



Environmental Sustainability Policy

Elme Communities recognizes the impact of the built environment on that of the natural one and is committed to protecting and preserving the nature that surrounds and is a part of our communities. Our goal is to ensure environmental stewardship by optimizing energy and water use, reducing greenhouse gas emissions, identifying and mitigating physical and transitional risks due to climate change, minimizing waste streams, and deploying effective practices of environmental management across our portfolio. To achieve this goal, we engage in the following activities and processes:

Environmental Management:

- We use an iterative process aligned with ISO 14001 for continuous environmental performance improvement with responsibility throughout the organization.

Energy Efficiency and Management:

- We establish short- and long-term goals for energy reduction.
- We monitor energy demand and consumption across communities and complete recurring energy audits/assessments.
- We identify potential opportunities to increase energy efficiency and reduce energy use through both passive and active strategies, including but not limited to LED Lighting, ENERGY STAR-rated (or equivalent) appliances, and smart controls for energy-using equipment.

Greenhouse Gas (GHG) Emissions:

- We establish short-term and long-term goals and programs for the reduction of greenhouse gases.
- We measure and monitor Scope 1 and 2 emissions, and develop a program for monitoring Scope 3 in alignment with the GHG Protocol.

Transportation:

- We provide adequate bicycle storage and facilities and promote the use of alternative transportation, including public transportation.
- We identify potential opportunities to install electric vehicle (EV) charging stations to meet resident needs (current and future).

Renewable/Clean Energy:

- We regularly review opportunities and practicality for deployment of on-site renewable energy based on regional and global market conditions across all communities.
- We regularly review opportunities for procuring off-site renewable and/or cleaner sources of energy compared to traditional sources and evaluate the practicality of implementing such opportunities based on market conditions.

Waste Management:

- We monitor and regularly evaluate waste generation and diversion from properties, where possible.
- We promote recycling and other alternatives to landfill within our communities.
- We identify means to reduce consumption and creation of waste from corporate and community operations.

Water Consumption:

- We monitor and regularly evaluate water consumption across all properties and communities.
- We reduce water consumption by implementing water efficiency equipment, fixtures, and initiatives, and identifying opportunities for optimization, including but not limited to, smart irrigation controls and technologies, low-flow fixtures and other flow reducing technologies.

Green Building Operations and Certification:

- We obtain sustainability certifications for existing buildings/communities where feasible and practical, including but not limited to BREEAM, LEED, and ENERGY STAR.
- We implement operational policies that align with industry-leading green building programs regardless of certification, including but not limited to energy management, water management, materials and waste management, indoor air quality, integrated pest management, and green cleaning.
- We prioritize (re)development in brownfield locations over greenfield. If greenfield development is determined as necessary, we apply for and work to obtain green building certifications across all said developments.

Supply Chain and Vendor:

- We implement a supply chain standard around environmental sustainability, and where practical, engage suppliers and contractors making efforts to minimize their impact on the environment.

Climate Risk and Resiliency:

- We analyze existing assets regularly for climate-related physical risks using a third-party resiliency risk assessment and generate an aggregate risk score for risks including but not limited to flooding, sea level rise, hurricane/high winds, earthquake, heat stress, and water stress.
- We monitor potential changes and introductions of local, regional, national, and global regulations and policies that present increased transitional/financial risk.
- We assess new acquisitions during due diligence for climate-related physical and transitional risks, including those noted above, and incorporate into review package.
- We review potential and practical resiliency strategies to mitigate identified physical risks determined as “High” or “Very high” Risk, as well as assess if the risk is already mitigated.

Biodiversity and Habitat:

- We assess opportunities to incorporate landscaping that is native and/or encourages and supports biodiversity within the local ecosystem, as well as landscaping that reduces water consumption from irrigation.

Engagement:

- We regularly engage with residents, team members, vendors, contractors, and the public to communicate our Environmental Sustainability Policy and commitments to environmental stewardship.