# NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

# AND

# MANAGEMENT INFORMATION CIRCULAR

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**
**TO BE HELD ON MAY 22, 2018**

April 10, 2018

# NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the "**Meeting**") of the holders of common shares of Sienna Senior Living Inc. (the "**Company**") will be held on Tuesday, May 22, 2018 at the hour of 11:00 a.m. (Toronto time) at Vantage Venues (formerly St. Andrew's Club), Sun Life Financial Tower, 150 King Street West, 16th Floor, Toronto, Ontario for the following purposes:

1. **TO RECEIVE** the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2017, together with the report of the auditors thereon;
2. **TO FIX** the number of directors of the Company at six (6);
3. **TO ELECT** directors of the Company for the ensuing year;
4. **TO REAPPOINT** auditors of the Company for the ensuing year and authorize the directors of the Company to fix the remuneration of the auditors;
5. **TO CONSIDER** and, if deemed advisable, to pass a resolution (the "**RSU Plan Resolution**"), the full text of which is attached as Appendix C to the accompanying management information circular, with or without variation, to reconfirm and approve all unallocated securities, rights and other entitlements pursuant to the Company's restricted share unit plan effective January 1, 2011, as amended; and
6. **TO TRANSACT** such further or other business as may properly come before the Meeting or any adjournment or postponement thereof.

The accompanying management information circular and form of proxy provide additional information relating to the matters to be dealt with at the Meeting and form part of this notice.

A shareholder may attend the Meeting in person or may be represented at the Meeting by proxy. Proxies to be used at the Meeting must be received by the Company's transfer agent, Computershare Trust Company of Canada, Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, no later than 11:00 a.m. (Toronto time) on Thursday, May 17, 2018 and, if the Meeting is postponed or adjourned, no less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any such postponement or adjournment. In addition, the form of proxy provides instructions on how to vote by telephone or over the internet.

**DATED** at Toronto, Ontario this 10th day of April, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"Lois Cormack"*

President and Chief Executive Officer
Sienna Senior Living Inc.

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# MANAGEMENT INFORMATION CIRCULAR

Unless otherwise indicated, or the context otherwise requires, the "**Company**" or "**Sienna**" in this management information circular (the "**Information Circular**") refers to Sienna Senior Living Inc. and its direct and indirect subsidiaries. Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to "$" are to Canadian dollars.

The board of directors of the Company (the "**Directors**", the "**Board**" or the "**Board of Directors**") have fixed April 13, 2018 as the record date (the "**Record Date**") for the purpose of determining holders (the "**Shareholders**") of common shares (the "**Common Shares**") of the Company entitled to receive notice of and to vote at the annual and special meeting of Shareholders to be held on Tuesday, May 22, 2018 at 11:00 a.m. (Toronto time) at Vantage Venues (formerly St. Andrew's Club), Sun Life Financial Tower, 150 King Street West, 16th Floor, Toronto, Ontario (the "**Meeting**"). Only Shareholders of record on the books of the Company as at the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting.

Unless otherwise indicated, the information contained in the Information Circular is given as of March 29, 2018.

## PROXY SOLICITATION AND VOTING

### Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by or on behalf of management of Sienna for use at the Meeting, and at any adjournment or postponement thereof, for the purposes set forth in the accompanying notice of the Meeting (the "**Notice of Meeting**"). It is anticipated that the solicitation of proxies for the Meeting will be made primarily by mail, but proxies may also be solicited personally, in writing or by other means of communication by management or other employees of the Company, who will not be specifically remunerated therefor, or by agents of the Company who may be specifically remunerated therefor. All costs in respect of the solicitation of proxies, and the legal, printing and other costs associated with the preparation of the Information Circular, will be borne by the Company.

### Appointment of Proxies

Together with the Information Circular, the Shareholders will receive a form of proxy (a "**Form of Proxy**"). The persons named in the enclosed Form of Proxy are the designated proxyholders and are directors of the Company. **A Shareholder has the right to appoint another person (who need not be a Shareholder) to vote on his, her or its behalf. Such person must be present at the Meeting or any adjournment or postponement thereof to represent the Shareholder. A Shareholder who wishes to appoint some other person to represent him, her or it at the Meeting may do so by inserting such person's name in the blank space provided in the Form of Proxy and striking out the names of the designated proxyholders, or by completing another proper form of proxy.** Any form of proxy appointing a proxy must be in writing, completed, and signed by a Shareholder or his or her agent duly authorized in writing or, if the Shareholder is a corporation, by an officer or other person duly authorized in writing. Persons signing as officers, directors, executors, administrators, trustees or similarly otherwise should so indicate and provide satisfactory evidence of such authority. A form of proxy given by joint Shareholders must be executed by all of them.

To be valid, proxies or voting instructions must be received by the Company's transfer agent, Computershare Trust Company of Canada, Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, no later than 11:00 a.m. (Toronto time) on Thursday, May 17, 2018 and, if the Meeting is postponed or adjourned, no less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of any such postponement or adjournment.

Shareholders should note that registered Shareholders may otherwise exercise their voting rights by attending and voting their Common Shares in person or by proxy at the Meeting. Registered Shareholders who plan to attend and vote in person at the Meeting need not complete or return the accompanying Form of Proxy as aforementioned, but may still choose to do so. Registered Shareholders (or their authorized proxyholder) attending the Meeting in person will be asked to register their attendance upon arrival at the Meeting.

**Advice to Beneficial Shareholders**

**Information set forth in this section is important to Shareholders who do not hold Common Shares registered in their own name (each, a "Beneficial Shareholder"), but in the name of an intermediary (such as a broker, financial institution, custodian, trustee or other intermediary who holds securities on behalf of the Beneficial Shareholder) or in the name of a nominee in which the intermediary is a participant (such as CDS Clearing and Depository Services Inc.).**

Beneficial Shareholders should note that only proxies deposited by Shareholders whose names are on the record of the Company as the registered holders of the Common Shares can be recognized and acted upon at the Meeting. If you are a Beneficial Shareholder, you will have received this Information Circular in a mailing from your intermediary or its nominee, together with a voting instruction form. Intermediaries are prohibited from voting Common Shares on behalf of their clients without specific instructions; therefore, unless the voting instructions of the intermediary or its nominee are followed, Beneficial Shareholders cannot be recognized at the Meeting for purposes of voting their Common Shares in person or by way of proxy.

Applicable regulatory policy in Canada requires intermediaries and their nominees to seek voting instructions from Beneficial Shareholders in advance of the Meeting. Every intermediary and nominee has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares can be voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by his, her or its intermediary is identical to that provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder. Most intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares and mails a machine-readable voting instruction form in lieu of the Form of Proxy, and asks Beneficial Shareholders to complete and return the voting instruction forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the Common Shares to be represented at the Meeting or any adjournment or postponement thereof. A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting or any adjournment or postponement thereof. The voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of an intermediary or its nominee, a Beneficial Shareholder may attend at the Meeting as a proxyholder for the registered Shareholder and vote the Common Shares in that capacity. To do this, a Beneficial Shareholder must enter their own name in the blank space on the form of proxy provided to them and return the form of proxy to their intermediary in accordance with the instructions provided by such intermediary well in advance of the Meeting.

**If you are a Beneficial Shareholder and wish to vote in person at the Meeting, please contact your broker or other intermediary well in advance of the Meeting to determine how you can do so.**

**Revocation of Proxy**

A registered Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. **If you are a Beneficial Shareholder and wish to revoke your proxy or change your voting instruction, please contact your intermediary well in advance of the Meeting to determine how you can do so.** A registered Shareholder who has submitted a proxy may revoke the proxy: (a) by completing and signing a proxy bearing a later date and depositing it with Computershare Trust Company of Canada as set out above under the heading "Proxy Solicitation and Voting — Appointment of Proxies", (b) by delivering an instrument in writing executed by the Shareholder or by his, her or its attorney authorized in writing: (i) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the Meeting, or any postponement or adjournment thereof, at which the proxy is to be used, or (ii) with the chair of the Meeting prior to the commencement of such Meeting on the day of such Meeting or any adjournment thereof, or (c) in any other method permitted by applicable law.

**Exercise of Discretion by Proxyholders**

Where a Shareholder specifies a choice in a form of proxy with respect to any matter to be acted upon at the Meeting, the Common Shares represented by such proxy will be voted in accordance with the specifications so made. In the absence of such specification, or if the specification is not certain, it is intended that such Common Shares will be voted at the Meeting as follows:

- **FOR the fixing of the number of directors of the Company at six (6);**
- **FOR the election of each of the nominees listed under the heading "Matters to be Acted Upon at the Meeting — Election of Directors" to the board of directors of the Company;**
- **FOR the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Company and to authorize the board of directors of the Company to fix the remuneration of the auditors;**
- **FOR the passing of a resolution, the text of which is included at Appendix C to the Information Circular, to reconfirm and approve all unallocated securities, rights and other entitlements pursuant to the Company's restricted share unit plan effective January 1, 2011, as amended.**

The designated proxyholders named in the enclosed Form of Proxy accompanying this Information Circular are conferred with discretionary authority with respect to amendments to or variations of matters identified in the Form of Proxy and the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting, it is the intention of the designated proxyholders named in the enclosed Form of Proxy to vote in accordance with their best judgment on such matter or business. At the time of printing of the Information Circular, management of the Company and the Directors of the Company know of no such amendments, variations or other matters.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

To the knowledge of the Directors and management of the Company, other than as described in this Information Circular, no Director or executive officer of the Company, no proposed nominee for election as a Director of the Company, and no associate or affiliate of any such person, and no other insider of the Company has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares. As of the close of business on the last business day preceding the date of this Information Circular, 63,617,273 Common Shares were issued and outstanding. At the Meeting, each Shareholder of record at the close of business on the Record Date will be entitled to one (1) vote for each Common Share held on all matters to be acted upon at the Meeting.

To the knowledge of management of the Company and the Directors, as of the close of business on the last business day preceding the date of this Information Circular, no person or company beneficially owns, or exercises control or direction, directly or indirectly, over Common Shares carrying 10% or more of the votes attached to the issued and outstanding Common Shares.

## MATTERS TO BE ACTED UPON AT THE MEETING

### Financial Statements

The audited consolidated financial statements of the Company for the fiscal year ended December 31, 2017 ("**Fiscal 2017**"), management's discussion and analysis ("**MD&A**") thereon and the accompanying auditors' report will be placed before the Shareholders at the Meeting. Shareholders may find a copy of these documents on the Company's website at www.siennaliving.ca and on SEDAR at www.sedar.com under Sienna's issuer profile.

No formal action will be taken at the Meeting to approve the financial statements. If any Shareholder has questions regarding such financial statements, such questions may be brought forward at the Meeting.

### Number of Directors

It is proposed that the number of directors to be elected at the Meeting be fixed at six (6). To be effective, the fixing of the number of directors must be approved by a simple majority of the votes cast by Shareholders, present in person or represented by proxy, at the Meeting. The Board of Directors unanimously recommends that the Shareholders vote in favour of the resolution fixing the number of directors to be elected at the Meeting at six (6). **The persons named in the enclosed Form of Proxy as the designated proxyholders of the Company, if not expressly directed to the contrary in the Form of Proxy, intend to vote FOR the resolution fixing of the number of directors of the Company at six (6).**

### Election of Directors

*Proposed Nominees*

Set forth below are the individuals proposed to be nominated for election as directors of the Company. To be effective, the election of each of the nominees listed below must be approved by a simple majority of the votes cast by Shareholders, present in person or represented by proxy, at the Meeting. **The persons named in the enclosed Form of Proxy as the designated proxyholders of the Company, if not expressly directed to the contrary in the Form of Proxy, intend to vote FOR the election of the proposed nominees whose names are set out below to the Board of Directors of the Company.**

All of the proposed nominees make up the current Board of Directors of the Company with the exception of Mr. McLaughlin who is currently a Director of the Company but will not stand for re-election at the Meeting due to his retirement. Each nominee proposed for election at the Meeting has confirmed his or her willingness to serve on the Board. It is not contemplated that any of the proposed nominees will be unable to stand for election or serve as a Director of the Company but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed Form of Proxy as the designated proxyholders of the Company reserve the right to vote for another nominee at their discretion.

Each elected nominee will hold office until the close of the next annual meeting of the Shareholders or until his or her successor is elected or appointed, unless his or her office is vacated earlier due to death, removal, resignation or ceasing to be duly qualified.

Dino Chiesa

Lois Cormack

Janet Graham

Paula Jourdain Coleman

Jack MacDonald

Stephen Sender

The following tables include (a) the names of the persons proposed to be nominated for election as directors; (b) their current positions with the Company; (c) their principal occupation or employment during at least the five preceding years; and (d) the number of Common Shares, deferred share units issued pursuant to the Company's deferred share unit plan and restricted share units issued pursuant to the Company's restricted share unit plan that are beneficially owned, or over which control or direction is exercised, directly or indirectly, by each of them, as of March 29, 2018.

**Dino Chiesa**
Toronto, Ontario, Canada

Director, Board Chair

Director Since: March 2010

Independent

Mr. Chiesa is the principal of Chiesa Group, a commercial real estate developer and investor founded by Mr. Chiesa in 1990, and the past chair of Canada Mortgage and Housing Corporation, one of Canada's largest financial institutions.

Mr. Chiesa is a current member of the Board of Trustees of Morguard North American Residential REIT and the Board of Directors of GFL Environmental Inc. From 2004 to 2010, he served as Trustee and Vice-Chair of Canadian Apartment Properties Real Estate Investment Trust (CAP REIT), a TSX-listed Canadian residential real estate investment trust. From 1999 to 2004, he served as Chief Executive Officer of Residential Equities Real Estate Investment Trust, prior to its merger with CAP REIT. Mr. Chiesa is also a former director of Dynacare Laboratories Inc., former member of the Board of Trustees of Sunrise Senior Living Real Estate Investment Trust, and formerly served on the board of two public hospitals. From 1989 to 1999, Mr. Chiesa held several positions within the Government of Ontario, including Assistant Deputy Minister, Municipal Affairs and Housing and Chief Executive Officer of each of Ontario Housing Corporation and Ontario Mortgage Corporation.

Mr. Chiesa sits on the advisory board for the Schulich School of Business at York University. Mr. Chiesa is the Chair of the Board of CreateTO (formerly Toronto Realty Agency). Additionally, he is active in the charitable sector, including in his role as Chair at Villa Charities.

Mr. Chiesa holds a Bachelor of Arts in Economics from McMaster University.

| Board/Committee Memberships | Attendances | Attendances (Total) | | Current Public Board Memberships (other than Sienna) |
|---|---|---|---|---|
| Director and Board Chair | 18 of 18 | 26 of 26 | 100% | Morguard North American Residential REIT (TSX: MRG.UN) |
| Member of Audit Committee | 4 of 4 | | | |
| Member of Compensation, Governance & Nominating Committee | 4 of 4 | | | |

**Equity Ownership/Control (as of March 29, 2018)**

| **Common Shares** (voting securities) | **Deferred Share Units** (non-voting securities) | **Restricted Share Units** (unvested voting securities) |
|---|---|---|
| 18,500 | 148,257 | — |

**Lois Cormack**
Bradford, Ontario, Canada

Director, President and Chief Executive Officer

Director Since: November 2013

Non-Independent

Ms. Cormack has been the President and Chief Executive Officer of the Company since 2013. For more than 25 years, Ms. Cormack has been growing and transforming organizations as an executive in the seniors' living and health care sectors with extensive experience in developing, leasing and operating seniors living communities. Previous roles include President of Specialty Care Inc., owner of a consulting practice and executive positions in the health and seniors' living sectors.

A respected leader in the seniors' living sector in Canada, Ms. Cormack was previously chair of the Ontario Long Term Care Association, has served on numerous national and provincial committees and has extensive experience and relationships in the health care and seniors' care sectors, including in the regulatory and policy environment in Canada. Ms. Cormack actively supports a number of not-for-profits and charities that support seniors and youth, and currently serves on the Board of Governors at Seneca College.

In 2014 and 2015, Ms. Cormack was named as one of Canada's top female entrepreneurs in Profit/Canadian Businesses W100 in recognition of outstanding company growth and performance. In 2017, under the leadership of Ms. Cormack, the Company was named among Canada's Most Admired Corporate Cultures in the Enterprise Category by Waterstone Human Capital, a leading executive search and professional recruitment firm.

