



# 2021

ESG ANNUAL REPORT

# CONTENTS

## ABOUT US

Letter from Our Chief Executive Officer 6

Becoming Cortland 8

Cortland Today 9

What We Do 9

Our Core Values 10

Our Company 11

2021 ESG Milestones 13

Partnerships 14

Partnership Spotlight: Conservice & Conservice ESG 16

Materiality Assessment 17

## ENVIRONMENTAL

Letter from Our EVP of Operations and Facilities 21

GRESB Data by Fund 2021 22

Energy Star Portfolio Manager 24

Climate Risk and Resiliency 25

Social and Environmental Risk Assessment 26

Certifications and Projects 28

Green Building Certifications 28

[Community Spotlight: Cortland West Nashville](#)

[Community Spotlight: Cortland M-Line](#)

Projects and Audits 2021 30

[EV Chargers](#)

## SOCIAL

Our Mission 33

Associate Wellness 34

Letter From Our Chief Human Resources Officer 35

How We Work 36

Equal Employment Opportunity 38

Non-Discrimination Policy 38

Benefits 38

THRIVE 39

DEI Stats 42

Associate Resource Groups 44

[EmpowHER](#)

[The Coalition](#)

[PRISM](#)

[Conectate](#)

Cortlandia Fund 45

Talent Development 45

[Peer Coach Program](#)

[ESG Training](#)

Cortland Prime 47

MTU 48

Community Awards 49

Resident Wellness 50

Letter From Our Chief Experience Officer 50

Awards 51

Team Structure 51

Cortland+ App 52

Resident Events 54

Elevate 54

Smoke Free Living 55

Sustainable, Chemical-Free Cleaning Solutions 55

Cortland Front Door 56

Amenities 56

[Urban Vegetable Gardens](#)

Kingsley 67

Local Community Wellness 57

[Cortland Commitment Week](#)

[Move for Hunger](#)

## GOVERNANCE

Letter from Our Chief Compliance Officer and General Counsel 64

Ethics and Compliance 65

Risk Management 66

Cortland Cybersecurity 67

Stakeholder Engagement 68

Approach 68

Vendor Code of Conduct 69

ESG Committee 70

[2021 ESG Committee Structure](#)

Standards of Excellence 751

## A LOOK AHEAD

Letter from Our President of Investment Management 73

## APPENDIX

Data by Fund 2021 74

Cortland Growth & Income, L.P. 74

Cortland Enhanced Value Fund V, L.P. 75

Legal Reminders/Copyright Statement 76

CLICK ON  
A SECTION  
TITLE TO JUMP  
TO THAT  
SECTION.

CLICK ON   
TO RETURN HERE.



To Our Stakeholders:

We believe 2021 was one of Cortland's biggest and best years yet as a business. In the aftermath of 2020, our team got creative, remained nimble, and performed better than ever. As we grow and evolve, so too does our responsibility as corporate citizens. Now that we employ over 2,450 associates around the world and we operate more than 263 apartment communities that proudly serve more than 135,800 residents, the impact Cortland can have on our associates, residents, investors, communities, and the world around us is significant, and we embrace that responsibility.

Our commitment to enhancing our ESG practices is steadfast, and this inaugural ESG report is an important milestone for us as a company. In it, we highlight the environmental, social, and governance practices and principles that underpin our corporate character and we believe make our success possible.

**Environmental:** We believe that our ability to be a dynamic, innovative company that adapts and evolves as trends and economies change is key to our continued growth. In 2021, our teams collaborated under the guidance of our internal Sustainability Team to submit our first GRESB report for two of our key investment funds. Further, we established our ESG Committee – comprised of key leaders committed to driving our ESG approach in alignment with our core values.

**Social:** At Cortland, we value our associates and their commitment to our collective success. We're equally committed to providing them with training and development opportunities as well as competitive, affordable health and wellness benefits. We hold an unwavering belief that engaged associates create the best experiences for our residents, who are at the heart of what we do daily.

**Governance:** We believe that a key to leading an effective, vertically integrated investment and operating platform is creating a firm culture and a governance structure that allows disparate teams to coalesce around a simple set of goals and ideals that come from the top. Cortland has established a centralized governance structure and internal communications team built to allow the Firm to make high-quality decisions that incorporate ideas from leaders across departments and then consistently communicate those decisions across the platform.

We built Cortland so that we could build better communities. We're just getting started, and we are proud to share our progress with you.

Steven DeFrancis, CEO

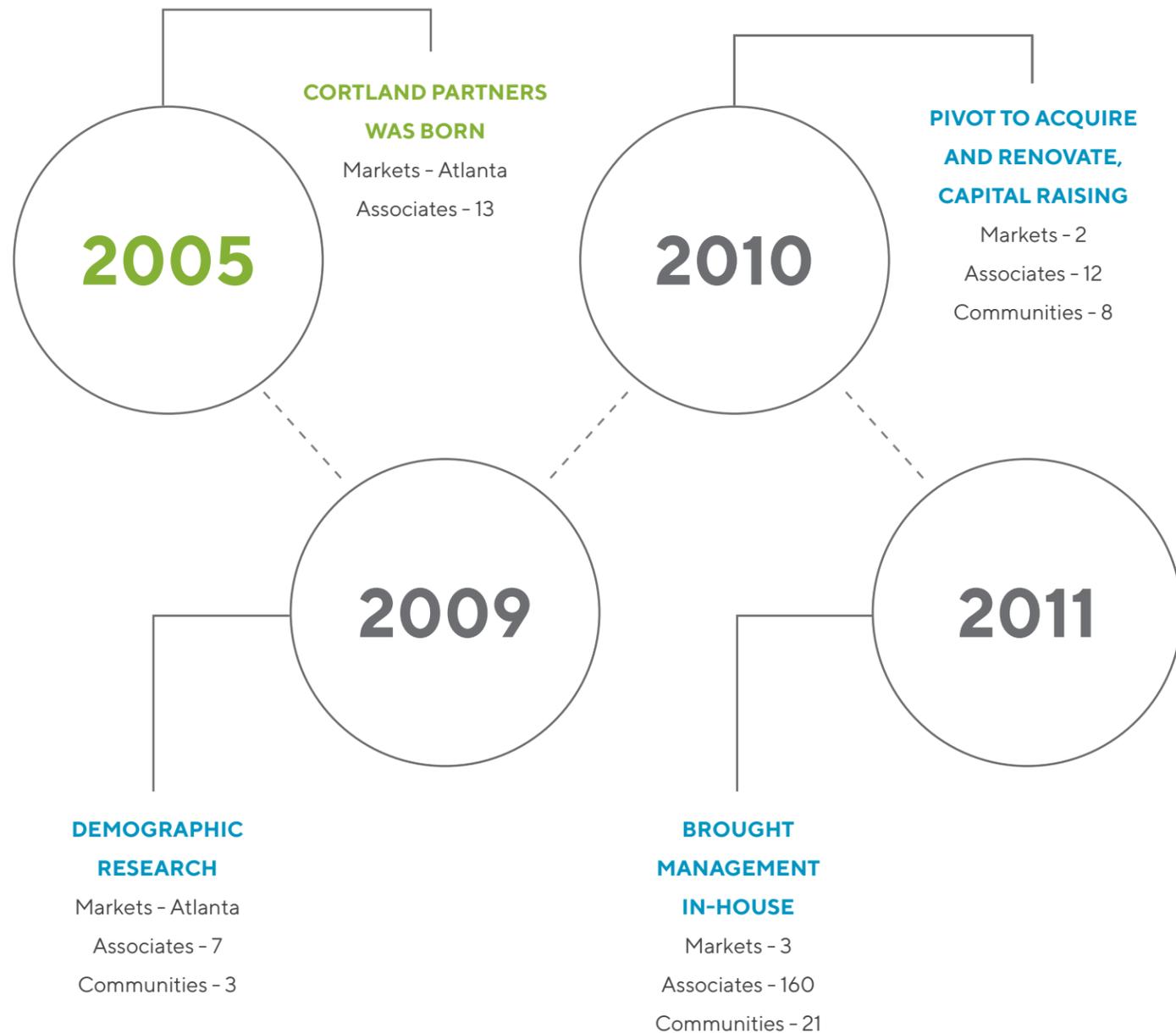


# ABOUT US



# BECOMING CORTLAND

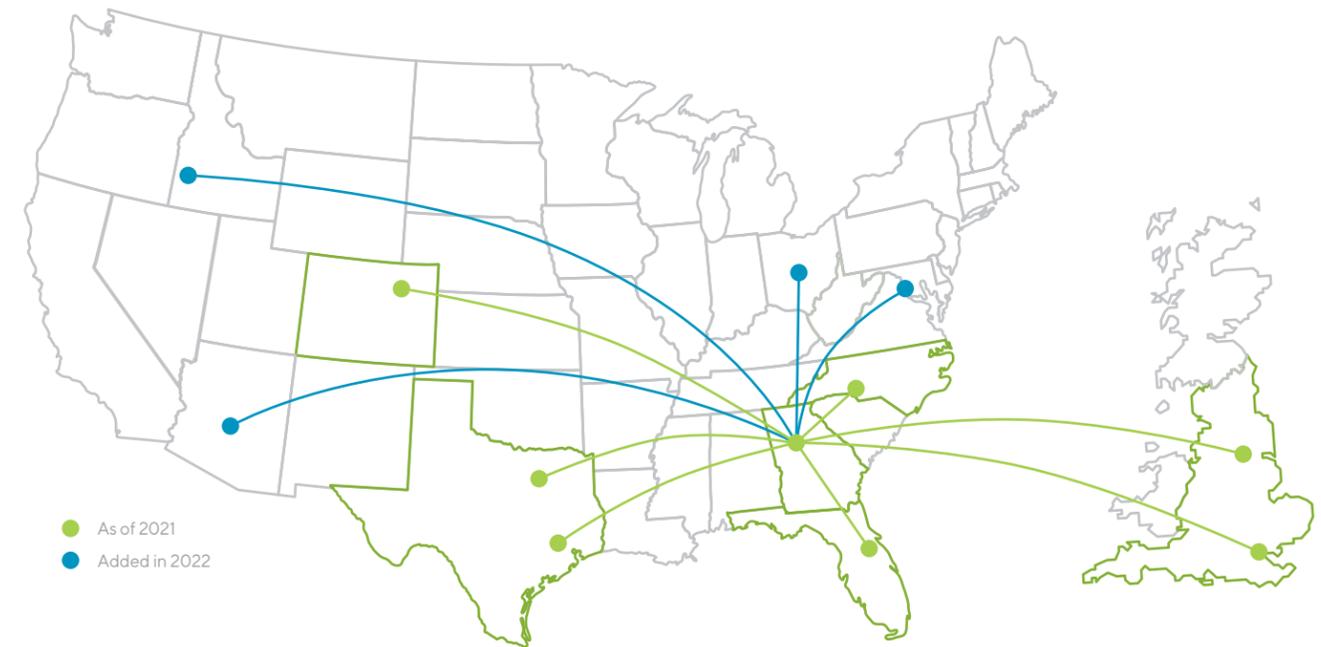
Cortland was founded in Atlanta, Georgia in 2005 with a focus on multifamily development. During the economic downturn in 2008, we decided to shift our focus from developing communities to acquiring and renovating existing multifamily communities – all with a vision to challenge the conventions of the traditional multifamily industry to create better living spaces and experiences. By 2011, we owned and managed 5,000 apartment homes and meaningfully accelerated our plans to build a company that could deliver unique value to both our residents and partners.



# CORTLAND TODAY

Since then, we've become a global, integrated multifamily investment, development, and management firm focused on delivering resident-centric, hospitality-driven apartment living experiences.

Headquartered in Atlanta, we own and manage apartment communities across the US with regional offices in Charlotte, Dallas, Denver, Houston, and Orlando. Internationally, we operate a build-to-rent (BTR) management and development platform in the United Kingdom with offices in London and Leeds. Through our integrated business model, our enterprising team, and our commitment to placing the resident at the center of our decisions, we're aiming to set a new experience standard for the apartment industry – one community at a time.



# WHAT WE DO

Our goal is to deliver communities, experiences, and solutions beyond expectations – down to the smallest details of our everyday interactions to the standards by which we live and build. We are the dreamers, designers, and doers behind our living spaces and experiences, from the way we make our residents smile to the features we design and place in our homes. Get to know the Cortland businesses that build, design, and deliver the spaces we create.



# OUR CORE VALUES



## Do the Right Thing for the Right Reason.

- We place more importance on doing the right thing than doing things the right way.
- We all make coffee and pick up trash.
- We treat everyone with courtesy and respect.
- We are genuine and honest in our communication without being jerks.
- We are transparent because we believe in what we're doing and can back up our actions with sound data and strategic thought.



## Grow Together, and Play as a Team.

- We value what others bring to the table and enable those on our team to be the best versions of themselves.
- We don't feed negativity, and we know the difference between good-natured banter, discreet venting, and gossip.
- We welcome feedback, and we know how to have helpful conversations without disparagement.
- We do what we can to simplify, and we avoid wasting others' time.
- We take care of each other - in the good times and the bad.



## Love What You Do, and Let It Show.

- We celebrate the wins and are optimistic during the challenges.
- We inspire and encourage others through our pursuit of excellence.
- We care deeply about Cortland, the people we serve, and our success.
- We approach our tasks with intention and take pride in what we accomplish.
- We know what greatness looks like, and we value the diversity and skill behind our success.



## Listen With Your Heart and Your Mind.

- We know how to balance emotion and reason, and we make strategic decisions without relying on just one or the other.
- We appreciate others' perspectives - even if we don't agree.
- We listen actively and are slow to judge.
- We pay attention to the details - and don't hesitate to take a second, third, or tenth look at something.
- We consistently try to see what our residents, investors, and fellow associates see - and react accordingly.



## Have the Courage to Be Better.

- We learn continuously, and we aren't afraid to ask questions.
- We look at challenges as opportunities to grow and grow others.
- We don't subscribe to convention, and we don't settle - instead, we take smart risks and work to outperform ourselves.
- We're quick to own our mistakes and learn from them.
- We aren't afraid to question something that doesn't fit Cortland's mission, culture, or core values.

