



CONSERVICE
The Utility Experts



2024 Corporate Responsibility Report



Introduction



OUR PURPOSE

As The Utility Experts™, we partner with real estate owners and managers to conserve resources and reduce costs through our software-enabled utility management services.



OUR VALUES

Be the Expert, Own the Experience, and Build the Relationship.



OUR COMMITMENT TO CORPORATE RESPONSIBILITY

At Conserve, we’re strongly motivated by the positive impact our services can have on society and the environment. Our commitment to corporate responsibility permeates everything we do – from our “Conserve Cares” community service projects to our ESG Solutions platform that provides services to help track and report on environmental data.

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Message from the CEO

Adopting sustainable practices enriches our lives, protects our planet, and conserves our precious natural resources. For the last two decades, **Conservice has committed to helping clients manage resources sustainably and optimizing their cash flow.** To us, ESG (Environmental, Social, and Governance) is the perfect blend of sustainability and profitable business practices.

On behalf of our Executive Leadership Team, I am pleased to share Conservice's Corporate Responsibility Report 2024. This year, we kept moving toward our original corporate responsibility goals: to act as a catalyst in the transition to a more environmentally low-impact economy, foster a culture that intentionally attracts and retains diverse talented employees, and continued our commitment to transparent reporting. In honor of our transparency, we are proud to make this report public.

Conservice recognizes that **our success is deeply intertwined with the health of the planet and the well-being of our community.** With over 1,000 ENERGY STAR certifications, we are committed to helping our clients run more efficiently.

Using our sophisticated software, we also reduce utility consumption and waste, especially in our own buildings.

The health and wellbeing of our community is always at the forefront of our goals. By committing to hiring and retaining a talented pool of utility experts from diverse backgrounds, we foster a community of unique perspectives, problem-solving, and overall employee satisfaction. Conservice United exemplifies this effort by creating Employee Resource Groups for employees with shared demographics, culture, or life experiences.

With a year of baseline data to reflect on, we have set new goals to continue to improve this important work.

As laws and regulations surrounding property management continue to affect ourselves and our clients, Conservice remains committed to ethically managing our ESG goals with more transparency.

We look forward to sharing our sustainability progress over the coming years with you, our employees, and our Board of Directors. We encourage you to **read on to learn more about our journey and roadmap to a better future.**

-Scott Hardy
CEO



Executive Summary

This Corporate Responsibility Report highlights our commitment to Environmental, Social, and Governance (ESG) principles across our operations. As the leading utility billing and expense management provider in the U.S., serving over seven million locations, we recognize that our sustainability, community engagement, and ethical governance practices have a major impact on the regions we serve.



ENVIRONMENTAL STEWARDSHIP

Conserve is dedicated to reducing its carbon footprint and supporting clients in their sustainability efforts through initiatives such as:

Emissions Management: Conducting GHG emissions inventories to reduce emissions from offices, travel, and vehicle fleets.

Energy Management: Operating energy-efficient data centers and earning the EPA’s ENERGY STAR Partner of the Year Award for our conservation efforts.

Waste Management: Implementing our WasteX solution to support waste reduction and recycling, leading to cost savings and environmental benefits.



SOCIAL RESPONSIBILITY

We emphasize social principles through diversity, employee well-being, and community engagement:

Diversity and Inclusion: Promoting an inclusive workplace with equitable pay, inclusive policies, and support for various employee groups.

Employee Engagement: Investing in employee training, wellness programs, and flexible work options to attract and retain top talent.

Philanthropy: Engaging employees in charitable activities through “Conserve Cares,” contributing significant time and resources to various causes.



GOVERNANCE AND ETHICS

We uphold high standards of corporate governance, focusing on transparency, data privacy, and ethical conduct:

- **Transparency and Engagement:** Committing to transparent reporting and stakeholder engagement.
- **Data Privacy and Cybersecurity:** Ensuring robust data protection and continuous improvement of security measures.
- **Ethics and Compliance:** Adhering to a strong Code of Business Conduct & Ethics, emphasizing integrity and anti-corruption measures.

Conserve is committed to continuous improvement in our ESG initiatives, viewing corporate responsibility as integral to our long-term strategy and value creation for clients and stakeholders.

OUR LOCATIONS

Conservice's footprint spans the country, including our multiple offices and headquarters in Logan, UT, and our offices in Salt Lake City, UT; San Diego, CA; Rexburg, ID; Mandan, ND; Chicago, IL.



