OFFICERS

Trustees and Directors

The following table sets forth the name, municipality of residence, position held, Units, Deferred Units and Class B Master LP Units beneficially owned or controlled as of February 26, 2026 and the principal occupation within the previous five years of each of the Chartwell Trustees, the CSH Trustees, the Directors and the executive officers of the Operator.

Name and Municipality of Residence	Position/Office[1]	Units, Deferred Units, Restricted Units, Class B Master LP Units Beneficially Owned or Controlled	Chartwell Trustee/ CSH Trustee/ Director of CMCC Since	Principal Occupation Within Previous Five Years
W. Brent Binions [4] [8] Woodbridge, Ontario, Canada	Director of CMCC	473,605 Units [5] 184,639[2] Class B Master LP Units 74,637 Deferred Units	November 2003	Former President and Chief Executive Officer, Chartwell, CSH Trust and CMCC
Rael L. Diamond [3] [4] Toronto, Ontario, Canada	Chartwell Trustee; Director of CMCC	5,000 Units 0 Deferred Units	January 2026	President and Chief Executive Officer, Choice Properties REIT; Former Chief Operating Officer, Choice Properties REIT Trustee, Choice Properties REIT

Name and Municipality of Residence	Position/Office[1]	Units, Deferred Units, Restricted Units, Class B Master LP Units Beneficially Owned or Controlled	Chartwell Trustee/ CSH Trustee/ Director of CMCC Since	Principal Occupation Within Previous Five Years
Alka Gautam [3]* [6] Toronto, Ontario, Canada	Chartwell Trustee; Director of CMCC	0 Units 7,593 Deferred Units	January 2025	Former Executive Vice-President, Global Operations, Reinsurance Group of America and former President and Chief Executive Officer, RGA Canada; Director and Audit Committee member, iA Financial Corporation Inc.; Former Director, RGA International Reinsurance Company; Former Director, RGA Foundation; Former Director, LL Global; Former Director and Chair, Canadian Life and Health Industry Association
Valérie Pisano [6] Montreal, Québec, Canada	CSH Trustee; Director of CMCC	3,836 Units 20,835 Deferred Units	May 2022	President and Chief Executive Officer, Mila - Québec Artificial Intelligence Institute[7]; Former Chief Talent Officer at Cirque du Soleil; Director, Energir
Sharon Sallows [4] [6]* Toronto, Ontario, Canada	CSH Trustee; Director of CMCC	54,515 Units [5] 280,295 Deferred Units	August 2010	Former Director, Alberta Investment Management Corporation (AIMCo); Former Director, Home Capital Group Inc.; Former Trustee, RioCan REIT; Former Director, Ontario Teachers' Pension Plan; Former Executive Vice-President of MICC Properties Inc.; Former Senior Vice-President, Bank of Montreal
Huw Thomas Oakville, Ontario, Canada	Chartwell Trustee; Director and Chair of CMCC	32,500 Units [5] 188,252 Deferred Units	February 2012	Director, Dollarama Inc.; Former Trustee, former President and Chief Executive Officer, SmartCentres REIT; Former Chief Financial Officer, Canadian Tire Corporation
Gary Whitelaw [3] [4]* Toronto, Ontario, Canada	CSH Trustee; Director of CMCC	53,896 Units 50,491 Deferred Units	May 2022	Trustee of First Capital REIT; Member of the Investment Committee for BGO's Industrial Logistics Partnership with CalPERS. Former Executive in Residence, Schulich School of Business, Brookfield Centre for Real Estate and Infrastructure, York University; Former Member of Vancouver Airport Authority Real Estate Advisory Board; Former Chief Executive Officer, former Senior Advisor, BentallGreenOak Inc.

Name and Municipality of Residence	Position/Office[1]	Units, Deferred Units, Restricted Units, Class B Master LP Units Beneficially Owned or Controlled	Chartwell Trustee/ CSH Trustee/ Director of CMCC Since	Principal Occupation Within Previous Five Years
Vlad Volodarski Richmond Hill, Ontario, Canada	Chief Executive Officer of Chartwell, CSH Trust and CMCC; Director of CMCC	648,068 Units [5] 357,720 Restricted Units	May 2020	Chief Executive Officer, former Chief Financial Officer, former Chief Investment Officer, Chartwell, CSH Trust and CMCC
Karen Sullivan Burlington, Ontario, Canada	President and Chief Operating Officer of Chartwell, CSH Trust and CMCC	362,035 Units [5] 169,022 Restricted Units	N/A	President and Chief Operating Officer, Chartwell, CSH Trust and CMCC
Jonathan Boulakia Toronto, Ontario, Canada	Chief Investment Officer, Chief Legal Officer and Secretary of Chartwell, CSH Trust and CMCC	298,094 Units [5] 150,052 Restricted Units	N/A	Chief Investment Officer, Chief Legal Officer and Secretary, Chartwell, CSH Trust and CMCC; Director, Retirement Homes Regulatory Authority; Director, Chartwell Wish of a Lifetime
Jeffrey Brown Toronto, Ontario, Canada	Chief Financial Officer of Chartwell, CSH Trust and CMCC	97,523 Units [5] 99,562 Restricted Units	N/A	Chief Financial Officer, Chartwell, CSH Trust and CMCC; Former Executive Vice-President and Chief Financial Officer, Porter Airlines
Gordon Chiu Oakville, Ontario, Canada	Chief Technology Officer of Chartwell, CSH Trust and CMCC	0 Units [5] 10,174 Restricted Units	N/A	Chief Technology Officer, Chartwell, CSH Trust and CMCC

(1) Each of the Chartwell Trustees, the CSH Trustees and the Directors of CMCC were elected to their positions on May 7, 2025, (except for Rael Diamond, who was appointed on January 1, 2026), and their term will expire at the next annual meeting of Voting Unitholders unless they are re-elected.
(2) 184,639 of these Class B Master LP Units are held by JBG. Class B Master LP Units were issued to JBG in connection with the sale by the Binions Companies of certain seniors housing residences to Chartwell.
(3) Member of the Audit Committee.
(4) Member of the Investment Committee.
(5) Includes units acquired under the EUPP.
(6) Member of the Compensation Committee.
(7) Ms Pisano is the President and Chief Executive Officer of Mila – Québec Artificial Intelligence Institute, a global science advancement hub with a mission to inspire innovation and the rise of Artificial Intelligence.
(8) Mr. Binions is an Independent Director as of March 2023. He was a non-management Director since March 2020 and prior to that he was on the Board in his capacity as the President and Chief Executive Officer of Chartwell.
* Chair of Committee.

As of February 26, 2026, the Chartwell Trustees, the CSH Trustees, the Directors and the executive officers of the Operator, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 2,029,072 Units, excluding Deferred Units and Restricted Units (representing approximately 0.6% of all issued and outstanding Units, excluding Deferred Units and Restricted Units), 184,639 Class B Master LP Units (representing 12.7% of all issued and outstanding Class B Master LP Units) and 184,639 Special Voting Units (representing 12.7% of all issued and outstanding Special Voting Units).

Except as disclosed below, none of the Chartwell Trustees, the CSH Trustees, the Directors or the executive officers of the Operator: a) is or has been, in the last 10 years, a director, chief executive officer or chief financial officer of any company that, when such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or b) is or has been, in the last 10 years, a director, chief executive officer or chief financial officer of any company that was subject to an event that resulted, after that person ceased to act in that capacity, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days.

On February 9, 2017, Home Capital Group Inc. ("Home Capital") received an enforcement notice from the staff of the OSC relating to its disclosure in 2015 regarding the impact of Home Capital's findings that income information that had been submitted on loan applications had been falsified and the subsequent remedial steps taken by Home Capital. In February 2017, a proposed class action against Home Capital, Gerald Soloway, Martin Reid and Robert Morton was commenced by Claire R. McDonald relating to the allegations (the "Class Action"). On April 29, 2017, the OSC issued a Statement of Allegations and Notice of Hearing relating to that disclosure against Home Capital. On June 14, 2017, Home Capital announced that it had reached two settlement agreements which together comprised a global settlement with the OSC and with respect to the Class Action. The OSC settlement was approved on August 9, 2017. Ms Sallows joined Home Capital's board of directors on May 8, 2017, after initiation of the proceedings. On August 31, 2023, the common shares of Home Capital were acquired by Smith Financial Corporation and the common shares were delisted from the Toronto Stock Exchange at the close of markets on September 1, 2023. On October 20, 2023, Home Capital ceased to be a reporting issuer in Ontario.

