



Sentinel 2023 Sustainability Report



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LETTER FROM THE PRESIDENT

At Sentinel, we draw on over 55 years of experience in acquiring and managing a range of property types across multiple market cycles. Our responsibility as an institutional real estate investment manager is to do our part to reduce the industry's carbon footprint and the overall impact of the built environment. We believe that such reduction measures represent a responsible investment strategy that will be rewarded with higher cash flows and ultimately increased disposition proceeds for our clients.

As we navigate the ever-changing sustainability landscape, we remain committed to continuous improvement and stakeholder engagement. Feedback is valued, and dialogue is encouraged, both within our organization and with external stakeholders. Facilitated by our Sustainability Committee, this collaborative approach ensures a cohesive and concerted effort across all departments. This strategy not only informs our goal setting and investor reporting but also enables us to proactively identify areas for continuous growth and improvement.

We continued to broaden our sustainability programs in 2023 by increasing our energy, water, and waste data collection efforts; implementing tangible sustainable capital improvements; enhancing renewable energy sourcing; increasing building certifications; and completing our third apartment community in Australia built to a carbon neutral standard. Furthermore, we maintained a creative approach to tenant engagement and education and a commitment to proactive governance practices that focus on climate transition and net-zero analysis.

The work that has been undertaken at both a corporate and property level has allowed us to present ourselves favorably in the leading industry benchmark, the Global Real Estate Sustainability Benchmark (GRESB). GRESB acknowledged our efforts, as our flagship fund, Sentinel Real Estate Fund (SREF), received the benchmark's highest rating of 5 Stars and was ranked 3rd out of the 135 participants in the overall Americas Residential sector in its annual ESG survey. That level of success does not happen by accident. It is the result of hard work and dedication and should serve to demonstrate to the industry that we are committed to creating sustainable properties.

I would like to express my appreciation to our partners and clients for their ongoing support and collaboration as Sentinel seeks to build a more resilient real estate portfolio while continuing to enhance returns. Together, we continue to drive meaningful progress toward a more sustainable future. I invite you to explore our full report and join us in our journey towards creating long-term value in the built environment.



Michael F. Streicker, President



SENTINEL OVERVIEW

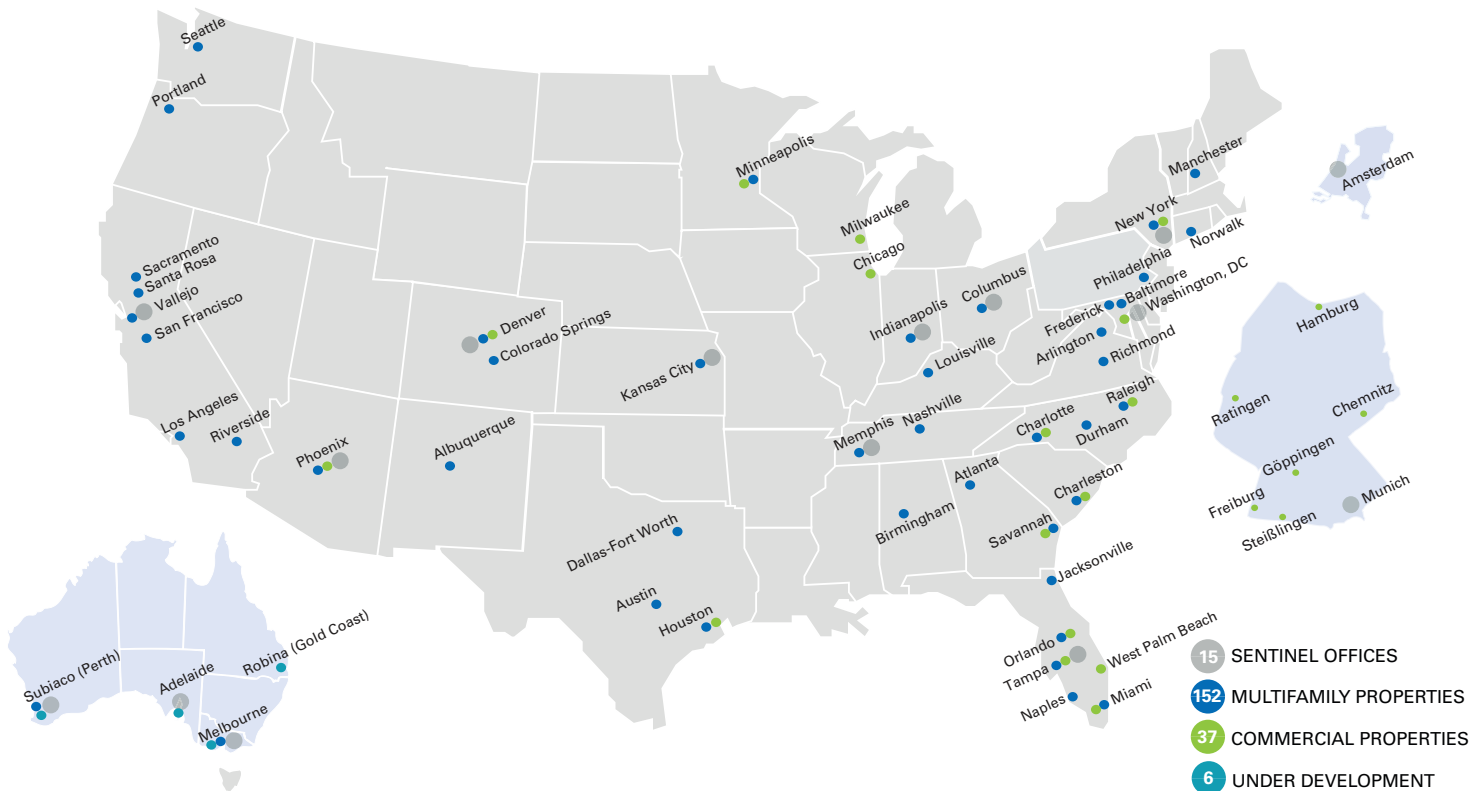
1969	Sentinel is founded	1976	Launches Sentinel Real Estate Fund ("SREF")	1987	Becomes an independent, privately held firm	1988	Establishes first separate account	1998	Obtains first offshore separate account client	2001	Launches first closed-end commercial fund	2008	Establishes Australian BTR development platform	2012	Launches first value-add multifamily fund	2017	Develops Australia's first purpose built BTR property	2019	Launches first National Urban strategy fund SNURPI	2019	Launches US Core-Plus Multifamily Fund	2023	SREF Achieves 5-Star GRESB rating
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Sentinel is an independently owned real estate investment management firm established in 1969. The firm currently has nearly \$9.5 billion of institutional quality real estate assets under management on behalf of 114 domestic and international clients.

Sentinel maintains its global headquarters in New York City and two international corporate offices in Amsterdam, the Netherlands and Melbourne, Australia. The firm also has 12 operational offices throughout the US and an additional operational office in Perth, Australia. Client servicing offices are located in Munich, Germany and Adelaide, Australia.

Since its formation, Sentinel has acquired and managed over \$21 billion of direct real estate investments, comprising 634 multifamily communities containing over 154,000 apartment units and 193 commercial properties containing 33.7 million square feet of space.

The Sentinel portfolio currently contains nearly 27,500 apartment units and 5.3 million square feet of commercial real estate. Sentinel operates on a vertically-integrated platform with 800 employees performing all phases of the investment process, including on-site property management. Sentinel's senior management team has an average tenure with the firm of over 26 years.



I. SUSTAINABILITY STRATEGY

Our sustainability objectives are integrated into all aspects of our real estate operations and the investment life cycle as a whole. These factors are considered as soon as due diligence on a property begins and throughout the acquisition process, in our construction and development initiatives, in all leasing and property operating policies and in the disposition process.

In 2020, Sentinel's Executive Committee, in cooperation with the Sustainability Committee, has established a long-term reduction target of 5% over the next five years, or approximately 1.0% per year reduction in energy and water usage.

In addition, Sentinel supports the goal of the Paris Climate Accords to achieve net-zero greenhouse gas emissions by 2050 or sooner. We recognize the responsibility of all real estate investment managers to positively impact the environments in which we invest. We believe that opportunities exist for thoughtful, targeted sustainable investment within the context of each of Sentinel's existing investment strategies that both can enhance the economic returns of our properties and meaningfully reduce our carbon footprint. We have decided to focus our efforts on reducing Scope 1 and Scope 2 emissions from landlord-controlled common areas at our communities, with a provisional goal of reducing carbon emissions by 50% over the next ten years.

PARTNERING WITH INDUSTRY ORGANIZATIONS



ENERGY STAR PARTNERS

The EPA's ENERGY STAR® Portfolio Manager® is a no-cost, interactive energy management tool that allows one to securely track and assess energy and water consumption across a building portfolio. Portfolio Manager can help set investment priorities, identify under-performing buildings, verify efficiency improvements, and apply for ENERGY STAR® certification for superior energy performance.



G R E S B
REAL ESTATE

GRESB

The Global Real Estate Sustainability Benchmark is a framework to assess the environmental, social, and governance (ESG) performance of real estate and infrastructure investments. Launched in 2009, GRESB evaluates the ESG performance of real assets, offering benchmarks that allow fund managers and investors to understand their sustainability performance in comparison to peers.



PREA

Founded in 1979, the Pension Real Estate Association (PREA) is a non-profit trade association for the global institutional real estate investment industry. PREA currently lists over 700 corporate member firms across the United States, Canada, Europe and Asia. Members include public and corporate pension funds, endowments, foundations, insurance companies, investment advisory firms, REITs, developers, real estate operating companies and industry service providers.



YARDI ENERGY SOLUTIONS (YES)

Founded in 1984, Yardi is a software company that specializes in property management software solutions for real estate clients worldwide. Yardi Energy Solutions® is a comprehensive suite designed for Yardi clients to maximize efficiency and drive results. Minimize late fees with automated Utility Invoice Processing and Bill Pay, maximize utility cost recovery through Utility Billing and obtain 100% building data coverage for ESG reporting — in one streamlined platform. All data is built into Yardi, with no data exchanges to manage.



IREM

The Institute of Real Estate Management

(IREM) is an international institute for property and asset managers, providing educational resources, courses, and advocacy on industry-relevant issues. IREM offers certifications like the Certified Property Manager (CPM) and Accredited Residential Manager (ARM) to validate the expertise of professionals and organizations in the field.



Green Building Council Australia GREEN BUILDING COUNCIL OF AUSTRALIA

Established in 2002, the Green Building Council of Australia is an industry organization that supports sustainable transformation of the built environment. The GBCA has development and administers the Green Star rating system, a comprehensive and voluntary environmental rating system for buildings. GBCA offers education, training to support industry professional.