Ms. Cormack holds a Masters of Health Administration from the University of Toronto and is a graduate of the Ivey Executive Program at the University of Western Ontario and the ICD-Rotman Directors Education Program.

| Board/Committee Memberships | Attendances | Attendances (Total) | | Current Public Board Memberships (other than Sienna) |
|---|---|---|---|---|
| Director | 18 of 18 | 18 of 18 | 100% | None. |

**Equity Ownership/Control (as of March 29, 2018)**

| **Common Shares** (voting securities) | **Executive Deferred Share Units** (non-voting securities) | **Restricted Share Units** (unvested voting securities) |
|---|---|---|
| 113,154 | 87,082 | 16,229 |

**Janet Graham**
Toronto, Ontario, Canada

Director

Director Since: March 2010

Independent

Ms. Graham has been a Managing Director of IQ Alliance Incorporated, a Toronto based real estate advisory services firm, since 2002. Prior to joining IQ Alliance Incorporated, Ms. Graham was an independent consultant for a number of years, delivering real estate related financial advisory services to major corporate clients. Prior to 1996, Ms. Graham held several senior positions at a Canadian chartered bank and its affiliated investment bank for 15 years, specializing in corporate finance and lending to real estate and other companies.

Ms. Graham is a former member of the Boards of a number of public companies and trusts, including the Board of Trustees and Chair of the Audit Committee of each of Milestone Apartments Real Estate Investment Trust and Automotive Properties Real Estate Investment Trust.

Ms. Graham holds a Bachelor of Applied Science from Guelph University, a Master of Business Administration from York University and holds a CPA, CA designation.

| **Board/Committee Memberships** | **Attendances** | **Attendances (Total)** | | **Current Public Board Memberships (other than Sienna)** |
|---|---|---|---|---|
| Director | 18 of 18 | 26 of 26 | 100% | None. |
| Member and Chair of Audit Committee | 4 of 4 | | | |
| Member of Compensation, Governance & Nominating Committee | 4 of 4 | | | |

**Equity Ownership/Control (as of March 29, 2018)**

| **Common Shares** (voting securities) | **Deferred Share Units** (non-voting securities) | **Restricted Share Units** (unvested voting securities) |
|---|---|---|
| 10,000 | 35,470 | — |

**Paula Jourdain Coleman**
Oakville, Ontario, Canada

Director

Director Since: February 2014

Independent

Ms. Jourdain Coleman is the founder and owner of Lakebridge Investments Inc., a privately-held investment company with interests in both seniors housing and real estate, and has been serving as its President since 1998. She has over 30 years' experience in long-term care management, facility development, government relations and financial management. Ms. Jourdain Coleman previously served in various roles at Specialty Care Inc. from 1981 to 2014, including as Chair and CEO from 1998 to 2014, where she led its transformation from four small rural homes into a vibrant organization with fourteen long-term care and retirement communities, an active consulting practice and management business. She became a Board member in February 2014 in connection with the Company's 2013 acquisition of a portfolio of Specialty Care properties and management business.

Ms. Jourdain Coleman currently serves on the Board of Directors of and is a member of the International Women's Forum. She previously served on the Board of Directors of each of St. Joseph's Health Care Centre and George Brown College Foundation, and is also a past President of the Ontario Long Term Care Association (OLTCA) and the Ontario Retirement Communities Association (ORCA).

Ms. Jourdain Coleman holds a Masters in Social Work from Wilfrid Laurier University and a Masters of Business Administration from York University.

| **Board/Committee Memberships** | **Attendances** | **Attendances (Total)** | | **Current Public Board Memberships (other than Sienna)** |
|---|---|---|---|---|
| Director | 18 of 18 | 26 of 26 | 100% | None. |
| Member of Audit Committee | 4 of 4 | | | |
| Member of Compensation, Governance & Nominating Committee | 4 of 4 | | | |

**Equity Ownership/Control (as of March 29, 2018)**

| **Common Shares** (voting securities) | **Deferred Share Units** (non-voting securities) | **Restricted Share Units** (unvested voting securities) |
|---|---|---|
| 399,000 | 14,814 | — |

**Jack MacDonald**
Halifax, Nova Scotia, Canada

Director

Director Since: March 2010

Independent

Mr. MacDonald has been serving as the Chair of the Advisory Board of Micco Companies, a privately held company operating in Nova Scotia, since 2015. Until September 2012, Mr. MacDonald served as Chair of Compass Group Canada & ESS North America. Prior to this role, he was Chief Executive Officer of the company for the period 1996 to 2010. Compass Group Canada is a $1.6 billion subsidiary of Compass Group PLC, a public company traded on the FTSE 100. Compass Group provides food and facilities management services in a number of sectors including healthcare, business & industry, education, leisure & recreation and remote sites. Mr. MacDonald had been an officer of Compass Group North America from June 1997 until his retirement in 2012. Prior to Compass, Mr. MacDonald was President, Communicare Division of MDS Health Group from 1991 to 1996; President, Canadian Management Services Division of Marriott Corporation from 1984 to 1991; and Vice-President, Sales & Retail Operations of Clearwater Seafoods Limited. from 1980 to 1984.

Mr. MacDonald's previous board roles include Honourary Chair of the Board of Directors of Toronto Zoo Campaign — "Wild for Life", Chair of the Board of Directors of Canadian Aboriginal Business Hall of Fame, member of the Province of Ontario Investment and Trade Advisory Council, Chair of the Board of Directors of Canadian Foundation for Dietetic Research, Chair of the Board of Directors of President's Advisory Council for Humber College, Director of the Colorectal Cancer Screening Initiative Foundation and Director of the Canadian Physiotherapy Association.

Mr. MacDonald was educated in Nova Scotia, completing three years at Acadia University towards a B.Sc. in mathematics and engineering. In 2007, Mr. MacDonald received a Honourary Bachelor of Applied Science degree from Humber College. He is a graduate of the Institute of Corporate Directors program at the University of Toronto's Rotman School of Management.

| Board/Committee Memberships | Attendances | Attendances (Total) | | Current Public Board Memberships (other than Sienna) |
|---|---|---|---|---|
| Director | 18 of 18 | 26 of 26 | 100% | None. |
| Member of Audit Committee | 4 of 4 | | | |
| Member and Chair of Compensation, Governance & Nominating Committee | 4 of 4 | | | |

**Equity Ownership/Control (as of March 29, 2018)**

| Common Shares (voting securities) | Deferred Share Units (non-voting securities) | Restricted Share Units (unvested voting securities) |
|---|---|---|
| 19,500 | 27,897 | — |

**Stephen Sender**
Thornhill, Ontario, Canada

Director

Director Since: May 2017

Independent

Mr. Sender served as an investment banker for over 30 years in Canada and abroad and was Managing Director, Industry Head — Real Estate in Scotiabank's Global Banking and Markets division, representing the bank's capital markets activities in the Canadian real estate industry.

Since the early 1990s, Mr. Sender specialized in the Canadian real estate sector, providing investment banking advice to numerous public entities with respect to capital markets activities. He has been directly involved in raising equity and debt capital in a large number of transactions and has provided financial advice in numerous large transactions including mergers, takeovers and related party transactions. Mr. Sender is a trustee of H&R Real Estate Investment Trust. Mr. Sender has been a frequent moderator/speaker at conferences in Canada focusing on capital markets developments in the real estate sector.

Mr. Sender holds a B.Comm. (Honours) degree from the University of Cape Town and qualified as a C.A. (S.A.) in 1984.

| Board/Committee Memberships | Attendances | Attendances (Total) | | Current Public Board Memberships (other than Sienna) |
|---|---|---|---|---|
| Director | 11 of 12 | 15 of 16 | 94% | H&R Real Estate Investment Trust |
| Member of Audit Committee | 2 of 2 | | | |
| Member of Compensation, Governance & Nominating Committee | 2 of 2 | | | |

**Equity Ownership/Control (as of March 29, 2018)**

| Common Shares (voting securities) | Deferred Share Units (non-voting securities) | Restricted Share Units (unvested voting securities) |
|---|---|---|
| 28,000 | 2,047 | — |

No Director is, or within the ten years prior to the date hereof has, (a) been a director or executive officer of any company (including Sienna) that, while that person was acting in that capacity, (i) 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; (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, 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; or (iii) within a year of that 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; or (b) 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 or her assets.

*Board Skills Matrix*

The Company's Compensation, Governance and Nominating Committee (the "**CGNC**") has developed a Board Skills Matrix (see "Corporate Governance Disclosure") which identifies the professional skills, expertise and qualifications that the Board would ideally possess. The table attached as Appendix B to this Information Circular shows the mix of skills, expertise and qualifications held by the Company's nominees to the Board.

*Majority Voting*

The Board has a majority voting policy that entitles each Shareholder to vote for each director nominee on an individual basis. This includes ensuring that the proxy forms used for the election of Directors by Shareholders enable Shareholders to vote in favour of, or withhold their vote for, each director nominee separately. In an uncontested election, any director nominee who receives a greater number of votes "withheld" than votes "for" shall promptly submit to the CGNC his or her resignation offer for consideration (which resignation shall take effect only upon the acceptance by the Board). The CGNC will make a recommendation to the Board after reviewing the matter, and the Board's decision to accept or reject the resignation offer will be disclosed to the public within ninety (90) days of the Shareholder meeting, including, in cases where the Board has determined not to accept a resignation, the reasons therefor. It is generally expected that the CGNC will recommend that the Board accept such resignation, except in extraordinary circumstances. If a resignation is accepted, the Board may appoint a new Director to fill any vacancy, or may reduce the size of the Board. The nominee will not participate in any CGNC or Board deliberations on the resignation offer.

**Appointment of Auditors**

PricewaterhouseCoopers LLP, Chartered Professional Accountants ("**PwC**") has been the auditor of the Company since its inception. Specifically, PwC was first appointed on October 18, 2005 and has continued to be the auditor of the Company following its initial public offering in March 2010.

The audit committee of the Board of Directors (the "**Audit Committee**") recommends to Shareholders that PwC be appointed as the independent auditor of the Company, to hold office until the next annual meeting of the Shareholders or until their successor is appointed, and that the Board of Directors be authorized to fix the remuneration of the auditors.

To be effective, the resolution to appoint PwC as auditors of the Company and to authorize the Directors to fix their remuneration must be approved by a simple majority of the votes cast by Shareholders, present in person or represented by proxy, at the Meeting. **The persons named in the enclosed Form of Proxy as the designated proxyholders of the Company, if not expressly directed to the contrary in the Form of Proxy, intend to vote FOR the appointment of PwC as auditors of the Company and to authorize the Directors to fix their remuneration.**

*Audit Committee Information*

Reference is made to the Annual Information Form of the Company dated March 21, 2018 (the "**AIF**"), which is incorporated by reference in this Information Circular, for information relating to the Audit Committee as required under Form 52-110F1. The AIF can be accessed under the Company's profile on SEDAR at www.sedar.com.

**Approval of the RSU Plan Resolution**

*General*

In early 2018, the Board of the Company approved certain changes to the Company's executive compensation program that affected the Company's restricted share unit plan ("**RSU Plan**"). These changes include:

- the reduction in the maximum number of Common Shares reserved for issuance under the RSU Plan to 2% of the number of Common Shares issued from time to time (previously the maximum number of Common Shares that was reserved under the RSU Plan and the Company's long term incentive plan ("**LTIP**"), in aggregate, was 5%);
- the introduction of performance based vesting criteria for a portion of the RSUs (defined below) granted pursuant to the RSU Plan in respect of the year ended December 31, 2018 ("**Fiscal 2018**"); and
- the termination of the LTIP effective as of the end of Fiscal 2017.

Under the RSU Plan, the CGNC may grant an award (each, an "**RSU Award**") in the form of restricted share units ("**RSUs**") annually in respect of the prior fiscal year to eligible participants, which include the President of the Company, an Executive Vice-President of the Company, or an officer of the Company or any of its subsidiaries who performs a policy making function in respect of the Company and such other officers or employees of the Company as the CGNC may determine from time to time. Non-executive Directors of the Company are not eligible participants for purposes of the RSU Plan. Subject to the discretion of the CGNC to accelerate vesting, a participant's RSU Award will vest on the third anniversary of the date upon which the RSUs are granted (the "**Vesting Date**"). In the event of a Change of Control (as defined in the RSU Plan), any unvested RSUs may be replaced with similar restricted share units of the entity resulting from the transaction on substantially the same terms and conditions as the RSU Plan, unless such replacement is not possible, practical or advisable. If the CGNC determines that such replacement is not possible, practical or advisable, the CGNC may accelerate vesting of any and all outstanding RSUs to provide that such outstanding RSUs shall be fully vested upon or prior to the completion of the transaction resulting in the Change of Control. For purposes of Section 613(d) of the TSX Company Manual, the "burn rate" of the RSU Plan for the years ended December 31, 2015, 2016 and 2017 was 0.04%, 0.04% and 0.01%, respectively. For a further description of the RSU Plan, see "Statement of Executive Compensation — Elements of NEO Compensation — Long Term Incentive Program" below.

Prior to the end of Fiscal 2017, according to the then terms of the RSU Plan and the LTIP, the maximum number of Common Shares that was reserved for issuance at any time under the RSU Plan upon the redemption of RSUs and under the LTIP as Award Shares, in aggregate, was 5% of the number of Common Shares issued and outstanding from time to time. Given that the Company has grown significantly since the RSU Plan was last approved by Shareholders in 2015 and the historically low "burn rate" (discussed below) of the RSU Plan during that time, going forward the maximum number of Common Shares that may be reserved for issuance at any time under the RSU Plan upon the redemption of RSUs is 2% of the number of Common Shares issued and outstanding from time to time (or 1,272,345 Common Shares as of the date hereof).

From the date of inception of the RSU Plan to the date hereof, there have been RSU Awards under the RSU Plan aggregating $1,670,388 in respect of which eligible participants have been credited 117,390 RSUs (each redeemable upon vesting for, at the option of the participant, one Common Share or cash equal to the market value of one Common Share). Under the RSU Plan an aggregate of 46,698 Common Shares have been issued in respect of previously outstanding RSUs and, as discussed below, 44,744 RSUs remain outstanding.

As at the date hereof, taking into account any RSU Awards that have been exercised, terminated, cancelled, redeemed, repurchased or expired, there are currently RSU Awards under the RSU Plan in the amount of $797,786 (inclusive of accrued dividend amounts and calculated based on the closing price of the Common Shares on the TSX on March 29, 2018) and in respect of which eligible participants have been credited

44,744 RSUs (representing a potential entitlement to approximately 0.1% of the issued and outstanding Common Shares as at the date hereof). As at the date hereof, there remain an aggregate of 1,227,601 Common Shares issuable under the RSU Plan (representing approximately 1.9% of the issued and outstanding Common Shares as at the date hereof).

Below is a summary of the key features of the RSU Plan:

- total potential dilution of 2% of Common Shares outstanding from time to time;
- the "burn rate" (as calculated in accordance with section 613(d) of the TSX Manual) for the RSU Plan for the years ended December 31, 2015, 2016 and 2017 was 0.04%, 0.04% and 0.01%, respectively;
- RSUs "cliff vest" at the end of three years;
- performance based vesting criteria to be added to a portion of future RSUs to be granted;
- "double trigger" vesting upon a Change of Control (as defined in the RSU Plan); and
- non-executive Directors of the Company are not eligible participants for purposes of the RSU Plan.

*RSU Plan Resolution*

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass, with or without alteration or modification, an ordinary resolution (the "**RSU Plan Resolution**"), the full text of which is set forth in Appendix C to this Information Circular, to reconfirm and approve all unallocated securities, right and other entitlements pursuant to the RSU Plan.

In accordance with the rules of the Toronto Stock Exchange (the "**TSX**"), directors and shareholders must re-approve unallocated securities, rights or other entitlements under any security based compensation arrangement that does not have a maximum aggregate of securities issuable every three years, such as the Company's RSU Plan. The RSU Plan was approved by Shareholders at the annual and special meeting of Shareholders held on April 21, 2015. Accordingly, Shareholder approval for the reconfirmation of all unallocated securities, rights or other entitlements under the RSU Plan is being sought at the Meeting. This approval will be effective for three years from the date of this Meeting. The Board approved all unallocated securities, rights or other entitlements under the RSU Plan on March 12, 2018.

If approval of unallocated entitlements is obtained at the Meeting, the Company will not be required to seek further approval of the grant of unallocated entitlements under the RSU Plan until the Company's annual and special meeting of Shareholders in 2021. Whether or not the RSU Plan Resolution is approved, all grants currently outstanding under the RSU Plan will remain in effect in accordance with their terms. If the RSU Plan Resolution is not approved, any currently unallocated entitlements under the RSU Plan will no longer be available for grant, and previously granted RSUs will not be available for reallocation if they are cancelled or terminated prior to exercise.