# OUR COMPANY

22

Markets

263

US Communities Managed  
(incl. tax credit and Attivas 55+ communities)

85,000+

Multifamily Units



135,800+



11 Green Building Certifications



Partnerships & Programs

MOVE FOR HUNGER  
CONSERVICE ESG  
IREM | NAREIM  
PROJECT DESTINED



### VERTICAL INTEGRATION

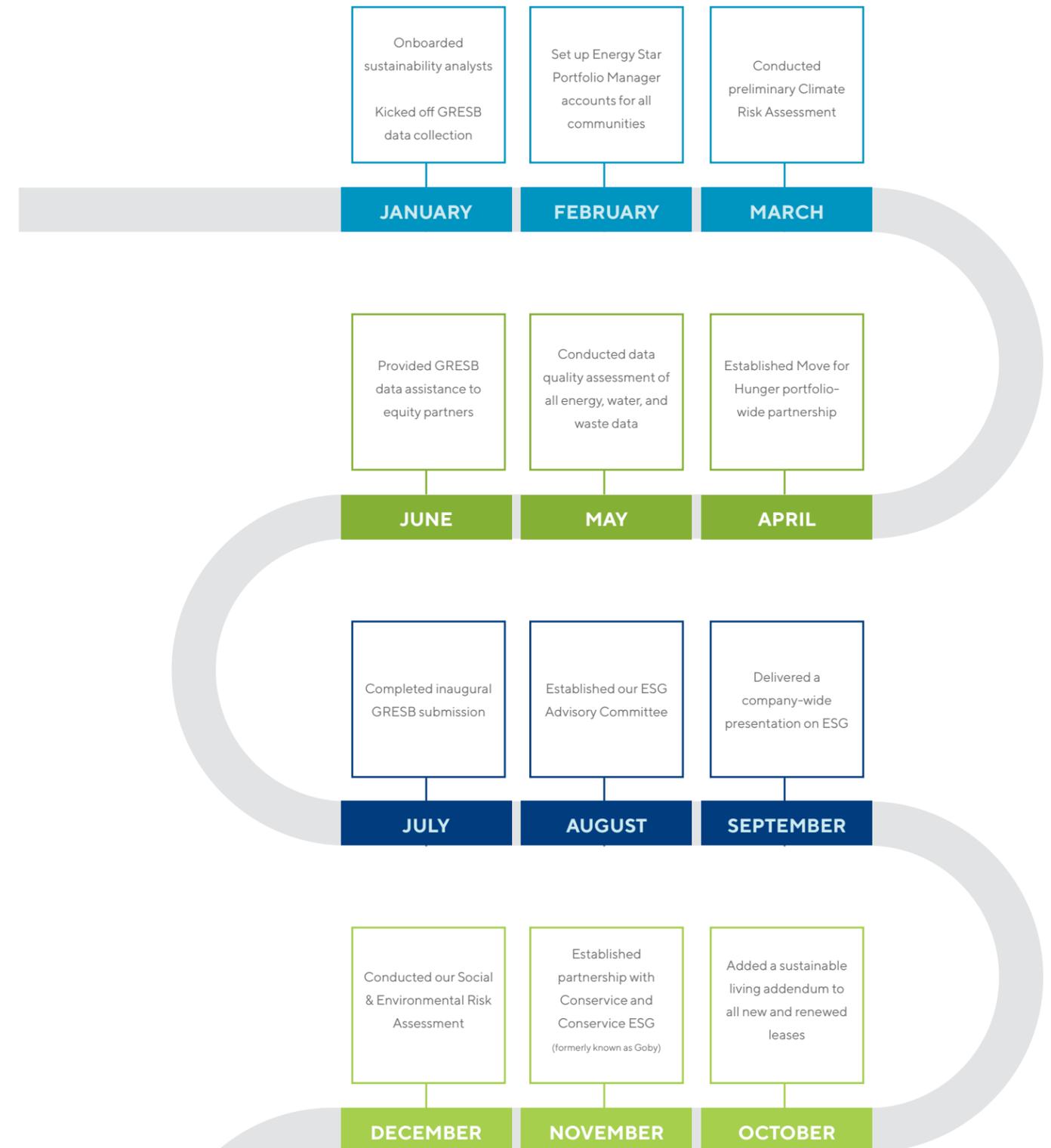
Cortland’s vertical integration fuels our ability to stand out in the multifamily industry.



**Our vertical integration allows us to deliver the same top-tier service at our communities nationwide.**



### 2021 ESG MILESTONES





## PARTNERSHIPS



Energy Star Portfolio Manager (“ESPM”) is the Environmental Protection Agency’s (“EPA”) no-cost, interactive energy management tool that allows users to securely track and assess energy and water consumption across the portfolio. In 2021, we endeavored to establish ESPM profiles for each of our communities by meter to be prepared to identify under-performing assets, verify efficiency improvements, and apply for ENERGY STAR certifications for superior energy performance where applicable.



Cortland is a Founding Sponsor of PREA foundation, a charitable foundation focused on furthering the interests and values of the institutional real estate investment community by advancing industry-wide diversity and inclusion. The foundation was established by the Pension Real Estate Association (“PREA”), a non-profit trade association for the global institutional real estate industry focused on promoting high standards of industry practice and professionalism. Cortland is a member of PREA, and, in addition to its contributions to the foundation, pays membership dues to the association.

## PROJECT DESTINED

Project Destined connects students from underrepresented backgrounds to real estate companies in order to provide training and education in the field. In 2021, Cortland trained interns from Project Destined in Atlanta and Dallas.



Cortland announced its partnership with Move for Hunger on Earth Day 2021. Move for Hunger’s mission is in part to establish a network of relocation companies that participate to offer customers, clients, and residents with the opportunity to donate their food when they move. This partnership allows us to leverage our position as a housing provider to reduce food waste and fight hunger. Residents can donate non-perishable food items year-round as well as when they move out at our communities.



Cortland is an IREM® Accredited Management Organization (AMO) and partners with IREM® to provide professional development and industry networking opportunities to our associates. 10 associates were offered scholarships for the CPM certification program in 2021. Cortland provided \$10,000 in sponsorships for IREM® events with networking opportunities for associates.



Cortland started reporting to the Global Real Estate Sustainability Benchmark (GRESB) in 2021 on behalf of its two largest investment funds. Through GRESB’s platform, investors can compare ESG performance metrics across reporting investment managers and their managed investment opportunities.



Cortland partnered with Conservice to help with resident billing and invoice processing. This partnership provides us with additional support to assist residents with accurate billing and provides automatic data syncing with ESPM for efficient energy, water, and waste data tracking.



Cortland engaged Conservice ESG, formerly known as Goby, in 2021 to assist with ESG reporting and several foundational ESG deliverables, including a materiality assessment, our GRESB 2021 submission, a three-year roadmap, and an ESG policy update.



Cortland uses ArcGIS for map visualizations, including our Climate Risk for Cortland Resilience Map.

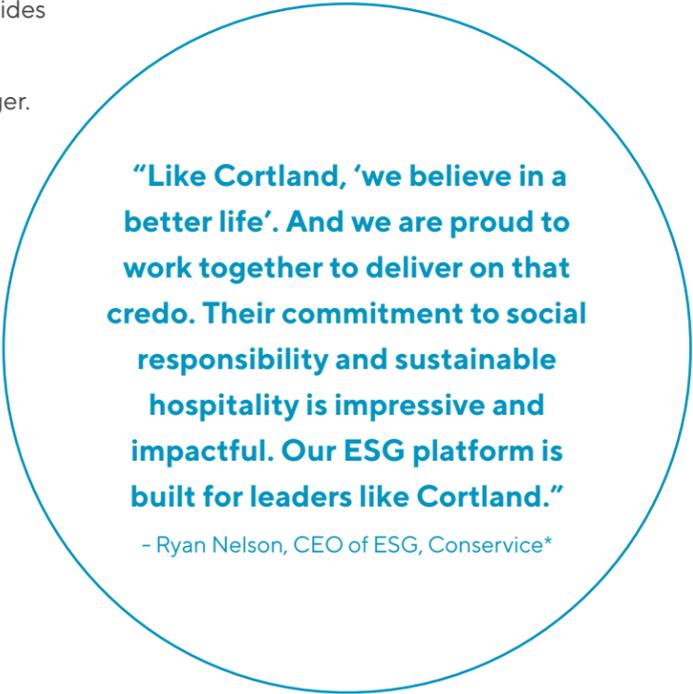


## PARTNERSHIP SPOTLIGHT: CONSERVICE & CONSERVICE ESG

Cortland partnered with Conservice for our resident billing and invoice processing. Our regional and community teams completed training. Conservice provides our teams with expert guidance and support for residents' billing questions, offering correct and timely billing to enhance the resident experience.

Alongside the resident billing support, Conservice provides Cortland automatic energy and water syncs from their resident billing platform to Energy Star Portfolio Manager. This automatic sync allows our internal Sustainability team to shift resources away from data entry to focus on data analysis, which allows us to better identify areas of opportunity.

Conservice ESG, formerly Goby, now partners with our Sustainability team on key deliverables. Conservice ESG supported Cortland's 2021 GRESB submissions, the Materiality Matrix survey and analysis, three-year roadmap creation, and a GRESB gap analysis.



\*Note, Cortland and its affiliates pay fees for services provided by Conservice.

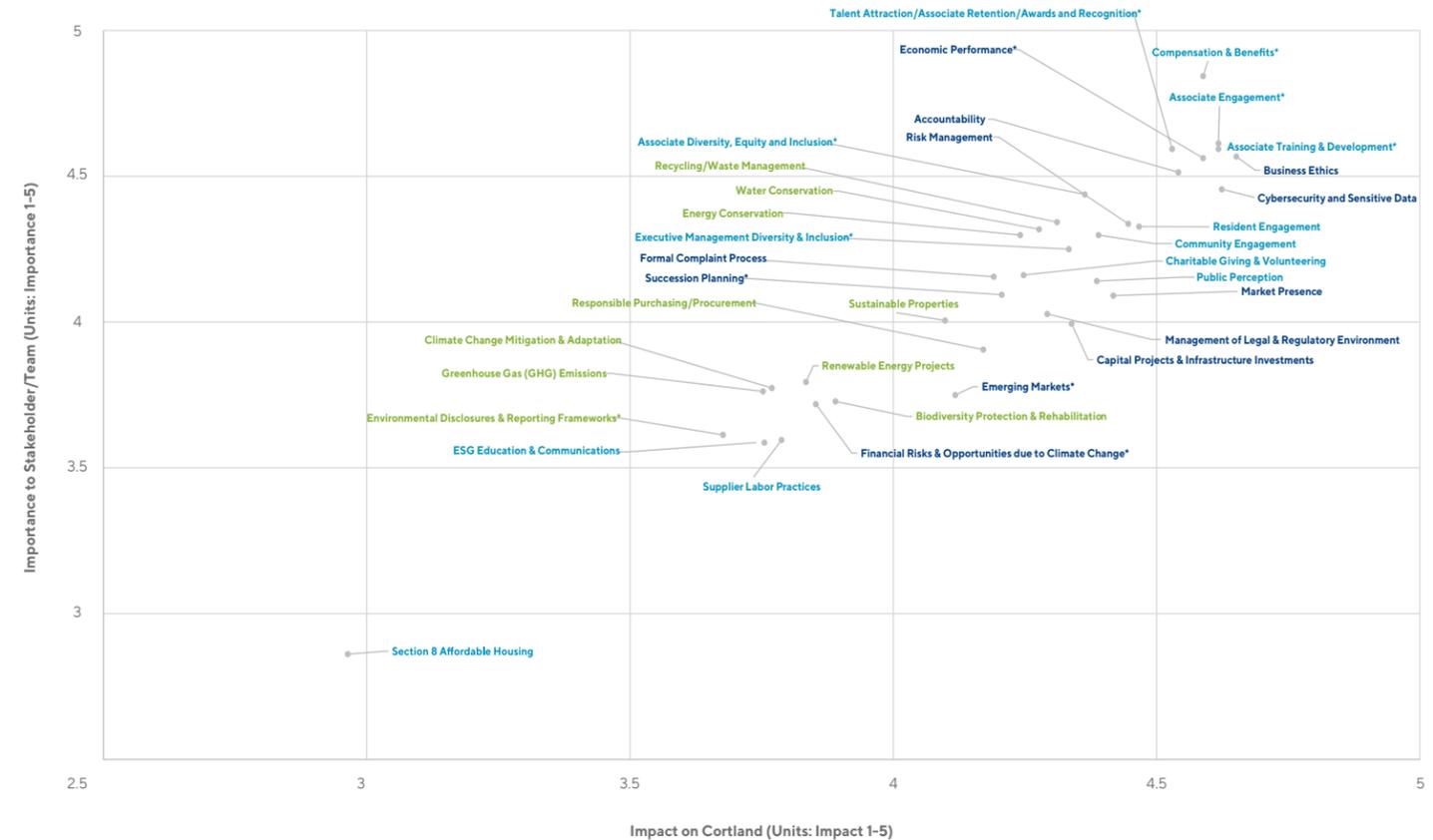


## MATERIALITY ASSESSMENT

Cortland engaged Conservice ESG in 2021 to conduct the Firm's first materiality assessment to understand the relative importance of various ESG factors to our stakeholders and to the success of Cortland's business. Leveraging this assessment, we are building our ESG program with emphasis on the factors that are most important to our stakeholders. As part of the Materiality Assessment, we interviewed 11 key stakeholders and surveyed 700 Cortland associates, including subset of associates that live at Cortland communities to capture resident sentiment.

The most important and impactful factors for our stakeholders were compensation and benefits, associate engagement, business ethics, associate training and development, accountability, talent attraction, and economic performance. These factors fell most heavily in the social and governance categories. The most important environmental factor was recycling/waste management, followed by energy and water conservation.

Cortland's ESG Committee reviewed the assessment and used it to shape Cortland's first ESG three-year roadmap.



**ENVIRONMENTAL**



At Cortland, our operations team focuses on delivering high-quality living environments and experiences to the residents that call a Cortland community “home”. We regularly engage with our residents and have found that they care about sustainable living solutions. Depending on location, our communities offer a selection of features to support a sustainable lifestyle and encourage greener living. These include electric vehicle charging stations, energy-saving smart thermostats, bike storage and repair, LED lighting, energy-efficient appliances, and sustainable and chemical-free cleaning solutions.

While we are well on our way to establishing many sustainable lifestyle opportunities at Cortland, we will continue to seek out unrealized opportunities at our apartment communities and across our organization. We recognize that active utility management and sustainability go hand in hand, and have established an operations-focused sustainability team that is pushing improvements in reporting, utilities savings, data collection, and sustainable future-focused practices at our managed communities. We anticipate future growth of this team as the collection and processing of data reveals new sustainability opportunities across our portfolio.

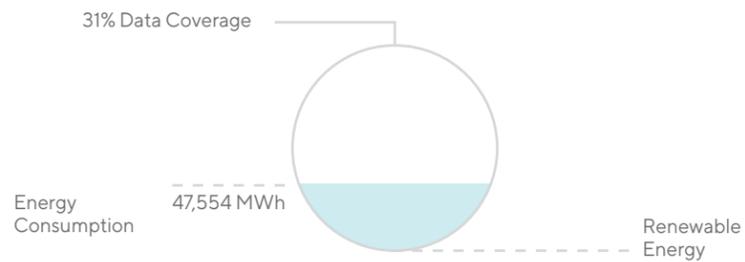
While we look forward to the future, we’re proud of the progress we’ve made thus far in our sustainability journey, including air quality enhancements like smoke-free communities and the implementation of portfolio-wide chemical-free cleaning solutions.

Jonathan Tucker, Executive Vice President – Operations and Facilities

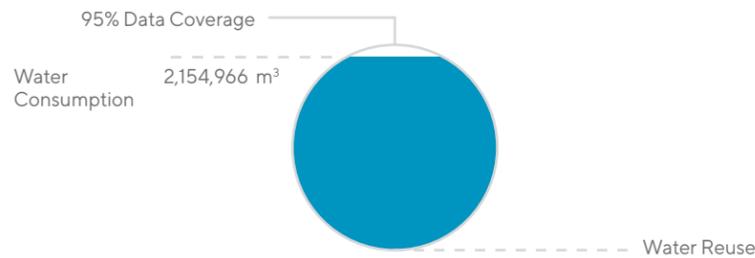


# GRESB DATA COVERAGE BY FUND

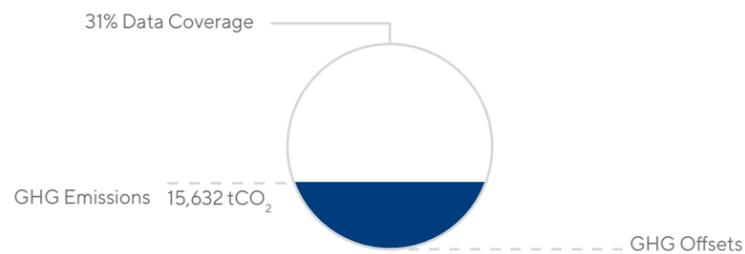
## CORTLAND GROWTH & INCOME, L.P.



**Energy:** For 31% of the Cortland Growth and Income fund, energy consumption was reported for the entire Gross Floor Areas (GFA) and the entire ownership period of the assets in the reporting year. Energy consumption data for the whole building is only available in deregulated energy markets which make up 31% of assets in the fund. These communities accounted for 47,554 MWh of energy consumption.

