



# 2024 ANNUAL ESG REPORT

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ENVIRONMENTAL | SOCIAL | GOVERNANCE

# A Message From Our CEO



Environmental, Social, and Governance (ESG) is an important focus for Bell Partners. Our organization is committed to environmental sustainability, fostering inclusion and diversity, and upholding strong governance controls. We recognize our responsibility to our community, associates, investors, and residents, to ensure accountability in all these areas. It's not enough to generate great results – we need to generate them in the right way. Therefore, we place a strong emphasis on the "how" – focusing on our ESG principles to ensure responsible and ethical performance.

ESG is central to our five-year strategic plan, and this 2024 ESG Report represents our inaugural annual update on our ESG activities.

In the past year, we advanced our ESG strategy by forming new partnerships, enhancing processes, and delivering ESG-related education and training to our residents and associates. We strengthened corporate practices in conjunction with registering as an investment advisor (RIA) with the Securities and Exchange Commission (SEC). We also participated in our first GRESB and TCFD reporting for Bell Value-Add Fund VIII.

We believe prioritizing environmental responsibility, fostering belonging, and operating with integrity, creates lasting value for our residents, partners, and associates. Thank you for your continued trust in Bell Partners.

Lili F. Dunn  
CEO and President

A handwritten signature in black ink, appearing to read "Lili F. Dunn".

# ESG Strategy & Achievements

## ESG Statement

Our Environmental, Social, and Governance efforts are based on creating value for our residents, partners, and associates by practicing environmental responsibility, prioritizing belonging, and operating with integrity.

## ESG Priorities

- E: Energy Efficiency, Water Efficiency, Pollution Reduction and Waste Diversion
- S: Resident Engagement, Associate Engagement, and Diversity, Equity & Inclusion (DE&I)
- G: Ethics and Compliance, Risk Mitigation, and Cybersecurity

## 2024 Progress

- Enhanced sustainability platform and reporting capabilities
- Became a Registered Investment Advisor
- Awarded REACH 2.0 grant funding for EV Charging
- Launched resident and associate ESG education
- Completed the biennial associate survey
- Created an internal ESG Committee with a defined charter
- Enhanced the company's internal and external websites
- Celebrated National Bell Gives Back Day
- Strengthened partnership with Move For Hunger
- Aligned Bell Value-Add Fund VIII reporting to GRESB standards
- Began TCFD reporting for Bell Value-Add Fund VIII
- Created a Standardized ESG investor report package
- Refined our ESG due diligence process
- Implemented a Compliance Calendar
- Completed annual review of compliance manual and vendor due diligence policy
- Implemented key security measures to enforce controlled access to sensitive data

# Environmental



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# Environmental

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## Priorities

### Energy Efficiency

Bell Partners tracks 100% of common area energy consumption across all Bell-sponsored assets through Energy Star Portfolio Manager and our sustainability platform. In 2024, we updated the ESG due diligence process to focus on identifying specific and measurable energy efficiency opportunities on-site that are directly integrated into the property operational and capital budgets. The implementation of these opportunities is continuously monitored on our sustainability platform, allowing us to track and correlate reductions in consumption.

### Water Efficiency

Bell Partners tracks and monitors water consumption across all Bell-sponsored assets through our sustainability platform, enabling usage trend analysis and providing opportunities to pinpoint improvements. To ensure data accuracy and proactive maintenance, we partner with our vendors to monitor submeter health and performance. Our water conservation approach, which aims to minimize utilization through responsible management, expenditure monitoring, and active conservation, includes key initiatives such as landscaping enhancements (reducing drip lines, expanding xeriscaping), Energy Star-rated appliances, and the installation of low-flow, efficient water fixtures.

# Environmental

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## Priorities

### Pollution Reduction & Waste Diversion

An increased focus on resident engagement through on-site education helped Bell Partners achieve a 24.7% waste diversion rate in 2024. Stricter regulations and rising waste management costs in many of our markets lend support to expanding our waste diversion options. This includes the successful implementation of an organic waste recycling program for all Bell-managed communities in Austin. In our deregulated energy markets, we are actively pursuing green energy procurement where feasible.



## Case Study

### EV Charging

Driven by rising resident demand, Bell Partners is actively expanding EV charging access across its portfolio. We currently offer 160 charging ports across 32 communities. In 2024, Bell Partners secured funding from REACH 2.0, a California grant program for multifamily EV charging, to install 244 new charging ports across six Bell-sponsored communities in 2025: Bell Uptown District, Bell Rohnert Park, Bell South Bay, Bell South City, Bell Warner Center, and Bell Murrieta Springs.





