

## Disclosure & Insider Trading Policy

### Background

Securities legislation and the rules of the stock exchange on which securities of Sienna Senior Living Inc. (the “**Company**”) are listed impose various requirements on the Company, its subsidiary entities and affiliates, their respective directors, officers, and employees, and other persons in similar relationships with the Company, its subsidiary entities, and affiliates (collectively, “**Sienna Personnel**”) that are intended to ensure that:

- individuals in a “special relationship”, as defined in applicable securities legislation, with the Company, its subsidiary entities, and affiliates (the “**Sienna Group**”) do not trade in the securities of the Company or any other issuer when they are in possession of material, non-public information about the Company or such other issuer;
- those individuals do not pass on or “tip” that information to others; and
- more generally, there is no “selective disclosure” of material information, with the result that it is accessible to some market participants but not others.

This Policy is intended to help to ensure that the Sienna Group and Sienna Personnel comply with these requirements by setting out procedures and guidelines to:

- deal with confidential information on a day-to-day basis;
- ensure that communications to the investing public about the Company are (i) timely, factual and accurate, and (ii) broadly disseminated in accordance with all applicable legal and regulatory requirements; and
- provide Sienna Personnel with guidelines regarding trading in securities of the Company.

The consequences of improper disclosure, trading, or tipping (or suspicion of any of those activities) are serious, both for the individual involved and the Company. Breach of applicable laws and regulations may involve both civil and criminal penalties, and the monetary and reputational cost of an actual or suspected breach may be significant.

This Policy is to be made available to all Sienna Personnel upon its adoption and to all new Sienna Personnel in a senior management role (at or above the Executive Director/General Manager level) or those deemed to be insiders, at the start of their employment or other relationship with the Sienna Group. Sienna Personnel meeting the following criteria are deemed to be insiders for the purposes of this Policy:

- (a) a director or an officer (including executive director/general manager) of the Company,
- (b) a director or an officer (including executive director/general manager) of a person or company that is itself an insider or a subsidiary of the Company,
- (c) a person or company that has: (i) beneficial ownership of, or control or direction over, directly or indirectly, or (ii) a combination of beneficial ownership of, and control or direction over, directly or indirectly, securities of the Company carrying more than 10 percent of the voting rights attached to all the Company's outstanding voting securities.

Note that a person may also be considered an insider under law if he or she performs functions similar to that of an officer but does not strictly carry that title, or if he or she (i) in the ordinary course receives or has access to information as to material facts or material changes concerning the Company before they are generally disclosed to the public, or (ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital, or development of the Company.

Sienna Personnel are responsible for ensuring compliance with this Policy by their families and other members of their households and entities over which they exercise voting or investment control.

The Company may change this Policy and the procedures that it contemplates as may be necessary to carry out the purposes of this Policy and applicable legal requirements. This Policy will be posted on the Company's internal website. Any individual who violates this Policy may face disciplinary action up to and including immediate termination of employment. The violation of this Policy may also violate certain securities laws, which could expose directors, officers, or employees to personal liability. If it appears that an individual may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to fines or other penalties.

Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built and is critical to the Company's reputation and continued success. All Sienna Personnel must respect and obey the laws of the various jurisdictions in which the Sienna Entities operate and avoid even the appearance of impropriety. Although not all Sienna Personnel are expected to know the details of these laws, it is important to know enough to determine when to seek advice from executive members or other appropriate personnel. The Chief Executive Officer and the Executive Vice President & General Counsel, Legal of the Company are available to assist Sienna Personnel in determining applicable legal requirements and to seek the advice of external legal counsel where appropriate.

# Part I

## Procedures and Guidelines Governing Confidentiality

### Principles of Confidentiality

The protection of confidentiality is vital to the operations and affairs of the Sienna Group. Securities legislation expressly prohibits Sienna Personnel from disclosing material, non-public information concerning (i) the Sienna Group, or (ii) any other company in respect of which Sienna Personnel may receive material, non-public information (“**Close Companies**”), to any person except in the necessary course of business.