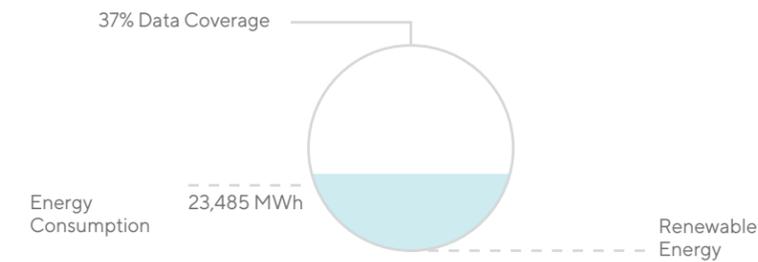


**Water:** 95% of all the assets in the fund reported whole-building water data for the entire Gross Floor Areas (GFA) and the entire ownership period of the assets in the reporting year. Fund water consumption accounted for 2,154,966 cubic meters.

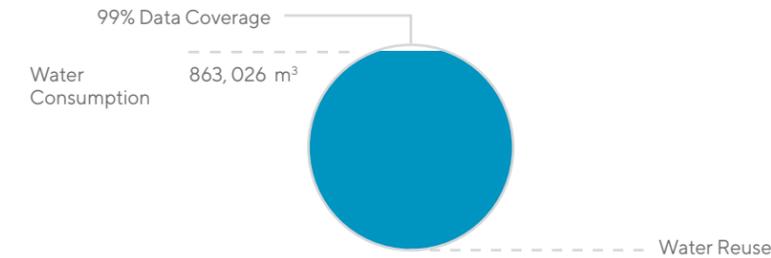


**GHG:** 31% of assets in the fund accounted for 15,632 tCO<sub>2</sub> which includes both Scope 1 (natural gas) and Scope 2 (electric) emissions. The rest of the 69% of assets didn't report whole building data and were therefore excluded from the calculation.

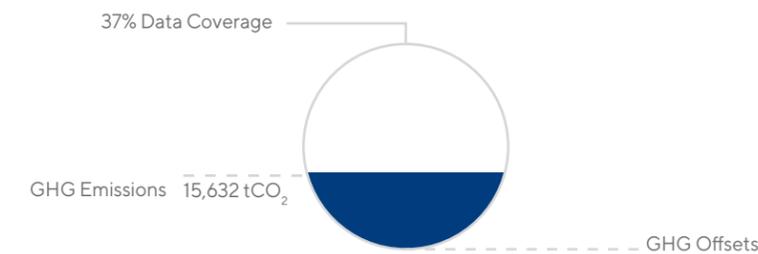
## CORTLAND ENHANCED VALUE FUND V, L.P.



**Energy:** For 37% of the Cortland Growth and Income fund, energy consumption was reported for the entire Gross Floor Areas (GFA) and the entire ownership period of the assets in the reporting year. Energy consumption data for the whole building is only available in deregulated energy markets which make up 37% of assets in the fund. These communities accounted for 23,485 MWh of energy consumption.



**Water:** 99% of all the assets in the fund reported whole-building water data for the entire Gross Floor Areas (GFA) and the entire ownership period of the assets in the reporting year. Fund water consumption accounted for 863,026 cubic meters.



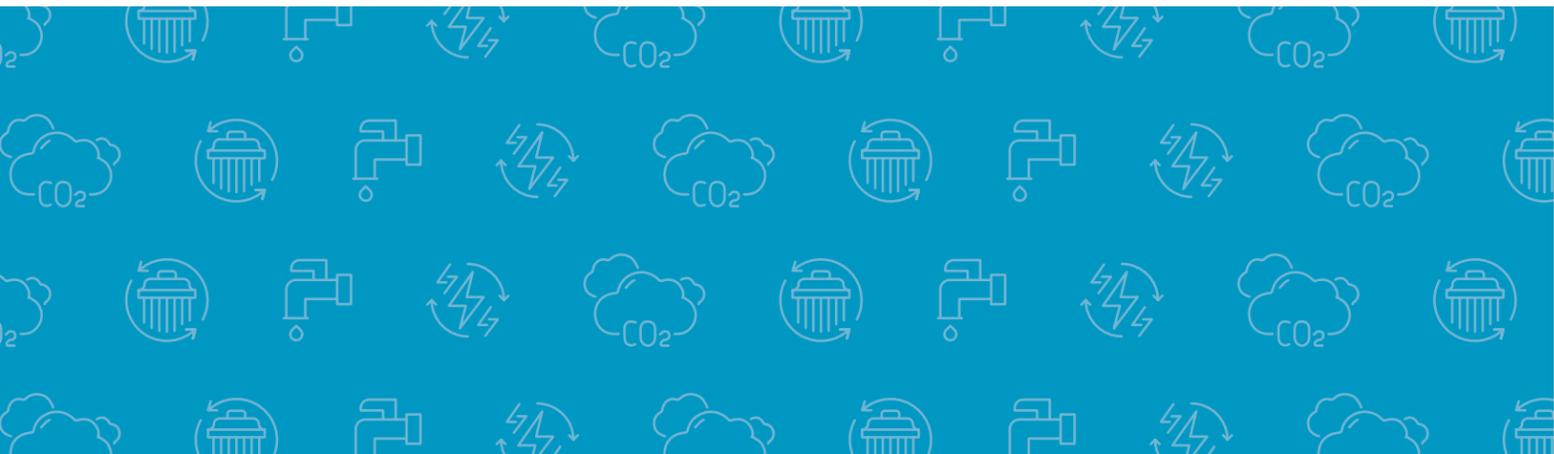
**GHG:** 37% of assets in the fund accounted for 7,444 tCO<sub>2</sub> which includes both Scope 1 (natural gas) and Scope 2 (electric) emissions. The remaining 63% of assets did not report whole building data and were therefore excluded from the calculation.



# ENERGY STAR PORTFOLIO MANAGER

ENERGY STAR Portfolio Manager is the EPA's interactive resource management tool used to measure and track energy and water consumption, as well as greenhouse gas (GHG) emissions. It enables benchmarking the performance of a building or portfolio of buildings in a safe online environment. As a result of benchmarking, many buildings can receive a 1-100 ENERGY STAR score, and those with a score of 75 or higher may be eligible for ENERGY STAR certification.

ENERGY STAR Portfolio Manager is crucial to Cortland's data-driven ESG program. We establish Energy Star accounts for all our communities to measure and track changes in energy, GHG emissions, water use, waste and materials and cost over time. This enables us to benchmark the performance of our buildings and identify underperforming buildings for efficiency improvements. This management tool also facilitates our ability to report energy consumption data to our stakeholders and other benchmarking organizations. Leveraging ESPM, we can more actively monitor community consumption and emission data to inform the implementation of sustainability improvements into the operating plan for the asset, if feasible, and track progress on sustainability goals, including Energy Star certifications (if applicable).

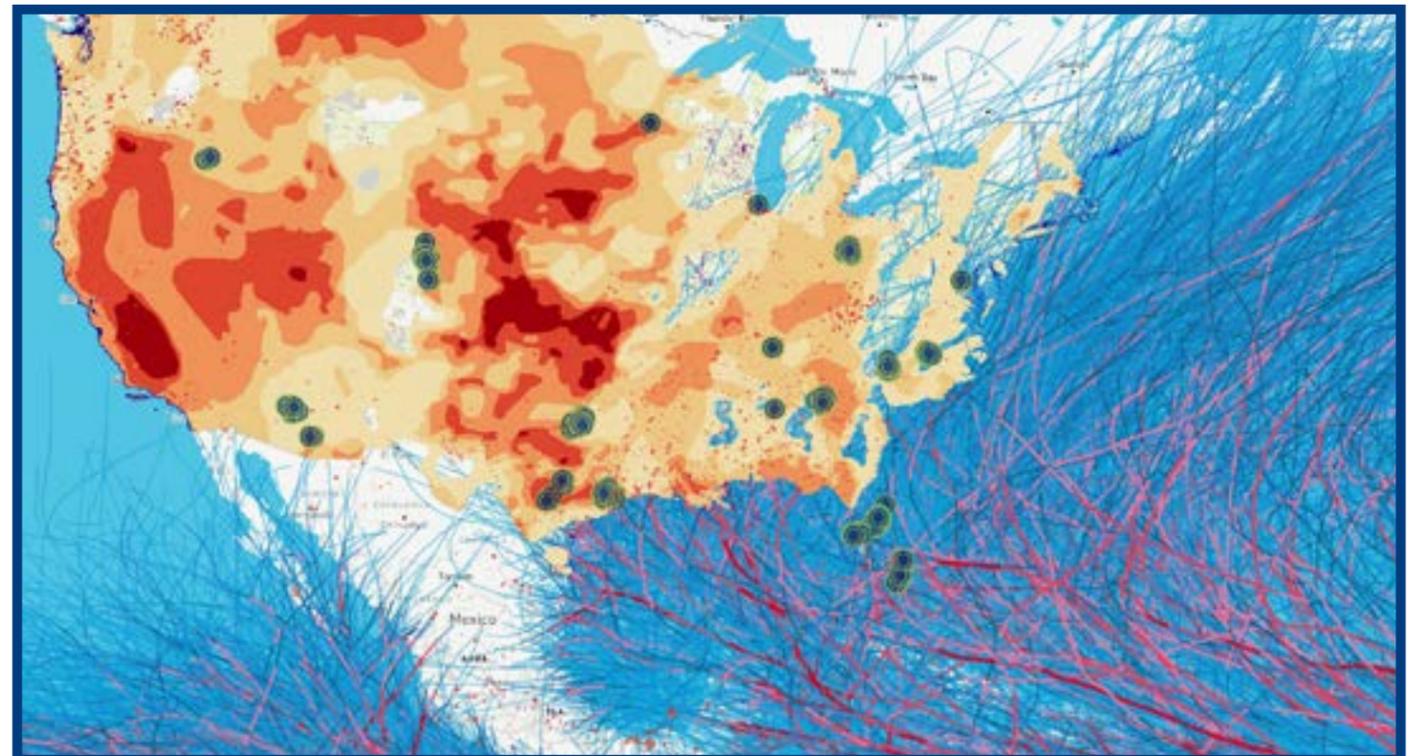


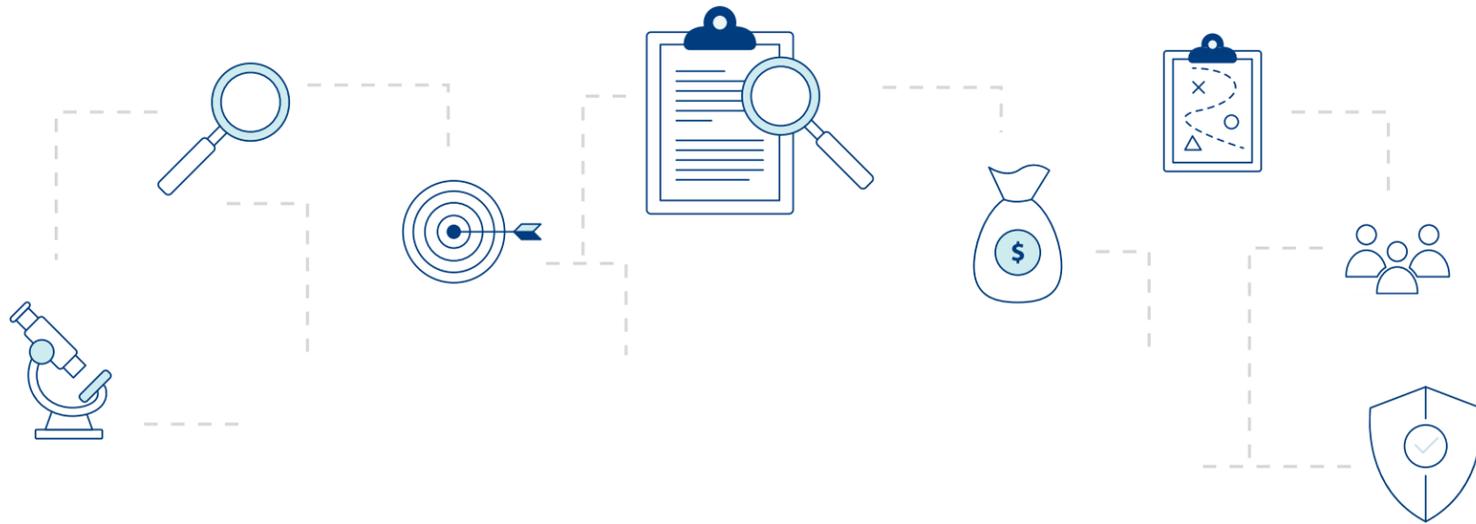
# CLIMATE RISK AND RESILIENCY

Though certain environmental risks have historically been monitored as a part of Cortland's regular due diligence process when acquiring new communities (notably flood, site conditions, certain air quality issues, risk of catastrophic weather conditions), in 2021, Cortland engaged its sustainability team to assist in evaluating and monitoring evolving climate risks in the markets where we manage communities. The sustainability team leveraged ESRI's ArcGIS platform to map climate risks affecting our markets, which is leveraged by the investments and operations teams in due diligence and operational decision making, including the incorporation of resiliency measures into the affected community's business plan. Cortland's climate risk mapping includes data with respect to thermal hotspots, historical hurricane tracks and sea level rise through the National Oceanic and Atmospheric Administration ("NOAA"), drought intensity provided by the U.S. Drought Monitor, and flood hazard area data provided by the Federal Emergency Management Agency.

The sustainability team will continue to provide support to investments and operations teams with the goal of providing climate risk, resiliency and sustainability insights and opportunities to inform the Firm's broader decision-making processes. In 2022, Cortland held a meeting for all Cortland investment team members in which the sustainability team presented on climate resilience and the importance of understanding climate risk, and potential opportunities to address resilience and risk in business plan for the communities the investments team is underwriting and operating.

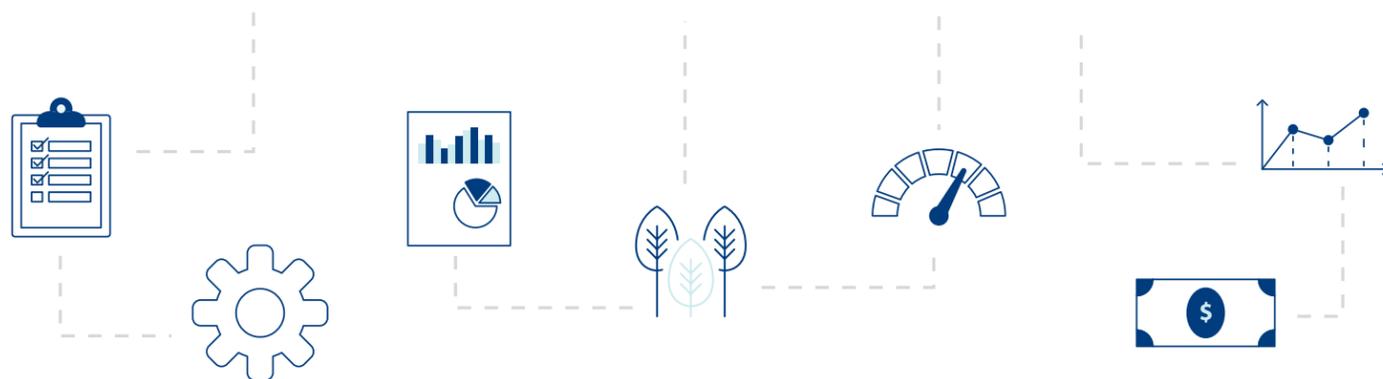
**In 2022, Cortland is piloting a climate risk software to further climate analysis to build this crucial component into the evaluation of new investment opportunities.**





## SOCIAL AND ENVIRONMENTAL RISK ASSESSMENT

In December of 2021, as part of Cortland’s GRESB submissions for its institutional funds, Cortland conducted a social and environmental risk assessment across a broad range of factors (detailed below) to better understand how these factors might affect the communities owned by these funds. As part of the assessment, we engaged internal stakeholders from the Firm’s facilities, risk management, operations, landscaping, and investments disciplines. The results of this assessment were analyzed by the sustainability team and presented to the Firm’s ESG Committee, and data resulting from the assessment was incorporated, where applicable, into relevant GRESB submissions. The data was further used to establish a benchmark for these funds to better track our progress internally as we work to define and capitalize on ESG opportunities at the communities owned by these funds.



