

CareTrust Announces Environmental Benchmarking Progress and Operational Improvements with Annual Sustainability Report

2022-10-18

Second installment of the company's ESG public report aligns to GRI Standards and shows commitment to uphold high standards and track impact for all stakeholders

SAN CLEMENTE, Calif.--(BUSINESS WIRE)-- CareTrust REIT, Inc. (NYSE: CTRE) today announced details of progress the company made through its Environmental, Social, and Governance (ESG) initiatives in its second annual Corporate Social Responsibility report. The report highlights the CareTrust Tenant ESG Program – the first of its kind for the specific type of fully triple-net master leases the company enters into with tenant-operators who have complete control over the operations, maintenance, and capital improvements at properties. The report demonstrates the company's commitment to measuring impacts on its local communities, people, environment and the broader economy.

“As this is our second annual report, we are in the formative stage of collecting data and establishing baselines upon which we will measure progress for years to come,” said Dave Sedgwick, President and CEO of CareTrust REIT, Inc. “While we manage against unique constraints given the triple-net lease agreements with tenants, we strive to collaborate with our operators on their capital improvement decisions. We remain committed to finding innovative ways to promote, educate, and incentivize our operators to make the most sustainable choices for the facilities as they upgrade, remodel, or redevelop.”

The report shows the company executed on its stated plans from the inaugural report, 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

"In this report, we show progress in sustainable development through investments at our facilities, and that is important to shareholders. But we also are helping create value for operators and making possible their important work in skilled nursing, senior housing, and behavioral health communities," said Sedgwick. "Independent living, assisted living, memory care, skilled nursing, and behavioral healthcare — that work has never been more important than today and we remain committed to investing in these sectors to improve the quality of life of employees and patients."

Operators at CareTrust facilities are able to participate in various ESG initiatives that strengthen their day-to-day operations while improving working conditions for staff and upholding higher standards in care for patients and residents. CareTrust relies exclusively on triple-net master leases and capital expenditures funded for properties which make the initiatives possible. CareTrust is not considered a Seniors Housing Operating Portfolio (SHOP) nor designed under the REIT Investment Diversification and Empowerment Act (RIDEA) model—making its ESG Program unique, innovative, and optimized to reduce risk while maximizing improvements for its tenant-operators who embrace the program's principles and objectives.

The Annual Corporate Social Responsibility report correlates to Global Reporting Initiative (GRI) Core Standards outlined at [globalreporting.org](https://www.globalreporting.org). The report and additional policies, disclosures and information about the Company's ESG initiatives are organized in the investors section at [caretrustreit.com](https://www.caretrustreit.com).

About CareTrust REIT, Inc.

CareTrust REIT, Inc. is a self-administered, publicly traded real estate investment trust engaged in the ownership, acquisition, development and leasing of skilled nursing, seniors housing and other healthcare-related properties. With a nationwide portfolio of long-term net-leased properties, and a growing portfolio of quality operators leasing them, CareTrust REIT is pursuing both external and organic growth opportunities across the United States. More information about CareTrust REIT is available at www.caretrustreit.com.

CareTrust REIT, Inc.

(949) 542-3130

<https://www.caretrustreit.com/contact/>

Source: CareTrust REIT, Inc.