Because it may be difficult to determine what information is confidential, all information received by and relating to the Sienna Group (as well as information learned about others while acting on behalf of the Sienna Group) should be treated as if it were confidential. As a general guideline, Sienna Personnel should not discuss the affairs of the Sienna Group or Close Companies with, or make information about the Sienna Group or Close Companies available to, outsiders. Except as contemplated in this Policy, no Sienna Personnel should disclose any confidential information or material, non-public information unless that disclosure is required as part of his or her regular duties. Where that information is to be disclosed to third parties, the Sienna Group may want to take specific steps to preserve the confidentiality of the information, including requiring the recipient of the information to sign an appropriate form of confidentiality agreement. All inquiries from outsiders regarding confidential or material, non-public information about the Sienna Group should be referred to the disclosure committee of the Company (the “**Disclosure Committee**”), which will arrange a response.

No Sienna Personnel should provide trading advice of any kind about the Sienna Group to anyone, in particular while possessing material, non-public information about the Sienna Group, except that Sienna Personnel should advise others not to trade in securities of the Company if that trading might violate applicable laws or regulations or this Policy.

### Guidelines for Maintaining Confidentiality

General Guidelines. To protect the confidentiality of information, the following general guidelines should be followed on all matters. More stringent measures may be adopted for particularly sensitive matters at the discretion of the responsible individual:

- only those third parties that clearly have been authorized should be provided with confidential information;
- confidential information should not be discussed in public places such as elevators, hallways, restaurants, health clubs, taxis, or the subway;
- documents containing confidential information should not be read, discarded, or carried in public places in a manner that others also might read them;
- documents containing confidential information should not be left unattended in public places, such as meeting rooms, reception areas, or washrooms;
- persons from outside the Sienna Group should not be allowed to use or be in an area unattended where documents containing confidential information might be read by them;
- persons from outside the Sienna Group should not be told whether a “trading

blackout period” has been designated under this Policy;

- shredding boxes should be used for the disposal of all non-public documents.

## **Special Measures**

While judgement and care should be exercised at all times, the individual responsible for a particularly sensitive matter should consider whether other steps would be appropriate to minimize the risk of the confidentiality of information being compromised. Those steps might include:

- restricting access to the information within the Sienna Group;
- marking all envelopes or packages containing sensitive materials as confidential and for opening by the addressee only;
- securing or coding all communications that will be sent by fax or email;
- storing sensitive information on computers in a manner that limits the risk that unauthorized operators might gain access;
- logging-off computers when away from the terminal for any substantial period;
- not leaving laptops unattended in airports or other public places;
- omitting names of parties and other identifying information from preliminary drafts of documents for sensitive matters;
- holding of telephone and other conversations (and particularly those on speaker phones) regarding a confidential matter behind closed doors;
- assigning to any new confidential matter a code or other non-identifying name.

## Part II

# Procedures and Guidelines Governing Disclosure

### A. Disclosure Committee

The Disclosure Committee consists of the key executives of the Company, including representatives from finance, human resources, legal, tax and treasury. The Disclosure Committee may invite other Sienna Personnel, when deemed advisable, to assist in the discussion and consideration of its duties.

The Disclosure Committee is responsible for ensuring that all securities regulatory disclosure requirements are met and for overseeing the Company's disclosure practices. This responsibility includes the design, implementation, and regular evaluation of the Company's disclosure controls and procedures to ensure that information required to be disclosed in Company filings is made known to the Disclosure Committee and recorded, processed, summarized, and reported within the required time periods.

It is essential that the Disclosure Committee be kept fully apprised of all pending material developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information. The Disclosure Committee will identify appropriate sector and Company disclosure benchmarks for a preliminary assessment of materiality and timely disclosure, taking into consideration such factors as the nature of the information, historical volatility of the Company's securities, and prevailing market conditions. Guided by these benchmarks, the Disclosure Committee will use experience and judgment to determine the timing for public release of material information.

### B. Material Information

For the purposes of this Policy, "material information" means any information relating to the business and affairs of the Company that would reasonably be expected to result in a significant change in the market price or value of the Company's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions. Material information consists of both material facts and material changes relating to the Company's business and affairs.

While it is not possible to identify all information that would be considered to be "material", the following developments would ordinarily be considered by the Toronto Stock Exchange (the "TSX") to be material:

- changes in the ownership of securities that may affect control of the Company;
- changes in corporate structure, such as reorganizations, amalgamations, etc.;
- take-over bids or issuer bids;
- major corporate acquisitions or dispositions;
- changes in capital structure;
- borrowing of a significant amount of funds;
- public or private sale of additional securities;
- entering into or loss of significant contracts;
- firm evidence of significant increases or decreases in near-term earnings prospects;
- changes in capital investment plans or corporate objectives;

- significant changes in management;
- significant litigation;
- major labour disputes or disputes with major contractors or suppliers;
- events of default under financing or other agreements; and
- any other developments relating to the business and affairs of the Company that would reasonably be expected to significantly affect the market price or value of any of the Company's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions.

