



# Sentinel 2024 Sustainability Report



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# LETTER FROM THE PRESIDENT

At Sentinel, we draw on over 56 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 enhance the long-term value of the assets we manage. Sentinel is pleased to present our 2024 Annual Sustainability Report.

We are committed to staying agile, building on our sustainability performance and managing risks effectively. Our focus remains on sustainable growth and high-value investment, ensuring that our portfolio delivers both strong returns and long-term resilience.

Collaboration is key, and through our Sustainability Committee, we engage and drive cooperation across all departments at Sentinel. This strategy not only informs our goal setting and investor reporting, but also enables us to proactively identify areas for continued growth and improvement.

In 2024, we broadened our sustainability programs by increasing our energy, water and waste data collection efforts, implementing tangible sustainable capital improvements, enhancing renewable energy sourcing and increasing building certifications across the portfolio. In Australia, we secured Development Application approvals for two additional sites, in an effort to expand our existing carbon neutral build-to-rent portfolio.

For the second consecutive year, the work that has been undertaken at both the corporate level and at the property level has allowed us to present ourselves favorably in the leading industry benchmark, the Global Real Estate Sustainability Benchmark (GRESB). Now in its 14th year reporting to GRESB, our flagship fund, Sentinel Real Estate Fund (SREF), received the benchmark's highest rating of 5 stars for the second consecutive year. Another successful milestone achieved!

Thank you 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 deliver robust financial results. Our commitment to responsible investment practices strengthens long-term value creation and ensures that we continue to meet the highest standards of corporate responsibility. We welcome you to explore this report and our sustainability initiatives, which are an integral part of our success.



Michael F. Streicker, President



# SENTINEL OVERVIEW

	Launches Sentinel Real Estate Fund SREF	1976	Becomes an independent, privately held firm	1988	Obtains first offshore separate account client	2001	Establishes Australian BTR development platform	2012	Opens Australia's first purpose built BTR property	2019	SREF achieves 5-Star GRESB rating	2023	
1969	Sentinel is founded	1987	Establishes first separate account	1998	Launches first closed-end commercial fund	2008	Launches first value-add multifamily fund	2017	Launches first National Urban strategy fund SNURPI	2019	Launches Sentinel Diversified Living Fund (fka US Core-Plus Multifamily Fund)	2024	SREF achieves 5-Star GRESB rating

Sentinel Real Estate is an independently owned real estate investment management firm established in 1969. The firm currently has \$9.1 billion of institutional quality real estate assets under management on behalf of 124 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 10 operational offices throughout the US, an operational office in Perth, Australia and a client servicing office located in Adelaide, Australia.

Since its formation, Sentinel has acquired and managed over \$21 billion of direct real estate investments, comprising 649 multifamily communities containing nearly 158,000 apartment units and 194 commercial properties containing 33.8 million square feet of space.

The Sentinel portfolio currently contains nearly 29,000 apartment units and 5.2 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 27 years.





## I. SUSTAINABILITY STRATEGY

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

### ENVIRONMENTAL



At Sentinel, we integrate sustainability into every stage of our investment and asset management process to enhance efficiency, reduce environmental impact, and drive long-term value. Through our Sentinel Green Program, we implement strategies that focus on energy conservation, water efficiency, and waste reduction. We continuously expand on our ability to track and improve energy and water usage, waste management, and greenhouse gas emissions across our portfolio. Our commitment to sustainability includes investments in renewable energy, high-efficiency building systems, and smart technology to optimize performance. We believe that by proactively reducing our environmental footprint, we not only meet evolving regulatory requirements but also create more resilient, cost-effective, and attractive assets for investors and residents.

### SOCIAL



People are at the core of everything we do – from our employees and investors to the tenants and communities we serve. We are committed to fostering a diverse, inclusive and supportive environment that promotes well-being and engagement. Through our Sustainable Living Guide, provided at move-in, we empower residents with resources to reduce their environmental impact and help enhance their living experience. Our community engagement initiatives, including local partnerships, educational programs, volunteer opportunities and quarterly

Living Green newsletters strengthen our connections and create a positive social impact. In addition, Sentinel provides staff training to give employees opportunities for self-improvement and career advancement. By prioritizing investments in our people and communities, Sentinel continues to uphold its reputation as a responsible and consistent leader in the real estate industry. Sentinel seeks input from both residents and employees through regular surveys to ensure feedback from stakeholders is incorporated into our strategy.

### GOVERNANCE



Strong governance and integrity-driven leadership are the foundation of Sentinel's investment philosophy. We integrate ESG principles into our decision-making, risk management and operational strategies to enhance transparency and accountability. Our Sustainability Committee ensures that sustainability initiatives align with investor priorities and regulatory expectations. We adhere to strict ethical policies, compliance measures and investment screening processes to mitigate risk and uphold industry best practices. By participating in frameworks such as GRESB benchmarking and the UN Principles for Responsible Investment (PRI) reporting, we provide clear, measurable insights into our sustainability performance. Our commitment to responsible investment practices strengthens long-term value creation and ensures that we continue to strive to meet the highest standards of corporate responsibility.

# PARTNERING WITH INDUSTRY ORGANIZATIONS



## ULI GREENPRINT

ULI Greenprint is a worldwide alliance of sustainability professionals from more than 130 leading real estate owners, developers and investors committed to improving the environmental performance of the global real estate industry.



## 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.



## 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.



## 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.



## 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.

## PARTNERING WITH INDUSTRY ORGANIZATIONS



### GREEN BUILDING COUNCIL OF AUSTRALIA

Established in 2002, the Green Building Council of Australia (GBCA) is an industry organization focused on the sustainable transformation of the built environment. It promotes the integration of sustainable building initiatives, technologies, design practices and operations into buildings and communities, and provides education and professional development opportunities for its members. The GBCA developed and operates Australia's only national, holistic rating system for sustainable buildings and communities – Green Star. Green Star is an internationally recognized rating system developed for the Australian environment that sets the standard for healthy, resilient, positive buildings and places. The GBCA is part of the World Green Building Council network which comprises more than 70 other countries.



### PRI

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.



### INREV

INREV is the European Association for Investors in Non-Listed Real Estate Vehicles. We are Europe's leading platform for sharing knowledge on the non-listed (unlisted) real estate industry. Our goal is to improve transparency, professionalism and best practice across the sector, making the asset class more accessible and attractive to investors.

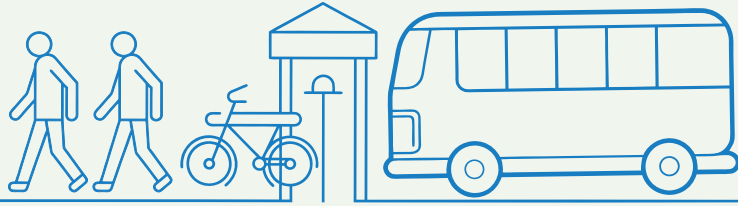


### NATHERS

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

## II. 2024 KEY PERFORMANCE INDICATORS (KPIs)

### OUR PORTFOLIO BY THE NUMBERS



#### WALK SCORE<sup>1</sup>

Average	52
Urban	74
Suburban	44

#### BIKE SCORE<sup>1</sup>

Average	51
Urban	65
Suburban	48

#### TRANSIT SCORE<sup>1</sup>

Average	42
Urban	61
Suburban	28



Sentinel Real Estate Fund maintained a 5-star GRESB rating for the second consecutive year



Focused on sustainability performance through innovation, application and documentation.



