



2020 SUSTAINABILITY REPORT

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A LETTER FROM OUR CEO

Louis Haddad PRESIDENT AND CHIEF EXECUTIVE OFFICER



Throughout Armada Hoffler's history, we have remained focused on being sustainably conscious when it comes to environmental, social and governance efforts, formally known as ESG. We believe being a good corporate citizen is essential to good business and to creating long-term value for our stakeholders.

Though this letter is meant to serve as an overview of our 2020 sustainability efforts, I'll begin by addressing the ongoing COVID-19 pandemic that has led to so much uncertainty in the world as we know it. Our top priority remains the safety and well-being of our employees, their families and all of our stakeholder groups. We are committed to providing strong support to our partners and tenants as well as continued communication for our investors. We have always been dedicated to the communities around us and devoted to do our part to keep them safe.

That being said, we continue to recognize the importance of sustainability to our investors, employees, tenants and the communities we live and work in. In 2020 we worked towards expanding upon what innovative practices we already have in place and developing new initiatives to continually strengthen our progressive mindsets by bringing to light new ideas

which will help our advancement. As we explore new projects, we approach the planning with environmental awareness at the forefront and work to improve upon existing projects in our portfolio to ensure we are making changes that contribute to sustainability. This is further demonstrated by the operation of our corporate offices. Additionally, our employees are the foundation of our company and we believe investing in their development is a necessity. We spend thousands of hours each year providing training and development programs to our team. Armada Hoffler has always strived to be a community steward and we continue to give back through outreach events, sponsorships and raising money for community organizations that support those in need. Lastly, we recognize that ethics of governance are paramount in continuing to instill the trust of our stakeholders. We are honored to have an esteemed Board of Trustees who are committed to continue to focus on delivering long term value to our investors.

Our goal has always been and will continue to be to focus on sustainability when it comes to environmental, social and governance practices. We are pleased to release our sustainability report for 2020.

A handwritten signature in black ink, appearing to read 'L. Haddad', written in a cursive style.

OUR COMPANY

- Armada Hoffler Properties (NYSE:AHH) is a vertically-integrated, self-managed real estate investment trust with four decades of experience developing, building, acquiring and managing high-quality office, retail and multifamily properties located primarily in the Mid-Atlantic and Southeastern United States. The Company also provides general construction and development services to third-party clients, in addition to developing and building properties to be placed in their stabilized portfolio

INVESTING IN OUR PEOPLE





“ Our employees are the foundation of our company and we believe investing in their development is a necessity. ”

- LOUIS HADDAD
President and Chief Executive Officer

Employee Benefits:

- Medical, dental and vision coverage
- 401(k) retirement savings plan with employer match
- Employer paid life and AD&D insurance
- Employer paid short- and long-term disability
- Tuition reimbursement
- Health savings account
- Flexible spending account
- Work-life balance programs
- Paid time off
 - Employees can earn additional paid time off by participating in outreach programs and take up to four hours per quarter to volunteer
- "Get Stronger" Employee Wellness Incentive Program
- Employee Assistance Program (EAP)
- Wellness initiatives
- Gym membership reimbursement
- Career development
- Smoking cessation program
- Meals that Heal program
- Annual flu shot program
- Legal benefits
- Automatic defibrillator located in all offices
- Town Center Employee Insider Deals
- Identity Theft Protection
- Cost of Continuing Educations credits covered



Investing in Our People

We value every employee at Armada Hoffler and believe our continued success is based on their wellness, professional development and well-being. Our core belief is centered in excellent customer service for our team leaders and employees, supporting them through recruiting, onboarding, training, development and total rewards. Furthermore, we continue to strive to build a more diverse and inclusive organization. We empower each other to bring unique perspectives and experiences to work, and we continually seek new ways to do so.

Our Employees: Our Greatest Asset

In the midst of the ongoing pandemic and with setbacks in the economy, the senior executive team made the decision to continue with the employee evaluation process and associated annual salary increases (with the notable exception of the senior management team who graciously volunteered to forego increases). Additionally, all eligible employees were rewarded their annual bonus and restricted stock allowance. Even with obvious and ample reasons to suspend raises, and even reduce wages and benefits in the current environment, the company believes those sorts of actions would only be implemented as a last resort to preserve jobs. To the contrary, Armada Hoffler chooses to acknowledge and reward superior performance when at all possible. This has been Dan Hoffler's philosophy since founding the company in 1979.