## **C. Disclosure Principles**

In complying with the requirement to immediately disclose all material information under applicable laws and stock exchange rules, the Company will adhere to the following basic disclosure principles:

- Material information will be publicly disclosed immediately via news release.
- Disclosure must include any information the omission of which would make the rest of the disclosure misleading.
- Unfavourable material information must be disclosed as promptly and completely as favourable information.
- The materiality of information cannot be altered by breaking down the information into smaller, non-material components.
- There must be no selective disclosure. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an investor meeting or during a telephone conversation with an analyst). If previously undisclosed material information is inadvertently disclosed, this information must be broadly disclosed immediately via news release.
- Disclosure should be consistent among all audiences, including the investment community, the media, customers, and employees. For clarity, material information must not be disclosed to the Company's employees prior to the dissemination and filing of a disclosure news release.
- Derivative information (information extracted from a document filed on behalf of another person or company), which is included in a document or oral statement, should reference the document that was the source of the information.
- Disclosure of material information at an analyst or shareholder meeting, a press conference or conference call, on the Company's website, or via social networking sites, must be preceded by a news release.
- Disclosure must be corrected immediately if the Company subsequently learns that earlier disclosure contained a material error at the time it was given.

## **D. Rumours**

The Company does not comment, affirmatively or negatively, on rumours. This policy also applies to rumours on the Internet, including social networking sites. The Company's spokespersons will respond consistently to any rumours, saying, "It is our policy not to comment on market rumours or speculation," and, if relevant, refer the person to the Company's public disclosure documents which raise material issues regarding the Company's financial statements or accounting policies.

Should market surveillance request that the Company make a definitive statement in response to a market rumour that is causing significant volatility in the stock, at least two members of the Disclosure Committee, one of whom must be the Chief Executive Officer, will consider the matter and decide whether to make a policy exception. If the rumour is true in whole or in part, the rumour might be evidence of a leak, and the Company will immediately issue a news release disclosing the relevant material information.

## **E. Disclosure Procedures**

### **Approval of Disclosure**

All written and oral disclosure, including news releases, should be approved before public disclosure by at least two members of the Disclosure Committee, one of whom must be the Chief Executive Officer. In exceptional circumstances, the Chief Executive Officer or the Chief Financial Officer may approve press releases for issuance where other Disclosure Committee members are unavailable and immediate release is required to comply with securities legislation, rules, and regulation. The Board of Directors of the Company (the "Board") should review and approve, before public disclosure, all substantive materials filed with securities regulators other than press releases. The Board should be provided with all material, non-routine press releases in advance of their issuance. The Audit Committee should review and recommend for approval by the Board, before public disclosure, financial statements, Management's Discussion and Analysis, earnings press releases, and any other disclosure derived from the financial statements. Financial results will be publicly released promptly following approval by the Board.

### **Company Spokespersons**

The Chief Executive Officer or a designate will appoint Sienna Personnel (spokespersons) who are responsible for communication with the investment community, regulators, the media, and the public. Individuals who are not authorized spokespersons must not respond under any circumstances to inquiries from a stock exchange or other securities regulatory authority, the investment community, the media, or others, unless specifically asked to do so by an authorized spokesperson.

### **News Release Procedures**

Once the Disclosure Committee or a subcommittee thereof, including the Chief Executive Officer, determines that a development is material, it will authorize the issuance of a news release. Should a material statement inadvertently be made in a selective forum, the Company will immediately issue a news release to fully disclose that information. If the inadvertent disclosure occurs during business hours, the Company must call the Market Surveillance division of the TSX to discuss and/or request a halt in trading while the news release is written. News releases will be disseminated through a newswire service that provides simultaneous national distribution. Full-text news releases will be transmitted to all stock exchange members, relevant regulatory bodies, major business wires, and national financial media. News releases will be posted on the Company's website after confirmation of dissemination over the newswire (see "Electronic Communications" below). If the subject of a news release is a material change (as defined under Canadian securities laws) for the Company, a material change report will also be filed with applicable securities regulators within ten (10) days of the issue of the news release.

