



Corporate Social Responsibility Report

2021

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A Letter From our President & CEO

DEAR FELLOW STAKEHOLDER,

When we set out in 2020 to create this Corporate Social Responsibility (CSR) report as an inaugural accounting of our Environmental, Social, and Governance (ESG) initiatives, we knew we had begun a journey. This year's report shows we are still in the formative stages of progress. It also shows there are noteworthy accomplishments made more significant given the unique constraints of our triple-net lease agreements with tenant partners.

Our progress collecting data with partners shows that we have found in our tenant-operators a new level of partnership aligned to the standards we unveiled last year. We have earned our operators' trust and each of us strive to collaborate and make sound investments at each property. Our tenant-operators' investment decisions were made more complex by the pandemic-related events of the past two years, but they have met the challenges in their operating environments.

Our role as owners of the properties is to find innovative ways to promote, educate, and incentivise our operators to make sustainable choices as they upgrade, remodel, and redevelop. This 2021 CSR report highlights the innovative ways we have made progress.

This report also provides an important accountability and transparency function, showing how we have advanced important initiatives, including:

- ▶ New contributions that help incentivize improvements in efficiency, quality of work and care environments for tenants' employees and patients.
- ▶ Expanded data analysis and tracking of energy utilization at more properties.
- ▶ Changes to CEO compensation tied to ESG achievements.
- ▶ Progress in Board of Directors diversity.
- ▶ New disclosures about company employee composition.

While we expect to show measurable and continuous improvement in the years ahead, this past year brought the importance of our work into sharp focus. We are helping create value for tenant-operators and making possible their important work in skilled nursing and senior housing communities. This work has never been more important than today, supporting the missions of professional teams in independent living, assisted living, memory care, skilled nursing facility, and behavioural

health operations. We remain committed to investing in these sectors to improve the quality of life of employees and patients.

Our work matching properties with responsible operators remains something that sets us apart at CareTrust. Having been both operators and property owners for 20 years in senior housing and healthcare, we understand the conditions in which operators perform and the challenges they face. We are committed to helping them enhance systems, policies, leadership, and plans to improve care. The second year of the unprecedented COVID pandemic magnified the difficulties our partners face.

Our work at CareTrust REIT is unique and, as such, our ESG initiatives support tenants in ways that we believe are the first of its kind—asking operators to partner with us and earn incentives for long-term sustainable investments. To date, our portfolio primarily consists of investments in real estate assets, and we do not currently own investments under a seniors housing operating portfolio ("SHOP") or REIT Investment Diversification and Empowerment Act (RIDEA) model. We feel confident that our ESG Program is not only unique, but innovative and aimed at reducing risk while maximizing improvements for tenant-operators who embrace the program's principles and objectives.

The principles of this effort are straight forward and should be easy to follow in this annual report. They are also located prominently on our website at <https://investor.caretrustreit.com/corporate-responsibility>.

Those principles can most easily be summarized as:

- ▶ We support Essential Businesses with incentives aligned to our tenant-operators' long-term financial interests and our desire to advance long-term partnerships.
- ▶ We prioritize stewardship of natural resources through monitoring and encouraging reductions in energy and water usage and both direct and indirect greenhouse gas (GHG) emissions at our properties
- ▶ We seek out partners who understand our unique approach to healthcare real estate and are committed to improving conditions for staff while uplifting higher standards of care for patients and residents in skilled nursing and senior housing communities.
- ▶ We foster an organizational culture that promotes work-life balance, professional development, and teamwork to achieve strategic initiatives.



“Our role as owners of the properties is to find innovative ways to **promote, educate, and incentivize our operators to make sustainable choices as they upgrade, remodel and redevelop.”**



On a personal note, the progress we have made at CareTrust in living up to these principles is, I believe, evident in how we executed our leadership transition this year. CareTrust is made-up of committed people who have communicated in our employee survey the satisfaction they feel at the end of each workday. They share with friends, family, and colleagues that they have healthy working relationships and overwhelmingly agree that CareTrust is a great place to work. Maintaining this sentiment will help us increase value for shareholders while having a direct impact on our operators' essential businesses. We believe we offer a unique long-term partnership with operators and that we help make possible their work of providing excellent care, supporting staff and residents while improving the communities around them.

David Sedgwick

President & CEO

CareTrust REIT, Inc.

Our Vision

CareTrust REIT, Inc. (“CareTrust”) is a self-administered, publicly traded real estate investment trust engaged in the ownership, acquisition and leasing of seniors housing and healthcare-related properties. CareTrust pursues opportunities to acquire and develop properties that can be leased to a diverse group of local, regional, and national seniors housing operators, healthcare services providers, and other healthcare-related businesses.

At CareTrust, our mission is two-fold: To help top-notch healthcare providers realize their growth potential while delivering steady value to our shareholders through accretive investments, a well-protected dividend, and a best-in-class tenant roster.

Our commitment to Environmental, Social and Governance (ESG) excellence is evident through our promotion of sustainability and corporate responsibility within the company's business, as well as our sustainability incentives to tenants, fully aligned with our commitment to create and protect shareholder value while serving the needs of all CareTrust stakeholders. As we embark on a journey to further develop our ESG programs, we intend to direct our efforts toward transparency and data-backed performance.

