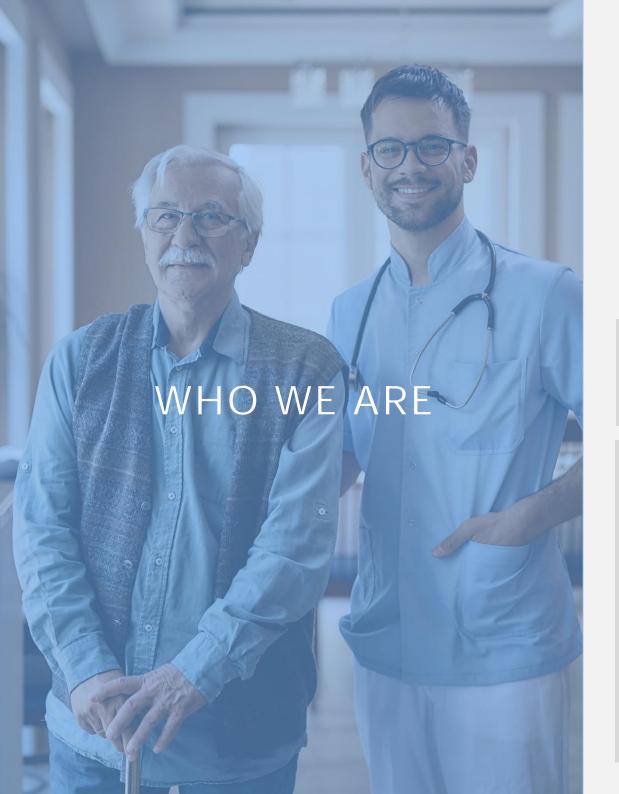


ABOUT THIS REPORT

This report covers the independent operating entities affiliated with The Ensign Group throughout the United States. All data provided is for the 2021 and 2022 calendar year, unless otherwise noted.

While we have worked diligently to ensure the accuracy of all the data presented here, and believe this report is a fair and transparent statement about our ESG performance, the data has not been audited or externally assured.

During this presentation we may reference operations in any or all of the skilled and assisted living operations and other businesses operated by our subsidiaries. Each such business is operated as a separate, wholly-owned independent operating subsidiary that has its own management, employees and assets. References in the presentation to the consolidated "Company" and "its" assets and activities, as well as the use of the terms "we," "us," "our," and similar verbiage are not meant to imply that The Ensign Group, Inc. has direct operating assets, employees or revenue, or that any of the operations, the Service Center, Standard Bearer Healthcare REIT, Inc., or the captive insurance subsidiary are operated by the same entity.



Since 1999, the independent operating subsidiaries of The Ensign Group (NASDAQ: ENSG) have provided a broad spectrum of skilled nursing and assisted living services, physical, occupational and speech therapies and other rehabilitative and healthcare services at multiple locations in Arizona, California, Colorado, Idaho, Iowa, Kansas, Nebraska, Nevada, South Carolina, Texas, Utah, Washington and Wisconsin.

271



30,000+



13

Business operations

Team members and partners

States that we operate in

Skilled nursing

We provide short and long-term nursing care services for patients with chronic conditions, prolonged illness, and the elderly. We use interdisciplinary teams of experienced medical professionals to provide services prescribed by physicians. These medical professionals provide individualized comprehensive nursing care to our short-stay and long-stay patients.

Senior living

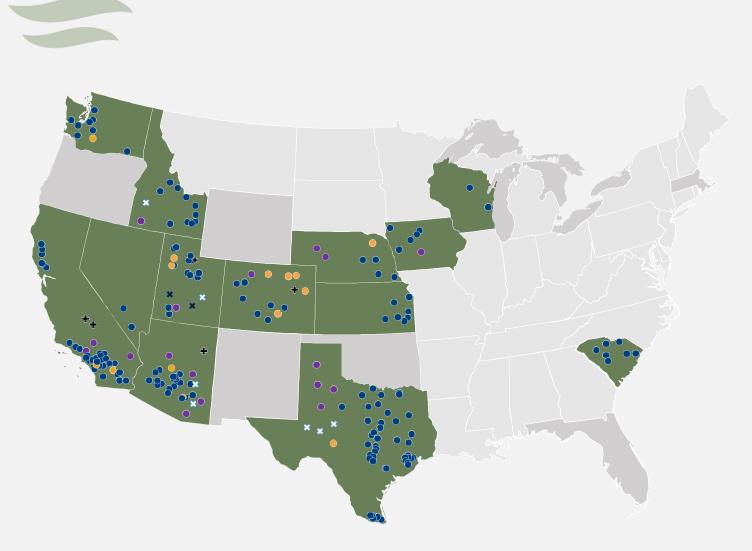
Whether you are looking to simplify your life in an independent living environment or need a little assistance with day-to-day tasks in our senior living, Ensign affiliated communities offer a range of lifestyle options so you can live the way you want to live.

