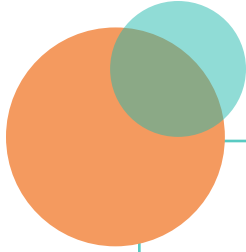


2025 ANNUAL REPORT

caring
COMMUNITIES
MORE THAN INSURANCE

Caring Communities continued to advanced our strategic goals in 2025 through *enhancing our risk management education and innovative product enhancements*, delivering greater value while strengthening the Member experience.





strategic opportunity

Membership with Caring Communities represents a strategic opportunity in contrast to an annual insurance buying decision.

Members are the owners and policyholders of the company that provides their professional, general and excess liability insurance protection.

Members invest in and own their risks exclusively with other senior housing community care and service providers, all known to one another.

Members are directly rewarded by sharing the profits of the company, based on performance—the greater share to the best performers.

Members work together to provide the safest environments and practices for their residents.

To learn more about membership in Caring Communities, please contact our sales team at sales@caringcomm.org or 847.549.2411.

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● SHAPING TOMORROW...TOGETHER

Cultivating a Culture of Safety

As we reflect on another extraordinary year, the theme from our recent Member meeting still resonates deeply: **Empowered by the Past, Inspired by the Future.** This captures who we are at our core — a community built on trust, guided by our principles, with a deep commitment to ongoing improvements in resident safety and wellbeing.

What has always set Caring Communities apart is the strength of our relationships. Our Members continue to model a culture of safety, accountability, and collaboration with each other and with Caring Communities. It is this joint partnership that fuels our momentum. Each strategy session, each collaborative learning opportunity, each Member conversation reinforces why our model works and why it continues to grow stronger year after year.

In 2025, we made meaningful progress in enhancing our core business model, while preparing for the future. A few highlights of delivering greater value to our Members included:

- Operationalized our Patient Safety Organization (PSO), a first for non-profit senior living
- Launched our new Learning Center, driving member employee education
- Rolled out our new Prescriptives focusing on assisted living (AL) and independent living (IL)
- Advanced industry expertise around falls prevention, including leveraging data to elevate decision making and proactive risk management
- Grew our property program with innovative insurance solutions, generating significant savings for our Members

We also renewed our promise to deliver an outstanding Member experience ... deepening Member-to-Member knowledge sharing and continuing the long-standing tradition of Member meetings that allow us to connect, learn, share, and make memories.

Our story continues to be written by you, the leaders who believe in this model, invest in it, and breathe life into the mission every day. Together, we honor our foundations while expanding our capabilities to meet the evolving needs of our Members and the residents they serve.

Thank you for your trust, your partnership, and your unwavering dedication to our shared mission. We will again reward our Members' success in managing their risk by **paying back another record cash dividend of \$20.9M.** The whole Caring Communities team looks forward to celebrating our successes and creating new memories at our April meeting in the Cayman Islands. We are ready to build on our achievements and truly excited about **Shaping Tomorrow ... Together!**



Randy Renn
President & CEO,
Caring Communities



● FINANCIAL SNAPSHOT

Financially, 2025 was another outstanding year for the company.

- ▶ Underwriting Profit was \$10.8M (vs \$11.9M in 2024)
- ▶ Operating profit was \$21.1M (vs \$18.7M in 2024)
- ▶ Top-line revenue (gross written premiums) reached an all-time high of \$70.0M (vs \$69.3M in 2024)
- ▶ Return on equity was 27.6% (vs 28.0% in 2024)
- ▶ Based on these results, the company paid out the **largest cash dividend in its history, \$20.9M**

Since the company's inception, **Caring Communities has returned over \$172.5M in profits to its Members**; \$136.6M has been in the form of cash dividends and another \$35.9M has been contributed to Member savings accounts.

● 2025 HIGHLIGHTS

New Member Growth:

- Added five new Members with an annualized premium of \$1.5M. We now have 84 Caring Communities Members.
- Picked up another \$1.2M of new community premium via Member's acquisitions.

Consistent Coverage:

- Maintained price stability, keeping a modest 4.8% price increase, which was lower than the market average and the industry claims inflation rate.

Expanded Risk Management Practices and Member Education:

- Rolled out two new prescriptives focused on the evolving risks in assisted living and independent living.
- Launched a new dedicated Risk Management Learning Center to help our Members promote a learning culture.
- Continued to build our Patient Safety Organization (PSO) to promote a culture of safety and data driven learning.

