# Apollo Group 2012 Sustainability Updated

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2012 Goals & Targets

Goal: Enhance program for environmentally responsible procurement and supply chain management

- **Target**: By October 1, 2012, initiate a survey relating to environmentally responsible indicators of the company’s largest suppliers, with a target collectively of capturing in the survey suppliers that constitute 80% of the company’s expenditures with respect to suppliers.

- **Target**: By June 30, 2013, based on survey results establish baselines for environmentally responsible indicators by vendors, including percentage of suppliers that have external environmental certifications.

- **Target**: By December 31, 2013, based on analysis of baselines, consider setting additional targets related to percentages of suppliers who achieve various indicators of environmental responsibility.

- **Target**: By August 31, 2012, require prospective suppliers as part of the company’s RFP process to complete the environmental responsibility survey (see attached survey).

- **Target**: By December 31, 2013, reduce U.S. paper consumption by 10% compared to 2011 levels, increasing use of two-sided printing compared to 2010 levels.

Goal: Enhance program to reduce energy consumption and greenhouse gas emissions (GHG)

- **Target**: By December 31, 2013 reduce energy consumption by 3% below 2011 baseline for Phoenix metro Portfolio office buildings.

- **Target**: By December 31, 2012, reduce greenhouse gas emissions (scope 3) due to corporate travel by 16% below 2011 Scope 3 emissions levels.

- **Target**: By August 31, 2012 establish baseline for Power Usage Efficiency (PUE) for largest Phoenix data center (17,000 sq. ft).

- **Target**: By June 30, 2013, based on the PUE baseline and other benchmarks, establish a PUE target and goal and deadline for achieving such target and goal.

- **Target**: By December 31, 2012, reduce energy consumption in largest data center by over 900,000 kWh through energy reduction projects.

Goal: Enhance environmental reporting, transparency, and disclosure

- **Target**: By August 31, 2012 achieve and make public preliminary group level reporting for greenhouse gas emissions that includes domestic and international data.
Goal: Enhance recycling and waste reduction.

- **Target**: By December 31, 2013, achieve 20% Phoenix diversion rate (diverting disposed items from trash to recycling).
- **Target**: By December 31, 2013, evaluate current Phoenix consumption and identify reduction opportunities by December 31, 2013.
- **Target**: Maintain domestic e-waste disposal through BAN-certified vendor at 100% of disposed e-waste.

Goal: Begin to formalize programs for water use reduction

- **Target**: By December 31, 2013 evaluate current Phoenix metro consumption and identify reduction opportunities by end of December, 2013.

Goal: Advance indoor air quality programs

- **Target**: By August 31, 2012, assess Apollo Phoenix metro buildings against LEED & ASHRAE standards, and evaluate opportunities for changes in 2013.

Goal: Enhance programs for employee environmental education and community engagement

- **Target**: By September 30, 2013, increase to 20% level the percentage of Apollo domestic employees participating in the ongoing Earth Year℠ interactive sustainability engagement and education program, which seeks to encourage and educate employees on environmental actions they can take at home, at work, and in the community.
- **Target**: By December 31, 2013, increase by 20% the number community members benefiting from Apollo’s environmental philanthropic initiatives for teachers, students, and entrepreneurs (compared to 2012 levels).
2011/2012 Updates

Real Estate and Facilities

In 2012 RE&F defined a sustainability program with goals in four categories: energy, waste, water and indoor air quality. The program is intended to build on the project work over the past several years. The program includes maturing how RE&F operates by implementing a playbook, which provides the guidelines, processes and templates to achieve Apollo’s sustainability goals and encourage employee engagement.

Real Estate & Facilities focus has been on the Phoenix metro area given its percentage of the overall portfolio. In 2013, we will be reviewing our national portfolio for opportunities to achieve Apollo’s goals.

**Energy Goal:** By December, 31, 2013 reduce energy consumption by 3% below 2011 baseline for Phoenix metro portfolio office buildings.