About Us

Conservice is the largest, most trusted utility billing and expense management provider in the United States, **serving more than seven million** service locations. Our broad range of utility management and ESG solutions provide commercial real estate owners with the data and support they need to achieve their goals by reducing operating expenses, lighten administrative burdens, and making smarter operational decisions. Our solutions include but are not limited to, utility invoice processing and payment, utility rate auditing, bill-back, ESG solutions, waste management, benchmarking compliance, bulk wifi solutions, and reporting.

OUR JOURNEY

In 2022 we conducted a Materiality Assessment to identify which Environmental, Social, and Governance (ESG) topics are most important to our organization. The assessment incorporated feedback from Conservice leadership and team members, external stakeholders, and partners. The result was a three-year roadmap to refresh and invigorate our corporate responsibility efforts and targets, aligning with key frameworks such as the Sustainability Accounting Standards Board (SASB). The materiality assessment identified the potential list of material topics for Conservice. These items were informed by peer research, stakeholder interviews, and questionnaires to measure the materiality of each topic.

We acknowledge that a successful corporate responsibility program is an ongoing journey, not a point-in-time or a check-the-box exercise. We intend to integrate these risks and opportunities into all areas of our business as part of our long-term strategy. In 2023 we published our inaugural Corporate Responsibility Report in addition to purchasing greenhouse gas emissions offsets for business travel.

WHAT IS ESG?

ESG (Environmental, Social, and Governance) refers to three central factors used to measure the sustainability and societal impact of an investment in a company. These criteria are pivotal in predicting the future financial performance of companies:

Environmental: This category encompasses climate impact and other environmental challenges and opportunities, including energy use, waste production and management, climate change, and pollution.

Social: Social factors assess how a company interacts with its employees and the community. This includes employee engagement programs, health and wellbeing initiatives, and protections for employees and consumers.

Governance: Governance factors evaluate a company's management practices. This includes the structure of management, compensation policies, internal controls, accountability measures, shareholder rights, and more.

ROADMAP

2024-2025 Goals

- 1 Publish public-facing Corporate Responsibility Report in Q3 2024
- 2 Begin evaluation of the S&P CSA (Corporate Sustainability Assessment)
- 3 Support sustainability advancement in the real estate sector
- 4 Set up a cross-departmental team to formalize our corporate responsibility program
- 5 Develop targets for material ESG KPIs
- 6 Further refine ESG strategy, policies, and processes

We have developed a strategy to address E, S, and G categories and address areas critical to us as well as our customers.

*Environmental
Social
Governance*

1 ENVIRONMENTAL

OVERVIEW

Conserve aims to act as a catalyst in the transition to a more environmentally low-impact economy, bringing positive change to the communities in which we work. Moreover, we intend to carry out this role alongside our customers as we help them navigate their sustainability journeys.



EMISSIONS MANAGEMENT

Conservice is cognizant of our exposure to carbon emissions via our internal operations as well as through the operations of our clients' portfolios. We are committed to tracking these greenhouse gas (GHG) emissions to understand the magnitude of their impact, which will help us pursue the long-term goal of achieving carbon neutrality. We also recognize the critical role our services play in helping our clients understand their impacts and are committed to providing high-quality data and services to help them address their GHG footprint.

CLIENT CLIMATE GOALS

We support client efforts to reduce their overall utility usage and GHG emissions through our data automation and analytics platforms. Visualizing data increases clients' ability to discover portfolio-wide trends and identify top and bottom performers.