# Social

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# Social

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## Priorities

### Resident Engagement

At Bell Partners, we prioritize exceptional service, wellness-focused amenities, and community engagement to ensure our residents feel valued. In 2024, we upgraded our 24/7 resident portal and app, focusing on user interface (UI) enhancements to create a more intuitive and engaging experience for residents to access information and services. We upgraded amenities at select communities including fitness centers, pools, dog parks, coffee stations, and event spaces, fostering an environment where residents can truly "Live Well at Bell." We also provided opportunities for resident engagement with our surrounding communities through our resident events, programs, and partnerships to combat food insecurity.

### Associate Engagement

In April 2024, Bell Partners conducted its biennial Associate Survey, available in both English and Spanish, achieving an impressive 86% participation rate. Additionally, the company held its annual Leadership Conference in Atlanta, an event that brought together associates at the Manager level and above from across the nation to connect and celebrate under the inspiring theme of "Forward." Our annual Bell Gives Back Day in 2024 focused on "Basic Needs," with over 750 Bell Partners associates donating approximately 6,700 hours to support 20 local charitable organizations.

Click [HERE](#) to view our 2024 Bell Gives Back Day video.



# Social

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## Priorities

### Diversity, Equity, and Inclusion

Bell Partners is committed to fostering a work environment that allows everyone to feel like they belong and contribute to their fullest potential. We strongly believe that by having diverse teams, we can make better decisions by drawing from a wide variety of experiences and perspectives. In 2024, over 1,500 Bell Partners associates completed virtual DE&I training workshops. In addition, our DE&I Council successfully hosted fifteen English and three Spanish DE&I Chats, providing a platform for meaningful discussions. These sessions allowed 170 associates to share their perspectives, contributing to a richer understanding of a diverse workforce.

## Case Study

### Move For Hunger

Our charitable corporate partner, Move for Hunger, is a nationwide non-profit organization whose mission is devoted to relieving hunger. For our work with Move for Hunger, Bell Partners was awarded the 12th annual 2023 LEAP Community Impact Award by the Healthcare of Ontario Pension Plan ("HOOPP"). In 2024, Bell Partners associates and residents donated food that provided almost 7,500 meals for families in need. This included working with our residents to donate unopened, non-perishable food items through organized food drives and during move-outs.









# Governance



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# Governance

## Priorities

### Ethics and Compliance

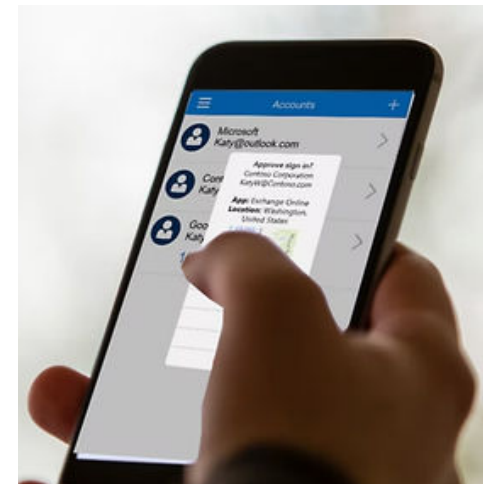
In 2024, we enhanced our responsible corporate practices. We completed our registration with the SEC as a Registered Investment Advisor, aligned our reporting to GRESB standards and began TCFD reporting for Bell Value Add Fund VIII. We also created an internal ESG Committee to integrate sustainability and governance into our operations.

### Risk Mitigation

Bell Partners has an ongoing strategic process in place to mitigate risks. Key initiatives in 2024 included revising our Compliance Manual, incorporating a Compliance Calendar to track essential tasks such as training, testing, and auditing, and aligning efforts with RIA standards to ensure comprehensive risk management. We also conducted new on-site climate risk assessments and updated policies.

### Cybersecurity

We are committed to proactive and comprehensive data protection with robust cybersecurity measures that safeguard our company, partner, and resident data. Key initiatives in 2024 included blocking USB drives and external storage devices to prevent unauthorized data transfers. Additionally, we enhanced conditional access protocols, ensuring that only authorized associates using Bell-issued computers can access sensitive information.



# Governance

## Case Study

### Vendor Due Diligence

As a Registered Investment Advisor, Bell Partners assesses and manages risks associated with third-party service providers. In 2024, Bell Partners adopted a Vendor Due Diligence Policy as part of our efforts to comply with industry best practices and applicable regulatory guidance.

The level of assessment varies depending on factors such as the type of service, contract value, the service's importance to Bell Partners' operations, and whether the vendor will have access to confidential information.