Ancillary services

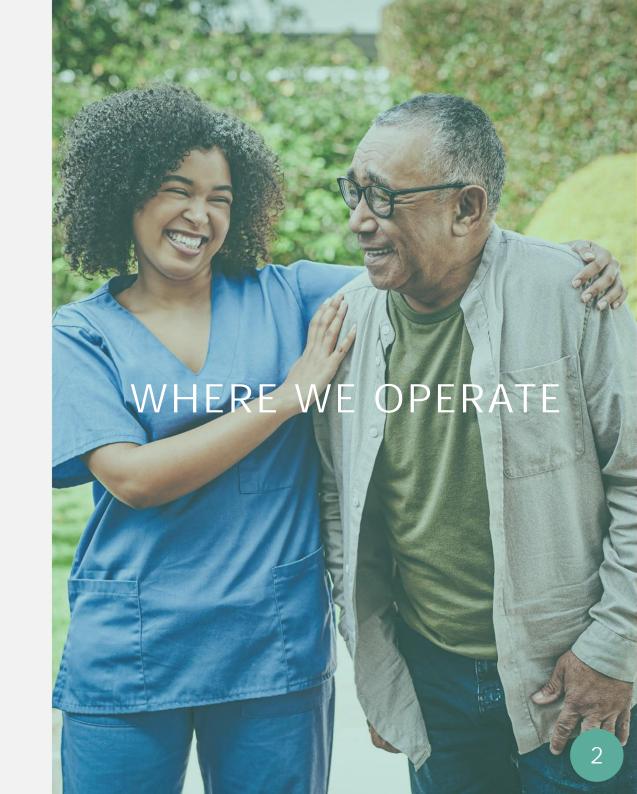
We have invested in and are exploring new business lines that are complementary to our existing skilled nursing services and senior living services. These new business lines consist of mobile diagnostics, dialysis and patient transportation to people in their home or at long-term care facilities.

Standard Bearer

Our captive real estate investment trust (REIT) owns and manages our real estate business. The REIT structure allows us to better demonstrated the growing value of our owned real estate and provides us with an efficient vehicle for future acquisitions.



234	Skilled Nursing Operations	•
11	Senior Living Operations	•
26	Campus Operations	•
5	Mobile Diagnostic	+
7	Medical Transport Companies	83
2	Dialysis	×



LETTER FROM OUR ESG COMMITTEE

Since 1999, our mission of *dignifying post-acute care in the eyes of the world through moments of truth* has permeated every aspect of our organization. We would not have been able to serve who we have served over the last 23 years without prioritizing social responsibility.

In 2022, we expanded our sustainability and people efforts by formalizing our Environmental, Social and Governance (ESG) Committee, which includes Ensign partners across a broad spectrum of departments, with oversight provided by the Board of Directors.

One of our most important ESG strategies is our core value of "Customer Second". Customer Second is our strong belief in "first who, then what." Partnering with and developing the right "who" is our passion. As we get that right, the "what" will follow. This focus spans the entire life cycle of our people, from how we attract them to how we hire and train them and ultimately how we onboard and develop them.

We see ourselves as a leadership company. Our success is entirely driven by attracting, developing and empowering local leaders to operate the highest quality post-acute care businesses in their respective markets. As they do so, they are able to recruit and hire teams of caregivers that are motivated to provide top-notch care to their patients. Since March of 2022, we have added over 2,250 employees have joined Ensign-affiliated operations.

We are always evaluating and executing on other initiatives within our ESG strategy which we believe will add value into the future.





Environment

Starting on page 6

HERITAGE PARK PROJECT

A multi-year efficiency project reduced carbon emissions and brought overall satisfaction to our residents.

See page 7 for details.

FOCUS ON IMPROVEMENTS

We have prioritized improvement efforts, both for our leased and owned properties, by focusing on projects around lighting retrofits, HVAC system upgrades, water system updates, solar projects and utility upgrades.

Social

Starting on page 9

EMERGENCY FUND

Grants made from our employee Emergency Fund surpassed \$10 million.

See page 19 for details.

We formed our ESG Committee which is chaired by Chad Keetch, our Chief Investment Officer.

