



FRONT PORCH-COVIA AFFILIATION

Frequently Asked Questions

On April 1, Covia and Front Porch completed our affiliation, coming together as a non-profit organization that provides senior living, affordable housing, and community services to meet the needs of individuals throughout their lives. Our mission is to inspire and build community, cultivating meaningful relationships and experiences that respond creatively to changing needs. We proudly serve 7500 residents and 6000+ participants in programs and services nationwide.

These Frequently Asked Questions provide general information as well as information for our residents and employees. If you have other questions, please send them to hello@frontporch.net.

Q1: Why did Covia and Front Porch affiliate?

A1: Covia and Front Porch decided to affiliate with the belief that we are better together. Our shared foundational values and strong businesses expand our mission and enhance how we meet the needs of people throughout their lives. Our separate geographic footprints and service offerings mesh well, and we will benefit from increased capital resources for current and future opportunities.

Q2: How did Covia and Front Porch come together?

A2: Covia and Front Porch completed our affiliation on April 1, 2021, bringing us together under a single management team and governance as Front Porch. Front Porch is now the sole corporate member of Covia Group, Covia Communities, and Covia Affordable Communities. The newly organized Front Porch board of directors, with nine members selected by Front Porch and six members selected by Covia, approved updated mission, vision and core values for the unified organization.

Q3: Who is leading the new organization?

A3: John Woodward, who has been the CEO of Front Porch since 2015, will continue as CEO. Ron Schaefer, Mary McMullin and Diana Jamison of Covia joined the Front Porch executive management team on April 1.

Q4: What strengths and opportunities do we have as a unified organization?

A4: This affiliation combines outstanding people and resources from across California and beyond, creating a strong organization that will ensure long term stability, achieve economic benefits, manage costs, and build scale. Our combined portfolio will allow us



front porch

to meet evolving needs, including housing for people of all income levels, as well as programs and services that address social isolation, service coordination, and more. Above all, our greatest resource is our people who have brought us this far and will guide us forward. We welcome everyone's contributions. The relationships we share build community and make us stronger.

Q5: What is the geographic footprint of the combined organization?

A5: Headquartered in Glendale, California, Front Porch has 51 communities throughout the state, stretching from Santa Rosa to San Diego, and three communities outside of California (one each in Florida, Louisiana, and Arizona). In addition, we serve 7500 residents and 6000+ participants in programs and services nationwide.

Q6: Have all regulatory approvals been completed?

A6: Yes. All necessary regulatory approvals have been received, both from the State Attorney General's Office and from the Department of Social Services. Notifications from the Office of the Attorney General can be found at <https://oag.ca.gov/charities/nonprofithosp#covia>.

Q7: How was the leadership transition planned?

A7: As part of responsible management, Kevin Gerber, Covia's President and CEO, worked with the Covia board on a succession plan, which included his foresight in developing a strong leadership transition plan for the affiliation. He has long been a believer of non-profits combining together to preserve the mission and values of non-profit senior living.

Q8: What impact has the COVID-19 pandemic had on the organization?

A8: Both Covia and Front Porch have been working hard to keep residents and employees safe throughout the pandemic. A majority of our residents and employees are fully vaccinated. Although sales and marketing during the pandemic has been difficult, we have been able to maintain high occupancy rates and continue to have new residents.

Residents

Q9: How does this affiliation help residents?

A9: With this affiliation, our combined portfolio provides diverse service options to meet the needs of our residents. We will be stronger in an evolving marketplace and will increase our ability to support service and community growth. And our combined expertise will better meet the needs of current and future residents as we stay ahead of trends and anticipate changing market conditions.



Q10: Will existing resident contracts be changing?

A10: No. Whether you signed a contract with Covia (or Episcopal Senior Communities, or the Episcopal Homes Foundation) or Front Porch (or Pacific Homes, California Lutheran Homes, Sunny View, or Foundation to Assist California Teachers), that contract remains intact. The contracts will not change without your permission.

Q11: Will community staffing change?

A11: As has always been the case, we expect that changes to staffing at the community level will be in response to changing needs and resources. We value deeply the employees at all of our communities.

Q12: Will Front Porch continue to support spiritual care?

A12: Yes. We will continue our multi-faith chaplaincy and spiritual care programs in our communities in the new organization.

Employees

Q13: How will this affiliation help employees?

A13: The affiliation enhances our ability to build upon our innovative culture that will attract and retain outstanding employees, deliver excellent service, and elevate resident and employee satisfaction. The larger organization also provides employees a wider range of career opportunities across a greater geographic area.

Q14: What will change for employees?

A14: Along with being part of a larger organization, there will be changes as we begin to combine our teams, and we will work together to maintain and build on our strengths. We will keep you informed about changes to our systems and processes as we learn more about each other and decide how we will operate going forward.

Q15: Will Covia employees become Front Porch employees?

A15: We expect all Covia employees to transition to Front Porch by the end of the year when the Covia name will be retired. Front Porch and Covia employees will maintain their original hire date with the new organization. Thank you for your dedication and years of service.

Q16: Will employee benefits change?

A16: During the affiliation process, the Front Porch and Covia Human Resources teams went through their annual benefits negotiations as part of the budget process. The combined team worked with outside brokers to compare plans and harmonize Health



and Welfare benefits. Throughout this process, we will continue to collaborate to provide affordable health care options and other benefits for our employees as Covia employees transition to Front Porch by the end of the year.

Q17: What will happen to the Support Services office in Walnut Creek?

A17: Employees will continue to work out of both the Walnut Creek and Glendale offices as well as maintaining an ongoing presence in the communities. Together, we will work as one team to continue providing excellent support to all of our communities, residents, and employees.

Financials

Q18: What is the fiscal year for the combined organization?

A18: The organization operates on an April 1-March 31 fiscal year.

Q19: What financial benefit is there in this affiliation?

A19: As a larger organization, we expect to gain additional purchasing power and recognize cost savings as we build economies of scale and identify efficiencies. The affiliation increases access to financial capital to support timely modernization of communities and services, and investments in technology, innovation and growth. Geographic synergy in California allows us to regionalize our support services and spread costs across a larger network of communities. And our expanded scale, flexibility, and resources further improve our stability, particularly during periods of volatility.

More information

Q20: How can people stay up to date with what is going on with Front Porch?

A20: We invite you to explore the Front Porch website at frontporch.net, or to follow our social media channels at Facebook, Twitter, LinkedIn, and more. And if you have additional questions, please email us at hello@frontporch.net.