The Principles for Responsible Investment (PRI) is a leading global advocate for responsible investments and assisting its global network of investor signatories in integrating these factors into their investment and ownership decisions. PRI supports its international network of investor signatories in integrating ESG factors into their investment and ownership strategies. While it collaborates with global policymakers, PRI is not tied to any government and, although it is supported by the United Nations, it remains a separate entity.



NATHERS

In Australia, the Nationwide House Energy Rating Scheme (NatHERS) provides energy ratings for new dwellings. This is helping create energy efficient, resilient and comfortable homes for the future that cost less to run. NatHERS has been upgraded to provide world-leading measurement tools the building sector can use to support the move to net zero emissions by 2050. The Scheme can now rate the energy performance for the whole home including the major appliances, solar panels and batteries, in addition to the star rating for the building shell. NatHERS provides a streamlined pathway to meet or beat the new National Construction Code (NCC) 2022 energy efficiency requirements. Currently around 90% of new home designs are assessed using the Scheme.

II. 2023 KEY PERFORMANCE INDICATORS (KPIs)

Our Portfolio by the Numbers

Focused on sustainability performance through innovation, application and documentation.



WALK SCORE¹

Average	60
Urban	71
Suburban	60



TRANSIT SCORE¹

Average	57
Urban	66
Suburban	57



BIKE SCORE¹

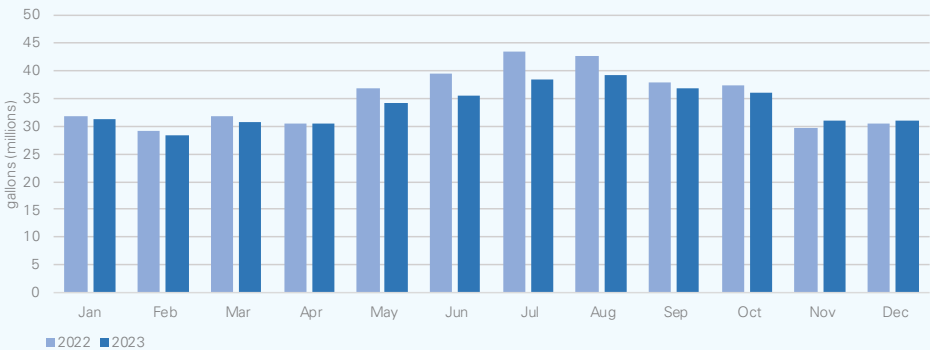
Average	54
Urban	60
Suburban	46



Average
Aqueduct Water
Risk Indicator
is 1.4 out of 5²

All indicator values score
between 0–5, such that
scores of 0–1 correspond
with the lowest category

SENTINEL REAL ESTATE FUND WATER USAGE TRENDS



Same store water
consumption
declined **4%**
between 2022
and 2023



Sentinel Real Estate Fund earned a 5-star GRESB rating

In 2023, Sentinel
employees in
aggregate spent
over 7,700 hours
in training.

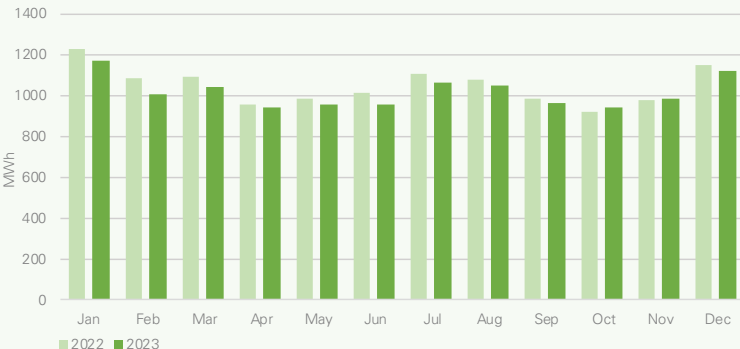
110

EV charging stations
in the Sentinel portfolio



Same store energy
consumption declined **3%**
between 2022 and 2023

SENTINEL REAL ESTATE FUND POWER USAGE TRENDS



1) Calculations below based on information readily available.

2) Calculated by the World Resources Institute, all indicator values score between 0–5, such that scores of 0–1 correspond with the lowest category, and scores of 4–5 correspond with the highest category.

III. ENVIRONMENTAL FACTORS

We are aware of the impact the developed environment can have on climate change and the natural world. Sentinel seeks to cost-effectively minimize our resource use and environmental footprint.

ENERGY AND WATER DATA COLLECTION EFFORTS

Data collection and verification is a necessary first step toward reducing one's energy, water and waste footprint. In 2018, Sentinel began the process of capturing this data in the ENERGY STAR® Portfolio Manager® (ESPM) database for Sentinel Real Estate Fund (SREF), its flagship apartment vehicle. Since then, we have worked to expand this initiative to incorporate additional apartment funds and separate accounts, as well as to integrate our commercial portfolio into these efforts.

Sentinel retained Yardi Energy Solutions® (YES) beginning in 2020 to assist with uploading utility data into the ESPM database in order to bring consistency to the quality and timeliness of data collection across the portfolio. This has facilitated tracking and analysis of this data and is expected to result in a reduction in the energy, water and waste usage and, ultimately, in the carbon footprint of the portfolio. By year-end 2023, a total of 134 properties were participating, representing 86% of our portfolio, and we expect to continue to expand this program in 2024.

One of the greatest challenges to managing our overall environmental footprint continues to be access to the energy data of residents at our apartment properties in markets where there are no benchmarking ordinances in place. This also has a substantial impact on the GRESB scoring where whole-building data coverage is an integral component in order to fully



measure energy usage and GHG emissions within the portfolio. Sentinel's sustainability team is working with YES to gain access to tenant utility data at additional properties. YES is engaging utility providers directly on our behalf to determine where such access is feasible and where other avenues will need to be pursued. To date, we have increased our resident data coverage to 54% of the SREF portfolio nationally. As new benchmarking ordinances develop, our access to whole-building data will increase. In the interim, in 2023, we tested a new program with YES to manually review the resident meters for the remaining properties in SREF.



WASTE DATA COLLECTION AND DIVERSION EFFORTS

In 2021, Sentinel executed a national contract with Waste Management to implement a company-wide analytic platform to track waste data at our properties. This contract both reduces the overall price for waste services nationwide and facilitates more consistent data coverage of waste and waste diversion at all of the properties in the portfolio. Further, this tech-driven platform helps us improve waste and recycling practices by tracking weight and seasonal trends, which allows us to calculate the frequency of needed trash pick-ups as well as the correct dumpster size to prevent loose debris and overspilling. This helps prevent garbage truck pickups before the dumpster is full, which saves on fuel, along with keep-

III. ENVIRONMENTAL FACTORS *CONTINUED*



ing the property litter free and reducing pollution at our properties. The data collected also helps us achieve higher diversion rates from landfill to recycling centers. Waste Management works hand in hand with Energy Star Portfolio Manager, which helps benchmark our usage to similar assets. Most importantly, this effort is done behind-the-scenes and does not interfere with the residents in our communities. As we take steps in the right direction for our environment, we always encourage our residents to challenge themselves to be conscientious about their individual carbon footprint as well.

As of year-end 2023, 69 properties in the overall Sentinel portfolio were being tracked by Waste Management. The annual diversion rate portfolio wide is 20%.

SOLAR ENERGY

Since 2020, Sentinel has been working to evaluate the feasibility of introducing solar panels at its properties taking into account various factors critical for installation. These factors include local regulations, the amount of sunlight available, roof orientation, building codes and associated costs. By working closely with a pool of providers, we aim to secure the most competitive pricing while ensuring the successful implementation of solar solutions tailored to each property.

Sentinel has selected the California market as the best place to begin its solar strategy implementation. California ranks first for total solar capacity, with 24% of the state's electricity coming from photovoltaic (PV) systems. Along with being one of the states with the greatest number of sunny days per year, California also has strong rebates and financial incentives due to its ambitious goals for reducing its emissions, including ensuring that 60% of its electricity is renewable by 2030 and 100% by 2045.

Currently, Sentinel has three solar projects underway:

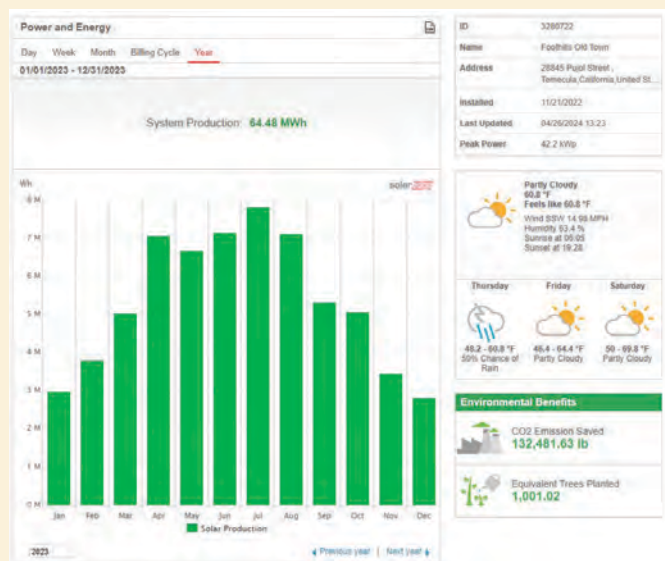
- Installation of the solar system at Hills of Valencia Apartments, in Santa Clarita, is complete and is projected to be active and producing energy beginning in the third quarter of 2024. The system is ground mounted on the side of a hill at the rear of the property. This array comprises 230 solar panels, which are expected to generate between 130 MWh and 157 MWh, covering



The rooftop solar installation on the clubhouse at The Foothills at Old Town

CASE STUDY: FOOTHILLS AT OLD TOWN SOLAR PROJECT

The on-site solar array at Foothills at Old Town Apartments in Temecula, CA was completed in 2022 and has been generating power throughout 2023. The system includes 108 solar panels, which are mounted on the clubhouse roof. During the year, the solar system generated 64.48 MWh of power, saving 129,707 lbs. of CO₂, which is the equivalent of planting 980 trees.