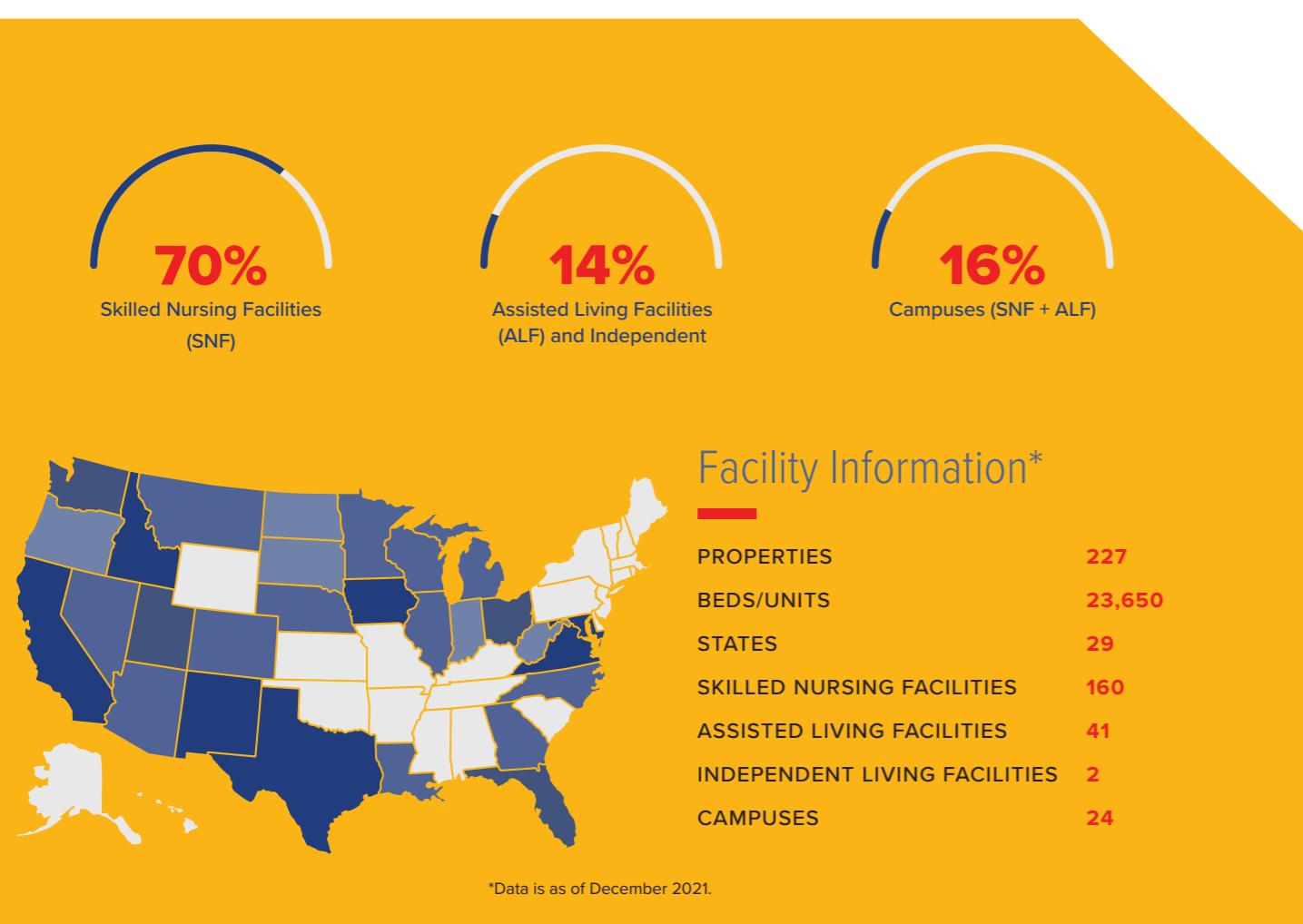
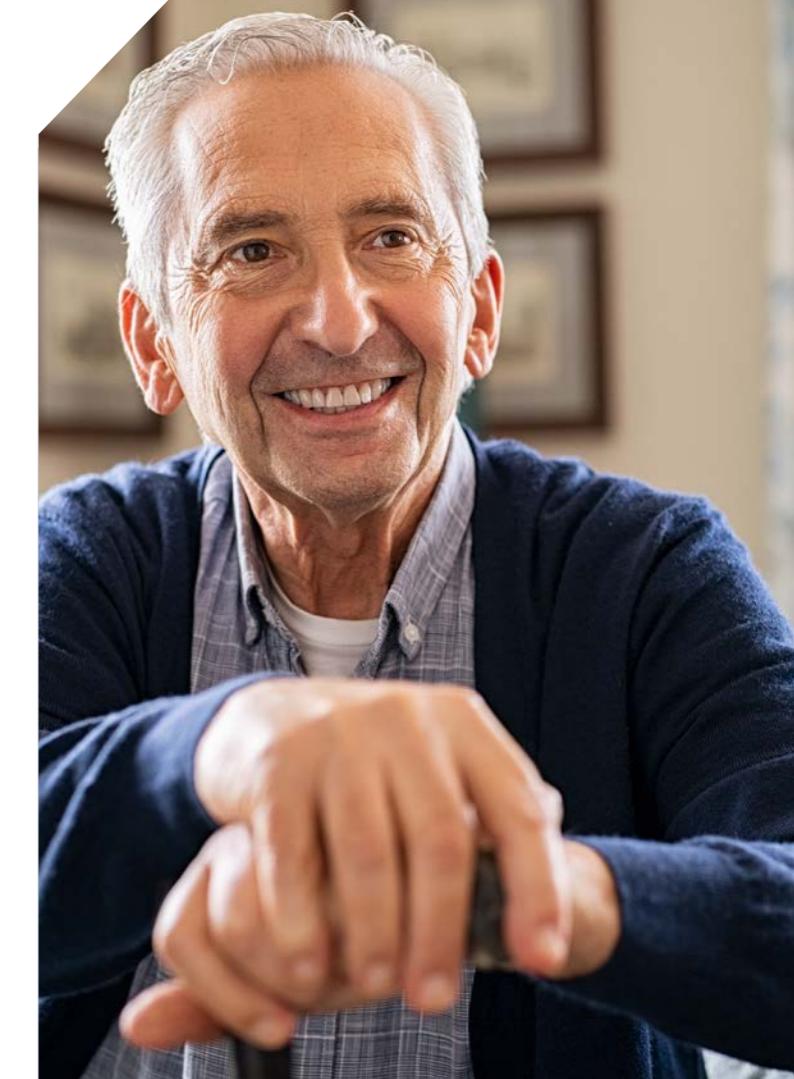
About CareTrust

Founded in 2013 and launched as a fully independent, publicly traded real estate investment trust in 2014, CareTrust owns a diversified portfolio of 227 net-leased healthcare properties covering 10,096,773 total square feet of building area. Headquartered in San Clemente, California, the portfolio spans 29 states in the U.S.: Arizona, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Louisiana, Maryland, Michigan, Minnesota, Montana, Nebraska, Nevada, New Jersey, New Mexico, North Carolina, North Dakota, Ohio,

Oregon, South Dakota, Texas, Utah, Virginia, Washington, West Virginia, and Wisconsin.

CareTrust acquires and leases senior housing and healthcare properties to operators of all sizes. As a triple-net landlord, our third-party operators not only possess our real estate (subject to in-place lease agreements), but they also have primary control and operational responsibility for the facilities located on the real estate and their daily maintenance.

Investing in healthcare real estate can continue to produce healthy returns, particularly for the growing senior sector. We focus on investing in smaller healthcare operators and consolidate ownership in what has been a heavily fragmented market. Our long-term vision of senior care and housing points to an increasingly bright future driven by demographic changes currently underway in the U.S. and worldwide. To prepare for this reality, CareTrust maintains a conservative balance sheet and significant liquidity. **As of December 31, 2021, CareTrust earned core revenue of \$188.8 million, had approximately \$539.9 million in liquidity and closed Q4 2021 with net debt-to-annualized normalized run rate EBITDA of 3.7x.**



8 Years in Operation



About This Report

This Corporate Social Responsibility Report outlines high priority ESG initiatives and goals developed in 2020 and continued in calendar year 2021 for CareTrust REIT, Inc. and its property portfolio. This report was produced by the CareTrust Environmental, Social, and Governance Steering Committee (the “ESG Committee”) in conjunction with a third-party data and ESG consultant. CareTrust has worked with consultants to conduct an ESG Materiality Assessment to baseline the current ESG program and to set a long-term ESG roadmap that aligns with our core values and goals. The

ESG topics and opportunities covered in this report include environmental sustainability, corporate policy, human rights, human capital, health and well-being, stakeholder engagement, and management. This is CareTrust’s second annual CSR report and going forward the Company intends to produce similar reports annually to update stakeholders and others on CareTrust’s corporate responsibility initiatives and progress. To further align with applicable global standards for sustainability reporting we have included a Global Reporting Initiative (GRI) Index in reference to the GRI Standards.

Environmental

OVERVIEW

CareTrust remains committed to implementing environmentally sustainable best practices for our operations. We encourage and incentivize our triple-net healthcare and seniors housing tenants to address environmental opportunities and challenges in the properties they lease.

PROVIDING A COMMUNITY ASSET

We are a healthcare-focused real estate investment trust, and our assets are an integral part of the overall healthcare continuum in the communities we serve. By their very nature as inpatient healthcare and affordable seniors housing facilities, our assets and the services provided therein contribute daily to the overall health and welfare of the communities they serve. These facilities and the elder care staff who operate them provide housing, protection, and care for society’s most vulnerable and deserving members.

We believe that environmental sustainability is an important part of our commitment to help people live and age well in those communities.

As the coming demographic wave of older Americans requires an increasingly complex level of compassionate and sophisticated mental, emotional, and physical healthcare services, CareTrust remains committed to pairing these essential community assets with best-in-class care providers to serve aging seniors. This is perhaps the very best contribution we can make to the betterment of the world around us.