INTERNAL EMISSIONS

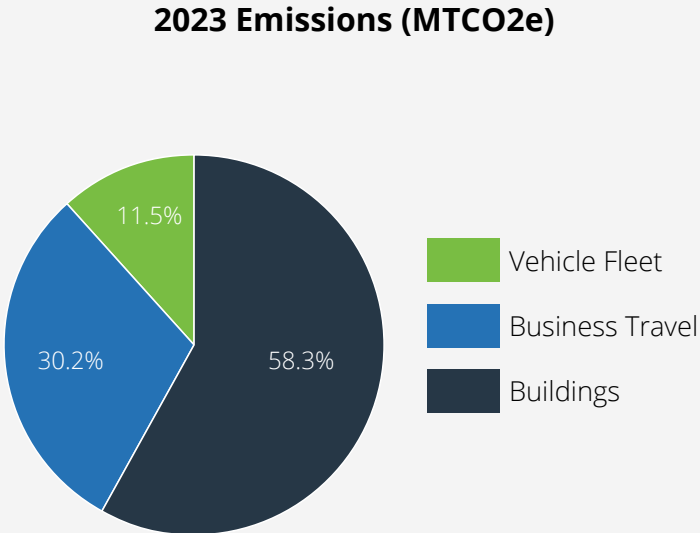
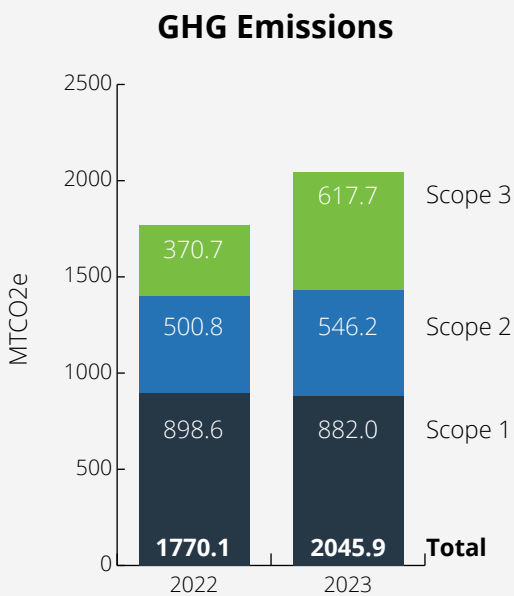
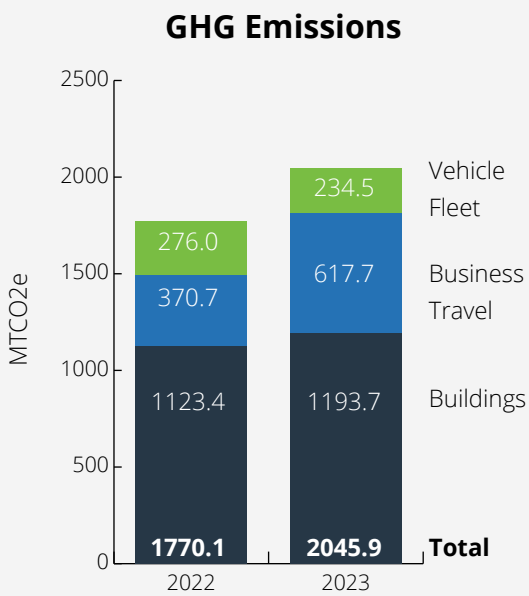
Beginning in 2023, an initial GHG emissions inventory was conducted for our primary sources of emissions which are our leased offices, business travel, and vehicle fleet which will inform our GHG emissions reductions initiatives.

- **Buildings (Scopes 1+2):** Our emissions from our office spaces consisted of electric and natural gas consumption data that was available for the 1/1/2023-12/31/2023 time period. The building emissions were calculated based on the latest EPA emissions factors for electricity and natural gas.

- **Business Travel (Scope 3):** Our emissions for our business travel focused on the emissions from travel for the 1/1/2023-12/31/2023 time period. The data from our travel booking platform was used in conjunction with GHG Protocol tools to calculate the emissions.
- **Vehicle Fleet (Scope 1):** Our emissions for our vehicle fleet were based on fuel usage data for the 1/1/2023-12/31/2023 time period. The emissions

were calculated using the EPA's emissions factors for vehicles.

- **Offsets:** We have bought 30 MTCO₂e of carbon offsets to mitigate the emissions impact from some of our business travel in 2023.



ENERGY MANAGEMENT
AND CONSERVATION

As part of energy management, Conserve focuses on both clients’ portfolios and our internal operations. In addition to providing energy data management, strategy, and benchmarking services for our customers, we also focus on efficient energy management strategies at our buildings and data centers. Our corporate headquarters in Logan, UT has an onsite solar array to help reduce our emissions while reducing utility costs. **Our data centers, run by a third-party partner, are 3.6 times more energy efficient than the median of US enterprise data centers.**

We are extremely proud of the following achievements:

- EPA’s ENERGY STAR Partner of the Year for 2023
- EPA’s Partner of the Year Sustained Excellence award in 2024
- 1000 2023 ENERGY STAR certifications

ENERGY STAR PARTNER
OF THE YEAR

We were given this honor after we helped 800 properties achieve ENERGY STAR certification. These achievements showcase Conserve’s leadership and dedication to striving for energy efficiency in the built environment.