The solar dashboard, tracking performance at The Foothills at Old Town

III. ENVIRONMENTAL FACTORS *CONTINUED*

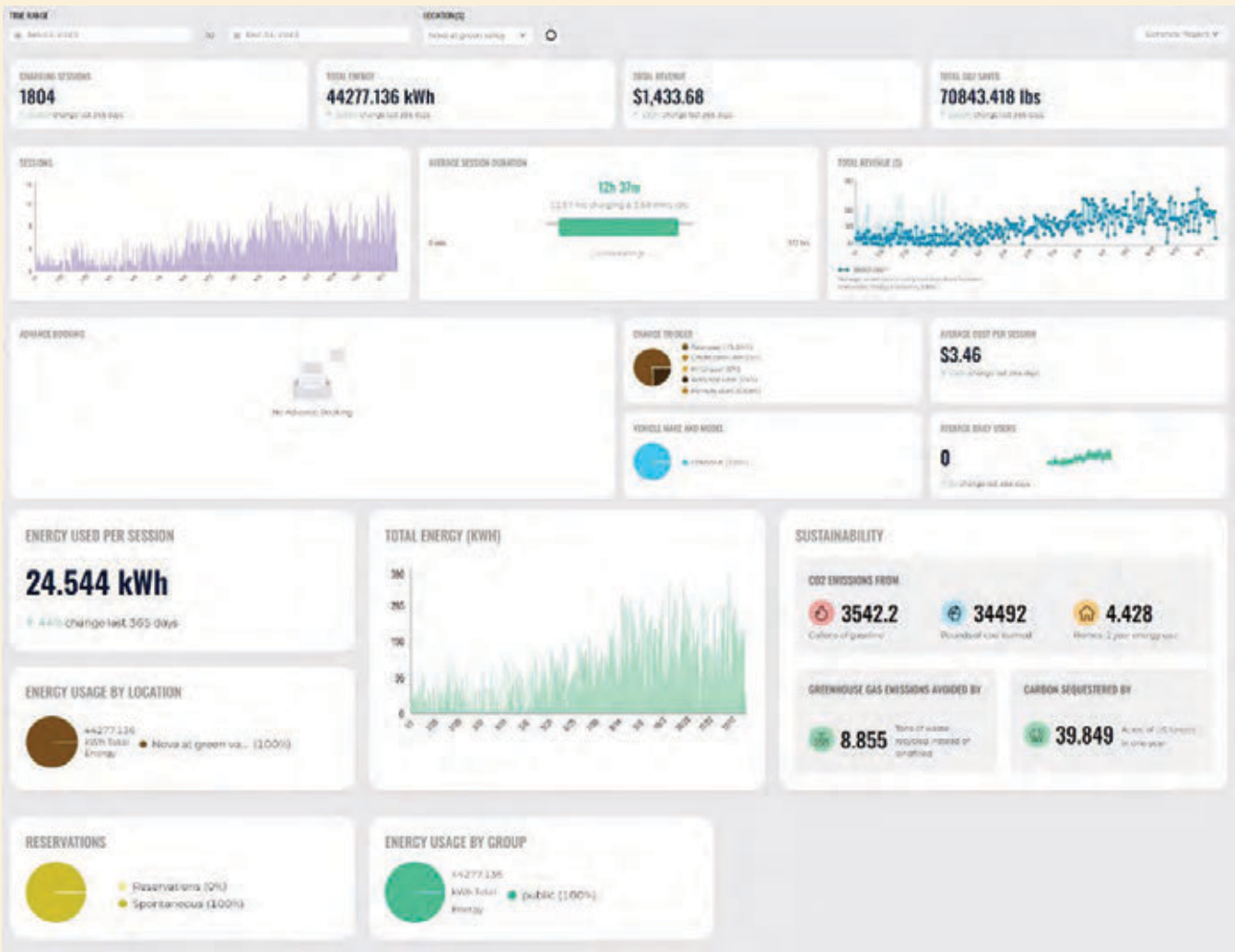
between 78% and 94% of the property's common area electric usage.

- The system at Antelope Ridge Apartments in Menifee is under construction and is projected to be completed by year-end 2024. It will comprise 347 panels, in a combination of ground mounted panels and panels on the carport roofs. Together, the panels are expected to generate between 193 MWh and 238 MWh, which will cover between 79% and 97% of the property's common area electric usage.
- We have one project underway outside of California, at Harbor Hill Apartments in Baltimore, Maryland. The solar array will consist of 71 panels strategically placed across the western section of the property's roof.

Notably, the panels will be supported by non-penetrative weighed-down boots, ensuring the integrity of the existing roof system, which remains in excellent condition. The system is anticipated to generate 43 MWh per year, contributing to 30% of the property's common area electrical consumption, encompassing site lighting, the leasing office, hallways and HVAC systems within the common areas.

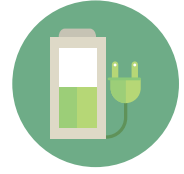
ELECTRIC VEHICLE (EV) CHARGING STATIONS

Sentinel has been evaluating the feasibility of introducing EV charging stations throughout its portfolio and exploring the various legal structures available for such an implementation. By the end of 2023, we had 110 EV charging stations throughout the portfolio, with a variety of vendors.



An EV dashboard, tracking performance at NOVA at Green Valley

III. ENVIRONMENTAL FACTORS *CONTINUED*



EV charging stations installed at (left to right) Rise 2534, Element 25 and NOVA at Green Valley

At Nova at Green Valley alone, with 10 EV charging parking spaces, in one year, we have saved 70,843 lbs. of CO₂.

In 2024, we plan to enter into a partnership with an EV charging station provider. Additionally, following a comprehensive market penetration analysis conducted with consultants, Sentinel has chosen to focus on high penetration EV markets before expanding nationwide.

GREEN ENERGY SOURCES

Providing homes for thousands of residents across the US, Sentinel is in a position to help propel the deployment of clean energy in the built environment. Not only by accessing off-site green energy sources for our own common area usage but also by offering this option to our tenants.

In 2021, Sentinel commenced an initiative to identify locations where it is feasible to source off-site green energy (primarily solar and wind) directly from the local utility providers. The analysis included a review of costs associated with the green energy options relative to the costs associated with the non-green options currently in place. As with all our sustainability programs, our goal was to carefully balance the environmental benefits with the expense associated with their implementation.

There are 18 states nationally that YES has identified that qualify to provide green energy for common area use, nine of which are states in which Sentinel's multifamily portfolio properties are located. As existing energy agreements that represent non-renewable sources expire, efforts will be made to enter into contracts for renewable energy, where feasible. At the end of 2023, a total of 18 properties were using green power for common area electricity.

Sentinel is also working on ways to offer green energy procurement to our tenants. Our first effort in

2022 established a program at Swift Creek Commons Apartments outside of Richmond, Virginia that encouraged our residents to choose an environmentally friendly option for their personal energy consumption. Virginia is one of 29 states that have a deregulated electricity market, allowing consumers to choose from a competitive market of energy suppliers. Dominion Energy's voluntary Renewable Energy Program empowers consumers to choose either traditional sourcing of energy, or a 100% renewable energy source. For our part, Sentinel committed to purchasing 100% renewal energy for all common area electric needs at Swift Creek Commons. In addition, a promotional flyer was emailed to all Swift Creek Commons residents to raise awareness and provide information about the Dominion Energy Renewable Energy Program. We hope it will encourage residents to go green and sign up for the program. We also encourage new residents to sign up for this program at move-in.

Currently, we are working with ResidentShield Power (RS Power), a branch of Yardi, that provides residents in deregulated markets convenient access to green electricity. In 2024 Sentinel plans to pilot this program at AVANT on Market Center in Dallas, Texas, with the goal of implementing similar tenant-focused initiatives in other deregulated markets. Through this initial pilot, tenants will be provided access to green electricity at the time of move-in that is priced transparently and competitively with other traditional suppliers in the market. This initiative is available to Sentinel at no cost.

SENTINEL GREEN PROGRAM

The Sentinel Green Program was developed in 2009 and is augmented each year to ensure Sentinel is incorporating environmentally sustainable best practices into its day-to-day property operations, unit interior renovation programs and community-wide value enhancement initiatives. Based on the principles articulated by the Institute of Real Estate Management (IREM), the Program focuses on strategies to measure and reduce energy consumption, water usage, waste disposal and carbon emissions at existing properties within the portfolio.

III. ENVIRONMENTAL FACTORS *CONTINUED*

SUSTAINABLE CAPITAL PROGRAMS

The scope of capital investment varies widely across the Sentinel portfolio depending upon the vintage, investment strategy and location of each property. However, all capital programs at Sentinel now contemplate sustainability with regard to both the sourcing of materials and the ultimate impact the project will have on its environment.

The Sentinel Real Estate Fund (SREF), a nationally diversified core apartment portfolio primarily composed of stabilized garden-style investments, as well as a number of Sentinel's other accounts with value-added investment mandates, have been focused on a range of capital programs that should generate sustainable benefits. Specifically, we have ongoing programs for the following improvements:

- retrofitting common area and unit interior lighting with LED bulbs;
- installing recyclable carpet and wood-style vinyl plank flooring;
- converting HVAC systems from R-22 condensers to "cleaner" R-410A condensers;
- installing low flow shower heads, water efficient toilets and drip irrigation systems to reduce water usage;
- installing energy efficient appliances;
- utilizing sustainable procurement processes to source environmentally-friendly products;
- implementing paperless operations throughout the portfolios; and
- installing programmable thermostats where practical.

We have detailed the accomplishments that were realized as a result of several of these programs below:

LED LIGHTING

In 2013, Sentinel commenced an initiative to retrofit the common area lighting with LED bulbs wherever practicable. LED light bulbs use up to 90% less energy than regular incandescent or halogen bulbs and last far longer, which reduces waste and material used for bulbs that need to be replaced more often. Sentinel has been working in partnership with HD Supply on this initiative. HD Supply performs energy audits, which are designed to

inform property-wide common area LED implementation programs. Since 2013, SREF has retrofitted 91.6% of the common area lighting at assets within its portfolio. In addition, since 2013, SREF has converted 8,745 apartments or 78.9% of the entire SREF portfolio to LED fixtures/bulbs. In 2023 alone, 1,219 apartments were converted to LED lighting.



FLOORING

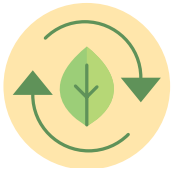
Sentinel continues to install environmentally friendly carpet where possible throughout its portfolio. We currently use two different styles of carpet: Home Charm, which has fibers made from 30% renewable plant-based material, and Neutral Shift, which is made from 25% recycled plastic bottles along with 30% renewable plant-based material. Both types of carpet are OEKO-TEX Standard 100 Certified (free of harmful substances). In 2023, Sentinel installed 1,762,431 square feet of carpeting, and our use of Neutral Shift carpet resulted in nearly 813,418 plastic bottles being diverted from landfills.

Moving forward we will continue to increase the usage of Neutral Shift carpeting throughout the portfolio to divert as many plastic bottles as possible from landfills. Additionally, where possible, we have eliminated the use of carpeting in the living/dining room areas of our first-floor units and replaced it with vinyl plank flooring or LVT, which has a longer life than carpet (5-7 years compared to 3-5 years). In addition, it can be repaired by replacing individual planks rather than having to replace the entire carpet, reducing overall waste. In 2023, in SREF, we converted the living room/dining room/hallway areas in 286 units from carpet to vinyl plank, representing approximately 75,218 square feet.

TRANSITION FROM R-22 TO 410A CONDENSERS

In response to the phase-out of HCFCs that began in 2010, including the R-22 Freon used in most HVAC systems, Sentinel has been proactively working to either retrofit existing HVAC systems or to install new systems that utilize R-410A, also known as Puron, which is a non-ozone-depleting HFC refrigerant blend. During 2023, 398 HVAC units across just the SREF portfolio were either retrofitted or converted by our capital teams, as we move toward the goal of achieving usage of R-410A across the entire portfolio.