We efficiently use resources and seek to avoid or reduce practices in our corporate offices and our net-leased properties that carry environmental risks or negative impacts. Environmental factors have become a routine part of our underwriting and asset management functions, as well as our daily vocabulary.

Through sustainable practices and tenant education, support and incentives, the company is taking action to reduce our impact on the environment, along with the impact of our properties.

PERFORMANCE INDICATORS

We know the best way to set goals and make informed decisions about energy and water use in our properties starts with continuous data collection and monitoring. We are analyzing new data that has been collected from our tenants in 2021, the first year of collection across a percentage of our portfolio. We intend to use the data and continued analysis to set and track future goals.

As a “triple-net” REIT we have not historically collected this data from our tenants, who are solely responsible for the maintenance, improvement and operating expenses of the properties they lease from us. However, we believe that collecting, analyzing and sharing relevant environmental data over time will allow us to support our tenants more effectively in their decision-making relative to these responsibilities and the conduct of their day-to-day operations. Armed with this information, we believe that our triple-net tenants could use it to improve their operational results.

We continue to partner with third-party data and ESG consultants to assist us in pursuing a more comprehensive approach to our collection, processing and analyses of relevant environmental data. Since Q4 2020 we have begun tracking energy, gas and water usage data at select facilities. This data provides meaningful benchmarking for identifying and analyzing improvement opportunities across our portfolio. We will work with expert consultants and our Tenants who wish to make improvements in their operations.

Currently, for 30% of our portfolio we are tracking and reviewing electricity, natural gas and water usage. The utility data collected is analyzed to help identify areas for potential environmental improvements for our Tenants as well as to track and review improved energy efficiency gained through past environmental improvement projects. Looking beyond the properties we currently own, in 2022 our goal is to create and implement an environmental and sustainability checklist related to electricity, natural gas and water usage that will become part of our new acquisition analysis process.

We expect environmental improvements will reduce costs for our tenants and improve their bottom lines, an important consideration in assessing the lease coverage that each property and tenant is producing and the resulting security of our leases. The data will also allow us to make important calculations regarding the carbon footprints of our properties and their tenants.

“OUR GOAL IS TO INCREASE THE NUMBER OF FACILITIES WHERE WE ARE TRACKING UTILITY DATA FROM THE ORIGINAL (50) PILOT PROPERTIES TO (100) PROPERTIES WITHIN OUR PORTFOLIO BY 2023.”



INTERNAL INITIATIVES

We pursue environmentally sound practices at our CareTrust office operations. We work to increase staff awareness of environmental risks and opportunities and reduce our environmental footprint. Several initiatives are noteworthy for how they foster sustainable practices, including:

- ▶ Locating our headquarters in a small community near where most employees live rather than in one of area's traditional business and employment centers that are farther away. Our average daily commute is 20%, 66% and 74% shorter than it would be if we had located in the larger employment areas of Irvine Spectrum, Newport Beach or the Orange County Airport, respectively. This practice reduced annual CO₂ emissions by approximately 4.6, 14.7 and 16.6 metric tons respectively, or the equivalent of taking 1.0, 3.1 or 3.5 cars off the road annually.¹
- ▶ Outfitting our offices with re-manufactured workstations, which reduces consumption of natural resources, avoids the energy usage associated with de novo manufacturing processes, and decreases waste going to landfills; it also reduces our overhead as re-manufactured workstations are significantly less expensive than new ones.
- ▶ Providing secure storage location for bicycles in our offices to encourage bicycle commuting.

THIRD-PARTY OPERATED PROPERTIES

As a triple-net landlord, we are generally unable to mandate specific environmental and sustainability changes in our properties. To address this hurdle, we have (i) contractually

¹ Estimated using the EPA's 2014 "Greenhouse Gas Emissions from a Typical Passenger Vehicle" fact sheet, EPA-420-F-14-040

required each tenant to meet or exceed certain thresholds of annual amounts spent on capital expenditure and capital improvement projects, and (ii) established a unique program called our Tenant Code of Conduct & Corporate Responsibility (our "Tenant ESG Program").

We remain convinced that our Tenant ESG Program is the first of its kind for a fully-triple-net, non-SHOP, non-RIDEA REIT. We believe this partnership approach can meaningfully enhance our relationships with the healthcare providers that lease and operate our properties, and actually distinguish us as a more attractive capital partner than other sources to which they might look for real estate financing.

Our Tenant ESG Program identifies key areas of risk and improvement in our properties and creates mutually beneficial economic arrangements between us and our triple-net tenants who choose to embrace the program's ideals and objectives. Together, we align our respective priorities within each facility by providing economic incentives for tenants; this cooperative work together stands in contrast to traditional landlords who have full or partial control over their properties and make changes unilaterally without tenant input. Our board of directors has authorized annual allocations of up to \$500,000 to fund the Tenant ESG Program, and we anticipate that additional funding will be allocated as the program continues to ramp up.

We publish the main body of our Tenant ESG Program on our website. The program's proprietary financial incentives create a competitive advantage for us vs. other sources of real estate capital. We treat the specific utilization of our Tenant ESG Program as a trade secret and do not publish specific details. We believe that these incentives will help our tenants and us reduce the environmental impact of our large and growing portfolio while extending the useful life of individual buildings and both preserving and increasing their current value.

"THE CARE TRUST TENANT ESG PROGRAM INCENTIVIZES TRIPLE-NET TENANTS TO INCLUDE ENVIRONMENTAL AND SUSTAINABILITY CONSIDERATIONS IN CRAFTING THEIR CAPITAL PLANS AND PROJECTS."

The full list of sustainability incentives is provided to CareTrust tenants who wish to participate in our Tenant ESG Program and are willing to meet the eligibility standards. Those standards include critical social considerations such as requirements to have a functioning corporate compliance program, a published code of conduct and ethics, a commitment to diversity and inclusion, and other basic policies and practices. We believe that such policies, when rigorously implemented, strengthen and lend stability to our tenants' day-to-day operations and improve working conditions for their staffs and living conditions for their patients and residents.

Tenants' interest in the Tenant ESG program remains high but has been tempered by their ability to focus on capital improvement projects due to cost and operational challenges they continue to face on the front lines of the COVID pandemic. We anticipate a renewed focus on capital improvements in the coming year as our tenant-operators recover from challenges presented during the pandemic. Of tenants who participated in the program and received incentives, **we have tracked approximately \$260,000 in environmental improvements at**

our properties since our last CSR report. The improvements from our tenant-operators meet acceptable levels of progress as outlined under our standards. In particular, we note tenants' focus on utilizing LED lighting retrofits and high efficiency HVAC equipment installations account for the majority of improvements. In 2022, our goal is a minimum of (5) environmental improvement projects that include approved environmental incentives and we are on track to meet that goal.

ACQUISITIONS

A new initiative for 2022 is the creation and implementation of an ESG checklist to be used to review new potential acquisitions. **The checklist helps our team better identify and address ESG-related risks and opportunities** in each potential acquisition. In turn, the identification of ESG-related risk factors helps our team work with incoming tenant-partners to develop environmental and social responsibility actions that are beneficial to the property. Among those items of significance in the checklist are:

- ▶ How tenant-operators can track utility energy and water usage
- ▶ Whether properties are in parts of the country where the U.S. Department of Energy has helped enable energy data for benchmarking purposes
- ▶ Whether properties are in FEMA Flood Zones or other areas susceptible to significant climate risks
- ▶ Whether, and to what extent, buildings are subject to so-called "Green Lease" provisions or other third-party ratings and verifications (including Energy Star labels, Fitwel, Well, BREEAM, IREM CSP, or LEED Certificates)
- ▶ How tenants can grow, develop, and enhance their own ESG policies, including health and wellness programs
- ▶ Whether restrictions were implemented during COVID including air quality measurements or new sanitation requirements.

