From ESG Insight to Impact: Cortland's Blueprint for Strategic Transformation

How Two Funds Achieved Significant GRESB Score Gains

A CUSTOMER SUCCESS STORY

CONSERVICE®
The Utility Experts®

CORTLAND

PARTNERSHIP OVERVIEW

Cortland partnered with Conservice to elevate its ESG strategy across two investment funds. Together, they transformed complex data into strategic action—driving measurable gains in performance, transparency, and long-term sustainability.

With growing investor expectations and tightening regulatory standards, Cortland's leadership recognized that achieving true ESG success would require more than good intentions. The right data, systems, and partnerships would be essential—and that's where Conservice played a critical role.

SETTING THE STAGE

In 2022, Cortland—a leader in multifamily real estate investment and development—recognized the rising tide of sustainability expectations from investors and residents alike. Rather than simply keeping pace, Cortland saw an opportunity to lead. The team knew that success required more than passion; it required measurable actions and the ability to align progress with investor expectations and global standards.

Their goals were ambitious but clear:

Enhance transparency with measurable ESG reporting.

Establish a verified data foundation to build trust.

Lay the groundwork for a net-zero future.

CONSERVICE®
The Utility Experts®

CORTLAND

Cortland's leadership began by conducting a materiality assessment to pinpoint areas of greatest impact and drafting a three-year roadmap to guide their strategy.

1. Insight & Building the Foundation → **2. Integration & Action** → **3. Impact & Acceleration** → **4. Evaluation & Next Steps**

"Begin with the end in mind. What are your goals? Then, understand your data and what stakeholders need from you, and begin to embrace performance opportunities."

—Cass McFadden, VP, Global Head of Sustainability at Cortland

CHOOSING THE RIGHT FRAMEWORK

To bring their vision to life, Cortland selected GRESB as their guiding framework. This globally respected benchmark provided the structure and credibility needed to align their ESG goals with investor and industry expectations.

Why GRESB?

- ☑ **Industry Alignment & Credibility:** Trusted by investors for its rigor and transparency.
- ☑ **Actionable Insights:** Clear benchmarks to pinpoint opportunities for improvement.
- ☑ **Measurable Impact:** A strategic path for aligning operational efficiency with sustainability targets.

For Cortland, GRESB is more than a scorecard. Cortland leverages the annual GRESB guidance to identify opportunities to strengthen its ESG integration and long-term planning.

TURNING DATA INTO ACTION WITH CONSERVICE

Cortland's existing partnership with Conservice became a driving force in transforming ambition into execution. By combining technical expertise with powerful ESG tools, Conservice helped Cortland turn raw data into strategic insights and simplify complex reporting processes, enabling a complete evolution in how data was captured, verified, and applied across two investment funds.

1. **Comprehensive Portfolio Integration**
   Conservice unified energy, water, waste, and GHG data across Cortland's entire portfolio, streamlining disparate data sources into a centralized, decision-ready platform.
2. **Advanced Data Capture—Quantitative and Qualitative**
   Beyond utility usage, Conservice helped Cortland incorporate critical ESG indicators such as resident engagement programs, resilience planning, risk assessments, and certification tracking. This expanded view created a more nuanced and complete ESG story for investors.
3. **Goby Platform Insights**
   Cortland used the Conservice Goby platform to monitor real-time performance, contextualize their emissions profile, and track progress toward long-term targets. The platform enabled more dynamic planning and faster iteration year over year.
4. **Streamlined Certification Support**
   Conservice played a key role in scaling ENERGY STAR by managing application workflows, simplifying documentation requirements, and ensuring accuracy in submissions. What was once a manual, time-intensive process became repeatable and efficient—allowing Cortland to scale certifications across dozens of communities in a single year.
5. **Improved Processes at Scale**
   Conservice helped Cortland move from manual reporting and reactive tracking to a proactive, automated ESG program. This operational shift freed internal teams to focus on strategy and portfolio-level innovation while trusting the accuracy of their data inputs.

"Our GRESB success reflects what's possible when ESG is embedded as a strategic imperative. This progress stems from thoughtful planning, strengthened disclosures, streamlined certification processes, and closer alignment of ESG considerations with our investment and operational strategies to support long-term value creation."

