

A MESSAGE FROM YOUR CEO

Greetings and Happy New Year, Team DSL!

I hope this finds you well and that you enjoyed the magic of yet another holiday season! For so many of us, the holidays are a time for reflection, giving thanks and gearing up for a new year filled with promise and fresh opportunities for learning, growth and achievement. In closing out 2021, we have many shared successes to celebrate and reflect upon, and so much to be hopeful and excited about going forward.

This past year our company ascended the industry ranks and became a Top-10 sized operator for the first time in its nearly 30-year history. We also successfully launched our Morada Senior Living Division, and just recently, as you'll discover in these pages, added an all-new TerraBella Division as well as two new regional brands named Seaton and SummerHouse.

Needless to say, I'm extremely proud of all we've accomplished this past year. It's difficult to grow a company even under "normal" circumstances, much less here amidst a continuing backdrop of COVID-19 and other forces. I am proud of our tenacity and focused ability to



execute against our organizational plan for growth and continued pivot towards providing our customers a more personalized experience at a tremendous value. During 2021, we continued to attract world-class talent to our regional and home office leadership teams; expanded our financial partnerships with some of the industry's biggest and most prolific investment organizations; completed multiple, milestone acquisitions; and re-occupied our buildings to higher than pre-covid levels...but we're not finished—we have big plans for 2022 and beyond!

As we look to the new year, we are once again faced with several significant challenges with the top three being, navigating the additional COVID-19 variants, managing our expenses in a rising inflationary environment as well as recruiting and retaining team members that provide our services to our customers. The key to being successful in 2022 is ensuring we recognize the challenges we face are transitory in nature over a relatively short period of time. Armed with the knowledge that all three of these challenges will abate (labor issues and inflation are actually normal during the cyclical nature of business and the macro economy), we must remain focused on our long term goals and be who we are....innovative, performance oriented and completely unsatisfied with the status quo.

The future of this industry, and at Discovery specifically, is extremely bright and as I remind myself every day, we are afforded wonderful opportunities to meaningfully impact the lives of our residents, their families and our valued team members. So here, at the onset of a new year, I hope you feel a sense of pride for the difference you continue to make and you are as energized and inspired as I am to keep things rolling in 2022.

Lastly, I personally recognize none of the above would be possible without your hard work and continuing commitment to serve our residents, their families and Discovery. For all you've done and continue to do to make our company great, my most heartfelt thanks. From our Discovery Family to yours, here's to a healthy and prosperous year ahead!



Sending well-deserved "Shout Outs" to all our communities and Team Members who go the extra mile. Your hard work and commitment touch the lives of so many each and every day!

ALECIA GOLAUB, TODD NICHOLSON, & MADELEINE JOSEPH Discovery Village At Boynton Beach

Alecia has been with us since April 2018. She is a valued member of the sales team and never says no when it comes to assisting with any sales. On top of that, she is always helping out wherever needed, whether it's filling in when we're short-staffed, helping with daily deliveries or sorting through mail. She is a hard worker and always reliable.

Todd has been with us since July 2019. He is our very own jack-of-all-trades and our Assisted Living would not be able to function without him. He is our go-to for any maintenance issues, helps with IT, oversees renovations, assists the Independent Living whenever needed and never hesitates to assist residents with any tasks. He is a hard worker and always has a great attitude.

Madeleine has been with us since February 2020. She is an extremely kind person and takes pride in what she does. All of the residents adore her, and she has great relationships with her co-workers. Madeleine is extremely dependable and honest and always willing to go above and beyond. She is a hard worker and always has a great attitude. We are so thankful for what she brings to our team.

To all of you, we are so thankful for all that you bring to our team. Thank you for all your hard work!

HAYLEIGH QUEEN, JASON DEARMAN & LYNDSAY DAVENPORT

Blue Ridge Assisted Living & Memory Care

Shout out to Hayleigh Queen for going above and beyond and helping cover shifts during a recent personnel shortage. In addition, a huge shout out to Jason Dearman and Lyndsay Davenport, who jumped at the chance to assist our friends and colleagues at The Trace during Hurricane Ida recovery efforts.