Advanced Our Digital Maturity:

- Developed an AI strategy and educational programs for all team members.
- Used AI to efficiently update our educational materials, while maintaining complete control of the content.

Drove Growth and Innovation of Our Property Program:

- Added four organizations to our core property program (now have 31 Members and \$27M of premium).
- Constructed a London-based insurance solution for Members with non-traditional property risks, generating significant savings for our Members.
- Began providing professional onsite property risk assessments to all program participants.

NEW MEMBERS & CEOs

Caring Communities welcomed five new Members in 2025, including single sites Pilgrim Place, Meadowlark Hills Retirement Community, and Carleton-Willard Village; as well as multi-sites WesleyLife and Trinity Senior Services. They are all committed to our shared mission of improving resident safety.



Leif Cameron
Claremont, CA



Lonnie Baker
Manhattan, CA



Rob Kretzinger
Johnston, IA



Christopher Golen
Bedford, MA

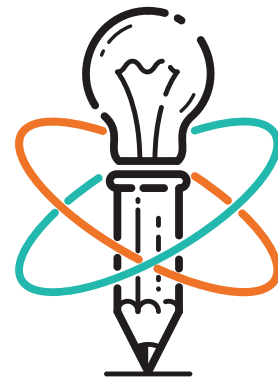


David Fulcher
Milwaukee, WI

● ADVANCING EDUCATIONAL RESOURCES

CARING COMMUNITIES NEW LEARNING CENTER

In 2025, Caring Communities strengthened its commitment to helping Members build proactive risk management systems with the launch of the Caring Communities Learning Center. This new platform has become the go-to hub for **risk management education and professional development**; offering self-paced courses, on-demand webinars, practical tools, and templates—all in one easy-to-use location. This initiative marked a significant step forward in delivering accessible, impactful learning opportunities for our Members.



Access the Caring Communities Learning Center at: <https://riskeducation.caringcomm.org/>

CLAIMS MITIGATION BEST PRACTICES UPDATE



The Claims Mitigation Best Practices handbook was created to provide Caring Communities Members a quick guide to mitigation strategies and best practices from an adverse event through settlement.

In 2025, three new sections were added covering **mediation, trial, and release**. This helpful guide continues to offer our Members techniques to reduce exposure, focusing on communication, investigation and documentation.

SHAPING TOMORROW... TOGETHER

Cultivating a Culture of Safety

At our 2025 December board meeting, we aligned and put our strategic framework into action, agreeing on the target initiatives for 2026. Built on the foundation of our **core principles**, our continued focus will be on **enhancing our business model** while **preparing for the future**.



Member engagement remains the driving force behind everything we do.

The willingness of our Member-owners to share their insights, experience, and perspectives has shaped our progress and elevated our collective work. Paired with the deep expertise of our Management Team, this collaboration empowers us to make a lasting difference across our Members' communities and safeguard the residents they serve.

CORE PRINCIPLES

Covenant to
Pay Claims



Disciplined
Operations



Skin in
the Game



Accountable Risk
Management



Engaged
CEOs





ENHANCE OUR BUSINESS MODEL

Protect Members From Current and Emerging Insurance Risks:

- Data analysis of Patient Safety Organization (PSO) Member incidents
- Expand education on emerging technology risks

Enhanced Member Education:

- Produce annual insurance report, providing insights from current claim trends
- Launch updated risk management certification course (CPASRM)

Deliver a Superior Member Experience:

- Drive enhancements to Member touch points and meeting content
- Continue AI adoption for greater efficiency

PREPARE FOR THE FUTURE ... EXPAND OUR LANE

Drive Growth and Industry Engagement:

- Promote Member involvement in attracting new Members
- Continue to increase our exposure in the senior living industry

Drive Innovation:

- Explore a workers compensation insurance solution for our Members
- Explore expansion of our legal and risk management solutions

Looking forward, our team remains dedicated to supporting our Members and delivering **More Than Insurance**. By advancing innovative risk management services and working together, we can apply our expertise and financial strength to tackle the challenges facing the senior living industry.