None of the Chartwell Trustees, the CSH Trustees, the Directors, the executive officers of the Operator or, to the best of Chartwell's knowledge, a unitholder holding a sufficient number of Voting Units to affect materially the control of Chartwell: a) is or has been, in the last 10 years, a director or executive officer of any company that while such person was acting in that capacity or within a year of the person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; b) has, within the last 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets; c) has been subject to penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or d) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Chartwell Trustees

Chartwell has three trustees, all of whom are residents of Canada within the meaning of the Tax Act and "independent" of each of Chartwell and Master LP. As of February 26, 2026, the Chartwell Trustees are Rael Diamond, Alka Gautam and Huw Thomas (who also serve as Directors).

Governance of Chartwell

The Chartwell Trustees are directly responsible for developing Chartwell's approach to governance issues and periodically reviewing the composition and effectiveness of the Chartwell Trustees.

CSH Trustees

CSH Trust has three trustees, all of whom are residents of Canada within the meaning of the Tax Act. The CSH Trustees are Valérie Pisano, Sharon Sallows and Gary Whitelaw (who also serve as Directors).

Governance of Master LP

The General Partner has exclusive authority to manage the business and affairs of Master LP, subject to the terms and conditions of the Master LP Partnership Agreement. The Directors manage and supervise the General Partner in its conduct of the business of Master LP. The Directors of CMCC are W. Brent Binions, Rael Diamond, Alka Gautam, Valérie Pisano, Sharon Sallows, Huw Thomas, Vlad Volodarski and Gary Whitelaw.

Chartwell is the sole shareholder of CMCC, the sole trustee of the General Partner. At each annual meeting of Chartwell, the Voting Unitholders direct Chartwell as to the nominees to be elected Directors. Chartwell will elect the nominees or remove Directors as directed from time to time by a majority of the votes cast by holders of Voting Units.

The Chair of CMCC is required to be an independent Director. The Chair is Huw Thomas.

Committees

The Directors have three committees: the Audit Committee, the Compensation Committee and the Investment Committee. All members of all the Audit Committee and Compensation Committee are required to be independent Directors. The Declaration of Trust requires that members of the Investment Committee must be independent Directors or Directors who are not also employees or officers of Chartwell or any of its subsidiaries.

Audit Committee

The Audit Committee of the Board of Directors supervises the quality and integrity of the Operator's financial statements, reviews its accounting policies and practices and reviews the adequacy and effectiveness of the Operator's internal controls and procedures. The Chair and members of the Audit Committee of CMCC are the same as the Chair and members of the Audit Committee of Chartwell.

Audit Review

The Audit Committee has adopted a written charter which includes, among other things, the following responsibilities: (a) select and be responsible for overseeing the work of the external auditors; (b) oversee and monitor audits; (c) oversee and review accounting principles and practices; (d) oversee and monitor internal controls; (e) establish and monitor procedures for the receipt and treatment of financial-related complaints; (f) oversee and monitor Chartwell's financial disclosures and regulatory filings; (g) oversee and monitor Chartwell's Information Technology platform controls; (h) oversee and monitor financial risk matters; and (i) oversee Chartwell's debt portfolio. All members of the Audit Committee are required to be independent and all members must be "financially literate" (as that term is defined from time to time under the requirements or guidelines for audit committee service under securities laws and the rules of any stock exchange on which Chartwell's securities are listed for trading) or must become financially literate within a reasonable period of time after his or her appointment to the Audit Committee.

Audit Committee Charter

A complete copy of Chartwell's Audit Committee Charter is set out in the attached Schedule "A" to this AIF.

Composition of the Audit Committee

As of February 26, 2026, the following Directors of CMCC are members of the Audit Committee:

Name and Municipality of Residence	**Position/Office**	**Financially Literate**	**Education and Experience**
Rael Diamond Toronto, Ontario	Chartwell Trustee; Independent Director	Yes	Bachelor of Business Administration, York University; Chartered Professional Accountant (CPA) and Chartered Accountant (CA). President and Chief Executive Officer, Choice Properties REIT; Former Chief Operating Officer, Choice Properties REIT Former President and Chief Operating Officer, and Chief Financial Officer, Canadian REIT; Former Chief Financial Officer of several Brookfield subsidiary public entities Trustee, Choice Properties REIT

Alka Gautam Toronto, Ontario	Chartwell Trustee; Independent Director Chair of Audit Committee	Yes	Bachelor of Science and Master of Business Administration, Dalhousie University. Ms Gautam holds the Institute of Chartered Accountants of Nova Scotia CPA designation and has her ICD.D designation. Former Executive Vice-President, Global Operations, Reinsurance Group of America and former President and Chief Executive Officer, RGA Canada; Director and Audit Committee member of iA Financial Corporation Inc.; Former Director, RGA International Reinsurance Company; Former Director, RGA Foundation; Former Director, LL Global; Former Director and Chair, Canadian Life and Health Industry Association.
Gary Whitelaw Toronto, Ontario	CSH Trustee; Independent Director; Chair of Investment Committee;	Yes	Master's Degree in Business Administration, Harvard Business School, 1986; 2-year Spencer Stuart New Director Program. Mr. Whitelaw holds the ICD.D designation. Trustee of First Capital REIT; Former Executive in Residence, Schulich School of Business, Brookfield Centre for Real Estate and Infrastructure, York University; Former Member of Vancouver Airport Authority Real Estate Advisory Board; Former Chief Executive Officer and former Senior Advisor, BentallGreenOak Inc.; Former Director, Audit Committee member and Investment Committee Chair of Welltower Inc.; Former Director and former member of the Human Resources Committee and Audit Committees of Delta Hotels & Resorts; Former Director and former member of the Human Resources Committee and Audit Committees of SilverBirch Hotels & Resorts.

The members of the Audit Committee have significant experience and exposure to the complexities of financial reporting associated with Chartwell and are able to address with due oversight and provide the necessary governance over Chartwell's financial reporting.

Pre-Approval Policies and Procedures

The policies and procedures governing the engagement of non-audit services are contained in paragraph 5 under the *Selection and Oversight of the Independent Auditor* section of the Audit Committee Charter, attached to this AIF as Schedule "A".

External Auditor Service Fees

Financial Year Ended December 31	**Audit Fees**	**Audit Related Fees**(1)	**Tax Fees**(2)	**All Other Fees**
2025	$1,363,799	$0	$116,217	-
2024	$1,441,782	$59,794	$196,968	-

(1) Services related to French translation and other special assurance services.
(2) Tax compliance, tax advice, and tax planning services.

Compensation, Governance and Nominating Committee

In addition to reviewing Chartwell's approach to corporate governance and generally having responsibility for Chartwell's corporate governance, human resources and compensation policies, the Compensation Committee has primary responsibility for, among other things: (a) assessing the effectiveness of the Directors and each of their committees; (b) considering questions of management succession; (c) participating in the recruitment and selection of candidates as Directors; (d) considering and approving proposals by the Directors to engage outside advisers on behalf of the Directors as a whole or on behalf of the independent Directors; (e) administering the EUPP, the Deferred Unit Plan and the Restricted Unit Plan; (f)

assessing the performance of the C-Line officers of the General Partner; (g) reviewing and approving the compensation of certain senior management and consultants of Chartwell; (h) reviewing and making recommendations to the Directors concerning the level and nature of the compensation payable to Directors and to the Chief Executive Officer; and (i) considering and reviewing environmental, social and governance issues relating to the organization, on a quarterly basis. All members of the Compensation Committee are required to be independent Directors.

