



Discovery Senior Living Establishes Chief Performance Officer Group to Drive NOI Expansion, Asset Optimization, and Predictive Performance Across National and Regional Communities

BONITA SPRINGS, FL, March 24, 2026 — Discovery Senior Living (“Discovery” or the “Company”) and its affiliated subsidiaries, one of the most trusted and the largest privately held senior housing operators in the U.S., is pleased to provide an update on its recently announced appointment of Tom Costello to Chief Performance Officer. This is a new role and functional group under Tom marking the next stage in the Company’s platform evolution following the recent appointment of its Chief Financial Officer. The newly defined team reflects a strategic shift from focusing on infrastructure buildout to performance optimization aligning data, technology, and operational scale to deliver measurable net operating income (NOI) improvement and enhanced capital efficiency and asset optimization for ownership groups.

For the last several years, in line with its growth, Discovery has invested substantially in enterprise-wide systems, standardized financial platforms, integrated clinical technology, centralized business intelligence, and a scalable regional operating structure across 9 Regional and National Management companies comprising 420 communities in 40 states. With that infrastructure now firmly established, Discovery has formalized a dedicated executive functional area focused on converting those investments into sustained margin expansion and asset-level value creation.

“As the cost of capital remains elevated and ownership group standards tighten, operators must do more than grow they must sharpen performance,” said Richard Hutchinson, Chief Executive Officer of Discovery Senior Living. “Tom is the perfect leader with decades of industry experience to ensure our teams translate our scale, systems, and data advantage into tangible NOI lift, more disciplined capital deployment and asset optimization across every community we manage.”

As Chief Performance Officer, Tom and his team will focus on strengthening asset-specific operating models and advancing predictive performance intelligence across the portfolio, with a mandate centered on margin durability, expense calibration, and revenue stability.

One immediate priority is refining Discovery’s operating playbook for smaller and secondary market communities. While enterprise platforms provide consistency and compliance rigor, smaller assets can experience disproportionate margin pressure if expense structures are not appropriately aligned with revenue capacity. The CPO function will evaluate scalable technology deployment, right-sized marketing investment, and expanded shared-service business office models to better align fixed costs with asset profile. The goal is to preserve operational quality while unlocking several points of margin improvement in appropriate markets.

“We are applying the same customization philosophy we bring to residents to our capital partners,” said Tom Costello, Chief Performance Officer. “A 75-unit community in a secondary market should not carry the same expense intensity as a 200-unit primary market asset. Our job is to ensure service delivery and cost structure reflect the economics of the building protecting and improving NOI while maintaining performance standards.”

In parallel, Tom will also lead Discovery’s transition from retrospective reporting to forward-looking performance intelligence.

“While the Company has built comprehensive dashboards tracking occupancy, RevPOR, labor, and clinical indicators, we see a significant opportunity to deepen correlation analysis and predictive modeling,” said Costello.

Rather than solely explaining historical performance, the CPO function will focus on identifying leading indicators of occupancy volatility, move-out risk, labor pressure, and revenue shifts. By drawing correlations across clinical, demographic, operational, and geographic variables, Discovery aims to anticipate performance opportunities before they materially impact NOI.

“Our platform gives us visibility across hundreds of communities and diverse market conditions,” Costello added. “The next step is using that data to predict performance trends, intervene earlier, and stabilize cash flow before volatility occurs.”

Discovery intends to build out predictive analytics designed to enhance underwriting confidence for ownership groups, particularly in transition environments and newly acquired assets, while supporting more disciplined capital allocation decisions. By better understanding which operational levers drive sustainable performance lift, Discovery can more precisely direct investment toward initiatives with the highest return profile, whether in staffing models, marketing deployment, technology spend, or clinical programming.

As the CPO function expands, the Company intends to allocate additional resources toward advanced modeling capabilities, enhanced data interpretation, and AI-supported analytics exploration to strengthen forecasting accuracy and operational responsiveness.

Together with the recently appointed CFO, the CPO role represents a coordinated leadership structure designed to align financial transparency with operational precision.

“As one of the largest operators in the country, we see patterns across 420 communities, multiple acuity levels, and varied geographies,” added Richard Hutchinson. “The CPO team ensures that vantage point directly enhances asset-level returns, improves margin consistency, and supports smarter capital deployment for our partners.”



CONGRATULATIONS!

A big congratulations to Tom Costello on stepping into the role of Chief Performance Officer.

With more than 25 years of trailblazing leadership, he has been instrumental in building a best-in-class finance and M&A team and executing multiple large transactions directly driving growth at Discovery. Tom has built exceptional industry relationships and is regarded as a trusted partner to ownership groups, our Board and hundreds of team members across Discovery. As we enter this next phase, his leadership will be critical in advancing how Discovery operates and leverages its data, technology, and platform to innovate with predictive analytics to drive performance. Importantly, this work will continue to enhance the resident experience and improve financial performance across our communities. **We are excited to see the impact Tom will make in this next chapter!**



About Discovery Senior Living

Discovery Senior Living is the largest privately held operator in U.S. with a growing portfolio approaching 47,000 units across ~420 communities in 40 states. The Company, and its 24,000-plus team members, is a recognized industry leader for performance, innovation and customized lifestyle experiences. Discovery proudly ranks #1 in Customer Satisfaction Among Assisted Living and Memory Care Communities in the J.D. Power 2025 U.S. Senior Living Satisfaction Study achieving #1 in Customer Satisfaction among Assisted Living & Memory Care Communities while also ranking #1 in Community Staff, Resident Activities, Resident Apartment/Living Unit, and Community Buildings & Grounds and #2 in Customer Satisfaction among Independent Living Communities. Discovery's family of companies includes Discovery Management Group, Integral Senior Living, Provincial Senior Living, Morada Senior Living, Summerhouse Senior Living, Seaton Senior Living, TerraBella Senior Living, LakeHouse Senior Living, Arvum Senior Living, Discovery Design Concepts, STAT Marketing, and Discovery at Home. Led by its award-winning management team, Discovery has been developing, building, marketing, and managing diverse senior-living communities across the United States for three decades. For the fourth consecutive year, Discovery Senior Living was again certified a Great Place to Work May 2025 – May 2026.

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