Ranked 2nd out of 6 funds in its peer group

In 2024, Sentinel employees in aggregate spent over 8,700 hours in training

108 EV charging stations in the Sentinel portfolio



#### SREF DATA COVERAGE AND QUALITY IN GRESB

- 78% energy data coverage across SREF by year end 2023
- 100% water coverage across SREF properties by year end 2023
- 100% Externally Assured in energy, emissions and water for data for GRESB reporting funds

## 5-YEAR PROGRESS

(SREF Common Areas)



Energy consumption - down 8.4%



Gas usage - down 10.4%



Water usage - up 3.5%



GHG emissions - down 25%

In SREF, we've successfully reduced common area energy consumption by 8.4% from 2020 to 2024. Similarly, landlord-controlled gas usage has decreased by 10.4%. Reducing water consumption has proven more challenging and despite our efforts, water usage has increased by 3.5% over the past five years.

Where we've seen especially strong progress is in reducing greenhouse gas emissions. Over the past five years, we have cut GHG emissions in our landlord-controlled common areas by 25%, primarily by sourcing green energy in deregulated energy markets across the portfolio.



The Sentinel Diversified Living Fund (formerly the Sentinel US Core-Plus Multifamily Fund) increased its GRESB score from 3 to 4 stars

1) Walk Score, Bike Score, Transit Score - <https://www.walkscore.com/>  
2) Home - AARP Livability Index - <https://livabilityindex.aarp.org/>



### 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.



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.

As such, we are pleased to report that since 2020, the SREF portfolio:

- Reduced GHG emissions by 25%. In deregulated energy markets, we are moving to green energy sources where we can do so economically. Eight SREF properties located in Maryland, New Hampshire, Pennsylvania, Texas and Virginia have made the conversion. This initiative will continue in 2025.

- Electricity usage across the portfolio has decreased by 8.4%. The implementation of sustainable measures at the property level has already led to reductions in energy consumption.
- Gas usage has decreased by 10.4%. In an effort to optimize operational efficiency and reduce costs, we implemented a new seasonal strategy for our pool and spa facilities. Historically, at some properties, these amenities were kept open and heated year-round, with little use by residents. We have elected to close the pool and spa and ceased heating them during the colder months. This change resulted in substantial energy savings and lower maintenance expenses.
- Water consumption has increased by 3.5%. Despite our efforts, water usage has increased over the past five years.<sup>1</sup>

#### 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), Sentinel's 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.



<sup>1</sup>) <https://www.climatecentral.org/climate-matters/2024-global-and-us-review>

### III. ENVIRONMENTAL FACTORS *CONTINUED*

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 2024, a total of 105 properties were participating, representing 77% of our portfolio, and we expect to continue to expand this program in 2025.

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. In response, Sentinel's sustainability team continues to work 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. By year-end 2024, we increased our resident data coverage to 95% of the SREF portfolio nationally. As new benchmarking ordinances develop, our access to whole-building data will increase. In the interim, since 2023, we engaged 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 properties in the portfolio. Further, Waste Management's 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 over-spilling. This helps prevent garbage truck pickups before the dumpster is full, which saves on fuel, along with keeping the property litter free and reducing pollution at our properties. The data collected also helps us achieve higher diversion rates from landfills 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.

We encourage our residents to challenge themselves to be conscientious about their individual carbon footprint as well. These efforts are supported by the circulation of our quarterly Living Green newsletter and resident events such as technology recycling days, battery recycling, bulk paper shredding and composting. As of year-end 2024, 70 properties in the overall Sentinel portfolio were being tracked by Waste Management. The annual diversion rate portfolio-wide is 22%. Waste Management considers 20% a good diversion rate for the multifamily properties that they service.



Starting in 2022, SB 1383 required all jurisdictions in California to provide organic waste collection services to residents and businesses. This includes food, green material, landscape and pruning waste, organic textiles, lumber, wood, paper products, manure, biosolids, digestate and sludges. Accordingly in multifamily real estate, landlords must provide collection containers for organic waste and recyclables, educate employees and tenants on proper sorting and periodically inspect containers for contamination. In accordance with this measure, Sentinel has provided tenants with access to compost their waste at all properties across California where no exceptions exist in the jurisdiction. This is facilitated through either a compost bin on each tenant floor, a valet waste service that collects organics separated by tenants in a different bag and is picked up daily, or a designated compost bin at each dumpster area. Furthermore, composting data is included in our overall waste records. For all Sentinel California properties, the diversion rate in 2024 was 45% with 14% from composting and 31% from recycling.

## CASE STUDY: FOOTHILLS AT OLD TOWN SOLAR PROJECT



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

The on-site solar array at Foothills at Old Town Apartments in Temecula, CA was completed in 2022 and has been generating power throughout 2024. The system includes 108 solar panels, which are mounted on the clubhouse roof. During 2024, the solar system generated 65.9 MWh of power, saving 36.6 tons of CO<sub>2</sub>e, which is the equivalent of 36,921 pounds of burned coal.<sup>1</sup> Since the installation of solar panels, we've reduced the common area electricity consumption by 54% compared to 2021, the last full year without solar energy.

## CASE STUDY: 1201 PENNSYLVANIA AVENUE SUSTAINABILITY EFFORTS



*The rooftop terrace and atrium skylight at 1201 Pennsylvania Avenue*

Sentinel's flagship commercial office building located at 1201 Pennsylvania Ave has undergone major enhancements over the past eight years including world-class amenities and significant efforts to reduce energy consumption. This includes replacing the original HVAC equipment with modern, state-of-the-art, highly efficient HVAC equipment, LED lighting throughout, replacing the atrium skylight with modern insulated glass, and, most recently, the addition of a rooftop solar power plant.

Completed in early January 2025, the solar plant has a total system size of 135.9 kW (DC) and is expected to produce approximately 193,400 kWh of clean energy in its first year of operation, offsetting about 3.1% of the total annual building energy consumption. Power is generated by 302 total panels, each providing a total output of 450

Watts. Financially, the solar plant has a payback period of just over three years and is expected to generate more than \$1 million in positive cash flow through its expected service life between energy savings and SREC credits.

It was an extremely challenging project due to the building's location in Washington DC's Pennsylvania Avenue Historical District, which requires adherence to strict guidelines for all exterior building work. Our team worked closely with the solar contractor and the historical district to ensure the solar components were not visible from other nearby buildings. Fortunately, we were able to move forward and make 1201 Pennsylvania Ave the first privately-held building in the Historical District to have a rooftop solar plant.



*The rooftop solar array, hidden from view, but generating clean energy that can be experienced throughout the building*

<sup>1</sup>) Calculated using the <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>



### III. ENVIRONMENTAL FACTORS *CONTINUED*

#### 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 and age, building codes and associated costs. Sentinel selected California as the best place to begin its solar strategy implementation. California ranks first for total solar capacity, with 28% of the state's electricity coming from photovoltaic (PV) systems. California has a high number of sunny days each year and offers compelling rebates and financial incentives due to its ambitious goals for reducing emissions in the state, 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, CA, is complete and awaiting final inspection from the utility company. It is projected to begin supplying energy to the property in the second half of 2025. 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 between 78% and 94% of the property's common area electric usage.
- The system at Antelope Ridge Apartments in Menifee, CA has finished construction and passed an engineering review. It is awaiting approval from the utility company and is projected to be interconnected by the third quarter of 2025. The system consists of 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 finalized one project outside of California, at Harbor Hill Apartments in Baltimore, Maryland. The solar array consists of 71 panels strategically placed across the western section of the property's roof. Notably, the panels are 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

By the end of 2024, there were 108 EV charging stations located at 37 residential properties throughout Sentinel's portfolio. At La Via Apartments alone, with ten EV charging parking spaces, in one year, we saved 63,118 lbs. of CO<sub>2</sub>. In 2024, we chose Blink Charging as our preferred 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 traditional options currently in place. As with all our sustainability programs, our goal was to carefully balance the environmental benefits with the expense associated with 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 2024, a total of 17 properties were using green power for common area

### III. ENVIRONMENTAL FACTORS *CONTINUED*

electricity. Sentinel continues to explore ways to offer green energy procurement to our tenants. In markets where green energy options are available, we inform tenants about these offerings as an option they can choose to buy into.