To be effective, the RSU Plan Resolution must be approved by a simple majority of the votes cast by Shareholders, present in person or represented by proxy, at the Meeting. The Board of Directors unanimously recommends that the Shareholders vote in favour of the RSU Plan Resolution. **The persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, will cast the votes represented by such proxy in favour of the RSU Plan Resolution.**

## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides information regarding all significant elements of compensation paid, payable, awarded, granted, given or otherwise provided by the Company to (i) the President and Chief Executive Officer, (ii) the Chief Financial Officer and Chief Investment Officer, (iii) the Executive Vice-President, People, and Chief Administrative Officer, and (iv) each of the two Executive Vice-Presidents, Operations (collectively, the "**Named Executive Officers**" or "**NEOs**").

For Fiscal 2017, the Named Executive Officers are: Lois Cormack, President and Chief Executive Officer (the "**CEO**"); Nitin Jain, Chief Financial Officer and Chief Investment Officer (the "**CFO**"); Michael Annable, Executive Vice-President, People, and Chief Administrative Officer (the "**CAO**"); Joanne Dykeman, Executive Vice-President, Operations; and Lisa Kachur, Executive Vice-President, Operations.

**Compensation Objectives and Strategy**

Compensation plays an important role in recognizing the achievement of the Company's short-term and long-term business objectives. The objectives of the Company's executive compensation program are to attract, retain and motivate highly qualified executives with a history of proven success; align the interests of the executives with Shareholders' interests and with the successful execution of the Company's business strategies; establish performance goals that, if met, are expected to improve long-term Shareholder value; and tie compensation to those performance goals and provide meaningful short-term and long-term rewards for achieving them. Accordingly, a significant portion of executive compensation is based upon the Company's success in meeting performance goals designed to enhance the Company's capacity to sustain and perhaps increase distributions over time.

In addition, in order to align further the interests of executives with the interests of Shareholders, the Company has an executive officer share ownership policy (the "**Executive Share Ownership Policy**") requiring executive officers to hold, by the earlier of December 31, 2019 or five (5) years from the date of hire, a combination of securities of the Company (as further described in this Information Circular) equal to: three times the annual base salary for the CEO, and one time the annual base salary for all other executive officers.

**Recent Changes to the Company's Executive Compensation Program**

The following changes to the Company's executive compensation program were approved by the Board in early 2018:

- the termination of the LTIP effective as of the end of Fiscal 2017;
- the reduction in the maximum number of Common Shares reserved for issuance under the RSU Plan to 2% of the number of Common Shares issued from time to time (previously the maximum number of Common Shares that was reserved under the RSU Plan and the LTIP, in aggregate, was 5%);
- the introduction of performance based vesting criteria for a portion of the RSUs granted pursuant to the RSU Plan in respect of Fiscal 2018; and
- the elimination of the matching component of the Company's amended and restated executive deferred share unit plan ("**EDSU Plan**") effective as of the end of Fiscal 2017.

**Role of the Compensation, Governance and Nominating Committee**

The Company's CGNC consists of six Directors, being Mr. Jack MacDonald (Chairman), Mr. John McLaughlin, Ms. Janet Graham, Ms. Paula Jourdain Coleman, Mr. Dino Chiesa and Mr. Stephen Sender. All members of the CGNC are independent Directors of the Company. Among other things, and in accordance with the Committee's charter approved by the Board and adopted on November 12, 2014, the CGNC assists the Board in fulfilling its oversight responsibilities by carrying out the following duties:

- keeps itself apprised of matters relating to the selection and retention of executive officers, and ensures that a succession plan for such officers is in place; and further reviews the CEO's recommendations and/or decisions with respect to the recruitment, promotion, transfer and termination of other executive officers;
- annually reviews the CEO's goals and objectives for the upcoming year that are relevant to his or her compensation, evaluates the CEO's performance in meeting those goals and objectives, and reviews and makes recommendations to the Board regarding his or her compensation, as well as minimum equity ownership position and compliance with such requirement;

- administers and makes recommendations regarding the adoption and operation of incentive compensation plans, and approves the annual incentive awards for executive officers under such plans;
- reviews and makes recommendations to the Board concerning matters relating to the Directors, including with respect to Board size and composition, qualifications, remuneration, appointments and succession planning, as well as ensuring that new Directors receive the necessary orientation and resources and all Directors are provided with appropriate continuing education opportunities;
- annually reviews the effectiveness of the Board and each committee in fulfilling their mandated responsibilities and duties, as well as reviews the performance of each Director; and
- reviews and makes recommendations regarding the Company's overall approach to governance.

**Compensation Risk Management**

The Company has designed its executive compensation program in a standardized and balanced manner to appropriately align management with Shareholders' interests by providing incentives to achieve both short-term and long-term performance objectives, while ensuring such executives are not encouraged to take inappropriate or excessive risks. The Company's executive compensation program continues to have, among other things, the following characteristics which mitigate the risks typically associated with compensation programs:

- Total compensation is benchmarked against the Company's peer group by the CGNC. Total compensation is benchmarked and balanced between base salary, short-term and long-term incentives. The compensation plans are relatively consistent between executives, with increasing emphasis on long-term incentives for executives with higher levels of responsibility.
- The Board evaluates and approves the compensation structure for the CEO and approves the compensation structure of the other Named Executive Officers of the Company, based on recommendations of the CGNC, and is responsible for the selection, performance management, compensation and succession planning of the CEO.
- Financial objectives support the Company's approved annual budget, and individual objectives support approved business strategies and priorities.
- The CGNC can use its discretion to ensure payouts are not overly influenced by an unusual result in a particular performance objective.
- Short-term performance is measured using several financial, business and individual performance objectives to determine incentive payouts. This balances the risks associated with relying on any one performance objective. The incentive opportunity is capped for non-financial performance metrics and a sliding scale applies to financial performance metrics, and payouts are generally determined based on audited financial statements.
- RSUs are designed to encourage a longer-term focus on Shareholder value and, subject to the discretion of the CGNC to accelerate vesting, do not vest until the third anniversary of the date upon which the RSUs are granted (see "Statement of Executive Compensation — Elements of NEO Compensation — Long-Term Incentive Program").
- Executive deferred share units ("**EDSUs**") are designed to encourage a long-term focus on Shareholder value and, subject to the discretion of the CGNC to accelerate vesting, a participant's EDSUs vest on the third anniversary of the date upon which the EDSUs are granted in accordance with the terms and limits set out in the EDSU Plan. However, notwithstanding that vesting has occurred, EDSUs may only be redeemed when a participant no longer serves as an executive officer (or officer or employee, as applicable) of the Company for any reason. In addition, incentive plan awards granted to executive officers pursuant to the Company's Short-Term Incentive Program ("**STIP**") are eligible for contribution to the EDSU Plan, in whole or in part (and without matching), further encouraging a longer-term focus on Shareholder value. EDSUs credited to a participant's account in connection with an STIP award contribution vest immediately (see "Statement of Executive Compensation — Elements of NEO Compensation — Long-Term Incentive Program").

- The Company's STIP and Long-Term Incentive Program (described below under the heading "Elements of NEO Compensation") support executives' personal long-term Common Share ownership, directly aligning their interests with those of Shareholders. Further mitigation of risk is accomplished by incorporating, where appropriate, resident satisfaction and employee engagement in the executive's corporate goals and objectives.

**Role of Executive Officers in Executive Compensation Decisions**

The President and Chief Executive Officer assists the CGNC by providing information and analysis for review and by making recommendations regarding compensation decisions of the other executive officers. Any proposed change to the compensation of the President and Chief Executive Officer is reviewed by the CGNC and approved by the Board without the participation of the President and Chief Executive Officer.

**Benchmarking**

*Benchmarking*

The Company's compensation program is benchmarked relative to a peer group of companies whose Canadian operations are similar in terms of revenues, complexity and focus and are broadly representative of the talent market for the Company. In designing the Company's compensation program, the CGNC focuses on remaining competitive in the market with respect to total compensation for each executive officer, therefore reviewing each element of compensation for market competitiveness, and may weigh a particular element more heavily based on the executive's particular role within the Company.

For Fiscal 2017, the comparator or peer group which was used for director compensation benchmarking purposes consisted of public companies in Canada listed on the TSX and of similar size and complexity to the Company. For example, those companies having greater than 400 employees (with the focus on over 1,000 employees) and within a specified threshold in at least two of the following three metrics: total enterprise value, market capitalization and total revenue. The comparator group represents a broader range of industries given the limited number of comparable industry-related peers of the Company that are publicly traded.

For Fiscal 2017, the comparator group consisted of Cara Operations Limited, Great Canadian Gaming Corp., Northview Apartment Real Estate Investment Trust, MTY Food Group Inc., Indigo Books & Music Inc., BMTC Group Inc. and Wall Financial Corp., and the following two publicly-traded long-term care and/or retirement residence industry organizations with Canadian operations: Chartwell Retirement Residences and Extendicare Inc. (collectively, the "**Comparator Group**").

In addition, the Company uses the S&P/TSX Capped REIT Index, comprised of 16 real estate investment trust issuers currently listed on the TSX (the "**TSX REIT Sector**"), as a benchmark for certain matters, such as determining sector performance categories and weightings for performance bonuses (see "Fiscal 2017 Performance Goals and Metrics" and "Performance Graph" below).

**Elements of NEO Compensation**

The Company's compensation for the Company's Named Executive Officers for Fiscal 2017 consisted primarily of three elements: base salary, short-term incentives and long-term incentives.

*Base Salary*

Competitive base salary enables the attraction and retention of talented executives who will contribute to the success of the Company. Salaries are determined following an analysis of peer group benchmarks, general compensation trends and individual performance, including contributions to financial and business results. Salary is reviewed annually by the CGNC.

*Short-Term Incentive Program ("**STIP**")*

The STIP is designed to motivate improvement in financial and operating performance on an annual basis. STIP awards are based on performance achieved relative to pre-determined financial, business and individual performance targets. Awards are approved by the CGNC and earned awards are granted annually in cash, except as may otherwise be approved by the CGNC.

The performance metrics include: absolute growth in Adjusted Funds from Operations ("**AFFO**") and Operating Funds from Operations ("**OFFO**"), absolute return to Shareholders, and relative return to Shareholders against the TSX REIT Sector and other industry competitors (the "**Financial Metrics**"), as well as individual goals related to the executive's specific areas of accountabilities and the Company's annual business plan objectives. Minimum performance thresholds for each performance metric must be accomplished before a payout or partial payout under the STIP is made. A sliding performance bonus scale is applied for the Financial Metrics, such that no payout is made for a Financial Metric when the performance threshold is below 90%, and varying payout amounts from 50% to 150% apply when the performance threshold is between 90% and 110% (the "**Scale**").

*Long-Term Incentive Program*

For Fiscal 2017, the Company's Long-Term Incentive Program was generally comprised of the following three components: (i) the Company's LTIP effective January 1, 2011, as amended; (ii) the Company's RSU Plan effective January 1, 2011, as amended, pursuant to which RSUs are awarded; and (iii) the EDSU Plan, pursuant to which EDSUs are awarded, all of which are collectively intended to reward senior executive management for their sustained contributions to the Company and provide an incentive to enhance long-term performance and maximize Shareholder value. In addition, STIP awards granted to executive officers are eligible for contribution to the EDSU Plan, in whole or in part and without matching by the Company, thereby facilitating support for the achievement of ownership thresholds required by the Executive Share Ownership Policy, reducing the cash requirements of the Company, and further encouraging a longer-term focus on Shareholder value. EDSUs credited to a participant's account in connection with an STIP award contribution vest immediately.

*(i) Long-Term Incentive Plan ("**LTIP**")*

**The Board has determined that, effective as of the end of Fiscal 2017, no further Incentive Amounts or Award Shares (each as defined below) will be awarded or issued under the LTIP and the LTIP will be terminated. See "Statement of Executive Compensation — Recent Changes to the Company's Executive Compensation Program". The following description of the LTIP is included in this Information Circular because the LTIP was in existence in Fiscal 2017.**

Under the LTIP, the CGNC may grant an award opportunity (each, an "**Incentive Amount**") annually in respect of the prior fiscal year to eligible participants, which include the President of the Company, an Executive Vice-President of the Company, or an officer of the Company or any of its subsidiaries who performs a policy making function in respect of the Company and such other officers or employees of the Company as the CGNC may determine from time to time, upon the recommendation of the CEO of the Company. Each eligible participant is entitled to purchase, subject to the terms of the LTIP, that number of Common Shares (rounded down to the nearest whole number) (the "**Award Shares**") equal to the quotient obtained by dividing such participant's Incentive Amount by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the award date. The required number of Award Shares will be issued from treasury pursuant to the terms of the LTIP.

Each participant may borrow from the Company, at the prime rate of interest per annum established by the Company's bank at the time the Award Shares are issued or at such other interest rate as determined by the CGNC at the time the Award Shares are issued, an amount not greater than 95% of the aggregate purchase price for the Award Shares (the "**Participant Loan**") in order to acquire such Award Shares. The Participant Loan is due and payable on the date which is ten years from the date the related Award Shares are issued. Until the Participant Loan has been repaid in full, the related Award Shares are pledged to the Company as security against the outstanding balance of the Participant Loan, any cash dividends declared on such Award Shares will be applied against the outstanding balance of the Participant Loan and the holder thereof shall not be entitled to assign, or exercise any voting rights attached to, such Award Shares. No Participant Loan, or portion thereof, shall be granted to any participant if such grant could result in the amounts then owing under all Participant Loans of such participant exceeding two times such participant's then base salary.

No Award Shares may be issued to any participant if such issuance could result, at any time, in: (a) the number of Common Shares reserved for issuance to participants, pursuant to the LTIP and any other common share compensation arrangement (including the RSU Plan), exceeding 10% of Common Shares then issued and outstanding; (b) the number of Common Shares issuable to insider participants, at any time under the LTIP and any other common share compensation arrangements (including the RSU Plan), exceeding 10% of Common Shares then issued and outstanding; or (c) the number of Common Shares issued to insider participants, within any one-year period under the LTIP and any other common share compensation arrangements (including the RSU Plan), exceeding 10% of Common Shares then issued and outstanding.

The LTIP is an "evergreen" plan, whereby the number of Common Shares equivalent to the number of Award Shares and securities of any other common share compensation arrangement (including the RSU Plan) that have been issued, exercised, terminated, cancelled, redeemed, repurchased or expired, at any time, are immediately re-reserved for issuance under the LTIP and available for future issuances, subject to the limits contained in the LTIP. Accordingly, subject to certain exceptions, including regulatory restrictions, Award Shares that are not acquired following a grant of an Incentive Amount shall be available for subsequent Incentive Amount awards.

The LTIP provides that the CGNC reserves the right, in its absolute discretion, to amend, suspend or terminate the LTIP, or any portion thereof, at any time without obtaining the approval of Shareholders, subject to those provisions of applicable law and regulatory requirements (including the rules, regulations and policies of the TSX, if any, that require the approval of Shareholders). Such amendments may include, without limitation: (a) minor changes of a "house-keeping nature", including, without limitation, any amendment for the purpose of curing any ambiguity, error or omission in the LTIP or to correct or supplement any provision of the LTIP that is inconsistent with any other provision of the LTIP; (b) amending any rights already acquired by a participant under the LTIP, including such rights that relate to the effect of termination of a participant's employment; provided that (except with respect to any amendments described in (c) below) if such amendment materially and adversely alters or impairs such rights, including such participant's entitlement to any Award Shares previously granted to him or her under the LTIP, the CGNC shall first obtain the consent of such participant; (c) amendments necessary to comply with the provisions of applicable law or the applicable rules of the TSX, including with respect to the treatment of Award Shares issued under the LTIP; (d) amendments respecting the administration of the LTIP; (e) amendments necessary to suspend or terminate the LTIP; (f) a change relating to the eligibility of any participant in the LTIP; and (g) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the TSX.

Notwithstanding the foregoing, the Company will be required to obtain the approval of the Shareholders for any amendment related to: (i) any reduction in the purchase price of Award Shares issuable under the LTIP; (ii) any amendment to remove or exceed the participation limit of insider participants; (iii) any increase to the maximum number of Common Shares issuable under the LTIP as Award Shares and the RSU Plan upon redemption of the RSUs (as defined above) together, as a fixed number or a fixed percentage of the Company's outstanding Common Shares represented by such securities; (iv) amendments to the eligible participants under the LTIP that may permit the introduction of non-employee directors on a discretionary basis; (v) any amendment which would permit the Award Shares issued under the LTIP may be transferable or assignable (other than pursuant to a pledge in favour of the Company as security against the outstanding balance of the related Participant Loan) prior to the repayment in full of the amounts owing under the related Participant Loan; or (vi) amendments to the amending provisions.