## **TSX Notification**

When the TSX is open for trading, prior notice of a press release announcing material information must be provided to the Market Surveillance Division of the TSX, which will determine if a halt in trading is necessary to provide time for the market to digest the news. If a press release announcing material information is issued outside of trading hours, Market Surveillance at the TSX should be notified before the market opens.

## **F. Electronic Communications**

### **General**

This Policy also applies to electronic communications. Accordingly, a member of the Disclosure Committee is responsible for ensuring that postings on the Company's website are reviewed and approved and that such disclosure is accurate, complete, up-to-date, and in compliance with relevant securities laws. Posting information on the Company's website or disseminating it through social media networks (for example blogs, Twitter, YouTube, Facebook, or LinkedIn) does not constitute adequate disclosure of information that is considered material non-public information. Any such postings will be preceded by the issuance of a news release. Only public information or information that could otherwise be disclosed in accordance with this Policy shall be used to respond to electronic inquiries.

### **Use of the Company's Website**

All continuous disclosure documents will be provided in the Investor Relations section of the Company's website. All information posted, including text and audiovisual material, will show the date the material was issued. The Company will ensure that all links from the Company website to third party websites are approved by a member of the Disclosure Committee. All third party links will open in a new browser window to emphasize that the user has left the Company's website.

## **G. Dealing with the Investment Community**

The Company recognizes that meetings with analysts and significant investors are an important element of its investor relations program. Face-to-face meetings help to build goodwill and can be essential for the investment community to assess the quality of senior management.

Spokespersons may meet with analysts and investors individually or in small groups and will initiate contacts or respond to analyst and investor calls in a timely, consistent, and accurate fashion in accordance with this Policy. All analysts will receive fair treatment regardless of whether they are currently recommending buying or selling the Company's securities.

Care must be taken that material information is not inadvertently disclosed in PowerPoint™ or other visual and printed materials that may be used or distributed at meetings. The Company will provide only non-material information through individual and group meetings, in addition to previously publicly disclosed information, recognizing that an analyst or investor might construct this information into a mosaic that could result in material information.

The Company will make available to individual investors or reporters the same sort of detailed, non-material information that it has provided to analysts and institutional investors and may facilitate such access by posting this information on its website. Where presentations or other materials are used and posted on

the Company's website, they will be dated and the Company will routinely archive or remove outdated materials.

Spokespersons will keep notes of any non-routine telephone conversations with analysts and investors and when practicable more than one Company representative, including the Chief Executive Officer, should be present at all individual and group meetings. A debriefing will be held after these meetings and if it is determined that previously undisclosed material information has been selectively disclosed, the Company will take steps to immediately disclose the information broadly via news release.

## **Quiet Periods**

To avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Company will observe quiet periods prior to quarterly and year-end earnings announcements or as a result of special circumstances relating to the Company (such as when the Company is negotiating a major corporate acquisition). Regular quiet periods shall be observed from the close of business on the last day of the month of the fiscal quarter, or year, as applicable, until one (1) business day following the Company's widespread public release of quarterly or year-end operating results. During the quiet period, no Sienna Personnel may discuss or comment to outsiders on the status of the most recent quarter or year's operations or their expected results or make any comments to outsiders as to whether the Company will meet, exceed or fall short of any earnings estimates made. The Company recognizes that meetings with analysts and significant investors are an important element of the Company's investor relations program. The Company does not have to stop all communications with analysts or investors during the quiet period as long as material information which has not been publicly disclosed is not selectively disclosed. Further, all Sienna Personnel who receive requests for undisclosed information should refer such requests to the Chief Executive Officer and/or the Chief Financial Officer and/or the Executive Vice President, Corporate Affairs & Marketing and avoid answering any questions about the Company.