—Yasha Chaturvedi - Director of Sustainability and Utilities at Cortland

CONSERVICE®
The Utility Experts®

CORTLAND

KEY ACTIONS THAT DROVE GRESB SCORE IMPROVEMENT

Cortland's combined 30-point GRESB score increase in 2024 was the result of a focused, data-driven approach to ESG across their two investment funds. By prioritizing transparency, operational efficiency, and measurable improvements, Cortland strengthened its sustainability performance and investor confidence.

Here's what moved the needle the most:

- **Data Verification & GHG Reporting**
  Completed Cortland's first full portfolio-wide GHG assessment with Conservice and implemented ongoing data validation for greater accuracy and confidence in reporting.
- **Enhanced ESG Reporting & Risk Transparency**
  Strengthened investor-facing disclosures and conducted portfolio-wide climate risk assessments to support long-term resilience planning.
- **Efficiency Measures & Waste Reduction**
  Scaled LED retrofits, HVAC upgrades, and launched waste reduction pilots, alongside expanded tracking of water and energy usage at the asset level.
- **Building Certifications & Ratings**
  Earned 69 ENERGY STAR and Fitwel certifications in 2024 and maintained Fitwel Viral Response certification across all properties in both funds—demonstrating a commitment to efficiency, health, and resident well-being.
- **Energy Strategy & Renewable Procurement**
  Leveraged Optimyze insights to execute renewable energy contracts and unlock cost and emissions savings through smarter procurement.

	# REC Contracts	Energy Usage	Projected Savings
2023	5	1.85M kWh	$174,000
2024	36	15.8M kWh	$699,000

By integrating these initiatives into a **long-term ESG strategy**, Cortland reinforced its commitment to **measurable impact, investor confidence, and industry leadership**.

Cortland received 5-star GRESB ratings for its two flagship funds in 2024 for the year 2023. Rankings include a peer group of more than 39 funds. Details on the real estate assessment and scoring are available here: https://www.gresb.com/nl-en/real-estate-assessment/. Cortland paid a fee to GRESB to submit an application and is not affiliated with GRESB.

NAVIGATING CHALLENGES WITH PRACTICAL SOLUTIONS

Every ESG journey has its hurdles. But Cortland's team found innovative ways to overcome them:

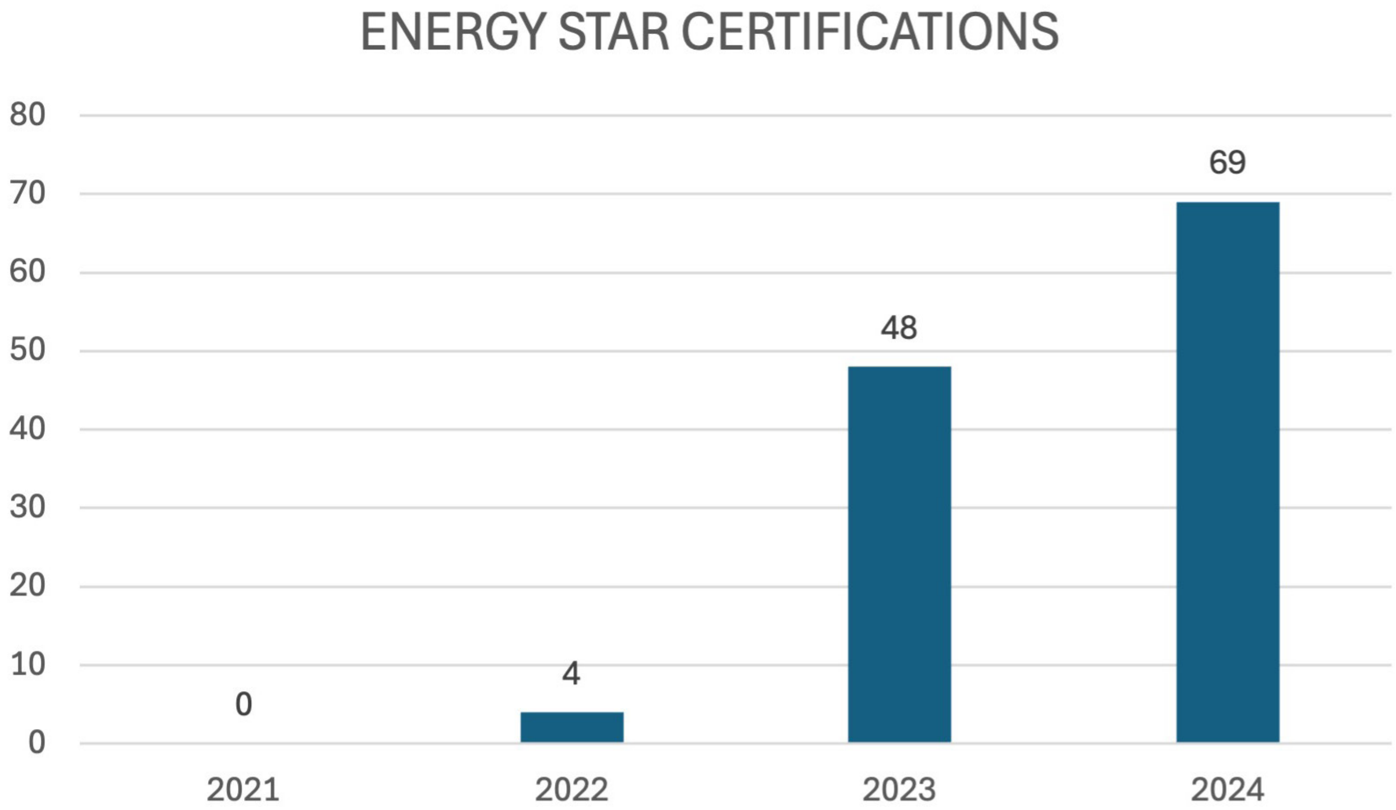
By focusing on practical, scalable solutions, Cortland maintained steady progress while building trust with investors and internal teams alike.