60%

OF PROMOTIONS
IN 2020 IDENTIFY
AS FEMALE

30%

OF PROMOTIONS IN
2020 IDENTIFY AS AN
ETHNIC MINORITY

CoVa Best of Business

We are proud to announce we have won 7 CoVa Best of Business awards:



- Company Awards:
 - Best Commercial Builder - Armada Hoffler Construction
 - Best Company with a Local Presence- Armada Hoffler Properties
 - Best General Contractor - Armada Hoffler Construction
- People in Business Awards:
 - Business Person of the Year - Lou Haddad
 - Top CEO - Lou Haddad
 - Best Local Leader Making a Difference - Lou Haddad
 - Young Business Person of the Year - Sali Kedir

Training



3,097

Hours spent on employee training in 2020



100% Employee Completion

- Ethics Reporting & Retaliation
- Workplace Harassment
- Workplace Violence & Bullying



Employee Attended Conferences

- ICSC
- NC State SHRM
- NAREIT
- ViewPoint Conference
- Development Programs
- REITWorks
- Sustainable Investment Forum North America 2020
- ULI Capital Markets Conference
- HRSHRM Black Lives Matter - Diversity, Equality and Inclusion in the Workplace
- National Association of Women in Construction (both state and local)
- Equal Employment Opportunity Commission's "Better Together - Workplace Race Relations"
- Annual Employment Law
- Dealing with Change in the Workplace

Talent Development

At Armada Hoffler, we place great value on employee growth through goals, feedback, and professional and leadership development offerings:



- Succession Planning
- Mentor Mentee Program
 - Career Path Planning
- Supervisor Training Sessions
- Employee Training

Demographics

Armada Hoffler is committed to a continued development of workforce that reflects a diverse group of people who represent our core values.

22%

OF BOARD OF DIRECTORS IDENTIFY AS FEMALE

11%

OF BOARD OF DIRECTORS IDENTIFY AS AN ETHNIC MINORITY

11%

OF EXECUTIVE LEADERSHIP IDENTIFY AS FEMALE

22%

OF EXECUTIVE LEADERSHIP IDENTIFY AS AN ETHNIC MINORITY

21%

OF DIRECTOR LEVEL OR ABOVE LEADERSHIP IDENTIFY AS FEMALE

40%

OF THE LAST 10 HIRES IN 2020 IDENTIFY AS AN ETHNIC MINORITY

30%

OF THE LAST 10 HIRES IN 2020 IDENTIFY AS FEMALE



COVID-19 RESPONSE

At Armada Hoffler, our goal remains the safety and well-being of our employees, their families and all of our stakeholder groups. Due to the escalation of COVID-19, we temporarily pivoted to remote working arrangements for our employees (for those that can work remotely; our construction sites were deemed essential workers by state government). Implementation of contingency plans for unseen circumstances such as this, allow our employees to conduct business as usual. We will always be committed to providing the same support to our partners and tenants as well as continued communication for our investors regardless of working location. We will remain dedicated to the communities around us and devoted to do our part to keep them safe.

Armada Hoffler COVID-19 Response

- Temporarily pivoted to remote working arrangements for employees starting in March
 - Phased-in return to office approach to included flexible seamless transition with the option to work from home if possible
 - Armada Hoffler Construction Company deemed essential business: continued working safely to include regular temperature screenings, single source entries onto jobsites, and more
- Worked proactively to manage tenant relations (see table below for rent collections)
- Engaged regularly with investors to provide transparent communication
- Maintained open and clear communication with employees during remote work
- Conducted processes in partnership with property management to continue in disinfecting our office space and common area
- Return-to-work essentials were given to all employees returning to the office: PPE masks, hand sanitizer, hand lotion and tissues
- Modified in-office work protocol and spaces to include newly installed barriers in open spaces, relocation of employees, sanitization of all delivered packages and new guest visitation policy

Maintaining Tenant Relations

We worked hand in hand with tenants to defer rent collections for those who needed extra assistance due to the pandemic

TOTAL DEFERRED RENT COLLECTIONS*

Deferred rent due collected in 2020 93%

2020 YTD	93%	7%
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Jan 2021	76%	24%
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Deferred Rent Recovered

Repayment Outstanding

*As of 1/31/21

Employee COVID-19 Response Survey⁽¹⁾

95%

AGREE ARMADA HOFFLER
RESPONDED IN A TIMELY MANNER

92%

AGREE ARMADA HOFFLER
RESPONDED IN A WAY THAT
DEMONSTRATES CARE OF ITS
EMPLOYEES WELL-BEING

92%

AGREE EMPLOYEES CAN TRUST
ARMADA HOFFLER TO TELL THEM
ABOUT THE IMPACT COVID-19 IS
HAVING ON THE BUSINESS

83%

AGREE ARMADA HOFFLER
UNDERSTANDS THE ADDITIONAL
FLEXIBILITY NEEDED TO MANAGE
PERSONAL RESPONSIBILITIES

⁽¹⁾Virginia based employees surveyed through third party organization

SAFETY PROTOCOL

Incidents and Accidents

In 2020 Armada Hoffler experienced only one recordable accident in almost 300,000 hours worked. This allowed us to achieve an OSHA incident rate of 0.72 which is well below the National average for companies of our type and size.

Safety Program Modernization

An integral part of our ability to lower our OSHA incident rate by 65% in one year was the modernization and implementation of our new Corporate Safety and Health Program.