The following Directors of CMCC are members of the Compensation, Governance and Nominating Committee:

Name and Municipality of Residence	**Position/Office**	**Corporate Governance Experience**	**Human Capital Experience**	**Education and Experience**
Alka Gautam Toronto, Ontario	Chartwell Trustee; Independent Director Chair of Audit Committee	Yes	Yes	Bachelor of Science and Master of Business Administration, Dalhousie University. Ms Gautam holds the Institute of Chartered Accountants of Nova Scotia CPA designation and has her ICD.D designation. Former Executive Vice-President, Global Operations, Reinsurance Group of America and former President and Chief Executive Officer, RGA Canada; Director and Audit Committee member of iA Financial Corporation Inc.; Former Director, RGA International Reinsurance Company; Former Director, RGA Foundation; Former Director, LL Global; Former Director and Chair, Canadian Life and Health Industry Association.
Valérie Pisano Montreal, Québec	CSH Trustee; Independent Director	Yes	Yes	Bachelor's Degree in Finance, HEC Montreal / University of Montreal; Master's Degree in Applied Economics from HEC Montreal / University of Montreal. President and Chief Executive Officer of Mila - Québec Artificial Intelligence Institute; Former Chief Talent Officer at Cirque du Soleil; Director, Energir.
Sharon Sallows Toronto, Ontario	CSH Trustee; Independent Director; Chair of Compensation, Governance & Nominating Committee	Yes	Yes	B.A., Carleton University; M.Sc., London School of Economics; Ph.D., The Wharton School, University of Pennsylvania. Ms Sallows holds the ICD.D designation. Corporate Director; Former Director and Chair of the Human Resources and Compensation Committee of Home Capital Group Inc.; Former Director and Chair of the Enterprise Risk Committee (and former Chair of the Governance Committee) of Alberta Investment Management Corporation (AIMCo); Former member of the Board of Trustees, former Chair of the Human Resources and Compensation and Investment Committees and former member of the Audit Committee of RioCan REIT; Former member of the Board of Directors, former Chair of the Human Resources and Compensation and Governance Committees and former member of the Investment and Audit Committees of the Ontario Teachers' Pension Plan Board; Until 2009, principal in Ryegate Capital Corporation, a company engaged in merchant banking as well as the provision of financial and strategic advisory services to institutional and corporate clients; Former Executive Vice-President of MICC Properties Inc. and previously held various positions at the Bank of Montreal, including Senior Vice-President, Real Estate, Corporate Banking.

Investment Committee

The Investment Committee assists the Board of Directors in providing direction and oversight to management regarding the investment strategy of Chartwell, and approves, or recommends to the Board of Directors where appropriate, whether to approve or reject proposed transactions, including proposed acquisitions and dispositions of properties, oversees borrowings (including the assumption or granting of any mortgage) by Chartwell and the provision of mezzanine financing, including the financing and acquisition of development properties and Chartwell's growth guidelines and framework. The Investment Committee also provides oversight to aspects of Chartwell's ESG program related to acquisitions, dispositions, developments and portfolio management. The Investment Committee consists of four Directors, the majority of whom are required to be independent Directors or Directors who are not also employees or officers of Chartwell or any of its subsidiaries.

The Investment Committee has delegated to the CEO the authority to approve:

(i) acquisitions and dispositions of real investments by Chartwell with aggregate gross value of $50 million or less (including assumption of debt and deferred payments) other than any such transaction that (a) involves the acquisition of a publicly listed issuer; (b) represents a material investment in a new business line; (c) represents a material investment with an expected new strategic partner for development or investments; (d) utilizes a substantially new type of investment vehicle; or (e) would be made in a new country or a Canadian province in which Chartwell does not yet operate;

(ii) developments with an aggregate cost of $15 million or less; with a requirement for quarterly reporting to the Investment Committee; and

(iii) mezzanine or other loans to be granted for a project of up to $15 million with requirements for quarterly reporting to the Committee provided that: (a) the loan is secured by the project and the project is a seniors housing project which is either (i) jointly owned by Chartwell, or (ii) subject to a forward purchase or call agreement with Chartwell, and (iii) the loan is further secured by corporate guarantees as applicable; (b) loan-to-cost (if asset securing the loan is not constructed) and loan-to-value (once asset is completed) does not exceed 90% or 80%, respectively, as applicable; (c) interest rate on the loan is a market rate, as determined by Management; and (d) all other terms of the loan are at market, as determined by Management, for loans of a similar nature.

As of February 26, 2026, the following Directors of CMCC are members of the Investment Committee:

Name and Municipality of Residence	**Position/Office**	**Real Estate Experience**	**Education and Experience**
W. Brent Binions Woodbridge, Ontario	Director	Yes	LL.B., Osgoode Hall Law School. Former President, Chief Executive Officer, and Executive Vice-President of Chartwell (2003-2020); over 39 years of experience in the seniors housing sector. Former President and Chief Executive Officer of JBG Management Inc., former President of the Ontario Long-Term Care Association; former Vice-President of the Ontario Residential Care Association.

Name and Municipality of Residence	Position/Office	Real Estate Experience	Education and Experience
Rael Diamond Toronto, Ontario	Chartwell Trustee; Independent Director	Yes	Bachelor of Business Administration, York University; Chartered Professional Accountant (CPA) and Chartered Accountant (CA). President and Chief Executive Officer, Choice Properties REIT; Former Chief Operating Officer, Choice Properties REIT Former President and Chief Operating Officer, and Chief Financial Officer, Canadian REIT Former Chief Financial Officer of several Brookfield subsidiary public entities Trustee, Choice Properties REIT
Sharon Sallows Toronto, Ontario	CSH Trustee; Independent Director; Chair of Compensation, Governance & Nominating Committee	Yes	B.A., Carleton University; M.Sc., London School of Economics; Ph.D., The Wharton School, University of Pennsylvania. Ms Sallows holds the ICD.D designation. Corporate Director; Former Director and Chair of the Human Resources and Compensation Committee of Home Capital Group Inc.; Former Director and Chair of the Enterprise Risk Committee (and former Chair of the Governance Committee) of Alberta Investment Management Corporation (AIMCo); Former member of the Board of Trustees, former Chair of the Human Resources and Compensation and Investment Committees and former member of the Audit Committee of RioCan REIT; Former member of the Board of Directors, former Chair of the Human Resources and Compensation and Governance Committees and former member of the Investment and Audit Committees of the Ontario Teachers' Pension Plan Board Until 2009, principal in Ryegate Capital Corporation, a company engaged in merchant banking as well as the provision of financial and strategic advisory services to institutional and corporate clients. Former Executive Vice-President of MICC Properties Inc. and previously held various positions at the Bank of Montreal, including Senior Vice-President, Real Estate, Corporate Banking.
Gary Whitelaw Toronto, Ontario	CSH Trustee; Independent Director; Chair of Investment Committee	Yes	Master's Degree in Business Administration, Harvard Business School, 1986; 2-year Spencer Stuart New Director Program. Mr. Whitelaw holds the ICD.D designation. Trustee of First Capital REIT; Member of the Investment Committee for BGO's Industrial Logistics Partnership with CalPERS; Former Executive in Residence, Schulich School of Business, York University; Former Member of Vancouver Airport Authority Real Estate Advisory Board; Former Chief Executive Officer, former Senior Advisor, BentallGreenOak Inc.; Former Director, Audit Committee member and Investment Committee Chair of Welltower Inc.

Conflicts of Interest and Related Party Transactions

The Declaration of Trust, CSH Trust Declaration and Master LP Partnership Agreement contain "conflict of interest" provisions that serve to protect the interests of Unitholders without creating undue limitations on Chartwell, CSH Trust and the Operator. As the Chartwell Trustees, the CSH Trustees and Directors are engaged in a wide range of real estate and other activities, the Declaration of Trust, CSH Trust Declaration and Master LP Partnership Agreement contain provisions, similar to those contained in the OBCA, that require each Chartwell Trustee, CSH Trustee and Director to disclose to the Chartwell Trustees, the CSH Trustees and CMCC, as the case may be, any interest in a material contract or transaction or proposed material contract or transaction with Chartwell, CSH Trust and/or the Operator (including a contract or transaction involving the making or disposition of any investment in real property or a joint venture agreement) or the fact that such person is a director or officer of or otherwise has a material interest in any person who is a party to a material contract or transaction or proposed material contract or transaction with Chartwell, CSH Trust and/or the Operator. Such disclosure is required to be made at the first meeting at which a proposed contract or transaction is considered. If a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require

approval by the Directors, then a Chartwell Trustee or a CSH Trustee is required to disclose in writing to the Chartwell Trustees, the CSH Trust Trustees and CMCC, or request to have entered into the minutes of meetings of the Directors, the nature and extent of his interest forthwith after the individual becomes aware of the contract or transaction or proposed contract or transaction. In any case, such individual who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction is one relating to his or her remuneration or for indemnity under the provisions of the applicable declaration of trust or liability insurance.