Participation in the LTIP shall be immediately terminated, and any outstanding amounts will be immediately due and payable, upon the Retirement, Death, Termination without Cause, Incapacity to Work, Resignation or Termination for Cause of a Participant (each as defined in the LTIP).

A participant is not entitled to transfer, assign, charge, pledge or hypothecate, or otherwise alienate, whether by operation of law or otherwise, (a) the participant's Incentive Amount or any rights the participant has in the LTIP, and (b) except pursuant to the Participant Loan and pledge agreement, any Award Shares until any and all amounts owing under the related Participant Loan have been repaid in full.

For purposes of Section 613(d) of the TSX Company Manual, the "burn rate" for the LTIP for the years ended December 31, 2015, 2016 and 2017 was 0.03%, 0.03% and 0.03%, respectively.

*(ii) Restricted Share Unit Plan*

Under the RSU Plan, the CGNC may grant an award in the form of RSUs (each, an "**RSU Award**") annually in respect of the prior fiscal year to eligible participants, which include the President of the Company, an Executive Vice-President of the Company, or an officer of the Company or any of its subsidiaries who performs a policy making function in respect of the Company and such other officers or employees of the Company as the CGNC may determine from time to time. Non-executive Directors of the Company are not eligible participants for purposes of the RSU Plan. In respect of each RSU Award, the eligible participant is credited that number of RSUs (rounded down to the nearest whole number) equal to the quotient obtained by dividing the value of such participant's award by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date of the award. An "RSU Account" will be maintained by the Company for each participant and will show the RSUs credited to such participant from time to time.

Subject to the discretion of the CGNC to accelerate vesting, a participant's RSU Award will vest on the third anniversary of the date upon which the RSUs are granted (the "**Vesting Date**"). As discussed above under "Statement of Executive Compensation — Recent Changes to the Company's Executive Compensation Program", the Board has approved the introduction of performance based vesting criteria for a portion of the RSU Awards granted in respect of Fiscal 2018. RSU Plan participants are notionally entitled to receive distributions per RSU equal to the amount of dividends paid per Common Share. Such distributions will be credited to the participant's RSU Account in the form of additional RSUs. The number of RSUs to be credited for each dividend will be equal to the aggregate amount of such dividend divided by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date such dividend was declared. For purposes of vesting, all such RSUs shall be deemed to have the same grant date as those RSUs for which the applicable dividends were notionally declared.

Effective as of a given Vesting Date, subject to a participant's option to redeem all or a portion of vested RSUs in cash, the Company will redeem each vested RSU by issuing one Common Share for each RSU so redeemed. Any lump sum payment in cash will be calculated by multiplying the number of RSUs to be redeemed for cash by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the applicable Vesting Date.

Under the RSU Plan, the maximum number of Common Shares that may be reserved for issuance at any time upon the redemption of RSUs is 2% of the Common Shares issued and outstanding from time to time. The RSU Plan provides that no RSUs may be credited to any participant if such credit could result, at any time, in: (a) the number of Common Shares reserved for issuance to participants, pursuant to the redemption of RSUs and any other common share compensation arrangement, exceeding 10% of Common Shares then issued and outstanding; (b) the number of Common Shares issuable to insider participants pursuant to the redemption of RSUs, at any time under the RSU Plan and any other common share compensation arrangements, exceeding 10% of Common Shares then issued and outstanding; or (c) the number of Common Shares issued to insider participants pursuant to redemption of RSUs, within any one-year period, under the RSU Plan and any other common share compensation arrangements (including the LTIP), exceeding 10% of Common Shares then issued and outstanding.

RSUs that cannot be redeemed as a result of having terminated or expired, or having been redeemed for cash in accordance with the RSU Plan, shall be available for subsequent RSU Awards. The RSU Plan is an "evergreen" plan whereby the number of Common Shares equivalent to the number of RSUs and securities of any other common share compensation arrangement (including the LTIP) that have been issued, exercised, terminated, cancelled, redeemed, repurchased or expired, at any time, are immediately re-reserved for issuance under the RSU Plan and available for future issuances subject to the limits contained in the RSU Plan.

The RSU Plan provides that the CGNC reserves the right, in its absolute discretion, to amend, suspend or terminate the RSU Plan, or any portion thereof, at any time without obtaining the approval of Shareholders, subject to those provisions of applicable law and regulatory requirements (including the rules, regulations and policies of the TSX, if any, that require the approval of Shareholders). Such amendments may include, without limitation: (a) minor changes of a "house-keeping nature", including, without limitation, any amendment for the purpose of curing any ambiguity, error or omission in the RSU Plan or to correct or supplement any provision of the RSU Plan that is inconsistent with any other provision of the RSU Plan; (b) amending any rights already acquired by a participant under the RSU Plan, including such rights that relate to the effect of termination of a participant's employment; provided that (except with respect to any amendments described in (c) below) if such amendment materially and adversely alters or impairs such rights, including such participant's entitlement to any RSUs previously granted to him or her under the RSU Plan, the CGNC shall first obtain the consent of such participant; (c) amendments necessary to comply with the provisions of applicable law or the applicable rules of the TSX, including with respect to the treatment of RSUs issued under the RSU Plan; (d) amendments respecting the administration of the RSU Plan; (e) amendments necessary to suspend or terminate the RSU Plan; (f) a change relating to the eligibility of any participant in the RSU Plan; and (g) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the TSX.

Notwithstanding the foregoing, the Company will be required to obtain the approval of the Shareholders for any amendment related to: (i) any amendment to remove or exceed the participation limit of insider participants; (iii) any increase to the maximum number of Common Shares issuable under the LTIP as Award Shares and the RSU Plan upon redemption of the RSUs together, as a fixed number or a fixed percentage of the Company's outstanding Common Shares represented by such securities; (iv) amendments to the eligible participants under the RSU Plan that may permit the introduction of non-employee directors on a discretionary basis; (v) any amendment which would permit the RSUs granted under the RSU Plan to be transferable or assignable (other than for normal estate settlement purposes) prior; or (vi) amendments to the amending provisions.

On Resignation of a participant or Termination for Cause (each as defined in the RSU Plan), any unvested amounts shall be immediately forfeited to the Company. On Termination without Cause or Incapacity to Work (each as defined in the RSU Plan), participants shall receive a pro rata amount reflecting that portion of the three year vesting period during which they were employed by the Company. Upon fully agreed Retirement or death, subject to the Board's discretion, participants may participate in all awards at the established vesting dates. In the event of a Change of Control (as defined in the RSU Plan), any unvested RSUs may be replaced with similar restricted share units of the entity resulting from the transaction on substantially the same terms and conditions as the RSU Plan, unless such replacement is not possible, practical or advisable. If the CGNC determines that such replacement is not possible, practical or advisable, the CGNC may accelerate vesting of any and all outstanding RSUs to provide that such outstanding RSUs shall be fully vested upon or prior to the completion of the transaction resulting in the Change of Control.

A participant is not entitled to transfer, assign, charge, pledge or hypothecate, or otherwise alienate, whether by operation of law or otherwise, the participant's RSUs or any rights the participant has in the RSU Plan, other than for normal estate settlement purposes.

For purposes of Section 613(d) of the TSX Company Manual, the "burn rate" of the RSU Plan for the years ended December 31, 2015, 2016 and 2017 was 0.04%, 0.04% and 0.01%, respectively.

*(iii) Executive Deferred Share Unit Plan*

The EDSU Plan is intended to allow participants to participate in the long-term success of the Company and promote a greater alignment of interests between the participants and Shareholders of the Company, while reducing the cash requirements of the Company, to the extent that participants elect to receive all or a percentage of their annual short and long-term incentive awards in the form of notional Common Shares (deferred share units or EDSUs). Each participant in the EDSU Plan, at his or her discretion, is entitled to elect to have up to 100% of his or her annual STIP and long-term incentive awards contributed to the EDSU Plan. In satisfaction of such contribution, the participant is credited that number of EDSUs equal to the quotient obtained by dividing the amount of the contribution by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date of payment. The Company will match the number of EDSUs so credited to the participant's account pursuant to the Long-Term Incentive Program (but not the STIP), up to a maximum number of EDSUs representing 25% (in the case of all executive officers other than the CEO) and 35% (in the case of the CEO) of the participant's total annual long-term incentive award (currently comprised of issuances pursuant to the RSU Plan), or such other amount as the Board may determine. The Board has determined that, effective as of the end of Fiscal 2017, the matching component of the EDSU Plan will be eliminated. See "Statement of Executive Compensation — Recent Changes to the Company's Executive Compensation Program".

Subject to the discretion of the CGNC to accelerate vesting, a participant's EDSUs will vest on the third anniversary of the date upon which the EDSUs are granted, except for EDSUs contributed pursuant to a participant's STIP award which vests immediately. EDSU Plan participants are notionally entitled to receive distributions per EDSU equal to the amount of dividends paid per Common Share. Such distributions will be credited to the participant's EDSU account in the form of additional EDSUs. The number of EDSUs to be credited for each dividend will be equal to the aggregate amount of such dividend divided by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date such dividend was declared. For purposes of vesting, all such EDSUs shall be deemed to have the same grant date as those EDSUs for which the applicable dividends were notionally declared. Participants are not entitled to transfer, assign, charge, pledge or hypothecate or otherwise alienate EDSUs other than for normal estate settlement purposes.

EDSUs may be redeemed only when a participant no longer serves as an executive officer (or officer or employee, as applicable) of the Company for any reason, including in the event of the death of the participant. Redemptions are paid out in cash. Each participant is required to elect annually the amount of his or her annual short and long-term incentive awards that will be contributed to the EDSU Plan for the upcoming year. Participants may change their election from year to year.

On April 18, 2017, the EDSU Plan was amended and restated to effect minor changes of a "house-keeping nature" and to cure ambiguity in certain plan provisions by the insertion of clarifying language. The changes included clarifying the method of determining the date of payment of a redemption amount to which a participant is entitled under the EDSU Plan.

Copies of the LTIP, RSU Plan, DSU Plan, EDSU Plan and Employee Purchase Plan (described below) are available from the Vice-President, General Counsel and Corporate Secretary of the Company upon written request to 302 Town Centre Blvd., Suite 300, Markham, Ontario, L3R 0E8.

*Minimum Share Ownership Policy*

The CGNC adopted the Executive Share Ownership Policy requiring executive officers to hold, by the earlier of December 31, 2019 or five (5) years from the date of hire, a combination of Common Shares, RSUs and/or EDSUs equal to: three times the annual base salary for the CEO, and one time the annual base salary for all other executive officers.

Additionally, executive officers must receive at least 25% of their long-term incentive award pursuant to the Long-Term Incentive Program in EDSUs, and can receive up to a maximum of 100% of the grant in EDSUs at such executive officer's election. The remaining portion of the award not received in EDSUs will be granted in RSUs. Prior to the end of Fiscal 2017, unless otherwise determined by the CGNC, the Company would match the number of EDSUs so credited to the participant's account pursuant to the Long Term Incentive Program (but not the STIP), up to a maximum number of EDSUs representing 25% (in the case of all executive officers other than the CEO) and 35% (in the case of the CEO) of the participant's total annual long-term incentive award. The Board has determined that, effective as of the end of Fiscal 2017, the matching component of the EDSU Plan will be eliminated.

*Employee Share Purchase Plan*

In 2016, the CGNC and the Board, as applicable, approved the implementation of the employee share purchase plan (the "**Employee Purchase Plan**") effective January 1, 2017. Executive officers of the Company are eligible to participate in the Employee Purchase Plan on the same basis as all other Company employees. An employee who has elected to participate in the Employee Purchase Plan may make personal cash contributions in an amount per pay period equal to a percentage no greater than 10% of eligible earnings (being the basic earnings received by an employee per pay period from the Company, excluding overtime, premiums, vacation and sick pay, statutory holiday pay, all benefits realized from stock options, commissions and all bonuses). The contributed amount is automatically deducted from the employee's earnings through payroll deduction and Solium Capital Inc., as the current administrative agent under the Employee Purchase Plan, uses the funds received from all participating employees' personal contributions (as well as cash dividends paid on the Common Shares held of record by the administrative agent for and on behalf of the employees) to acquire

Common Shares at market price for the benefit of the participating employees. Common Shares are then allocated to the personal account of each participating employee, in proportion to their personal cash contributions. An employee may terminate his or her participation in the Employee Purchase plan at any time, and withdraw up to 100% of the Common Shares vested in his or her account without penalty. While the Company does not contribute or match any employee purchases, the Employee Purchase Plan facilitates support for the achievement of ownership thresholds required by the Executive Share Ownership Policy, and encourages a longer-term focus on Shareholder value.

**Fiscal 2017 Performance Goals and Metrics**

The performance goals and metrics for the Company's NEOs in Fiscal 2017 were as follows:

*President and Chief Executive Officer*

Upon the achievement of specific performance goals established by the Company, the CEO is awarded an annual performance bonus of up to 75% of her base salary, generally payable in cash in accordance with the Company's STIP, and up to 50% of her base salary as a grant of RSUs pursuant to the Company's RSU Plan. The CEO is also eligible to be awarded up to 37.5% of her base salary as an incentive opportunity pursuant to the Company's LTIP.

The performance categories and weightings used in determining the CEO's Fiscal 2017 annual performance bonus are as follows:

| Performance Area[(1)] | Performance Weighting % | Performance Achievement % |
|---|---|---|
| Absolute Growth in AFFO/share | 25% | Per the Scale — 111% |
| Absolute Growth in OFFO/share | 25% | Per the Scale — 110% |
| Total Shareholder Return | 10% | Per the Scale — 110% |
| Overall Growth — Execute company growth strategy | 35% | 100% |
| Build the Sienna Brand | 5% | 100% |
| Total | 100% | 106.3% |

Note:

(1) See "Statement of Executive Compensation—Elements of NEO Compensation" for a description of the metrics used to evaluate NEO performance.

*Chief Financial Officer and Chief Investment Officer*

Upon the achievement of specific performance goals established by the Company, the CFO is awarded an annual performance bonus of up to 50% of his base salary, payable in cash in accordance with the Company's STIP, and up to 30% of his base salary as a grant of RSUs pursuant to the Company's RSU Plan. The CFO is also eligible to be awarded up to 20% of his base salary as an incentive opportunity pursuant to the Company's LTIP.

The performance categories and weightings used in determining the CFO's Fiscal 2017 annual performance bonus are as follows:

| Performance Area | Performance Weighting % | Performance Achievement % |
|---|---|---|
| Absolute Growth in AFFO/share | 20% | Per the Scale — 111% |
| Absolute Growth in OFFO/share | 20% | Per the Scale — 110% |
| Total Shareholder Return | 10% | Per the Scale — 110% |
| Growth | 25% | 100% |
| Operating Plan | 25% | 100% |
| Total | 100% | 105.2% |

*Executive Vice-President, People, and Chief Administrative Officer*

Upon the achievement of specific performance goals established by the Company, the CAO is awarded an annual performance bonus of up to 40% of his base salary payable in cash in accordance with the Company's STIP and up to 35% of his base salary as a grant of RSUs pursuant to the Company's RSU Plan.

The performance categories and weightings used in determining the CAO's Fiscal 2017 annual performance bonus are as follows:

| Performance Area | Performance Weighting % | Performance Achievement % |
|---|---|---|
| Absolute Growth in AFFO/share | 20% | Per the Scale — 111% |
| Absolute Growth in OFFO/share | 20% | Per the Scale — 110% |
| Total Shareholder Return | 5% | Per the Scale — 110% |
| Operating Plan | 45% | 97.8% |
| Employee Engagement | 10% | 100% |
| Total | 100% | 103.7% |

*Executive Vice-President, Operations (Ms. Dykeman)*

Upon the achievement of certain performance goals established by the Company, the Executive Vice-President, Operations is awarded an annual performance bonus of up to 40% of her base salary payable in cash in accordance with the Company's STIP and up to 35% of her base salary as a grant of RSUs pursuant to the Company's RSU Plan.