### FACTORS ASSESSED:

	<b>NATURAL HAZARDS</b>	<b>BUILDING HEALTH, SAFETY, AND INDOOR ENVIRONMENTAL QUALITY</b>
<b>TRANSPORTATION</b>	<b>CLIMATE CHANGE AND RESILIENCE</b>	<b>ENERGY</b>
<b>WATER</b>	<b>BIODIVERSITY AND POLLUTION</b>	<b>GHG EMISSIONS</b>
<b>REGULATORY</b>	<b>SOCIO-ECONOMIC</b>	<b>WASTE MANAGEMENT</b>



# CERTIFICATIONS AND PROJECTS

## GREEN BUILDING CERTIFICATIONS

As of December 2021, Cortland has 11 certified assets—five National Green Building Standard (NGBS) Bronze, two Leadership in Energy and Environmental Design (LEED) Silver, two NGBS Silver, one Green Globes and one EarthCraft Multifamily.\*



\*In addition to meeting the independent third party's requirements for certification, generally the owner of the property must pay a fee to obtain the certification, and/or a nominal, periodic fee to maintain the certification.

### Community Spotlight: Cortland West Nashville

Built in 2020 with upscale features such as slate appliances and floor-to-ceiling windows, Cortland West Nashville is a beautiful, garden style community with 435 homes. Located minutes away from the heart of Music City, and with its own coffee shop and social club just steps from residents' front doors, this apartment community offers all the fun of living in West Nashville. This LEED Silver community includes a resort-style pool, an outdoor kitchen with grills and a pizza oven, a coworking space with private offices, a leash-free dog park, and a two-story 24/7 fitness center equipped with Peloton bikes and TRX Bridge. Additional amenities include a sand volleyball court, bocce ball court, outdoor fire pit, and more.



### Community Spotlight: Cortland M-Line

Built in 2018 with walkability to nearby shopping, dining, and recreation spots, Cortland M-Line has 261 homes in a high-rise community in the heart of Uptown Dallas. The community is centrally located in Downtown Dallas, known for its eclectic bar and restaurant scene. Located right off McKinney Avenue, it has direct access to the free vintage M-Line Trolley which connects the trendy Downtown Arts District to the hip Uptown neighborhood. This NGBS certified property houses a resident lounge, business center, rooftop lounge with panoramic skyline views, resort-style pool, 24/7 resident concierge, and 24/7 fitness center with a yoga/spin studio. Additionally, the community's proximity to Katy Trail, West Village, Dallas Farmers Market, and Downtown Dallas Historic District makes it a great spot for local exploration.





## PROJECTS AND AUDITS 2021

In 2021, we focused on performing audits to assess areas of opportunities and completing projects at our communities to improve energy efficiency, water conservation, recycling, and waste management.



We completed several energy and water conservation projects in 2021 to improve energy and water efficiency at our communities.

### WATER EFFICIENCY

- Drip/Smart Irrigation
- Drought Tolerant/Low-Water Landscaping
- High Efficiency/Dry Fixtures
- Leak Detection System

### ENERGY EFFICIENCY

- Building Energy Management Systems Upgrades/Replacements
- Efficient Domestic Appliances
- Installation of High-Efficiency Equipment and Appliances
- Lighting Upgrades/Replacements
- Smart Grid/Building Technology
- Systems Commissioning or Retro-Commissioning
- Wall/Roof Insulation
- Window Replacements

Through the implementation of energy efficiency and water conservation projects, we achieved a **14% reduction in energy consumption** (kBtu) across our Colorado communities and a **10% water consumption reduction** (kgal) across our Colorado and Georgia communities.\*

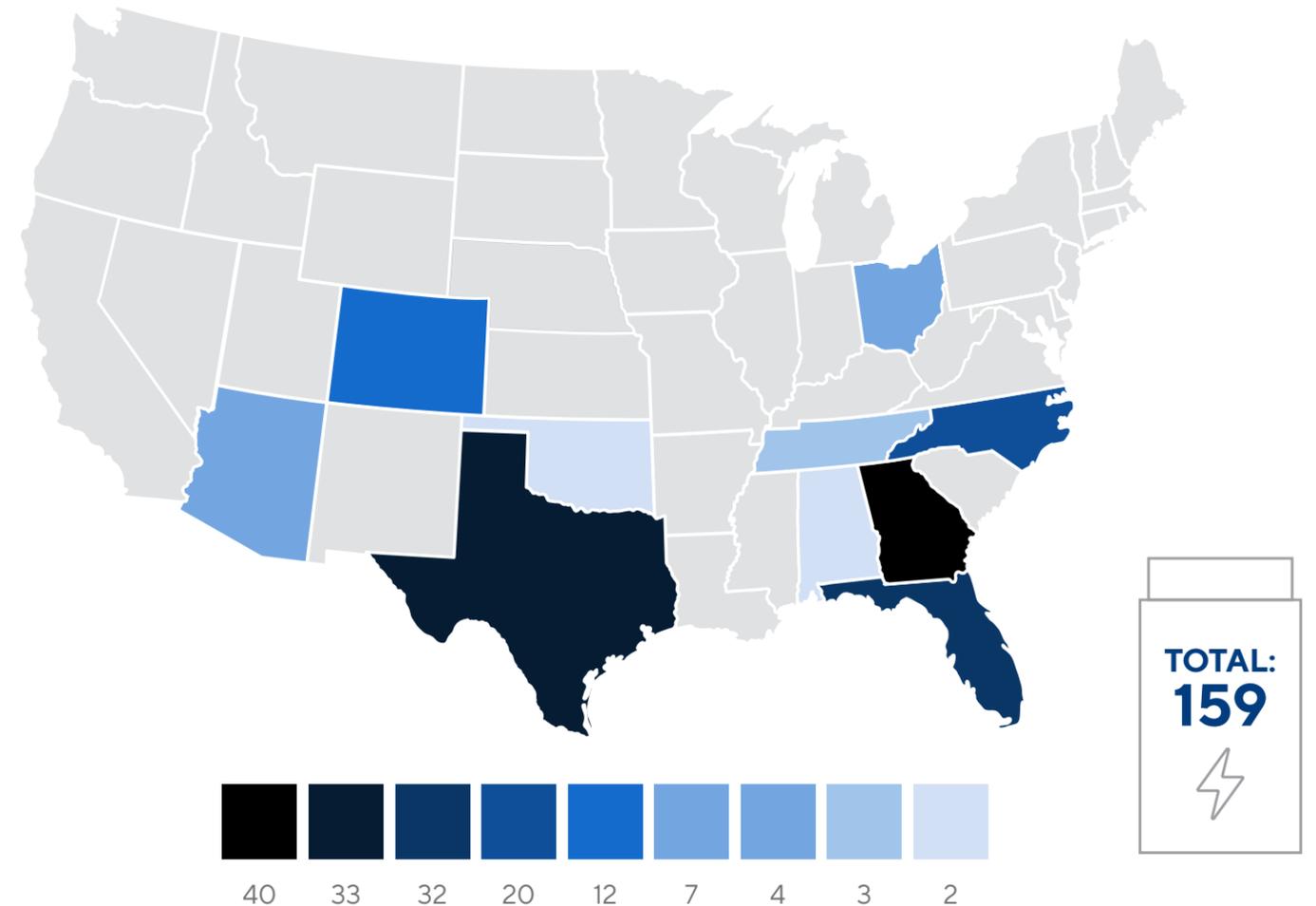
\*Energy and water savings are calculated for communities with projects scope covering whole site or residential spaces and one year utility data availability prior to and post project completion. In 2021, only Georgia and Colorado community projects met these requirements.



## EV Chargers

Cortland knows that Electric Vehicle (EV) chargers are an attractive amenity and is working to offer them to residents at more communities.

Cortland received data from Chargepoint on the distribution of EV chargers in our communities. This map models the number of total chargers in Cortland communities by state. Georgia, Florida, and Texas communities have the highest concentration of EV chargers. Chargepoint's data will also help Cortland pinpoint highest adoption potential by state and county to accordingly expand EV charger implementation in Cortland communities.

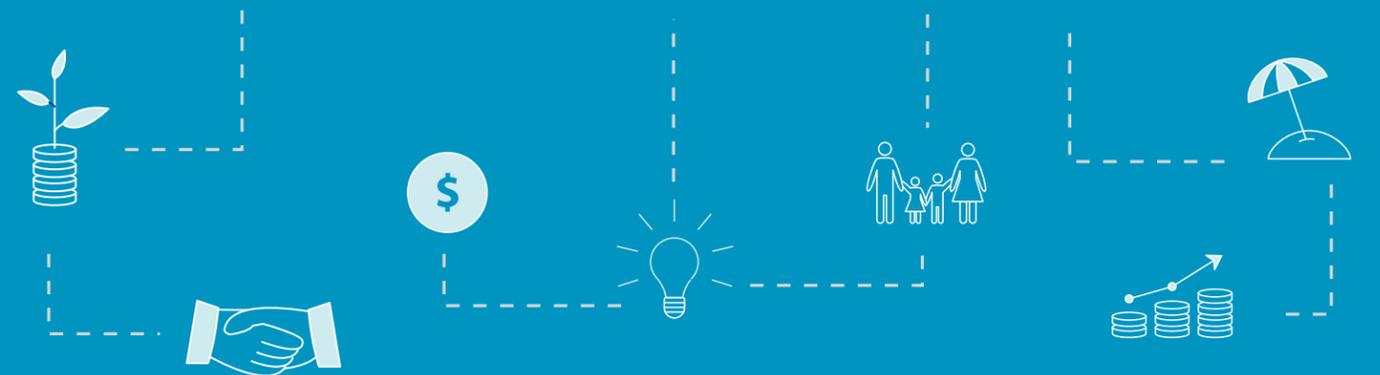


# SOCIAL



## OUR MISSION

To create superior living spaces and experiences designed to inspire our residents, associates, and investors to live a better life focused on what matters most to them.





## ASSOCIATE WELLNESS



At Cortland, our people are the foundation of not only what drives our culture, but also what drives our success going forward. We have a team of associates who are passionate about what we do, are committed to taking care of our residents and each other, and who courageously live our core values day in and day out.

Working at Cortland provides associates a unique combination of small company roots, with the resources and experience of a large, established company – a place where innovation, empowerment, and appreciation are a consistent focus.

In 2021, our attention centered on the health and safety of our associates as the pandemic continued to affect every aspect of life. It was a year about meeting our associates where they were at and providing the right resources to help them thrive in an everchanging environment.

From cost-of-living adjustments to counterbalance spiking gas prices to regular one on one meetings to engage with their leaders, our associates were at the core of every decision we made and the impact it would have on them.

While the world outside looked different, we maintained a level of consistency in our internal programming to allow our associates to grow, flourish, and give back. From ongoing skills training for career development to celebrating diversity, equity, and inclusion (DEI) through our DEI initiative, our associates expanded their horizons while simultaneously giving back to the communities we operate in through our companywide event Cortland Commitment Week.

These efforts lead Cortland to receive its Great Place to Work certification for the second year in a row and be named a Top Workplace by the Atlanta Journal Constitution – both heartfelt testaments that our associates trusted us to be their employer of choice.

It was also with great honor that our Talent Development team was presented with an Association for Talent Development (ATD) BEST Award and the National Apartment Association (NAA) Anthony V. Pusateri Apartment Career Promotion Award for their efforts in developing our associates and progressing their careers.

Prime, our annual leadership conference, was another moment that nurtured our company's sense of unity. It provided our onsite operations leaders an opportunity to engage across the broader organization in a high-energy environment that not only spurred camaraderie and excitement for the goals of the company, but for their role in building and maintaining the Cortland culture.

We believe that the dedication our associates show each day to our residents and our brand is unrivaled in the multifamily industry and is what fuels Cortland's continued growth and our passion to deliver an industry-leading associate experience.

*Alison Smith*

Alison Smith, Ph.D. Chief Human Resources Officer



## HOW WE WORK





## EQUAL EMPLOYMENT OPPORTUNITY

Cortland is an equal opportunity employer. In accordance with applicable law, we prohibit discrimination against any applicant or associate based on any legally recognized basis, including but not limited to the following: race, color, religion, sex (including pregnancy, lactation, childbirth, or related medical conditions), sexual orientation, age, national origin or ancestry, citizenship status, physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed service member status, or any other status protected by federal, state, or local law. Our commitment to equal opportunity employment applies to all persons and prohibits unlawful discrimination or harassment by any associate of Cortland, vendors, third parties, and clients.

## NON-DISCRIMINATION POLICY

Associates who believe that they have been harassed, discriminated against, or subject to retaliation by a coworker, supervisor, agent, client, vendor, or customer of Cortland in violation of the foregoing policies or who are aware of such harassment, discrimination of, or retaliation against others should immediately provide a written or verbal report to the Talent team, their immediate supervisor, or any other member of management to report such incidents.

## BENEFITS

Cortland provides associates with various benefits, including a 401(k) retirement plan, certification reimbursement, paid time off, pre-tax spending accounts for medical expenses, access to mental healthcare and counselling with an onsite psychologist, and participation in Cortland's wellness program.

Cortland offers associates a comprehensive benefits package that allows them to pursue financial goals and adopt a healthy lifestyle. The **MotivateMe Program** rewards employee participation in wellness activities with incentive points redeemable for an employer Health Savings Account (HSA) contribution or cash. Cortland provides medical, dental, and vision insurance, pre-tax spending accounts, such as a health savings account or flexible spending account for healthcare expenses, and free access to the physical therapy program HINGE HEALTH. Basic Life and AD&D insurance are additional cost-free benefits.

Cortland also offers additional life insurance coverage, accidental injury coverage, short- and long-term disability insurance, and critical illness insurance for employee income protection and financial security.

To help associates plan for retirement, we provide 401(k) Savings and Retirement Plan benefits with a 25% employer matching contribution, as well as a Life Assistance & Work/Life Support Program that can assist with various issues.

## THRIVE

Cortland is committed to a comprehensive approach to associate wellness and has created dynamic ways to optimize resources.

1<sup>st</sup>

Cortland's Thrive initiative is more than just medical coverage – it's a program designed to help associates take control of their wellness with great company discounts, social and fitness clubs, incentive programs, monthly articles focused on many ways to increase wellness, and even an in-house therapist.

2<sup>nd</sup>

Our in-house mental and emotional health program, **ThinkWell**, offers compelling ways an associate can grow emotional and mental fitness.

Our Director of Care and Wellness provides leadership development through a variety of unique enrichment programs, life coaching, crisis care and management, and facilitates higher level care referrals for associates when needed. The Director creates a safe place where associates can speak freely about what is on their mind, where their voice is heard without criticism or shame, where they can be raw and real with their thoughts and emotions, where they can ask questions and learn effective life skills, and where they have care and comfort during the process. Associates can discuss anything from stress management at work, determining what they want to do with their career, learning how to be a more effective thinker to more personal concerns such as anxiety, depression, relationship issues, caring for a sick relative, or any topic causing them discomfort. When needed, the Director of Care and Wellness refers associates to higher levels of care for optimal support.

From 2017 to June 30, 2022, more than 4,658 hours of 1:1 care were given.



