



Environmental Management System



AMERICAN
CAMPUS
COMMUNITIES

American Campus Communities Environmental Management System

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1. Introduction

American Campus Communities' (ACC) publicly available Environmental Management System is driven by a commitment to our residents and protecting the future of their environment.

ACC Environmental Management System

As a long-term owner and operator of residential communities, we see the integration of sustainable building and operational features into our properties as a critical component of delivering the best living experience. We know that a healthy, comfortable, and socially responsible living environment is important to our residents and to the future of our planet. It's not only the right thing to do; it also makes good business sense—the value generated by operational efficiency and sustainable practices benefits our communities, residents, stakeholders, and the environment.

Our dedication to these principles begins with our investment criteria and subsequent planning stages, and it extends through project design and construction to operations.

Our Vision

Create healthy, sustainable environments with a sense of community and connection by giving back, investing in our employees, and driving long-term value for all stakeholders. We are committed to proactively tackling ESG issues, making a positive, measurable impact, and sharing our progress.

2. EMS Process

Investment Criteria – Walkability

We conceive ACC student communities with an eye toward sustainability. This begins in our investment criteria. Proximity to campus is a core investment criterion when we develop or acquire communities. Walkability helps students reduce transportation costs and maintain a healthy lifestyle. And reducing students' dependence on single-occupancy vehicles also reduces emissions and the impact cars have on the environment.

Climate Risk and Executive Oversight

Climate change may add to the unpredictability and frequency of natural disasters and severe weather conditions, creating additional uncertainty as to future trends and exposures. Because some of our opportunities are in areas subject to these natural disasters and severe weather conditions, such as hurricanes, earthquakes, droughts, snowstorms, floods and fires, the impact of climate change and natural disasters can impact our operations.

We evaluate the identified significant financial and physical aspects and environmental regulatory requirements of every site or property before we allocate capital to a proposed investment. This process requires an understanding of the environmental and physical condition of the property, and the property's exposure to identified climate-related risks, among many other items. This evaluation drives our overall investment decision and our strategic planning decisions, such as the purchasing of additional property insurance policies (e.g., flood, earthquake), selection of building envelope materials, consultant selection, site design and planning, development schedule, supply purchase timing, operations budgeting, and many others.

Additionally, our governance structure requires that significant investments undergo a rigorous approval process through our investment committee and Board of Directors, who further evaluate and review our identified climate risks and mitigation procedures.

Building Design and Development

New Development

In site planning, we minimize heat loads through proper orientation and facilitation of natural ventilation. We situate our communities on or near campuses and emphasize pedestrian and bicycle circulation to minimize vehicular impact.

In our design process, we create energy models for building envelope and HVAC systems analysis to reduce environmental effects while increasing operational efficiencies and long-term savings. We apply innovative design principles to conserve water and energy, protect indoor air quality, and create healthy living spaces. We also use regional and recycled products and responsible waste management processes to conserve valuable resources while stimulating the local economy.

We are committed to maximizing the sustainability of every new ACC community while meeting budget requirements and design and technical considerations. We customize each development to local regulations and geographic conditions. We use a life-cycle cost analysis (LCCA) approach to decision-making throughout the life-cycle of a building to determine the ongoing cost and impact of ownership of each community's improvements. From the early stages of design and construction, we evaluate design and system alternatives with our expertise as operators related to facility repair and replacement cost over the product's lifespan. This LCCA process is critical to making first-cost decisions and ensuring the community will provide the lowest overall cost of ownership.

Using an approach that integrates design and technical considerations, we develop solutions that meet the project's budgetary requirements while maintaining environmental integrity. Additionally, we continually evaluate and refine our sustainability standards in our existing communities by implementing best practices established in the development of new communities to older properties, and by enhancing efficiencies, durability, or replacement of existing materials and systems.

All ACC developments are at a minimum designed to meet, and in many cases exceed, all applicable code and environmental standards established by local, municipal, and state authorities. Because these standards continue to evolve to

accommodate higher accessibility and greater sustainability, we have cultivated a network of project professionals across the nation (engineers, architects, builders) who stay attuned to those changes and specialize in student housing development. We are committed to partnering with proven industry professionals who are leaders in student housing design and are constantly seeking cost-effective ways to maximize efficiency and minimize the impact of the built environment.