At the time of purchase, Hill House at Chestnut Hill Apartments in Philadelphia, PA had a traditional electricity contract with the local utility. Since Hill House is in a deregulated market, Sentinel elected to enter into a green energy procurement contract, decarbonizing 100% of the common area electricity and reducing common area emissions by 49%.

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. 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% renewable 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.

In 2024, we tested a new initiative launched by ResidentShield Power (RS Power), a branch of Yardi, that provides residents in deregulated markets convenient access to green electricity. The program was piloted at AVANT on Market Center in Dallas, Texas. Through this program, tenants are provided with convenient access on the resident portal to a green electricity option at the time of move-in that is priced transparently against 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.

#### **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.



Sentinel has focused on a range of capital programs that should generate sustainable benefits, including:

- 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



### III. ENVIRONMENTAL FACTORS *CONTINUED*

Portfolio wide, over **\$2,011,377** was spent on sustainable products, which equates to **17.3%** of the total capital and maintenance expenditure

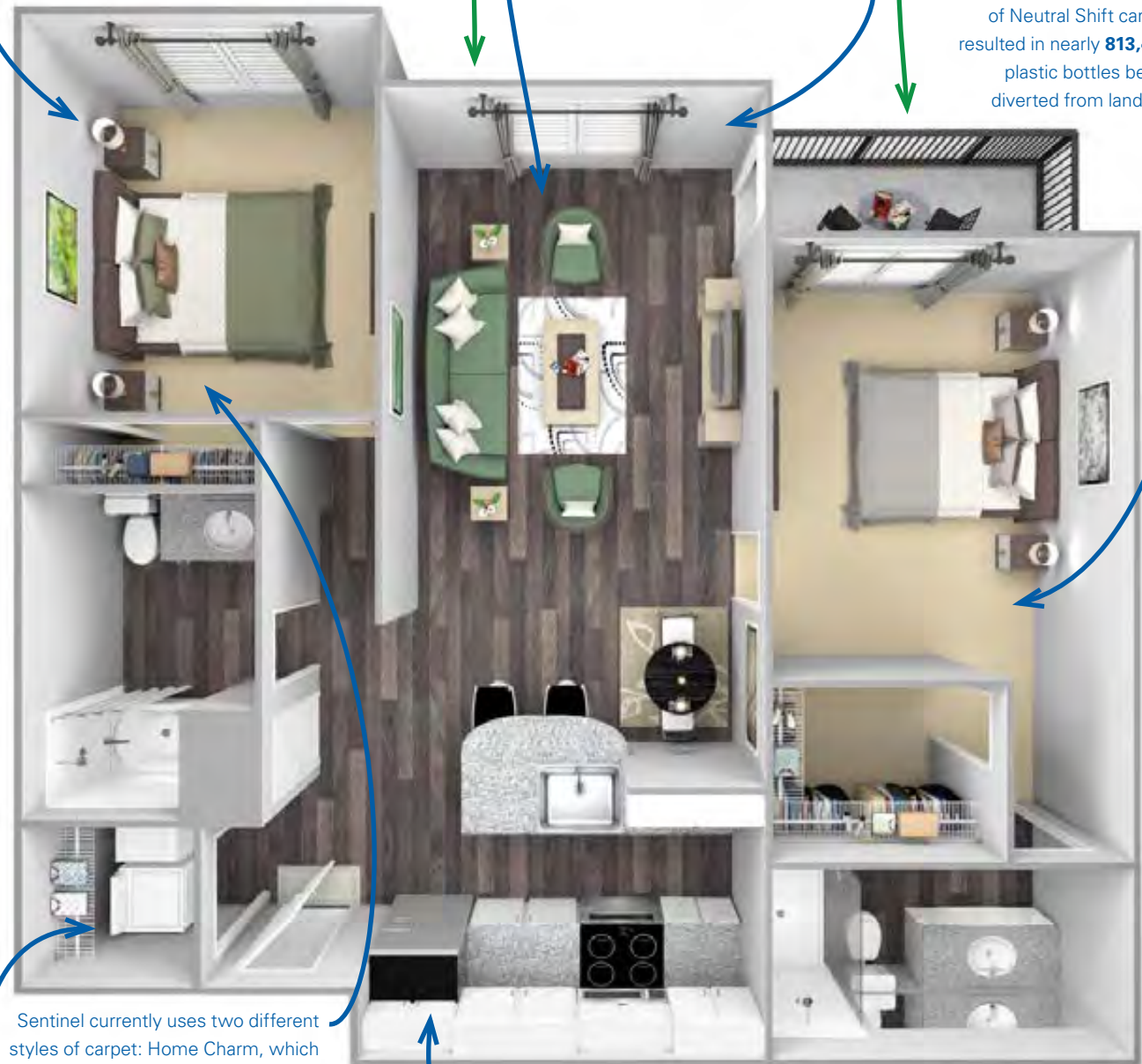
Since 2013, SREF has converted 9,935 apartments or **84.9%** of the entire SREF portfolio to LED fixtures/bulbs

In SREF, we converted the living room/dining room/hallway areas in **387** units from carpet to vinyl plank, representing approximately **101,781** square feet

The Sentinel portfolio used **40,393** gallons of interior paint of which **81%** had no VOC's and **15.7%** had low VOC's

Reduced GHG emissions in landlord-controlled common areas across the SREF portfolio by **25%**

In 2024, Sentinel's use of Neutral Shift carpet resulted in nearly **813,418** plastic bottles being diverted from landfills



Sentinel currently uses two different styles of carpet: Home Charm, which has fibers made from **37%** renewable plant-based material (corn), and Neutral Shift, which is made from **25%** recycled plastic bottles along with **37%** renewable plant-based material

Gas usage across the SREF portfolio has decreased by **10.4%**

Electricity usage across the SREF portfolio has decreased by **8.4%**

The annual diversion rate of waste portfolio-wide is **22%**

During 2024, **389** HVAC units across just the SREF portfolio were either retrofitted or converted by our capital teams

**77%** of our portfolio participate in Yardi Energy Solutions® (YES)

### III. ENVIRONMENTAL FACTORS *CONTINUED*

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 9,935 apartments or 84.9% of the entire SREF portfolio to LED fixtures/bulbs. In 2024 alone, 824 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 2024, 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 2024, in SREF, we converted the living room/dining room/hallway areas in 387 units from carpet to vinyl plank, representing approximately 101,781 square feet.

#### TRANSITION FROM R-22 TO R-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

2024, 389 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. To date 65.2% of the SREF portfolio has R-410-A equipment. The new EPA regulations for refrigerants, implemented on January 1, 2025, are designed to phase down the use of high-Global Warming Potential (GWP) refrigerants like R-410A in new HVAC systems and transition to more environmentally friendly alternatives with a GWP of 700 or less. Under these regulations, new equipment will utilize R-454B or R-32 refrigerant. Compared to R-410A, which has a GWP of 2,088, these new refrigerants represent a significant reduction in GWP to 466 for R-454B and 675 for R-32. The regulations also mandate stricter refrigerant management and recovery practices.

#### 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;

### III. ENVIRONMENTAL FACTORS *CONTINUED*

- 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 57 properties with property-level building certifications, including 38 properties that we have certified under the IREM CSP program. In 2024, in SREF alone, two additional properties obtained IREM CSP certifications, and one property was recertified with IREM. Within the portfolio of 37 properties, 29 have received sustainability certifications, accounting for 78% of the total properties. This includes 28 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, FL, the first 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.

#### **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 multi-family residential buildings, remodeling projects, and land developments. In a partnership with the American Soci-

ety 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, as well as the policies 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.



*Lash 1.0 in South Carolina is certified LEED Silver for its Core and Shell*

#### **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 building 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.