CLIMATE RISK STRATEGY

Although Conserve does not currently consider climate change a material risk to our operations, we advise multiple customers for whom this is a concern using frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD), Carbon Risk Real Estate Monitor (CRREM), etc.

In addition, we help the real estate industry assess physical risk across their portfolios via our Climate Risk offerings.

GREEN STANDARDS
IN REAL ESTATE

Our ESG Department helps clients achieve green building certifications, promoting sustainable practices that reduce the environmental impact of the built environment and improve occupant health and wellbeing. **We managed certification projects** throughout 2023 for ongoing multi-year maintenance, which involved tracking information related to individual green building certifications. We also executed certification projects for many properties and either helped them receive their first certification or recertify.

In addition to our sustainability efforts with clients, we also pursue green building certifications for some of our own offices.

- Our Chicago office is LEED v4.1 O&M Gold
- Our Salt Lake City office is part of City Creek Mall that is a WELL certified building

WASTE MANAGEMENT

As part of Conserve’s Waste Management Solution (WasteX), we support reduction, reuse, recycling, and composting programs. We help determine inefficiencies, and then recommend changes for cost savings, including trash contract audits to identify past billing errors. We identify and secure the best trash rates and terms to produce savings on waste removal costs.

WasteX helps real estate owners decrease trash and recycling spend, increase diversion, and perform any type of waste reporting that is needed. The WasteX team leverages Conserve’s strategic reporting capabilities and broad vendor network to ensure that clients get the best value for their operational spending.



Stoneweg US:

A CASE STUDY IN SUSTAINABLE GROWTH AND ESG INTEGRATION

Stoneweg US, a leader in multifamily real estate investment, has made remarkable strides in integrating Environmental, Social, and Governance (ESG) principles into their operations, leveraging Conserve's expertise to optimize their ESG reporting processes and sustainability initiatives.

ESG Strategy and Achievements

Stoneweg US focused on capturing whole-building data, crucial for understanding and improving their properties' environmental impact. By implementing manual metering and enhancing data coverage, they **achieved 100% data completeness and increased their GRESB performance by 33% in 2023.**

Additionally, their GHG inventory revealed that 92% of energy consumption was attributed to resident use, providing insights that led to actionable changes in building operations. Stoneweg US utilized Conserve's WasteX solution to improve waste management, **diverting 5% of total waste from landfills, equating to nearly 100,000 lbs of waste per month.**


Impact and Future Goals



Stoneweg US's ESG efforts have resulted in significant environmental and operational benefits. They have established a baseline for emissions and are working towards science-based decarbonization targets. Their comprehensive building performance data coverage is now being used to secure grants and loans, making their properties more sustainable and resident-friendly.

By integrating ESG practices into their operations, Stoneweg US has successfully lowered utility expenses for residents, enhanced investor margins, and contributed to a more sustainable built environment. Looking forward, Stoneweg US sees Conserve as an indispensable partner in their ongoing sustainability journey, exemplifying how strategic partnerships can drive substantial ROI and positive environmental impact.

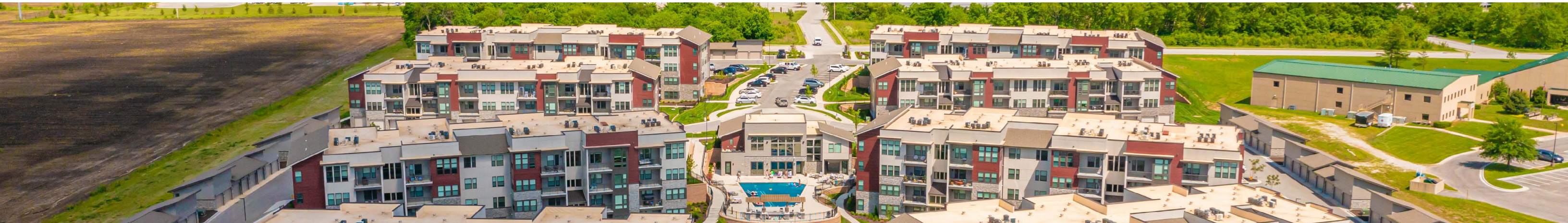
Sustainability: Untapped Earning Opportunity in Multifamily Investments

A CUSTOMER SUCCESS STORY





STONEWEG



2 SOCIAL

OVERVIEW

Conservice's commitment to social principles starts with our greatest asset: our team members. We aspire to create a culture that intentionally attracts and retains talented team members to work in an engaging and energetic team environment with a shared passion for innovation, transparency, and excellence.