MANAGEMENT TEAM Spring Mill

Thank you to the management team at Spring Mill for your continuing teamwork and creativity, and for stopping at nothing to keep the residents happy. For Halloween, we came decked out as characters from The Wizard of Oz and our residents loved it!

LINDA CIMO, MARIE EVANS, THOMAS BOLGER & DANNY SEXTON Aston Gardens At Tampa Bay

Special thanks to our Concierge, Linda Cimo, for going above and beyond and bringing in a tool from her own home for a resident who needed it. She is always pleasant and friendly with everyone.

Also to Lead Concierge, Marie Evans, for painting a special vase for one of our residents.

Congratulations and thanks to Housekeeper Thomas Bolger for one year of service to Aston Gardens. Thomas takes pride in his work and fully understands what it takes to satisfy our residents. He receives consistent compliments and residents say that they watch him work in their apartments, because he doesn't stop until it's completely clean. He also helps maintenance with their work orders and always has a smile or friendly wave for everyone he sees.

Finally, thanks to our Transportation Driver, Danny Sexton, who is always willing to pick up extra shifts to help accommodate our residents. Even late airport trips or last-minute requests. Our residents really enjoy his company and appreciate his continuing efforts to serve them.

MAINTENANCE TEAM Aston Gardens At Parkland Commons

A huge shout out to the Maintenance team at Aston Gardens At Parkland Commons. We have been incredibly busy moving in more than 30 new residents in the past 90 days and you have all been ROCK STARS! Francisco, Bruno, Carlton and Eddie, we can't thank you enough for your focus, dedication and hard work!

HEWAN WONDIMDiscovery Village At Twin Creeks

I would like to shout out our excellent housekeeper, Hewan Wondim. Recently, we had a large professional networking meeting, and after the meeting. I brought several competitors around for a tour. As we were walking the hallways, one of the leaders from a competing (and much more expensive) local community said to the group, "I love that smell, it is such a great idea." I asked her quizzically what she was talking about, and she responded, "I love those hallway air fresheners. They make the whole community smell fresh. I looked into the cost and they are very expensive." To that, I simply responded, "That's just Lemon Pledge; our housekeeper is very thorough!" Everyone in the group laughed and said they were jealous. It just goes to show that everyone at every level can make a difference, and that everyone is responsible for presentation, sales and overall resident satisfaction. Hewan is a pleasure. She is positive, hardworking and crucial in our ongoing efforts to make our community a wonderful place to live. Thank you for keeping Twin Creeks so spotless!

PATIENCE JACKSON

Discovery Village At Sugarloaf

We have several Team Members who go above and beyond, but there is always that one shining star who goes above and beyond even when no one is looking. Patience has been our Healthcare Coordinator for one year now, and she has brought so much joy to our community. No matter the adversity she is facing, she always comes to work with a smile, always gives 110% to our residents, and is always there for the individuals who need a little extra TLC. By taking the extra steps, our residents value Patience as their caretaker, and we value her as a Team Member. No matter the time of day, or how busy her schedule is, she will always answer and help when she can. The dedication and commitment that Patience has with our community and residents is hard to come by and we are so very thankful for her. She is an advocate for our residents and really cares about each of them. Our families have all-important peace of mind in knowing that Patience is here taking care of their loved ones. Discovery Village At Sugarloaf wants to let Patience Jackson know we thank you for all your hard work and it never goes unnoticed!

ALL TEAM MEMBERSDiscovery Village At Dominion

We want to acknowledge the great work that Team Dominion put forth to execute a very successful car show and special event. Approximately 400 attendees, 150 cars, and more than \$30,000 raised for the Alzheimer's Association. We also secured a new lease, booked several tours, and had a fun and memorable day. Thanks to everyone who participated and made this event such a success!