The performance categories and weightings used in determining the Fiscal 2017 annual performance bonus for the Executive Vice-President, Operations are as follows:

| Performance Area | Performance Weighting % | Performance Achievement % |
|---|---|---|
| Absolute Growth in AFFO/share | 5% | Per the Scale — 111% |
| Absolute Growth in OFFO/share | 5% | Per the Scale — 110% |
| NOI — Long Term Care and Over/Under Spend on Funding Envelopes | 30% | Per the Scale — 103.3% |
| LTC Quality of Care and Service | 20% | 100% |
| Operating Plan and Growth Strategy | 25% | 100% |
| Employee Engagement — LTC | 15% | 100% |
| Total | 100% | 101.6% |

*Executive Vice President, Operations (Ms. Kachur)*

Upon the achievement of certain performance goals established by the Company, the Executive Vice-President, Operations is awarded an annual performance bonus of up to 40% of her base salary payable in cash in accordance with the Company's STIP and up to 35% of her base salary as a grant of RSUs pursuant to the Company's RSU Plan.

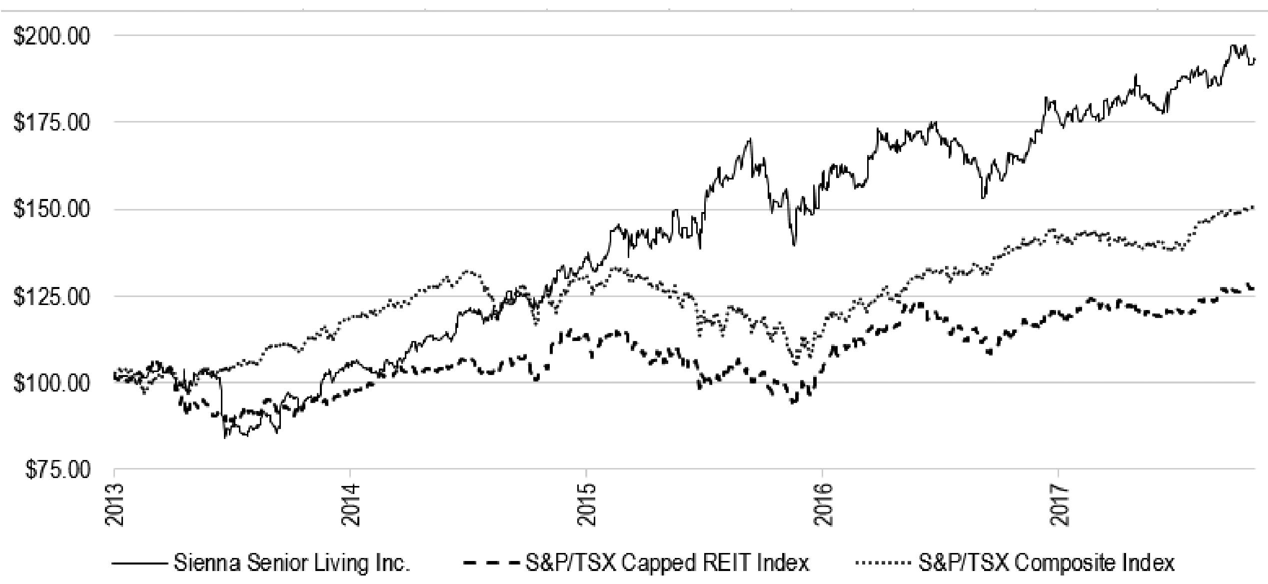
The performance categories and weightings used in determining the Fiscal 2017 annual performance bonus for Executive Vice-President, Operations are as follows:

| Performance Area | Performance Weighting % | Performance Achievement % |
|---|---|---|
| Absolute Growth in AFFO/share | 5% | Per the Scale — 111% |
| Absolute Growth in OFFO/share | 5% | Per the Scale — 110% |
| NOI — Retirement | 30% | Per the Scale — 115% |
| Retirement Quality of Care and Service | 20% | 100% |
| Growth and Operating Plan | 25% | 100% |
| Employee Engagement — Retirement | 15% | 93.4% |
| Total | 100% | 104.6% |

**Performance Graph**

The following graph compares the percentage change in the cumulative Shareholder return for $100 invested in Common Shares with the total cumulative return of the S&P/TSX Capped REIT Total Return Index and the S&P/TSX Composite Index for the periods from January 1, 2013 to December 31, 2013, from January 1, 2014 to December 31, 2014, from January 1, 2015 to December 31, 2015, from January 1, 2016 to December 31, 2016 and from January 1, 2017 to December 31, 2017. On December 31, 2017, the Common Shares closed at $18.22 per Common Share. During the period, the total cumulative return for $100 invested in Common Shares was $193.04 as compared to $128.20 for the S&P/TSX Capped REIT Total Return Index and $151.22 for the S&P/TSX Composite Index.

**Cumulative Total Return on $100 Investment Assuming Distributions are Re-Invested**
**January 1, 2013 – December 31, 2017**




| Date | 12/31/12 | 12/31/13 | 12/31/14 | 12/31/15 | 12/31/16 | 12/31/17 |
|---|---|---|---|---|---|---|
| Sienna | $100 | $ 96.05 | $126.07 | $154.02 | $164.18 | $193.04 |
| S&P/TSX Capped REIT Index | $100 | $ 94.49 | $104.15 | $ 99.21 | $116.70 | $128.20 |
| S&P/TSX Composite Index | $100 | $112.98 | $124.90 | $114.50 | $138.64 | $151.22 |

The compensation paid to the NEOs is not directly tied to the total return to Shareholders during the period shown in the chart above. However, one of the factors used to determine the annual incentive awards for all of the NEOs is the total return to Shareholders for the fiscal year just completed relative to the returns on a broad market index. Part of the total compensation payable to all of the NEOs is paid in RSUs, and this type of compensation provides a direct alignment of management and Shareholder interests.

**Summary Compensation Table**

For each of the Company's NEOs in Fiscal 2017, the following table provides a summary of the compensation for the Company's three most recently completed financial years.

| Name and Principal Position | Year | Salary ($) | Share-Based Awards[1] ($) | Option-Based Awards ($) | Non-Equity Incentive Plan Compensation ($) Short-Term Incentive Plans[2] | Non-Equity Incentive Plan Compensation ($) Long-Term Incentive Plans | Pension Value ($) | All Other Compensation[3] ($) | Total Compensation ($) |
|---|---|---|---|---|---|---|---|---|---|
| LOIS CORMACK . . . . . . . . . . . . . | 2017 | 475,000 | 320,625 | — | 378,516 | — | — | 45,500 | 1,219,641 |
| *President and Chief Executive* | 2016 | 425,000 | 563,164 | — | — | — | — | 35,238 | 1,023,402 |
| *Officer* | 2015 | 438,461 | 463,829 | — | 82,890 | — | — | 38,779 | 1,023,959 |
| NITIN JAIN[4] . . . . . . . . . . . . . . . | 2017 | 300,000 | 112,500 | — | 157,800 | — | — | 34,992 | 605,292 |
| *Chief Financial Officer and* | 2016 | 270,561[5] | 141,111 | — | 121,482 | — | — | 24,322 | 557,476 |
| *Chief Investment Officer* | 2015 | 252,120 | 95,156 | — | 131,975 | — | — | 23,585 | 502,836 |
| MICHAEL ANNABLE . . . . . . . . . . . | 2017 | 250,000 | 135,300 | — | 77,775 | — | — | 32,000 | 495,075 |
| *Executive Vice-President, People,* | 2016 | 230,000 | 137,307 | — | 59,892 | — | — | 22,700 | 449,899 |
| *and Chief Administrative Officer* | 2015 | 238,846 | 124,789 | — | 70,269 | — | — | 23,054 | 456,958 |
| JOANNE DYKEMAN[6] . . . . . . . . . . | 2017 | 230,000 | 194,051 | — | — | — | — | 30,800 | 454,851 |
| *Executive Vice-President, Operations* | 2016 | 230,000 | 97,606 | — | 89,240 | — | — | 22,700 | 439,546 |
| | 2015 | 201,692 | 173,193 | — | — | — | — | 19,568 | 394,453 |
| LISA KACHUR[7] . . . . . . . . . . . . . | 2017 | 230,000 | 148,718 | — | 48,093 | — | — | 30,475 | 457,286 |
| *Executive Vice-President, Operations* | 2016 | 153,038[8] | 90,815 | — | 67,982 | — | — | 7,622 | 319,457 |
| | 2015 | — | — | — | — | — | — | — | — |

Notes:

(1) Share-based awards include the RSU Awards granted pursuant to the RSU Plan and EDSUs granted pursuant to the EDSU Plan. In addition to the RSU Awards and EDSU grants, certain of the Company's NEOs were awarded Incentive Amounts pursuant to the LTIP. In fiscal 2016, in the case of Ms. Cormack, Mr. Jain, Mr. Annable and Ms. Kachur, share-based awards include EDSU grants (of $100,000, $50,000, $30,000 and $20,000, respectively), as special bonuses in connection with a large transaction. Remaining RSU Awards and EDSU grants in respect of fiscal 2015, fiscal 2016 and Fiscal 2017 were granted in February 2016, February 2017 and February 2018, respectively, in satisfaction of annual performance bonuses.

(2) Represents the value of the annual short-term incentive awards granted in satisfaction of performance bonuses that were actually received in cash, with the balance, if any, elected to be taken in EDSUs (without matching by the Company). For Fiscal 2017, Ms. Dykeman elected to receive all of her $93,426 cash STIP award in the form of EDSUs, Mr. Annable elected to receive $25,925 of his $103,700 cash STIP award in the form of EDSUs, Ms. Kachur elected to receive $48,093 of her $96,186 cash STIP award in the form of EDSUs, and each of Ms. Cormack and Mr. Jain received cash. Performance bonuses for Fiscal 2017 were granted in February 2018. Performance bonuses for fiscal 2016 were granted in February 2017. Performance bonuses for fiscal 2015 were granted in February 2016.

(3) Includes a car allowance, wellness allowance and matching contributions by the Company to a registered retirement savings plan.

(4) Effective March 14, 2017, Mr. Jain was appointed Chief Investment Officer and his title changed to Chief Financial Officer and Chief Investment Officer.

(5) Mr. Jain's base salary increased from $253,750 to $300,000 effective August 10, 2016.

(6) Ms. Dykeman was appointed Executive Vice-President, Operations — Long Term Care effective February 17, 2015. In connection with the commencement of employment, Ms. Dykeman received a signing bonus of $30,000 in the form of RSUs. Effective September 12, 2016, Ms. Dykeman's title changed to Executive Vice-President, Operations.

(7) Ms. Kachur was appointed Executive Vice-President, Operations — Retirement effective May 1, 2016. Effective September 12, 2016, Ms. Kachur's title changed to Executive Vice-President, Operations.

(8) Prior to being appointed an executive officer of the Company effective May 1, 2016, Ms. Kachur provided monthly consulting services to the Company. In fiscal 2016, the Company paid an additional $101,700 to Ms. Kachur in respect of consulting services (inclusive of taxes and expenses).

### Equity Compensation Plans and Incentive Plan Awards

The following table sets out all outstanding Common Share-based awards for each NEO as at December 31, 2017. All such awards are RSUs held under the RSU Plan.

| | Option-Based Awards | | | | Share-Based Awards | | |
|---|---|---|---|---|---|---|---|
| **Name and Principal Position** | **Number of Common Shares Underlying Unexercised Options (#)** | **Option Exercise Price ($)** | **Option Expiration Date** | **Value of Unexercised "In-The-Money" Options ($)** | **Number of Common Shares That Have Not Vested[1] (#)** | **Market or Payout Value Of Share-Based Awards That Have Not Vested[2] ($)** | **Market or Payout value of vested share-based awards not paid out or distributed ($)** |
| LOIS CORMACK<br>*President and Chief Executive Officer* | N/A | N/A | N/A | N/A | 13,542 | 246,735 | N/A |
| NITIN JAIN<br>*Chief Financial Officer and Chief Investment Officer* | N/A | N/A | N/A | N/A | 8,304 | 151,299 | N/A |
| MICHAEL ANNABLE<br>*Executive Vice-President, People, and Chief Administrative Officer* | N/A | N/A | N/A | N/A | 8,023 | 146,179 | N/A |
| JOANNE DYKEMAN<br>*Executive Vice-President, Operations* | N/A | N/A | N/A | N/A | 5,382 | 98,060 | N/A |
| LISA KACHUR<br>*Executive Vice-President, Operations* | N/A | N/A | N/A | N/A | 2,485 | 45,277 | N/A |

Notes:

(1) The number of Common Shares that have not vested includes additional RSUs that have been credited in respect of the payment of dividends on Common Shares, pursuant to the terms of the RSU Plan.

(2) Estimates of fair market value based on the $18.22 closing price of Common Shares on the TSX on December 31, 2017.

The following table sets out the value of incentive plan awards vested or earned for each NEO during Fiscal 2017.

| Name and Principal Position | Option-Based Awards — Value Vested During the Year ($) | Share-Based Awards — Value Vested During the Year ($)(1) | Non-Equity Incentive Plan Compensation — Value Earned During the Year ($)(2) |
|---|---|---|---|
| LOIS CORMACK<br>*President and Chief Executive Officer* | N/A | 105,351 | 378,156 |
| NITIN JAIN<br>*Chief Financial Officer and Chief Investment Officer* | N/A | N/A | 157,800 |
| MICHAEL ANNABLE<br>*Executive Vice-President, People, and Chief Administrative Officer* | N/A | 11,730 | 103,700 |
| JOANNE DYKEMAN<br>*Executive Vice-President, Operations* | N/A | N/A | 93,426 |
| LISA KACHUR<br>*Executive Vice-President, Operations* | N/A | N/A | 96,186 |

Notes:

(1) Represents the redemption of vested RSUs by Lois Cormack (5,986 RSUs) and Michael Annable (659 RSUs) at the applicable market price under the RSU Plan on each of the applicable vesting dates. All vested RSUs were redeemed for Common Shares.

(2) In support of the Company's Executive Share Ownership Policy whereby executive officers are required to achieve the specified ownership threshold of a combination of Common Shares, RSUs and/or EDSUs, elections were made by certain NEOs to receive some or all of their respective cash STIP awards in the form of EDSUs. The values set out in the table represent the value of the respective cash STIP awards earned in Fiscal 2017 for which a contribution to the EDSU Plan was made. Refer to the "Summary Compensation Table" above for a summary of the breakdown of actual equity and non-equity compensation received by each such NEO in connection with Fiscal 2017.

## Employment Agreements

*Lois Cormack, President and Chief Executive Officer*

Pursuant to the terms of an employment agreement with Sienna, Ms. Cormack serves as Sienna's President and CEO for an indefinite term. The agreement provides for an annual base salary, which for Fiscal 2017 was $475,000 (which amount is subject to annual review), and an annual performance bonus of up to 75% of her base salary payable in cash in accordance with the Company's STIP and up to 50% of her base salary granted as RSUs pursuant to the Company's RSU Plan, as well as eligibility to be awarded up to 37.5% of her base salary as an Incentive Amount pursuant to the Company's LTIP, upon the achievement of annual performance objectives, and EDSU matching by the Company of up to 35% of the Long Term Incentive Program awards that are contributed to the EDSU Plan. In addition, Ms. Cormack is entitled to customary benefits, including a monthly travel allowance, wellness allowance and RRSP matching contributions. The Company may terminate the agreement without cause upon making a lump sum payment in lieu of notice equal to the equivalent of 18 months' total compensation (which includes base salary for the year of termination, average annual STIP awards and average annual RRSP matching contributions during her tenure, and benefits for the duration of the notice period), or in the event of change of control the Company may terminate the agreement without cause upon making a lump sum payment in lieu of notice equal to the equivalent of 24 months' total compensation. The agreement may also be terminated by the Company for cause without giving notice.

*Nitin Jain, Chief Financial Officer and Chief Investment Officer*

Pursuant to the terms of an employment agreement with Sienna, Mr. Jain serves for an indefinite term. The agreement provides for an annual base salary, which in Fiscal 2017 was $300,000 (which amount is subject to annual review), and an annual performance bonus of up to 50% of his base salary payable in cash in accordance with the Company's STIP and up to 30% of his base salary granted as RSUs pursuant to the Company's RSU

Plan, as well as eligibility to be awarded up to 20% of his base salary as an Incentive Amount pursuant to the Company's LTIP, upon the achievement of annual performance objectives, and EDSU matching by the Company of up to 25% of the Long Term Incentive Program awards that are contributed to the EDSU Plan. In addition, Mr. Jain is entitled to customary benefits, including a monthly travel allowance, wellness allowance and RRSP matching contributions. The Company may terminate the agreement without cause upon making a lump sum payment in lieu of notice equal to the equivalent of 12 months' base salary for the year of termination, average STIP awards earned for the year of termination and benefits for the duration of the notice period. The agreement may also be terminated by the Company for cause without giving notice.