Enrichment sessions support our global teams and focus on human beings getting better at being human, enhancing organizational health by focusing on associates' mental and emotional fitness. Working on ourselves while working for others is the inner and outer work – where the effort to change the world and effort to change ourselves come together.

**Enrichment session topics include:**

<p><b>GROWING EMOTIONAL INTELLIGENCE</b></p>	<p><b>RECOGNIZING EMOTIONAL DISTRESS</b></p>	<p><b>DARING LEADERSHIP</b></p>
<p><b>UNPACKING BRAIN BAGGAGE</b></p>	<p><b>MINDFULNESS</b></p>	<p><b>RESILIENCY FACTORS AND PRACTICE CUSTOMIZED CONTENT (if needed)</b></p>

**Renew** is our associate personal meditation portal that helps associates recharge when they need it most. Whether it is the stress of resident complaints, the anxiety of looming deadlines, or the pressure to deliver strong results, we all have moments where work can feel overwhelming.

**Luckily, just 10 minutes of meditation dramatically decreases stress and increases productivity.**



When an associate experiences a significant life-altering crisis or trauma, time is of the essence. Crisis can hit unexpectedly. In a moment, lives are forever changed. A house fire, car accidents, COVID deaths, funeral expenses, breast cancer, strokes, or heart attacks are just a few of the crises that our associates have faced in recent years. Cortland rallies and supports emotionally and psychologically. Cortland's crisis-care team respond to initial contact within 1 hour of crisis call, ensures 100% compliance for confidentiality, provides triage of the situation, connects with all needed leaders, and provides a cross functional initial action plan within 24 hours of initial crisis call. We have a plan that increases communication and mobilizes resources more efficiently, helping associates manage grief and cope with traumatic events during and after the crisis. Aftercare is critically important as well. For this reason, our team gives timely follow up: 30 days, 60 days (if necessary), as well as connecting with impacted associates on particularly impactful holidays (for example, a card on Mother's Day if someone has lost a child or mother within the last 12 months) is a part of the aftercare.

**Since 2017, over 749 associates have been supported by our crisis care team.**

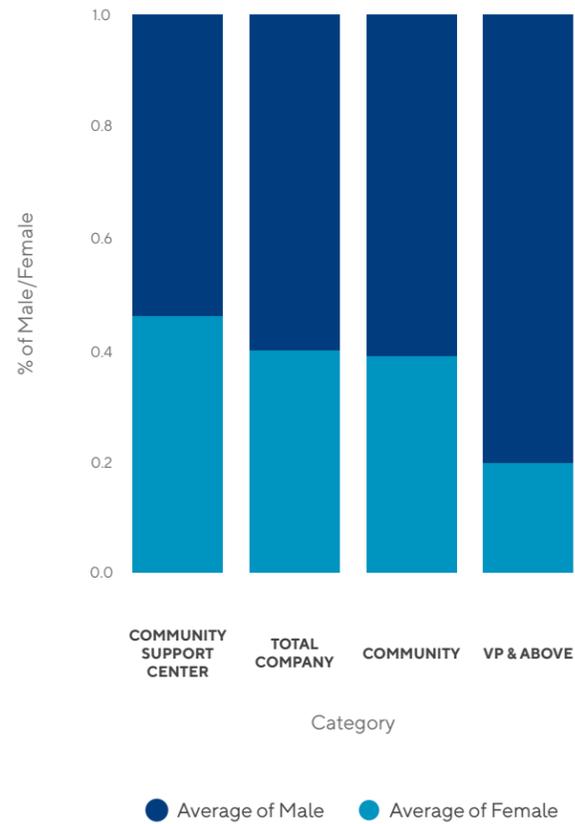
**Mental Health Care**

<p><b>ONE-ON-ONE COUNSELING:</b> Discussing anything from stress management at work, determining what you want to do with your career, and learning how to be a more effective thinker to more personal concerns such as anxiety, depression, relationship issues, caring for a sick relative, or any topic causing an associate discomfort</p>	<p><b>TEAM DYNAMIC SUPPORT:</b> Creating stronger connections between teams through targeted custom enrichment sessions, mental health Town Hall gatherings, lunch-and-learns, conflict management, and associate mediation</p>
<p><b>COMPANYWIDE PROGRAMS:</b> Bringing mental health awareness, stress relief, and self-care information to all of Cortlandia</p>	<p><b>CRISIS MANAGEMENT &amp; EMOTIONAL SUPPORT:</b> Helping associates manage grief and cope with traumatic events</p>



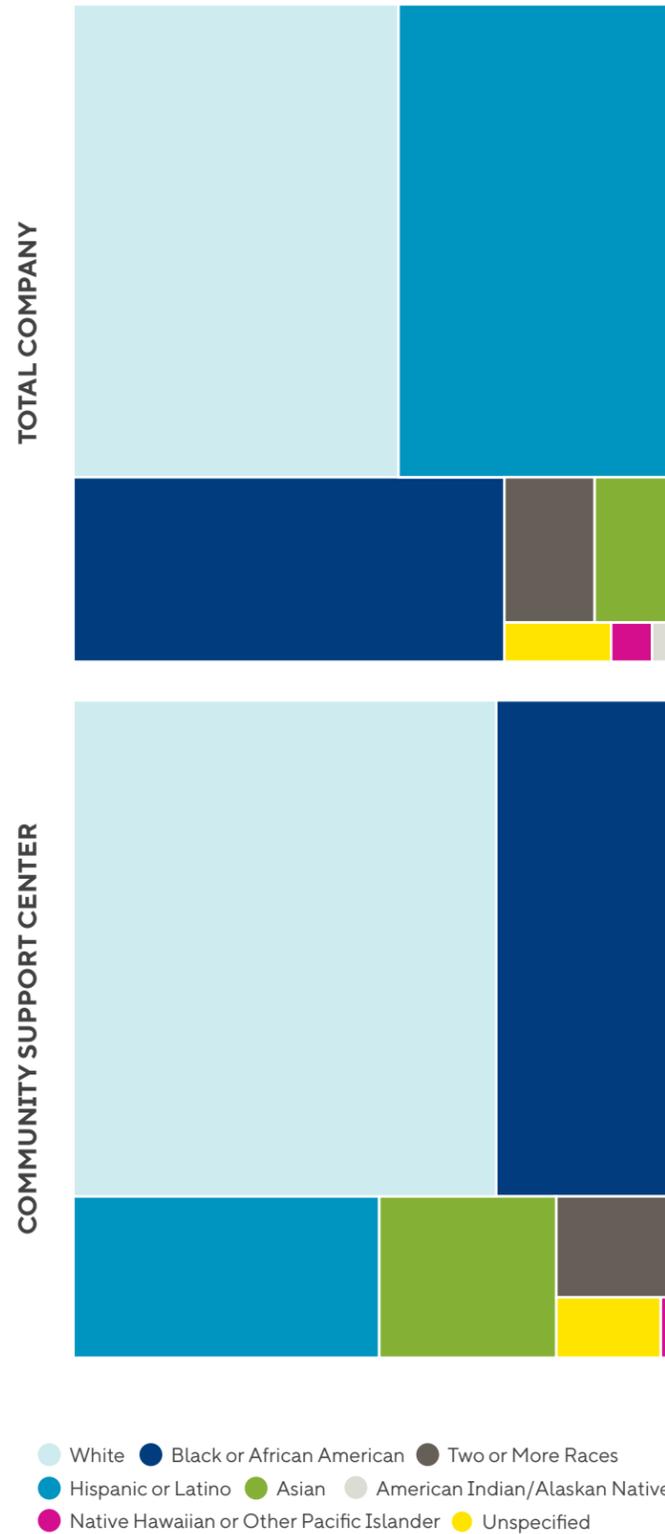
# DEI STATS

## GENDER BREAKDOWN BY LEVEL



**95%**  
Maternal return to work rate for our associates

## RACIAL GROUP BREAKDOWN



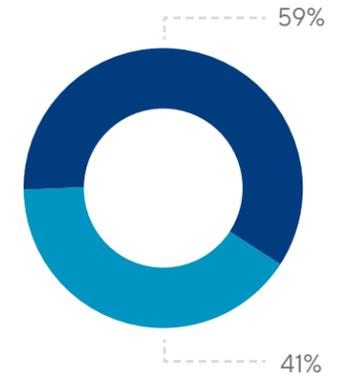
**43%**  
Average employee turnover rate in 2021, including 48.5% in community teams & 27% across other functions

## PROMOTIONS

### COMMUNITY SUPPORT CENTER



### COMMUNITY TEAMS

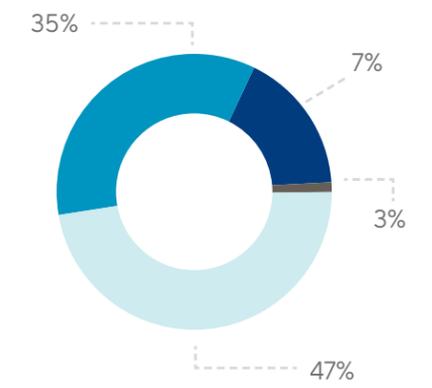
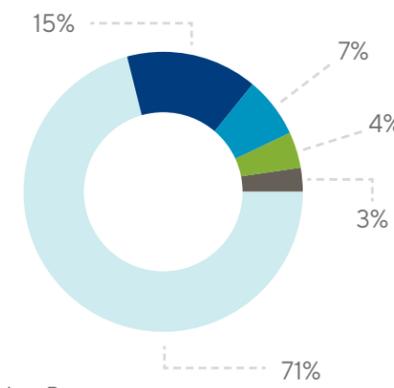


### GENDER

● Male ● Female

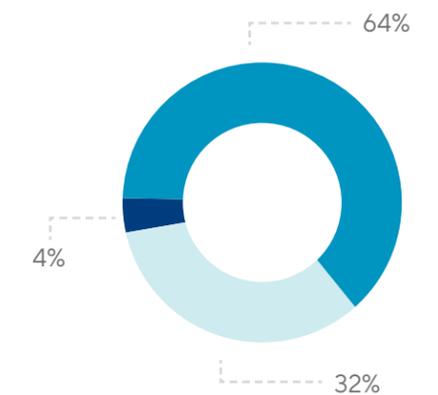
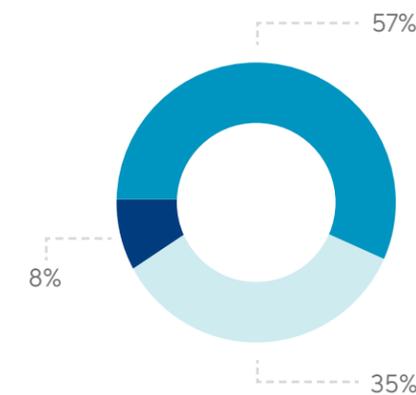
### RACIAL GROUP

● White ● Black or African American ● Hispanic or Latino ● Asian ● Two or More Races



### AGE GROUP

● 30 - 50 ● <30 ● 50+





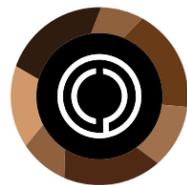
## ASSOCIATE RESOURCE GROUPS

Cortland launched Associate Resource Groups (ARGs) in 2021 to foster interdepartmental community and mentorship. Associates are welcome to join all the groups. New group requests are submitted to our centralized DEI email. ARGs are based on shared experiences; associates join together to provide a positive forum for professional development and support the success of the company's diversity efforts. The ARGs are organized around a common dimension of diversity and are created by associates who want to raise awareness in Cortland, in one of the identity groups.



### EMPOWHER

Mission Statement: Encourage each other to be our greatest; Enlighten ourselves by sharing knowledge, goals, and resources; Educate others on the importance of inclusion and our value.



### THE COALITION

Mission Statement: To create, nurture, and sustain an inclusive culture, where our differences help elevate the social climate externally and internally within our organization



### PRISM

Mission Statement: To collaborate with all of Cortlandia to foster positive relationships toward LGBTQIA+ and allied associates through social involvement, community support, and advocacy.



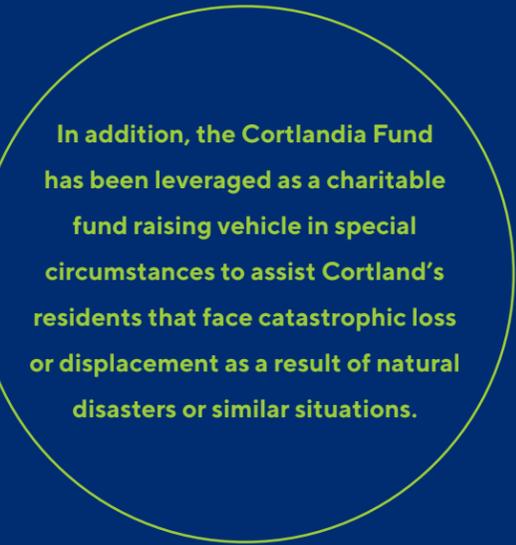
### CONÉCTATE

Mission Statement: Serve as a unifying voice of the various cultures that comprise the Latino/Hispanic community.



At times, the magnitude of unexpected hardship often brings tremendous budgetary impact, which can sometimes be more debilitating for our associates than the crisis itself. For this reason, The Cortlandia Fund, established in 2021, exists to provide financial support for our Cortland family in the aftermath of natural disaster or unexpected personal tragedy.

The Cortlandia Fund is a non-profit organization funded primarily by associates for associates. This Fund allows associates to care for other associates in times of need. **100% of associate donations to the fund go directly to associates in crisis.** Two hundred and seven grants have been administered since the fund's inception. To date, 10% of associates are currently participating via payroll deductions. A grant from Cortland pays all overhead costs. All donations are acknowledged by the IRS as charitable contributions. All board and committee members are volunteers.



## TALENT DEVELOPMENT

Our goal is to ensure that every associate starts at Cortland with a full onboarding plan, which often includes a dedicated peer coach and specific training classes for each job function. We also have training in the areas of sales, customer service, resident experience, applications, and leadership.

Cortland's learning opportunities include Cortland's Peer Coach program, through which existing employees provide guidance to new hires, onsite learning, digital resources through Cortland's internal remote learning platform, offsite "Bootcamp" leadership training, and onsite interactive learning experiences leveraging Cortland's Mobile Training Unit. Cortland's programs provide professional training both online and in-person to orient new associates, train new leaders, meet compliance requirements, set expectations for a harassment-free workplace, and provide other just-in-time educational resources to Cortland's associates.

Annually, Cortland hosts manager-level and onsite personnel for an operations-focused internal conference, where associates can get training, share best practices, develop as leaders, learn more about and experience Cortland's unique culture, and hear from Cortland's executive team about current plans and future strategies, progress, and goals for Cortland.



### Peer Coach Program

The Peer Coach Program is a vital part of Cortland’s success. By ensuring our newest associates are prepared for their role, Peer Coaches position the new associate, their community, and Cortland up for greatness.

Peer Coaches provide new Cortland associates with mentorship and everything they need to succeed in their role. We support the long-term success of our associates by providing opportunities for professional growth and development. The Peer Coach Program equips nominated associates with training for success as peer coaches, providing a platform to develop their leadership abilities.