Congratulations

Join us in congratulating your fellow Team Members!

DISCOVERY SENIOR LIVING

AMY CORY, Promoted to Sales Contact Center Supervisor LINDSAY IRWIN, Promoted to Senior Account Representative MIKE LEVATINO, Promoted to Regional Controller JAMIE LILLARD, Promoted to Area Sales Manager for Florida KELLY THOMPSON, Promoted to Finance Coordinator

CONSERVATORY AT NORTH AUSTIN

Marie Davis, Promoted to Director of Celebrations

RITTENHOUSE VILLAGE AT MICHIGAN CITY

Tonya Langford, Promoted to SHINE® Director

TERRABELLA SENIOR LIVING

Julie Thompson, Promoted to Divisional Sales Director

Discovery Makes A Difference for Hurricane Ida Victims in Louisiana

Following the devastation of Hurricane Ida in Louisiana on August 29, our *Discovery Makes A Difference* charitable army quickly mobilized, procuring two truckloads full of much-needed food and personal care items, water and emergency supplies and delivered the items to people in need.

The relief efforts produced stockpiles of essential food and water, blankets and baby items, tools, tarps and emergency supplies. Generous monetary donations from Team Members and Corporate Leaders surpassed \$14,000, and a sizable donation of clothing, cleaning supplies and portable air conditioning units was secured by the Manatee County School District.

Please join us in recognition of everyone who took part in this wonderful Team effort. The Discovery Senior Living family stands by Louisianans and everyone adversely affected by Hurricane Ida.

Peak Performance Starts with Self-Confidence

It's often illuminating to think about what you would do if you believed you couldn't fail. What new things you might try; new personal and professional accomplishments you might realize. Indeed, believing in yourself not only feels good, but it tends to bring with it some very desirable consequences, too—things like improved health and relationships; better work performance; higher earnings and advancement potential; and even being seen as more attractive by others. (Really, these are scientifically proven outcomes!)

Self-confidence, it seems, is a fine catalyst for getting more of what we want from of our lives and careers. Sure, confidence gets shaken from time to time, but that's only natural. The hope is that by examining self-confidence and how it can bring about positivity and peak performance in our

work and personal lives, we can learn to boost our own self-confidence and make the year ahead one of our best yet!



Whether you think you can or whether you think you can't, you're right.

- Henry Ford

important to establish that neither trait is connected to arrogance or cockiness, so these are qualities that are beneficial for individuals, and actually quietly exude positivity to others as well.

SELF-CONFIDENCE

"Our self-assurance and trusting our abilities, capacities and judgments; the belief that we can meet the demands of a task." (Source: Psychology Dictionary Online)

SELF-ESTEEM

"Beliefs in our own inherent value, worth, and how deserving we are of the good things in life" (love, happiness, success, etc.). (Source: PositivePsychology.com)

> Our self-esteem, then, tends to stay relatively static and all-encompassing, while selfconfidence is more focused and can fluctuate, depending a lot on the task at hand and how strong our belief is about

succeeding. Nonetheless, developing and maintaining self-confidence can be like illuminating a pathway straight towards the goals and aspirations we have for ourselves, be it here at work or elsewhere in our personal lives.

The Difference Between Self-Confidence & Self-Esteem

It can be easy to think that self-confidence and self-esteem are one in the same, and although definitely intertwined, they are actually two different concepts. It's probably also

4 Ways to Build (& Protect) Self-Confidence

In many ways, self-confidence is built and maintained through a healthy self-partnership where we work harder and more purposefully to be our own ally. Think of it this way: Life's obstacles are often challenging enough without having to fight against ourselves at the same time. With that, here are some ways to start building up self-confidence starting right now:



Put a Stop to Negative Self-Talk

"Listen" more to our own thinking and self-talk, and in the process, catch (and reverse) negative thoughts and self-doubt before they become ingrained