## 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



Baseline 158



## IREM CERTIFIED SUSTAINABLE PROPERTIES



Carrington Place at Shoal Creek



Courtney Station Apartments



Delano at Cypress Creek



Egret's Landing Apartments



First and Main Apartments



Foothills at Old Town Apartments



Glenbrook Apartments



Grand Centennial Apartments



## IREM CERTIFIED SUSTAINABLE PROPERTIES



Hampshire Green Apartments



Hayes House



Hills of Valencia Apartments



Island Park/Harbor Town Square Apartments



Lantern Woods Apartments



Main 3 Downtown



Nona Park Village Apartments



Parc at Grandview



## IREM CERTIFIED SUSTAINABLE PROPERTIES



Perimeter Gardens at Georgetown



Swift Creek Commons Apartments



The Broderick



The Commons Apartments



The Crossings at Alexander Place Apartments



The Gardens at Polaris Apartments



The Oaks at Johns Creek Apartments



The Republic

## IREM CERTIFIED SUSTAINABLE PROPERTIES



The Retreat at Cinco Rancho



The Vineyards



Urban Green Apartments



Weston Point Apartments



Willow Springs



Windward Long Point Apartments



### III. ENVIRONMENTAL FACTORS *CONTINUED*



*The Briscoe by Kinleaf in West Melbourne, VA preserves a heritage façade*

#### **CERTIFICATIONS IN AUSTRALIA**

Separate from our US operations, Sentinel is also an active multifamily investor, developer and operator in Australia, where we were the first to develop and operate a purpose-built multifamily community (known as Build to Rent properties in Australia) – The Elements by Kinleaf. Sentinel’s Australian Build to Rent platform is managed by Sentinel Fund Manager Australia (Sentinel Australia) and its local team of industry professionals. On completion, Sentinel Australia’s developments are operated under its Australian property management brand, Kinleaf. Sentinel Australia currently has more than 1,600 rental apartments in operation or under various stages of development across the country.

In 2021, Phase 1 of The Elements by Kinleaf in Subiaco (Perth), Western Australia, achieved its status as the first Carbon Neutral Certified apartment building in Australia (inclusive of Build to Sell apartment buildings). This was the result of Sentinel Australia’s close work with the Green Building Council of Australia (GBCA) and Climate Active 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. Since that time, Phase 1 of The Elements has achieved carbon neutral re-certification year-on-year, maintaining numerous sustainable operations that target enhanced water and energy conservation, and reduce greenhouse gas emissions.

In 2022, Phase 2 of The Elements achieved a 5-Star Green Star Design & As Built v1.3 certified rating from the GBCA. The 5-Star Green Star 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. Phase 2 of The Elements has also achieved carbon neutral certification.

Sustainability features at The Elements include electric car charging stations, energy efficient appliances provided to residents in every apartment, a 30kW photovoltaic system for common area energy use, specialty waste streams, rainwater and greywater recycling systems, programmable thermostats, LED lighting, solar shading blinds and embedded network metering. Both phases of The Elements have achieved an average Nationwide House Energy Rating Scheme (NatHERS) rating of 8 Stars or above.

Following the success of The Elements in Western Australia, Sentinel Australia opened its latest Build to Rent apartment community, The Briscoe by Kinleaf, in late 2023. Located in West Melbourne, Victoria, the design of The Briscoe was inspired by 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 of the building’s original heritage façade and art deco signage. These were carefully restored throughout the construction process, with original brickwork from the façade also featured in the interior of the building. Apartments at The Briscoe feature a full suite of premium energy-efficient appliances, state-of-the-art carbon neutral countertops and flooring, floor-to-ceiling double glazed windows and a variety of generously sized and thoughtfully designed apartment layouts to suit different household needs. The Briscoe 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 15kW solar array that generates renewable energy for common area usage. The Briscoe is currently registered for a 5-Star Green Star As Built rating from the GBCA and post-stabilization, it will target carbon neutral certification.

### III. ENVIRONMENTAL FACTORS *CONTINUED*

#### **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. We also prefer 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 to 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.

Sentinel has partnered with Cosentino, a global provider of both Dekton and Silestone. Dekton is a carbon-neutral surface that can be used for pool decks, kitchen countertops, shower surrounds, bathroom vanities, backsplashes and other surface applications.

Dekton is a brand of surface that is manufactured using a Sinterized Particle Technology (SPT) involving the combination and compression of raw materials including glass, porcelain and quartz under extreme heat and pressure. The result is a highly durable material that is resistant to scratches, stains and heat and comes in a variety of sizes, thicknesses and colors. It can also be

produced in large panels, reducing the number of seams and margins, thus creating a smoother, more continuous look and minimizing the potential area where dirt and bacteria can accumulate, making the surface easier to clean and maintain.

Where appropriate, Dekton is being utilized in select upgrade programs for countertops and backsplashes.



*Dekton countertops and backsplashes provided an attractive and sustainable option for a variety of kitchen configurations at Hampshire Green*



## 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. In 2024, Ferguson reduced its Scope 1 and 2 GHG emissions intensity by 50% from a 2019/2020 baseline — achieving its 2026 GHG emissions reduction target two years ahead of schedule. A primary driver for these reductions was its procurement of offsite renewable energy, increasing its renewable energy usage to 60%. While working to reduce the impact of its own footprint, Ferguson is committed to helping its customers achieve their sustainability goals by providing products and solutions that help lower emissions, save water and preserve natural resources. In 2024, ~\$3 billion of Ferguson's revenue was attributed to the sale of sustainable products with third-party certifications. Ferguson was also awarded the 2024 ENERGY STAR Partner of the Year and was proud to report that it saved over 8 billion gallons of water through the sale of WaterSense products. The company continues to educate its associates on the advantages of sustainable products and solutions, launching the Environmental Product Essentials Training in 2024.

### 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 10.3% reduction in the carbon footprint rate per unit produced compared to 2018 and a 35% voluntary 2030 emissions reduction target. 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 29% 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.

### KOHLER®

Kohler, our provider of kitchen and bathroom fixtures, integrates sustainability into its business strategy through responsible manufacturing, innovative product design, and impactful community initiatives. Kohler has achieved a 64% reduction in global operational net greenhouse gas intensity (Scope 1+2) since 2008, a 65%

reduction in water withdrawal intensity, and a 66% reduction in global operational waste to landfill intensity. The company remains committed to further reducing its environmental footprint across all operations. Kohler's WaterSense labeled products have saved over 634 billion gallons of water in the U.S. since 2007, helping consumers and businesses adopt sustainable living without compromising performance. In 2023, 100% of electricity for U.S. and Canada operations came from renewable sources, contributing to a 50% of global operational electricity from renewable resources. Kohler also continues to scale its WasteLAB initiative, which has diverted more than 33.3MT of waste from landfills by transforming manufacturing byproducts into new, high-value materials. Beyond its own footprint, Kohler enables sustainable living by designing durable, water-efficient products and investing in water stewardship initiatives, such as watershed restoration projects near its facilities. The company was recognized with the EPA WaterSense Sustained Excellence Award and a B rating from CDP for Climate Change and Water Security.



HD Supply Inc is a subsidiary distribution company under the parent company, The Home Depot. In partnership with the enterprise goals for The Home Depot, HD Supply contributes to the corporate science-based targets to reduce Scope 1, 2, and 3 emissions by 42% by 2030. HDSupply offers more than 8,000 products to provide sustainable solutions to its customers. In partnership with The Home Depot, the enterprise company has achieved both The Energy Star and Water Sense Partner of the Year awards in 2024 as thousands of solutions are available to save energy and water. To help customers find the optimal sustainable solutions, HD Supply provides no-cost consulting and product recommendations to optimize electricity and water usage. A team will analyze ways customers can save energy and water and complete a return on investment report. They factor in local rebates and HD Supply offers service to credit customers for rebates and handle the paperwork with utilities.