III. ENVIRONMENTAL FACTORS *CONTINUED*



SUSTAINABLE PROCUREMENT PROCESSES

Sentinel tracked the sustainable materials utilized at all of its properties under management throughout 2023. Portfolio wide, over \$1,462,900 was spent on sustainable products, including appliances, environmentally-friendly cleaning products and water saving devices such as faucets, showerheads and toilets which equates to 13.8% of the total capital and maintenance expenditure. In addition, the Sentinel portfolio used 34,123 gallons of interior paint of which 82% had no VOC's and 18% had low VOC's.

PAPERLESS OPERATIONS

Sentinel has been working for many years to limit the use of paper in daily operations.

- In 2023, all leasing and renewal activity continued to operate in the “virtual” environment. All leasing staff are now equipped with tablets to facilitate the paper-less leasing of units.
- Hardcopy resident lease files are no longer kept on-site. All leases are scanned into our property management software database.
- All vendor invoices are approved electronically regardless of payment method. Sentinel is working with the few remaining vendors that send paper bills to move to online billing and authorize online bill pay. The goal is to have 100% of billings moved online.
- All maintenance staff are now equipped with tablets to facilitate online tracking of work orders.
- In an effort to reduce the use of paper coffee cups, many communities now provide coffee mugs as move in gifts to tenants.

BUILDING CERTIFICATIONS

Critical to the success of a sustainability program is the ability to report to stakeholders – including investors. The third-party validation that comes with certification helps to increase confidence among these audiences that we are holding ourselves accountable to verifiable standards and are putting in place a framework that enables us to report our progress and demonstrate measurable results. Further, benchmarks and certifications

like GRESB, LEED and the Institute of Real Estate Management's (IREM) Certified Sustainable Property (CSP) Program provide reporting templates and have helped to drive greater adoption by providing guidelines for how to structure a sustainability program.

In evaluating certification systems, we determined that IREM – an alternative to LEED certification – presented the best path given that it is more customized to property managers rather than developers and it is also more cost effective. In order to obtain the IREM certification, a property must demonstrate it can achieve a minimum total of 62 points, with points awarded by meeting specific objectives in the following categories:

- Management's demonstrated commitment to sustainability;
- Energy and water benchmarking and reduction goals;
- Commitment to health, wellness and safety of residents;
- Recycling practices, including waste diversion targets; and
- Sustainable purchasing practices.

We believe that the IREM CSP certifications will benefit our funds in a number of ways. In addition to enhancing the vehicle's GRESB score and providing a verifiable way to track sustainability progress within the portfolio, these certifications can serve as a marketing tool to tenants and facilitate further awareness around sustainability initiatives at the property level.

Sentinel's overall portfolio contains 42 properties with property-level building certifications, including 29 properties that we have certified under the IREM CSP program. In 2023, in SREF alone, two additional properties obtained IREM CSP certifications, and one property was recertified with IREM. Within the portfolio of 36 properties, 25 have received sustainability certifications, accounting for 69% of the total properties. This includes 24 properties with IREM certification, one with a Green Globes Certification and three properties with both IREM and National Green Building Standard certifications, bringing the total count of certifications to 28. Initial IREM certifications are generally sought after a property has been owned by the Fund for two years. Nona Park Village Apartments in Orlando, the first

III. ENVIRONMENTAL FACTORS *CONTINUED*

Sentinel property to receive IREM CSP certification in 2020, was highlighted as a case study in IREM's ESG in Action publication.

Sentinel recently enrolled in the IREM Certified Sustainable Property (CSP) Volume Program, which involves committing to sustainability across a property management portfolio. Sentinel is committed to enhancing its sustainability profile, improving the performance of its properties and taking a lead in sustainable property management.

CERTIFICATIONS IN AUSTRALIA

Separate from our US operations, Sentinel is also an active multifamily investor in Australia, where we were the first to develop and open a purpose-built multifamily (known as Build to Rent in Australia) development – The Elements by Kinleaf, located in Subiaco (Perth), Western Australia. Sentinel's Australian Build to Rent platform is managed by Sentinel Fund Manager Australia (Sentinel Australia) and its local team of development professionals. On completion, Sentinel Australia's developments are operated under its Australian property management brand, Kinleaf. In 2021, Phase 1 of The Elements achieved its status as the first Carbon Neutral Certified apartment building in Australia (inclusive of Build to Sell apartment buildings), following Sentinel Australia's close work with the Green Building Council of Australia (GBCA), Climate Active and Stantec's sustainability team to pioneer a certification methodology for the Build to Rent model that acknowledges the sector's unique potential for ongoing energy leadership in the residential sector.

In 2022 and 2023, Phase 1 of The Elements achieved carbon neutral re-certification by maintaining numerous sustainable operations over the course of each year, targeting enhanced water and energy conservation, reducing greenhouse gas emissions and utilizing Australian-based carbon credits. Key sustainability features include electric car charging stations, energy efficient appliances provided to residents in every apartment, a 30kW photovoltaic system for common area energy use and an average 8-Star Nationwide House Energy Rating Scheme (NatHERS) rating. Specialty waste streams, a rainwater, programmable thermostats and grey-water recycling system, occupancy sensors



Phase II of The Elements in Subiaco (Perth), WA

and an embedded metering network also support the building's high sustainability standards. In the role of developer, the opportunities to manage sustainable outcomes are much more ingrained in the structure of the development itself, as environmental approaches can be applied in a progressive, holistic way – from building strategies aimed at water and energy conservation to a reduction in greenhouse gas emissions and minimal maintenance and waste through the use of durable products.

In 2022, Phase 2 of Sentinel Australia's The Elements successfully achieved a 5-Star Green Star Design & As Built v1.3 certified rating from the GBCA. The 5-Star Green Star certified rating represents Australian Excellence, demonstrating that the project has achieved a high standard of design and efficiency in construction, and verifying the environmental and social outcomes Sentinel Australia set out to achieve. Founded by the GBCA in 2003, Green Star is an internationally recognized rating system developed for the Australian environment that sets the standard for healthy, resilient, positive buildings and places. In 2024, it is anticipated that Phase 2 of The Elements will obtain carbon neutral certification from Climate Active.

At the end of 2023, following the success of The Elements in Western Australia, Sentinel Australia opened its newest Build to Rent apartment community, The Briscoe by Kinleaf, located in West Melbourne, Victoria. Drawing inspiration from its former use as an iron yard owned by one of Australia's largest Victorian-era hardware firms, Briscoe & Company Limited, The Briscoe is notable for the adaptive re-use of sections

IREM CERTIFIED SUSTAINABLE PROPERTIES



23Hundred at Berry Hill



Acadia at Cornerstar Apartments



Almeria at Ocotillo



Antelope Ridge Apartments



Arrowhead Landing Apartments



AVANT on Market Center



Avenel at Montgomery Square



Carrington Place at Shoal Creek



Delano at Cypress Creek



Egret's Landing Apartments



First and Main Apartments



Foothills at Old Town Apartments



Glenbrook Apartments



Hampshire Green Apartments



Hayes House

IREM CERTIFIED SUSTAINABLE PROPERTIES



Hills of Valencia Apartments



Island Park/Harbor Town Square



Lantern Woods Apartments



Nona Park Village Apartments



Parc at Grandview



Perimeter Gardens at Georgetown



The Broderick



The Gardens at Polaris Apartments



The Oaks at Johns Creek Apartments



The Republic



The Vineyards



Urban Green Apartments



Weston Point Apartments



Windward Long Point Apartments

III. ENVIRONMENTAL FACTORS *CONTINUED*

of the building's original heritage façade and art deco signage. These were restored throughout the construction process, with original brickwork from the façade also featured inside the completed building. Apartments at The Briscoe feature a full suite of premium energy-efficient appliances, state-of-the-art carbon neutral benchtops (counters) and flooring, floor-to-ceiling double glazed windows and a variety of generously sized and thoughtfully designed apartment layouts to suit different household needs and preferences.

As pioneered by Sentinel Australia's previous Build to Rent properties, The Briscoe is pursuing carbon neutral certification and is currently registered for a 5-Star Green Star As Built rating from the GBCA. It has achieved an average 8 Star NatHERS energy rating and 50% of the base building electricity supply is GreenPower, which is certified renewable energy. Additionally, the building has a 15 kW solar array that generates renewable energy on-site for common areas, further reducing the building's reliance on the grid for its energy supply.

NGBS

Sentinel's portfolio contains four NGBS-Bronze Level certified properties. The National Green Building Standard (NGBS) is an ANSI-approved green building certification program, specifically focused on single-family and multifamily residential buildings, remodeling projects, and land developments. In a partnership with the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE), the International Code Council (ICC), and the National Association of Home Builders (NAHB), the NGBS was developed to provide a uniform national platform for recognizing and advancing green residential construction and development. The NGBS is a point-based system, wherein a single-family or multifamily building(s) can attain certification depending on the sustainable and green practices included in design and construction, and planned for its operation and maintenance. Projects can qualify for four certification levels (Bronze, Silver, Gold, or Emerald) by earning the required number of points for each level.

LEED – USGBC

Sentinel's portfolio currently contains seven LEED-certified properties. The LEED Green Building Rating System

(LEED), facilitated by the US Green Building Council (USGBC), is a program that provides third-party verification of green buildings. The LEED rating systems address both a wide variety of buildings types, including commercial buildings, homes, neighborhoods, retail, healthcare, and schools, as well as every phase of the building lifecycle including design, construction, operations and maintenance. Projects may earn one of four levels of LEED certification (Certified, Silver, Gold or Platinum) by achieving a given number of point-based credits within the rating system.



SUSTAINABLE PRODUCTS AND MANUFACTURERS

As highlighted in previous ESG reports, our ongoing renovations consistently prioritize the integration of eco-friendly materials. These include recycled content in flooring and solid surfaces, energy-efficient appliances meeting Energy Star standards, LED lighting fixtures, and low-flow plumbing fixtures certified by WaterSense. Our commitment extends to incorporating recyclable flooring and solid surface materials with Cradle-to-Cradle and GreenGuard certifications, while actively minimizing waste diversion from landfills.

In a broader context, our material selection aligns with various green building certification programs such as LEED, BREEAM, and VERDE, earning points in recognition of our sustainable practices. Furthermore, we opt for products participating in the Environmental Product Declaration and Health Product Declaration programs, providing comprehensive insights into the ingredients and sourcing of each product.

Beyond the focus on materials, we prioritize partnerships with vendors and manufacturers who share our dedication to sustainability principles on a corporate level. The ensuing section outlines specific examples of sustainable practices adopted by our key vendors, further underscoring our commitment to environmental responsibility and long-term sustainability.

