

# **SONIDA SENIOR LIVING, INC.**

## **Corporate Governance Guidelines**

### **Director Qualifications**

A majority of the members of the Board of Directors (the “Board”) of Sonida Senior Living Inc. (the “Company”) must meet the criteria for independence required by the New York Stock Exchange (the “NYSE”) and the Securities and Exchange Commission. The nominating and corporate governance committee of the Board (the “Nominating and Corporate Governance Committee” or the “Committee”) is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics required for new Board members as well as the composition of the Board as a whole. This assessment will include a review of (1) members’ qualification as independent, as well as consideration of a potential candidate’s experience, areas of expertise and other factors relative to the overall composition of the Board and (2) the continued appropriateness of Board membership due to a change in the responsibility individual directors held when they were elected to the Board or for other reasons. In identifying and evaluating nominees for director, the Committee will consider each prospective candidate’s qualities, experience, background and skills, as well as any other factors which the prospective candidate may be able to bring to the Board of Directors that complement those of the other members. The process is the same whether the candidate is recommended by a stockholder, another director, management or otherwise. Nominees for directors will be selected by the Board upon recommendation of the Committee in accordance with the policies and principles in its charter.

Directors should advise the Chairman of the Board and the Chairman of the Committee in advance of accepting an invitation to serve on another public company board. A director who also serves as the Chief Executive Officer of the Company (the “CEO”), may not serve on any board of a public company in addition to the Company’s Board without the prior approval of the Board, and other directors of the Company should not serve on more than two (2) boards of public companies in addition to the Company’s Board without the prior approval of the Board.

The Board does not believe it should establish term limits. While term limits could help assure that there are fresh ideas and viewpoints available to the Board, term limits involve the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole. As an alternative to term limits, the Committee will review each director’s continuation on the Board at least every three years. This will allow each director the opportunity to confirm his or her desire to continue as a member of the Board and the Board, through the Committee, to consider the appropriateness of the director's continued service.

For uncontested elections of directors, as a condition to nomination by the Board of an incumbent director, such nominee shall submit an irrevocable resignation to the Board. An “uncontested election” means any meeting of the stockholders at which the number of nominees to be voted upon at such meeting does not exceed the number of directors to be elected.

For uncontested elections, any incumbent director who receives a greater number of votes withholding authority for or against his or her election than votes for such election (with

“abstentions” and “broker nonvotes” not counted as votes cast either for or withholding authority for or against that nominee’s election), and who remains on the Board as a holdover director in accordance with the bylaws of the Company (“Bylaws”) and Delaware law, shall have his or her irrevocable resignation considered by the Committee following certification of the vote; provided, however, that any such resignation shall not become effective unless and until accepted by the Board.

Following the certification of the vote in an uncontested election, the Committee will make a recommendation to the Board as to the treatment of any director that did not receive the requisite majority vote, including whether to accept or reject any such tendered resignation. Thereafter, the Board will determine whether to accept the Committee’s recommendation within 90 days of the date of such resignation, and publicly disclose its decision and the rationale behind the decision. The nominee in question shall recuse himself or herself from all such Committee and Board deliberations. If such nominee’s resignation is accepted by the Board, then such director shall immediately cease to be a member of the Board upon the date of the Board’s acceptance of the resignation. If the resignation is not accepted by the Board, the director will continue to serve as a director as provided by the Bylaws and Delaware law.

The Committee, in making its recommendation, and the Board, in making its determination, may, in the exercise of its business judgment and with due regard to its fiduciary duties to the Company and its stockholders, consider any factors or other information they deem appropriate or relevant to such determination.

### **Director Responsibilities**

The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stockholders. In discharging this obligation, directors should be entitled to rely on the honesty and integrity of the Company’s senior executives and its outside advisors and auditors.