CASE STUDY: PRIORITY MANAGEMENT GROUP, SHREVEPORT, LOUISIANA

A recent example of the benefits of environmental incentives created through the Tenant ESG Program took place at the Spring Lake skilled nursing facility located in Shreveport, Louisiana. Operated by Priority Management Group (PMG), the work of remodelling the facility included investments in energy efficient LED lighting at a cost of nearly \$40,000 compared to standard lighting costs of approximately \$25,000. By opting in to the CareTrust Tenant ESG Program, PMG was eligible for an Energy Use Reduction incentive related directly to the installation of high efficiency LED lighting fixtures. CareTrust confirmed the incentive request met the criteria of the Tenant ESG Program and approved the incentive to cover the entirety of

the premium cost of the LED retrofit. The approved incentive eliminated any premium cost burden to the tenant. Their decision to go with the energy efficient LED lighting system was, we believe, a direct result of our Tenant ESG Program incentives. The new data tracking program will also monitor long-term energy savings from the LED lighting retrofit.

When tenants submit plans for larger capital expenditure projects, CareTrust's internal Environmental, Social & Governance Steering Committee offers suggestions on how they can utilize CareTrust incentive funds to pursue the more environmentally efficient options.

Social

OVERVIEW

We provide real estate capital to the healthcare industry and use our influence to highlight humanitarian-focused issues that demand greater awareness and activity. We are committed to growing workplace opportunities, employment options and seek to highlight the best working conditions in attracting new talent to the industry. We promote the ethical treatment of all people wherever our activities and influence can be felt. Our commitment to human rights and the ethical treatment of others is embedded in everything we do and is an integral part of our overall commitment to corporate responsibility.

ATTRACTING NEW TALENT TO SENIOR CARE

We view our inpatient healthcare and affordable housing facilities as assets contributing directly to the overall health and welfare of the communities of seniors they are designed to serve. We view this work as a noble calling and support our tenant-operators with incentives

"THE THOUSANDS OF
RECIPIENTS OF OUR TENANTS'
DAILY CARE EFFORTS
INCLUDE THE FRAIL ELDERLY,
DEMENTIA AND MEMORY
CARE PATIENTS, PEOPLE
WITH DISABILITIES AND MANY
RESIDENTS WHO MIGHT
OTHERWISE BE HOMELESS."

to invest in human capital and create new programs that attract talent to this important work in seniors' healthcare.

We have learned that the best way to promote quality care for patients and residents is to first care for and respect the people who provide that care and the people who support them. We understand that our employees, vendors, operators and other stakeholders seek meaningful lives, and we support their efforts to share those lives with family, friends, and their local communities. While work is important, we believe it is only one aspect of a well-lived life, and we support the desire for fulfillment both on the job and during non-working hours. This is the backbone of why we have policies, programming, and education that specifically focuses on the well-being of stakeholders and helps them stay healthy, engaged, and informed.

HEALTH & WELL-BEING

Our employees are the heart of our company. Without their passion, professionalism and hard work, CareTrust would not be what it is today, nor could it achieve its full potential as a key capital provider in healthcare delivery. CareTrust's Policy on Human Capital reflects our commitment to the dignity and rights of all people, especially our employees and others whose professional lives may be impacted by our properties and business activities. It represents a critical commitment to, and investment in, the current and long-term health and well-being of our organization and its people.

Benefits: CareTrust provides a competitive benefits program including medical, dental and vision coverage with substantial employer funding and a wide menu of medical options, a 401(k) plan with an employer match, Flexible Spending Accounts (FSAs), employer-funded life insurance, an employer-funded employee assistance program (EAP), a generous vacation, holiday and personal time off policy, an array of voluntary benefits options including those designed for employees' families.

Health and Safety: We are committed to full compliance with all applicable safety and health laws, including in the areas of occupational safety, emergency preparedness, occupational injury and illness, industrial hygiene, physically demanding work, machine safeguarding, sanitation, food, and housing. We seek to minimize employee and visitor exposure to potential safety hazards by appropriately identifying, assessing and minimizing health and safety risks in all workplaces that we control.

Training and Education: CareTrust's culture values continuous learning, improvement and professional development. This helps our employees to keep their skills current and to adapt to new responsibilities and emerging market needs. CareTrust provides financial support for professional association dues and memberships, continuing education credits, and fees and travel expenses to attend relevant conferences and seminars. We encourage employees to work with their managers to identify learning opportunities that will contribute to their career goals and to CareTrust's success.

STAKEHOLDER ENGAGEMENT

At CareTrust, we believe that regularly engaging with stakeholders is critical to fostering the strong relationships we have with the investors, employees, operators, vendors, and other people who are involved in some capacity with our business. Our formula for successful partnership blends state-of-the-art properties, the right operators, and creative financing solutions to strike a win-win balance

for operators and investors. We believe that engaging our stakeholders through education, transparency, and soliciting feedback is critical to continuing the strong relationships we have with the people we impact and who are also critical to our success.

EMPLOYEES

We believe all employees have a vested interest in the operation of their workplace, and thus deserve a voice in developing its culture, processes and atmosphere. CareTrust conducts ad hoc surveys of its employees allowing us to measure employee engagement



and satisfaction and, when necessary, change procedures and implement initiatives to address recurring areas for improvement. In addition, CareTrust conducts all-employee meetings weekly, promoting inclusion and allowing employees to ask questions and provide feedback to management and each other.

Employees also comprise membership of our internal ESG Steering Committee, an internal, multi-disciplinary body formed to support CareTrust's on-going commitment to environmental, health and safety, corporate social responsibility, corporate governance, sustainability, and other public policy matters relevant to their workplace, our properties and the world around us. The Committee plays a critical role in most aspects of our day-to-operations, leading or participating in a range of issues, from setting incentives under our Tenant ESG Program to selecting benefits



programs for our employees, and more. Under the committee's guidance, a new initiative was designed and will be implemented in 2022 to train all employees on the company's ESG commitments. The training will increase awareness and make clear how each employee's actions help result in improved ESG data collection, tracking and progress. The ESG training curriculum will evolve and improve based on specific feedback solicited and documented from employees who complete the training. The ESG Steering Committee will make annual improvements to the curriculum as the company grows and welcomes new colleagues.

We also periodically sponsor off-site activities, including parties, volunteer service opportunities and incentive trips for qualifying employees to foster camaraderie and employee satisfaction, and to directly acknowledge the valuable contributions our employees make daily to our success.

We initiated our Team CareTrust health and fitness program in 2020, we expanded on it in 2021 and provided flexibility to our teams during COVID lock-downs and social-distancing limitations. Employees were reimbursed up to \$350 per year for general physical and mental wellness. Each employee was given a Team CareTrust workout shirt and encouraged to share photos of themselves wearing their shirts while engaged in activities that improve overall wellness. The work-from-home flexibility



extended through the Omicron variant spread of COVID in late-2021. Employees were given paid time to complete testing and vaccination which, while not required, was encouraged. The wellness program remained a priority and was also encouraged.

As a result of the program, 78% of employees in 2021 participated in activities and completed the fitness reimbursement commitments. Employees used the fitness reimbursement towards fitness memberships and fitness equipment and fees related to fitness events. Additional employee benefits under the Team CareTrust plan include an audio book subscription, full funding for professional development and continuing education opportunities, matching contributions to employees' favorite charities, flexible and remote work opportunities, and company-paid incentive trips for which all employees are eligible.