Our team partners with national vendors to facilitate preferred pricing, shorter lead times, and gain access to a national network of their trusted and trained installers. We seek to partner with companies that adhere to a high standard of sustainable practices. For this year's report we would like to highlight some of those partners.

PARTNERING WITH VENDORS



Ferguson, a key vendor supplying a variety of construction materials, appliances, accessories, and more, has demonstrated a commendable commitment to sustainability and environmental responsibility. This dedication is evident in their strategic initiatives aimed at reducing their carbon footprint and increasing revenue through the sale of sustainable products. Notable in their sustainability efforts is their collaboration with a leading green building consulting firm to establish stringent standards for their distribution centers. These standards, aligned with LEED and Fitwel certifications, encompass various aspects such as rainwater management, energy efficiency, use of sustainable materials, and indoor air quality. Additionally, Ferguson conducts comprehensive building life cycle assessments to ensure the sustainability of their distribution centers. In a significant move towards renewable energy, Ferguson has installed a substantial 1.1-megawatt rooftop solar array at their Perris, California Distribution Center, which is projected to offset approximately 1,305 metric tons of carbon dioxide annually. Furthermore, Ferguson has invested in solar arrays for other distribution centers, including one in Phoenix, Arizona, and is actively pursuing LEED Silver certification for that facility.

A substantial portion of Ferguson's revenue, exceeding \$3 billion in 2022, is attributed to the sale of sustainable products with third-party certifications. This represents a notable 20% increase from the previous year, underlining the growing consumer demand for environmentally friendly solutions. In alignment with their commitment to environmental leadership, Ferguson has joined the Building Decarbonization Coalition and established an internal Environmental Leadership Council, chaired by their Director of Environmental Product Strategy. These initiatives underscore Ferguson's proactive approach to sustainability and carbon reduction. Demonstrating tangible progress, Ferguson has achieved a significant decrease of 30.7% in their combined Scope 1 and 2 carbon emissions per million U.S. dollar revenue compared to a 2019/2020 baseline. By 2024, Ferguson aims to integrate 30 all-electric trucks into their fleet, further advancing their commitment to sustainable transportation solutions.

COSENTINO®

Cosentino, our provider of solid surfaces for kitchen and bathroom applications, demonstrates a strong commitment to sustainability initiatives. Notably, Cosentino operates the only waste recovery plant in the sector, utilizing waste in the creation of new materials. Their dedication to sustainability is evident in a 12.8% reduction in carbon footprint since 2018, with a target of achieving a 35% emissions reduction by 2030. The manufacturing process relies on 100% electrical energy from certified renewable sources, including a significant contribution from an onsite solar plant with a goal to reach 27% by 2025. Furthermore, Cosentino prioritizes water conservation, treating over 80,000 cubic meters per day through their Wastewater Reclamation Plant, resulting in a remarkable 99% recycled water usage and zero discharge. Employee transportation is also addressed through various initiatives, including charging stations, a carpooling service, bus routes, and electric bikes. Additionally, Cosentino emphasizes the use of recycled materials in their products, with more than 3 million square meters of slabs produced from recovered or recycled material, constituting one-third of their total production. Notably, the Silestone and Dekton product lines showcase minimum 20% and up to 85% recycled content, respectively, with the latter achieving carbon neutrality for its entire life cycle, earning Zero Waste certification and Environmental Product Declaration (EPD) certification for enhanced sustainability transparency.



HD Supply's "ideallygreen" initiative, introduced in 2007, has played a significant role in promoting environmental sustainability while offering economic benefits. With a selection of over 3,500 environmentally preferable products, HD Supply has enabled its customers to achieve substantial savings and environmental impact reductions. Their "Reuse Me" Program minimizes waste by reusing delivery boxes in several cities, and has incorporated green practices across its operations, including energy-efficient retrofits for efficient deliveries. Their engagement in independent research has highlighted a consumer demand for green apartment units, with findings in 2013 indicating that 64% of renters are willing to pay more for such accommodations. These efforts reflect HD Supply's comprehensive approach to sustainability, extending beyond product sales to include operational efficiencies and research-driven market insights.



Shaw Flooring, our provider of carpet and vinyl flooring, emphasizes a holistic approach to product development, considering not only the materials used but also factors such as sound, moisture, and cleanability to enhance both environmental health and the overall human experience. Shaw's commitment to ESG principles is evident in their ambitious 2030 goal to optimize 100% of their products according to cradle-to-cradle principles, with nearly 90% of their current manufacturing already Cradle to Cradle certified. Additionally, Shaw has achieved a reduction of 60% in its carbon footprint since 2010, repurposing more than 2.7 billion recycled plastic bottles into flooring and reclaiming nearly 1 billion pounds of carpet since 2006. Shaw places a strong focus on water conservation, utilizing 43% less water per pound of finished product compared to 2010. To ensure indoor air quality, Shaw's products adhere to VOC emission standards through certifications such as Green Label Plus, FloorScore, and GREENGUARD. Shaw also provides comprehensive product ingredient and disclosure information through Health Product Declarations (HPDs) and Declare labels, a demonstration of transparency and sustainability.



Kohler, our provider of kitchen and bathroom fixtures, employs a comprehensive sustainability approach focused on footprint reduction, production innovation, and education & action. Achievements include a 41% reduction in global operational energy use intensity since 2008, a 62% reduction in greenhouse gas intensity (Scope 1+2) since 2008, with a net-zero goal by 2035. Kohler has also achieved a 57% reduction in water withdrawal intensity and a 58% reduction in global operational waste to landfill intensity since 2008, with a target of net-zero waste to landfills by 2035. Their WaterSense labeled products have saved 560 billion gallons of water in the U.S. since 2007. In 2022, 100% of the electricity for U.S. and Canada operations was from renewable sources, with a global operational electricity share of 54%. Kohler received a B rating in CDP Climate Change and Water Security scores, the EPA WaterSense 2022 Sustained Excellence Award, and launched 85 new WaterSense labeled products in 2022. Their WasteLAB initiative has diverted 25.5 metric tons of waste from landfills since 2019. Kohler's commitment to renewable energy is exemplified by their 2.25-megawatt solar field launched in June 2022. They are recognized as a SmartWay Transport Partner by the EPA and joined the eFuel Alliance in 2022, solidifying their dedication to sustainable practices across their operations.

III. SOCIAL RESPONSIBILITY

We seek to encourage positive change in our communities through equity, engagement and education. Sentinel aims to provide a collaborative and supportive workplace for our staff and to empower our communities through service and charitable giving.

SENTINEL IN THE COMMUNITY

We continued our ongoing efforts to engage our staff and tenants in local community service activities. Our properties were able to engage in a wide variety of community service events, including:

- Toy, Food, Clothing and Blood drives
- Earth Day activities
- Cancer Awareness
- Fitness and Nutrition educational training
- Plant and cooking herbs giveaway
- Potted plant tutorials
- Animal Rescue Event
- Shred-a-Thon Day
- Donating time to Habitat for Humanity
- Cleaning up a local park day
- Shoe collections for local charity
- Medical Supply drives
- School Supply drives

Sentinel has created an Employee Volunteer Program for all property employees working at our multifamily communities around the country. Each property employee is provided with 8 hours per calendar year to dedicate to volunteer work within the local community. In connection with each property's annual budget and asset plan process, General Managers identify either an individual volunteer initiative they would like the community to support or several volunteer opportunities within the local community from which each employee can choose. All property employees are encouraged to participate.

WE CONNECT PROGRAM

In our continued commitment to social responsibility and community engagement, we introduced the "We Connect" initiative, a key component of our broader sustainability and community involvement strategy. This program underscores our dedication to fostering meaningful connections within the communities we serve, while also promoting a culture of volunteerism among our residents and employees.

Under the "We Connect" program, properties within our portfolio may select a local service provider to "adopt." This partnership represents a concerted effort to amplify the critical work these organizations do within our communities. Our employees actively engage with our residents to communicate the service provider's needs, mobilizing our community to support these essential services.

By encouraging our employees and residents to collaborate in meeting these needs, we not only contribute to the well-being of the communities in which we operate but also instill a sense of purpose and connectedness among our stakeholders. This initiative is expected to enhance the social fabric of our communities and reinforce our position as a responsible and community-focused investor.

LOCAL ORGANIZATIONS PROPERTIES WORKED WITH IN 2023

- Animal Shelters
- Bikes for Kids - Alpharetta
- Greater Urbana Food Bank

III. SOCIAL RESPONSIBILITY *CONTINUED*

- Harvester's
- Midsouth Food Bank
- Move for Hunger
- North Fulton Charities
- Northwest Assistance Ministries
- Operation Breakthrough
- Person to Person
- Project1020.org
- Second Harvest Food Bank
- Tennessee Homeless Solutions Alliance (TNSHA)
- Toys & Joys
- Toys for Tots
- Baltimore Animal Rescue and Care Shelter (BARCS)
- Brookdale Senior Living
- Fort Dorchester High School
- Kansas City Pet Project
- PAWS Connecticut
- Roadrunner Food Bank



The Crossings at Alexander Place team, showing their community spirit.

THE CROSSINGS AT ALEXANDER PLACE FOOD DRIVE

The Durham Food Bank received assistance from the dedicated staff at The Crossings at Alexander Place, who volunteered their time to support the facility. The volunteers sorted through pallets of drink boxes donated by supermarkets and businesses, packaging 2,500 pounds of drink boxes for distribution to local organizations. The Crossings at Alexander Place is a WeConnect Partner of the Durham Food Bank and has previously raised 296 pounds of food through a holiday food drive. They plan to continue their partnership by organizing food drives, additional staff volunteer opportunities and potentially creating volunteer opportunities involving residents.



Residents at Lexington Farms enjoying each other's company and a bevy of tasty items at the Treats and Seats event.

LEXINGTON FARMS SOCIAL ENGAGEMENT

Lexington Farms successfully organized the "Treats & Seats" event, which attracted over 100 residents, who thoroughly enjoyed the food trucks and games. This occasion provided us with a valuable opportunity to engage with the residents and gather their feedback on their experience at Lexington Farms. We received numerous positive comments about our property staff, and we also gained insights into areas where residents feel we can enhance our services.

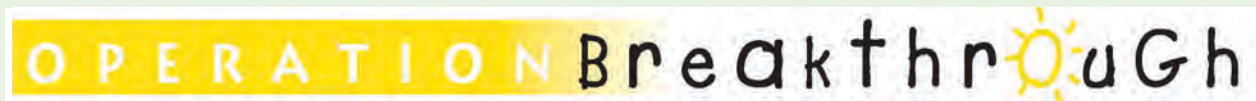
THE RETREAT AT CINCO RANCH POLLINATOR CELEBRATION

For Pollinator Week 2023, the office at The Retreat at Cinco Ranch in Katy, TX, distributed wildflower propagation kits. In recent years, the pollinator population in Texas has been affected by drought and high temperatures, pesticides and, particularly, habitat loss and lack of nectar-producing resources. The kits that were distributed



Sample wildflower pollinator seed kits at The Retreat at Cinco Ranch.