*Michael Annable, Executive Vice-President, People, and Chief Administrative Officer*

Pursuant to the terms of an employment agreement with Sienna, Mr. Annable serves as Sienna's Executive Vice-President, People, and Chief Administrative Officer for an indefinite term. The agreement provides for an annual base salary, which for Fiscal 2017 was $250,000 (which amount is subject to annual review) and an annual performance bonus of up to 40% of his base salary payable in cash in accordance with the Company's STIP and up to 35% of his base salary granted as RSUs pursuant to the Company's RSU Plan, as well as EDSU matching by the Company of up to 25% of the Long Term Incentive Program awards that are contributed to the EDSU Plan. In addition, Mr. Annable is entitled to customary benefits, including a monthly travel allowance, wellness allowance and RRSP matching contributions. The Company may terminate the agreement without cause upon making a lump sum payment in lieu of notice equal to the equivalent of 12 months' base salary for the year of termination, average annual STIP awards over a three year period, and benefits for the duration of the notice period. The agreement may also be terminated by the Company for cause without giving notice.

*Joanne Dykeman, Executive Vice-President, Operations*

Pursuant to the terms of an employment agreement with Sienna, Ms. Dykeman serves as Sienna's Executive Vice-President, Operations — Long Term Care for an indefinite term. The agreement provides for an annual base salary, which for Fiscal 2017 was $230,000 (which amount is subject to annual review) and an annual performance bonus of up to 40% of her base salary payable in cash in accordance with the Company's STIP and up to 35% of her base salary granted as RSUs pursuant to the Company's RSU Plan, as well as EDSU matching by the Company of up to 25% of the Long Term Incentive Program awards that are contributed to the EDSU Plan. In addition, Ms. Dykeman is entitled to customary benefits, including a monthly travel allowance, wellness allowance and RRSP matching contributions. The Company may terminate the agreement without cause upon making a lump sum payment in lieu of notice equal to the equivalent of 12 months' base salary for the year of termination, average STIP awards earned for the year of termination and benefits for the duration of the notice period. The agreement may also be terminated by the Company for cause without giving notice.

*Lisa Kachur, Executive Vice-President, Operations*

Pursuant to the terms of an employment agreement with Sienna, Ms. Kachur serves as Sienna's Executive Vice-President, Operations for an indefinite term. The agreement provides for an annual base salary, which for Fiscal 2017 was $230,000 (which amount is subject to annual review) and an annual performance bonus of up to 40% of her base salary payable in cash in accordance with the Company's STIP and up to 35% of her base salary granted as RSUs pursuant to the Company's RSU Plan, as well as EDSU matching by the Company of up to 25% of the Long Term Incentive Program awards that are contributed to the EDSU Plan. In addition, Ms. Kachur is entitled to customary benefits, including a monthly travel allowance, wellness allowance and RRSP matching contributions. The Company may terminate the agreement without cause upon making a lump sum payment in lieu of notice equal to the equivalent of 12 months' base salary for the year of termination, average annual STIP awards over a three year period, and benefits for the duration of the notice period. The agreement may also be terminated by the Company for cause without giving notice.

**Termination and Change of Control Benefits**

Pursuant to the employment agreements outlined in greater detail above, the following table provides, for each of the foregoing NEOs, an estimate of the payments payable by the Company (or its subsidiaries), assuming a termination for any reason other than cause, or in connection with a change of control, taking place on December 31, 2017:

| Name and Principal Position | Termination Payment ($) | Short-Term Incentive Award ($) | Vesting of Stock Based Compensation[1] ($) | Employee Benefits ($) | Total ($) |
|---|---|---|---|---|---|
| LOIS CORMACK<br>*President and Chief Executive Officer* | 950,000 | 595,241 | 1,640,448 | 76,710 | 2,333,297[2] |
| NITIN JAIN<br>*Chief Financial Officer and Chief Investment Officer* | 300,000 | 157,800 | 406,211 | 34,992 | 842,064 |
| MICHAEL ANNABLE<br>*Executive Vice-President, People, and Chief Administrative Officer* | 250,000 | 93,617 | 421,786 | 32,000 | 712,301 |
| JOANNE DYKEMAN<br>*Executive Vice-President, Operations* | 230,000 | 93,426 | 328,960 | 30,800 | 592,756 |
| LISA KACHUR<br>*Executive Vice-President, Operations* | 230,000 | 82,020 | 98,211 | 30,475 | 417,946 |

Notes:

(1) Stock based compensation includes the RSU Awards granted pursuant to the RSU Plan or EDSUs granted pursuant to the EDSU Plan. On termination or change of control, RSUs and EDSUs generally vest only at the discretion of the CGNC or else are forfeited or continue on the vesting schedule described above under "Elements of NEO Compensation — Long Term Incentive Program". The value of vesting RSUs and EDSUs is determined based on the $18.22 closing price of Common Shares on the TSX on December 31, 2017. These figures exclude the EDSUs that have vested as of December 31, 2017 (Lois Cormack-$929,103; Nitin Jain-$56,939; Michael Annable-$85,102; Joanne Dykeman-$90,430; Lisa Kachur — $22,760), which will be paid to each of the NEOs upon their departure from the Company.

(2) This amount is presented in connection with a change of control on December 31, 2017. If termination is for any reason other than cause, the total payment is $1,927,809.

### Director Compensation

*Director Fees*

Each of the non-employee Directors of the Company is entitled to receive an annual retainer of $30,000. The Chairman of the Board is entitled to an additional annual retainer of $50,000. The chair of the Audit Committee is entitled to receive an additional annual retainer of $12,500. The chair of the CGNC is entitled to receive an additional annual retainer of $7,500. Each of the non-employee Directors of the Company is entitled to receive a fee of $2,100 per meeting for each Board or committee meeting which such Director attends in person (inclusive of a $100 expense allowance) and $1,000 per meeting for attending by telephone.

*Deferred Share Unit Plan*

On April 18, 2017, the Company's deferred share unit plan (the "**DSU Plan**") was amended and restated to effect minor changes of a "house-keeping nature" and to cure ambiguity in certain plan provisions by the insertion of clarifying language. The changes included clarifying the method of determining the date of payment of a redemption amount to which a participant is entitled under the DSU Plan. The DSU Plan is intended to allow participants to participate in the long-term success of Sienna and promote a greater alignment of interests between the participants and Shareholders of the Company, while reducing the cash requirements of Sienna, to the extent that participants elect to receive their fees in the form of notional Common Shares (deferred share units or "**DSUs**"). Each member of the Board who is not also an employee of the Company, at his or her discretion, is eligible to participate in the DSU Plan. Under the DSU Plan, each such Director is entitled to elect to have up to 100% of his or her annual retainer fees in respect of his or her services as a Director and/or committee chair contributed to the DSU Plan. In satisfaction of such fees, the participant is credited that number of DSUs equal to the quotient obtained by dividing the fees payable by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date of payment. In addition, the Company matches all DSUs so credited, such that the number of DSUs credited to such Director is equal in value to two times the contributed fees.

Participants are notionally entitled to receive distributions per DSU equal to the amount of dividends paid per Common Share. Such distributions are credited to the participant as additional DSUs. The number of DSUs so credited for each dividend is equal to the aggregate amount of such dividend divided by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date such dividend was paid.

DSUs vest immediately upon grant and may be redeemed only when a participant no longer serves on the Board of Directors for any reason (and is not otherwise employed by the Company). Redemptions are paid out in cash. Each Director is required to elect annually the amount of his or her fees that will be contributed to the DSU Plan for the upcoming year. Directors may change their election from year to year. Fees payable to a Director in respect of his or her attendance at meetings are not eligible for purposes of the DSU Plan.

*Minimum Share Ownership Policy — Directors*

The Board has adopted a policy requiring each Director to hold, within two years of becoming a Director, Common Shares and/or DSUs equal in value to five (5) times the annual retainer received by such Director. All of the current Directors meet this minimum requirement.

The following table describes Director compensation for the year ended December 31, 2017.

| Name(1) | Fees Earned(2) ($) | Share-based award(3) ($) | Option-based Award ($) | Non-equity Incentive Plan Compensation ($) | Pension Value ($) | All Other Compensation ($) | Total Fees Earned ($) |
|---|---|---|---|---|---|---|---|
| Dino Chiesa | 50,300 | 160,000 | N/A | N/A | N/A | N/A | 210,300 |
| Janet Graham | 50,300 | 85,000 | N/A | N/A | N/A | N/A | 135,300 |
| John McLaughlin | 50,300 | 60,000 | N/A | N/A | N/A | N/A | 110,300 |
| Jack MacDonald | 48,200 | 75,000 | N/A | N/A | N/A | N/A | 123,200 |
| Paula Jourdain Coleman | 50,300 | 60,000 | N/A | N/A | N/A | N/A | 110,300 |
| Stephen Sender | 30,600 | 36,429 | N/A | N/A | N/A | N/A | 67,029 |
| **TOTAL** | **280,000** | **476,429** | **N/A** | **N/A** | **N/A** | **N/A** | **756,429** |

Notes:

(1) As CEO of the Company, Ms. Cormack receives no compensation for serving as a Director.

(2) Includes only those fees that were paid in cash for Board, committee and ad hoc meetings. See note (3) below.

(3) Share-based awards consist of the annual retainer fees which Directors elected to receive in the form of DSUs, plus the Company's matching contribution pursuant to the DSU Plan.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table shows, as of December 31, 2017, compensation plans under which Common Shares are authorized to be issued from treasury both for plans previously approved by Shareholders and plans not previously approved by Shareholders (of which there were none as of December 31, 2017). The combined "burn rate" (as calculated in accordance with section 613(d) of the TSX Manual for the RSU Plan and the LTIP for the years ended December 31, 2015, 2016 and 2017 was 0.07%, 0.07% and 0.03%, respectively. The Board has determined that, effective as of the end of Fiscal 2017, no further Incentive Amounts or Award Shares will be awarded or issued under the LTIP and the LTIP will be terminated.

| Plan Category | (a) Number of securities to be issued upon exercise of outstanding rights (#) | (b) Weighted average exercise price of outstanding rights ($) | (c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (#) |
|---|---|---|---|
| Equity compensation plans approved by Shareholders (RSU Plan and LTIP)[1] | 37,736[2] | N/A | 1,023,357[3] |
| Equity compensation plans not approved by Shareholders | N/A | N/A | N/A |
| **Total:** | **37,736** | | **1,023,357** |

Notes:

(1) Vested RSUs granted under the RSU Plan may be redeemed for Common Shares or cash at the participant's option. Eligible participants under the LTIP are entitled to purchase Common Shares equal to the quotient obtained by dividing such participant's award opportunity by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the award date. See "Elements of NEO Compensation — Long Term Incentive Program".

(2) Reflects Common Shares issuable in connection with RSUs to be vested.

(3) Reflects Common Shares remaining available for future issuance under the RSU Plan. Given that LTIP was terminated effective the end of Fiscal 2017, there are no Common Shares remaining available for future issuance pursuant to the LTIP.

## MANAGEMENT CONTRACTS

In fiscal 2016, in connection with the Company's acquisition (the "**BC Acquisition**") of a portfolio of eight (8) seniors living residences in British Columbia (the "**BC Acquisition Properties**"), the Company also acquired a 50% interest in Pacific Seniors Management General Partnership ("**ManagementCo**"), the then-current manager of certain BC Acquisition Properties, from Pacific Seniors Management Investments Ltd. ("**PSMI**"). Throughout 2017, ManagementCo operated in the Province of British Columbia and continued to provide management services predominantly in respect of the BC Acquisition Properties owned by the Company for services such as: providing and operating the partnership head office, employing personnel, providing certain finance services, and providing certain administrative support to Pacific Seniors Management 2 General Partnership ("**ManagementCo 2**"), as set out in partnership agreements entered into, directly or indirectly, by each of the 50% interest holders and ManagementCo and ManagementCo 2, respectively. The Company purchased the remaining 50% interest in each of ManagementCo and ManagementCo 2 from PSMI effective December 31, 2017, for a purchase price of approximately $2.2 million, prior to closing costs and customary closing adjustments. Approximately $2.16 million of management fee revenue was paid in Fiscal 2017 to ManagementCo and ManagementCo 2 for management services post-BC Acquisition. In Fiscal 2017, the Company consolidated the revenues received from ManagementCo and ManagementCo 2 in its capacity as 50% interest holder of each of ManagementCo and ManagementCo 2.

The registered office of each of ManagementCo and ManagementCo 2 is 101-1628 Foster's Way, Delta, BC.

## DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNIFICATION

The Company has obtained a directors' and officers' liability insurance policy, which covers corporate indemnification of Directors and officers and individual Directors and officers of the Company in certain circumstances. In addition, the Company has entered into indemnification agreements with its Directors and officers for liabilities and costs in respect of any action or suit against them in connection with the execution of their duties, subject to customary limitations prescribed by applicable law.

## INDEBTEDNESS OF DIRECTORS AND OFFICERS

### Aggregate Indebtedness

The following table sets out, as at March 29, 2018, the aggregate of all obligations to the Company relating to Common Share purchases under the LTIP by two of the Company's executive officers: the President and Chief Executive Officer, and the Chief Financial Officer and Chief Investment Officer.

| Purpose | Aggregate Indebtedness to the Company or its subsidiaries ($) | To Another Entity |
|---|---|---|
| Common Share purchases | 1,213,253 | None |
| Other | None | None |

### Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

The following table sets out amounts outstanding for each of the two executive officers of the Company who have purchased Common Shares pursuant to the LTIP and in respect of which there is an outstanding balance owing to the Company.

| Name and Principal Position | Involvement of Company or Subsidiary | Largest Amount Outstanding During the Year Ended December 31, 2017 ($) | Amount Outstanding as at March 29, 2018 ($) | Financially Assisted Securities Purchases During the Year Ended December 31, 2017 (#) | Security for Indebtedness | Amount Forgiven During the Year Ended December 31, 2017 ($) |
|---|---|---|---|---|---|---|
| **Securities Purchase Programs**[1] | | | | | | |
| LOIS CORMACK<br>*President and Chief Executive Officer* | Lender | 893,213 | 1,020,405 | 8,978 Common Shares | Common Shares | Nil |
| NITIN JAIN<br>*Chief Financial Officer and Chief Investment Officer* | Lender | 140,767 | 192,848 | 3,048 Common Shares | Common Shares | Nil |

Note:

(1) Under the LTIP, each participant may borrow from the Company, at the prime rate of interest per annum established by the Company's bank or at such other interest rate as determined by the CGNC, an amount not greater than 95% of the aggregate purchase price for the Common Shares in order to acquire such Common Shares. Each such loan is due and payable on the date which is ten years from the date the related Common Shares are issued to the recipient. Until such loan has been repaid in full, the related Common Shares are pledged to the Company as security against the outstanding balance of such loan and personally guaranteed by the holder, any cash dividends declared on such Common Shares are applied against the outstanding balance of such loan, and the holder thereof is not entitled to assign or exercise any voting rights attached to such Common Shares. All loans made in respect of Fiscal 2017 or prior periods in connection with the LTIP bear fixed interest at the Canadian prime rate prevailing at the Company's bank at the time of grant. All loans made in Fiscal 2018 in connection with the LTIP bear fixed interest at 3% per annum.

## INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Directors of the Company, no informed person (as defined in National Instrument 51-102 — *Continuous Disclosure Obligations*) of the Company, no proposed director of the Company and no known associate or affiliate of any such informed person or proposed director, during Fiscal 2017, has or has had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction which has or would materially affect Sienna or any of its subsidiaries, except as set forth in the AIF. The AIF can be accessed under the Company's profile on SEDAR at www.sedar.com.

## CORPORATE GOVERNANCE DISCLOSURE

From time to time in its discretion, the Board engages qualified third party consultants to advise the Board on governance best practices. These consulting mandates may include assisting the Board in undertaking its annual Board evaluation process, facilitating the Director peer feedback initiative (the "**Director Peer Feedback**"), and updating the Board Skills Matrix with input from all Directors.