OUR TEAM MEMBERS

Our total employee base consists of 3,088 team members. In addition to this, we also engage with our service partners to augment our workforce as warranted.

DIVERSITY, EQUITY, AND INCLUSION

Equal Opportunity

Conservice is committed to fostering an inclusive workplace by **providing equal opportunities to all individuals, regardless of their background or characteristics**. We strive to create an environment that provides an equal chance to thrive and contribute to our success. In addition to equitable pay efforts, Conservice has evaluated the adequacy of its benefits offering, including parental leave, remote work, and mental health benefits.

We also put in place several additional leave practices including parental leave, bereavement leave, jury duty leave, and added an additional floating holiday for team members to celebrate a day that’s important to them.

Diversity and Inclusion

Conservice is committed to fostering, cultivating, and preserving a culture of diversity, inclusion, and belonging, and ensuring equity for all team members. Individual differences, life experiences, knowledge, innovation, self-expression, unique capabilities, and the talent that our team members invest in their work represent a significant aspect of not only our culture, but our reputation and the company’s achievements as well.

Conservice has a robust diversity, equity, and inclusion program and policy to strengthen our workplace practices, drive innovation, and attract and retain talent.

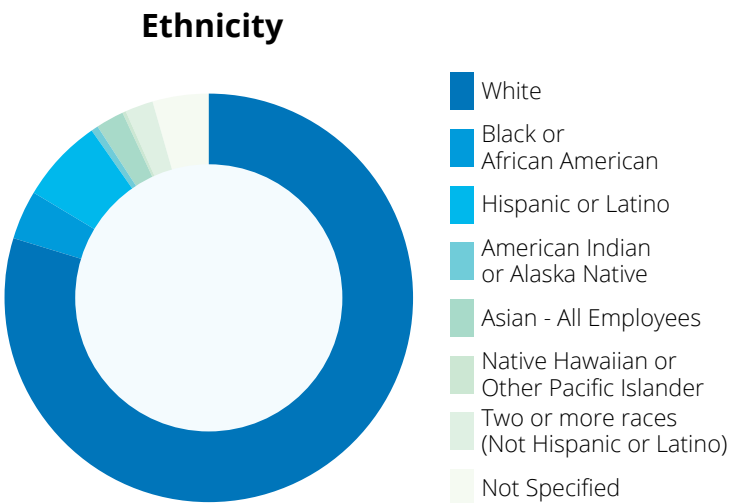
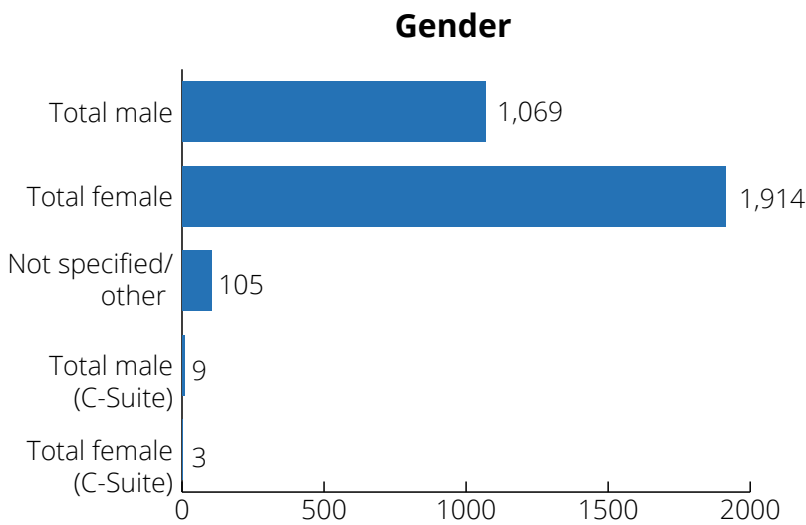
Our company was founded on the principle of treating everyone (team members, customers, clients, and communities) with the respect and dignity they deserve. We embrace and encourage differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental health, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and other characteristics that make our team members unique.