**In 2021, 90 associates became peer coaches, bringing the total number of Peer Coaches to approximately 270.**

### ESG Training

Training Name	Stakeholders/Audience
GRESB 101: Sustainability Benchmarking Plus Energy Star Certification	Departmental representatives across the platform; Site Teams (Managing Directors, Director of Operations, Community Managers, Service Managers)
Move for Hunger	Community Managers, Assistant Community Managers, Resident Experience Managers
Sustainable Living Addendum	Community Managers, Assistant Community Managers, Leasing Managers, Leasing Consultants
The ESG Edge - Growing our Impact	Departmental representatives across the platform; Site Teams (Managing Directors, Director of Operations, Community Managers, Service Managers)
HVAC 608 EPA Certification 608 EPA Certification	Service Managers and Service Techs
Community: Risk Management and Resident Liability	Community Managers, Assistant Community Managers, Service Managers, Leasing Consultants, Leasing Managers
Compliance & Policy: Celebrating Diversity	All US Associates
Compliance & Policy: OSHA Regulation Compliance	All US Associates
Compliance & Policy: Promoting a Drug-Free Workplace	All US Associates
Compliance & Policy: Sexual Harassment	All US Associates
Compliance & Policy: Fair Housing	All US Associates
Compliance & Policy: Vigilance: An Introduction to Information Safety	All US Associates
Service: Multiple Safety Trainings (i.e. Fire Safety)	All Service Associates
Investment Advisory Compliance Training (annually)	All supervised and access persons

### CORTLAND PRIME

Cortland Prime is Cortland’s annual conference where select Community Managers, Service Managers, and CSC (Community Support Center) managers from across the country connect and learn about Cortland initiatives. The three-day event features keynote speaker presentations from associates as well as external speakers. The conference also includes an award show called “The Primes”, breakout sessions for specialized content, and group meals to connect with associates from various regions.





### MTU

The Mobile Training Unit (MTU) was a first in the multifamily industry when it rolled out in October, 2016. The MTU has been an important innovation for Cortland. One of the great impacts we have seen is the morale of our teams. We believe that new associates quickly realize our approach to facilities is different from other management groups. We are committed to providing our associates with the skills they need to be the best service associate they can be. The MTU reduces the amount of associate travel needed for associates to receive necessary training, and when we travel to a region to train these teams in person, we believe it makes a huge impact. We believe our in-person training makes our teams are more confident, feel appreciated, and recognize our commitment to them and our residents. We strongly believe the MTU is an integral part of what has catapulted our resident satisfaction scores to industry-leading levels in our markets. The MTU has now visited each state where Cortland manages communities, as well as New York and Washington, DC. Our associates give our instructors a 98.5% satisfaction rating (as of December 31, 2021.). The MTU has been featured in articles in Multi-Housing News and Building Design+Construction and won an IREM® REME award for innovation.



### COMMUNITY AWARDS

Cortland works to inspire our associates to go above and beyond each day. As a Cortland tradition, Managing Directors and Directors of Operations nominate associates to receive special recognition, and these superstars are honored at the regional holiday parties across the country each year.



The following awards were given out in recognition of regional Associates:

- |                                   |   |   |
|-----------------------------------|---|---|
| Community Manager of the Year     | Assistant Community Manager of the Year | Resident Experience Manager of the Year |
| Leasing Associate of the Year     | Service Manager of the Year             | Service Technician of the Year          |
| CSC Support Associate of the Year | Service Associate of the Year           | Culture Champion                        |



# RESIDENT WELLNESS

Cortland prides itself in having a resident-centric approach to the operation of the communities we manage. Coming into 2021, much of our focus remained on the safety of our communities and residents as the pandemic continued to affect everyone and lock down most of society. Whether it be our chemical-free cleaning and sanitation programs that we had implemented prior to the Covid outbreak, flexible rent programs for those residents who lost their jobs, or hosting virtual events so that our residents could have some fun with their neighbors in physically distanced ways, we strived to live up to our brand promise of offering an apartment living experience that goes above and beyond.

As society began to reopen, we embraced our residents with open arms – literally and figuratively. We know how important our beautiful amenities are to our residents so we safely ensured we could make our fitness centers and pools available for them. Our community events, food truck nights, and Elevate fitness classes also came back, much to the joy of our residents. Life in a Cortland community got back to normal.

2021 also marked the second year in a row that Cortland was named the Top Brand in Property Management in the United States by Reputation.com, based on their assessment of our online ratings and reputation. While we appreciate the recognition, what we appreciate most is when our residents tell us they love living in their Cortland community. Their happiness is our happiness, and it's why we do what we do.

Mike Gomes, Chief Experience Officer



## AWARDS

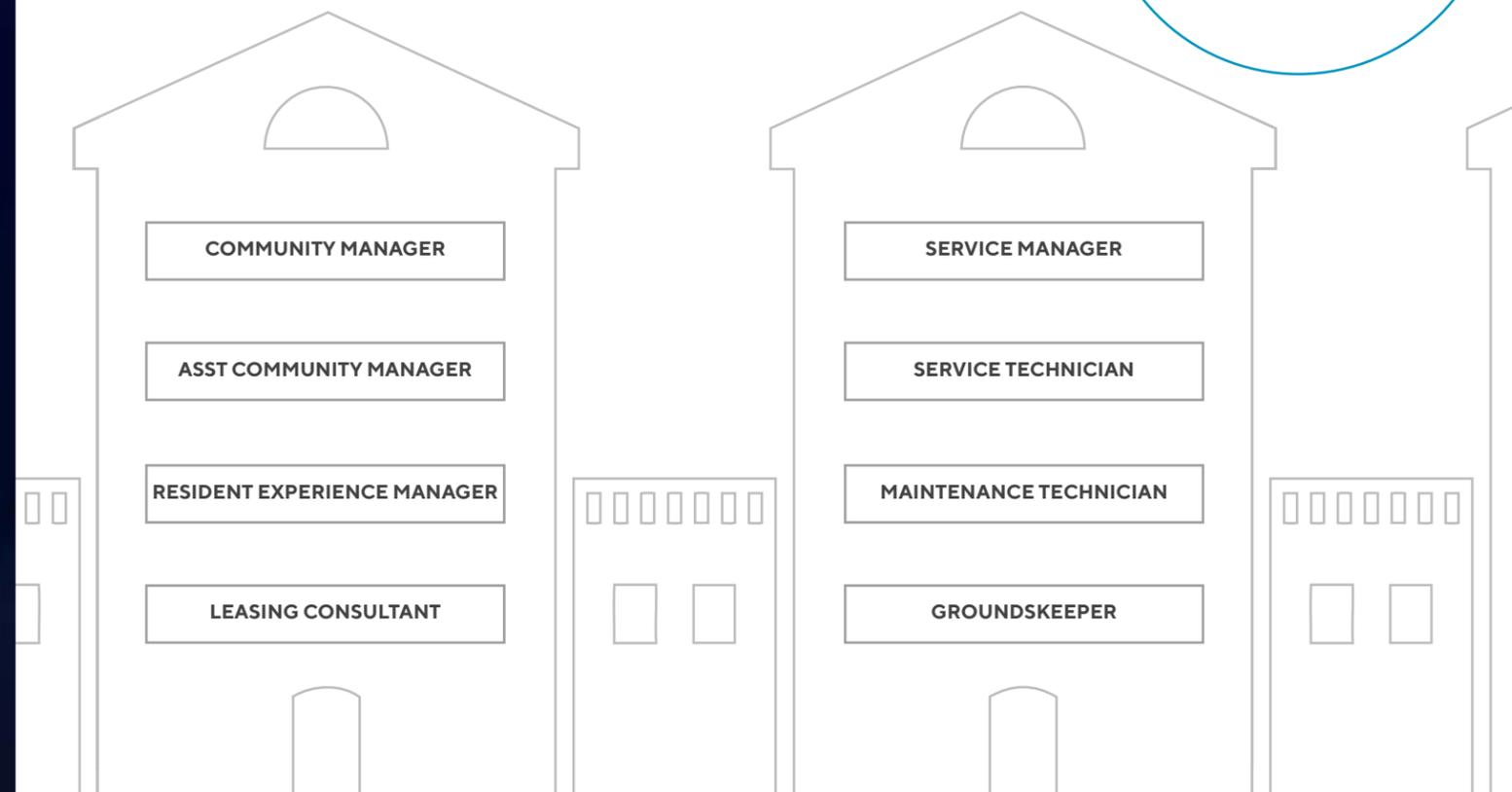
For the second consecutive year, Reputation.com ranked Cortland the top US brand in their 2021 Property Management Reputation Report\*. This report is an in-depth analysis of the online reputation more than 80,000 multifamily residential properties in the US. This #1 ranking is based on Reputation.com's proprietary index that measures customer sentiment and online reputation. Additionally, we had 55 of our communities break the Top 500 property management locations list for best all-around reputations, and eight of them cracked the Top 100! This huge honor is all due to the tremendous effort of our community teams, who have worked to ensure our residents love the experience of living in a Cortland home. It also proves that by growing together and playing as a team (one of our core values), the sky is the limit.



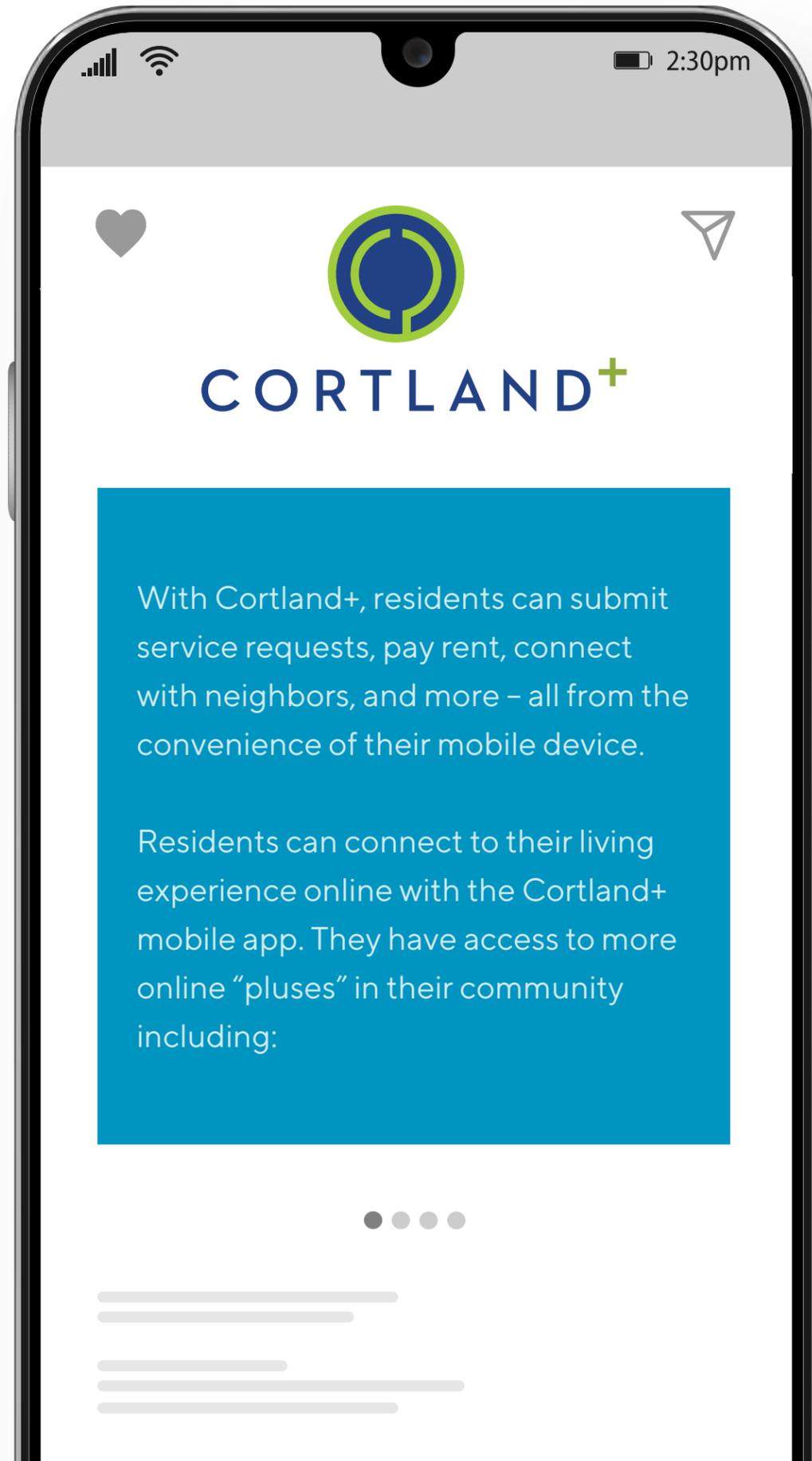
**Our onsite teams are the heart of our organization, bringing Cortland's above and beyond resident experience to life.**

## TEAM STRUCTURE

Our onsite teams are strategically structured to provide the optimal resident experience. A typical Cortland community onsite team structure looks like:



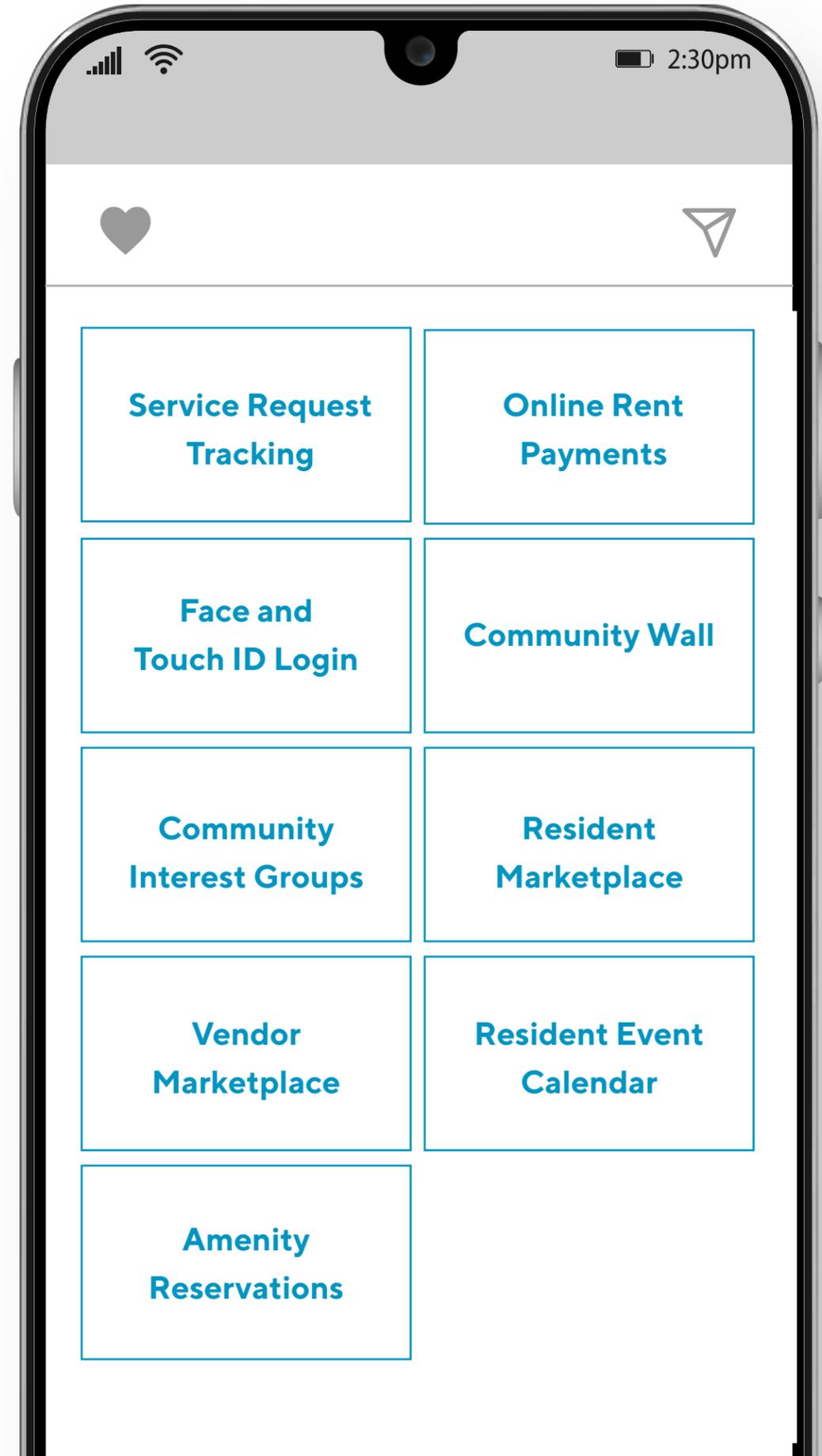
\* Cortland pays a recurring fee to utilize Reputation.com's platform in connection with the management of Cortland's brand reputation across all its communities. To be included in Reputation.com's annual Property Management report, companies are required to pay a nominal fee for each community to be reviewed, analyzed, and scored.