Governance

Starting on page 21

ESG COMMITTEE

See page 23 for details.

DIVERISITY, EQUITY & INCLUSION

We established a Diversity, Equity & Inclusion (DEI) Committee which is chaired by Barry Port, our Chief Executive Officer.

See page 16 for details.

HUMAN RIGHTS POLICY

We established a human rights policy guided by international human rights principles.

See page 17 for details.

VENDOR CODE OF CONDUCT

In addition to our existing code of conduct, we created a vendor code of conduct.

See page 25 for details.

CYBERSECURITY

Continued board oversight of cybersecurity risks, monitoring fraud prevention programs.

See page 26 for details.

The operation of skilled nursing and senior living facilities requires a large number of highly skilled healthcare professionals and support staff. Our employees are the heart of the operations they serve and we are committed to their health, professional development and workplace satisfaction. Our core values guide us in our decision making and inspire us to be better people.

Our core values are our measures



Customer Second How we see people matters much more than what we say to them. We are a flat organization with the focus of empowering people to do the right thing.



Accountability Taking responsibility for results is the essence of accountability. We highlight peer accountability in our "cluster model", a core organizational structure in which a small group of peers huddles together to celebrate wins and fix shortfalls.



Passion for Learning We are a leadership development company where everyone has the opportunity to be a leader. We learn how to improve in our individual roles, we learn how our operations run so we can be better partners to them and we learn about our culture to enhance and achieve the mission of our organization.



Love One Another We do not see our people as objects, but as individuals who have needs, hopes, and dreams. We focus on caring for each other as a family.



Intelligent Risk Taking We have a field-driven model where the organization is not directed by a corporate office, but by each affiliated leader that are placed in the operations we serve. These leaders take measured and intelligent risks. Most companies aren't willing to take that risk. For our organization, it is a key element of what has created our success.



Celebration We celebrate by recognizing those individuals who are creating Moments of Truth for those we serve.



Ownership Ownership is a mentality and our team takes ownership in everything we do from solving problems to being resolute to owning the consequences of our actions.





ENVIRONMENT



Ensign affiliates have approximately \$70.0 million budgeted for renovation projects in 2022. Heritage Park Healthcare and Rehabilitative Services, a skilled nursing facility located in Roy, Utah, is an example of projects that are taking place across the organization.. The facility operates over 100 beds with laundry facilities, a kitchen and a daycare.

Built in 1960, this facility has changed ownership multiple times without any major upgrades to the infrastructure. After our acquisition in 2017, we began upgrading the facility with a focus on sustainability rather than short-sighted band-aids. While the savings generated are recognized, the most impactful effect of the projects according to the director and the residents, is the dramatic improvement to the environment and comfort of the building.

The Impact



LED Lighting



New exterior doors and R-60 Insulation on Resident Rooms



Geo-thermal coupled water-source variable refrigerant flow



Low-E Glass Windows



Automated controls system for HVAC



Other items such as demand control ventilation and other efficiency updates for boilers, pumps and heating





The Impact



Reduced carbon emissions by 354 metric tons per year



\$70,000 savings per year



ENERGY STAR Score increased by 71 points

7

FACILITY USAGE KEY METRICS

Electricity (kWh)

Propane (Therms)

Natural Gas

Water (kGal)

(Therms)

2022	2021	Change
709,691	732,134	-3.1%
20,293	20,232	0.0%
111	167	-33.5%
3,928	3,999	-1.8%

Amounts above are average annual usage by facility. We believe it is meaningful to look at the average data by facility due to our expansion activity. For example, from January 1, 2020 to December 31, 2021, we expanded our operations by 20 facilities.