Throughout the design development process, we have third-party and internal reviews of the design and documentation to verify code compliance and evaluate opportunities for sustainable decision-making and improvements in water and energy efficiency. This approach delivers better-built student communities with lower operating costs.

Green Building Certification Standards

The ACC team has developed more than 35 LEED higher education and multifamily projects as of January 1, 2022, including a Platinum level certification and 17 Gold certifications. The framework of the LEED rating system is integrated into our work at all levels, from site planning to operations, and our development standards are designed to meet LEED requirements. Our team is experienced with both the New Construction and Multifamily Midrise rating systems and is prepared to manage the certification process on any project where LEED recognition is desired. ACC is a member of the U.S. Green Building Council.

Existing Communities

We continually evaluate and refine sustainability standards in our communities. Before purchasing real estate assets, as part of our environmental due diligence, we engage external consultants to audit the property to verify compliance with all environmental regulations and identify energy efficiency, water efficiency, and carbon reduction opportunities. Additionally, we have consultants review and advise on carbon offsetting and carbon neutralizing opportunities, including onsite generation, green power, and REC contracts. We are committed to spending the necessary capital to increase efficiency and drive down usage for properties purchased that were not designed to ACC's environmental standard.

Resource Management

We are committed to operating our communities in a way that decreases our greenhouse gas emissions, our use of natural resources, and overall environmental impact. In most cases, conserving resources and improving efficiencies also reduces operating costs. Our asset management team collaborates with third-party experts and is ultimately responsible for collecting, managing, and analyzing our environmental resource data to identify best practices and opportunities for improvement, and to measure and verify the results of our sustainability initiatives. We perform ongoing analysis of our energy use, water use, and solid waste diversion data across our portfolio of ACC-owned real estate. We report on our energy, water, and solid waste use intensity where ACC has operational control.

We annually complete a greenhouse gas emissions inventory. This data informs our efforts to set measurable targets, which we report on annually. We continuously look to perform efficiency upgrades that help us achieve targets. Upon Asset Management's measurement and verification of results, our successful upgrades become part of our new development standard.

Energy Use

Our designs start with passive design strategies to reduce the need for costly mechanical interventions to reach energy performance and emissions reduction targets. Building form allows for daylighting of occupied space wherever possible. Improved building orientation, shading, insulation, air-sealing, and fenestration passively reduce the temperature swings inside buildings and reduce occupants' need to run active HVAC comfort cooling systems. Compact development and extensive planting reduce heat gain in hardscape surfaces and reduce the need for mechanical cooling. We target high insulation values for all roof and envelope materials, and we specify LED lighting and Energy Star appliances.

Renewable Energy

Scaling our use of renewable energy such as solar and wind enables us to reduce our greenhouse gas emissions. In 2020, we modified our energy procurement process to include renewable energy in our RFPs.

Water Conservation

In recognition that access to clean water is a fundamental human right, ACC is committed to water conservation and continually seeks out ways to conserve water at our properties. After successfully piloting a plumbing retrofit project at three properties in 2019, we developed a strategy to identify and implement other retrofit opportunities across our owned portfolio, and we continue to perform these retrofits across the portfolio.

Our standard fixture specifications for low-flow water usage achieve a minimum of 35 percent reduction in water use from the LEED/EPACT 1992 baseline. In our developments, we use Energy Star appliances, low-flow plumbing fixtures and aerators, and we use specific toilet components designed to reduce water use.

Indoor and Environmental Air Quality

Resident exposure to indoor pollutants is addressed by meeting local code requirements, which often includes both natural ventilation by exhausting potential pollutants to outdoor air through operable windows, doors or other similar ventilating openings, and by mechanical ventilation. In ACC's new construction standards guidelines careful attention to air filtration and enhanced ventilation is a priority by specifying at a minimum MERV 8 and HEPA filters, and designing HVAC systems to account for pressure drop across the filter. Contaminants are further controlled by installing walk-off mats at primary entryways from the outdoors.

