Asset Management reinvestment plan Long Term Care

Peel's Long Term Care Centres are in very good condition to support the array of senior care services. Peel continually monitors the ability of the Long Term Care Centres to meet the ever changing requirements of senior care and support.

The new Seniors Health and Wellness Village at Peel Manor became operational this fall providing complete senior care services and fostering opportunities for seniors for greater independence and community integration.

10 year summary

Table 1. Current state and 10 year plan (in $ millions)

Current rating	Current replacement value	10 year forecasted SoGR reinvestment needs	10 year SoGR Capital Plan reinvestments	10 year forecasted rating
Very Good	408.2	117.1	108.1	Very Good

Table 1 shows that the current overall infrastructure state for the Long Term Care is 'Very Good'. The estimated replacement value of these assets is $408.2 million, based on 2024 values. The 10 year Capital Plan includes reinvestments of $108.1 million to maintain the infrastructure in a SoGR. These planned investments are below the forecasted needs of $117.1 million over the same period. Lower reinvestment in the 2026 Capital Plan is driven by the consolidation of SoGR projects to enable more efficient delivery and cost savings.

20 year SoGR outlook

Figure 1. 20 Year outlook of infrastructure reinvestment needs

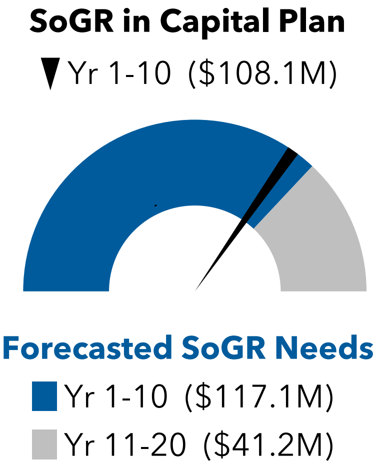


Figure 1 presents a 20 year outlook of infrastructure reinvestment needs to maintain the infrastructure in a SoGR. For the first 10 years, the planned reinvestments of $108.1 million is lower than the forecasted needs of $117.1 million, driven by the consolidation of SoGR projects in the 2026 Capital Plan to enable more efficient delivery and cost savings. The chart also shows that SoGR needs are expected to decrease over the following 10 years; this is expected, as aging assets drive significant rehabilitation and replacement within the initial 10 year period.

State of the infrastructure

Current infrastructure

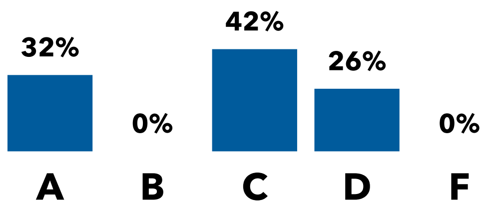
Long Term Care infrastructure includes 5 centres. The average age of the assets is 28 years.

Replacement value

The total replacement value of assets for the Long Term Care is estimated at $408.2 million, based on 2024 values.

Condition[1] of the Infrastructure

Figure 2. Asset condition grading



Building conditions are evaluated through detailed assessments.

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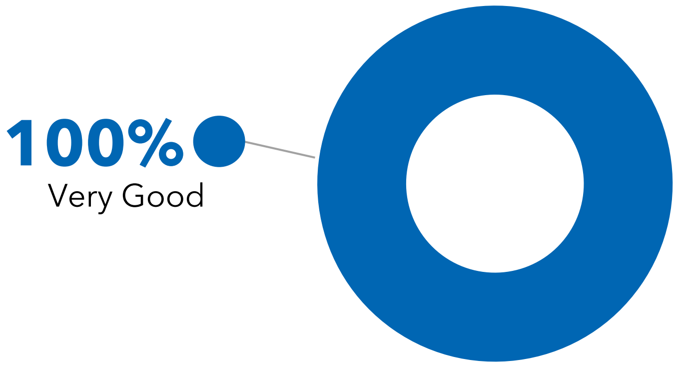
- 32% of assets are rated Grade A, representing new or like new condition.
- 42% are rated Grade C, indicating non critical defects and some critical repairs expected soon.
- 26% are rated Grade D, indicating some critical defects and many critical repairs expected soon.
- There are no assets rated B or F.

[1] Descriptions of the Condition Rating are included in Appendix II Reading Guide

Current infrastructure Risk Management Rating

The current overall 2026 infrastructure Risk Management Rating for the Long Term Care is 'Very Good'. Figure 3 illustrates that within the portfolio, 100% of the asset classes are rated "Very Good".

Figure 3. Current infrastructure Risk Management Rating



Target customer level of service[2]

Our customers should expect:

- Support and services for residents and their families in accordance with the Fixing Long Term Care Act (FLTCA).
- Compassionate, loving, and respectful care for residents and their caregivers in times of need.
- A safe, secure building environment compliant with the Fixing Long Term Care Act.
- Fully accessible and equipped facilities to meet the needs of residents, visitors, and staff.

[2] Definition of Customer Level of Service is included in Appendix III The Enterprise Asset Management Strategy

Infrastructure reinvestment plan

Table 2. 10 year state of good repair reinvestments

Forecasted needs	Capital Plan
$117.1 million	$108.1 million

Table 2 shows that reinvestments of $108.1 million are included in the 10 year Capital Plan to maintain infrastructure in a SoGR. These planned reinvestments are lower than the forecasted needs of $117.1 million over the same period. The difference is primarily driven by grouping of SoGR projects within the portfolio to support a consolidated delivery approach and achieve cost efficiencies.

Table 3. Operations and maintenance expenses

Annual expenditure	Re investment rate
$12.3 million	3.0%

Table 3 shows that operations and maintenance expenses for Long Term Care are approximately $12.3 million per year, representing 3.0% of the asset replacement value. These expenses support facility operations and maintenance activities. As part of the whole lifecycle strategy, these costs are regularly reviewed and will be optimized over time as asset management tools and technology improve.

10 year infrastructure Risk Management Rating with Capital Plan reinvestments

In 10 years (2034), the overall infrastructure Risk Management Rating for the Long Term Care is forecasted to remain 'Very Good.' Figure 4 illustrates that within the portfolio, 100% of the asset classes are rated "Very Good".

Figure 4. 10 year infrastructure Risk Management Rating