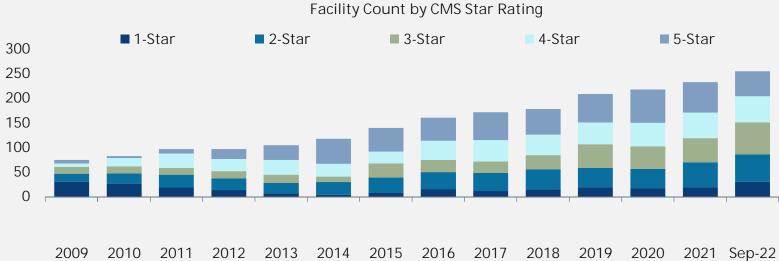


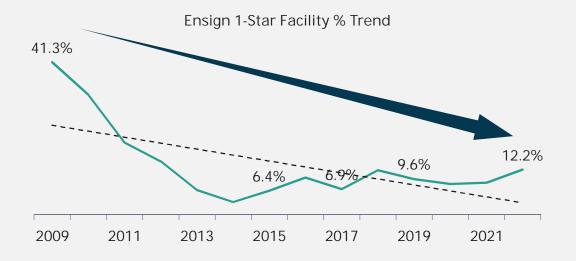
SOCIAL



FIVE-STAR QUALITY MEASURES RATING

The Five-Star Quality Measures Rating was created by the Centers for Medicare & Medicaid Services (CMS) to help consumers, their families and caregivers compare nursing homes. Nursing homes with 5 stars are considered to have higher than average quality and nursing homes with 1 star are considered to have below average quality. We believe that our top social responsibility priority is to provide the best quality care at our skilled nursing facilities. At the time of acquisition, the majority of our facilities have 1 and 2-Star ratings. CMS continues to increase quality measure thresholds, making it increasingly difficult to achieve upward and five-star ratings.





OUR COVID-19 EFFORTS

Our Ensign affiliates collaborated with Arizona and Utah's Departments of Health to create COVID-19 isolation alternate care units.

Through this collaboration, we were able to implement COVID-19 isolation alternate care units across 13 states.

Our executive team and resources from all across the country led efforts to secure and stockpile personal protective equipment (PPE) for our facilities.

We made the decision to return over \$258 million of CARES Act Provider Relief Fund and Medicare Advance Payment Program funds.

The pandemic led us to strengthening our existing collaborations between clinicians and therapists, and created strong partnerships with our hospitals and managed care partners.





OUR PEOPLE

Ensign employees have the privilege of serving 271 individually owned and operated post-acute care facilities. This partnership is unique, as it allows operators and teams to make local-level decisions based off of their specific needs and circumstances. This type of organizational structure is conducive to a network of siloed facilities, yet, this is not the case for Ensign affiliates. Remarkably, this expanding group of operations is connected through a nonhierarchical community. The operators maintain this connection through efforts such as meetings, bootcamps and other initiatives. This drive to connect with and support other affiliated operations contributes to a selfless and independent community that sets this organization apart from the rest.











FINDING AND HIRING

Potential future leaders go through an extensive process to discover if they are the right fit for this partnership. Local leaders and field resources interview the candidate, have the candidate shadow them in their operations, and even have them sit in on cluster and market meetings. Sometimes local leaders will have their department heads even interview the candidates. Once all leaders at the local level reach a consensus of the potential of the leader, that candidate is then sent to the Ensign Service Center where an entirely new group of leaders from affiliated entities then interview the candidate, as well as observe them in cluster debates. Extreme scrutiny is put on each potential leader knowing that getting the "who" right is the most important thing we do.

TRAINING AND DEVELOPMENT

Our future administrators go through a personalized CIT (CEO in-training) program in their market. They learn the regulations as they work in each department of the operation. They learn how to make decisions as they learn to own the results, department by department. They learn how to have one-on-one development discussions, handle problems and concerns and develop a strong culture within an operation. They learn how to develop expectations with their teams and hold them accountable to those expectations. They learn how to orchestrate the many resources that surround them and make decisions based on the data produced. They learn how to be CEOs of their own multi-million dollar operations.

On top of the CIT program, on a quarterly basis we hold week long "boot camps" for our CITs and new Directors of Nursing. For one week they get together in clusters from across the country and learn from other partners, service center leaders, and a wide array of expertise in many fields. They learn how to put that expertise into practice through role play, presentations, and other techniques. They learn anything from technical guidance on dealing with workers comp to developing trusting and functional teams.

Because finding and developing leaders is what we want to be the best in the world at, we have added a lot more leadership development opportunities for our current and future leaders. These include:

- Nursing Certified Assistant school
- Veteran boot camps
- Director of Rehabilitation in-training
- Accounting, Information Technology and other resource boot camps
- Culture trainings
- Raising the Leadership Standard Podcasts
- Market and Cluster Trainings and Summits
- Director of Nursing Training
- Preceptor Trainings
- Annual Meetings



NURSING CERTIFIED ASSISTANT SCHOOL PROGRAMS

Certain of our operations also provide nursing schools programs to help nursing aides grow in their career.



GROWTH

Our nursing certification programs are available at 96 facilities across five states. These programs allow our staff to develop the skills and experience to help them grow at our company and in their career.