CARING COMMUNITIES EVENTS IN 2025

Member Meetings

ANNUAL MEMBER MEETING
April | Half Moon Bay, California

SEPTEMBER MEMBER MEETING
September | Quebec City, Canada



Steve McAlilly (Retired CEO, Methodist Senior Services), **Dan Rexroth** (Retired CEO, John Knox Village - MO)



Jesse Jantzen (CEO, Lifespace Communities), **Nick Patel** (President, ThriveWell Tech, Asbury), **Doug Leidig** (CEO, Asbury)



Grant Edelstone (Sr. Directory of Licensing & Regulatory, Front Porch)
Jay Zimmer (CEO, Carmel Valley Manor)



Phil Leaman (CEO, Resource Partners, PCRRG), **Andrew Joseph** (General Counsel, Asbury), **Jeremy Vickers** (CEO, Medford Leas, PCRRG member)



James Bowersox (COO, Life Enriching Communities), **Laverne Joseph** (Former CEO, Retirement Housing Foundation)



Matthew Neely (CEO, Hillcrest)



Rick Bova (CFO, Falcons Landing)



Chris Golen (CEO, Carleton-Willard Village) **Chris Sintros** (CEO, Deaconess Abundant Life Communities)



Stuart Hartman (CEO, RHF), **Don Hart** (Board Member, RHF)



Beverly Edwards (VP Residential Healthcare, Episcopal Retirement Services) **Jeff Farber** (CEO, The New Jewish Home)



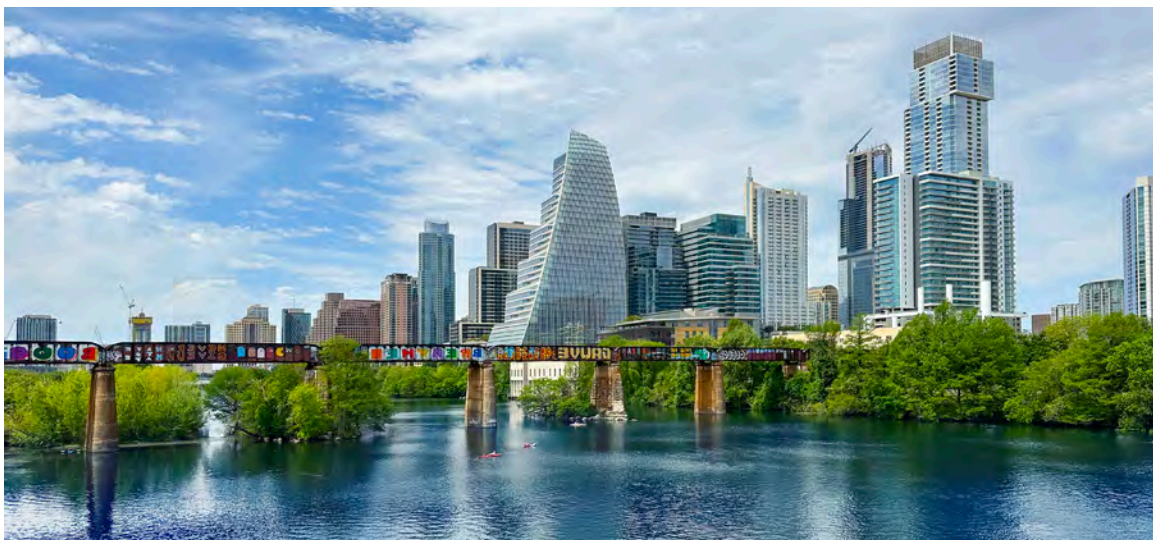
SPRING EDUCATION WEST
May | San Diego, California



SPRING EDUCATION EAST
April | Washington, D.C.