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.

## IV. 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.



## IV. SOCIAL RESPONSIBILITY *CONTINUED*

### LOCAL ORGANIZATIONS PROPERTIES WORKED WITH IN 2024

- Brookdale Assisted Living
- Care and Share
- East Cooper Community Outreach
- Fishers Park Department
- Food Bank of Central & East North Carolina
- Greater Urbana Area Food Bank
- Habitat for Humanity
- Hope Center
- Houston Food Bank
- Mid-South Food Bank
- Mount Pleasant Community Outreach
- Nashville Human Society
- New Eyes
- Norwalk Transfer Station & Recycling Center
- One 80 Place
- Oregon Food Bank
- Person to Person
- Salvation Army
- Second Harvest Food Bank
- Stenton Family Manor
- Toys-4-Tots
- Veteran Affairs
- Veteran's Voice of America
- WaterStep

### 23HUNDRED AT BERRY HILL FARMERS MARKET

23Hundred at Berry Hill in Nashville, TN established a partnership with The Nashville Farmers Market to purchase produce grown at Smiley's Farm, located in Ridgeway, Tennessee. Through the partnership, the property is given a discount on purchases and in turn, is able to



23Hundred at Berry Hill provided an on-site locally-sourced Farmers Market

provide fresh, locally grown fruits and vegetables to the tenants. Tenants were also provided with reusable bags to promote both buying local and reducing the use of plastic bags. The property plans on hosting this event annually and tenants have expressed how much they are looking forward to the next one.



### FOOD DRIVE



PROPERTY: The Crossings at Alexander Place

DATE & TIME: November 1st - November 25th, Office Hours

LOCATION: Leasing Office

DETAILS: We are supporting the Food Bank of Central and Eastern North Carolina. They are in need of the following items: Canned fruits, canned vegetables, canned meats, canned beans, canned soup, canned dairy. Dry goods like cereal and oatmeal, pasta, rice, lentils, nut butter, nuts, seeds, trail mix, granola bars, baking, oils, herbs and seasonings, dried fruit, dried beans, and beverages. Non-Food items such as paper products, hygiene products and cleaning products.

HELPING FAMILIES IN NEED  
IN OUR COMMUNITY



Scenes from some of the events held by The Crossings at Alexander Place

### THE CROSSINGS AT ALEXANDER PLACE GIVES BACK

The Crossings at Alexander Place held a community event called Give Back November. This event included successful food and toy drives. The staff at The Crossings collected food and volunteered at the warehouse of the Food Bank of Central & Eastern North Carolina, helping to organize and sort pallets of donations from local grocery stores. This included canned items, toiletries, paper products and household items. Staff members also encouraged residents to drop off toys for donation to the Raleigh Toys for Tots program. The property was able to collect 268 pounds of food and 83 toys for the community during the holiday season.



## IV. SOCIAL RESPONSIBILITY *CONTINUED*



The Oaks at Johns Creek received recognition for their community spirit

### THE OAKS AT JOHNS CREEK MOVE FOR HUNGER COMMUNITY OF THE YEAR

The Oaks at Johns Creek received a Community of the Year Award plaque from Move for Hunger and the Georgia Apartment Association. The property has a partnership with Move for Hunger where tenants can drop off canned food and perishables at the office, providing a service for residents moving out and reducing waste. Move For Hunger communicated that the property collected the most food in one collection out of all properties that they work with in the state of Georgia. They donated 178 pounds of food which was distributed to local food banks.

book 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. 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

In 2024, Sentinel again engaged Kingsley Surveys (through Grace Hill) 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). 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 Surveys (Grace Hill) 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.



The March and December 2024 issues of the Living Green Quarterly.

### RESIDENT ENGAGEMENT

In 2024, we continued to educate our residents on many aspects of sustainable living, through the Sustainable 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 Face-

Forty-one Sentinel properties were named a 2024 Kingsley Excellence Award Winner, which recognizes companies who continually exceed industry standards and consistently deliver an outstanding customer experience. To qualify for a Kingsley Excellence Award,



## IV. SOCIAL RESPONSIBILITY *CONTINUED*

property owners must have vertically integrated property management and manage 90% or more of the properties they own. A property's resident satisfaction must exceed the Kingsley Index™, the most comprehensive performance benchmarking database in the real estate industry, representing more than 6 million prospects and residents surveyed annually.

### TRAINING

Sentinel prioritizes staff training to give employees opportunities for self-improvement and career advancement. In 2024, Sentinel employees in aggregate spent over 8,700 hours in training.



Training for Sentinel's employees begins with the onboarding process, which includes an IT Policies and Procedures training session 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, 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 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 utilizes an online platform called 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 estate



## IV. SOCIAL RESPONSIBILITY *CONTINUED*

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 SESSIONS

Sentinel Sessions, established in 2023, is an educational series where professionals from within our organization 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 help 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 as 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 encourage 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 began in the summer of 2024. The Summer Internship Program is a ten-week experience in which students are immersed into one of Sentinel's teams in New York focused on a range of disciplines including 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 had four interns in our New York City headquarters in the following departments: Finance/Accounting, Marketing/Investor Services, Portfolio Management and Sustainability. Sentinel will once again have four interns in our New York City headquarters in the summer of 2025.



To find candidates, we partner 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.

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

## IV. SOCIAL RESPONSIBILITY *CONTINUED*

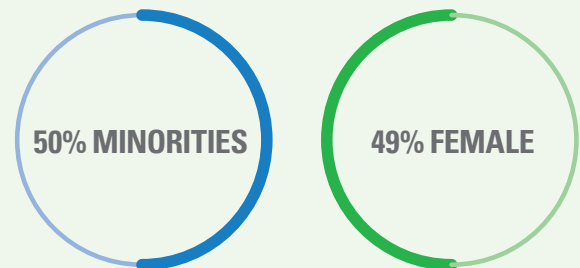
opportunities for all is evident in our equal employment opportunity policy, the composition of our workforce and our support of a variety of training programs, which develop pools of qualified individuals through training and continuing education.

- 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 49% female employees.
- With respect to our senior and mid-level professionals, we have a 23% representation among minority groups and 69% of our senior and mid-level professionals are women.
- Over the past year, promotions among minority employees represented 42% of all promotions, while promotions of women represented 54% 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.

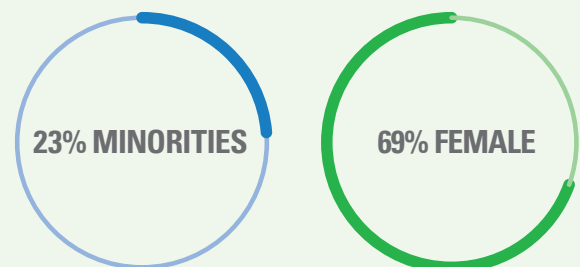
– We also joined Project Elevation, an industry group that was formed in 2021 to foster a collaborative peer discussion of DEI initiatives dedicated to industry advancement in this area.

– Sentinel's Human Resources Director is responsible for advancing our DEI efforts going forward.

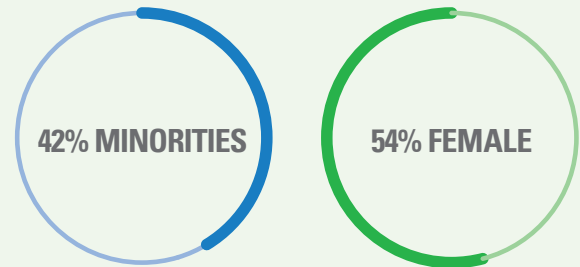
### REPRESENTATION AMONG ALL SENTINEL EMPLOYEES



### SENIOR AND MID-LEVEL EMPLOYEES



### 2024 PROMOTIONS



**AT SENTINEL'S CORPORATE OFFICE ALONE – EMPLOYEES  
SPEAK OVER 16 LANGUAGES PROFICIENTLY**

## V. 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 a Sustainability Committee to oversee the ongoing implementation of Sentinel's sustainability program at the corporate and property levels. Comprising senior leadership from across Sentinel's departments, 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 procedures,



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.