PARTNERING WITH COMMUNITY ORGANIZATIONS



III. ENVIRONMENTAL FACTORS *CONTINUED*

included non-GMO, non-coated butterfly seed mix, a bio-degradable planter and detailed instructions for germinating and growing the plants.



A station at the Urban Green Apartments' clubhouse carnival for Earth Day.

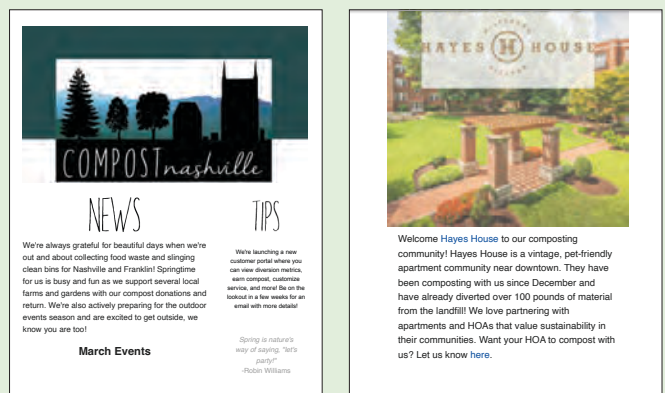
URBAN GREEN EARTH DAY CARNIVAL

The property management team at Urban Green Apartments hosted a clubhouse carnival for Earth Day. To incorporate fun with learning, the team invited residents to participate and play games that teach sustainable best practices, with games like:

- Plant an Herb or Flower
- Keep or Toss - Recycling vs Trash Game
- Earth Day Scavenger Hunt
- Sign Our Go Green Promise & Spin Our Wheel - with all eco-friendly prizes
- Make a Vegan Dirt Dessert

Living Guide that is provided at the time of move-in and on our property and corporate websites as well as through the “Green Tips” that are posted on the property Facebook pages to encourage residents to live a greener, healthier life. 24 posts per property were posted over the course of the year.

Sentinel has also developed a quarterly resident newsletter with the goal of providing regular communication regarding Sentinel's sustainability efforts to help foster the culture of sustainability throughout our apartment communities.



The Compost Nashville newsletter, featuring the composting program at Hayes House Apartments.

Every quarter we assemble a collection of informative and relatable articles intended to inspire residents towards putting their green foot forward. This collection also includes recipes and articles on health and wellbeing. Whether shining a spotlight on an employee who has gone above and beyond in sustainability – either at work or personally, – or showcasing how Sentinel properties work to move towards a greener future we endeavor to share the fun in being green.

TENANT & EMPLOYEE SURVEYS

During 2023, Sentinel again engaged Kingsley Associates to perform Tenant Engagement Surveys across the Sentinel apartment portfolio to ensure we are obtaining real time feedback regarding all aspects of life at our communities. The surveys enable tenants to rate their satisfaction with the property management's business practices and solicit feedback at four crucial touchpoints (move-in, work-order, pre-renewal and move-out).



The December and June 2023 issues of the Living Green Quarterly.

RESIDENT ENGAGEMENT

In 2023, we continued to educate our residents on many aspects of sustainable living, through the Sustainable

III. ENVIRONMENTAL FACTORS *CONTINUED*



These surveys are reviewed by the asset and portfolio management teams and specific concerns identified are addressed directly with our tenants. We also utilize the services of Kingsley Associates to survey all Sentinel employees both at the corporate office in New York, as well as across all of our properties in the United States. Our Human Resources Director reviews the findings of the surveys and provides recommendations to Sentinel's Executive Committee based upon the employee feedback.

TRAINING

Sentinel prioritizes staff training to give employees opportunities for self-improvement and career advancement. In 2023, Sentinel employees in aggregate spent over 7,700 hours in training.

Training for Sentinel's employees begins with the onboarding process, which includes an orientation session that reviews the benefits package, corporate handbook, time off and addresses any questions or concerns the employee may have. This orientation is followed up with an IT Policies and Procedures training session, which is given by Sentinel's Yardi group. The class curriculum addresses electronic mail, voicemail, Internet, copyright compliance, computer access, password compliance and other software. The employee is introduced to Sentinel's Remedy system (helpdesk ticketing software), the online property policy and procedures manual (if applicable) and, depending on job function, the required Yardi applications.

The onboarding process also includes required cybersecurity and compliance training classes and acknowledgments, which are also required on an annual basis for all employees. Sentinel has contracted with KnowBe4, a cybersecurity and compliance education provider, to provide Sentinel employees with much of this training, including:

- Annual cybersecurity training and awareness programs for reinforcement of cybersecurity best practices;
- Ongoing phishing simulations and remedial training where necessary;
- Harassment prevention training;
- Ethics training;
- Diversity, equity and inclusion classes; and
- Privacy and data protection classes.

All employees are required to verify their understanding and acknowledge their acceptance of Sentinel's Code of Business Conduct both at onboarding and on an annual basis thereafter. Corporate employees also must acknowledge and accept the policies in the Corporate Employee Handbook. All applicable employees also receive training from our compliance consultant on the contents of Sentinel's Code of Ethics and Compliance Manual and are required to verify their understanding and acknowledge their acceptance of both on an annual basis.

Ongoing training for all employees includes access to the Office 365 Training Center, which provides training videos or downloaded templates to be utilized for all applications included in Office 365. Training is available to all users for all applications in the Office 365 suite, including Outlook, Excel, Word, SharePoint and others. In addition, Yardi Systems provides monthly RENTmaximizer and Screening Works Pro classes, and Sentinel's Yardi helpdesk team offers monthly classes on using all aspects of the software. Employees are also able to schedule one-on-one classes based on job function with the Sentinel Yardi support team.

Sentinel also maintains training programs in property management, leasing and property maintenance. Sentinel utilizes Grace Hill for this training, which allows for individualized training of property employees, when it is convenient and in a way that minimizes the loss of time from regular job duties. This training can be used both for new employees and for those who want to revisit subjects previously covered. Beyond courses in property management basics, Grace Hill offers courses on such topics as business etiquette, conflict resolution, customer relationship management, Fair Housing, mold awareness, preventing sexual harassment, diversity and inclusion, bloodborne pathogens, personal protective equipment, etc. Specific courses designed to educate our employees on sustainability practices have been included in the required training, including the Grace Hill Conservation course. All classes completed are tracked within the Grace Hill system.

ABOUT GRACE HILL

Grace Hill provides technology-enabled talent performance solutions that help owners and operators of real

III. ENVIRONMENTAL FACTORS *CONTINUED*

KINGSLEY estate properties increase property performance, reduce operating risk, and grow top talent. Its industry-leading solutions covering policy, training, assessment, and data-driven insights are bolstered by years of real estate experience, in-depth service-level expertise, and outstanding customer support. Today, Grace Hill represents more than 2300 companies for their talent performance solutions.

Sentinel also provides intensive training to its personnel in the application of nondiscriminatory renting policies and issues certificates to employees who satisfactorily complete the firm's Fair Housing courses. Our internal auditors also teach many audit and policy courses all over the country each year, which are also recorded. This includes training on sustainability aspects of property management, to engage employees in our efforts to address sustainability issues in our day-to-day management and overall business strategy.

SENTINEL SESSIONS

Sentinel Sessions, established in 2023, is an educational series where professionals from within our organization as well as from outside come forward to share their expertise and insights with Sentinel team members. The purpose of Sentinel Sessions is to promote a culture of knowledge sharing and continuous learning. Sentinel Sessions helps to enhance and develop skills specific to real estate, as well as general business best practices. By giving our employees a platform to share their individual experiences, we also aim to communicate Sentinel's overarching values and objectives.

We see Sentinel Sessions is an opportunity to continue our collective professional development. The Sessions cover a wide range of topics, including detail into the real estate industry, understanding the professional services we utilize, improving our comprehension of real estate terms and data, and dedicated dives into each department's skills and functions. Presentations include insights on decision-making, problem-solving and how the subject matter ties into overall performance. Sentinel Sessions encourages cross-functional collaboration to strengthen our ability to integrate departments efficiently. Exposing our team to diverse perspectives sparks innovation and creativity, driving both individual

and corporate growth. We encourage active participation in Sentinel Sessions, both as presenters and as audience members.

INTERNSHIP PROGRAM

In 2023, Sentinel made the decision to establish an internship program, which will begin in the summer of 2024. The Summer Internship Program is a ten-week immersive experience in which students will gain exposure to all facets of real estate investment management, including Asset Management and Property Operations, Portfolio Management, Financial Operations, Sustainability Initiatives, Capital Raising, Compliance and Marketing.

The goal of the internship is to provide students with experiential learning opportunities and to help foster meaningful connections as well as a passion for working in real estate investment management. Through hands-on learning and training, daily work experience, intern events, projects and lunch and learn series, students gain connections at all levels of the company and learn about a variety of facets of our business.

In the summer of 2024, Sentinel will have four interns in our New York City headquarters in the following departments: Finance/Accounting, Marketing/Investor Services, Portfolio Management and Sustainability.



To find candidates, we partnered with Coffee Connectors through its Opportunity Internship program. Coffee Connectors is an initiative that helps ambitious first-generation college students and commercial real estate first-timers to overcome gaps in their career networks. The Opportunity Internship provides students with an opportunity to be immersed in daily business practices and industry language, learn about different aspects of the real estate business and gain insight into potential career pathways.



COMMITMENT TO DIVERSITY, EQUITY AND INCLUSION

Sentinel has established a formal Diversity, Equity and Inclusion (DEI) Policy that outlines our commitment to fostering, cultivating and preserving a culture of diversity, equity and inclusion.

III. ENVIRONMENTAL FACTORS *CONTINUED*

Our human capital is the most valuable asset we have. We embrace and encourage our employees' differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status and other characteristics that make our employees unique.

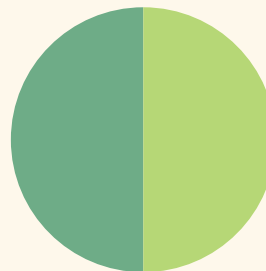
Sentinel's longstanding commitment to provide opportunities for all is evident in our equal employment opportunity policy, the composition of our workforce and our support of a variety of training programs, which develop pools of qualified individuals through training and continuing education.