Our Safety and Health Program was updated using the latest government regulations and industry best practices to ensure the safest possible working environment for our employees, subcontractors, and visitors. This program also aids in meeting our environmental and sustainability goals because the program is paperless including links to electronic resources, files, and forms. All forms can be completed, signed, and submitted electronically without a single page printed.

Safety Training

Since the implementation of the modernized Safety and Health Program our training programs and processes have also been updated. The enhanced use of video conferencing systems and video production have allowed the Safety Department and the company to reduce its carbon footprint by reducing travel needed for training.

We have increased the amount and quality of workplace safety and health training and certifications available in house for employees and subcontractors. These programs range from First Aid and CPR training to Hazardous Waste Operations and Emergency Response Training.

Safety Department Sustainability

The Safety Department has recently implemented procedures to reduce the amount of disposable equipment or supplies we purchase and focus on items that will reduce the amount of waste we generate where it is safe to do so.

Additionally, we have undertaken new efforts to renew equipment for reuse after each project to reduce safety costs and overall environmental impact. This includes refilling and reconditioning emergency equipment required on every job site.

If the situation arises where an item must be disposed of, the Department will ensure it is either recycled or disposed of, in an environmentally responsible manner.



Environmental Safeguards

Through the design processes to ribbon cutting, our projects are assessed for compliance with all federal, state, and local environmental protection regulations. The Safety Department assists with this through pre-project planning, preparedness and response planning, training, and frequent inspections.

These efforts are focused on ensuring that our offices and projects do not negatively impact the environment during our business operations. These may range from ensuring proper sediment and erosion control measures to establishing enhanced safeguards and procedures to protect the environment and its natural inhabitants during complex construction operations in environmentally sensitive areas or on previously contaminated sites.

Pandemic Preparedness and Response

As soon as public health officials began to warn of the Coronavirus (COVID-19) becoming a global pandemic, the Department began working with our executive leadership to establish and implement a Pandemic Preparedness and Response Plan.

This plan was implemented in early March of 2020. The plan establishes basic and enhanced procedures ranging from job site temperature screening to decontamination and response procedures if we have a contamination event in an office or project site.

This plan continues to be in place and is regularly updated with the latest Public Health Information as needed. This plan is anticipated to be a new part of our everyday operations here at Armada Hoffler as long as pandemic viruses continue to be a potential safety and health threat to our employees, subcontractors, clients, vendors, and visitors.

Armada Hoffler is in compliance with the Virginia Emergency Temporary Standard mandated by the Governor. Additionally, we elected to utilize the mandate on all Armada Hoffler sites, not just Virginia.



DATA SECURITY AND IT

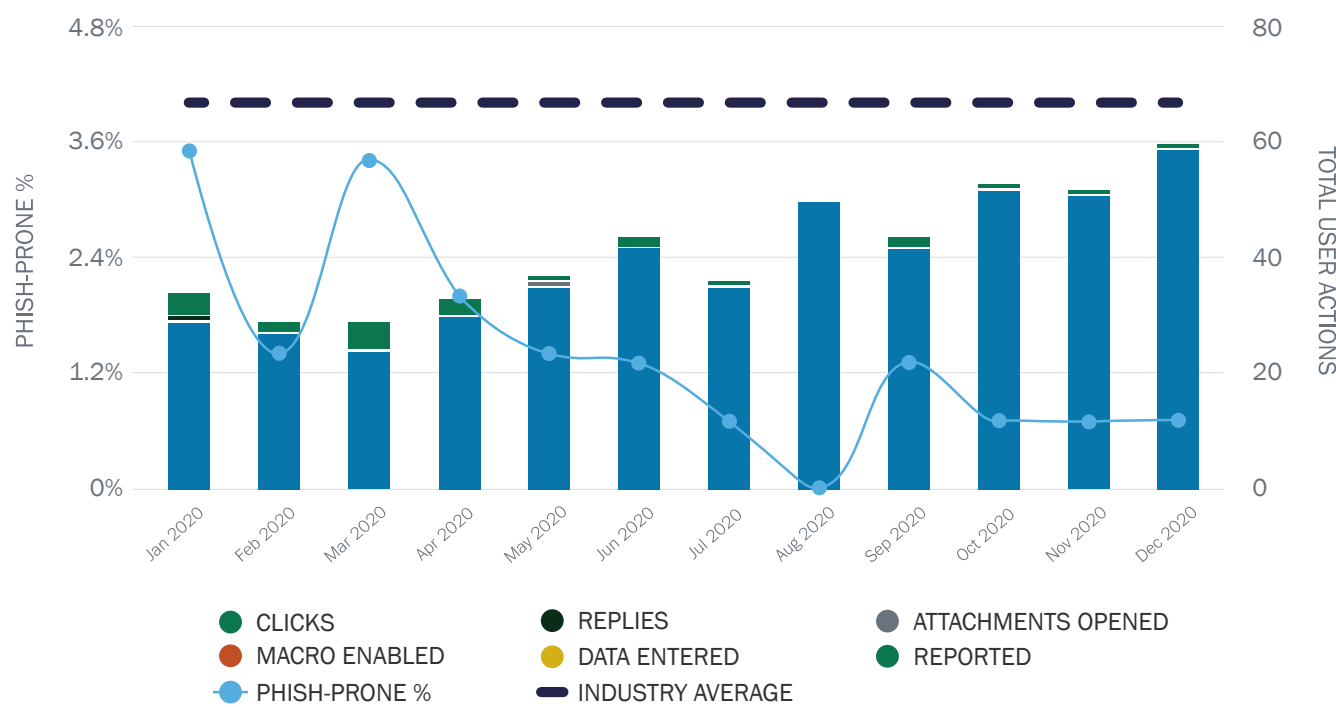
- Armada Hoffler employs a robust cybersecurity program based upon the Cybersecurity Framework for Critical National Infrastructure issued by the National Institute of Standards and Technology (NIST). In 2019 and 2020, an evaluation of our cybersecurity readiness was conducted by a third-party specialist which rated the program as "Tier 3: Repeatable" as defined within the NIST framework.
- Substantial investment was made to transition most IT infrastructure to cloud-based solutions prior to the COVID-19 pandemic, resulting in a seamless transition to a remote working environment.
- Automated log collection and AI analysis has been incorporated to increase security and minimize risk detection times.
- Through weekly training, Armada Hoffler has made significant progress as it relates to email attacks, utilizing real-world events and hot-topics in training, achieving a zero click rate in our July 2020 monthly security test. Armada Hoffler was below the industry average for 2020 of monthly testing, and employee recognition and reporting continues to rise.