Chartwell has in place a Code of Business Conduct and Ethics (the "Code of Conduct") that applies to all of its employees and members of the Board. The Code of Conduct sets out guidelines regarding how business at Chartwell is to be conducted to ensure that Chartwell and its employees meet high ethical business standards. Chartwell has also adopted a Vendor Code of Conduct and Ethics (the "Vendor Code") to formalize its expectations regarding the standards its national and significant suppliers are required to uphold as a prerequisite for engaging in a commercial relationship with Chartwell. Both the Code of Conduct and Vendor Code include provisions prohibiting any conduct that would create any actual or perceived conflict of interest. Any real or perceived conflict of interest is required under such policies to be disclosed to the Board. The Code of Conduct provides that all Directors and Trustees must comply with the provisions of the Declaration of Trust in respect of any transaction or agreement in which a Director or Trustee has a material interest. Further, annually, each Director and senior officer of Chartwell completes and certifies a questionnaire in which any conflicts of interest or related party transactions must be disclosed. As of the current date, there are no current or potential material conflicts of interest between Chartwell and any Chartwell Trustee, CSH Trustee, Director or officer of Chartwell.

MARKET FOR SECURITIES

Prior Sales

On March 6, 2025, Chartwell completed an offering of $200.0 million aggregate principal amount of Series E Debentures due on May 6, 2028, on a private placement basis. The Series E Debentures were sold at a price of $998.47 per $1,000 principal amount.

On March 6, 2025, Chartwell completed an offering of $200.0 million aggregate principal amount of Series F Debentures due on March 6, 2032. The Series F Debentures were sold at a price of $999.88 per $1,000 principal amount.

The Series E and F Debentures are currently outstanding and not listed on any exchange or similar market for securities.

Trading Price and Volume

The Units are listed and posted for trading on the TSX under the symbol "CSH.UN".

The following table summarizes the highest trading value, lowest trading value and volume for the Units listed on the TSX on a monthly basis from January 1, 2025, to date.

Month	High ($)	Low ($)	Volume
January 2025	16.35	14.71	5,733,988
February 2025	17.16	15.65	7,210,818
March 2025	17.69	16.30	8,545,850
April 2025	17.39	15.59	7,460,332
May 2025	18.70	17.23	7,046,400
June 2025	18.67	17.63	6,446,649
July 2025	18.70	17.20	6,991,245
August 2025	18.79	17.50	19,075,243
September 2025	20.50	18.30	9,346,034
October 2025	21.08	18.85	7,192,210
November 2025	20.92	19.41	7,266,951
December 2025	21.04	19.50	8,199,459

Month	High ($)	Low ($)	Volume
January 2026	21.62	19.79	7,387,626
February 2026 (February 25)	22.27	21.94	5,690,548

During 2025, Chartwell issued 139,085 Units pursuant to the EUPP, issued 84,424 Deferred Units pursuant to the Deferred Unit Plan, granted 362,673 Restricted Units pursuant to its Restricted Unit Plan, issued 2,826,431 Units under Chartwell's Distribution Reinvestment Plan, and 38,894,442 Units under the Amended 2024 ATM Program and the ATM Program.

Class B Master LP Units have been issued by Chartwell from time to time in the past as consideration to third parties in connection with the purchase of residences and properties. As of December 31, 2025, there were 1,454,410 Class B Master LP Units and Special Voting Units issued. There were no Class B Master LP Units issued in 2025.

EXPERTS

KPMG LLP are the auditors of Chartwell and have confirmed that they are independent with respect to Chartwell within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Units is Computershare at its principal office in Toronto, Ontario.

ADDITIONAL INFORMATION

Additional information relating to Chartwell may be found on SEDAR+ at www.sedarplus.com.

Additional information in respect of (a) the remuneration and indebtedness of Chartwell Trustees, CSH Trustees, Directors and certain members of senior management of the Operator; (b) principal holders of the Units and Special Voting Units; and (c) securities authorized for issuance under equity compensation plans, is contained in Chartwell's information circular for its most recent annual meeting of Voting Unitholders that involved the election of Chartwell Trustees, CSH Trustees and Directors, and its management's discussion and analysis of financial condition and results of operations for the year ended December 31, 2025. Additional financial information is provided in Chartwell's financial statements and management discussion and analysis for the year ended December 31, 2025.

GLOSSARY

The following terms used in this AIF have the meanings set out below. Unless the context otherwise requires, any reference in this AIF to any agreement, instrument, indenture or other document shall mean such agreement, instrument, indenture or other document, as amended, supplemented and restated at any time and from time to time prior to the date hereof or in the future:

"2017 Credit Facilities" has the meaning ascribed to it under "Description of the Business – Financing".

"2022 Term Loan" has the meaning ascribed to it under Description of the Business – Financing".

"2024 ATM Program" means the at-the-market equity distribution program for which Chartwell filed a prospectus supplement to its base shelf prospectus on November 14, 2024.

"Acquiring Person" has the meaning ascribed to it under "Chartwell, CSH Trust and Master LP – Unitholder Rights Agreement".

"Adjusted Gross Book Value" means, at any time, the book value of the assets of Chartwell and the Operator, as shown on Chartwell's then most recent consolidated balance sheet (or if approved by a majority of the independent Directors at any time, the appraised value thereof), plus the amount of accumulated depreciation and amortization shown thereon or in the notes thereto.

"affiliate" has the meaning ascribed thereto in the *Securities Act* (Ontario).

"AFFO" means Adjusted Funds from Operations.

"AgeCare" means AgeCare Health Services Inc.

"AIF" means this Annual Information Form.

"AL" means Assisted Living as described in "Description of the Business – Seniors Housing Industry in Canada – Types of Residences".

"Amended 2024 ATM Program" means the at-the-market equity distribution program for which Chartwell filed a prospectus supplement to its base shelf prospectus on November 14, 2024, as amended by amendment no. 1 dated August 7, 2025.

"ANHA" means the *Nursing Homes Act* (Alberta) and the regulations thereunder.

"ATM Program" means an at-the-market equity distribution program for which Chartwell filed a prospectus supplement to its base shelf prospectus on November 6, 2025.

"Batimo" means Batimo Inc., a Québec-based real estate developer.

"Benco" means Chartwell Benco Inc., a corporation formed under the laws of the Province of Ontario.

"Beneficial Owner" means a holder of a beneficial interest in a Unit.

"Binions Companies" means CEBY and JBG.

"Board of Directors" means the board of directors of CMCC, acting in its own capacity or, where appropriate, in its capacity as the sole trustee of GP M Trust, in its capacity as the general partner of Master LP.

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario.

"C-Line" means the Chief Executive Officer, the President and Chief Operating Officer, the Chief Financial Officer, the Chief Investment Officer and Chief Legal Officer, and the Chief Technology Officer.

"CBCA" means the *Canada Business Corporations Act*.

"CC Act" means the *Continuing Care Act* (Alberta) and the regulations thereunder.

"CCALA" means the *Community Care and Assisted Living Act* (British Columbia) and the regulations thereunder.

"CDS" means CDS Clearing and Depository Services Inc.

"CEBY" means CEBY Management Limited, a corporation governed by the laws of the Province of Ontario.

"Cessation Date" means the date a DTU Participant ceases to be a Director, Chartwell Trustee or CSH Trustee, as applicable, for any reason whatsoever.