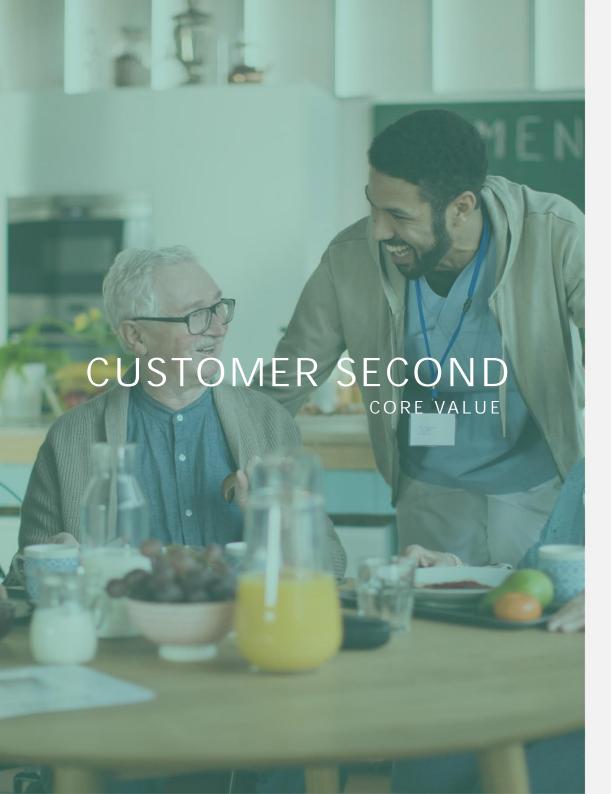
SKILLS

Participants in our programs are able to test for their Nursing Assistant and Medication Aide certifications.



GRADUATES

In 2022, we had over 256 graduates in our programs. These clinicians are an everyday part of our facilities.



EMPLOYEE ENGAGEMENT SURVEY

In 2022, we completed our employee engagement survey with a response rate of over 84%.



EMPLOYEE SATISFACTION

8 out of 10

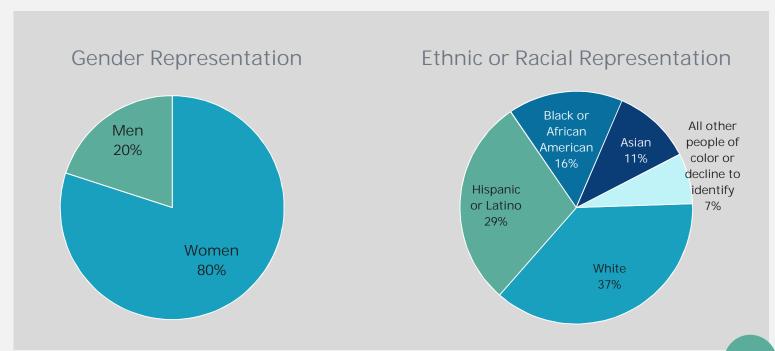
"At work, I am able to do what I do best every day."



DIVERSITY, EQUITY & INCLUSION

In 2022, we established our Diversity, Equity and Inclusion (DEI) Committee. The DEI Committee recognizes that diverse teams improve performance, drive growth and enhance engagement of employees and those they serve. A more inclusive, respectful and equitable workplace where employees and patients feel welcomed and supported reflects our core values of Customer Second and Love One Another. The recognition of the value of diversity, equity and inclusion supports the organizational mission to dignify long term care in the eyes of the world as we celebrate the rights of all individuals to be happy, healthy and confident. This organization thrives on Intelligent Risk Taking and making a visible commitment to diversity, equity and inclusion is the intelligent and right thing to do. During a time when the healthcare system has been ravaged by a global pandemic and healthcare workers are mentally and emotionally fatigued, implementing programs that enhance diversity, equity and inclusion provides an opportunity to nurture employee individuality, improve engagement and allow the organization to continue to accomplish its mission.

Our Chief Executive Officer serves as the Executive Sponsor and Chair of the DEI Committee. The DEI Committee includes multi-disciplinary committee members who will take responsibility to advance DE&I initiatives throughout the organization. The DEI Committee is charged with researching, developing, proposing ideas, and leading projects that will improve diversity, equity and inclusion in the organization and the communities it serves. Committee members will embody and be an example of diversity and represent the employees and patient base they serve.



HUMAN RIGHTS POLICY

In 2022, we created The Ensign Group, Inc. Human Rights Policy.