- Sentinel has always been committed to providing equal opportunity and preventing discrimination, not only in hiring practices, but also in promotion and advancement of employees:
- Currently, we have an overall representation of 50% minority employees and 50% female employees.
- With respect to our senior and mid-level professionals, we have a 23% representation among minority groups and 68% of our senior and mid-level professionals are women.
- Over the past year, promotions among minority employees represented 45% of all promotions, while promotions of women represented 53% of all promotions.
- We prioritize staff training to give employees opportunities for self-improvement and career advancement, and we always endeavor to promote from within.
 - We routinely fund job-related educational programs for our on-site employees, including IREM and National Apartment Association courses for property managers and leasing professionals and certification programs for maintenance employees.
 - We encourage our employees to pursue their CPM, CAM, CPA and other certifications, and will pay for all classes leading to these designations.
 - In addition, Sentinel supports its corporate professionals in pursuing continuing education credits in their specific areas of expertise, as well as targeted educational opportunities that are directly related to the employee's duties and will pay for such classes.

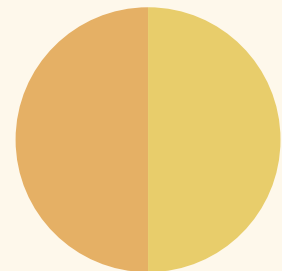
- Recently, we have been taking steps to further advance our DEI efforts:

- In 2020, we began a program of diversity training for all employees.
- In 2021, we adopted our first formal DEI policy to state our commitment and communicate to our stakeholders, from employees to investors.
- We also joined Project Elevation, an industry group that was formed in 2021 to foster a collaborative peer discussion of DEI initiatives dedicated to industry advancement in this area.
- Sentinel's Human Resources Director is responsible for advancing our DEI efforts going forward.

REPRESENTATION AMONG ALL SENTINEL EMPLOYEES

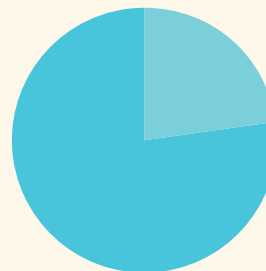


50% MINORITIES

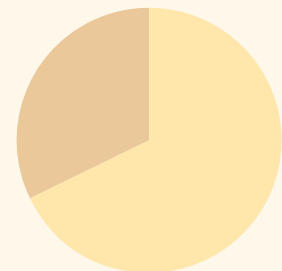


50% FEMALE

SENIOR AND MID-LEVEL EMPLOYEES

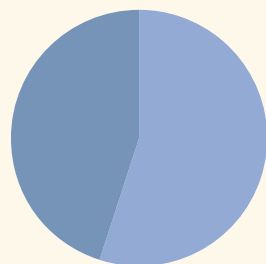


23% MINORITIES

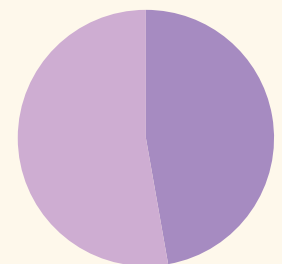


68% FEMALE

2023 PROMOTIONS



45% MINORITIES



53% FEMALE

CASE STUDY - THE ELEMENTS, SUBIACO, WA



Artists Sandra Black, Susan Flavell and Andrew Nicholls viewing the artwork installation in the lobby of 12 Wunderlich Road at The Elements

THE ELEMENTS CONTINUE PUBLIC ART PROGRAM WITH NEWLY COMMISSIONED INSTALLATION

At The Elements, Sentinel's flagship Build to Rent community, a series of artworks by Perth-based artists were unveiled as part of the development's arts program – which aims to celebrate local artists and makers, while engaging residents. The Elements are part of Sentinel's Kinleaf portfolio and Phase I opened in Subiaco (Perth), WA in 2019.

Featured in the lobby of 12 Wunderlich Road, the vibrant and engaging array of artworks, by artists Sandra Black, Susan Flavell and Andrew Nicholls, are inspired by the history of the location, which was previously home to the Australian Fine China porcelain manufacturing factory (formerly known as H.L. Brisbane and Wunderlich Ltd., and the Calyx Porcelain and Paint Company). The artworks celebrate the buoyant aesthetic sensibility of the ceramics that were produced on the site for 85 years.

As Sentinel's Managing Director in Australia, Keith Lucas, observed "The Australian Fine China factory produced many unique and outstanding examples of Australian ceramic wares throughout its lifespan and it's wonderful to be able to pay tribute to and thread some of this rich history back into the community. It's also fantastic to have another opportunity to collaborate with and celebrate local Perth artists."

The unveiling of this unique series marks the third instalment of The Elements' arts program, which has pre-

viously drawn from the area's porcelain manufacturing legacy. One of the driving concepts behind the development of the Kinleaf brand has been this concept of community engagement and respect for local legacies.

Australian artist and curator Andrew Nicholls said, "Sandra, Susan and I have all engaged with the legacy of Australian Fine China, Brisbane and Wunderlich, and Wembley Ware throughout our careers. We were very excited by the opportunity to return to this research and create a new collection of artworks to reflect its historical significance in a visually engaging way at [The Elements]."

In an earlier stage of the program, a large artwork projection titled "Porcelain: Changing Views" was created by local Perth artist Sohan Ariel Hayes. This artwork was also inspired by the cultural contributions of the Australian Fine China factory and was projected on one of the apartment buildings at The Elements for residents and members of the local community to view at an evening event, accompanied by a custom-composed soundscape that was performed live and complimentary refreshments.

More recently, award-winning local Perth artist Ross Potter was welcomed to The Elements for a six-month residency. Ross facilitated a number of workshops and open studio events for residents and the wider community during his time at the precinct.

IV. GOVERNANCE

We are committed to proactive governance practices that support risk management and responsible investing. Sentinel has an established Code of Ethics that guides our actions and a robust set of policies and procedures to ensure best practices are implemented throughout our organization.

SENTINEL'S SUSTAINABILITY ORGANIZATION

In 2020, Sentinel formed an Sustainability Committee to oversee the ongoing implementation of Sentinel's sustainability program at the corporate and property levels. Comprised of senior leadership from across Sentinel's departments and lines of business, the Committee is responsible for the Company's overall Sustainability Agenda including the development and oversight of sustainability policies and procedures, the uniform implementation of best practices company-wide, and evaluation of all new sustainability initiatives to provide recommendations to Sentinel's Executive Committee regarding areas of future focus and investment. Sentinel has three sustainability officers on its team responsible for the oversight of sustainability activities within portfolio, asset and property management. Sentinel also works with a range of consultants in the sustainability arena.

IMPLEMENTATION OF SUSTAINABILITY PROGRAMS AT THE PROPERTIES

Sentinel takes concrete steps to move sustainability concerns from corporate strategy to application in property operations. For each residential property, these steps begin prior to acquisition as all properties are evaluated during due diligence to determine the "starting point" of the asset with respect to sustainability. This analysis assesses the in-place physical systems, any potential climate related concerns and risks related to the local regulatory environment. Furthermore, sustainability factors are incorporated into planning, management proce-



dures, resident relations, community engagement and other areas of operations.

- **SUSTAINABILITY DD CHECKLIST** – With the collaboration from a third-party engineer, property management and asset management, the Sustainability Due Diligence Sustainability Checklist is completed during the acquisition due diligence process and includes a comprehensive review of the sustainable footprint of the property at the time of acquisition. This serves as a helpful starting point for the portfolio and asset management teams to develop a sustainability strategy post acquisition that is effective and properly aligned with the investment strategy of the vehicle.

IV. GOVERNANCE *CONTINUED*



- **GREEN LEASE POLICY** - Sentinel has implemented the new Sustainable Lease Addendum that the National Apartment Association rolled out on a state-by-state basis. A total of 94% of properties portfolio-wide were utilizing the addendum as of year-end 2023.
- **ANNUAL ASSET PLAN** - Each year Sentinel's property management teams coordinate with asset and portfolio management teams to complete the annual asset plan for each property. Many of our funds and accounts have adopted a sustainability section to these plans, which helps assess changes to the local regulatory environment with regard to sustainability, the property's current sustainable infrastructure and programming as well as any potential areas of investment for the coming year. Sustainability-focused capital programs include LED lighting, green renovations, HVAC upgrades and other projects. Sentinel's goal is to maximize impact within the parameters of each investment strategy.
- **DAILY OPERATIONS** - Property management teams follow prescribed sustainability practices incorporated into the Sentinel Property Policies and Procedures Manual. This manual provides guidance related to daily property operations with respect to sustainability initiatives, including training; capital projects; reporting energy, water and waste; maintenance; cleaning; and procurement. By incorporating these practices into our manual, we now ensure the uniform implementation of best practices across the Sentinel portfolio regardless of the market, account or investment strategy.
- **OPERATIONAL AUDITS** - Every residential asset within the Sentinel portfolio obtains a surprise annual operational audit performed by Sentinel's internal audit team. Sentinel's standard audit procedures and operating reviews, include specific sustainability items.
- **RENOVATIONS** - Sentinel asset management team members, along with the Capital Programs & Sustainability Group, ensure that all planned renovations comply with the Sentinel Green Program, which details sustainable practices, materials and equipment, where practicable and cost efficient.
- **RESIDENT OUTREACH** - Sentinel property management team members encourage all new and renewing residents to pursue sustainable practices during their residency. Residents receive a Sustainable Living Guide with green lifestyle tips to encourage behaviors that promote energy and water efficiency as well as recycling and waste reduction. This message is reinforced over social media, via our quarterly Green newsletter and through events like technology recycling days, bulk paper shredding events and planting parties.
- **CLIMATE RISK** - Sentinel has initiated a climate and transition-related risk assessment for its individual funds using the GRESB Reference Guide, in accordance with the TCFD framework, as a basis to determine relevant risk categories for review. Our assessment considers both physical and transition risks at the property level, aggregating the findings for the portfolio and reporting at the entity level. Sentinel takes a holistic approach to risk management, and each Portfolio Management team evaluates climate-related risks throughout the life cycle of each investment. This evaluation begins at acquisition during the due diligence process, and is continued annually during the asset plan process, which includes a hold/sell analysis. In addition to the economic factors that might drive a sale recommendation, climate risk is also a factor that can cause the Portfolio Management team to submit a sale recommendation to Sentinel's Investment Committee. On an annual basis, with the help of Sentinel's insurance consultant, AON Risk Services, and our Sustainability Officers each fund's Portfolio Management team prepares a Climate-Related Risk Assessment.
- **NET ZERO COMMITMENT** - Sentinel supports the goal of the Paris Climate Accords to achieve net-zero greenhouse gas emissions by 2050 or sooner. We recognize the responsibility of all real estate investment managers to positively impact the environments in which we invest. We believe that opportunities exist for thoughtful, targeted sustainable investment within the context of each of Sentinel's existing investment strategies that both can enhance the economic returns of our properties and meaningfully reduce our carbon footprint. Reducing energy, water and waste at

IV. GOVERNANCE *CONTINUED*

our properties is at the heart of Sentinel's approach to sustainable real estate investment and management. Not only is it our responsibility as an institutional real estate investment manager to do our part to reduce the industry's carbon footprint, but we believe that such reduction measures represent a responsible investment strategy that will be rewarded with higher cash flows and ultimately increased disposition proceeds.