Set Small Goals & Celebrate Successes

Major goals like getting promoted, losing weight or finding love don't happen in a day, but we can always do the little things today to help chase down those larger goals in time. Plus, in doing our part every day, we rack up successes and build self-confidence and momentum as a result



Take Responsibility for the Past, Present & Future

There's a lot of confidence to gain by forgiving ourselves for past failures, embracing the opportunities we have today to learn and improve performance, and recognizing that we can all influence the course of our own future



Accept and Give Compliments

Positivity creates a foundation for self-confidence and a more satisfying way of life overall. With that, accept thanks and compliments with grace and humility, and uplift ourselves and the people around us by giving thanks and paying sincere compliments to others









Celebrating the Launch of Our New Division & Regional Brands

A landmark transaction alongside financial partner Ventas saw TerraBella emerge as the newest, formal division of the Discovery Senior Living organization. It also fueled the launch of SummerHouse and Seaton as the two, latest additions to our company's growing regional brand portfolio.

November marked the beginning of an exciting, new chapter in our company's history and epic (and ongoing) growth story, as we welcomed to our Discovery family 19 former Elmcroft Senior Living communities and their respective residents and Team Members.

Management functions for the communities, which are located in Alabama (3); Georgia (1); Maryland (1); North Carolina (12); New Mexico (1); and Virginia (1) were transferred from prior operator Eclipse to Discovery, while financial partner Ventas will retain ownership of each.

The move is a game-changer that does much to transform the seniors housing industry landscape...and for more reasons than just its sheer size and scope. First, it catapulted the TerraBella brand into a venerable force in the Southeast, with its prior, three communities swelling to more than 15 (and counting) in just one day. TerraBella will now operate as a formal division of Discovery Senior Living, with

Dave Adams, who was also instrumental in our acquisition and integration of the Morada brand division, becoming the Division President for TerraBella.

Additionally, the management arrangement meaningfully expands our company's capital partnership with Ventas from just one community to 20. That a serious vote of confidence from one of the world's most prominent seniors housing investors, not to mention a true testament to the quality and importance of the work all of us are doing.

Finally, the move resulted in the creation and launch of Seaton and SummerHouse as the newest regional brands in our company's multi-branded portfolio. SummerHouse debuts throughout the Deep South, while Seaton will operate as a Mid-Atlantic regional brand. As part of our more regionally-focused brand construct, both will receive operational and management support direct from our Florida Corporate Headquarters.

We'd like to take this opportunity to welcome each and every, new community, and the residents and Team Members that form the lifeblood of each one. It's a privilege to have you become part of the Discovery family!





Honoring Sue Butler

Executive Director, Sue Butler, has been a pillar of Aston Gardens At Parkland Commons and the local area since the community opened its doors more than 20 years ago. On behalf of the entire Discovery Senior Living family, we want to express our admiration and thanks to Sue for her excellence in leadership and service, and wish her the very best in retirement!



To All My Co-Workers at Discovery Senior Living:

I have had an incredible journey as the Executive Director of Aston Gardens At Parkland Commons. From start-up to fill-up, I have enjoyed my tenure very much. I have always thought of Aston as my second home and my second family. After 22 years, I have decided to resign my position and enjoy my own retirement while I am still young and healthy!

My most sincere gratitude to my Team, who have always done an amazing job of taking care of our residents and making me look good! I wish everyone all good things, but above all else, good health.

- Sue Butler



Many of us gather on New Year's Eve and toast to the new year; many of us avoid the crowds, and merely watch others celebrate. Either way, we begin each calendar cycle feeling both closure of the prior months and optimism for the next twelve.

But this year feels completely different from the last and different – again – from any year we've known. A news cycle filled with more and different COVID-19 spread, a scramble for testing, packed airports and flight cancellations, and a whole new set of worries about our families, team members. and residents. Happy New Year to you, too!