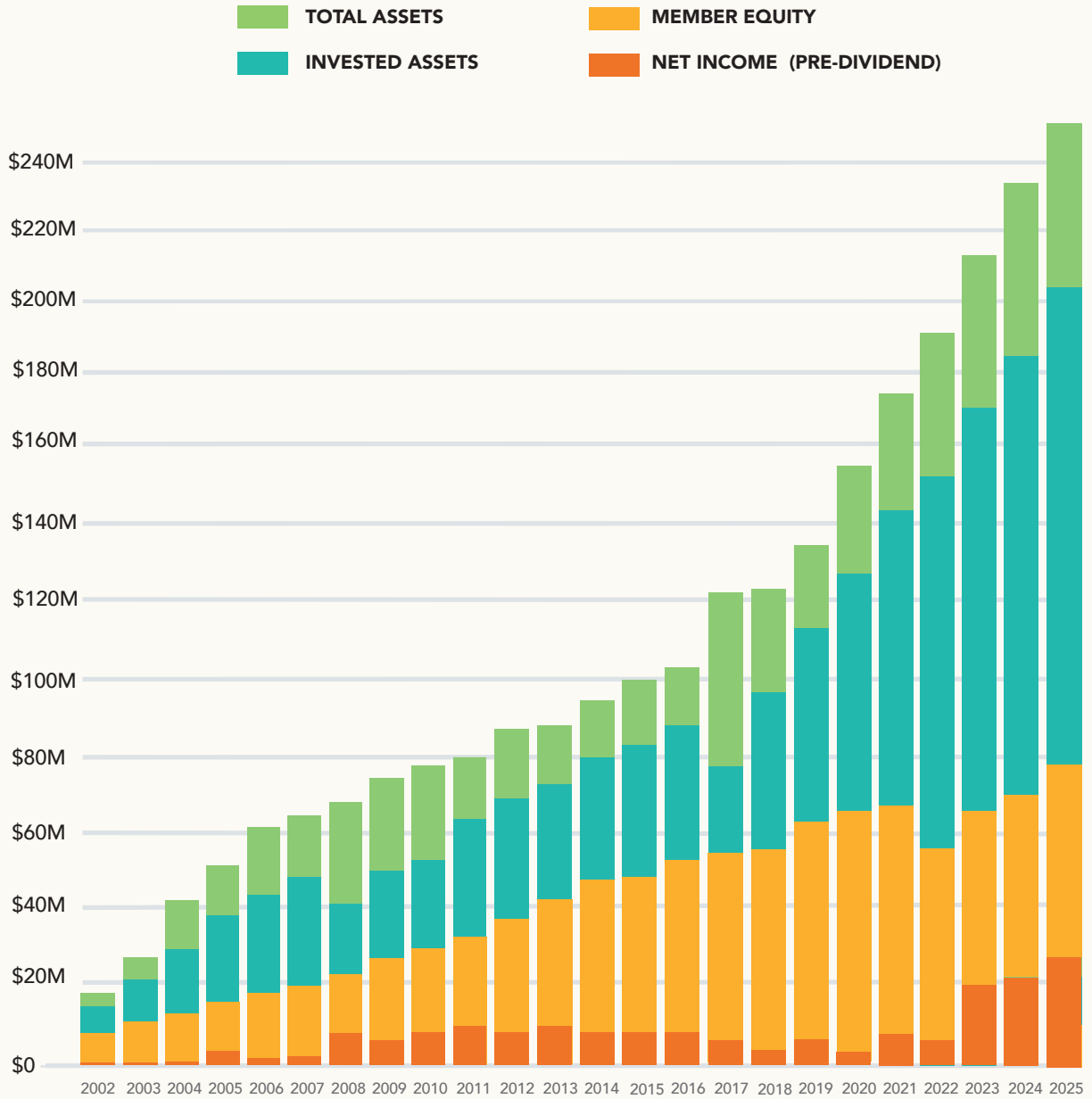
Risk Management Conferences

NATIONAL AGING SERVICES RISK MANAGEMENT CONFERENCE (NASRM)
October | Austin, Texas