Challenges	Solutions
Verifying accurate data across a portfolio	Leveraged data integration tools and expert partnerships
Aligning diverse investor expectations while meeting global standards	Regular, transparent reporting fostered trust
Balancing short-term wins with long-term goals	Focused on incremental wins like LED retrofits to build momentum

THE RESULTS: CORTLAND'S ESG SUCCESS IN NUMBERS

GRESB Score Increases	ENERGY STAR Certifications	Waste Reduction Pilot Program	Technical Building Assessments	Water Efficiency Measures
Fund A: +16 points in 2024, 51 points over 3 years **Fund B:** +14 points in 2024, 39 points over 3 years Both funds achieved a 5-star GRESB rating in 2024 (up from 1 star in 2021)	% of portfolio certified by GFA: **2022:** 1.2% **2023:** 16.5% **2024:** 21.3% **44% growth in certifications year-over-year (2023–2024)**	**7% increase** in assets with recycling since 2022 (Fund A & B combined) Recycling includes: glass, paper, cardboard, and metal cans	**Energy Coverage (Fund A & B Avg.):** 2023: 20% -> 2024: 100% (+80%) **Water Coverage (Fund A & B Avg.):** 2023: 19% -> 2024: 97% (+78%)	**Portfolio Coverage (Fund A & B Avg.):** 2023: 23% -> 2024: 100% (+77%)

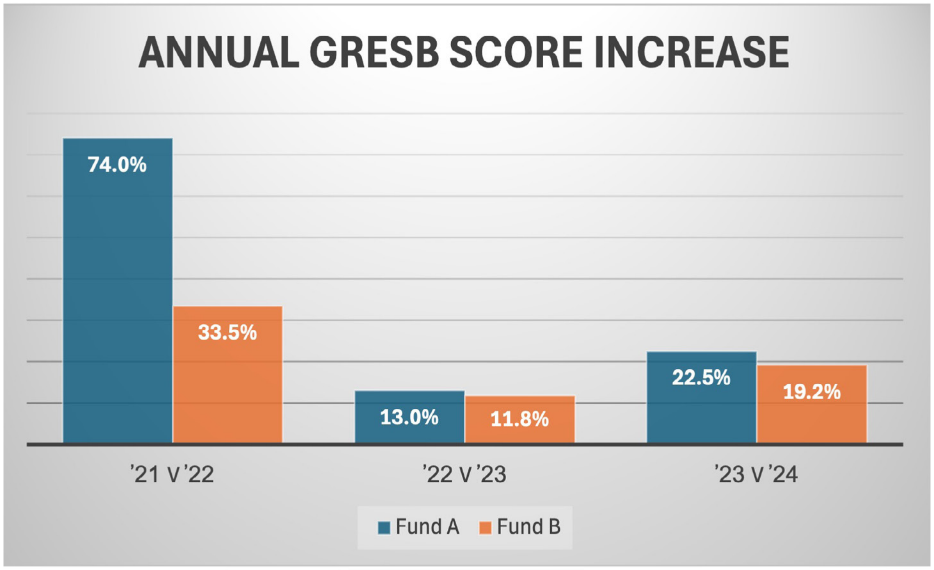
Cortland significantly scaled its ENERGY STAR certifications over a four-year period, reinforcing its commitment to operational efficiency and resident well-being. Certification efforts accelerated in 2023 and 2024, with more than 20% of the portfolio now ENERGY STAR certified by GFA.