# CORTLAND+

With Cortland+, residents can submit service requests, pay rent, connect with neighbors, and more – all from the convenience of their mobile device.

Residents can connect to their living experience online with the Cortland+ mobile app. They have access to more online “pluses” in their community including:



**Service Request Tracking**

**Online Rent Payments**

**Face and Touch ID Login**

**Community Wall**

**Community Interest Groups**

**Resident Marketplace**

**Vendor Marketplace**

**Resident Event Calendar**

**Amenity Reservations**



## RESIDENT EVENTS

Whether residents are taking a cooking break on Food Truck Night or catching up with neighbors after work during a happy hour, they're invited to connect beyond their front door at our resident events. Our communities plan events based on what our residents enjoy, so they'll experience their home for what it truly is part of a community.

## ELEVATE

Cortland prioritizes residents' well-being via the Elevate program, which provides a well-rounded, inclusive way to reach fitness goals and, most importantly, live well. Each fitness center is designed to create an inviting and inclusive environment for all residents with equipment for strength training and cardio. Additionally, Elevate also offers on-demand virtual workouts and an established run club for residents of all experience levels. If working out alone isn't appealing to some residents, communities also have access to group fitness classes offered by our Elevate-certified trainers in strength training, yoga, circuit training, Zumba, and more!

For a more personalized experience, residents have discounted personal training and customized workouts at their disposal. As a complement to the physical fitness, Cortland has partnered with Harmony Nutrition to offer discounted nutritional services for its residents which includes nutritional counseling, genetic testing for health and sports performance, and metabolic testing.

While COVID threw a wrench in the works for all of 2020 and for a majority of 2021, Elevate quickly transitioned to fully virtual classes offered on Facebook, Instagram, and Zoom for safe, quarantine-friendly fitness.



**“Through resident surveys, we have data that suggests our resident base is generally more interested in fitness related activities than the general public. We believe Elevate helps differentiate the Cortland resident experience because it gives residents an opportunity to engage with neighbors around a common appreciation for health and wellness, just steps away from their home..”**

Karl Smith, Director of Resident Experience



## SMOKE-FREE LIVING

Our residents' health and wellbeing are driving factors in the living experience we work to create. That's why we aim to provide an environment free of air pollutants, fire hazards, and health issues associated with exposure to smoke through our smoke-free policy.

Under the smoke-free policy, smoking and vaping are not allowed anywhere in Cortland's conventional communities, including in all common areas and amenities, homes (inside or outside), offices, construction zones, and community grounds.

Prior to rolling out the smoke-free policy, we surveyed residents about smoke-free living preferences. The response was overwhelmingly in favor of living in a completely smoke-free community, and since the rollout, we find that the vast majority of our residents love their smoke-free communities. Smoke-free communities are cleaner – there's no smoke staining walls or getting into carpets; safer – because one of the most common causes of fires is a burning cigarette butt; and better for the health of our residents, who can breathe in cleaner air.

## SUSTAINABLE, CHEMICAL-FREE CLEANING SOLUTIONS

The health and environmental benefits of transitioning to non-toxic cleaning solutions for our residents and Cortland service teams are too powerful to ignore. In 2019, Cortland partnered with ground-breaking cleaning and sanitizing products company GenEon to transition the vast majority of Cortland's communities to use only toxic-free cleaning products in common areas and when making apartment homes ready for move in.



GenEon's cleaning solutions consist of nothing more than tap water and minerals electrolyzed within a small onsite generator. GenEon's solutions, which range from degreasers to sanitizers and all-purpose cleaners, are sustainable, non-toxic, and safe for people, pets, and plants.

Cortland communities that use GenEon have eliminated the use of traditional glass cleaners, bathroom cleaners, multi-purpose cleaners, oven cleaners, solvents, and more. Any third-party vendors, such as carpet-cleaning companies, must use the community's GenEon products.

In addition, in 2021 Cortland rolled out Sustainable Living Addendums on all of our new lease agreements. The addendum outlines our exclusive use of products with the Green Cleaning® seal or a similar green certification.



### CORTLAND FRONT DOOR

We know tossing trash can be a hassle, which is why we take care of hauling away household garbage five nights a week. All residents have to do is leave bagged household trash outside their front door. Not all Cortland communities offer Cortland Front Door, but many offer an alternate service for trash disposal.



### AMENITIES

Our amenities are designed for our residents to get the most out of their living experience – from work to play and everything in between. Cortland communities feature a variety of services and intentionally designed, commercial-quality spaces for relaxing or working from home – all equipped with WiFi. They include:

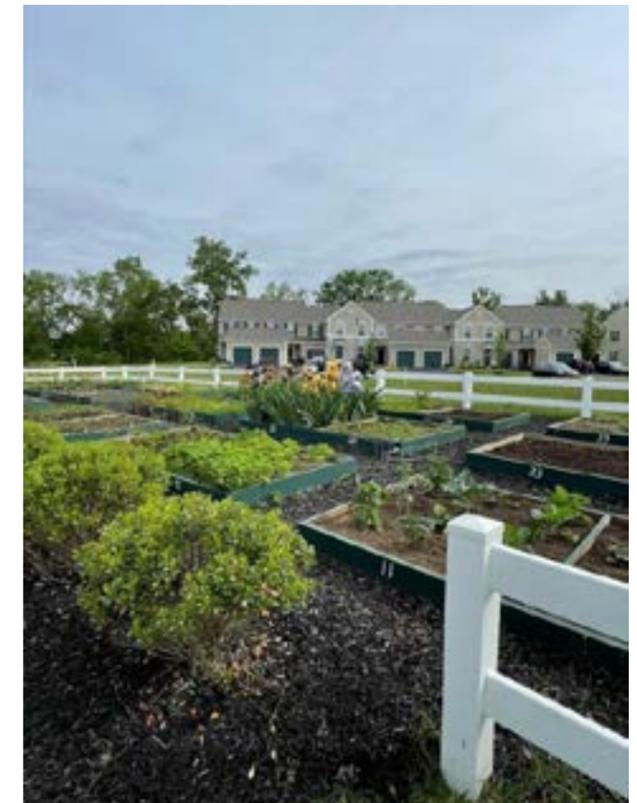
WELCOMING FITNESS CENTERS	RESORT-STYLE POOLS AND SUN DECKS	RESIDENT INDOOR/ OUTDOOR LOUNGES	OUTDOOR KITCHEN AND GRILL AREAS
OUTDOOR FIREPLACES AND FIRE PITS	BUSINESS CENTERS AND OFFICE SPACES	GAME AND SPORTS AREAS	PACKAGE RECEIVING OR 24/7 PACKAGE LOCKERS

### Urban Vegetable Gardens

Several Cortland communities feature community gardens. Residents are welcome to care for their own plot and enjoy the seasonal bounty. Cortland is proud to offer this amenity, as it is a place where residents can enjoy time outside, connect with their neighbors, and learn from the wonders of nature.



Emerson Park | Westerville, OH



Powell Grand | Powell, OH

### KINGSLEY

Periodic surveys provide residents with the opportunity to provide feedback to their community management team and request additional contact, if desired. The Community Managers then follow up directly as requested. Community Managers meet weekly with their onsite teams to review survey responses, identify emerging issues at the community, and discuss specific resident issues. The community teams also participate in regular training and scrimmages that reinforce customer service standards which are informed by the resident survey results. Similarly, groups of Community Managers meet regularly with their Director of Operations to share knowledge and to create region-wide satisfaction goals.

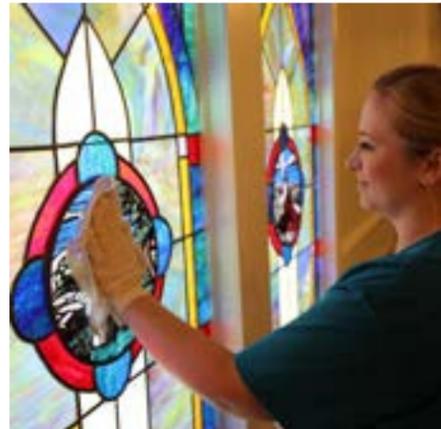
**Cortland uses companywide results from these surveys to understand how the organization is performing versus its competitors and to create and refine standard operating procedures, best practices, and brand standards.**



### LOCAL COMMUNITY WELLNESS

#### Cortland Commitment Week

Cortland makes giving back a priority. Since the early days of the company, Cortlandians - as individuals and as groups - were given the opportunity to give back in a variety of ways. However, as we began to grow as a company, we felt it was important to solidify our commitment to corporate social responsibility, and systemizing our volunteer time was the first important step.



#### History

In 2014, we established the Cortland Commitment, which gave associates eight hours of additional PTO specifically earmarked for volunteer time so that they could spend time volunteering at any charity that is close to their heart. This is in addition to Cortland Commitment Days, which are our corporate volunteer days.

In those early years, we had two Cortland Commitment Days - one in the spring and one in the fall - for us to give back as a company, and we empowered each region to select a charity for their Cortland Commitment Day volunteer time. Our regions got creative, and we cleaned up local neighborhoods, fed the hungry, packed books to send to Africa, made repairs at local schools and churches, sent care packages to veterans, built a house, cleaned up a local zoo and everything in between! We transformed Commitment Day to Cortland Commitment Week in 2021, dedicating a week where each associate can choose a day to volunteer with a local organization fighting homelessness.



<b>Atlanta</b>	69,310 pounds of food sorted 57,758 meals created  Atlanta Community Food Bank	<b>Atlanta</b>	100 associates worked to beautify campus  City of Refuge	<b>Austin</b>	22 associates cleaned 132 pounds of laundry  Laundry Angels on Wheels
<b>Dallas/Fort Worth</b>	1,300 pounds of food donated  Texas North Food Bank Tarrant County Food Bank	<b>Houston</b>	associates tackled landscaping, painting and pressure washing  Hope Center Houston	<b>San Antonio</b>	associates helped in 3 day shifts from cleaning building site to siding installation  Habitat for Humanity
<b>Orlando</b>	9,000 meals served  Coalition for Homelessness	<b>West Palm</b>	24,000 meals prepared  Palm Beach County Food Bank	<b>Miami</b>	painting and pressure washing  Children's Home Society
<b>Tampa</b>	repaired structures and beautified grounds  Forgotten Angels	<b>Charlotte</b>	sorted thousands of donations  Crisis Ministries	<b>Charlotte</b>	framed house, raised and insulated walls  Habitat for Humanity
<b>Ohio</b>	7,819 pounds of food sorted 1,500 packed meals 500 families served  Mid Ohio Food Bank	<b>Raleigh Durham</b>	7,500 pounds of produce sorted 40,000 meals prepped  RDU Food Bank	<b>Phoenix</b>	700 families served 70 shopping carts filled with groceries  Phoenix Rescue Mission
<b>Colorado</b>	sorted clothes and food donations  Denver Rescue Mission	<b>Colorado</b>	unloaded 12 vehicles of donated clothes and two large food donation trucks.  Help and Hope Center	<b>Colorado</b>	associates are collecting food donations throughout November  Care and Share



**Impact**

Move for Hunger (MFH) is a nonprofit organization dedicated to combatting hunger and food waste. MFH's founder, Adam Lowy, recognized the opportunity presented by apartment move outs - if only there was an organization who could assist with the donation of nonperishable food items at move out, this would help residents by providing a solution to unwanted food as well as the opportunity to make a positive impact on the community at the same time. Thus, Move for Hunger was born. Move for Hunger partners with local moving companies to coordinate donation drop offs with local food banks.

**History**

Cortland established a nationwide partnership with Move for Hunger in April of 2021. This partnership allows residents to donate non-perishable food items year-round as well as when they move out. Move for Hunger's mission aligns with our social mission of combatting homelessness.

**Cortland collected over 17,000 pounds of food in our first year of partnership with MFH, which provided an estimated 14,000 meals to those in need in our communities across the country.**

**"As members of the Move For Hunger Program, Cortland has become one of the leaders in the Multifamily Sustainability space. Throughout the year, Cortland teams are raising awareness and impacting their local communities by providing meals and reducing food waste one move at a time. Onsite Teams and residents work together to fight hunger in their local community on the daily, and we are so grateful for their support"**

Bridget Foley, Move For Hunger Director of Multifamily Partnerships



# GOVERNANCE

## GOVERNANCE

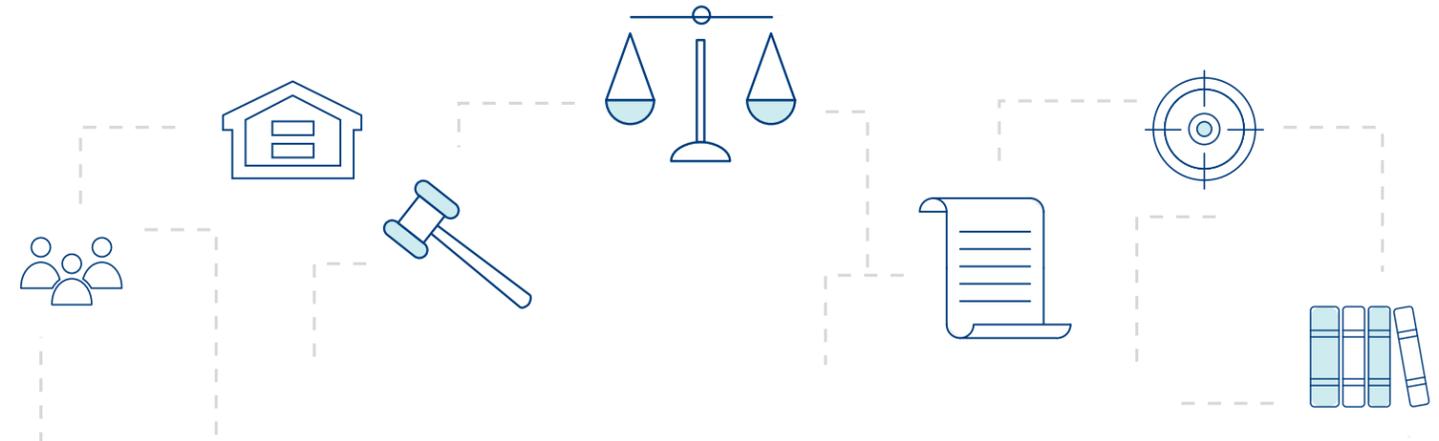
Cortland recognizes that good governance practices and responsible corporate behavior can contribute significantly to the long-term success of companies. We also believe that strong corporate governance can reduce investment risk and ensure that investor capital is protected and optimized.

Through our governance practices, we work to ensure that the organization conducts business fairly, comports with the Firm's code of ethics, selects responsible partners, vendors and contractors, and maximizes transparency, implementing the Firm's compliance culture with a top-down approach.

We believe that the Firm's centralized decision-making process with respect to investments creates systemic controls on investment decisions that place our clients' investors front of mind. The process is intended to establish company-wide understanding of its clients' investment activity and the execution of associated business plans, whether by the investment management teams, asset management teams, or the construction, design and property management teams on the ground, incorporating various internal stakeholders in the investment decision making process.