## **Conference Calls**

Conference calls will be held for quarterly earnings and for major corporate developments as determined by the Disclosure Committee. All conference calls will be accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the Internet. The call will be preceded by a news release containing all relevant material information. At the beginning of the call, a Company spokesperson will provide appropriate cautionary language regarding any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities, and a full discussion of the risks and uncertainties applicable to the news. The Company will provide advance notice of the conference call and webcast by issuing a news release announcing the date, time, and topic, as well as information on how interested parties can access the call and webcast. These details will be provided on the Company's website. In addition, the Company might send invitations to analysts, institutional investors, the media, and others. Any non-material supplemental information provided to participants will also be posted to the website for others to view. No material undisclosed information will be discussed on the conference call. The Disclosure Committee will hold a debriefing meeting after the conference call and if it determines that selective disclosure of previously undisclosed material information or misleading disclosure has occurred, the Company will immediately disclose or correct the information broadly via news release.

## **Reviewing Analyst Reports and Financial Models**

Upon request, the Company may review analysts' draft research reports or financial models for factual accuracy based on publicly disclosed information. The Company will not confirm or attempt to influence an analyst's opinions or conclusions and will not express comfort or discomfort with the analyst's financial model and earnings estimates. To avoid appearing to endorse an analyst's report or model, the Company will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed strictly for factual accuracy.

## **Limits on Distributing Analyst Reports**

Analyst reports are proprietary products of the analyst's firm. Distributing, referring to, or providing links to analyst reports might be viewed as an endorsement by the Company. For these reasons, the Company will not provide analyst reports through any means to persons outside of the Company or generally to employees, including posting such reports on its website. Notwithstanding the foregoing, the Company may distribute analyst reports to its directors and senior officers to assist them in monitoring the effectiveness of the Company's communications, in understanding how the marketplace values the Company and its competitors, and how corporate developments affect the analysis. Analyst reports may also be provided to the Company's financial and professional advisors in the necessary course of business. The Company may post on its website a listing of the investment firms and analysts who provide research coverage on the Company. If provided, this list must be a complete listing, regardless of the recommendation, and will not include links to the analysts' or any other third party websites or publications.

## **Shareholder Interaction with the Board**

Generally, it is management's responsibility to communicate with shareholders. However, if shareholders want to communicate directly with the board about non-trivial concerns, the Company will facilitate access. Appropriate topics for Board/shareholder dialogue include shareholder proposals, governance philosophy, board policies and procedures, business strategy, whistleblower issues, executive and director compensation, and fundamental business decisions like mergers, acquisitions, divestitures, and capitalization issues. To guard against selective disclosure, directors should be familiar with this Policy, briefed on the Company's public disclosure record, and given guidelines on what constitutes materiality.

## **Presentations by Employees**

Employees who are invited to make speeches or presentations about the Company to industry groups, at technical conferences, or other forums should receive the approval of at least two members of the Disclosure Committee, one of whom must be the Chief Executive Officer, before accepting such invitations. Presentation materials must not contain undisclosed financial and operational results, subject matter of a competitive or strategic nature, or information that could affect the Company's reputation or share price, and should be provided to at least two members of the Disclosure Committee, one of whom must be the Chief Executive Officer, for review and approval in advance of being presented.

## H. Forward Looking-Information

Should the Company elect or disclose forward-looking information in continuous disclosure documents, speeches, conference calls or otherwise, the following requirements must be met:

- the Company must have a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information;
- the information, if deemed material, must be broadly disseminated via news release, in accordance with this Policy;
- any document containing forward-looking information must contain, proximate to that information:
  - reasonable cautionary language identifying the forward-looking information as such, and identifying in very specific terms, relevant material risk factors and uncertainties that could cause actual results to differ materially from a conclusion, forecast, or projection in the forward-looking information;
  - a statement of the relevant material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information, including where appropriate a sensitivity analysis to indicate the extent to which different business conditions from the underlying assumptions may affect the actual outcome;
  - the Company's policy for updating forward-looking information, which is that the Company disclaims any intention or obligation to update or revise the forward-looking information, whether as a result of new information, future events, or otherwise, except as required by applicable law; and
  - a statement regarding the purpose of presenting the material, including cautionary language that the information may not be appropriate for other purposes;
- when making a public oral statement, the person must:
  - make a cautionary statement that the oral statement contains forward- looking information;
  - state that the actual results could differ materially from a conclusion, forecast, or projection in the forward-looking information;
  - state that certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information; and
  - state that additional information is contained in a readily-available document or in a portion of such a document and identify that document or that portion of the document.

## Part III

# Procedures and Guidelines Governing Trading and Reporting

### Definitions

Certain definitions used in this part of the Policy are included in Appendix A.