CARING COMMUNITIES 2025 ANNUAL FINANCIALS

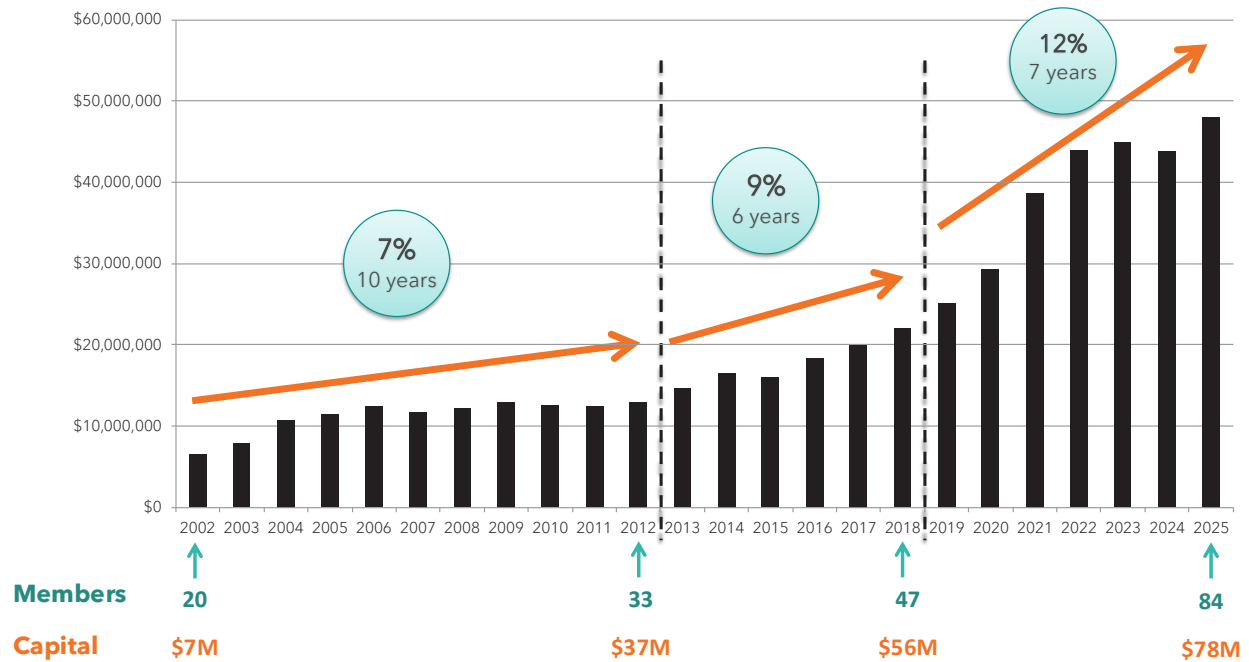
GROWTH OF CARING COMMUNITIES 2002–2025*



*2025 numbers pending independent audit

PRIMARY LIABILITY/GENERAL LIABILITY NET WRITTEN PREMIUM

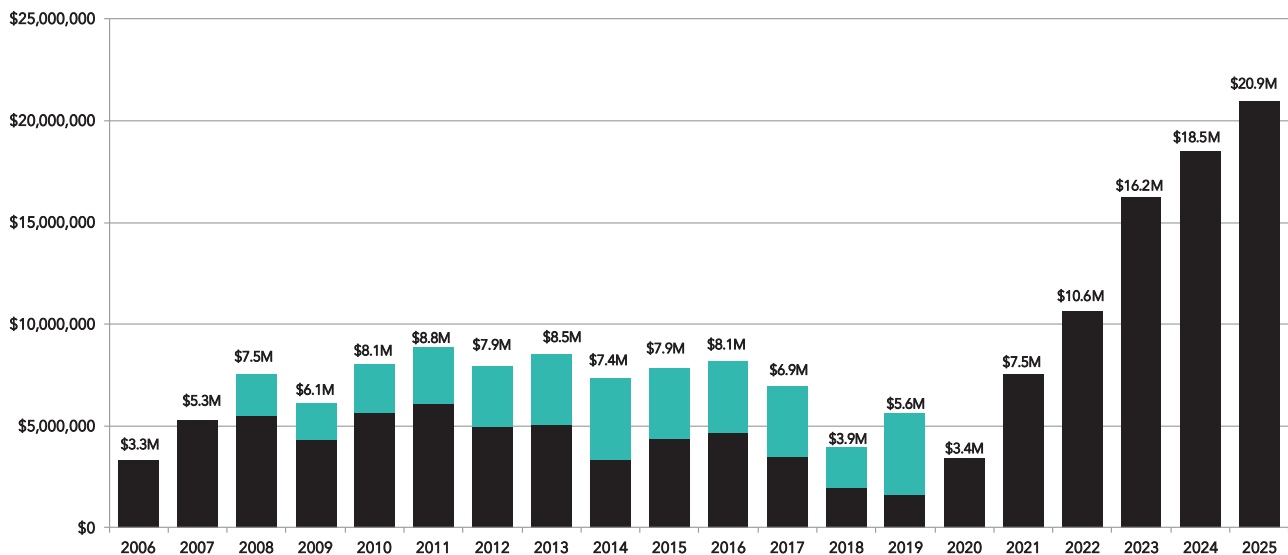
20+ Years & Going Strong



Historical Financial Highlights

PROFITS RETURNED TO MEMBERS

Strong capital and MSA accumulation levels



■ Member Savings Account Contribution
 ■ Premium Returns

Cumulative Dividends = \$136.6M
 Cumulative Member Savings Account Contributions = \$35.9M
Total Returns = \$172.5M