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. Additionally, National Instrument 58-101 — *Disclosure of Corporate Governance Practices* prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

**Board of Directors**

- The independent members of the Board are Dino Chiesa, Paula Jourdain Coleman, Janet Graham, Jack MacDonald, John McLaughlin and Stephen Sender.
- Lois Cormack is the CEO of Sienna and is, therefore, not considered independent under National Instrument 51-110 — *Audit Committees*, and is not a member of any Committee of the Board.
- Six of the seven members of the Board are independent.
- Dino Chiesa is a member of the Board of Trustees of Morguard North American Residential REIT. Stephen Sender is a member of the Board of Trustees of H&R Real Estate Investment Trust.
- The independent Directors function independently of the non-independent Directors by holding *in camera* meetings after each regularly-scheduled Board meeting and informally conferring on Board matters as such members determine necessary or desirable. The opinions of independent Directors are also actively solicited by the Chair of the Board at each meeting of the Board of Directors.
- The Chair of the Board, Dino Chiesa, is an independent Director. Mr. Chiesa's responsibilities include establishing, in consultation with the CEO of the Company, the Directors and appropriate members of management, the agendas for each meeting of the Board. The agenda for each committee meeting is established by the Chair of that committee in consultation with appropriate members of the committee and management.

The following table summarizes the number of Board of Directors and Committee meetings held and attendance by Directors for Fiscal 2017:

| *Director* | *Board Meetings Attended (in person or by telephone)* | *Committee Meetings Attended (in person or by telephone)* |
|---|---|---|
| DINO CHIESA | 18 of 18 | 8 of 8 |
| JANET GRAHAM | 18 of 18 | 8 of 8 |
| JACK MACDONALD | 18 of 18 | 8 of 8 |
| JOHN MCLAUGHLIN | 18 of 18 | 8 of 8 |
| PAULA JOURDAIN COLEMAN | 18 of 18 | 8 of 8 |
| STEPHEN SENDER[1] | 11 of 12 | 4 of 4 |
| LOIS CORMACK | 18 of 18 | N/A |

Note:

(1) Mr. Stephen Sender was appointed as a member of the Audit Committee and the CNGC, effective as of May 23, 2017.

*Mandate of the Board of Directors*

The Board, directly as well as through its committees, oversees the conduct of the business and affairs of the Company. The mandate of the Board of Directors is attached to this Information Circular as Appendix A. This mandate has been adopted by the Board to help assure that it will have the necessary framework to review and evaluate the Company's business operations, manage risk and to make decisions and arrive at conclusions that are independent of the Company's management. Among the priorities and responsibilities, the Board is responsible for satisfying itself that appropriate policies and procedures are in place to identify and manage the risks applicable to the Company. At least annually, the Board, or its committees, meet with management regarding the risks applicable to the Company. Management has adopted an enterprise risk management framework to identify key risks faced by the Company and to annually assess these risks based on inherent likelihood, impact to the Company and management's effectiveness in managing the risks. Key risks are incorporated into the Company's annual operating plan and monitored and reported on regularly.

**Position Descriptions**

*The Chair of the Board of Directors and Committee Chairs*

The Board of Directors has a written position description for the Chair of the Board, which sets out the Chair's key responsibilities, including duties relating to setting Board meeting agendas, chairing Board and Shareholder meetings, ensuring Directors are apprised of matters which are material to Directors on a timely basis, and providing advice, counsel and mentorship to the Company's management team. The Board has also adopted written position descriptions for the chair of the Audit Committee and for the chair of the CGNC, which position descriptions set out each of the committee chair's key responsibilities, including duties relating to setting committee meeting agendas, chairing committee meetings, working with the respective committee members and management to ensure, to the greatest extent possible, the effective functioning of the committee, and ensuring processes established by the Board for assessing the performance of the committee occurs and responsibilities assigned to the committee under the terms of its charter are discharged on a timely and diligent basis.

*The Chief Executive Officer*

The Board of Directors has a written position description describing the appointment, role and responsibilities for the CEO of the Company. The CEO is generally responsible for the development and implementation of the Company's approved strategic plan. In discharging his or her responsibility for oversight of the Company's business, subject always to the oversight of the Board, the CEO is required to, among other things, develop, or supervise the development of, and recommend to the Board a long-term strategy and vision for the Company that leads to enhancement of shareholder value; strive to achieve the Company's financial and operating goals and objectives and report regularly to the Board on the progress against these goals, and on the overall condition of the Company's business; ensure that the day-to-day business affairs of the Company are appropriately managed; and providing advice, counsel and mentorship to the Company's management team. The Board retains discretion in the making of material decisions outside the ordinary course of the company's business, the appointment and removal of senior officers of the Company, and such other matters as the Board may determine from time to time.

**Orientation and Continuing Education**

The Board encourages the Directors to take relevant continuing education programs to expand their knowledge about best practices in corporate governance, the nature and operations of the Company, and broader industry issues affecting the Company. It is within the mandate of the CGNC to recommend to the Board continuing education activities or programs for Directors. The Company arranges for guest speakers to attend Board or committee meetings on a quarterly basis to provide information and education to Directors on a variety of subjects relevant to the Company and the role of its Directors.

The Company has an orientation program for new Directors under which a new Director meets separately with members of the executive team to discuss the role of the Board, its committees and its Directors, as well as the nature and operation of the Company's business. In addition, a new Director is presented with a Director manual that contains reference information to assist in the new Director's orientation to the Company and his or her role, including key Company policies and procedures, the Company's current strategic plan, the most recent annual and quarterly reports of the Company, and materials relating to key business issues.

**Ethical Business Conduct**

The Board of Directors has adopted a code of business conduct and ethics (the "**Code**") that sets out the principles that should guide the behaviour of Directors, officers and employees of Sienna. The Code addresses, among others, the following issues:

- conflicts of interest;
- protection and proper use of corporate assets and opportunities;
- confidentiality of corporate information;
- fair dealing with the Company's competitors and persons with whom Sienna has a business relationship;
- compliance with laws, rules and regulations; and
- reporting of any illegal or unethical behaviour.

Through the Company's whistleblower policy, the Board has established procedures that allow employees of the Company to confidentially and anonymously submit concerns to the chair of the Audit Committee (who is independent of management of Sienna) regarding any accounting or auditing matter or any other matter of a financial nature which such employee believes to be in violation of the Code. Any complaints received are acknowledged and promptly investigated, and a log of all complaints that are received is maintained, tracking their receipt, investigation and resolution. Any complaints that relate to a questionable accounting or auditing matter will be immediately brought to the attention, and reviewed under the direction, of the Audit Committee.

The Board of Directors (or any committee to which that authority has been delegated) can grant waivers of compliance with the Code. No such waiver has been granted since the adoption of the Code and consequently, the Company filed no material change report during the last fiscal year pertaining to any conduct of a Director or executive officer of the Company that constitutes a departure from the Code.

A copy of the Code is available upon written request to the Corporate Secretary of the Company (at 302 Town Centre Blvd., Suite 300, Markham, Ontario, L3R 0E8), or may also be found on SEDAR at www.sedar.com and on the Company's website at www.siennaliving.ca.

To ensure the Directors exercise independent judgment in considering transactions, agreements or decisions in respect of which a Director or executive officer has a material interest, such Director or executive officer is required to recuse himself or herself from the Board meeting at the time such transaction, agreement or decision is considered by the Board and such individual will not be permitted to cast a vote on the matter.

Recognizing that "related party transactions" can present perceived or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its Shareholders' best interests, the Company has adopted a Related Party Transaction Policy. That policy sets out defined criteria and procedures for the review, approval or ratification by the CGNC of any potential Related Party Transactions involving the Company.

**Diversity in the Board and Management**

The Company is committed to fostering an open and inclusive workplace culture. The Company's code of business conduct and ethics (described under the heading "Ethical Business Conduct", below) underscores a commitment to diversity, recognizing it as a tremendous asset. The code of business conduct and ethics explicitly states that the Company and its affiliates are firmly committed to providing equal opportunity in all aspects of employment.

In February 2015, the Board adopted a Board Diversity Policy, in recognition that a board of directors comprised of highly qualified directors from diverse backgrounds, who understand the changing complexity of the business environment in which the Company operates, promotes better corporate governance. In support of this goal and in accordance with the Board Diversity Policy, the CGNC will, when identifying candidates to nominate for election to the Board:

- identify the experience, functional expertise and personal skills and qualities that are needed to enhance the effectiveness of the Company's board of directors;
- consider only candidates that are highly qualified based on the experience, functional expertise and personal skills and qualities identified as necessary by the Board; and
- consider the level of representation of both genders on the Board, along with other markers of diversity, including gender, age, ethnicity and geographic background, when making recommendations for nominees to the Board.

The Company aspires towards Board composition in which each gender comprises at least one-third of the independent directors, and has not adopted any specific targets for executive officers, as the preference is to permit the Company to maintain flexibility in identifying a qualified pool of candidates that adequately reflects the various diverse characteristics that the Company seeks to promote from time to time. While the Company has not established targets specifically addressing the representation of women on the Board and in executive officer positions, women have been, and will continue to be, considered by the Company, the Board and the CGNC in the making of director and executive officer appointments.

As of the date of this Information Circular, three of the seven members of the Board (43%), and four of the six executive officers of the Company (60%) are women.

**Nomination of Directors**

The CGNC has carefully reviewed and assessed the professional skills, abilities, personality and other qualifications of each proposed nominee for election to the Board, including the time and energy that the nominee is able to devote to the task as well as the specific contribution that he or she can make to the Board. The CGNC is comprised entirely of independent Directors.

On the recommendation of the CGNC, the Board of Directors may add new directors if determined to be appropriate and advisable to reflect the Company's growth, geographic scope and overall business interests. However, in accordance with the *Business Corporations Act* (British Columbia), the size of the Board may not be increased by the Directors between annual meetings of the Shareholders by more than one and one-third the number of directors elected at the last annual meeting of Shareholders without Shareholder approval.

**Director Term Limits**

The Board does not consider it necessary to have a mandatory retirement policy for members of the Board, except in the circumstances set out below. Rather, the Board is of the view that Directors who have served on the Board for an extended period of time are able to provide valuable insight and perspective into the operations and future of the Company, based on their experience with, and understanding of, the Company's history, policies and objectives. However, the Board also considers it important that the Company receive the benefit of fresh approaches, new ideas and alternative viewpoints from new Board members from time to time and, accordingly, the Board reviews director rotation on an annual basis.

A Director who is an officer of the Company (other than a person who served as an officer in an interim capacity) is required to resign from the Board at the time he or she retires or otherwise ceases to be an active employee of the Company. Additionally, no Director will be permitted to sit on the Audit Committee of the Board or the CGNC beyond the tenth anniversary of the Director's first appointment or election to the Board. A Director may also be asked to resign from the Board in accordance with the Company's By-Laws if circumstances arise that materially impair such Director's ability to fulfill his or her obligations as a member of the Board.

**Director Compensation**

The CGNC approves the compensation of the Company's Directors and executive officers. In doing so, the committee reviews, as appropriate, industry data published by compensation consultants for comparable positions. The CGNC reviews performance annually. The CGNC is comprised entirely of independent Directors.

*Compensation, Governance and Nominating Committee*

The CGNC consists of six (6) Directors, each of whom is an independent Director of the Company. In addition to the role it plays in compensation matters discussed above under the heading "Statement of Executive Compensation", the CGNC is also responsible for developing the Company's approach to governance issues, monitoring and overseeing the quality and effectiveness of the corporate governance practices and policies of the Company, making recommendations to the Board with respect to new members of the Board and reviewing the effectiveness of the Directors and the contribution of individual Directors.

**Other Board Committees**

Other than the Audit Committee and the CGNC, the Board does not have (and does not currently intend to have) any other standing committees.

**Meetings Independent from Management**

Directors hold "in camera" sessions, in the absence of non-Independent Directors or senior executives of the Company, at every regularly scheduled Board and Committee meeting. For Fiscal 2017, the Board held four (4) regularly scheduled meetings, each having an agenda, which specifically provided for an "in camera" session.

The two Committees of the Board are composed entirely of Independent Directors and, as with the Board meetings, each Committee meeting has an agenda, which specifically provides for an "in camera" session. In Fiscal 2017, four (4) such Audit Committee meetings were held and four (4) such CGNC meetings were held.

**Director Assessment**

The Board, its committees and individual Directors are regularly assessed through surveys administered by a third party of their effectiveness and contribution in order for the Board to satisfy itself that the Board, its committees, and its individual Directors are performing effectively.

**Director Qualifications and Continuing Education**

In developing a strategy for Board composition, the CGNC uses the Board Skills Matrix to identify and evaluate Director capabilities and experience around specific targeted competencies that the Board would ideally possess. At Sienna, the key focus areas are: Real Estate/Development Experience, Seniors Housing Knowledge (experience gained from working in the sector or having significant business dealings with organizations in the sector), Senior Executive Experience (broad business experience as a CEO or director of a public company or other large organization), Financial and Accounting Literacy, Corporate Governance (experience in best practices in public company corporate governance structures, policies and processes), Risk Management (ability to identify and understand key risks to the organization, understanding of risk assessments and systems and mitigation measures), and Legal and Regulatory (well versed in capital market activities, continuous disclosure, regulatory requirements and corporate law). While an individual Director may have one or more of the skills, the objective is to ensure that all required skills are held collectively.

The Company has an orientation and education program in place for new Directors. All new Directors receive an Orientation Manual containing a record of historical public information about the Company, as well as the charters of the Board and Committee mandates, copies of all Board governance documents and other relevant corporate and business information. The orientation also includes a thorough review of key issues on the forefront of the Company's agenda, a review of corporate strategy and plans, a snapshot of current performance, a familiarization with Board documents and information sources, and a tour of the Company's various sites.

With respect to the Director Peer Feedback process, the CGNC (comprised entirely of Independent Directors), or an independent third party retained for this purpose, surveys all of the Directors to provide feedback on the effectiveness of the Board and individual Directors. The Chair of the CGNC (or the independent third party retained for this purpose), compiles the results and the CGNC assesses the operation of the Board and the Committees, the adequacy of information given to Directors, and the strategic direction and processes of the Board and Committees. If concerns are raised, the Chair of the CGNC reviews the Director Peer Feedback individually with each Director on a confidential basis to encourage the relevant Director to develop action plans to continue to hone and improve their contribution to the Board.

The Board as a group discusses the Director Peer Feedback survey results in order to identify and address areas requiring attention or improvement. The CGNC also assesses the performance of the Chairman of the Board, as well as the CEO.

Additionally, external experts are regularly brought in to Board meetings for continuing education on topics related to the Company and the industry in which it operates. Funds are also set aside for Directors to attend conferences and seminars as they deem appropriate to further their knowledge and ability to carry out their responsibilities. The Company also pays for industry publication subscriptions for the Independent Directors to keep informed of industry trends.

## OTHER BUSINESS

Management of the Company and the Directors are not aware of any matters intended to come before the Meeting other than those items of business set forth in the attached Notice of Meeting accompanying this Information Circular. If any other matters properly come before the Meeting, it is the intention of the persons named in the Form of Proxy as the designated proxyholders of the Company to vote in respect of those matters in accordance with their judgment.

## ADDITIONAL INFORMATION

Additional information related to the Company may be accessed on SEDAR at www.sedar.com and on the Company's website at www.siennaliving.ca. Financial information about the Company is provided by the Company's audited consolidated financial statements for Fiscal 2017, together with the MD&A thereon. Shareholders may obtain copies of the Company's audited consolidated financial statements for Fiscal 2017 and MD&A thereon, AIF (together with any document incorporated by reference) and this Information Circular at no cost by making written request to the Vice-President, General Counsel and Corporate Secretary of the Company at the following address:

Sienna Senior Living
302 Town Centre Blvd., Suite 300
Markham, Ontario
Canada L3R 0E8

## APPROVAL OF DIRECTORS

The contents and the sending of this Information Circular to the Shareholders have been approved by the Board of Directors.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"Lois Cormack"*

President and Chief Executive Officer
Sienna Senior Living Inc.

Dated: April 10, 2018

## APPENDIX A

## SIENNA SENIOR LIVING INC.
**(the "Company")**

## BOARD MANDATE
**(the "Mandate")**

The board of directors of the Company (the "**Board**") has developed this Mandate to help it fulfill its responsibility to shareholders to oversee the management of the business and affairs of the Company in accordance with the bylaws of the Company, applicable law, and stock exchange rules and requirements. This Mandate has been adopted by the Board to help assure that it will have the necessary framework to review and evaluate the Company's business operations and to make decisions and arrive at conclusions that are independent of the Company's management. The Mandate is also intended to align the interests of directors and management of the Company with those of the Company's shareholders.

The Company's Compensation, Governance and Nominating Committee (the "**CGNC**") will review and assess this Mandate at least annually and suggest to the Board such changes, as the CGNC deems appropriate. As part of its annual review, the CGNC will review the board practices of other well-managed entities, as well as practices that are the focus of commentators on corporate governance. The Board is strongly committed to sound governance practices.