"Change of Control" means a change of control of Chartwell involving the acquisition by any person, or group of persons acting jointly or in concert, of voting control or direction over $66^{2}/_{3}$% or more of the votes attaching, collectively, to (a) outstanding Voting Units; and (b) voting units of Chartwell issuable upon the conversion or exercise in accordance with their terms of securities convertible into or carrying the right to acquire Voting Units.

"Chartwell" means, unless the context otherwise requires, Chartwell Retirement Residences and its subsidiaries.

"Chartwell Trustees" means the trustees of Chartwell, and "Chartwell Trustee" means any one of them.

"Class A Master LP Units" means the Class A limited partnership units in Master LP.

"Class B Master LP Units" means the Class B limited partnership units in Master LP.

"Class B Master LP Unitholders" means Unitholders of Class B units of Master LP, including Chartwell, CSH Trust and certain vendors of Properties acquired by Chartwell.

"CMCC" means Chartwell Master Care Corporation, a corporation governed by the laws of the Province of Ontario, which as the sole trustee of GP M Trust, the general partner of Master LP, manages the business and operations of the Operator.

"CMHC" means Canada Mortgage and Housing Corporation and its successors.

"Compensation Committee" means the Compensation, Governance and Nominating Committee of the Board of Directors.

"Computershare" means Computershare Trust Company of Canada, a trust company existing under the laws of Canada.

"CORRA" means Canadian Overnight Repo Rate Average.

"COVID-19" means a disease caused by a new strain of coronavirus.

"CRA" means the Canada Revenue Agency.

"CSA Group" means the Canadian Standards Association.

"CSH Trust" means CSH Trust, a trust established under the laws of the Province of Ontario pursuant to the CSH Trust Declaration.

"CSH Trust Declaration" means the twelfth amended and restated declaration of trust of CSH Trust dated as of November 6, 2025.

"CSH Trust Notes" means Series 2 Trust Notes and other trust notes issued pursuant to the Note Indenture.

"CSH Trust Units" means trust units of CSH Trust, each such unit representing an equal undivided beneficial interest therein.

"CSH Trustees" means the trustees of CSH Trust, and "CSH Trustee" means any one of them.

"DBRS" means DBRS Limited.

"Declaration of Trust" means the sixteenth amended and restated declaration of trust of Chartwell dated May 14, 2020.

"Deferred Purchase Price of Property" means the amount of any obligation in respect of any property acquired or to be acquired by Chartwell which relates to any portion of the purchase price or consideration to be paid to the vendor on or after the closing of such an acquisition, but does not include any vendor-take-back mortgage or other secured deferred obligation in respect of such an acquisition.

"Deferred Unit Plan" means Chartwell's deferred unit plan established in 2008, as amended from time to time.

"Deferred Units" means a right to receive a Unit under an award made pursuant to the Deferred Unit Plan.

"Directors" means the directors of CMCC or, where appropriate, the Directors of CMCC acting on behalf of CMCC in its capacity as the sole trustee of GP M Trust, in its capacity as the general partner of Master LP, and "Director" means any one of them.

"Distribution Date" means, in respect of a month, on or about the 15th day of the following month.

"Distribution Reinvestment Plan" means the distribution reinvestment plan established by Chartwell as described under "Chartwell, CSH Trust and Master LP – Distribution Reinvestment Plan".

"Distributions" means amounts to be distributed to Unitholders, as determined by the Chartwell Trustees in their discretion, provided that Chartwell receives amounts equal to such Distributions from its investments

"DTU Participant" has the meaning ascribed to it under "Material Contracts – Deferred Unit Plan".

"Eligible Person" has the meaning ascribed to it under "Material Contracts – EUPP".

"EUPP" means Chartwell's Executive Unit Purchase Plan, formerly Long Term Incentive Plan and/or "LTIP", dated November 14, 2003, as amended on May 25, 2005, May 24, 2006, May 22, 2007, March 12, 2009, May 20, 2010, August 13, 2013, May 15, 2014 and August 4, 2016.

"EUPP Participant" has the meaning ascribed to it under "Material Contracts – Executive Unit Purchase Plan".

"Exchange Agreement" means the exchange agreement dated November 14, 2003 entered between the Class B Master LP Unitholders.

"FFO" means Funds from Operations.

"FFOPU" means Funds from Operations per unit.

"FLTC Act" means the *Fixing Long-Term Care Act, 2021* and the regulations thereunder.

"Flip-In Event" has the meaning ascribed to it under "Chartwell, CSH Trust and Master LP – Unitholder Rights Agreement".

"General Partner" means GP M Trust, the general partner of Master LP, as represented by and acting through its sole trustee, CMCC.

"GP M Trust" has the meaning ascribed to it under "Corporate Structure".

"HCN" means Health Care REIT, Inc.

"IFFO" mean Internal Funds from Operations.

"IFFOPU" means IFFO per unit.

"IFRS" means International Financial Reporting Standards.

"IPO" means Chartwell's initial public offering of Units on November 14, 2003.

"ISL" means Independent Supportive Living as described in "Description of the Business – Seniors Housing Industry in Canada – Types of Residences".

"JBG" means JBG Management Inc., a corporation governed by the laws of the Province of Ontario.

"LBA" means the large borrower agreement entered into between Chartwell and CMHC in December 2015.

"LBRMF" means the CMHC Large Borrower Risk Management Framework.

"Lease-Up" means the period after which a seniors housing residence has opened for occupancy and has not yet achieved Stabilization.

"LTC" means Long-Term Care as described in "Description of the Business – Seniors Housing Industry in Canada – Types of Residences".

"LTC Transaction" has the meaning ascribed to it under "General Development of the Business – History of the Business – 2023".

"Managed Properties" means the seniors housing residences managed by the Operator.

"Master LP" means Chartwell Master Care LP, a limited partnership formed under the laws of the Province of Manitoba.

"Master LP Partnership Agreement" means the eleventh amended and restated limited partnership agreement of Master LP dated May 19, 2016.

"Note Indenture" means the trust indenture providing for the issuance by CSH Trust of the CSH Trust Notes dated as of November 14, 2003 between CSH Trust and Computershare.

"OBCA" means the *Business Corporations Act* (Ontario).

"Operator" means, collectively, Master LP, the General Partner and Master LP's subsidiaries, including entities in which Master LP directly or indirectly has a joint venture interest.

"OSC" means the Ontario Securities Commission.

"Other Issuable Securities" has the meaning ascribed to it under "Chartwell, CSH Trust and Master LP – Issuance of Units".

"pandemic" means, an epidemic occurring worldwide, or over a very wide area crossing international boundaries and usually affecting a large number of people.

"Plans" means registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans, tax-free savings accounts and first home savings accounts under the Tax Act.

"Properties" means, collectively, the seniors housing residences owned directly or indirectly by the Operator, from time to time.

"Property Mortgages" means all mortgages by which the Operator is bound, together with any replacement and other mortgages secured by the Properties.

"Redemption Date" has the meaning ascribed to it under "Chartwell, CSH Trust and Master LP – Redemption Right".

"Redemption Price" has the meaning ascribed to it under "Chartwell, CSH Trust and Master LP – Redemption Right".

"REIT Conditions" has the meaning ascribed to it under "Risk Factors – Risks Related to Canadian Tax Matters – The SIFT Rules".

"Resident Occupancy" with respect to (a) a LTC Residence means the number of residents occupying approved LTC beds, and (b) an AL or ISL Residence means the number of occupied suites, in each case not including residents or suites that are subject to incentives or discounts.

"Resident Occupancy Rate" with respect to (a) a LTC Residence means 100 times the Resident Occupancy divided by the total number of residents capable of being housed by such residence, and (b) an AL Residence or ISL Residence means 100 times the Resident Occupancy divided by the number of suites in the residence, in each case expressed as a percentage.

"Restricted Units" means the restricted units of Chartwell issued to Restricted Unit Plan participants pursuant to the Restricted Unit Plan.

"Restricted Unit Plan" means Chartwell's restricted unit plan established in 2008, and implemented in 2009, as amended from time to time.

"Restructuring Agreement" means the Restructuring Agreement dated as of November 9, 2023 among Welltower OP LLC, Chartwell Retirement Residences and Chartwell Master Care LP.