In 2020, Armada Hoffler employed a number of digital technologies to address environmental sustainability & propel our organization's progress toward digital maturity.



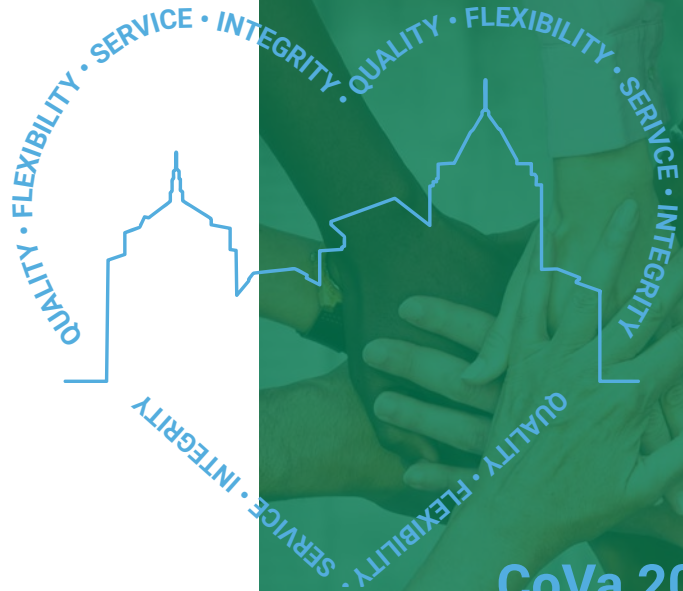
Phishing Security Tests 01/01/2020 - 12/31/2020

23 Clicks, 1 Reply, 1 Attachment Opened, 0 Macro Enabled, 0 Data Entered, 476 Reported





IT'S ALL ABOUT COMMUNITY



Our Outreach Partnerships Include:

- ALS Association
- Alzheimer's Association
- American Cancer Society
- American Red Cross
- Crush Cancer/Cycle for Survival
- Foodbank of Southeastern Virginia & The Eastern Shore
- Hope House
- Living Classrooms Foundation, Baltimore, MD
- Meals on Wheels of Virginia Beach
- Ronald McDonald House Charities of Baltimore & Maryland
- The Up Center
- Thurgood Marshall Elementary School
- Union Mission Ministries, Norfolk, VA
- Virginia Beach SPCA

Special Constable Malachi J. Beasley Award

In July 2020 Armada Hoffler was honored with the Special Constable Malachi J. Beasley Award for the donation and support of first responders' mental health. In May of 2019, Virginia Beach was struck by tragedy. Following the senseless event, Armada Hoffler proudly donated \$50,000 to The Virginia Beach Police Foundation to support crisis counseling and related services for first responders.

2020 OUTREACH EVENTS



February 2020

5K LOVE RUN/WALK TO BENEFIT (CHKD)

Armada Hoffler employees raced in a live event helping the overall event meet the goal of \$17,000 raised for CHKD.



March 2020

MEALS ON WHEELS OF VIRGINIA BEACH

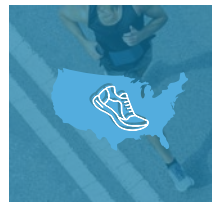
Outreach donated a one-day supply of cloth delivery bags & breakfast bars for 110 elderly clients in the VB area.