"Achieving Energy Star certifications wouldn't have been possible without robust data collection. Annual progress on this achievement laid the groundwork for a smoother process of data gathering and verification each year, improving internal workflows and making future reporting more efficient."

—Nidhi Gangavarapu - Senior Sustainability Associate at Cortland

Both Fund A and Fund B saw steady GRESB improvements year over year, with notable gains in 2024. The chart highlights how a phased ESG strategy and targeted initiatives delivered consistent performance across both funds.



Cortland advanced from a 1-star to a 5-star GRESB rating in just three years—an achievement that reflects not only data quality and reporting improvements, but also a deeper integration of ESG across operations and investments.

LOOKING AHEAD

Cortland's journey is far from over. Armed with a strong foundation, the team is preparing for their next phase of leadership: **formalize net-zero targets**, expand the **water and waste programs**, and **scale successful initiatives** across their portfolio. They're committed to maintaining **building certifications** like ENERGY STAR and Fitwel to align with evolving standards.

Beyond operational improvements, Cortland is focused on **deepening investor engagement** by expanding stakeholder reporting, **enhancing transparency on ESG risks and opportunities**, and aligning with global frameworks such as **UNPRI**. These efforts will not only solidify Cortland's position as a leader in multifamily ESG but also reinforce its long-term commitment to sustainability, resilience, and responsible investing.

CONSERVICE®
The Utility Experts®

CORTLAND

"Success doesn't happen overnight. Focus on building a strong foundation and tackling priorities one step at a time."

—Cass McFadden, VP, Global Head of Sustainability at Cortland

CONCLUSION: LEADING THE WAY IN MULTIFAMILY ESG

Cortland's ESG journey is a model for turning vision into measurable impact. Through thoughtful strategy, operational transformation, and the right partners, they've positioned themselves at the forefront of multifamily sustainability—and they're just getting started.

Learn more about [Cortland's Sustainability Commitment.](#)

ADVICE FOR ESG LEADERS

For organizations beginning or scaling their ESG efforts, Cortland's experience offers actionable lessons:

1. Start with clean, verified data as the foundation for progress.
2. Focus on quick wins (like LED retrofits) to build momentum.
3. Pilot small initiatives and scale successful ones portfolio-wide.
4. Foster transparency to strengthen investor trust.
5. Document progress to streamline future reporting.
6. Engage teams to celebrate wins and build a culture of sustainability.

Unless otherwise noted, all content provided in this presentation (the "Presentation"), such as photographs, articles, logos, or other materials, is the property of Cortland or others noted herein and is protected by copyright, trademark, or other laws. By receiving or reviewing this Presentation, you agree that the Presentation is the property of Cortland and that you will not directly or indirectly copy, modify, post, publish, or redistribute this Presentation or any of the information herein without Cortland's prior written consent. Third-party logos included herein are provided for illustrative purposes only. Unless specifically stated otherwise, inclusion of such logos does not imply affiliation with or endorsement by such firms or businesses. There is no guarantee that Cortland will in the future work with any of the firms or businesses whose logos are included herein.

Cortland is a brand identifier for a family of companies, including Cortland Partners, LLC, Consolidated Holdings, LLC and each of their respective subsidiaries and affiliates (collectively, "Cortland") including Cortland Investment Management, LLC, a registered investment adviser. Accordingly, references to "Cortland" throughout this report refer to the Cortland organization as a whole.