"RH Act" means the *Retirement Homes Act* (Ontario) and the regulations thereunder.

"RHRA" Retirement Homes Regulatory Authority established under the RH Act.

"Right" means a right issued by Chartwell for each Voting Unit which is outstanding, pursuant to the Unitholder Rights Agreement.

"Rights Certificates" means the certificates provided to registered Voting Unitholders as of the Separation Time, evidencing the Rights.

"Secured Credit Agreement" means the Amended and restated credit agreement between the Operator and Bank of Montreal, as administrative agent, dated as of May 29, 2017, establishing the Secured Credit Facility.

"Secured Credit Facility" has the meaning ascribed to under "Financing."

"SEDAR+" means the System for Electronic Data Analysis and Retrieval+.

"Senior Unsecured Debentures" means the Series C Debentures, the Series D Debentures, the Series E Debentures and the Series F Debentures.

"Separation Time" has the meaning ascribed to it under "Chartwell, CSH Trust and Master LP – Unitholder Rights Agreement".

"Series 2 Trust Notes" means the interest-bearing Series 2 unsecured subordinated promissory notes of CSH Trust that may be issued to Chartwell from time to time pursuant to the Note Indenture.

"Series B Debentures" has the meaning ascribed to it under "Description of Debentures".

"Series C Debentures" has the meaning ascribed to it under "Description of Debentures".

"Series D Debentures" has the meaning ascribed to it under "Description of Debentures".

"Series E Debentures" has the meaning ascribed to it under "General Development of the Business – History of the Business - 2025".

"Series F Debentures" has the meaning ascribed to it under "General Development of the Business – History of the Business - 2025".

"SIFT Rules" means the provisions of the Tax Act (including section 122 of the Tax Act) that relate to SIFT trusts, as that term is defined in subsection 122.1(1) of the Tax Act, or SIFT partnerships, as that term is defined in subsection 197(1) of the Tax Act, and any corresponding provisions of applicable provincial tax legislation.

"SLALA" means the Supportive Living Accommodation Licensing Act (Alberta) and the regulations thereunder.

"Special Voting Units" means the special voting units of Chartwell.

"Stabilization" or "Stabilized" with respect to a seniors housing residence means a residence which has had an average Resident Occupancy Rate of 90% or greater during the preceding three calendar months.

"subsidiary" includes, with respect to any person, company, partnership, limited partnership, trust, or other entity, any company, partnership, limited partnership, trust or other entity controlled, directly or indirectly, by such person, company or entity.

"Sumach" means The Sumach by Chartwell retirement residence a 332 suite ISL building in Toronto, Ontario in which Welltower and Chartwell each own a 50% interest.

"Supplemental Indentures" has the meaning ascribed to it under "Description of Debentures".

"Tax Act" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended.

"TSX" means the Toronto Stock Exchange.

"Unitholder" means a holder of Units.

"Unitholder Rights Agreement" means Chartwell's Amended and Restated Unitholder Rights Agreement dated as of May 17, 2018, as reconfirmed from time to time.

"Units" mean the units of Chartwell, other than the Special Voting Units.

"Unsecured Credit Agreement" means the credit agreement between the Operator and the Bank of Montreal, as administrative agent, dated as of May 29, 2017, establishing the Unsecured Facility.

"Unsecured Credit Facility" has the meaning ascribed to it under "Financing".

"Voting Unitholders" means holders of Voting Units.

"Voting Units" means Units and Special Voting Units.

"Welltower" means Welltower Inc., formerly HCN.

SCHEDULE "A"

CHARTWELL RETIREMENT RESIDENCES

AUDIT COMMITTEE CHARTER

(attached)

AUDIT COMMITTEE CHARTER

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PURPOSE

The Audit Committee (the "Committee") is a standing committee of the Board of Directors (the "Board") of Chartwell Master Care Corporation ("CMCC") appointed by the trustees (the "Trustees") of Chartwell Retirement Residences ("Chartwell"). The Committee is established to fulfil applicable public company obligations respecting Audit Committees and to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting including responsibility to:

- oversee the integrity of Chartwell's financial statements and financial reporting process, including the audit process and Chartwell's internal accounting controls and procedures and compliance with related legal and regulatory requirements;
- oversee securities and financial regulatory filings as delegated by the Board;
- oversee the qualifications and independence of the independent auditor;
- oversee the work of Chartwell's financial management and independent auditor in these areas; and
- provide an open avenue of communication between the independent auditor, the Board and management.

The function of the Committee is oversight. It is not the duty or responsibility of the Committee or its members (i) to plan or conduct audits, (ii) to determine that Chartwell's financial statements are complete and accurate and are in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") or (iii) to conduct other types of auditing or accounting reviews or similar procedures or investigations. The members of the Committee, including its Chair, are members of the Board, appointed by the Trustees to the Committee to provide broad oversight of the financial, risk and control related activities of Chartwell, and are specifically not accountable or responsible for the day to day operation or performance of such activities. In particular, the members of the Committee shall not be accountable for giving professional opinions on the internal or external audit of Chartwell's financial information.

Management is responsible for the preparation, presentation and integrity of Chartwell's financial statements. Management is also responsible for maintaining appropriate accounting and financial reporting principles and policies and systems of risk assessment and internal controls and procedures designed to provide reasonable assurance that assets are safeguarded and transactions are properly authorized, recorded and reported and to assure the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with accounting standards and applicable laws and regulations. The independent auditor is responsible for planning and carrying out an audit of Chartwell's annual financial statements in accordance with generally accepted auditing standards to provide reasonable assurance that, among other things, such financial statements are in accordance with IFRS as issued by the IASB.

PROCEDURES

1. *Composition* – The Committee shall be comprised of at least three members and each member shall be a member of the Board (each, a "Director"). None of the members of the Committee shall be an officer or employee of Chartwell or any of its subsidiaries and each member of the Committee shall be an "independent" director (as defined from time to time under the requirements or guidelines for Audit Committee service under applicable securities laws and the rules of any stock exchange on which Chartwell's securities are listed for trading) and none of the members shall have participated in the preparation of the financial statements of Chartwell or any current subsidiaries of Chartwell at any time over the past three years.

   All members of the Committee must be "financially literate" (as that term is defined from time to time under the requirements or guidelines for Audit Committee service under securities laws and the rules of any stock exchange on which Chartwell's securities are listed for trading) or must become financially literate within a reasonable period of time after his or her appointment to the Committee.

2. *Appointment and Replacement of Committee Members* – Any member of the Committee may be removed or replaced at any time by the Trustees and shall automatically cease to be a member of the Committee upon ceasing to be a Director.

   The Trustees may fill vacancies on the Committee by appointing another Director to the Committee. The Trustees shall fill any vacancy if the membership of the Committee is less than three directors. Whenever there is a vacancy on the Committee, the remaining members may exercise all of the Committee's powers as long as a quorum is maintained. Subject to the foregoing, the members of the Committee shall be appointed by the Trustees annually and each member of the Committee shall remain on the Committee until the next annual meeting of unitholders of Chartwell ("Unitholders") after his **or** her appointment or until his or her successor shall be duly appointed and qualified.

3. *Chair of the Committee* – The Board of Directors shall designate a Chair by majority vote of the full Board. The Chair of the Committee shall be responsible for leadership of the Committee, including preparing the agenda, presiding over the meetings, making committee assignments and reporting to the Board. The Chair of the Committee shall be a Canadian resident, provided that in the event of the death, resignation, bankruptcy, adjudicated incompetence, removal or change in circumstance of all resident Canadian members who were on the Committee, this requirement shall not be applicable for a period of 60 days after the last resident Canadian ceased to serve, during which time the remaining members shall appoint a Canadian resident to the Committee to act as Chair.

4. *Conflicts of Interest* – If a Committee member faces a potential or actual conflict of interest relating to a matter before the Committee, other than matters relating to the compensation of Directors or Trustees, that member shall be responsible for alerting the Chair of the Committee. If the Chair of the Committee faces a potential or actual conflict of interest, the Chair of the Committee shall advise the Chair of the Board. If the Chair of the Committee, or the Chair of the Board, as the case may be, concurs that a potential or actual

conflict of interest exists, the member faced with such conflict shall disclose to the Committee his or her interest and shall not participate in consideration of the matter and shall not vote on the matter.