Directors are expected to attend Board meetings, the annual stockholders meeting and meetings of Board committees on which they serve, to spend the time needed to discharge their Board duties in a reasonable manner, and to meet as frequently as necessary to properly discharge their responsibilities. Information and data that are important to the Board’s understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting, and directors should review these materials in advance of the meeting.

The Chairman should establish the agenda for each Board meeting. Each Board member may suggest the inclusion of items on the agenda. Each Board member also may raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Company’s long-term strategic plans and the principal issues that the Company will face in the future during at least one Board meeting each year.

Non-management directors shall meet in regularly convened executive sessions without management participation. In the absence of a different schedule established by the Board, non-management directors shall convene an executive session at the conclusion of all agenda items for and prior to the adjournment of each quarterly and annual meeting of the Board. The non-management directors shall choose a director to preside at each executive session. At the start of each executive session of non-management directors, a presiding director shall be selected by a

majority vote of the non-management directors. If the group of non-management directors includes directors that are not independent under NYSE standards, the independent directors will meet in executive session at least once a year in connection with a selected quarterly or annual meeting of the Board. The Company shall disclose that interested parties may communicate directly with the non-management directors as a group by sending correspondence to the Company at its principal business office, 16301 Quorum Drive, Suite 160A, Addison, Texas 752001, in care of the Chief Executive Officer, with a copy to David R. Brickman, General Counsel.

The Board believes that the management speaks for the Company. Individual Board members, from time to time, may meet or otherwise communicate with various constituencies that are involved with the Company. It is expected, however, that Board members would do this with the knowledge of the management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of management.

### **Director Access to Officers, Employees and Independent Advisors**

Directors have full and free access to officers and employees of the Company. Directors may directly contact executive officers of the Company. Any meetings or contacts with non-executive officers or employees that a director wishes to initiate may be arranged through the CEO or the Secretary. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company.

The Board, as appropriate in its judgment, will invite senior officers of the Company to attend Board meetings.

The main responsibility for providing assistance to the Board rests with the management. The Board and its committees may seek legal or other expert advice from a source independent of management and shall be provided with resources for such purposes.

### **Director Compensation**

The form and amount of director compensation will be recommended by the compensation committee of the Board (the "Compensation Committee") in accordance with the policies and principles set forth in its charter, and the Compensation Committee will conduct an annual review of director compensation. The Compensation Committee will consider that directors' independence may be jeopardized if director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a director is affiliated, or if the Company enters into consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

### **Director Orientation and Continuing Education**

At such time as a director joins the Board, the Chairman of the Board and the CEO will provide appropriate orientation for the director, including arrangement of meetings with management. The Board considers it desirable that directors participate in continuing education opportunities and will reimburse directors for reasonable expenses as appropriate in accordance with the Company's existing policies.

## **CEO Evaluation and Management Succession**

The Compensation Committee will conduct an annual review of the CEO's performance, as set forth in its charter.

The Board shall be responsible as needed for succession planning for the CEO. As appropriate, the Board will work with the Committee to evaluate potential successors to the CEO. Succession planning shall include succession in the event of an emergency or the retirement of the CEO.

## **Annual Performance Evaluation**

The Board will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively.

## **Disclosure of Guidelines**

These Guidelines will be made available in accordance with applicable rules and regulations. The Company's annual proxy statement or annual report on Form 10-K, as applicable, shall disclose that these Guidelines are available on the Company's website and provide the website address.

*Adopted by Resolution of the Board of Directors  
on March 1, 2004*

*Amended by Resolution of the Board of Directors  
on February 8, 2006*

*Amended by Resolution of the Board of Directors  
on February 9, 2007*

*Amended by Resolution of the Board of Directors  
on March 9, 2008*

*Amended by Resolution of the Board of Directors  
on March 9, 2010*

*Amended by Resolution of the Board of Directors  
on March 8, 2012*

*Amended by Resolution of the Board of Directors  
on March 5, 2013*

*Amended by Resolution of the Board of Directors  
on May 14, 2019*