This policy is guided by international human rights principles contained in the Universal Declaration of Human Rights, including those expressed within the International Bill of Rights and the International Labor Organization's 1998 Declaration on Fundamental Principles and Rights at Work. The policy focuses on the following:

Respect for Human Rights

Community Engagement

Diversity, Equity and Inclusion

Freedom of Association and Collective Bargaining

Workplace Health and Safety

Workplace Security

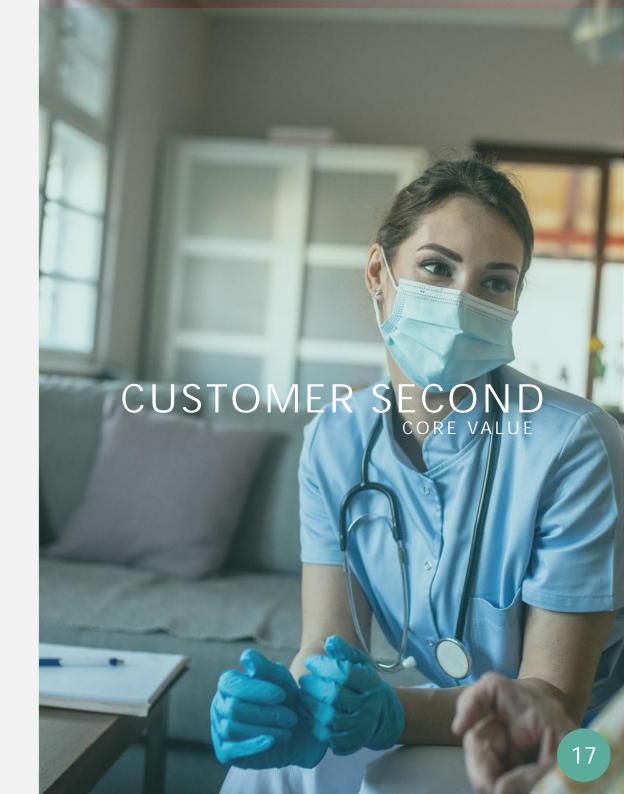
Forced Labor and Human Trafficking

Child Labor

Work Hours, Wages and Benefits

Guidance for Employees

Compliance Hotline



MOMENTS OF TRUTH

A moment of truth is an everyday situation which is met with out-of-the-ordinary service that surpasses all reasonable expectations. We seek and strive to capture these moments of truth as they are presented through the activities of our affiliates and their employees. After all, our mission statement is this:

"Through moments of truth, we will dignify post-acute care in the eyes of the world."

Maggie Brown is a nurse that has worked for Draper Rehabilitation and Care Center for more than three years. She is a wonderful nurse who always takes time to provide excellent care to residents and their families.

We have a resident that has severe developmental delay. His mother comes in every day to help care for him and has repeatedly complimented the staff on how caring they are, how she knows her son is getting wonderful care while she is not there to do so

On Mother's Day, Maggie saw the mother taking care of her son and thought that someone should do something nice for her to recognize her dedication, so she went out and bought her flowers. When she gave them to our resident's mother, she was so touched and thankful. She hugged her and thanked her. We are so lucky to have a nurse like Maggie! She not only cares for our residents, she takes care of their family members too.

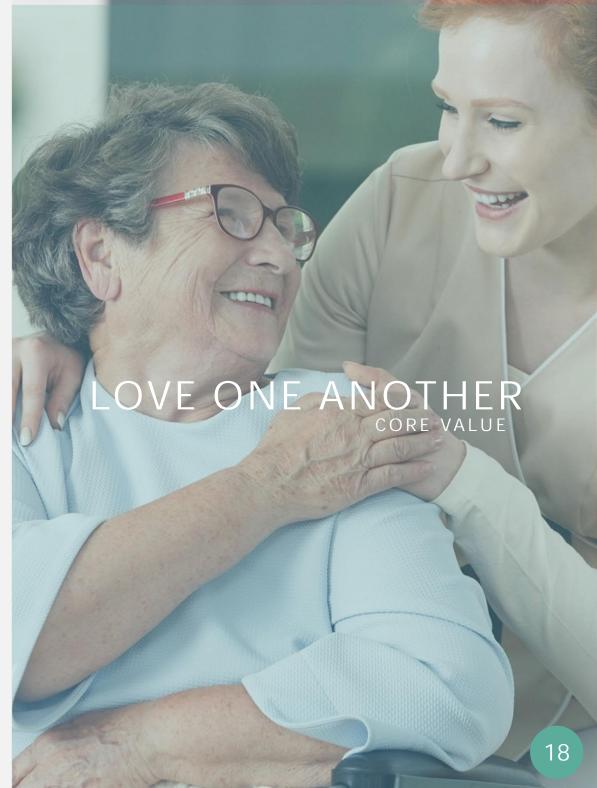




SueAnn Bergstrom is a member of both our dietary and recreational therapy departments at Cedar Health and Rehabilitation.