5. *Compensation of Committee Members* – The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board or Trustees may from time to time determine.

6. *Meetings* – The Committee shall meet regularly at times necessary to perform the duties described herein in a timely manner, but not less than four times a year and any time Chartwell proposes to issue a press release with its quarterly or annual earnings information. Meetings may be held at any time deemed appropriate by the Committee. The Committee may meet in person and by telephone or electronic means and, other than with respect to the review of the audited financial statements and the notes and Management's Discussion and Analysis relating to such financial statements with management and the independent auditor, may act by means of a written resolution signed by all members entitled to vote on the matter.

7. *Calling of Meetings* – Any member of the Committee or the independent auditor may call a meeting of the Committee. Notice of the time and place of every meeting shall be given in writing, by any means of transmitted or recorded communication, including email, facsimile, telex, telegram or other electronic means that produces a written copy, to each member of the Committee and the independent auditor at least 48 hours prior to the time fixed for such meeting. However, a member may in any manner waive a notice of a meeting. The attendance of a member of the Committee at a meeting shall constitute a waiver of notice of such meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened. Whenever practicable, the agenda for the meeting and the meeting materials shall be provided to members and the independent auditor before each Committee meeting in sufficient time to provide adequate opportunity for their review.

8. *Quorum* – A majority of the members of the Committee constitute quorum, provided that a majority of the members of the Committee comprising such quorum must be Canadian residents.

9. *Chair of Meetings* – If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present shall be chosen by the Committee to preside at the meeting.

10. *Secretary of Meeting* – The Chair of the Committee shall designate a person who need not be a member of the Committee to act as secretary or, if the Chair of the Committee fails to designate such a person, the secretary of CMCC shall be secretary of the Committee. The agenda of the Committee meeting will be prepared by the Chair of the Committee, working with the secretary of the Committee and, whenever reasonably practicable, circulated to each member and the independent auditor prior to each meeting.

11. *Minutes* – Minutes of the proceedings of the Committee shall be kept in a minute book provided for that purpose. The minutes of the Committee meetings shall accurately record the discussions of and decisions made by the Committee, including all recommendations to be made by the Committee to the Board and shall be distributed to all Committee members.

12. *In Camera Meetings* – The Committee shall meet at least four times annually. At each meeting, the Committee shall meet in camera with the Chief Financial Officer, the head of Internal Audit and the independent auditor, and shall meet without management present at every regular meeting. The Committee shall have such other direct and independent interaction with such persons from time to time as the members of the Committee deem appropriate. The Committee may request any officer or employee of Chartwell, any of Chartwell's subsidiaries or Chartwell's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The independent auditor will have direct access to the Committee at its own initiative.

13. *Professional Assistance* - The Committee may require the independent auditor to perform such supplemental reviews or audits as the Committee may deem desirable. In addition, the Committee may retain such special legal, accounting, financial or other consultants as the Committee may determine to be necessary to carry out the Committee's duties at Chartwell's expense.

14. *Reliance* - Absent actual knowledge to the contrary (which shall be promptly reported to the Board), each member of the Committee shall be entitled to rely on (i) the integrity of those persons or organizations within and outside Chartwell from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations and (iii) representations made by management and the independent auditor as to any information technology, internal audit and other non-audit services provided by the independent auditor to Chartwell and its subsidiaries.

15. *Reporting to the Board* - The Committee shall report through the Chair of the Committee to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

16. *Committee Chair Responsibilities* - The primary responsibility of the Chair of the Committee is to provide leadership to the Committee to enhance its effectiveness. In such capacity, the Chair of the Committee will schedule meetings of the Committee, organize and present agendas for Committee meetings, oversee the distribution of information to the Committee sufficiently in advance of the meeting, preside over Committee meetings and report to the Board on Committee matters.

POWERS

1. ***Access*** – The Committee is entitled to full access to all books, records, facilities, and personnel of Chartwell and its subsidiaries. The Committee may require such officers and employees of Chartwell and its subsidiaries, Directors, Trustees and others as it may see fit from time to time to provide any information about Chartwell and its subsidiaries it may deem appropriate and to attend and assist at meetings of the Committee.

2. ***Delegation*** – The Committee may delegate from time to time to any person or committee of persons any of the Committee's responsibilities that lawfully may be delegated.

3. ***Adoption of Policies and Procedures*** – The Committee may adopt policies and procedures for carrying out its responsibilities.

RESPONSIBILITIES OF THE COMMITTEE

Selection and Oversight of the Independent Auditor

1. The independent auditor is ultimately accountable to the Committee and the Board as the representatives of the Unitholders and shall report directly to the Committee and the Committee shall so instruct the independent auditor. The Committee shall make recommendations to the Board on the reappointment or replacement of the independent auditor of Chartwell to be proposed in Chartwell's proxy circular for Unitholder approval. If a change in independent auditor is proposed, the Committee shall review the reasons for the change and any other significant issues related to the change, including the response of the incumbent auditors, and enquire on the qualifications of the proposed auditors before making its recommendation to the Board.

2. The Committee shall approve in advance the terms of engagement and, if the Unitholders authorize the Board to do so, the compensation to be paid by Chartwell to the independent auditor with respect to the conduct of the annual audit. The Committee shall review with the external auditors the scope of the audit, the areas of special emphasis to be addressed in the audit, the materiality levels and other issues, as appropriate. The Committee may approve policies and procedures for the pre-approval of services to be rendered by the independent auditor including any de minimus exceptions, which policies and procedures shall include reasonable detail with respect to the services covered.

3. The Committee shall review the independence of the independent auditor and shall make recommendations to the Board on appropriate actions to be taken which the Committee deems necessary to protect and enhance the independence of the independent auditor. In connection with such review, the Committee shall:

(a) actively engage in a dialogue with the independent auditor about all relationships or services that may impact the objectivity and independence of the independent auditor;

(b) require that the independent auditor submit to it on a periodic basis, and at least annually, a formal written statement delineating all relationships between Chartwell and its

subsidiaries, on the one hand, and the independent auditor and their affiliates on the other hand;

(c) consider the auditor independence standards promulgated by applicable auditing regulatory and professional bodies.

4. The Audit Committee shall conduct an annual assessment of the independent auditor's effectiveness and service quality. The Audit Committee's assessment may consider such factors as (i) the independent auditor's independence, objectivity and professional skepticism; (ii) the quality of their engagement team; (iii) the quality of their communications and interactions; (iv) the overall quality of the service provided; and (v) management's evaluation.

5. The Audit Committee shall conduct a comprehensive review of the independent auditor every five years to enhance audit quality through a deeper and broader analysis of the external auditor than in the annual assessment. In addition to a more detailed review of the factors considered in the annual assessment, the comprehensive review may also consider safeguards against institutional independence familiarity threats and the results and implications of internal or CPAB inspection findings on the independent audit's quality.

6. The Committee shall pre-approve all engagements (and fees related thereto) for non-audit services in accordance with Chartwell's "Delegation of Authority for Pre-Approval of Allowed Non-Audit Services Provided by External Auditors Policy", and to ensure disclosure of any non-audit services in the next periodic public report of Chartwell.

7. The Committee shall establish and monitor clear policies for the hiring by Chartwell of employees or former employees of the independent auditor.

8. The Committee shall require the independent auditor to provide to the Committee, and the Committee shall review and discuss with the independent auditor, all reports which the independent auditor are required to provide to the Committee or the Board under rules, policies or practices of professional or regulatory bodies applicable to the independent auditor, and any other reports which the Committee may require.

Oversight and Monitoring of Audits

9. The Committee shall review with the independent auditor and management the following to provide oversight of the independent auditor:

(a) Reliance upon management and Internal Audit.

(b) The responsibilities of management and the independent auditor.

(c) The general audit approach and scope of proposed audits of the financial statements of Chartwell and its subsidiaries.

(d) The timing and estimated budgets of the audits.

In addition, the Committee's oversight of Internal Audit shall include the following:

(e) Review and approve the mandate of the Internal Audit department.