## V. GOVERNANCE *CONTINUED*

Sentinel has created an environmental management system aligned with the ISO 14001 standard, which defines an iterative continuous improvement process focused on the ISO 14001 characteristic approach of “plan, do, check, and act.” We follow the ISO 14001 continual improvement approach through the following iterative process:




**PLAN:** Sentinel has established environmental performance objectives that are defined in the Sustainability Policy, including the Sentinel Green Program.

**DO:** Sentinel’s Asset Management and Capital Programs Groups ensure the environmental performance objectives are being implemented at the property level by integrating improvement strategies into the annual budget and asset plan.

**CHECK:** An internal operational audit is performed every 12-15 months at each property to confirm compliance with environmental policies and procedures and assess risks resulting from inefficient property operations. For all funds that submit to GRESB, data is compiled in accordance with the AA1000 Assurance Standard. Furthermore, each quarter, the Sustainability Officer within Asset Management reviews data in Yardi Pulse and ESPM and investigates anomalies in energy, waste and water usage at the property level. The anomalies are logged into a master spreadsheet along with explanations for the variance. If no valid explanation is identified for the anomaly, it is reported to Yardi for correction.

**ACT:** Sentinel’s Asset Management and Capital Programs Groups regularly evaluate and report property level performance to the Sustainability Committee, which is then charged with orienting the overall sustainability strategy to continue to meet the environmental performance objectives.

- **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 100% of properties portfolio-wide were utilizing the addendum as of year-end 2024.
- **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 operational audit performed by Sentinel’s internal audit team every 12-15 months.. Sentinel’s standard audit procedures and operating reviews, include specific sustainability items. 
- **RENOVATIONS** Sentinel asset management team members, along with the Capital Programs Group, ensure that all planned renovations comply with the Sentinel Green Program, which details sustainable practices, materials and equipment, where practicable and cost efficient.



## V. GOVERNANCE *CONTINUED*

- **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 Living Green newsletter and through events like technology recycling days, bulk paper shredding events and planting parties.

### CLIMATE MITIGATION IN ACTION AT THE PROPERTIES

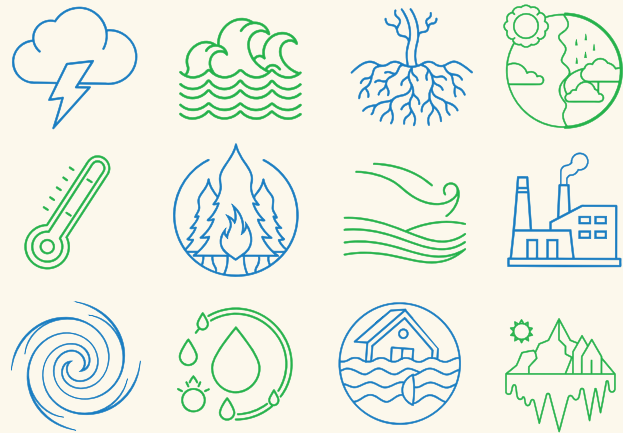
We are grateful to our asset and property management teams for their diligent efforts in following thorough processes preparing for storms and their aftermath. Through proactive planning, we prioritize building resilience and minimize downtime and disruption for our residents.



- When a storm is approaching, on-site staff inspect the property. The maintenance team ensures all drains are cleared, and outdoor furniture and plants are secured. Electronic equipment is elevated off the floors, pool areas are secured and removable signage is safely stored. Elevators are shut down and parked on upper floors to prevent damage, with clear instructions provided to residents. The landscaping contractor is contacted to address any storm-related debris that may need removal post-storm.
- An email is sent to residents with pre-approved emergency protocols, including links to evacuation instructions, if necessary, as provided by local authorities. Communication also details the closure of amenities, emergency contacts and tentative reopening plans.
- Following the storm, property staff assess and document any damage, determine whether the scope of damage warrants contacting an insurance adjuster and coordinate with local vendors to expedite repairs as necessary.



### CLIMATE HAZARDS

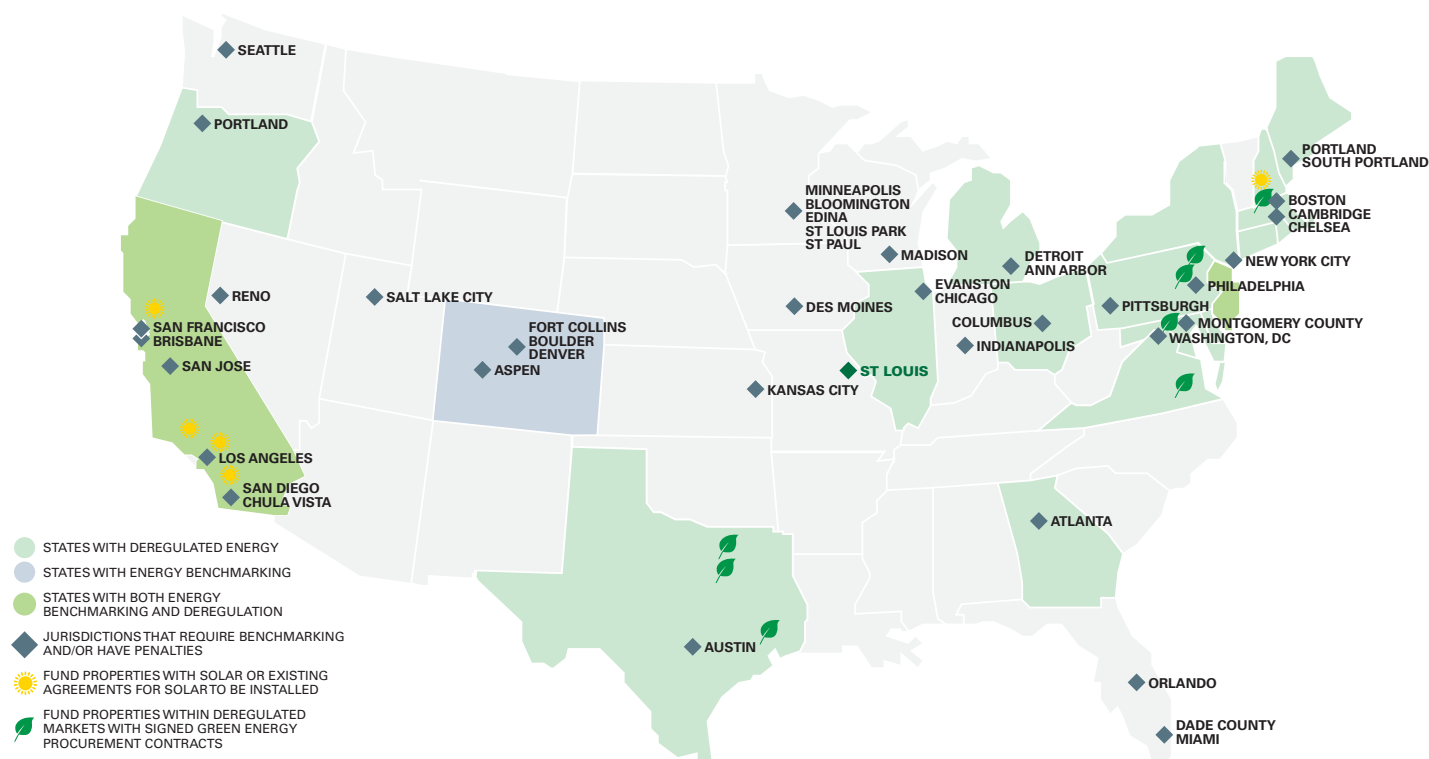


### ASSESSING CLIMATE RISK

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 GRESB participating fund's Portfolio Management team prepares a Climate-Related Risk Assessment.