CONSOLIDATED BALANCE SHEETS*

December 31, 2025 & 2024

| ASSETS | 2025 | 2024 |
|--|----------------------|----------------------|
| Cash & cash equivalents | \$11,759,508 | \$11,069,687 |
| Restricted cash | \$750,528 | \$2,661,112 |
| Investments, at fair value | \$189,020,821 | \$169,965,577 |
| Reinsurance recoverable | \$30,692,672 | \$31,531,098 |
| Reinsurance recoverable on losses payable | \$1,316,434 | \$719,222 |
| Profit contingent receivable | \$437,456 | — |
| Unearned ceded premium | \$265,405 | \$167,995 |
| Reinsurance premium receivable | — | \$367,402 |
| Premium & other accounts receivable | \$3,930,867 | \$4,253,089 |
| Interest receivable | \$935,155 | \$855,193 |
| Property & equipment | \$1,110,281 | \$1,138,606 |
| Deferred income tax asset | \$1,343,521 | \$3,178,761 |
| Income tax receivable | \$195,936 | \$163,376 |
| Deferred ceding commissions | — | \$36,779 |
| Other investments | \$7,780,483 | \$5,579,688 |
| Other assets | \$551,495 | \$707,270 |
| Total assets | <u>\$250,090,562</u> | <u>\$232,394,855</u> |
| LIABILITIES & SUBSCRIBERS' EQUITY | | |
| Liabilities | | |
| Unpaid losses & loss adjustment expenses | \$135,639,234 | \$133,716,834 |
| Profit contingent reserve | \$337,130 | — |
| Reinsurance premium payable | \$561,275 | — |
| Losses payable | \$3,190,359 | \$2,455,077 |
| Accounts payable & accrued expenses | \$1,447,250 | \$1,444,892 |
| Deferred compensation | \$5,438,859 | \$5,579,688 |
| Premiums received in advance | \$3,108,045 | \$1,638,383 |
| Unearned premium | \$1,072,385 | \$567,428 |
| Unearned ceding commission | \$72,987 | \$45,131 |
| Accrued subscriber dividends | \$20,922,586 | \$18,493,963 |
| Total liabilities | <u>\$171,790,110</u> | <u>\$163,941,396</u> |
| Subscribers' equity | | |
| Contributed surplus | \$30,292,365 | \$28,204,488 |
| Unassigned surplus | \$17,991,136 | \$13,342,170 |
| Subscriber savings accounts | \$34,271,237 | \$34,271,237 |
| Accumulated other comprehensive income | (\$4,254,286) | (\$7,364,436) |
| Total subscribers' equity | <u>\$78,300,452</u> | <u>\$68,453,459</u> |
| Total liabilities & subscribers' equity | <u>\$250,090,562</u> | <u>\$232,394,855</u> |