The information contained herein is based on current and contemplated processes, data, expectations, estimates, projections, opinions, and beliefs as of the date hereof and reflects current views in relation to possible future events, processes, financial and operational performance, and various other estimates and assumptions, including events that have not occurred, any of which may prove incorrect. Neither Cortland nor any of its affiliates make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein and nothing contained herein should be relied upon as a promise or representation as to past or future events.

There can be no assurance that the initiatives described herein will be completed as expected or at all. Certain information contained herein constitutes "forward-looking statements," or other variations thereon or comparable terminology, and such forward-looking statements are subject to a number of risks and uncertainties, some of which are beyond the control of Cortland. The actual results, performance, prospects, or opportunities could differ materially from those expressed in or implied by the forward-looking statements.

Additional risks of which Cortland is not currently aware could also cause actual results to differ. In light of these risks, uncertainties, and assumptions, undue reliance should not be placed on any forward-looking statements. The information contained within this report is subject to change and will not be updated or otherwise revised to reflect information that subsequently becomes available or changes occurring after such date. This presentation is for information purposes only and is not intended as investment advice, an offer, or solicitation with respect to the purchase or sale of any security. Offers to sell or solicitations to invest in a Cortland-sponsored fund are made only by means of a confidential offering memorandum and in accordance with applicable securities laws.

While Cortland may consider ESG factors when making investment or development decisions, Cortland does not pursue an ESG-based investment strategy or limit its investments to those that meet specific ESG criteria or standards. In addition, Cortland makes no claim to adhere to any ESG framework. Any ESG impact, target, program, commitment, incentive, initiative, or other benefit referenced herein is not being promoted and does not bind any investment decisions made in respect of, or the management or stewardship of, any investment managed by Cortland. Any measures implemented in respect of such target, program, commitment, incentive, initiative, or other benefit may not be immediately applicable to the investments of any assets managed by Cortland. Any such implementation can be overridden or ignored at any time in Cortland's sole discretion. There is no guarantee that investments will be made in assets that create positive ESG impacts while enhancing long-term value and achieving financial returns. Moreover, no warranty is given that any ESG criteria utilized, or any judgment exercised by Cortland, will reflect the beliefs or values of any particular third party.

ESG practices are evolving rapidly, and there are different principles, frameworks, methodologies, and tracking tools being implemented by asset managers. Cortland's adoption of and adherence to such principles, frameworks, methodologies, and tools may vary over time. These initiatives may not align with the approach used or preferred by other asset managers or prospective investors or align with future market trends. There is also growing and evolving regulatory interest in ESG across jurisdictions and potentially increased related enforcement actions. The regulatory landscape of ESG is subject to change. Cortland cannot guarantee that its current approach will meet future regulatory requirements, the requirements of ESG reporting frameworks, or best practices, nor that it will avoid regulatory scrutiny or enforcement actions.

Any ESG or impact, targets, programs, commitments, incentives, initiatives, or benefits referenced in any information, reporting, or disclosures published by Cortland are not being promoted and do not bind any investment decisions made in respect of, or the management or stewardship of, any funds managed by Cortland for the purposes of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector. Any measures implemented in respect of such targets, programs, commitments, incentives, initiatives, or benefits may not be immediately applicable to the investments of any funds managed by Cortland and any implementation can be overridden or ignored at Cortland's sole discretion. This presentation is for information purposes only and is not intended as investment advice, an offer, or solicitation with respect to the purchase or sale of any security. Offers to sell or solicitations to invest in a Cortland-sponsored fund are made only by means of a confidential offering memorandum and in accordance with applicable securities laws.

Neither Cortland nor the funds it manages are considered to be ESG-focused. Notwithstanding the foregoing, as determined appropriate and in its sole discretion, Cortland takes certain ESG considerations into account in the selection, management and investment decisions related to portfolio investments; however, the type of considerations and the weight given to such considerations may vary from investment to investment and remains subject to Cortland's discretion, fund investment objectives/constraints and any underlying fiduciary duties. There is no guarantee that Cortland's ESG policy will be successful or that its investments will create a positive ESG impact. Applying ESG factors to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by Cortland or any judgment exercised by Cortland will reflect the beliefs or values of any particular investor. There are significant differences in interpretations of what positive ESG characteristics mean by region, industry and issue, and these interpretations are rapidly evolving.