Our diversity initiatives are applicable—but not limited—to our practices and policies on recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; terminations; and the ongoing development of a work environment built on the premise of gender and diversity equity that encourages and enforces:

- Respectful communication and cooperation between all team members.
- Teamwork and team member participation, welcoming the representation of all groups and perspectives.
- Work/life balance through flexible work schedules where practical to accommodate team members’ varying needs.
- Employer and team member contributions to the communities we serve to promote a greater understanding and respect for the individuality and uniqueness of everyone.

CONSERVICE UNITED

Conservice United is made up of five different subcommittees: **LGBTQ+, Women, Military/Veterans, Persons with Disabilities, and BIPOC**. Each of these groups helps Conservice attract and retain diverse talent and promote an environment of inclusion by putting out newsletters, hosting monthly committee meetings, and putting on events related to the groups they represent.



Veterans Group

Created a small display of flags on the Conservice campus to honor veterans during patriotic holidays in 2023. Also sent out “thank you” messages for Veterans Day.

Women’s Group

Supported Citizens Against Physical and Sexual Abuse with a Conservice Cares collaborative event. Educated team members on bias with surveys, trivia events, newsletters, and lunch and learn events.

LGBTQ

Celebrated Pride month with an in-person event and a virtual trivia night.

Persons with Disabilities

Held a benefit dinner with local nonprofit Common Ground in 2023.

BIPOC

Participated in the local Holi Festival and increased team member engagement with free tickets to the festival. Organized a lunch and learn discussion for BIPOC mental health.

PHILANTHROPY AND
COMMUNITY ENGAGEMENT

Conservice encourages team members to support the community through Conservice Cares and other initiatives that promote charitable and volunteer support for various causes, including job training and opportunity, improving access to quality education, supporting the arts, and protecting our health and the environment.

Conservice is very proud of the work we have accomplished with our partner organizations.

In 2023, we donated **\$158,031** and more than **2,122 hours** of time to the following organizations: Supporting Women: Chicago House, Military/Veterans: Wounded Warrior Project, LGBTQ+: “The Trevor Project”, Persons w/ Disabilities: Make a Wish Foundation, and BIPOC: United Way of Cache Valley.

HIGHLIGHT:

In Q4 of last year, the Product Development team traveled to Logan, Utah, and made the world better. Collectively, they **donated \$3,600 (which Conservice matched)**, and assembled 1,200 kits for families for the Little Lambs organizations.

As a sign of appreciation, the Product Leadership Team dyed their hair Conservice green.



HIGHLIGHT:

The Account Management team held two Conservice Cares events during their annual Summit, the events included assembling **100 hygiene kits** for older kids in foster care and sorting pallets of non-perishables for the Cache Community Food Pantry.



TEAM MEMBER ENGAGEMENT

Team Member Development Investment

As our processes, staffing, and organizational structure continue to evolve, we recognize the importance of continuously enhancing our onboarding materials. Ensuring a deep understanding of Conservice products, markets, and services, along with **providing quality training throughout the employee lifecycle, remains a key focus.** We are also looking forward to rolling out a new and improved leadership training program to support our growing population of leaders at Conservice.

Total new hires in 2023: **1,180**

Our Employee Engagement Survey conducted in 2023 via our 3rd party partner received a response rate of **84%**.



Team Member Benefits and Wellness

To facilitate the attraction, retention, and promotion of a talented and diverse workforce, Conservice provides competitive compensation, comprehensive benefits, and health and wellness programs.

We provide competitive compensation packages to our team members and participate in a 401(k) Plan with a company match. Our comprehensive benefits package offers flexible and convenient health and wellness options such as health insurance benefits, health savings, flexible spending accounts, paid time off, floating holiday leave, parental leave, and bereavement leave. We continue to emphasize the importance of mental wellness and have offered several virtual healthcare options. On an ongoing basis, Conservice further promotes the health and wellness of our associates by encouraging work-life balance through our flexible work initiatives and by sponsoring various wellness programs and corporate challenges, whereby team members are encouraged to incorporate healthy habits into their daily routines.

Our comprehensive benefits:

- Flexible health insurance benefits
- Health savings
- Flexible spending accounts
- Paid time off
- Extended leave options including parental, jury, and bereavement.
- Parental leave
- Floating holiday leave

Focus on Wellness

- Annual Health Fair with Flu Shot clinic
- Webinars on nutritional eating, financial wellness, exercise and mindfulness
- Send Weekly Wellness Wednesday emails with resources and reminders

ESG EXPERIENCE PODCAST

Our [ESG podcast](#) is an important platform for fostering dialogue on corporate responsibility practices. Through insightful interviews with industry leaders, we aim to illuminate best practices and innovative strategies driving sustainable business models.