Additionally, we believe that our compensation structure and equity participation program incentivizes the Firm's associates to focus on Cortland's long-term goals which are primarily driven by Cortland's investors, and will act as a strong retention tool for our top associates that possess the institutional knowledge and skills that drive our success. We also believe that we foster and reinforce a strong corporate culture, focused on servicing our investors and our residents.

Corey May, Chief Compliance Officer and General Counsel



## ETHICS AND COMPLIANCE

Cortland takes a top-down approach to infusing the corporate culture with an ethical mindset. While "compliance" connotes following a set of rules out of obligation, ethics implies doing the right thing because it's the right thing to do, and that will likely also be in keeping with the rules governing one's behavior. Cortland, from the CEO down, works to conduct its business dealings ethically because it is the right thing to do, embodying Cortland's value of doing the right thing for the right reason.

We believe that conducting business in an ethical manner can boost morale by establishing trust in leadership and your fellow associates, reduce misconduct by providing a culture of trust, respect, transparency and accountability, increase productivity by focusing behavior on the correct course of action, and improve compliance, as behaving ethically is quite often a higher bar than behaving legally.

While we work to communicate our values and principles through periodic training of our associates, we believe that the message is best engrained through the consistent, ethical behavior of Firm leadership. Cortland believes that this culture of ethical behavior must be and is established by the leaders of the Firm in their day-to-day business dealings with associates, vendors, partners, peers, investors, and counterparties.

While ethical behavior is generally the standard we strive to meet, Cortland has codified certain "rules of the road" in its Compliance Manual and Employee Handbook. Associates are periodically trained on these policies, and the Firm has established a specific compliance program applicable to its associates that participate in Cortland's investment advisory services which is overseen by Cortland's Chief Compliance Officer and a team of inside and outside compliance professionals.

Associates that become aware of potential misconduct, incidents or violations of Cortland's ethics and compliance policies are encouraged to report them to appropriate supervisory personnel. To encourage a safe environment, Cortland offers to its associates the ability to report incidents anonymously and makes clear in its policies that associates reporting incidents will not be retaliated against by the company or other employees of the Firm.



## CORTLAND CYBERSECURITY

### RISK MANAGEMENT

We believe that being a vertically integrated multifamily firm with capabilities in investment and asset management, property management, development, construction and renovation, and support services requires a broad team. Each discipline requires its own unique expertise and a general understanding of how each component fits into the whole. Risk Management at Cortland takes a holistic approach, focusing on its primary stakeholders (associates, residents and investors) and extrapolating risk management and oversight practices focused primarily on protecting these groups.

Cortland's General Counsel oversees Cortland's risk management practices. From this position, the General Counsel is actively engaged with each department and is generally aware of issues and concerns across the organization. We believe this structure places the GC in the best position to engage with department heads to address issues and concerns as they arise.

Department heads are primarily responsible for managing risks associated with their function, with guidance and oversight from the legal department and the Firm's outside advisers.

From an investment perspective, Cortland has implemented an internal control system, establishing rigorous investment approval and decision-making processes. At each stage, different members of the data and analytics, centralized underwriting and regional investments and asset management teams are asked to review each investment opportunity's pro forma model prior to advancing the project to the next stage. We believe the Firm has created a system of checks and balances that allows the team to efficiently review opportunities, eliminate poor performers, and optimize the options presented to investment committee for review and approval. Cortland's governance structure requires that each investment decision be approved by Cortland's investment committee and provides additional rigor to the process.

Significant Firm decisions are generally presented to the Executive Committee, comprised of cross-functional team members from each department, with the goal of obtaining input from each department on how the decision will affect their respective teams on a national basis and how each department can help to make new initiatives successful.

#### Information Security Training

Cortland's Vigilance course is a required training for all associates & it must be completed annually. The lessons cover Cortland's information Security policies and familiarize associates with the methods and behaviors to keep their information and Cortland's information safe.

#### Phishing Tests

Cortland-sponsored phishing tests are random reminders sent out to associates to be vigilant. Failing one of these tests results in an email from Cortland's Security Compliance team with a reminder to follow the best practices. But failing more than once, would require reenrollment in the Information Security course.

#### Internal Best Practices

In addition to the aforementioned cybersecurity efforts, Cortland's internal communication department sends out timely reminders and updates on the company's best practices and policies regarding information safeguarding.

#### Corporate Security Policy

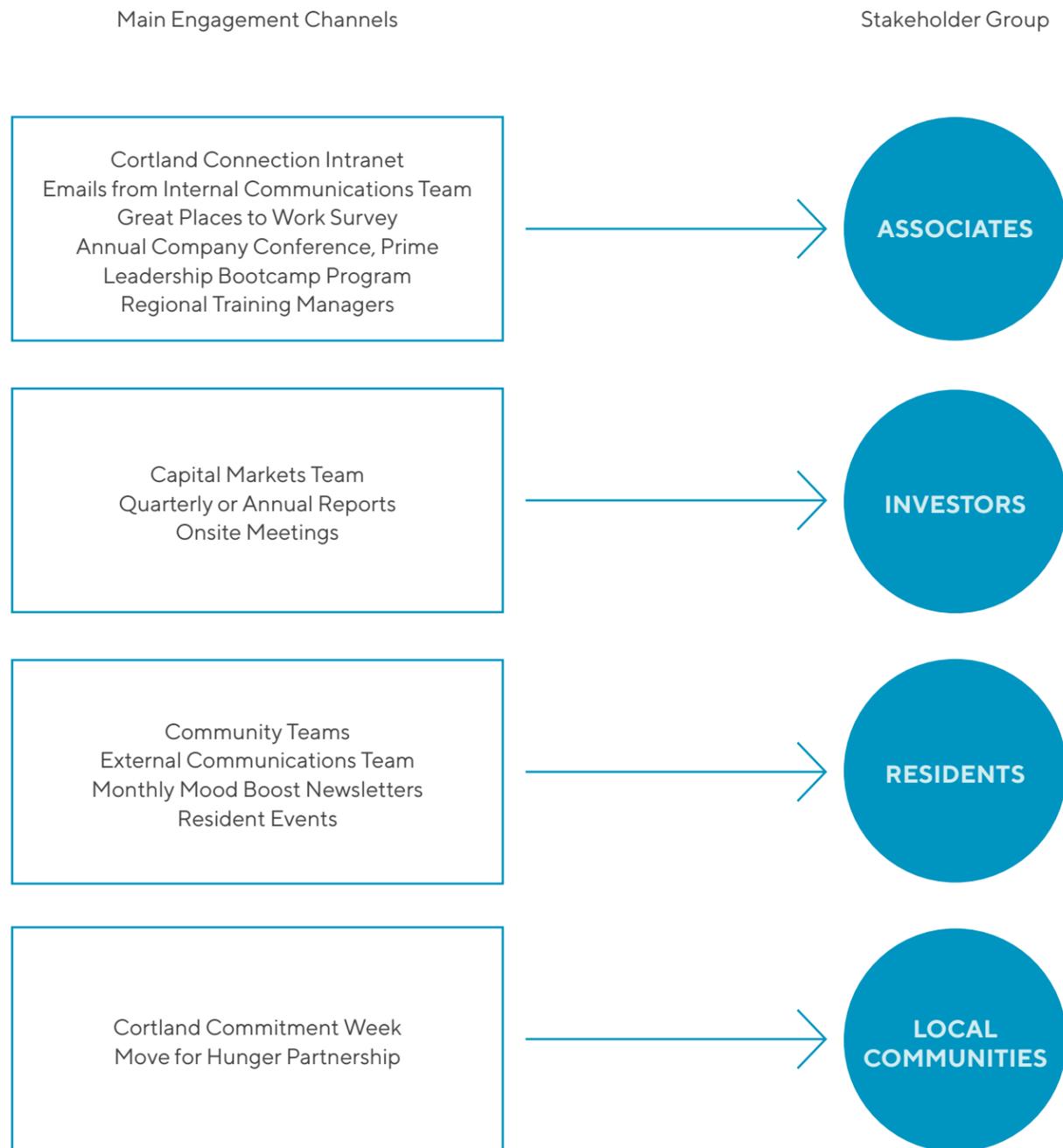
The corporate security policy is reviewed annually and distributed internally to all employees. This policy details the acceptable use of corporate IT resources & ensures all resources accessible to and produced by Cortland associates are protected from distribution and/or unauthorized access.



## STAKEHOLDER ENGAGEMENT

### Approach

The chart below details the main engagement channels through which we communicate with distinct stakeholder groups. Our engagement channels are each spearheaded by Cortland associates who specialize in each communication style.



### Vendor Code of Conduct

Cortland partners with Vendorply, a third-party vendor compliance program that ensures all vendors comply with Cortland’s specific risk management goals. Cortland sets various insurance requirements for vendors depending on the work’s risk level. Cortland associates can search for vendors to see which have already been approved. This partnership works to ensure that all associates, both working for Cortland and for a vendor, are taken care of.



#### AUTOMATED VENDOR COMPLIANCE

Vendorply’s goal is to provide an automated and painless approach to onboarding vendors and making sure they comply with all of Cortland’s requirements. Vendorply allows Cortland to define specific rules and guidelines and then Vendorply’s automated system and trained professionals work with our vendors and their agents to make sure they meet them with the goal of saving time, frustration, and money.

#### THE EXPERIENCE

Vendorply works directly with Cortland’s vendors to have them prove they meet all of our compliance requirements, automating as much of the process as possible, and Vendorply’s staff of knowledgeable experts steps in to assist as necessary. From Cortland’s perspective, our associates can watch the Vendorply dashboard and receive notifications as the company takes care of the onboarding process.

#### THE BENEFITS

Cortland has experienced a general reduction in time spent managing the process of onboarding new vendors and maintaining our relationships with existing vendors, coupled with the added benefit of decreased liability exposure, allowing Cortland personnel to focus on other more strategic tasks.



## ESG COMMITTEE

Cortland established its ESG Committee in 2021 to provide cross-departmental support for ESG initiatives. The committee meets quarterly to approve initiatives and integrate policies.

### 2022 ESG Committee Structure

#### COMMITTEE CHAIR



**Jason Kern**  
President of Investment Management



**Kyle Bateh**  
EVP of Investments



**Darla Dillon**  
EVP of Design and Architecture



**Chris Fletcher**  
EVP of Development



**Mike Gomes**  
Chief Experience Officer



**Clay Landers**  
Chief Construction Officer



**Corey May**  
Chief Compliance officer and General Counsel



**Cassandra McFadden**  
Vice President, Global Head of Sustainability



**Scott Moore**  
Chief Technology Officer



**Alison Smith**  
Chief Human Resources Officer



**Ned Stiker**  
Sr. Managing Director of Investments and Capital Markets



**Jonathan Tucker**  
EVP of Operations and Facilities



## Standards of Excellence

Cortland details our policies in our Standards of Excellence “SOEs” database that includes 223 best practices under five categories: **CUSTOMERS, RESIDENTS, COMMUNITY, FINANCIALS,** and **SERVICE.**

SOEs ARE MOST APPLICABLE TO OUR ON-SITE ASSOCIATES. STANDARDS INCLUDE, BUT ARE NOT LIMITED TO:

#### PEST MANAGEMENT

Effective December 2019

#### ORGANIC GROWTH PREVENTION, DETECTION, AND REMEDIATION

Effective January 2020

#### HOUSEKEEPING - GOING BEYOND THE OBVIOUS

Effective January 2020

#### BIOLOGICAL HAZARDS

Effective January 2020

#### LEAD-BASED PAINT

Effective January 2020

#### REFRIGERANT COMPLIANCE PROGRAM

Effective January 2020

#### RESIDENT RELATIONS

Effective January 2020

#### COMMUNITY PREVENTATIVE MAINTENANCE

Effective January 2021

#### ESG REPORTING - SUBMITTING AUDITS

Effective April 2021

#### ESG REPORTING - SUBMITTING PROJECTS

Effective April 2021

#### SUSTAINABILITY - ENERGY AND WATER CONSERVATION

Effective April 2021



## A LOOK AHEAD

The past two years at Cortland have been foundational for building out our dedicated ESG team and for benchmarking utility data. Moving forward, we will continue to strengthen our environmental, social, and governance practices. At Cortland, resident and associate wellbeing is of the utmost importance, and pursuing stronger ESG strategies is the next step in contributing to that pillar. In terms of environmental sustainability, Cortland hopes to set meaningful, science-based reduction targets, pursue more green building certifications, execute efficiency projects across the portfolio, and align with UN Sustainable Development Goals (SDGs). We will continue and expand our numerous social programs that promote diversity and inclusion and combat homelessness. All of these initiatives will be overseen by our ESG Committee and governed by a range of formal policies that will guide us on our established three-year ESG roadmap journey.

Cortland is looking forward to implementing and achieving targets in the upcoming years for the benefit of our residents communities, associates, investor clients, partners, and our planet.

Jason Kern, President of Investment Management



# DATA BY FUND

## CORTLAND GROWTH & INCOME, L.P.

### ENERGY PERFORMANCE

2020				
Absolute Consumption	2020 (kWh)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Total Coverage (%)
Natural Gas	14938322.2	3469054.6	9256169.4	37%
Electric	17853585.25	5307009.101	16568305.4	32%
Total	32791907.45	8776063.701	25824474.8	34%
2021				
Absolute Consumption	2021 (kWh)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Total Coverage (%)
Natural Gas	18940512.09	4781786.727	14155156	34%
Electric	28613890.53	7159617.897	22466142	32%
Total	47554402.62	11941404.62	36621298	33%

### WATER PERFORMANCE

2020				
Consumption	2020 (cu. m)	Data Coverage (sq ft)	Max Coverage (sq ft)	Total Coverage (%)
Water	1319020.148	15722582	15722582	100%
2021				
Consumption	2020 (cu. m)	Data Coverage (sq ft)	Max Coverage (sq ft)	Total Coverage (%)
Water	1319020.148	15722582	15722582	100%

### GHG PERFORMANCE

Emissions	2020 (tonnes)	2021 (tonnes)
Scope 1	2707.327278	3432.658925
Scope 2 (Location Based)	7843.91414	12198.96943
Total	10551.24142	15631.62836

## CORTLAND ENHANCED VALUE FUND V, L.P.

### ENERGY PERFORMANCE

2020				
Absolute Consumption	2020 (kWh)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Total Coverage (%)
Natural Gas	10822748.33	1452602	2330625	62%
Electric	9471953.53	2411017.6	5224693	46%
Total	20294701.86	3863619.6	7555318	51%
2021				
Absolute Consumption	2021 (kWh)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Total Coverage (%)
Natural Gas	11630467.3	2826806.95	4344421	65%
Electric	11854630.33	2462490.6	9073585	27%
Total	23485097.63	5289297.55	13418006	39%

### WATER PERFORMANCE

2020				
Consumption	2020 (cu. m)	Data Coverage (sq ft)	Max Coverage (sq ft)	Total Coverage (%)
Water	433802.45	5102319	5102319	100%
2021				
Consumption	2020 (cu. m)	Data Coverage (sq ft)	Max Coverage (sq ft)	Total Coverage (%)
Water	863025.97	9073585	9073585	100%

### GHG PERFORMANCE

Emissions	2020 (tonnes)	2021 (tonnes)
Scope 1	1961.45	2107.83
Scope 2 (Location Based)	4423.37	5335.98
Total	6384.82	7443.81

## **LEGAL REMINDERS/COPYRIGHT STATEMENT**

Cortland is a family of companies, including CIOPS Consolidated Holdings, LLC and each of its subsidiaries and affiliates (collectively, “Cortland”). Accordingly, references to “Cortland” throughout this presentation refer to the Cortland organization as a whole.

This presentation is intended to provide information with regard to Cortland and its Environmental, Social and Governance efforts as of December, 2022 unless expressly stated otherwise. The information contained herein 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.

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