March 2020

RONALD MCDONALD HOUSE OF BALTIMORE

In lieu of participating in the Red Shoe Shuffle race, Armada Hoffler made a donation directly to the organization.



June 2020

RUN ACROSS AMERICA

Armada Hoffler employees participated in the virtual 5k event for Feeding America nationwide.



July 2020

THE AMERICAN RED CROSS BLOOD DRIVE

Armada Hoffler hosted a socially distanced blood drive with The American Red Cross at Town Center of Virginia Beach. 33 donations were collected, potentially saving 99 lives.



August 2020

STEP UP FOR THE UP CENTER

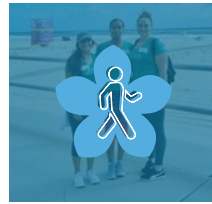
Armada Hoffler employees and their family units came together for a social distancing walk in Virginia Beach and Baltimore benefiting The Up Center.



September 2020

ADOPT-A-SCHOOL SUPPLY DRIVE

Armada Hoffler donated enough supplies for 60 children plus additional quantities of the crucial COVID-19 items to Thurgood Marshall Elementary School.



September 2020

WALK TO END ALZHEIMER'S

Armada Hoffler employees and their family units came together for a social distancing walk in Virginia Beach and Baltimore benefiting the Alzheimer's Association.



October 2020

LIGHT UP MBC

Illuminated Clark Nexsen building in Virginia Beach Town Center in support of Moore Fight Moore Strong #LightUpMBC campaign and METAvivor Research and Support Inc.



October 2020

WALK TO DEFEAT ALS

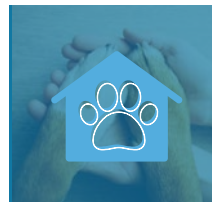
Armada Hoffler employees and their family units came together for a social distancing walk in Chesapeake and Baltimore. Entry fee was donated to the local ALS Association DC/MD/VA Chapter.



November 2020

THURGOOD ELEMENTARY FOOD DRIVE

Armada Hoffler packed & delivered 100 bags filled with a complete Thanksgiving meal to 100 families of Thurgood Marshall Elementary School.



November 2020

VIRGINIA BEACH SPCA

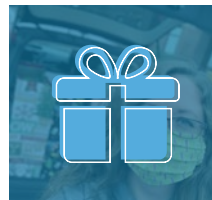
Armada Hoffler employees held a fundraiser benefiting the Virginia Beach Society for the Prevention of Cruelty to Animals.



November 2020

BALTIMORE FOOD DRIVE

Armada Hoffler delivered a carload of groceries plus a cash donation for the Living Classroom Foundation Thanksgiving Food Drive, helping to provide dinner to 430 Baltimore families in need.



December 2020

THURGOOD ELEMENTARY SECRET SANTA

Armada Hoffler delivered 25 bags filled with individually wrapped gifts for 25 children of Thurgood Marshall Elementary School.

ENERGY EMISSION

Climate Change Strategic Plan

As leaders in the Real Estate industry, we at Armada Hoffler recognize that a focus on environmental sustainability is critical to the success of our company, the industry and the future of our planet. Throughout the years, Armada Hoffler has consciously invested and refined our focus on various conservation initiatives and business practices. We partner with our stakeholders, board and executive management team to identify materially relevant opportunities and risks across the Armada Hoffler business portfolio and our ESG strategy. As a result, we are targeting areas where opportunity exists to reduce consumption and emissions, while also increasing operating efficiency within our portfolio. Subsequently, the organization works to craft operating policies that incorporate the spirit the aforementioned initiatives into our priorities, goals and working processes. Some recent examples include investment in LED lighting conversions, LEED certifications, inclusion of ENERGY Star appliances, touchless faucets, paperless/paper reduction initiatives and many more.

Armada Hoffler completed a materiality assessment identifying areas of significant impact to our corporate operations to be prioritized. Through our continued efforts, Armada Hoffler is intentionally reviewing opportunities to improve our position as it relates to overall environmental impact while we are setting targets for our company and its employees to achieve milestones along the way:

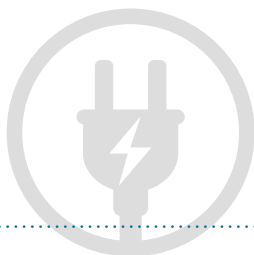
- Present a 2030 Climate Change Strategic Plan for review by the Executive Team and Corporate Governance Committee, with subsequent publication by the end of FY 2021
 - Following publication of Climate Change Strategic Plan, report to the Executive Team (quarterly) and Corporate Governance Committee (annually)
- Fully transition portfolio to LED lighting by 2030
- Install EV charging stations at all newly developed buildings beginning effective 2021

2020 Green Investments

- Acquisition of LEED GOLD certified Annapolis Junction
- Capital Expenditure projects including but not limited to:
 - LED light conversion and auto dimmers
 - Touchless low flow faucets and automatic paper towel dispensers
 - Tankless water heaters
- Installed Energy Star appliances in redeveloped multifamily units

The data represents the consumption and scope 1 and 2 emissions for all properties owned and stabilized for the entire calendar year. Like for Like data excludes properties that were not owned and stabilized for both periods. Certain properties are excluded due to the availability of information such as properties that represent ground leases, absolute net leases where tenant pays individually metered utilities, and properties subject to a condominium regime. We seek as much data coverage as possible; however, this means the data may include triple-net office space, resident-controlled apartment use, and tenant-controlled space.