Our culture of wellness also helps with retention. The vast majority of employees believe CareTrust is a supportive place to work and would recommend it to friends and family, according to recent surveys. CareTrust REIT's workplace culture is designed to improve the partnerships with our tenant-operators and to promote retention of talent in realizing the steadfast vision of our company.

In one recent survey, employees overwhelmingly agreed that at CareTrust:

- ▶ Management actively seeks input and solicits ideas from all team members.
- ▶ The Company requires strong relationships with tenant-operators and characterize those relationships as very strong, healthy and supportive.
- ▶ Employees are provided an excellent workplace that makes possible service opportunities and events that foster camaraderie.

- ▶ We support tenants providing daily care for the frail, elderly and those suffering from dementia and disabilities, and for residents who might otherwise be homeless.
- ▶ The company upholds and lives up to a standard of employment based on a person's experience and work ethic.

TENANTS

As a triple-net landlord, it is especially crucial to our business to maintain a strong relationship with our third-party operators and continue to educate them on our ESG initiatives and commitments. We will continue to hold an annual operator conference to bring together our tenant-operators from across the country. It is always well-attended and has become a highlight for those who engage in shared learning on the best ways to attract and retain the best talent in our industry. The long-term sustainability and growth of our business unites our tenant-operators as much as a shared commitment to aligning employee incentives

THE ANNUAL CARETRUST OPERATOR CONFERENCE ALLOWS OUR TENANTS TO PARTICIPATE IN CUTTING-EDGE INSTRUCTIONAL SESSIONS WITH TOP HEALTHCARE INDUSTRY EXPERTS, KEEP UP WITH EVOLVING REGULATIONS, AND SHARE BEST PRACTICES WITH EACH OTHER. SINCE 2019, ESG EDUCATION IS INCREASINGLY SHAPING THE AGENDA.

what this important healthcare service industry demands. Since 2019, ESG education is increasingly shaping the agenda.

At the 2021 conference, the CareTrust leadership team provided information on the ESG Tenant incentive programs and provided management updates on what was most important to a variety of stakeholders in our business. In addition, tenant-operators learned of risk management and how to improve communications to tenants and their families especially in collaboration with local news media. The conference featured discussion on talent recruitment and the rewards of working in this demanding field. Teams workshopped staffing challenges and how the occupations available in senior housing are pressing not just in markets where we operate but throughout the nation.

Attendees gave positive reviews of sessions involving best practices on employee engagement and potential staffing solutions and crisis management scenario planning. Operator panel discussions featured case studies of employee retention and engagement and the benefits of utilizing social media to improve communications with stakeholders.

ESG was prominent on the agenda as we presented our innovative Tenant ESG Program for the first time in person to our tenants as the previous year's conference was cancelled due to COVID. We were able to discuss the Tenant ESG Program and its intent in detail as well as provide examples about how the incentive program will help Operators reduce or even eliminate premium costs related to environmental improvements.

(94%) of CareTrust active Skilled Nursing Operators attended the 2021 conference and left positive feedback at its conclusion agreeing that it was a worthwhile conference that would help improve their operations.

The Operator Conference and the Tenant ESG Program encourage an ongoing dialogue and

partnership between CareTrust and its tenants on a variety of topics, from workplace culture to community engagement to efficiency projects, and contributes to CareTrust's ongoing ESG goals and initiatives.

COMMUNITY

CareTrust periodically contributes to charitable non-profit organizations, particularly organizations that touch the healthcare industry and its stakeholders. We also support our employees in their individual and collective philanthropic efforts. This includes providing service opportunities, time off with pay for volunteer and other charitable endeavors, and a matching program for most employee charitable contributions.

INVESTORS

At CareTrust, we are acutely aware that ESG issues are top of mind for many investors. Our executive team routinely participates in conferences, seminars and panels, and fields

questions about ESG matters affecting our company and the industries of our tenants.

To further clarify our corporate philosophies and policies related to ESG matters, in 2020 we updated and published to our website the following core documents:

- ▶ The Charter of our Board's Sustainability & Corporate Responsibility Committee
- ▶ The Charter of our internal Environmental, Social & Governance Steering Committee
- ▶ Policy on Human Rights & Responsibilities
- ▶ Policy on Human Capital
- ▶ Policy on Environmental Sustainability
- ▶ Tenant Code of Conduct & Corporate Responsibility
- ▶ Vendor Code of Conduct & Business Ethics
- ▶ Code of Conduct and Business Ethics

These core documents can be found and reviewed at <https://investor.caretrustreit.com/corporate-responsibility>



Governance

OVERVIEW

Our corporate governance initiatives are designed to improve professional business conduct and ethics while setting a clear standard and expectation for our teams. The structure's organizational design was crafted to align interests of investors and all other stakeholders, and features at its center a leadership team with more than 65 years of collective experience who work collaboratively with tenant-operators and investors. The CareTrust Executive Team have direct experience in operations first—and know first-hand what it takes to provide superior healthcare services and facilities for the senior community. The work performed according to the company's organizational design is structured to bring experts who promote corporate governance

“OUR CORPORATE GOVERNANCE INITIATIVES ARE DESIGNED TO IMPROVE PROFESSIONAL BUSINESS CONDUCT AND ETHICS WHILE SETTING A CLEAR STANDARD AND EXPECTATION FOR OUR TEAMS.”

standards that help deliver long-term profitability to shareholders while improving operations for tenant-operators' long-term financial goals.

The members of CareTrust's Board of Directors each bring deep expertise in healthcare, real estate, investing, accounting, and/or business development. The Board of Directors is selected by the stockholders to provide oversight of, and strategic guidance to, the company in a manner consistent with the best interests of the company. In this oversight role, the Board serves as the ultimate decision-making body of the company, except for those matters reserved to or shared with the stockholders. The Board selects and oversees members of senior management, who are charged by the Board with conducting the business of the company. The Board is made up of three standing committees: (a) an Audit Committee, (b) a Compensation Committee, and (c) a Nominating and Corporate Governance Committee, each with its own charter that will set forth the purposes, goals and responsibilities of each committee as well as the qualifications for committee membership.

In addition, our Board built on its 2020 work of establishing a Sustainability & Corporate Responsibility Committee to oversee and drive ESG priorities relating to the company and its business from the Board level. The Sustainability & Corporate Responsibility Committee met in

2021 and successfully worked with the Board's Compensation Committee to add ESG metrics to the annual incentive compensation plans of the CEO. This work, completed in 2021, complements the Charter of our Sustainability & Corporate Responsibility Committee, which outlines in further detail the Committee's purpose. Its responsibilities can be found at <https://investor.caretrustreit.com/corporate-responsibility>.

"THE WORK PERFORMED ACCORDING TO THE COMPANY'S ORGANIZATIONAL DESIGN IS STRUCTURED TO BRING EXPERTS WHO PROMOTE CORPORATE GOVERNANCE STANDARDS THAT HELP DELIVER LONG-TERM PROFITABILITY TO SHAREHOLDERS WHILE IMPROVING OPERATIONS FOR TENANT-OPERATORS' LONG-TERM FINANCIAL GOALS."

MANAGEMENT

As we strive to improve our business at CareTrust, we remain committed to improving communications within our workforce and with our tenant-operators. The work of reviewing and regularly updating ESG policies and practices resides with our internal Environmental, Social & Governance Steering Committee.