### ROLE OF THE BOARD

The role of the Board is to provide guidance and strategic oversight to management, both collectively and individually, in order to realize the Company's business objectives and to maximize shareholder value. The Board acts as an advisor and counselor to senior management and oversees its management of the business and affairs of the Company.

In fulfilling its responsibilities, the Board is responsible for, among other things:

(i) overseeing the Company's strategy and achievement of business objectives;

(ii) overseeing the Company's continuous disclosure and financial reporting;

(iii) satisfying itself of the adequacy of the Company's information systems;

(iv) reviewing and monitoring the Company's disclosure controls and internal controls and procedures for financial reporting;

(v) overseeing compliance with the Company's bylaws and with applicable law;

(vi) overseeing the Company's enterprise risk management framework,

(vii) determining the amount and timing of distributions to shareholders;

(viii) developing the Company's approach to corporate governance;

(ix) approving major decisions regarding the Company outside of the ordinary course, subject to the delegation of approval authority to management;

(x) CEO selection, evaluation, compensation and succession planning; and

(xi) overseeing compliance with the Company's Code of Business Conduct and Ethics (the "**Code**") to satisfy itself as to the integrity of the CEO and other executive members and to ensure that the Company maintains a culture of integrity and accountability.

### ROLE OF MANAGEMENT

Management is responsible for developing and implementing strategy, safeguarding the Company's assets and for delivering the primary benefits of the Company's business activities to shareholders. When Management performance is inadequate, the Board has the responsibility to bring about appropriate change.

Management of the Company is under the direction and the control of the Chief Executive Officer of the Company (the "**Chief Executive Officer**"). Senior management, through the Chief Executive Officer, reports to and is accountable to the Board.

Management is responsible for the preparation of a business plan, which includes an annual operating and capital budget together with an outline of strategic initiatives, for review and approval of the Board. The Board's approval of the business plan provides a mandate for management to conduct the affairs of the Company. Material deviations from the plan are reported to and considered by the Board.

### Composition, Orientation and Compensation of the Board

**Director Independence**

At least two-thirds of the members of the Board will be Independent Directors (within the meaning of NI 58-201). At least annually, the Board will review the independence of each director and directors will be asked to self-assess their independence status through a questionnaire.

**Selection of Directors**

Based on the recommendation of the CGNC, the Board is responsible for selecting nominees for election as directors and recommending them for election by the shareholders.

**Director Skills Matrix**

The Board, through the CGNC, will utilize a board skills matrix as a tool to facilitate the screening and selection of Board nominees.

Directors who experience a significant change in their personal circumstances, including a change in their principal occupation or time commitments, are expected to advise the CGNC, who will request a further review by the Board of the director's ability to continue as a director of the Board.

**Orientation and Continuing Education**

An orientation process is mandated for all new directors. This process includes comprehensive background briefings by the Chair of the Board, the Chief Executive Officer, the Chief Financial Officer of the Company (the "**Chief Financial Officer**"), and other officers or employees of the Company designated by the Chief Executive Officer. This process includes obtaining an understanding of the role of the Board and its committees as well as each director's individual role and responsibility. The coordination of the orientation program is the responsibility of the CGNC and the Company's Chief Executive Officer.

Directors are also encouraged to participate in continuing education programs.

**Director Compensation**

The Board is responsible, on the recommendation of the CGNC, for approving a compensation model that appropriately compensates directors for service on the Board and on Board committees.

### Director Tenure, Rotation and Retirement

A director who is an officer of the Company (other than a person who served as an officer in an interim capacity) is required to resign from the Board at the time he or she retires or otherwise ceases to be an active employee of the Company. Consistent with this policy, the Chief Executive Officer (other than a person who served as an interim Chief Executive Officer) is required to resign as a director at the time he or she ceases to be the Chief Executive Officer.

The Board does not consider it necessary to have a mandatory retirement policy for directors. Rather, the Board is of the view that directors who have served on the Board for an extended period of time are able to provide valuable insight and perspective into the operations and future of the Company based on their experience with and understanding of the Company's history, policies and objectives. At the same time, the Board also considers it important that the Company receive the benefit of fresh approaches, new ideas and alternative viewpoints from new directors from time to time. On an annual basis, the Board will carefully review director rotation.

### Service On Other Public Entity Boards and Board Committees

Directors are encouraged to limit the number of other public entity boards and committees of those boards on which they serve, taking into account potential board and committee attendance, participation and effectiveness on those boards and committees. Directors should also advise, in writing, the Chair of the Board and the Chair of the CGNC prior to accepting an invitation to serve on another board or board committee.

### Director Equity Ownership

Directors are required to hold, within two years of becoming a Director, Common Shares of the Company ("**Shares**"), and/or Deferred Share Units under the Company's Deferred Share Unit Plan, equal in value to five times the annual retainer received by such Director. Any investment in Shares above this amount may be made on a voluntary basis. The equity ownership of each Director will be calculated as at March 31st (approximately) each year based on the greater of cost of the Share purchases or market value. The CGNC is responsible for reviewing director Share ownership on an annual basis and making recommendations to the Board in respect thereof.

### Board and Committee Matters

#### Board Committees

The Board has established an Audit Committee and a Compensation, Governance and Nominating Committee and may establish such further committees as it deems necessary or desirable from time to time. The Chair of the Board together with the Chief Executive Officer will be responsible for recommending to the CGNC members and Chairs for appointment to each committee. Members will meet the criteria for membership in such committees as determined by the Board and as otherwise required by applicable law, rules and regulations, with consideration given to the preferences of individual directors. The CGNC is responsible for recommending to the Board the proposed members and Chair of each committee. The Board may, to the extent it considers desirable, give consideration to rotating committee members periodically to the extent practicable.

#### Board Committee Charters

Each Board committee will have its own charter. Subject to applicable law, rules and regulations, the charters will set forth the purposes, membership, powers, authority, duties and responsibilities of, and procedural matters relating to meetings of, the Board committees. The Audit Committee has the responsibility to at least annually, review its charter and recommend it for approval by the CGNC. The CGNC has the responsibility to at least annually review its charter and recommend it for approval by the Board.

### Responsibilities and Functioning of the Board

#### Company Strategy

The Board is responsible for the oversight of the Company's strategy. At least annually, the Board will discuss the strategic objectives of the Company with management. This discussion will consider, among other things, the opportunities and risks pertaining to the Company. These discussions may be held during regularly scheduled Board meetings. Proposed changes to Company strategy are expected to be brought to the attention of the Board by senior management in a timely manner for the Board's consideration and approval, if appropriate. The Board will monitor the Company's progress in meeting its strategic objectives.

#### Risk Management

The Board is responsible for satisfying itself that appropriate policies and procedures are in place to identify and manage the risks applicable to the Company. At least annually, the Board, or its committees, will meet with management regarding the risks applicable to the Company. Significant Company risk management decisions are expected to be brought to the attention of the Board by senior management in a timely manner for the

Board's consideration. These decisions will be discussed and approved by the full Board. The Board, or its committees, will monitor the Company's progress in meeting its risk management objectives.

**Approach to Governance**

The Board is responsible for developing the Company's overall approach to governance. This responsibility may be delegated to the CGNC.

**Operating Plans and Financial Goals**

The Board will review and approve the Company's annual operating plans and specific financial goals, and monitor performance throughout each year.

**Selection of the Chair of the Board**

The Board will select the Chair of the Board annually from among its members. The Chair of the Board will be an Independent Director within the meaning of NI 58-201. In the event that at any time the Chair of the Board is not an Independent Director, a Lead Director will be appointed from among the independent directors. The Lead Director will act as an effective leader of the Board in respect of matters required to be considered by the Independent Directors, and will ensure that the Board's agenda will enable it to successfully carry out its duties.

If the current Chair of the Board vacates his or her position for any reason prior to the end of their term, then the Chair of the CGNC will immediately assume the role of Chair of the Board until another Chair is appointed.

**Succession Planning — Board**

The CGNC will maintain a Board succession plan that is responsive to the Company's needs and the interests of its shareholders and will periodically report to the Board on succession planning, including in the event of an emergency.

**Succession Planning — Chief Executive Officer and Chief Financial Officer**

The Board, with the assistance of the CGNC and with the assistance of the confidential recommendations and evaluations of potential successors by the Chief Executive Officer, will identify, evaluate, appoint and provide training to successors to the Chief Executive Officer and the Chief Financial Officer.

**Annual Assessment of Performance**

The Board will conduct an annual self-evaluation to determine whether it, its committees and its committee members are functioning effectively. The CGNC will solicit comments from all directors and report annually to the Board with an assessment of the Board's performance, the performance of Board Committees and its directors. This assessment will be discussed with the full Board annually. The assessment will specifically focus on areas in which the functioning of the Board or Board committees could be improved.

**Evaluation of the Chief Executive Officer and Other Named Executive Officers**

The Board will evaluate and approve the compensation structure of the Chief Executive Officer and approve the compensation structure of other Named Executive Officers (as defined in NI 51-102) of the Company, all based on the recommendations of the CGNC.

**Meetings of Independent Directors**

To promote open discussion among the Company's independent directors, at each regularly scheduled meeting of the directors and at such other time as any independent director may request, the independent directors will meet without management or any other non-independent directors present. The Chair of the Board (or any lead director that has been appointed) will preside at these separate meetings.

**Loyalty and Ethics**

In their roles as directors, all directors owe a duty of loyalty to the Company. This duty mandates that the best interests of the Company take precedence over any other interest possessed by a director. Directors are expected to conduct themselves in accordance with the Code.

**Frequency of Board Meetings**

The Board will hold in person meetings at least quarterly. In addition, the Board may hold additional meetings from time to time as determined by the needs of the business of the Company. The Company's Secretary will be responsible for the preparation of minutes of each Board meeting.

**Director Attendance**

Each director is expected to attend all regular meetings of the Board in person and all meetings of Board committees of which the director is a member. Attendance by telephone or video conference may be used to facilitate attendance. In addition, each director is encouraged to attend each annual meeting of shareholders of the Company. The Board recognizes that occasional meetings may need to be scheduled on short notice when the participation of a director is not possible and that conflicts may arise from time to time that will prevent a director from attending a regularly scheduled meeting. However, the Board expects that each director will make every possible effort to keep such absences to a minimum. Poor attendance by a director (an absence from more than one regularly scheduled Board meeting per year) will be considered by the CGNC in deciding whether to recommend the director to the Board for re-election as a director.

Each director is expected to be sufficiently knowledgeable of the business of the Company, including its financial statements, and the risks it faces, to ensure his or her active and effective participation in the deliberations of the Board and each committee on which he or she serves.

**Selection of Agenda Items for Board Meetings**

The Chair of the Board, with the assistance of the Chief Executive Officer will establish the agenda for each Board meeting. Each director may suggest to the Chair of the Board the inclusion of additional items on the agenda. At any regularly scheduled Board meeting, each director may raise subjects for discussion that are not on the meeting's formal agenda.

Information that is important to the Board's understanding of the business of the Company will be distributed to the Board sufficiently in advance of each Board meeting to permit the directors adequate time to consider the material and ask questions of management, as appropriate. Directors are expected to review the information in advance of the meeting so that they can knowledgeably participate in the meeting. All such information will be maintained in conformity with the Company's policies on confidentiality.

**Attendance of Non-Directors at Board Meetings**

The Chief Executive Officer, the Chief Financial Officer and the Secretary of the Company are expected to attend Board meetings. The Chief Executive Officer, at his or her discretion, may invite other employees, advisors or consultants to attend Board meetings for the purposes of making presentations. The Chair of the Board or the Chief Executive Officer, at his or her discretion, may invite employees of the Company, consultants, advisors or others, as appropriate, to attend Board meetings.

**Access to Management, Outside Counsel and Auditors**

Board members will have complete access to the Chief Executive Officer, the Chief Financial Officer and the Company's outside counsel and auditors. It is the obligation of each Board member to use judgment to ensure that such contact is not distracting to the business operations of the Company and that, except as may be inappropriate, the Chief Executive Officer is appropriately advised of all such contacts.

**Power to Retain Advisors**

The Board and each Board committee have the power at the Company's expense, to hire legal, financial or other advisors, as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

**Board's Interaction with Investors, the Press, and Other Company Stakeholders**

The Board believes that management should speak for the Company. Individual directors may, from time to time, receive requests for comment from various constituencies who are involved with the Company. Any such request should be forwarded to the Chief Executive Officer or his or her designee. Generally, communications from shareholders and the investment community will be directed to the Chief Financial Officer, who will coordinate an appropriate response depending on the nature of the communication.

If comments from the Board or any of its members are appropriate, they should come only following consultation with the Chief Executive Officer and management.

**Disclosure Policy and Code**

The Board is responsible for ensuring that the Company has established and maintains a Disclosure and Insider Trading Policy and the Code. The purpose is to ensure the Company maintains a high level of trust and integrity in accordance with the highest ethical standards.

## APPENDIX B

## BOARD SKILLS MATRIX

An individual may have one or more of any of the skills. The objective is to ensure all required skills are held collectively as a Board.

B = Basic
G = Good
E = Excellent

| *Skills, Experience, Qualifications and Competencies* | *Skill Level* | | | | | |
|---|---|---|---|---|---|---|
| | Dino Chiesa | Janet Graham | Jack MacDonald | Paula Jourdain Coleman | Lois Cormack | Stephen Sender |
| **Real Estate/Development Experience** | **E** | **E** | **B** | **G** | **G** | **G** |
| **Seniors Housing Knowledge** — experience gained from working in the nursing home and/or seniors housing sector or having significant business dealings with organizations in the nursing home, senior housing business | **E** | **G** | **G** | **E** | **E** | **B** |
| **Senior Executive Experience** — broad business experience as a CEO or director of a public company or other large organization | **E** | **G** | **E** | **E** | **E** | **G** |
| **Financial and Accounting Literacy** — based on the definitions of financial literacy/expert for members of the Audit Committee under securities laws — senior experience in financial accounting and public reporting, familiar with IFRS and, corporate finance | **E** | **E** | **G/E** | **G/E** | **E** | **E** |
| **Corporate Governance** — experience in best practices in public company corporate governance structures, policies and processes | **G** | **E** | **E** | **G/E** | **G** | **E** |
| **Risk Management** — ability to identify and understand key risks to the organization, understanding of risk assessments and systems and mitigation measures in the oversight of risk management | **E** | **E** | **E** | **E** | **E** | **G** |
| **Legal and regulatory** — well versed in capital markets activities, continuous disclosure, regulatory requirements and corporate law | **G/E** | **E** | **G/E** | **G** | **E** | **E** |

## APPENDIX C

## RSU PLAN RESOLUTION

**RECITALS:**

A. In 2011, the Board of Directors of Sienna Senior Living Inc. (the "**Company**") adopted a restricted share unit plan (the "**RSU Plan**"), approved by the shareholders of the Company by a majority of votes cast at the Annual and Special Meeting of Shareholders held on April 21 2015, which provides that the maximum number of common shares of the Company ("**Common Shares**") that may be reserved for issuance at any time under the RSU Plan upon the redemption of RSUs (as defined in the RSU Plan) and under the Company's long term incentive plan ("**LTIP**") as Award Shares (as defined therein) together, is 5% of the number of Common Shares issued and outstanding at such time.

B. In early 2018, the Board of Directors of the Company determined that no further Award Shares would be issued under the LTIP and the LTIP would be terminated, effective as of the end of Fiscal 2017, and that going forward the maximum number of Common Shares that would be reserved for issuance at any time under the RSU Plan is 2% of the Common Shares issued and outstanding at such time.

C. The rules of the Toronto Stock Exchange provide that all unallocated securities, rights or other entitlements pursuant to a security-based compensation arrangement which do not have a fixed maximum aggregate number of securities issuable thereunder, be approved every three years after its institution.

**BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:**

1. All unallocated securities, rights or other entitlements under the RSU Plan be and are hereby approved;

2. The Company has the ability to continue granting RSUs under the RSU Plan until May 22, 2021, being the date that is three years from the date of the Company's 2018 annual and special meeting at which approval of the holders of Common Shares is being sought; and

3. Any officer or director of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all documents and instruments, and to take all such other actions as such officer or director may deem necessary or desirable to implement the foregoing resolution and the matters authorized hereby, such determinations to be conclusively evidenced by the execution and delivery of such documents and other instruments and the taking of any such action.

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Printed in Canada | 18-7184-1