Design for Health and Wellness

ACC's design standards include high acoustic and lighting performance, creating a comfortable interior environment for residents, staff, and visitors. Daylight modeling to reduce solar glare and thermal discomfort is an integral part of project planning, ensuring that building design is responsive to local climate conditions and optimized for comfort.

To promote resident wellness, we design inviting and well-appointed fitness spaces as a standard feature. Additionally, we provide conveniently located bicycle storage in support of occupants choosing active transportation. Generous exterior amenity space encourages physical activity and provides a connection to the outdoors. ACC's Residence Life Program integrates these physical spaces with resident programming as part of our tenant engagement focus.

3. Operation and Performance

Measure and Verify

Energy, water, and material conservation measures require data collection and occupant engagement to be successful. ACC uses a Utility Expense Management (UEM) platform to capture and analyze usage and cost data across all owned properties. We benchmark each property on an ongoing basis to identify underperforming and overperforming assets. The UEM data is also used to measure and verify the results of sustainability features incorporated into our community.

Monitor

Data Monitoring

Asset Management regularly reviews portfolio usage data to identify trends, anomalies, and opportunities to reduce usage. We review usage patterns for individual properties over time in addition to benchmarking across multiple properties using various metrics (e.g., per bed, per unit, and per square foot). Members of our Asset Management, Operations, and Facilities teams meet regularly to review the data observations of portfolio trends and property specific issues, and to discuss action plans when necessary.

On-Site Monitoring

Under the leadership of the Director of Engineering, the ACC Facilities team oversees building and preventative maintenance programs and provides training to our on-site Facilities staff. Our preventative maintenance program includes a property-specific Facilities Plan created to ensure the property maintenance and efficient operations of all property facilities and equipment. The Facilities Plan is a resource document that includes detail on all mechanical and safety systems and equipment onsite, including their preventative maintenance, inspection schedules, and operating procedures. All Facilities Plans are reviewed and approved by the Vice President of Facilities. Each property is assigned a Director of Facilities, who has proficient knowledge of the mechanical, electrical, plumbing, and safety systems. The Facilities Director is an immediate resource for the onsite staff and regularly visits the property to audit and confirm all systems are operating normally and efficiently.

Environmental efficiency and conservation are not only a matter of building and site design, but also a matter of effective operations. Improper operation of facilities and equipment can lead to unnecessary use of resources. As part of the Facilities Plan, onsite staff are responsible for monthly equipment checks to ensure equipment is operating at optimal standards.

Onsite staff routinely inspect the property to identify any water leaks, unnecessary lighting functions, and other inefficient facilities operations. When issues are suspected or identified when reviewing utility data, the Asset Management team works directly with property staff and the Facilities Department to identify and rectify inefficiencies.

External Auditing

In addition to our internal auditing processes, we also contract third-party consultants to audit and inspect our properties. Engineers routinely perform ASHRAE Level II equivalent site audits to identify opportunities to reduce usage. We provide building information and usage history prior to the audit for review. During the site visit, the engineer meets with property staff and inspects all water and facilities systems. Following site visit, the engineer provides a report of all recommended Energy Cost Measures (ECM), inclusive of estimated capital cost, estimated usage reduction, and projected cost savings.

Resident Engagement

Resident engagement is a core component of our ESG strategy. ACC's Residence Life Program promotes sustainability through education and events focused on conservation, innovation, and best practices. We incorporate design elements into select communities to prominently showcase sustainable features and building systems to promote awareness and make sustainable behavior commonplace in everyday life. We communicate building functionality to our residents so they can make the most of those features.

Residents are responsible for all or a portion of utility costs at most owned assets, creating a vested interest for our residents to conserve energy, water, and waste.

We focus on tenant education and awareness by providing energy and water information and tips for residents to conserve their usage. Utility consumption data for each property is available for residents to review.

We inform residents about sustainable behaviors and community involvement through programs designed to educate, empower, and inspire. We enable our employees to create lasting value through sustainable practices, opportunities, and solutions, and we use sustainable community features and programs as residential teaching aids. We lead by example, and our residents benefit from our active involvement in associations and organizations that support green building principles.