Energy



GHG



Water



2020 Uses and Emissions

52,573

MWh

17,481

MTCO₂e

114,968

KGal

Like For Like

2019

35,841

MWh

2019

10,878

MTCO₂e

2019

76,205

KGal

2020

31,515

MWh

2020

10,050

MTCO₂e

2020

71,630

KGal

CHANGE %

-12.1%

DECREASED ENERGY USAGE

CHANGE %

-7.6%

DECREASED GREEN HOUSE
EMISSIONS

CHANGE %

-6.0%

DECREASED WATER USAGE

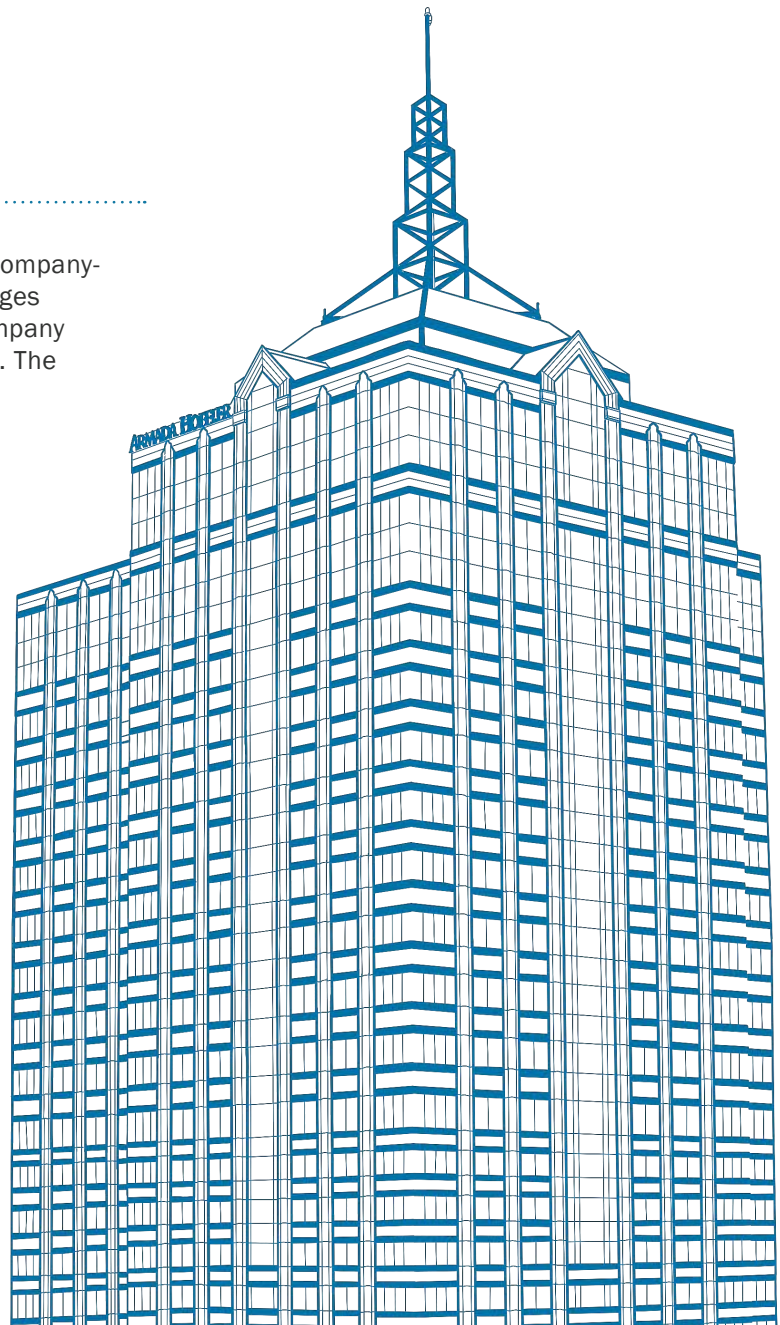
ARMADA HOFFLER HEADQUARTERS

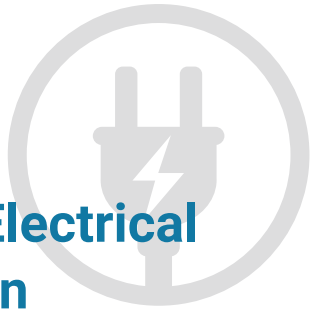
Armada Hoffler Office Tower Environmental Initiative