One of the characteristics that SueAnn possesses is a heart of gold. SueAnn truly loves each of our residents and our team members.

We had two of our long-term care residents at Cedar Health and Rehabilitation deciding to get married. When SueAnn found out what was going to happen she talked to the two residents and shared in their excitement. As they talked, the residents said that they were worried about buying rings and wondered how they could purchase them. On her own time and with her own funds, she bought rings for them. The residents were so happy and grateful for this wonderful act of kindness from SueAnn.







THE EMERGENCY FUND

We continuously working toward bridging the gap between what the healthcare system currently provides and the basic needs of individuals. We aim to have an enduring impact on the communities in which we live and work. Elevate Charities is a non-profit organization that is dedicated to elevating the condition and quality of life for members of the senior healthcare community - employees, caregivers, family members, patients and residents. Elevate Charities has three unique funds: Heritage Fund, Heritage Scholarship Fund and the Emergency Fund.

The Emergency Fund is a way of passing the hat to help our co-workers whose lives are affected by tragedy. This program is funded for Company team members by the Company team members. All Company team members can contribute to the fund either through a one-time donation or by recurring payroll deduction.

80%+

Employee participation

8,400+

Grants distributed

\$10M

Grants distributed





THE HERITAGE FUND

The best and most knowledgeable advocate for a patient is their caregiver. Our mission is to help the caregiver identify specific and practical ways to meet the needs of those they care for. Caregivers don't have to face the challenges of senior healthcare alone—together we can help provide a better life, improved experiences, and greater satisfaction for patients.

The financial support provided by Elevate Charities benefits seniors directly, not the healthcare organizations. Without this financial support, some seniors would not be able to receive the essential assistance they need.

We are working to bridge the gap between what the healthcare system currently provides and the basic needs of individuals.

Elevate Charities can provide hearing aids, glasses, dentures, walkers, and other therapies that are not covered under Medicare or Medicaid. Elevate Charities understands the importance of quality living—our network of programs aims to provide the senior community with the means to care for their needs by contributing in specialized ways with a personal focus. Along with healthcare professionals and caregivers, Elevate Charities can give a better life to patients and create a healthier, happier community.

THE HERITAGE SCHOLARSHIP FUND

Senior healthcare is at its best when it's coupled with resources and support for the professionals who dedicate their careers to serving our seniors. Elevate Charities assists in providing those resources.

We are helping outstanding nursing aides and nursing assistants who may not be able to afford to advance their clinical abilities. Through grants and scholarships, we are helping these qualified professionals gain the education needed to advance in the field of senior-focused healthcare.

In addition, our scholarship programs can facilitate larger access, helping more caregivers and healthcare professionals have the information they need.

For those who have a passion for senior-focused healthcare and are interested in progressing in their career, the Helping our Heritage Scholarship Fund can provide the resources needed. The need for professionally trained clinicians is growing, and that the population of individuals who will require geriatric care in the next decade is increasing at an equal or greater rate.



GOVERNANCE

BOARD OF DIRECTORS

Our Board of Directors sets high standards for the Company's employees, officers and directors. Implicit in this philosophy is the importance of sound corporate governance. It is the duty of the Board of Directors to serve as a prudent fiduciary for shareholders and to oversee the management of the Company's business.

Our Board Committees including the Audit Committee, Compensation Committee and Nominating and Governance Committee comprise entirely of independent directors. Additional information regarding our Board of Directors is available in our 2022 Proxy Statement and our website.

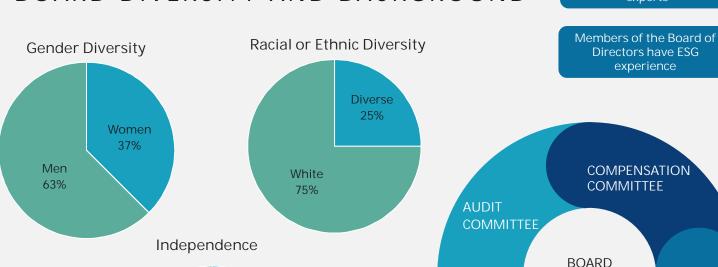
Our Board is also responsible for approving and overseeing our governance policies including Committee charters and our Code of Conduct. These policies and documents are available on our website.