*2025 numbers pending independent audit

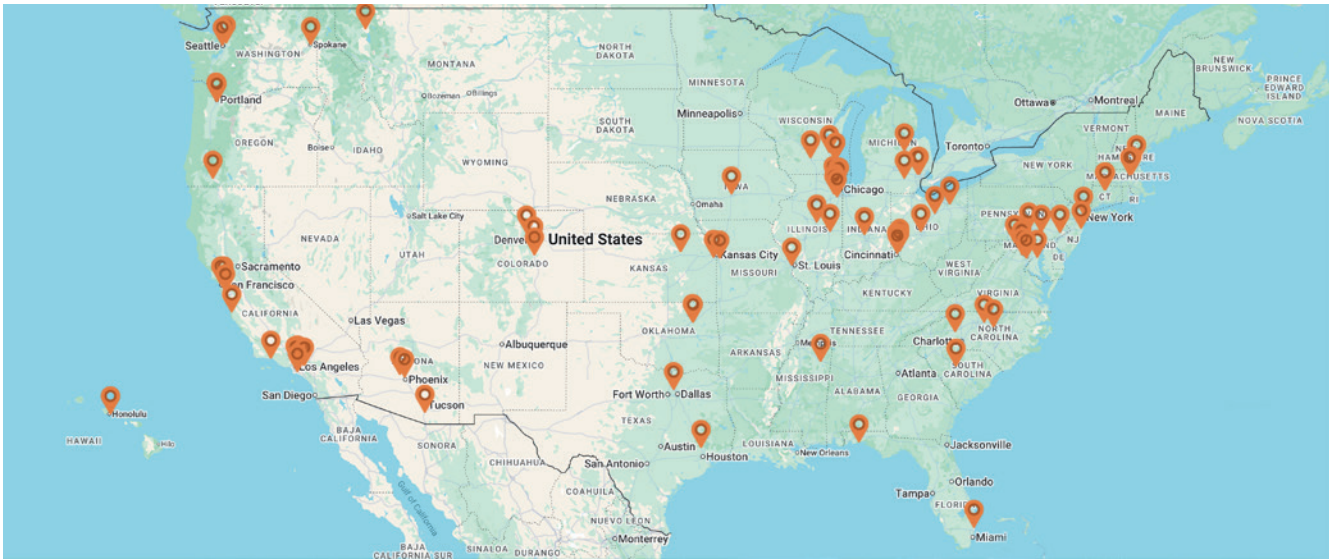
CONSOLIDATED STATEMENTS OF OPERATIONS

Year Ended December 31, 2025 & 2024

| REVENUE | 2025 | 2024 |
|---|----------------------|----------------------|
| Premiums earned, net | \$50,988,883 | \$51,922,810 |
| Ceding commission earned | \$4,771,100 | \$4,702,442 |
| Profit contingent income | \$100,326 | - |
| Other income | \$2,039,783 | \$1,376,291 |
| Total revenue | <u>\$57,900,092</u> | <u>\$58,001,543</u> |
| | | |
| EXPENSES | | |
| Losses & loss adjustment expenses incurred | \$29,311,775 | \$28,268,641 |
| General, administrative & underwriting expense | \$16,285,036 | \$15,515,102 |
| Fronting fees | \$339 | \$793,637 |
| Premium taxes | \$1,491,785 | \$1,526,062 |
| Total expenses | <u>\$47,088,935</u> | <u>\$46,103,442</u> |
| | | |
| Underwriting income before other income/(expenses) | <u>\$10,811,157</u> | <u>\$11,898,101</u> |
| | | |
| OTHER INCOME/(EXPENSES): | | |
| Investment income, net | \$14,237,279 | \$9,670,379 |
| Investment income from other investments | \$1,093,341 | \$796,651 |
| Change in fair value of deferred compensation liability | \$863,517 | (\$796,651) |
| Subscriber dividend | (\$20,922,586) | (\$18,493,963) |
| Total other income/(expenses) | <u>(\$4,728,449)</u> | <u>(\$8,823,584)</u> |
| | | |
| Income before income taxes | <u>\$6,082,708</u> | <u>\$3,074,517</u> |
| | | |
| INCOME TAX EXPENSE | \$1,433,742 | \$806,916 |
| Net income | <u>\$4,648,966</u> | <u>\$2,267,601</u> |

*2025 numbers pending independent audit

CARING COMMUNITIES MEMBERS



Caring Communities Members, operating over 800+ communities from Hawaii to New England, represent over 30% of the annual LeadingAge Ziegler top 100 list of the nation's largest non-for-profit, senior living, multi-site systems. We are proud to have these fine organizations in the Caring Communities family.