Remember, we cannot control it all. Take comfort in the routine, structure, camaraderie, and pride that our work offers us. It's not just the start of the calendar year, it's the start of the business year...the performance year. We can be more effective by blocking out those distractions during

BILL'S BLOG



Bill Sciortino, Chief Operating Officer

our work hours and focusing on things we can control – challenges that need our attention, teammates that need a hand or pat on the back, residents that need our care and service.

Discovery certainly garnered attention for our growth last year, but this year will be all about delivering predictable, repeatable results. All our competitors have the same inflationary environment and struggles to hire good people. We will win by managing those factors and dealing with them as the realities of this era.

This week I interviewed three solid Executive Directors who all want to join us in the battle. That sign gives me confidence: we will be stronger as we continue to attract talent. Let's continue to support each other and find (or reconnect with) the joy we can experience by making a difference in the lives of our residents.

Me and you: on to '22!



Hello everyone! As usual, with another year gone, I ask myself where the time goes, and even more so when considering that I'm now finishing my eighth year with Discovery At Home!

Each year, I think about all that we have accomplished. I reflect on some inevitable, missed opportunities, and this year in particular, I think about some of our Team Members who have lost loved ones and/or beloved patients. We even lost Team Members of our own to COVID-19. (RIP Pam Roth. We miss you!)

Of course, in the Medicare-based patient care world, it would not be a new year if we were not readying ourselves for more changes. In 2022, we will begin sending Medicare a notification known as an NOA, or Notice of Admission. In years past, we sent Medicare an RAP, or a Request for Anticipated Payment, but that's no more.

It has been a year of growth for all four DAH companies. We have expanded our programs in Florida to include new resident move-in orientation programs. We have provided staffing services to many communities, in effect, loaning them some of our Team Members to help during staffing shortages. We opened up our fourth outpatient therapy clinic at Discovery Village At Naples' Active Independent Living community. We also finalized a new resident move-in RN wellness program for DAH Texas in the Metroplex.

In Southwest Florida, we began working with non-Discovery Senior Living communities that want to upgrade the quality of home health care offered to their residents. In years past, many communities have been reticent about using a Discovery company, but that too is no more. Outstanding clinical outcomes now drive decisions in many cases, and we are appreciative for the new business. We have also begun to get referrals from outside physicians based on working with us on inside community patients, so our world is getting bigger. We have had similar, outside physician referrals to end 2021 in Dallas as well.

So, on to 2022. Our mission, as always, remains to serve Discovery communities and help residents stay healthy and safe in our buildings. To be a resource to our communities, and deliver a return to our investors.

Here's wishing everyone at DAH and across the Discovery enterprise the best in the new year, and thank you for your continuing efforts to make our companies the best in the business!

Sincerely,

Dan Cundiff | President, Discovery At Home





44 WELCOME ABOARD!!! The Conservatory At Plano is proud to announce the addition of our new Director of Culinary Services, Magaye (Max) Khan! Chef Max comes to DSL with over 16 years of Executive Chef experience in Senior Living. We are happy to have Max join the Team and we look to what delicacies he has in store for our residents! Chef Max recently created a beautiful table for our recent Luau Happy Hour networking event. Thank you, to all of the Team Members at the Conservatory At Plano. Your dedication and commitment to providing our residents with the best life experiences is greatly appreciated!

MAGAYE (MAX) KHAN Conservatory At Plano

The new Director of Culinary Services at Conservatory At Plano comes to the community with more than 16 years of Executive Chef experience in the seniors housing industry. That's no accident, he explained.

"Whenever your job and personal passions intersect, it makes work a pleasure." That's daily life for Chef Max Khan, and it's a blessing for which he's grateful every day.

Hailing from Gambia, West Africa, a young Max moved to the U.S. in 1984. He attended college in Washington, D.C. and was professionally trained in the culinary field. He then spent 12 years cooking for high-end hotel chains like Hyatt and Marriott, including locally here at the Hyatt Regency Dallas.