In an effort to continue to evaluate and improve upon our company-wide sustainability initiatives, we made upgrades and changes to our Armada Hoffler office tower, which serves as our company headquarters as well as office space for additional tenants. The following were completed in 2020:

- All plumbing fixtures were converted to automatic. This includes soap and paper towel dispensers, faucets, and toilets
- All new office buildouts utilized LED lighting and sensors to reduce the lighting load
- Installed foot door openers in all restrooms to allow completely touchless opening and closing
- LED lighting conversions in common areas, elevators, stairwells, service corridor/loading docks, and existing offices as areas are retrofitted
- New appliances replaced to Energy Star standards
- Occupancy/daylight sensors on lighting remodeled/new buildouts
- Setbacks with HVAC systems during unoccupied times implemented
- Green cleaning supplies used throughout entire building
- Eliminated plastic water bottles in all Armada Hoffler offices*

*Where COVID-19 protocol allows





Decreased Electrical Consumption

We continue to improve upon our electrical consumption at the Armada Hoffler office tower. This is attributed to renovating with LED lighting conversions, ENERGY Star appliances, occupancy/daylight lighting sensors and setbacks with HVAC systems during unoccupied times. We also installed new glass doors in the entrance lobby allow more natural light in to the common areas.



Decreased Water Consumption

With the installation of touchless faucets in the office tower, the water flow rate was reduced by 77% per faucet over the original faucets. Greater savings are also expected due to a reduction in run times (water only flowing while hands are actively washing under the faucet, and automatically shutting off once washing is complete).

By the Numbers

31

TOTAL OFFICE
TENANTS

9

TOTAL RETAIL
TENANTS

13

TOTAL OPERATING
FLOORS

9

PARKING GARAGE
FLOORS

320,680

TOTAL SF OF
OFFICE TENANTS

38,515

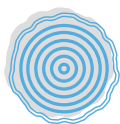
TOTAL SF OF RETAIL
TENANTS

1,284

PARKING SPACES IN
BLOCK 4 GARAGE

Paperless Savings

In 2020, we transitioned from paper contracts and agreements to DocuSign. On average, we saved:



8,700

POUNDS OF WOOD



25,000

GALLONS OF WATER



20,000

POUNDS OF CARBON



1,400

POUNDS OF WASTE



ANTHROPOLOGIE

LEED ACCREDITED EMPLOYEES
7

LEED PROPERTIES



LEED Gold

- Annapolis Junction
- Exelon Headquarters Building*
- Thames Street Wharf



LEED Silver

- Clark Nexsen Office Building
- Legg Mason World Headquarters*
- Virginia Beach Animal Care & Adoption Center*
- Wills Wharf
- 1405 Point Street Apartments
- 9 East 33rd Street

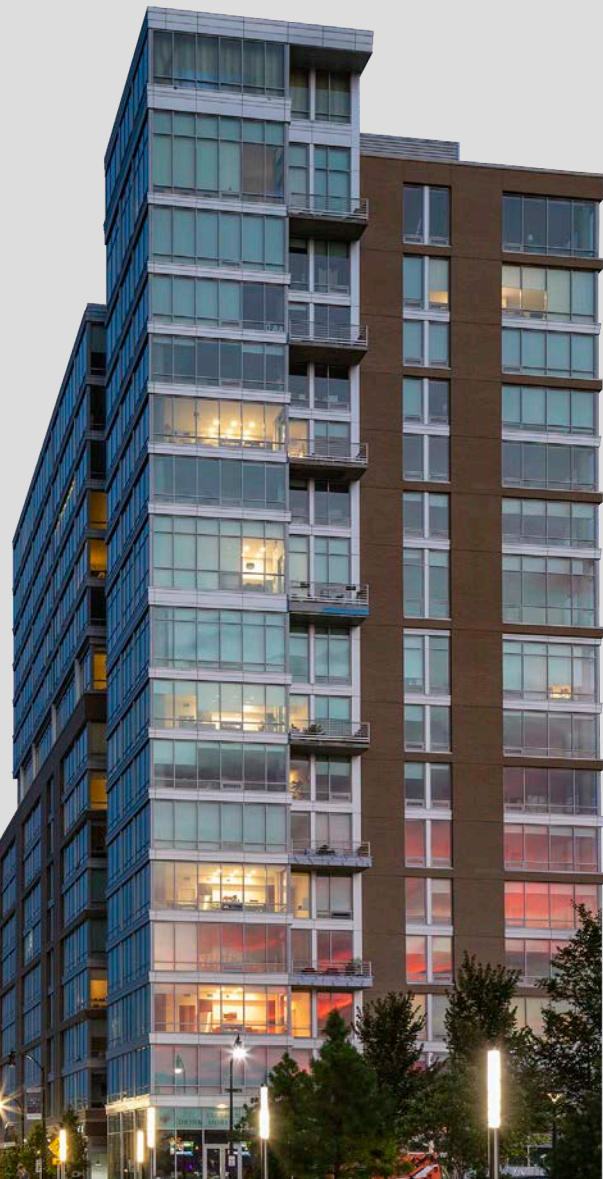


LEED Certified

- Williams Mullen (*LEED Lite*)*
- Hampton University Biomedical Research Building II*
- Hyatt Place Baltimore*
- Curtis Investments Office Building*
- Virginia Natural Gas*