Sentinel has initiated a Climate-Related Risk Assessment for the funds that submit to GRESB using the GRESB Reference Guide, in accordance with the Task Force on Climate-related Financial Disclosures (TCFD)<sup>1</sup> 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 fund's portfolio and reporting at the entity level. TCFD was disbanded as of year-end 2023 and the responsibility for climate-related financial reporting rests with the International Sustainability Standards Board (ISSB) under the purview of the International Financial Report Standards (IFRS). Sentinel has elected to maintain disclosures recommended by the TCFD until adoption of IFRS S1 and IFRS S2 can be thoroughly evaluated.

## V. GOVERNANCE *CONTINUED*



### NAVIGATING SUSTAINABILITY IN THE US

In the US, there are 50 states that essentially operate independently, with no current federal requirement related to sustainability or reporting. In 2024, the SEC adopted a rule requiring publicly traded companies to disclose climate-related risks and greenhouse emissions. The regulations were challenged in courts during 2024. On March 30, 2025, the SEC paused defending the rule in court and may rescind the rule.

The approach in the US is generally market-driven and involves various voluntary frameworks, guidelines, and initiatives, such as the current administration's National Building Performance Standards Coalition. Launched in 2022, the National Building Performance Standards Coalition comprises a nationwide group of state and local governments committed to implementing building performance policies and programs in their jurisdictions. The level of obligation and reporting can vary widely, but the initiative encourages jurisdictions to achieve some level of energy or climate performance.

37% of properties in the Sentinel's portfolio are in jurisdictions that have specific regulatory requirements related to building filings that include energy benchmarking compliance ordinances, where energy data is collected.

In many jurisdictions penalties provided to a landlord are for non-compliance/not submitting the filing on time. No properties are in jurisdictions known to have any exposure related to enhanced carbon emissions reporting including related carbon penalties

### 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 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.

# VI. SUSTAINABILITY BENCHMARKS

## GLOBAL REAL ESTATE SUSTAINABILITY BENCHMARK (GRESB) SREF SCORES



During the second quarter of 2024, the Sentinel Real Estate Fund (SREF) completed its 14th annual GRESB submission. It was one of four Sentinel vehicles that were submitted to the benchmark for this reporting cycle. Results were received at the end of the third quarter of 2024, and we are pleased to report that the Fund maintained a 5-star rating for the second consecutive year and was ranked 11th highest out of 145 accounts that comprise the Residential/Americas peer group.

Key initiatives that contributed to the Fund’s score this year included:

- Reduced energy and GHG consumption through various measures such as installation of LED lights and transitioning to higher efficiency HVAC units;
- Obtained one additional IREM Certified Sustainable

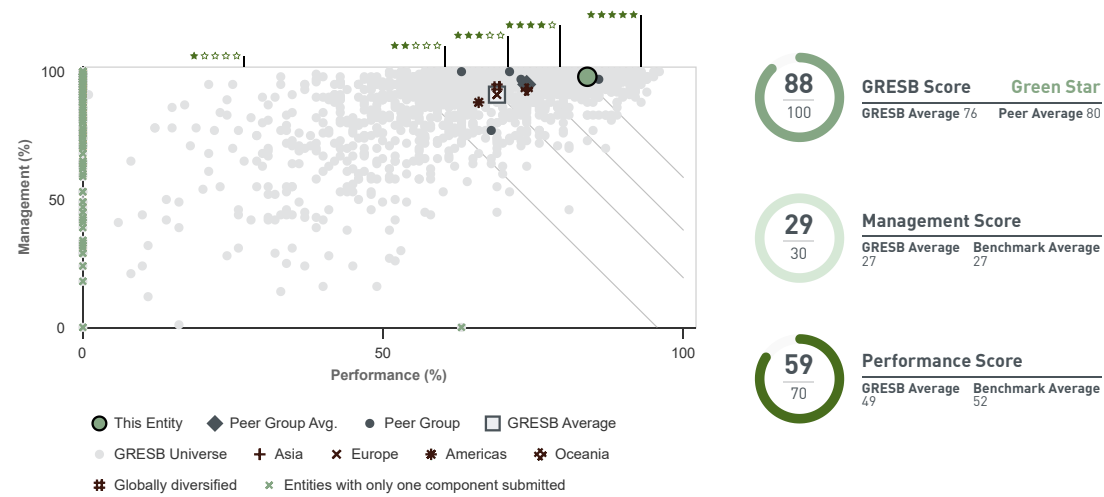
Property (CSP) certification and two Green Globes certifications in 2023, increasing the percentage of certified properties in the Fund’s portfolio to 69%; and

- Increased the amount of renewable energy associated with the portfolio.

Sentinel remains committed to identifying cost-effective opportunities to enhance this fund’s overall sustainability. We are continuing to focus on (i) enhancing data coverage and quality, (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.



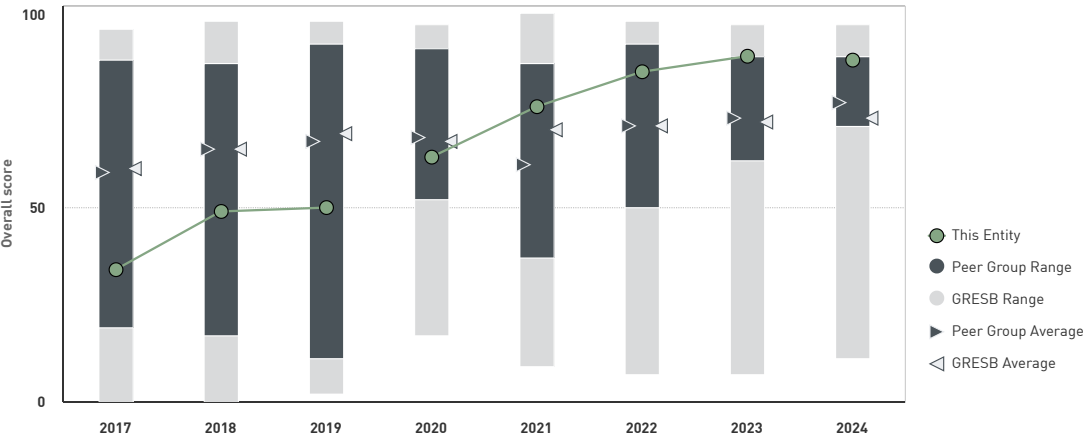
# GRESB Model



# ESG Breakdown



# Trend



## Note:

**GRESB advises against the direct comparison between 2024 GRESB Scores and prior year results.** The new Standard provides a more rigorous assessment of sustainability practices, new asset-level benchmarks, and enhanced alignment with emerging investor priorities. These benefits come at the cost of comparability, and investors are encouraged to carefully evaluate changes driven by the evolution of the Standard, assessment methodology, and participant actions.

Relative comparisons are among the best indicators of performance, and they provide investors and other data users with clear and relevant information to better contextualize a score, given the evolving methodology. Investors are encouraged to use rankings to understand the relative position of companies among their peers.

For more detailed information about this year's changes and their impact, [please click here](#).

# VI. SUSTAINABILITY BENCHMARKS *CONTINUED*

## SENTINEL DIVERSIFIED LIVING FUND (FORMERLY SENTINEL US CORE-PLUS MULTIFAMILY FUND) GRESB SCORES



During the second quarter of 2024, the Sentinel Diversified Living Fund (SDLF) completed its 3rd annual GRESB submission. This fund was one of four Sentinel vehicles that were submitted to the benchmark for this reporting cycle. Results were received at the end of the third quarter, and we are pleased to report that SDLF increased its rating from 3 stars to 4 stars, and ranked 1st out of nine funds in its peer group. In addition, SDLF ranked 20th out of 145 accounts that comprise the Residential/Americas peer group.