By engaging with diverse perspectives, we strive to inspire actionable change within our organization and audience. This podcast exemplifies our commitment to transparency, accountability, and responsible corporate citizenship.

THE ESG EXPERIENCE.

Conversations about ESG and beyond



3 GOVERNANCE

OVERVIEW

Conservice understands that in order to help our clients realize their corporate governance goals, we need to hold ourselves accountable to our own goals. Each team member at Conservice fulfills an essential role in realizing our success in accomplishing these goals:

- **Our Executive Leadership Team** is responsible for promoting Conservice's ESG policies and ensuring they are implemented across all aspects of our business.
- **Our dedicated internal teams** work cross-functionally with executive leadership, internal departments, external vendors, and clients to drive our goals and ensure alignment with our ESG policies.
- **Our legal team** provides oversight of corporate governance-related issues to ensure that we meet regulatory obligations and commitments to internal and external shareholders.
- **Our board** is educated on corporate governance topics to encourage discussion and appropriate prioritization of corporate governance topics.
- **The SVP & General Manager of ESG** chairs a corporate responsibility committee. This group meets bi-monthly and is composed of individuals representing every department within Conservice.

REPORTING AND TRANSPARENCY

Stakeholder Engagement

Conservice believes engaging with our stakeholders is essential to our long-term success, and therefore we regularly engage with our key stakeholder groups, highlighted below:



Data Privacy

Conservice is committed to protecting the privacy and confidentiality of our stakeholders’ personal and corporate information and proactively seeks to identify and mitigate risks.

As a utility billing management company, we are committed to protecting the privacy and security of our customers’ data. We recognize the importance of maintaining the confidentiality of personal information and are dedicated to complying with all applicable data protection laws and regulations.

We collect and process only the data that are necessary to provide our services and take appropriate measures to safeguard against unauthorized access or disclosure. **We do not sell or share personal data with third parties for marketing purposes without explicit consent from our customers.**

Our commitment to data privacy is an integral part of our corporate responsibility strategy, and we continuously evaluate and improve our data protection practices to ensure that we maintain the trust of our customers and stakeholders.

Cybersecurity

Cybersecurity is an ever-increasing threat to Conservice which we take very seriously. We have robust, proactive systems and defenses in place to prevent potential threats, including phishing attempts, from becoming detrimental to every day business practices.

Sophisticated hackers are getting smarter about tricking people into clicking on fraudulent links or opening up malicious attachments in emails. The stakes are high and we have implemented an extensive company security plan which includes requirements for all team members to complete regular online security training. Because we are all at risk of a security attack, **no one is exempt** from this requirement. Our plan also includes regular testing to ensure our team members are effectively implementing the strategies included in the training and making good decisions regarding email security.



ETHICS AND COMPLIANCE

Transparency

As we continue along our corporate responsibility journey, Conservice will support the public availability of its corporate responsibility efforts, disclosing pertinent environmental, social, and governance data via our website and public reporting standards.

Code of Business Conduct & Ethics

Conservice’s efforts to uphold strong business ethics are solidified in the following employment policies:

- Confidentiality
- Diversity, Inclusion, and Belonging
- Equal Employment/Anti-Discrimination/ Anti-Harassment
- Outside Work

Laws/Regulations

Conservice and associated vendors are expected to adhere to all laws and regulations in the industries in which they operate. All required licenses and permits to conduct business in applicable jurisdictions must be maintained.

Ethics Hotline

Conservice maintains an Ethics Hotline to allow individuals to report any alleged violations of Conservice’s Code of Business Conduct and Ethics or any other alleged ethical violations or violations of law. Anonymous reports can be made online at www.lighthouse-services.com/conservice or by calling 855-222-1182.

ANTI-BRIBERY AND CORRUPTION

Conflicts of Interest and Fair Dealing

Conservice team members will maintain the highest ethical standards in the conduct of Company affairs.

Each team member will conduct themselves with integrity and comply with all applicable laws in a manner that excludes considerations of personal advantage or gain. Team members are not allowed to accept bonus payments or incentives from companies doing or attempting to do business with Conservice.

Awards, prizes, or other gifts received through events such as golf or trade shows are the property of the company if the company paid for the admission or registration costs. Team members violating this policy will be subject to disciplinary action up to and including termination of employment.