BOARD DIVERSITY AND BACKGROUND

experts

Directors have ESG experience

100% of the Audit Committee are financial



Non-

Independent

37%

Independent

63%





MANAGEMENT COMMITTEES

Our various management committees shape our overall ESG risk assessment and strategy and regularly meets with the Board. The Management Committees are responsible for working with leaders to implement ESG goals, monitor ESG performance and report ESG results.



ESG COMMITTEE

- Led by Chad Keetch, Chief Investment Officer.
- Meets regularly to develop ESG initiatives, implement goals, monitor performance and review feedback.
- Accountable for meeting ESG goals.
- Oversight by the Board of Directors.



DIVERSITY, EQUITY & INCLUSION COMMITTEE (DEI)

- Led by Barry Port, Chief Executive Officer.
- Meets regularly to develop and implement DEI Initiatives across the organization.
- Oversight by the Board of Directors.
- Produces DEI training that is grounded in our core values.



MANAGEMENT DISCLOSURE COMMITTEE

- Led by Suzanne Snapper, Chief Financial Officer and Beverly Wittekind, General Counsel.
- Meets quarterly to review significant and material matters that affect the business and disclosures in accordance with internal controls and corporate governance.
- Accountable for ensuring the completeness of material disclosure matters.



CAPLICO N' ME = COMPLIANCE

One of our core values is accountability. To us, accountability means we hold ourselves to the highest standards of care and professionalism. We developed our Compliance Program as a way to guide us in this effort. The Compliance Program establishes a process for educating, monitoring, auditing and documenting our efforts to comply with all applicable laws, regulations and our own internal policies and procedures. Additional information regarding our compliance program can be found at our website.

CODE OF CONDUCT

- Applies to our directors, officers, employees, vendors, contractors, volunteers and other business associates.
- Provides guidelines concerning ethics and compliance as well as rules and regulations.
- The belief is that our continued success requires the policies and principles contained in the Code of Conduct are a component of everyone's decision making.
- Employees receive mandatory annual training on the code of conduct and other governance policies.
- Additionally, we have a vendor code of conduct that is a supplement to our code of conduct. See page 25 for details.

WHISTLEBLOWER HOTLINE

- Provides for anonymous reporting of any issues to an independent third party operator.
- Accessible online or via phone 24 hours a day, 7 days a week, 365 days a year.
- Any matter reported through the hotline is confidential and the reporting party is protected against retaliation.
- Matters are reviewed by our compliance team as well as third party external auditors.
- Access the hotline here.





VENDOR CODE OF CONDUCT

Our decisions on relationships with third party vendors can have important economic, environmental and social impacts in the healthcare communities served and beyond. Therefore, this *Vendor Code of Conduct* ("*Vendor Code*") was developed to establish principles, guidelines and standards with respect to the supply of the products, materials and services including professional healthcare human services provided by The Ensign Group and its affiliated entities.

These principles, guidelines and standards build on those contained within the Ethics Policies and Procedures and are intended to help address certain third party vendor risks. The expectation of covered vendors and service providers is to respect the principles, guidelines and standards in this *Vendor Code* as well as in the Ethics Policies and Procedures. The expectation extends to covered vendors and service providers to follow best industry practices.

Principles, Guidelines and Standards

- Applies to all third party vendor of contracted person(s).
- Principles include compliance with both Ensign compliance and governance policies as well as applicable laws and standards such as:
 - Federal Anti-Kickback Statute
 - Federal Anti-Self-Referral (Stark) Statute
 - False Claims Act (FCA)
 - Deficit Reduction Act
 - International Labor Organization Conventions 138 and 182 over child and forced labor
 - Discrimination and harassment
 - · Conflicts of interest
 - Health and safety
 - Environment and sustainability



CYBERSECURITY

Our Audit Committee receives quarterly reports on our Information Security and Cyber fraud prevention programs from our Chief Information Security Officer. An Information Security Office has been established by our Chief Information Security Officer, with dedicated cyber security staff focusing on security monitoring, vulnerability management, incident response, risk assessments, employee training, security engineering, and management of cyber security policies, standards, and regulatory compliance. Like many organizations, we align to a Cyber Security Framework and take a Risk based approach during control assessment and implementation. We align to the NIST Cyber Security Framework, a globally recognized cyber security framework of Policies, Standards, and Controls that comprises of five categories of defense – Identify, Protect, Detect, Respond, and Recover. We are committed to the protection of our data, systems, network, and continually invest in enhancements made to mitigate or reduce the impact from a cyber security threat. In addition to our continual control enhancements, we have external impartial third parties perform control audits and cyber security penetration testing, and maintain appropriate cyber security risk insurance.