The ESG Committee does this generally by assisting the company's senior management in (a) setting the company's general strategy relating to ESG matters, (b) developing,

proposing, implementing, and monitoring initiatives and policies at the company based on that strategy, including our innovative and proprietary Tenant ESG Program, (c) overseeing communications with company personnel and tenants with respect to ESG matters, and (d) monitoring and anticipating developments relating to, and improving the company's understanding of, ESG matters. The ESG Committee includes representatives from various departments including Underwriting, Asset Management, Accounting and Construction.

ETHICS

CareTrust's board, management and employees are committed to honoring the policies and principles set forth in our published Code of Business Conduct and Ethics in our day-to-day business activities. We are using our influence as a capital supplier to the healthcare industry to prioritize human issues and promote the ethical treatment of our tenants' employees, patients, residents and all people that our business impacts. We believe that the creation of an engaging and mutually supportive corporate culture that acknowledges and celebrates the value and contributions of all stakeholders is core to our long-term success.

"THE ESG COMMITTEE REMAINS AN INTERNAL, MULTI-DISCIPLINARY BODY FORMED TO SUPPORT CARETRUST'S ON-GOING COMMITMENT TO ENVIRONMENTAL, HEALTH AND SAFETY, CORPORATE SOCIAL RESPONSIBILITY, CORPORATE GOVERNANCE, SUSTAINABILITY AND OTHER PUBLIC POLICY MATTERS RELEVANT TO THE COMPANY."

CareTrust's Code of Business Conduct and Ethics applies to all employees, officers and directors of the company, as well as its partners, suppliers and vendors. A statement of compliance with this Code must be signed by all employees, officers and directors, and all employees and directors have a duty to promptly report any known or suspected violation of this Code to the Chief Executive Officer, General Counsel or the company's ethics hotline. The Board of Directors of CareTrust REIT, Inc. has adopted the Code of Business Conduct and Ethics to deter wrongdoing and promote:

"WE BELIEVE THAT THE CREATION OF AN ENGAGING AND MUTUALLY SUPPORTIVE CORPORATE CULTURE THAT ACKNOWLEDGES AND CELEBRATES THE VALUE AND CONTRIBUTIONS OF ALL STAKEHOLDERS IS CORE TO OUR LONG-TERM SUCCESS."

- ▶ Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- ▶ Full, fair, accurate, timely, and understandable disclosure in reports and documents that the company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the company;
- ▶ Compliance with applicable governmental laws, rules and regulations;

- ▶ Prompt internal reporting of violations of the Code to an appropriate person or persons;
- ▶ Accountability for adherence to the Code.

CareTrust also encourages and incentivizes its triple-net tenants and their respective employees (collectively "Tenants") to reflect a similar commitment to integrity and corporate responsibility by voluntarily participating in the "Tenant ESG Program," and by valuing the healthcare workers who deliver care in their facilities every day.

We continued in 2021 to work closely with our tenant-operators in evaluating key quality metrics. We collaborated with the PointRight system to see allegations of patient abuse while following through to substantiate allegations of patient abuse for each skilled nursing Tenant. The PointRight data also tracks patient referral patterns in our Tenants' markets, providing us with a window into customer satisfaction with our Tenants' operations.

We have also promulgated a Vendor Code of Conduct and Business Ethics which lays out our expectations for all of our partners, suppliers and vendors, as well as their employees, agents and subcontractors, to commit to abide by standards for integrity and corporate responsibility, especially but not only in connection with their dealings with CareTrust. These expectations include commitments to human rights and fair labor standards, health and safety, confidentiality and data protection, environmental responsibility and other standards. Our Vendor Code of Conduct and Business Ethics can be found at <https://investor.caretrustreit.com/corporate-responsibility>.

DIVERSITY & INCLUSION

CareTrust believes that employment should be based on a person's experience, work ethic and demonstrated ability, and not personal characteristics. We are committed to maintaining a workplace free of unlawful discrimination, which includes race, gender, marital status,

age, color, religion, national origin, disability, veteran status, sexual orientation, or any other characteristic or status protected by law. We acknowledge that our commitment to diversity must start with our Board of Directors, which includes three female directors (out of five total).

As an equal opportunity employer, CareTrust values the diversity of the unique individuals who make up our team. We do not discriminate on the basis of an individual's race, gender, age, color, religion, national origin, disability, sexual orientation, ancestry, genetic information, military service, creed, pregnancy, or marital status.

SAFETY & SECURITY

CareTrust recognizes the importance of the health, safety and environmental well-being of our employees and communities, and is committed to safeguarding these objectives. We also contractually require our triple-net Tenants to operate our facilities in compliance with applicable health and safety laws, ordinances and regulations. As the facilities we own and our Tenants operate are mostly residential or inpatient health facilities, the health and safety laws, ordinances and regulations governing their use and operation, and with which we require them to comply, generally exceed acceptable levels of health and safety for the typical workplace.

As an integral part of the overall healthcare continuum, our assets house some of the most frail, vulnerable and needy patients in the communities they serve. CareTrust is committed to using its influence to ensure that these assets and the Tenants who operate them meet acceptable standards of safety and care, in order to facilitate preserving the basic dignity of each resident and patient they serve, and each employee providing that service. Among other things, we require that our skilled nursing operator Tenants, who account for roughly 80% of our rental income, have in place a formal written internal compliance program, with a designated compliance officer overseeing and enforcing it, to promote the delivery of quality care and the preservation of patient and resident dignity.

LAWS & REGULATORY COMPLIANCE

CareTrust prohibits the use of child labor in our business and any business serving ours, in accordance with ILO Convention No. 138 and ILO's related literature.¹

CareTrust rejects the use of slavery and other forms of forced or coerced labor or servitude, including prison or debt bondage labor, human trafficking, and the lodging of deposits or identity papers by employers or outside recruiters.

CareTrust is committed to compensating its employees at competitive rates, in all cases at or above prevailing minimum wage levels. We are committed to paying compensation to all employees sufficient to meet their basic needs, to offering healthcare and other employee benefits that meet or exceed market standards, and to offering opportunities for professional development and promotion relevant to each employee's responsibilities for employees who seek such opportunities.

CareTrust prohibits corruption in all its forms. CareTrust will not engage in any form of corrupt practices including, without limitation, extortion, fraud, impersonation, false declarations, bribery, money laundering, supporting or involvement with terrorist or organized crime organizations or activities. CareTrust will not offer, and CareTrust personnel will not solicit or accept, bribes or kickbacks involving any government official or third party with the intention of obtaining or retaining a business advantage.



1. https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C138



Risk & Resilience

As a part of CareTrust's due diligence process, we closely evaluate and make note of any existing issues at the physical plants in a detailed report to our asset management team upon acquisition. Based on the asset management team's analysis of the reports, we are able to identify potential environmental improvements to be discussed with the operators that could lead to more efficient use of capital expenditure budgets.

As real estate owners and investors, we recognize the potential physical risk to our assets and tenants associated with climate change and other environmental risks.

We also acknowledge the interests of our investors, our employees, the communities in which our properties operate, and other stakeholders in our efforts to address these issues, risks and opportunities. While the ESG Committee oversees the development and implementation of our environmental programs, senior management is ultimately responsible for our progress on environmental and sustainability matters, and their annual incentive compensation is based in part on achieving certain environmental objectives each year.

Management reports to the board of directors on at least a quarterly basis, addressing policy

and disclosure changes in the quarter, including climate-related and other environmental risks, opportunities and activities. We also intend to report to shareholders periodically on our performance with respect to our Sustainability Policy and our environmental and sustainability practices in our annual Sustainability and Governance Report. We have initially elected to correlate our results and reporting to the Global Reporting Initiative (GRI) Standards wherever possible, and to build our reporting practices around the February 2019 NAREIT Guide to ESG Reporting Frameworks. As benchmark data is collected and analyzed, and key environmental and other metrics area available for comparing trends and progress over time, we intend to report on those trends using these standards and frameworks, as well as others which may be relevant to our business and the operations of our triple-net tenants.