Bell Partners focuses on both the initial selection and ongoing relationships with key vendors. This involves utilizing tools such as an Internal Vendor Selection Questionnaire to document the initial selection process, and a Vendor Due Diligence & Risk Assessment Questionnaire and Certification for initial and ongoing reviews. These tools help assess vendor policies, procedures, information security, cybersecurity preparedness, and potential risks.

Bell Partners also uses a Vendor Management and Monitoring Summary to maintain an overview of vendor relationships and risk rankings, with higher risk vendors potentially warranting increased review.

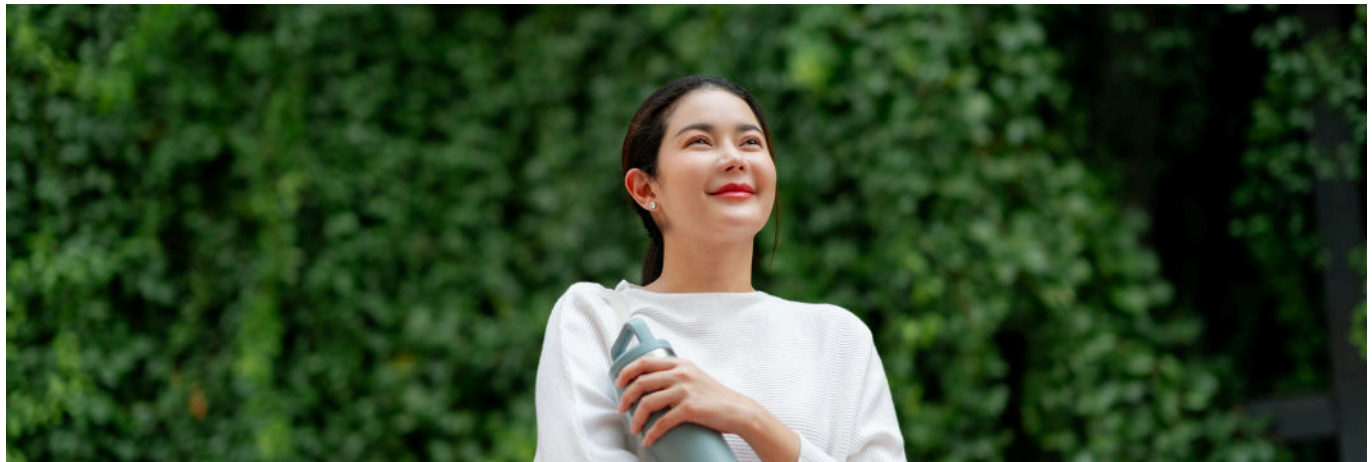


# 2025 Areas of Focus

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Bell Partners is focused on the following activities in 2025:

- Expand resident ESG education programs.
- Optimize successful ESG processes through best practices and ensure the alignment of our systems and platforms with our priorities.
- Distribute inaugural ESG Performance Data Report to investors.
- Complete GRESB and TCFD reporting for Bell Value Add Fund VIII.
- Focus on "Basic Needs" for Bell Gives Back Day on September 18<sup>th</sup>.
- Roll out DE&I Ambassador program and two new Employee Resource Groups: Parents & Caregivers and Women in Leadership.
- Launch of prospect and resident surveys, online reputation management, and white-glove responses for all Bell-sponsored communities.
- Monitor impact of environmental capital improvements for new acquisitions on sustainability platform.
- Evaluate our security tools and stay updated with evolving cyber-attack techniques.
- Review adequacy and update Compliance Program and the effectiveness of its implementation, as required by Advisers Act Rule 206(4)-7(b).



While Bell Partners may consider Environmental, Social, and Governance factors when making investment or development decisions, Bell Partners will not pursue an ESG-based investment strategy or limit its investments to those that meet specific ESG criteria or standards. Any reference herein to ESG considerations is not intended to qualify Bell Partners' focus on maximizing risk-adjusted returns for investors. In addition, while Bell Partners seeks to implement environmentally sensitive renovations at certain properties, implement annual sustainability plans, and take other steps to promote environmental responsibility with respect to its investments, Bell Partners does not take such steps with respect to all of its existing and legacy properties and ESG-related factors may have little to no impact on an investment's profitability or value. There is no guarantee investments will be made in assets that create positive ESG impacts while enhancing long-term value and achieving financial returns and there can be no assurance any strategies or techniques employed by Bell Partners will be successful. Moreover, no warranty is given that any ESG criteria utilized, or any judgment exercised by Bell Partners, will reflect the beliefs or values of any particular client or investor. Additional information about Bell Partners' ESG practices is available upon request.