*Involved in construction and/or development of projects. Armada Hoffler does not have ownership.

DEVELOPMENT & BRAND STANDARDS



Implementing Brand Standards Across Design and Processes

- Incorporating sustainability within multifamily projects with energy-efficient living spaces, integrating technology & innovative amenities
- Creating efficient design management
- Continuing to implement motion-sensor corridor lighting, smart controls for HVAC, ENERGY Star appliances and rainwater collection systems
- Including health and wellness focused elements such as electric car charging stations, walking paths & lush landscaping, walking accessibility/transient-oriented projects
- Focusing on supply chain sourcing closer to job site



CULTIVATING COMMUNITY

From the Ground Up

Summit Place Charleston, SC

When planning and developing new projects, we strategize to foster a sense of community and tenant engagement in all aspects. We focus on this for all assets as we place value on being a community steward. Our student housing facility in Charleston, South Carolina, Summit Place, exemplifies this with stand-out amenities, dedicated service, and endless on-site programming.

Summit Place Offers

- Controlled access community
- Package concierge system
- On-site, gated garage parking
- Luxurious clubhouse with billiards and ping pong
- Multiple private and group study rooms
- State-of-the-art fitness center with yoga studio
- Courtyard swimming with pool lounge
- Spacious, on-site art studio
- Retail next door
- Recreational rentals available to residents: paddleboards, bikes, etc.
- Bike storage



GREEN INVESTMENT

Sustainability in Annapolis, Maryland





Residences at Annapolis Junction



Energy- efficient heating, ventilating and air-conditioning (HVAC) and central hot water systems to reduce energy consumption



Low-flow plumbing fixtures to reduce water consumption



Energy Star appliances designed to reduce utility bills



Low-energy lighting used throughout the property



Electric car-charging stations on-site



Located within walking distance to the Savage MARC Station



Bicycle repair room and storage for residents



Residents are encouraged to reduce emissions by taking part in their ride share program

GOVERNANCE

Robust corporate governance and transparency are values that have guided Armada Hoffler since its founding 40 years ago. We believe our policies reflect our strong commitment to integrity and business conduct, stakeholder engagement, assessment of social impacts, and making positive contributions to the communities in which we do business.

Stockholder Engagement

Our executive officers and the Board of Directors believe that stockholder engagement is an important component of our governance practices. We regularly engage with our stockholders on a variety of matters, including corporate governance, environmental approach and social posture in an effort to continue our sustainability leadership position. Our stockholder engagement program is a year-round process that includes participation at investment conferences and frequent non-deal roadshows at which our executives regularly meet with stockholders around the United States.

Our Sustainability Committee

The Company established a Sustainability Committee, a new a cross-functional management committee formed to support the Company's ongoing commitment to environmental, workplace health and safety, corporate social responsibility, corporate governance, and other sustainability matters. Members of the Sustainability Committee are appointed by the Company's Chief Executive Officer and are required to report quarterly to the CEO and annually to the Nominating and Corporate Governance Committee of the Board of Directors.

Governance Documentation

In early 2020, additional corporate governance enhancements were adopted by our Board of Directors. These enhancements focus on Environmental Policy, Human Rights Policy, Vendor Code of Business Conduct, Incentive Compensation Clawback Policy and Anti-Hedging Policy. Additionally we opted out of MUTA, thereby prohibiting us from electing to classify our Board of Directors unless we receive stockholder approval to do so; the actions taken by the Board demonstrate our ongoing commitment to enhanced transparency and accountability. To view our corporate governance documents visit the Investors page of the Company's website found [here](#).

Proxy Access

Proxy access enables eligible long-term stockholders to nominate and include their own director nominees in the Company's proxy materials, along with the candidates nominated by the Company's Board of Directors. With the adoption of this bylaw amendment, a stockholder, or group of up to 20 stockholders, owning at least 3% of the Company's outstanding shares of common stock continuously for at least three years, will be able to nominate and include in the Company's proxy materials eligible director nominees up to the greater of (i) 20% of the number of directors up for election at the Company's annual meeting of stockholders or (ii) two director nominees, subject to the additional requirements specified in the Company's bylaws.





[ARMADAHOFFLER.COM/SUSTAINABILITY](https://armadahoffler.com/sustainability)