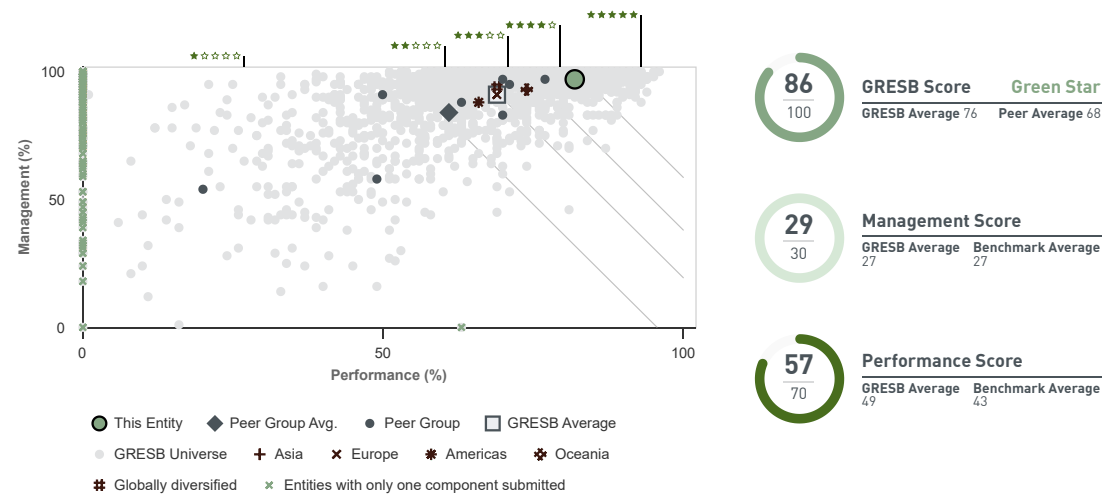
Key initiatives that resulted in the improvement of the fund’s score this year included:

- Improved energy and water data coverage and reduced energy and GHG consumption through various measures such as

- Installation of LED lights and transitioning to higher efficiency HVAC units;
- Increased the amount of renewable energy associated with the portfolio.

Sentinel remains committed to identifying cost-effective opportunities to enhance this fund’s overall sustainability. We are continuing to focus on (i) enhancing data coverage and quality, (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.

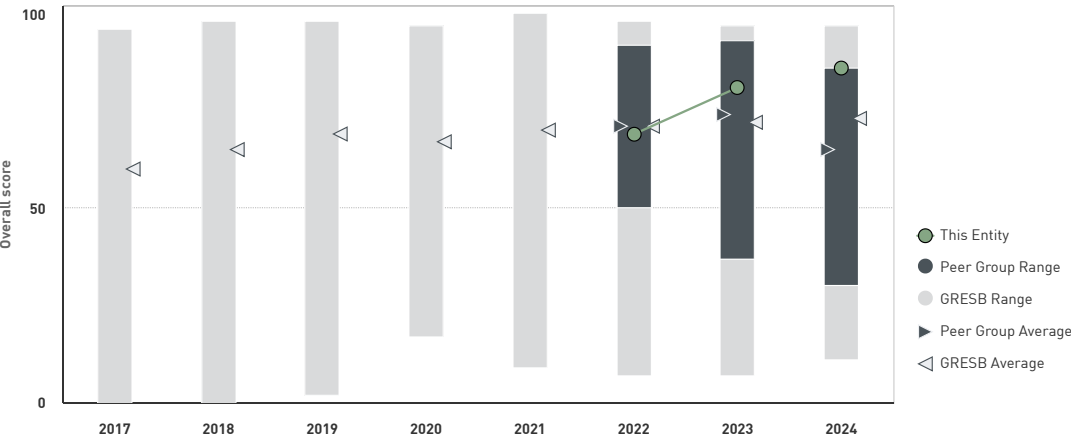
# GRESB Model



# ESG Breakdown



# Trend



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Relative comparisons are among the best indicators of performance, and they provide investors and other data users with clear and relevant information to better contextualize a score, given the evolving methodology. Investors are encouraged to use rankings to understand the relative position of companies among their peers.

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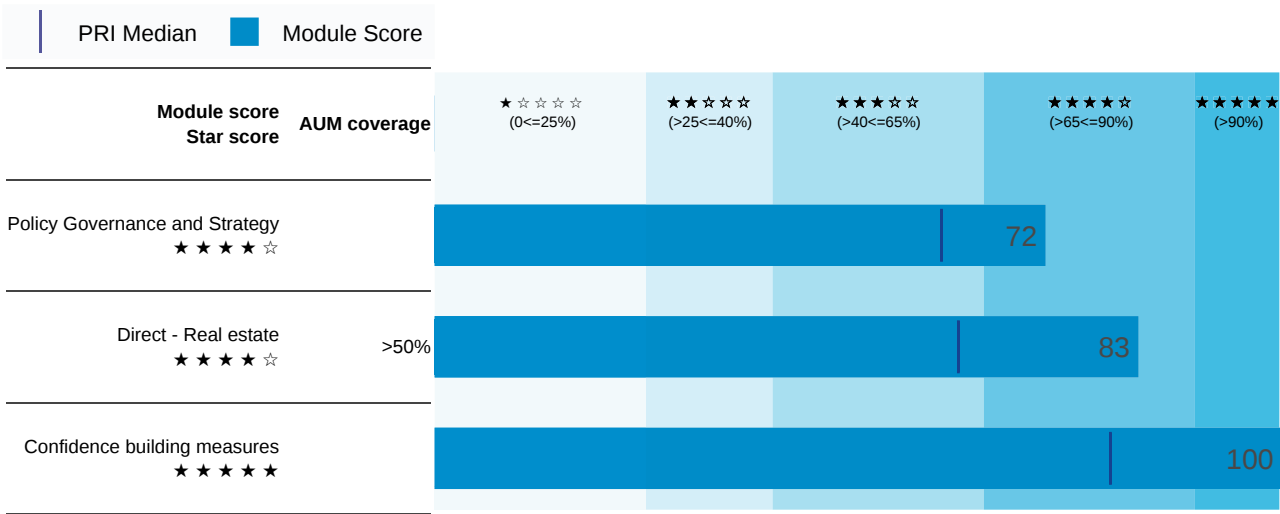


VI. SUSTAINABILITY BENCHMARKS *CONTINUED*

UNITED NATIONS PRINCIPLES FOR RESPONSIBLE INVESTMENT (UNPRI) ASSESSMENT



SUMMARY SCORECARD



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. These principles, integrated into Sentinel’s culture and embedded in our ESG policy, provide a framework for incorporating ESG considerations into investment practices.

The UNPRI rating is conducted each calendar year and is based on the preceding calendar year’s reported data. In November 2024, our latest assessment yielded the ratings shown above.

We are pleased to report significant advancements in our scoring from 2023 to 2024:

- Policy Governance and Strategy Module: 72 to 78
- Direct - Real Estate Module: 83 to 86
- Confidence Building Measures Module: Remained at 100

## VI. SUSTAINABILITY BENCHMARKS *CONTINUED*

### 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.

## VII. LOOKING AHEAD

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



Looking ahead, we are committed to staying agile, building on our sustainability performance and responsible impact and managing risks effectively. Our focus remains on sustainable growth and high-value investment, ensuring that our portfolio delivers both strong returns and long-term resilience.

In this dynamic time, 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. By proactively monitoring regulatory shifts and industry best practices, we will continue to refine our approach to meet changing market demands while maintaining a focus on strong financial outcomes.

Collaboration is pivotal to our strategy. We prioritize working closely with our clients to navigate their sustainability priorities, fostering partnerships that drive mutual advancement. 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.

We believe that sustainable measures represent a responsible investment strategy that will be rewarded with higher cash flows and ultimately increased disposition proceeds for our clients.