"AT CARETRUST, WE HAVE INITIALLY ELECTED TO CORRELATE OUR RESULTS AND REPORTING TO THE GLOBAL REPORTING INITIATIVE (GRI) STANDARDS WHEREVER POSSIBLE, AND TO BUILD OUR REPORTING PRACTICES AROUND THE FEBRUARY 2019 NAREIT GUIDE TO ESG REPORTING FRAMEWORKS."

Caretrust REIT GRI Content Index



Statement of use	CARETRUST REIT, Inc. has reported the information cited in this GRI content index for the period August, 2021 - August, 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION OR DIRECT RESPONSE																	
GRI 2: General Disclosures 2021	2-1 Organizational details	CareTrust REIT, Inc. Publicly-traded REIT 905 Calle Amanecer, Suite 300, San Clemente, CA 92673 CareTrust REIT, Inc. operates in the United States.																	
	2-2 Entities included in the organization's sustainability reporting	CareTrust REIT, Inc. reports only as one entity in its sustainability report. The audited consolidated financial statements are in the 10-K, they belong to one consolidated entity (CareTrust REIT, Inc.). CareTrust REIT, Inc. is a consolidated corporation and thus reports all data and information in its 10-K, for sustainability purposes also reports as one entity; CareTrust REIT, Inc.																	
	2-3 Reporting period, frequency and contact point	Annual Sustainability Reporting, August, 2021- August, 2022; Annual Financial Reporting, January 1, 2021 - December 31, 2021; GHG assessment data: energy and water data, January 1, 2021 - December 31, 2021; Board of Directors data, Employee Metrics & publication date of the report, September, 2022; Contact for questions regarding the reported information: Jason Rodgers																	
	2-4 Restatements of information	We have restated how we utilize the GRI Standards to align with the most recent GRI reporting guidelines in GRI 1: Foundation 2021.																	
	2-5 External assurance	No external assurance, but this report has been prepared with guidance from our third-party ESG Consultant.																	
	2-6 Activities, value chain and other business relationships	10-K pg. 5 - 7 https://investor.caretrustreit.com/static-files/c15b0f6d-c754-430e-92de-0fcf999093bd																	
	2-7 Employees	<table border="1"> <thead> <tr> <th colspan="2">Full-time Permanent: Employees</th> <th>Total Employees</th> </tr> <tr> <th>Female</th> <th>Male</th> <th rowspan="2">15</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>12</td> </tr> <tr> <th colspan="3">Employees by Region</th> </tr> <tr> <th>Midwest</th> <th>Southwest</th> <th>West</th> </tr> <tr> <td>2</td> <td>1</td> <td>12</td> </tr> </tbody> </table>	Full-time Permanent: Employees		Total Employees	Female	Male	15	3	12	Employees by Region			Midwest	Southwest	West	2	1	12
Full-time Permanent: Employees		Total Employees																	
Female	Male	15																	
3	12																		
Employees by Region																			
Midwest	Southwest	West																	
2	1	12																	
	2-9 Governance structure and composition	Corporate Governance Guidelines https://investor.caretrustreit.com/static-files/c205dab0-fa73-4c25-9335-1672eb17c88																	
	2-10 Nomination and selection of the highest governance body	Proxy Statement pg. 12 - 14 https://investor.caretrustreit.com/static-files/59257b62-98fd-4765-84a6-6f8e04c5f46e																	

2-11 Chair of the highest governance body	Proxy Statement pg. 8 - 12 https://investor.caretrustreit.com/static-files/59257b62-98fd-4765-84a6-6f8e04c5f46e
2-12 Role of the highest governance body in overseeing the management of impacts	Proxy Statement pg. 12,15 https://investor.caretrustreit.com/static-files/59257b62-98fd-4765-84a6-6f8e04c5f46e Charter of the Sustainability & Corporate Responsibility Committee https://investor.caretrustreit.com/static-files/ddd7a3ca-d3c8-4c60-8e13-fa242fba45df
2-13 Delegation of responsibility for managing impacts	Proxy Statement p. 15 https://investor.caretrustreit.com/static-files/59257b62-98fd-4765-84a6-6f8e04c5f46e Charter of the Environmental, Social & Corporate Governance Committee https://investor.caretrustreit.com/static-files/25206173-91a5-4515-900a-25acc247677e
2-14 Role of the highest governance body in sustainability reporting	Charter of the Sustainability & Corporate Responsibility Committee p. 2 https://investor.caretrustreit.com/static-files/ddd7a3ca-d3c8-4c60-8e13-fa242fba45df
2-15 Conflicts of interest	Code of Business Conduct & Ethics https://investor.caretrustreit.com/static-files/616bcbb1-def9-4f43-827b-40cc3e76568e
2-16 Communication of critical concerns	There has been no communication classified as "critical" that has been communicated to the highest governance bodies during 2021. Corporate Governance Guidelines p. 5 https://investor.caretrustreit.com/static-files/c205dab0-fa73-4c25-9335-1672eb17c88
2-17 Collective knowledge of the highest governance body	Corporate Governance Guidelines https://investor.caretrustreit.com/static-files/c205dab0-fa73-4c25-9335-1672eb17c88
2-18 Evaluation of the performance of the highest governance body	Charter of the Sustainability & Corporate Responsibility Committee p. 3 https://investor.caretrustreit.com/static-files/ddd7a3ca-d3c8-4c60-8e13-fa242fba45df Proxy Statement pg. 12 - 13 https://investor.caretrustreit.com/static-files/59257b62-98fd-4765-84a6-6f8e04c5f46e
2-19 Remuneration policies	Proxy Statement pg. 22 - 40 ESG Incentives: Proxy Statement pg. 19, 22, 23 - 26 https://investor.caretrustreit.com/static-files/59257b62-98fd-4765-84a6-6f8e04c5f46e
2-20 Process to determine remuneration	Proxy Statement pg. 18 - 22 https://investor.caretrustreit.com/static-files/59257b62-98fd-4765-84a6-6f8e04c5f46e
2-21 Annual total compensation ratio	Proxy Statement p. 41 https://investor.caretrustreit.com/static-files/59257b62-98fd-4765-84a6-6f8e04c5f46e
2-22 Statement on sustainable development strategy	CSR, A Letter from our President & CEO
2-23 Policy commitments	2-21 Annual total compensation