CARING COMMUNITIES STAFF

ADMINISTRATION

Mary Spencer
Director of Corporate Services

Gia Simi
Administrative Assistant Corporate Services

CEO & COO

Randy Renn
Chief Executive Officer

Salvatore Pellegrino
Sr. Vice President and COO

CLAIMS

Laura Lally
Vice President,
Chief Claims Officer, West

Lauren Meyer Crow
Vice President,
Chief Claims Officer, East

Christina Ballester
Assistant Vice President, Claims

Krysten S. Krauskopf
Senior Claims Counsel

Josh Lauby
Claims Counsel

Justin Burtnett
Claims Counsel – Employment

Jennifer Burt
Claims Assistant

Vicki Fairfield
Billing Specialist & Claims Assistant

FINANCE

Chad Swigert
Sr. Vice President, CFO

Diana Zirkelbach
Assistant Vice President,
Controller

Kate Burtsev
Accounting and Finance Manager

GENERAL COUNSEL

Julie Garrison
General Counsel

HUMAN RESOURCES

Monica Moran
Director of Human Resources &
Talent Management

IT

Adam Villalobos
IT Manager

DATA ANALYTICS

Justin Wyatt
Head of Data Analytics

Adam King
Business Intelligence Developer

SALES & MARKETING

Ashur Odishoo
Chief Growth Officer

Angela Parker-Jensen
Sales and Marketing
Specialist

RISK MANAGEMENT

Stacey Leadley
Vice President Risk Management

Al Buchta
Risk Management Analyst

Crissy Hartwig
Senior Risk Management Analyst

Kaitlin Kalnitz
Risk Management Analyst

Jenny Bender
Risk Management Analyst

Sherri O'Brien
Risk Management Analyst

Stephanie Ryan
Risk Management Coordinator

UNDERWRITING & POLICYHOLDER SERVICES

Michael Timm
Chief Underwriting Officer

Rita Nagle
Senior Underwriter

Judell Aguilos
Senior Underwriter

Amanda Virgilio
Senior Underwriter

Christina MacKenzie
Underwriter

NEW IN 2025



Adam King
Business Intelligence
Developer



Gia Simi
Administrative
Assistant Corporate
Services

NEW IN 2026



Justin Burtnett
Claims Counsel –
Employment

BOARD MEMBERS 2025

OFFICERS



Jill Wilson, Chair
President & CEO
Otterbein SeniorLife,
Lebanon, OH



Justine Vogel, Vice Chair
President & CEO
RiverWoods Group,
Exeter, NH



Doug Leidig, Secretary
President & CEO
Asbury Communities,
Frederick, MD



Kevin McLeod, Treasurer
President & CEO
Carolina Meadows,
Chapel Hill, NC

DIRECTORS



Nadim Abi-Antoun
President & CEO
Presbyterian Living,
Skokie, IL



Jason Cronk
CEO
Immanuel Living,
Kalispell, MT



Laura Lamb
President & CEO
Episcopal Retirement
Services,
Cincinnati, OH



Sloan Bentley*
President & CEO
Lutheran Life
Communities,
Arlington Heights, IL



Steve Fetyko
President & CEO
Brio Living Services,
Chelsea, MI



Christopher Sintros
President & CEO
Deaconess Abundant
Life Communities,
Concord, MA



Bryon Childs
CFO
Christian Living
Communities,
Englewood, CO



Jesse Jantzen
President & CEO
LifeSpace
Communities,
West Des Moines, IA



Jeremy Vickers
CEO, Medford Leas
Peace Church
Representative,
Medford, NJ



Joni Condit
President & CEO
La Posada
Communities,
Green Valley, AZ



Michelle Just
President & CEO
Beatitudes Campus,
Phoenix, AZ

*Stepped down in December 2025



UPCOMING 2026 MEMBER EVENTS*

FALL MEMBER MEETING

September 16-17, 2026

Eldorado Hotel and Spa,
Santa Fe, NM



SPRING EDUCATION WEST

April 28-29, 2026

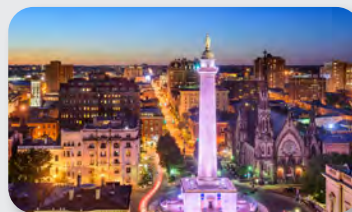
Hotel Nikko San Francisco,
San Francisco, California



SPRING EDUCATION EAST

May 19-20, 2026

Renaissance Baltimore
Harborplace Hotel,
Baltimore, Maryland



NATIONAL AGING SERVICES RISK MANAGEMENT CONFERENCE

October 14 -15, 2026

Intercontinental Chicago,
Chicago, Illinois



*These events are by invite only for Caring Communities' Members. If you are interested in joining Caring Communities and would like to attend as a guest please contact sales@caringcomm.org.

www.caringcomm.org

1850 West Winchester Road, Suite 109,
Libertyville, IL 60048