(f) Review and approve the Internal Audit department's annual work plan.

(g) Review the written report by Internal Audit on progress against its annual work plan, significant findings from any evaluations performed during the period and the status of previously raised findings.

10. The Committee shall meet periodically with management to discuss the progress of their activities and any significant findings stemming from internal controls testing and the adequacy of responses in correcting related deficiencies.

11. The Committee shall review the interim review findings report of the independent auditor before the release of interim financial statements.

12. The Committee shall discuss with the independent auditor any difficulties that arose with management during the course of the audit, any restrictions on the scope of activities or access to requested information and the adequacy of management's responses in correcting audit-related deficiencies.

13. The Committee shall review with management the results of any internal and external audits and reviews of Chartwell.

14. The Committee shall take such other reasonable steps as it may deem necessary to satisfy itself that the external annual audit and quarterly reviews were conducted in a manner consistent with all applicable legal requirements and standards of applicable professional or regulatory bodies.

Oversight and Review of Accounting Principles and Practices

15. The Committee shall, as it deems necessary, oversee, review and discuss with management and the independent auditor:

(a) the quality, appropriateness and acceptability of Chartwell's accounting principles and practices used in its financial reporting, changes in Chartwell's accounting principles or practices and the application of particular accounting principles and disclosure practices by management to new transactions or events;

(b) all significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including the effects of alternative methods within IFRS as issued by the IASB on the financial statements and any "second opinions" sought by management from another audit firm or advisor with respect to the accounting treatment of a particular item;

(c) disagreements between management and the independent auditor regarding the application of any accounting principles or practices;

(d) any material change to Chartwell's accounting principles and practices as recommended by management, the independent auditor or which may result from proposed changes to applicable IFRS as issued by IASB;

(e) the effect of regulatory and accounting initiatives on Chartwell's financial statements and other financial disclosures;

(f) any reserves, accruals, provisions or estimates that may have a material effect upon the financial statements of Chartwell;

(g) the use of special purpose entities and the business purpose and economic effect of off-balance sheet transactions, arrangements, obligations, guarantees and other relationships of Chartwell and their impact on the reported financial results of Chartwell;

(h) any legal matter, claim or contingency that could have a significant impact on the financial statements, Chartwell's compliance policies and any material reports, inquiries or other correspondence received from regulators or governmental agencies and the manner in which any such legal matter, claim or contingency has been disclosed in Chartwell's financial statements;

(i) the treatment for financial reporting purposes of any significant transactions which are not a normal part of Chartwell's operations;

(j) the use of any "pro forma" or "adjusted" information not in accordance with IFRS as issued by IASB;

(k) management's determination of goodwill impairment, if any, as required by applicable accounting standards.

16. The Committee will resolve disagreements between management and the independent auditor regarding financial reporting or the application of any accounting principles or practices.

Oversight and Monitoring of Internal Controls

17. The Committee shall, as it deems necessary, exercise oversight of, review and discuss with management, Internal Audit and the independent auditor:

(a) the adequacy and effectiveness of Chartwell's internal accounting and financial controls and the recommendations of management, Internal Audit and the independent auditor for the improvement of accounting practices and internal controls;

(b) any significant deficiencies or material weaknesses in the internal control environment, including with respect to computerized information system controls and security;

(c) any fraud that involves personnel who have a significant role in Chartwell's internal control over financial reporting;

(d) management's compliance with Chartwell's processes, procedures and internal controls; and

(e) Chartwell's IT general controls.

Fraud Prevention, Whistleblower & Code of Business Conduct & Ethics

18. The Committee establishes and monitors procedures for the receipt and treatment of complaints received by Chartwell regarding accounting, internal accounting controls or audit matters and the anonymous submission by employees of concerns regarding questionable accounting or auditing matters and review periodically with management and Internal Audit these procedures and any significant complaints received on such issues and other business practices. In addition, the Committee shall:

(a) Review reports from the Fraud Prevention & Whistleblower Complaint Committee of all accounting, auditing and internal control related incidents and whistleblower complaints that have been reported, the investigative/remedial action taken and the status thereon.

(b) Review periodically with management CCMC's code of ethics for senior financial officers.

Oversight and Monitoring of Chartwell's Financial Disclosures

19. The Committee shall:

(a) review with the independent auditor and management and recommend to the Board for approval the audited financial statements and the notes thereto and the Management's Discussion and Analysis accompanying such financial statements, Chartwell's annual report and any financial information of Chartwell contained in any prospectus or information circular of Chartwell; and

(b) review with the independent auditor and management each set of interim financial statements and the notes thereto and the Management's Discussion and Analysis accompanying such financial statements and any other disclosure documents or regulatory filings of Chartwell containing or accompanying financial information of Chartwell.

Such reviews shall be conducted prior to the release of any summary of the financial results or the filing of such reports with applicable regulators.

20. Periodically assess procedures for the review of disclosure of financial information extracted or derived from the financial statements, other than the disclosure referred to in paragraph 19 above;

21. Prior to their distribution, the Committee shall discuss earnings press releases, as well as financial information and any earnings guidance provided to analysts and ratings agencies.

22. As part of the process by which the Committee shall satisfy itself as to the reliability of public disclosure documents that contain audited and unaudited financial information, the Committee shall require each of the Chief Executive Officer and the Chief Financial

Officer of Chartwell to provide a certificate addressed to the Committee certifying in respect of each annual and quarterly report the matters such officers are required to certify in connection with the filing of such reports under applicable securities laws.

23. Review with management and assess Chartwell's disclosure controls and procedures and material changes to the design of Chartwell's disclosure controls and procedures.

24. Review disclosures made respecting the design and operation of internal controls over financial reporting and disclosure controls and procedures, including any disclosure of limitations on their assessment by the Chief Executive Officer and Chief Financial Officer and deficiencies in their design or operating effectiveness and any fraud involving persons who have a significant role in Chartwell's internal controls.

25. The Committee shall review the disclosure with respect to its pre-approval of audit and non-audit services provided by the independent auditor.

Oversight of Finance and Financial Risk Matters

26. The Committee shall review:

(a) appointments of the key financial executives involved in the financial reporting process of Chartwell, including the Chief Financial Officer, shall require the prior review of the Committee; and

(b) current finance staffing including knowledge, qualifications and requirements.

27. The Committee shall receive and review:

(a) periodic reports on compliance with requirements regarding statutory deductions and remittances and, in the event of any non-compliance, the nature and extent of non-compliance, the reasons therefor and the management's plan and timetable to correct any deficiencies;

(b) material policies and practices of Chartwell respecting cash management and material financing strategies or policies or proposed financing arrangements and objectives of Chartwell; and

(c) material tax policies and tax planning initiatives, tax payments and reporting and any pending tax audits or assessments.

28. The Committee shall meet periodically with management to review and discuss Chartwell's major financial risk exposures and the policy steps management has taken to monitor and control such exposures, including the use of financial derivatives and hedging activities and Chartwell's insurance programs.

29. The Committee shall review Chartwell's delegation of financial authority policy.

Oversight of Debt Portfolio

30. The Committee shall evaluate and where applicable and appropriate authorize, new financings and re- financings of properties in the Chartwell portfolio and evaluate reports from Management on a quarterly basis regarding such financings. The authorization to approve new financings and re-financings of properties in the Chartwell portfolio as well as unsecured financings of a size of up to 10% of Chartwell's debt portfolio has been delegated to the Chief Executive Officer or his or her delegates with a quarterly reporting requirement to the Committee.

Additional Responsibilities

31. The Committee shall review and/or approve any other matter specifically delegated to the Committee by the Board and undertake on behalf of the Board such other activities as may be necessary or desirable to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting and Chartwell's financial obligations.

THE CHARTER

The Committee shall review and reassess the adequacy of this Charter periodically as it deems appropriate and recommend changes to the Board. The performance of the Committee shall be evaluated with reference to this Charter.

The Committee shall ensure that this Charter is disclosed on Chartwell's website and that this Charter or a summary of it which has been approved by the Committee is disclosed in accordance with all applicable securities laws or regulatory requirements.