### Trading for Speculative Purposes

Sienna Personnel should not at any time actively “trade” in the securities of the Company (which include securities exchangeable into securities of the Company and related financial instruments). For this purpose, “trading” means purchasing or selling with the expectation of making profit on a short term rise or fall of the market price. To limit the possibility of any suspicion of improper trading, any purchase or sale of securities of the Company should only be made for investment, and not speculative, purposes.

Insiders are prohibited from:

- making short sales of securities of the Company except as set out below. A short sale is a sale of a security that the seller does not yet own or has not fully paid for. An Insider may, however, sell a security that the Insider does not yet own provided that: (i) the Insider declares to the dealer that the Insider does not own the security; and (ii) the Insider owns another security convertible into the security sold short or has an option or right to acquire the security sold short and, within ten (10) days of the sale, exercises the conversion privilege, option, or right and delivers the security to the purchaser or transfers the convertible security, option, or right to the purchaser; and
- purchasing a put option or selling a call option in respect of securities of the Company (for greater certainty, securities granted under the Company’s securities-based incentive award plans are not calls).

Furthermore, Insiders are prohibited from: (i) purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities of the Company granted as compensation or held, directly or indirectly, by them; and, if not captured in (i) of this paragraph, (ii) forward selling securities that may be delivered in the future upon the exercise or redemption of securities granted under the Company’s security-based incentive award plans, or otherwise monetizing such securities, where the interest of the Insider in such securities has not yet vested.

### Prohibited Activities and Blackout Periods

Under this heading, a “security” of a company includes: (i) a put, call, option or other right or obligation to purchase or sell securities, (ii) a security, the market price of which varies materially with the market price of the securities of the company, and (iii) a derivative that is related to the company’s securities because the derivative’s market price, value, delivery obligations, payment obligations, or settlement obligations are, in a material way, derived from, referenced to, or based on the market price, value, delivery obligations, payment obligations, or settlement obligations of the Company’s securities.

No Sienna Personnel having knowledge of material, non-public information concerning the Sienna Group or any Close Company should trade in any securities of the Company or any Close Company, as the case may be,

notwithstanding that there may be an independent, justifiable reason for the trade.

No Insider and no Sienna Personnel involved in the preparation of, or having actual knowledge of, material non-public financial or other information to be contained in the Company's quarterly or annual financial statements may trade securities of the Company during a "periodic blackout period". A "periodic blackout period" begins after the close of trading on the last day of each fiscal quarter and ends after the close of trading on the first full trading day following the quarterly or annual financial results being made public by news release.

No Sienna Personnel subject to a "special blackout period" may trade in securities of the Company during such "special blackout period". A "special blackout period" may be imposed from time to time by the Chief Financial Officer as a result of circumstances relating to the Company which could give rise to material information. The Chief Financial Officer will send an email to Sienna Personnel to whom the "special blackout period" will apply and will send a follow-up email advising such Sienna Personnel when the "special blackout period" has been lifted.

In addition to the foregoing restrictions, no Insider may trade in securities of the Company unless the Insider has received approval from the Chief Executive Officer or the Chief Financial Officer in a form substantially similar to the form attached as Appendix B. Any trades that have been approved must be completed within three (3) trading days (or such shorter period specified by the person approving the trade).

The chart below summarizes, and is intended to assist with interpreting, the prohibitions and restrictions set out above.

<b>Prohibition or Restriction</b>	<b>Sienna Personnel</b>	<b>Insiders</b>
Prohibited from trading while having knowledge of material non-public information	Yes	Yes
Prohibited from trading during "periodic blackout period"	Only Sienna Personnel involved in preparation of, or having knowledge of, material non-public information included in quarterly or annual financial statements.	Yes
Prohibited from trading during "special blackout period"	Only Sienna Personnel upon whom a "special blackout period" is imposed by the CFO	Only Insiders upon whom a "special blackout period" is imposed by the CFO
Prior-approval of trade from CEO or CFO required	No	Yes

The Company shall not grant securities-based incentive awards to Sienna Personnel during any "blackout periods" described above. In addition, Sienna Personnel must be mindful of the principles contained in this Policy before exercising, redeeming, or engaging in another transaction related to securities-based incentive awards in any of the circumstances described above.