However, he believes the key juncture in his career was when he became a Chef for Classic Residences by Hyatt, which back then (around 1998) represented the gold standard for seniors housing. There began a love affair with this industry that continues to this day.

He'd found his calling, and for the last two decades or so, he's really been enjoying the journey. So too have a thousand or so residents throughout that time. As those at Conservatory At Plano can now attest...the man's got skills!

From Asian- and Hawaiian-themed special events, to Italian specialties, and of course, authentic, downhome dishes that are distinctly Texan, there's a whole lot cookin' down in Plano these days. Chef Max and his Team of more than 20 serve that community's 200 residents with pride and dedication, and are regularly turning out awesome culinary creations, with recent hits including tempura shrimp, house-made desserts, and our favorite comfort food, southern fried chicken.

A regular fixture in the dining room during meal times, Chef has re-affirmed the community's commitment to diverse, resident-first dining options, with 20+ everyday items, fiveweek rotating menus, and monthly forums where he derives valuable, firsthand input straight from residents.

"It's simple; we want to give everyone more of what they like," he said. "Plus, I really appreciate the personal connections that are made here in a familiar, community setting."





Recipe: Pan Fried Coconut Trout

Pers: 4

Ingredients:

4 rainbow trout filets (skin on)

- · 1 egg
- · 1 cup milk
- · ²/₃ cup flour
- ½ cup panko (Japanese breadcrumbs)
- ½ cup unsweetened coconut flakes
- Peanut or Canola oil for frying

Directions:

In a skillet, pour peanut or canola oil to a depth of $\frac{1}{2}$ inch. Heat over medium high heat.

While oil is heating, whisk milk and egg together in shallow bowl. Place flour in another shallow dish. Mix panko and coconut flakes in third dish.

Dip each filet in egg mixture, then dust in flour and shake off excess flour. Dip floured filet in egg mixture again, then-- lightly coated in the panko mixture.

Place coated filet in a hot oil, skin down first. When bottom is lightly browned, flip filet. Cook until it is also medium brown. When fully cooked, the skin will be crisp and the trout will flake easily. Best when served immediately.

THE MANY FACES OF DISCOVERY SENIOR LIVING

























LISA LACY | Senior Vice President of Human Resources

We're excited to launch what's the latest, new feature in our award-winning *Connection* newsletter. As part of this continuing article series, we will pose important questions to company leaders, who will discuss key issues and industry trends, deliver their own outlook and expectations for our company and industry, and even share guidance and advice for Team Members.

Asked & Answered aims to give company leaders a forum to speak out about what matters to them, and provide us all some rare visibility to the high-stakes projects and initiatives they're focusing in on each and every day. Our first edition is with Senior Vice President of Human Resources, Lisa Lacy.

How are staffing shortages and the need to attract new talent to the seniors housing space likely to impact Discovery (and even industry-wide) HR and recruitment activities in the year ahead?

"It's become increasingly common these days to see signs posted at restaurants and other businesses that say they're closing early or scaling back on services due to lack of employees. The recruiting and labor challenges are far-reaching, with virtually any company that has employees feeling the strain.

We know many of our communities are facing similar challenges, and that this impacts our residents and Team Members alike. As an industry, we need to do a



better job of marketing senior living as a truly great place to work. Regardless of the position, working in senior living is more than a job, it's a serving a purpose.

We have continued to evolve our recruiting efforts beyond the typical job posting boards, using tools like social media to widen our exposure. For example, our job postings are now visible on community Facebook pages, and we would love it if our Team Members would further share those postings! Our existing

Team Members are our best source for new talent recruitment, and we have programs in place to reward you for efforts as well. Please see your Business Office for more information about our Team Member Referral Program!

As we look ahead and continue to navigate and move beyond the pandemic, retention of our current Team Members is where our efforts should be focused. Constant engagement with our Team Members to understand what they care about and what is important to them is (and will remain) our top priority."