GRI STANDARD	DISCLOSURE	LOCATION OR DIRECT RESPONSE	GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	10-K pg. F-4 - F- 36									
	2-24 Embedding policy commitments	ESG Policy https://investor.caretrustreit.com/static-files/d5455277-2b68-4eb0-9287-14c1b894398c CSR, Ethics												
	2-25 Processes to remediate negative impacts	Code of Business Conduct & Ethics p. 5 https://investor.caretrustreit.com/static-files/616bcbb1-def9-4f43-827b-40cc3e76568e Corporate Governance Guidelines p. 5 https://investor.caretrustreit.com/static-files/c205dab0-fa73-4c25-9335-16726eb17c88 Policy on Human Capital p. 4 https://investor.caretrustreit.com/static-files/3beb14fd-24ad-426d-ae5a-9eb363f012a8 Policy on Human Rights & Responsibilities p. 5 https://investor.caretrustreit.com/static-files/dc9e16d5-0fa0-4a28-b8dc-2400f6aa2e82 Tenant Code of Conduct & Corporate Responsibility p. 6 https://investor.caretrustreit.com/static-files/04e8e4bd-36f6-4e74-8a89-ed72443f2600 Vendor Code of Conduct & Business Ethics p. 1 https://investor.caretrustreit.com/static-files/89b98f60-6e8c-4720-b2d7-fc07bd0e6fe7 ESG Policy p.7-8 https://investor.caretrustreit.com/static-files/d5455277-2b68-4eb0-9287-14c1b894398c		201-2 Financial implications and other risks and opportunities due to climate change	10K p. 23									
				201-3 Defined benefit plan obligations and other retirement plans	Proxy Statement p. 31 https://investor.caretrustreit.com/static-files/59257b62-98fd-4765-84a6-6f8e04c5f46e CSR, Benefits									
			GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	ESG Policy https://investor.caretrustreit.com/static-files/d5455277-2b68-4eb0-9287-14c1b894398c Code of Business Conduct & Ethics https://investor.caretrustreit.com/static-files/616bcbb1-def9-4f43-827b-40cc3e76568e Vendor Code of Conduct https://investor.caretrustreit.com/static-files/89b98f60-6e8c-4720-b2d7-fc07bd0e6fe7									
				205-3 Confirmed incidents of corruption and actions taken	There were no significant incidents of corruption.									
	2-26 Mechanisms for seeking advice and raising concerns	Code of Business Conduct & Ethics p.5 https://investor.caretrustreit.com/static-files/616bcbb1-def9-4f43-827b-40cc3e76568e	GRI 302: Energy 2016	302-2 Energy consumption outside of the organization	<table border="1"> <thead> <tr> <th>Consumption for 50 Assets: 2021</th> <th>Metric</th> <th>Data Coverage (Square Footage)</th> </tr> </thead> <tbody> <tr> <td>Natural Gas</td> <td>kBTU</td> <td>2,696,497.83</td> </tr> <tr> <td>Purchased Electricity</td> <td>KWh</td> <td>2,696,497.83</td> </tr> </tbody> </table> <p>The data represents energy consumption outside of the organization from the 50 downstream leased properties tracked during the year 2021. The energy data was provided from our third-party data management partner. 56% of the tracked properties had 80% or more data coverage with 5-10% data estimate, and the remaining 44% was estimated based on energy intensity per square foot. As a part of our on-going data strategy we are working to decrease data estimation and increase data coverage across tracked properties.</p>	Consumption for 50 Assets: 2021	Metric	Data Coverage (Square Footage)	Natural Gas	kBTU	2,696,497.83	Purchased Electricity	KWh	2,696,497.83
Consumption for 50 Assets: 2021	Metric	Data Coverage (Square Footage)												
Natural Gas	kBTU	2,696,497.83												
Purchased Electricity	KWh	2,696,497.83												
	2-27 Compliance with laws and regulations	There were no significant instances of non-compliance with laws and regulations during the reporting period.		302-3 Energy intensity	<p>Energy Intensity: 2021</p> <table border="1"> <thead> <tr> <th>kWh per sq. ft</th> <th>11.07237902</th> </tr> </thead> <tbody> <tr> <td>kBTU per sq. ft</td> <td>38.13367308</td> </tr> </tbody> </table> <p>The estimated energy intensity represents the 50 properties we tracked in the year 2021. See 302-2 for data estimation calculations.</p>	kWh per sq. ft	11.07237902	kBTU per sq. ft	38.13367308					
kWh per sq. ft	11.07237902													
kBTU per sq. ft	38.13367308													
	2-28 Membership associations	CareTrust REIT is a member of NAREIT.												
	2-29 Approach to stakeholder engagement	CSR, Stakeholder Engagement ESG Policy pg.3-4 https://investor.caretrustreit.com/static-files/d5455277-2b68-4eb0-9287-14c1b894398c												
	2-30 Collective bargaining agreements	10-K p.14 https://investor.caretrustreit.com/static-files/c15b0f6d-c754-430e-92de-0fcf999093bd												
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESG Policy pg.3-4 https://investor.caretrustreit.com/static-files/d5455277-2b68-4eb0-9287-14c1b894398c	GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	<table border="1"> <thead> <tr> <th>Total Scope 3 GHG Emissions: Electricity & Natural Gas</th> </tr> </thead> <tbody> <tr> <td>12815.12 mtc02e</td> </tr> <tr> <td>37% data estimation</td> </tr> </tbody> </table> <p>We generate revenues primarily by leasing healthcare-related properties to healthcare operators in triple-net lease arrangements, under which the tenant is solely responsible for the costs related to the property. The Scope 3 Emissions reported are for downstream leased properties owned during the reporting year of 2021. 37% of the data for the 50 properties was estimated by applying the same calculation as in 302-2 and the ghg emissions were attributed to the total consumption, utilizing the eGRID factors per property location.</p>	Total Scope 3 GHG Emissions: Electricity & Natural Gas	12815.12 mtc02e	37% data estimation						
Total Scope 3 GHG Emissions: Electricity & Natural Gas														
12815.12 mtc02e														
37% data estimation														
	3-2 List of material topics	CSR, About this Report												
	3-3 Management of material topics	CSR, Entire Document												

GRI STANDARD	DISCLOSURE	LOCATION OR DIRECT RESPONSE
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	10-K p.14 https://investor.caretrustreit.com/static-files/c15b0f6d-c754-430e-92de-0fcf999093bd
	401-3 Parental leave	No employees took maternity leave, and no males or females brought a newborn or adopted a child into their family.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Policy on Human Rights & Responsibilities https://investor.caretrustreit.com/static-files/dc9e16d5-0fa0-4a28-b8dc-2400f6aa2e82 Policy on Human Capital, Health and Safety p. 3 https://investor.caretrustreit.com/static-files/dc9e16d5-0fa0-4a28-b8dc-2400f6aa2e82
	403-3 Occupational health services	CSR, Team CareTrust Health and Fitness Program
	403-4 Worker participation, consultation, and communication on occupational health and safety	Policy on Human Capital, Employee Engagement p. 3
	403-6 Promotion of worker health	CSR, Team CareTrust Health and Fitness Program
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	"Policy on Human Rights & Responsibilities https://investor.caretrustreit.com/static-files/dc9e16d5-0fa0-4a28-b8dc-2400f6aa2e82 Tenant Code of Conduct & Corporate Responsibility https://investor.caretrustreit.com/static-files/04e8e4bd-36f6-4e74-8a89-ed72443f2600 Vendor Code of Conduct & Business Ethics https://investor.caretrustreit.com/static-files/89b98f60-6e8c-4720-b2d7-fc07bd0e6fe7 "
	403-8 Workers covered by an occupational health and safety management system	Pertains to 100% of our employees.
	403-9 Work-related injuries	None
	403-10 Work-related ill health	None
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	CSR, Training and Education
	404-3 Percentage of employees receiving regular performance and career development reviews	100%

GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Board of Directors
		Gender
		Female Male
		3 2
		Ethnicity - Board of Directors
		Caucasian/White African American
		4 1
		Employees
		Gender
		Female Male
		3 12
		Ethnicity - Employees
		Caucasian/White Asian
		14 1
		Age Groups
		Under 30 years old 30-50 years old Over 50 years old
		0 3 2
		Age Groups
		Under 30 years old 30-50 years old Over 50 years old
		1 13 1

GRI 418: Customer Privacy 2016

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

There have been no substantiated complaints concerning breaches of customer privacy or losses of customer data.



For more information, please contact Jason Rodgers, the
Chairman of our ESG Committee, at jrodgers@caretrustreit.com.