## **Statutory or Regulatory Trading Restrictions**

The provisions of this Policy will be supplemented by any greater prohibitions or restrictions prescribed by any applicable laws, regulations, or other instruments. Any Sienna Personnel uncertain whether other prohibitions or restrictions apply should consult with the Company's Executive Vice President & General Counsel, Legal.

## **Insider Reporting**

Under Canadian securities laws, Reporting Insiders are required to disclose to applicable regulatory authorities the fact of becoming a Reporting Insider. Thereafter, a Reporting Insider is required to disclose any change in direct or indirect beneficial ownership of, or control or direction over securities and any change in any interest in, or right or obligation associated with, a related financial instrument. Reporting Insiders must file an insider report electronically through the "System for Electronic Disclosure by Insiders" ("SEDI"), usually within five (5) days after the trade occurs.

Reporting Insiders are solely responsible for filing their own insider reports through SEDI. Should any Reporting Insider have any questions regarding insider reporting obligations, the Reporting Insider is encouraged to contact the Executive Vice President & General Counsel, Legal.

## Part IV

### Potential Sanctions

#### Civil and Criminal Penalties

The consequences of improper trading or disclosure can be severe. Persons violating insider trading or tipping rules can be:

- accountable to the issuer of the securities traded for any benefit or advantage received as a result of the purchase, sale, or communication (i.e. any profit made or loss avoided);
- liable to compensate the seller or purchaser of the securities traded from damages as a result of the trade; and
- subject to criminal penalties with a minimum fine equal to the profit made or the loss avoided, and to a maximum fine equal to the greater of three times the profit made or loss avoided, and \$5,000,000, as well as a prison term of up to five years.

The Company may also be required to pay significant civil or criminal penalties and could, under certain circumstances, be subject to private lawsuits by contemporaneous traders for damages suffered as a result of illegal insider trading or tipping by persons under the Company's control.

#### Sienna Group Discipline

Violation of this Policy or applicable laws or stock exchange requirements by any Sienna Personnel may subject that person to disciplinary action by the Sienna Group, which could include termination for cause.

#### Reporting of Violations

Any Sienna Personnel who violate this Policy or any applicable laws, regulations, or stock exchange requirements, or knows of any such potential violation by any other Sienna Personnel, should report the violation immediately to the Chief Executive Officer, the Chief Financial Officer, or the Executive Vice President & General Counsel, Legal.

#### Cooperation with Authorities

It is the Company's policy to cooperate with any authority that has jurisdiction and is investigating any trading in the Company's securities, any trading activities by Sienna Personnel, or alleged improper disclosure by the Company or any Sienna Personnel.

## **Part V**

### **Administration of the Policy**

#### **Responsible Officers**

The Disclosure Committee is responsible for overseeing the procedures and guidelines relating to timely and fair disclosure. In this context, the Disclosure Committee shall:

- administer and interpret this Policy and monitor compliance with its provisions;
- respond (or coordinate responses to) all inquiries relating to this Policy;
- ensure that copies of this Policy and other appropriate materials are made available to all current and new Sienna Personnel;
- administer, monitor, and enforce compliance with applicable laws and regulations of the applicable regulatory authorities as they relate to the disclosure of information by the Company;
- administer, monitor, and enforce compliance with applicable laws and regulations of the applicable regulatory authorities as they relate to the use of confidential information and trading in securities of the Company and securities of Close Companies;
- recommend revisions to this Policy as necessary to reflect changes in applicable laws and regulations; and
- maintain a list of the Reporting Insiders of the Company.

#### **Consult Disclosure Committee for Guidance**

Any Sienna Personnel who are unsure about the application or interpretation of this Policy to a specific situation (including whether the information that they possess is material or non-public) should consult a member of the Disclosure Committee.

## Appendix A

For the purposes of this Policy:

**“Insiders”** of the Company include:

- (a) a director or an officer (including executive director/general manager) of the Company,
- (b) a director or an officer (including executive director/general manager) of a person or company that is itself an insider or a subsidiary of the Company,
- (c) a person or company that has: (i) beneficial ownership of, or control or direction over, directly or indirectly, or (ii) a combination of beneficial ownership of, and control or direction over, directly or indirectly, securities of the Company carrying more than 10 per cent of the voting rights attached to all the Company’s outstanding voting securities (excluding, for the purpose of the calculation of the percentage held, any securities held by the person as underwriter in the course of a distribution).