In 2023, Sentinel retained an sustainability consultant to assist us in determining what viable pathways may exist to achieve net zero goals within the context of each of Sentinel's funds. Initially, the focus of this analysis was the SREF portfolio, Sentinel's flagship open-end fund.

V. SUSTAINABILITY BENCHMARKS

GLOBAL REAL ESTATE SUSTAINABILITY BENCHMARK (GRESB)



As a means of tracking the effectiveness of our environmental sustainability policies and practices, Sentinel initiated its participation in the Global Real Estate Sustainability Benchmark (GRESB) survey in 2011. In 2023, Sentinel submitted five funds to the GRESB annual assessment. Our flagship fund, the Sentinel Real Estate Fund (SREF), demonstrated meaningful improvement this year in a wide variety of categories:

- SREF's GRESB score increased by four points from 85 in 2022 to 89 in 2023.
- Ranked 1st out of six funds in its peer group and 3rd within Residential/Americas out of 135 GRESB designated peers;
- Improved from four stars to five stars.

Key initiatives that resulted in the improvement of the Fund's score this year included:

- Improved energy, water and waste data coverage and reduced energy and GHG consumption through various measures such as installation of LED lights and transitioning to higher efficiency HVAC units;
- Obtained 9 additional IREM CSP certifications, increasing the percentage of certified properties in the Fund's portfolio to 61%;
- Increased amount of renewable energy associated with the portfolio.

The Fund remains committed to identifying cost-effective opportunities to enhance the Fund's overall sustainability. In 2024, we will continue to focus on (i) enhancing data coverage, (ii) reducing energy, water and waste consumption through tenant educational initiatives as well as implementation of more efficient materials and technologies and (iii) continuing to execute on our portfolio-wide sustainability certification program.

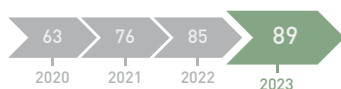


2023 GRESB Standing Investments Benchmark Report

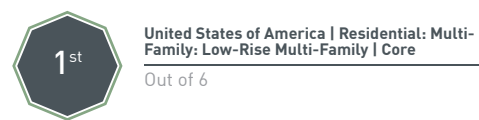
Sentinel Real Estate Fund, LP | Sentinel Real Estate Corporation

GRESB Rating
★★★★★

Participation & Score



Peer Comparison



Status:
Non-listed

Strategy:
Core

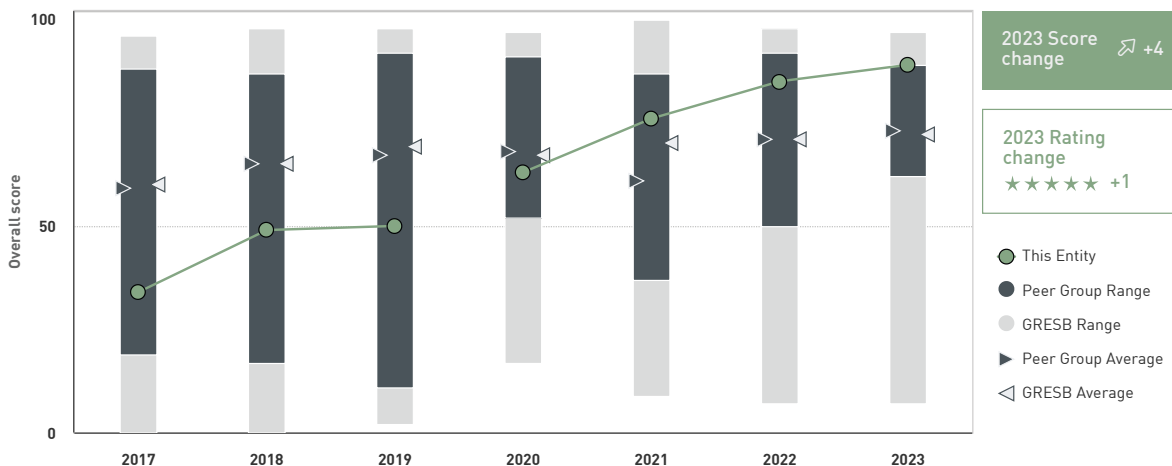
Location:
United States of America

Property Type:
Residential: Multi-Family: Low-Rise Multi-Family

ESG Breakdown



Trend



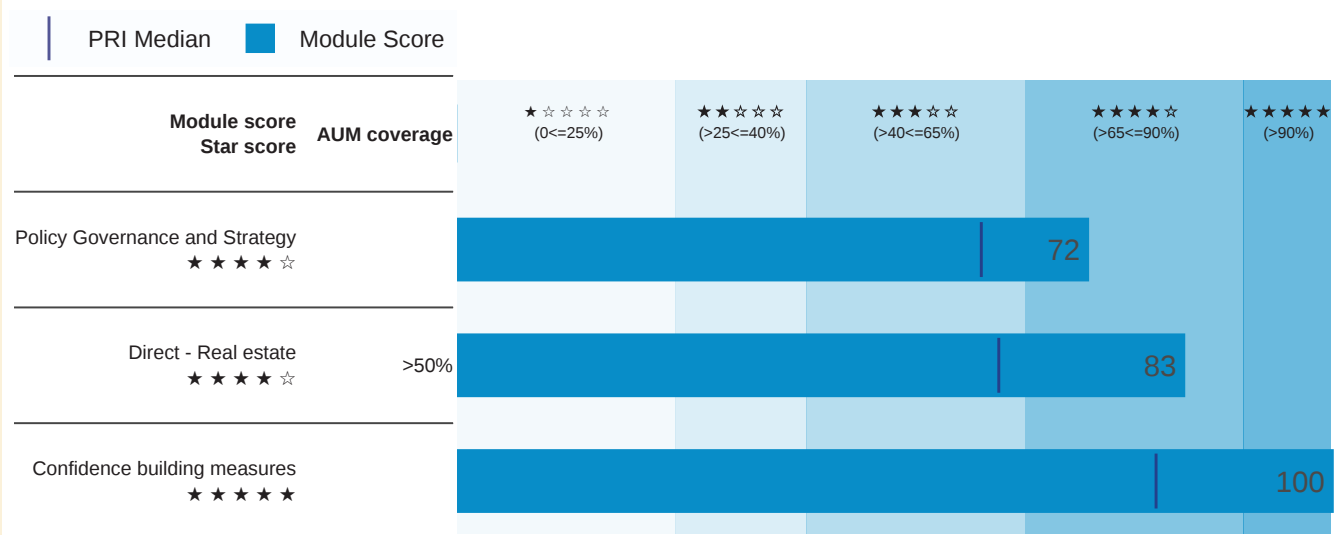
Note: In 2020, the GRESB Assessment structure fundamentally changed, establishing a new baseline for measuring Performance. As a result, GRESB advises against a direct comparison between 2020 GRESB Scores and prior year results. For more information, see the 2020 Benchmark Reports.

V. SUSTAINABILITY BENCHMARKS *CONTINUED*

UNITED NATIONS PRINCIPLES FOR RESPONSIBLE INVESTMENT (UNPRI) ASSESSMENT



SUMMARY SCORECARD



Two key achievements during the reporting year that contributed to this year's improvement are the formalization of a Net-Zero Policy and the establishment of a process for assessing climate-related risks.






Sentinel officially became a signatory of the UNPRI in 2020 and reported into the PRI framework for the first time in 2021. The UNPRI is a global initiative encouraging sustainable and responsible investment practices. It outlines principles for incorporating environmental, social, and governance factors into investment decision-making and ownership practices. The UNPRI strives to promote a more sustainable and inclusive global financial system. The rating is conducted each

calendar year and is based on the preceding calendar year's reported data. These principles, integrated into Sentinel's culture and embedded in our ESG policy, provide a framework for incorporating ESG considerations into investment practices.

In December 2023, our latest assessment yielded the scores above.

UN SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Sentinel has addressed the UN Sustainable Development Goals with respect to its portfolio of real estate properties:

	SDG 3: (Good Health and Well-Being)	Sentinel is focused on promoting a safe and healthy workplace for our employees. The health and well-being of our residents is also a priority in the operation of our properties.
	SDG 4: (Quality Education)	Sentinel offers a wide variety of customized training and development opportunities for employees specifically related to their job functions as well as on ESG topics. We also provide education on “green” living topics to our residents.
	SDG 5: (Gender Equality)	Sentinel provides equal opportunities for all persons in terms of hiring, promotions and career development within the organization. We have policies that address discrimination and harassment and provide annual DEI training for employees.
	SDG 6: (Clean Water and Sanitation)	We promote water conservation by educating our residents through our Living Green Newsletter and social media posts; we increase water efficiency using low-flow fixtures, smart irrigation systems, etc.
	SDG 7: (Affordable and Clean Energy)	We promote energy conservation by educating our residents through our Living Green Newsletter and social media posts; we increase energy efficiency using LED light fixtures and Energy Star appliances, we explore the use of solar energy where practical and we elect to utilize green energy options where those are available.
	SDG 8: (Decent Work and Economic Growth)	Sentinel provides employment opportunities at a variety of levels throughout its portfolio. We have also started an internship program at our New York office in 2024.
	SDG 11: (Sustainable Cities and Communities)	Sentinel works towards increasing the sustainability of its assets wherever possible and has committed to obtaining sustainability certifications for its assets such as IREM CSP, LEED and others.
	SDG 12: (Responsible Consumption)	We are committed to the use of sustainable materials in renovation programs and in our property operations, including energy efficient appliances, LED light fixtures, water sense plumbing fixtures, eco-friendly flooring and low VOC paint. We promote appropriate recycling programs whenever practical. Consumption data is reviewed periodically to monitor performance and identify opportunities for reduction.
	SDG 13: (Climate Action)	Sentinel develops an annual Climate Risk Assessment to evaluate its position with respect to climate change both at a fund level and for the organization as a whole.

VI. LOOKING AHEAD

We are committed to continued improvement and growth within our sustainability policies.



As we look toward the future, embracing a state of continuous change, we are committed to carefully monitoring the shifts in sustainability regulatory frameworks, as well as the voluntary frameworks available to us. This means actively staying informed about new developments, understanding their potential impact and being ready to adjust our strategies and practices to anticipate and meet future demands. Our goal is to uphold our role as leaders in sustainable operation and governance by ensuring that our actions today align with tomorrow's expectations.

Collaboration is pivotal to our strategy. We prioritize working closely with our clients to navigate their sustainability priorities, fostering partnerships that drive mutual advancement. We hope to extend our collaboration with a variety of industry groups focused on sustainability. This ambition reflects our commitment to contributing to a deeper, collective understanding of sustainable challenges and innovations in our industry, and particularly within the apartment sector. Through these collective efforts, we aim to forge a future where sustainability and positive investment performance are not just aligned but integrated.