*Note that a person may also be considered an insider under law if he or she performs functions similar to that of an officer but does not strictly carry that title, or if he or she (i) in the ordinary course receives or has access to information as to material facts or material changes concerning the Company before they are generally disclosed to the public, or (ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the Company.*

**“major subsidiary entity”** means a subsidiary entity of the Company if:

- (a) the assets of the subsidiary entity, as included in the Company’s most recent annual audited or interim balance sheet, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of financial position, are 30 percent or more of the consolidated assets of the Company reported on that balance sheet or statement of financial position, as the case may be, or
- (b) the revenue of the subsidiary entity, as included in the Company’s most recent annual audited or interim income statement, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of comprehensive income, is 30 percent or more of the consolidated revenue of the Company reported on that statement.

**“person”** includes:

- (a) an individual,
- (b) a corporation,
- (c) a partnership, trust fund, and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
- (d) an individual or other person in that person’s capacity as trustee, executor, administrator, or personal or other legal representative.

**“related financial instrument”** means an agreement, arrangement, or understanding to which a Reporting Insider is a party, the effect of which is to alter, directly or indirectly, the Reporting Insider’s economic interest in a security of the Company or economic exposure to the Company.

**“Reporting Insiders”** of the Company include:

- (a) the Chief Executive Officer, Chief Financial Officer, Chief Administrative Officer, Executive Vice Presidents, Senior Vice Presidents and the Executive Vice President & General Counsel, Legal of the Company, of a significant shareholder of the Company, or of a major subsidiary entity of the Company;
- (b) a director of the Company, of a significant shareholder of the Company, or of a major subsidiary entity of the Company;
- (c) a person responsible for a principal business unit, division, or function of the Company;
- (d) a significant shareholder of the Company;
- (e) a significant shareholder based on post-conversion beneficial ownership of the Company’s securities and the Chief Executive Officer, Chief Financial Officer and every director of the significant shareholder based on post-conversion beneficial ownership;
- (f) a management company that provides significant management or administrative services to the Company or a major subsidiary entity of the Company, every director of the management company, every Chief Executive Officer, Chief Financial Officer, and every significant shareholder of the management company;
- (g) an individual performing functions similar to the functions performed by any of the persons described in paragraphs (a) to (f);
- (h) the Company itself, if it has purchased, redeemed, or otherwise acquired a security of its own issue, for so long as it continues to hold that security; or
- (i) any other insider that
  - (i) in the ordinary course receives or has access to information as to material facts or material changes concerning the Company before the material facts or material changes are generally disclosed; and
  - (ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital, or development of the Company.

**“significant shareholder”** means a person who has beneficial ownership of, or control or direction over, whether direct or indirect, or a combination of beneficial ownership of, and control or direction over, whether direct or indirect, securities of another person (other than an individual) carrying more than 10 percent of the voting rights attached to all the other person’s outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person as underwriter in the course of a distribution.

**“subsidiary entity”** means a person (other than an individual) who is controlled directly or indirectly by another person (other than an individual) and includes a subsidiary entity of that subsidiary entity.

## Appendix B

### Sienna Senior Living Inc. Notice of Intention to Trade in Securities

I hereby notify you of my intention to execute the following transaction involving securities of Sienna Senior Living Inc. ("Sienna") and request approval of such transaction:

**Type of Transaction:**

Purchase       Sale       Other

If you selected "other" please explain:

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Number of securities to be traded: \_\_\_\_\_

I confirm that I am aware of the legal prohibitions against insider trading and confirm that I am not in possession of any material information related to Sienna or any of its operations which has not been disclosed to the public generally.

I understand that Sienna's Disclosure and Insider Trading Policy supplements, and does not replace, applicable insider trading laws. I understand that a violation of insider trading or tipping laws and regulations may subject me to severe civil and/or criminal penalties, and that violation of the terms of the Disclosure and Insider Trading Policy will subject me to discipline by Sienna, up to and including termination.

I understand that, notwithstanding any trading authorization granted upon approval of this form, I remain personally responsible for complying with the Disclosure and Insider Trading Policy, and applicable laws and regulations. I acknowledge that this authorization is valid for three (3) trading days from the date the proposed transaction is authorized by the Chief Executive Officer or Chief Financial Officer below, unless revoked prior to that time.

\_\_\_\_\_  
Name (Please Print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date