- Established a baseline from 2011 utility bills for locations Apollo pays utility companies directly and make an effort to solicit utility information for property management where utilities are not paid by Apollo.
- Conducted energy evaluation of 21 Phoenix buildings using a certified energy manager.
- Launched 28 lightning projects to be completed by December, 2012.
- In June, 2012 began a utility sponsored retro commissioning program on 3 Riverpoint buildings to be completed during FY 2013.
- In June, 2012 implemented adjusted temperature of domestic hot water to a standard set point. New set point will be implemented in in all buildings where Apollo is responsible for maintenance of hot water fixtures within the Phoenix metropolitan area except for hot water supplied to fitness centers and café kitchens.
- Implemented temperature standard set points in all buildings where Apollo is responsible for maintenance of the HVAC systems. Set point adjustments will result in significant energy savings in our Phoenix metro portfolio.
- In May 2012, all replacement bulbs for our 32 Watt T8s will utilize low wattage T8s. The replacement 28 Watt T8s provide energy saving. Participate in energy demand reduction program for two Phoenix Riverpoint buildings through collaboration with Phoenix utility company and outside vendor; participated in two energy “events” equaling a total 215 kWh reduced in 2010 and 204kWh in 2011.

**Waste Goal:** Achieve 20% Phoenix diversion rate by December, 2013

- June 2012, established baseline diversion rate of 15%.
- By September 2012, re-define Phoenix metro recycling program.
• Reduce food waste from roughly 8% to 5%; Key performance indicator (KPI) measurements to be included in Food Services contracts.

• By August 2012, implement wet waste/food waste bins in cafes, Phoenix metro cafes, Riverpoint & Sperling Center for Educational Innovation.

• Plan to donate left over foods to community shelters in order to avoid spoilage and additional waste.

• Utilizing local organic produce and food products according to the Apollo Rev Guidelines, when feasible.

• Apollo Group is an active participant in the Pepsi Dream Machine® recycling program. Since its inception in 13 Phoenix sites, we have recycled over 150,000 plastic and aluminum cans, diverting over 7,800 pounds of waste away from our landfills.

• 65 pounds of ballasts recycled.

• 606 pounds of linear fluorescent light bulbs recycled


• Establish a baseline from 2011 Water bills for properties where Apollo pays the water bill.

• For Riverpoint properties:
  • Plan to utilize damaged trees we are removing from the property as mulch for beautification and water conservation as the mulch holds in moisture longer.
  • Capped over 450 open drip lines saving approximately 35,100 gallons of water annually.
  • Evaluating overwatered areas and damaged irrigation lines for the same purpose of water conservation.
  • Utilizing xeriscaping to reduce water consumption for landscaping.


• Established janitorial standards for use of green chemicals in all buildings for general cleaning and hard floor care.

Continued focus on maturing RE & F execution in each life cycle phase: Acquisition, Design & Build, Facility Management and Decommissioning, 2012 examples include:

• In January, 2012 implemented a “Green Lease Rider” to cover the life-cycle of the lease and support the guidelines being defined in the RE&F Playbook, includes:
  • Landlord (LL) investment cost/savings pass-through in operating expense and expectations of reductions and/or certifications.
  • Annual reporting from LL and reduction goals.

1 Dream Machine is a registered trademark of PepsiCo, Inc.
- Recycling programs in place for daily operations and construction
- If bldg. has been LEED certified, LL responsible to maintain the certification
- Since implementation, we have achieved green lease language in 3 new leases and several renewals. In addition, selected a LEED certified building, at 9600 NE Cascade Station Parkway, Portland, OR for our Portland Learning Center.

- In May, 2012 approved an initiative from our Albuquerque Landlord for a Solar Panel project; this project along with the previous LEED construction will achieve a LEED certified building.
- In February, 2012 received LEED certification for new Columbus, Georgia Campus.
- Developed restroom remodel standard that reduces water, energy and consumable product consumption. Specifications include installation of lighting motion detectors, Sloan motion sensor faucets with low flow aerators, low consumption toilet flush valves, and Dyson hand dryers in addition to paper towel dispensers.
- 42 restrooms across 6 buildings are getting motion detection lighting switches and hands free faucets with low flow aerators.
- May, 2012 began to pilot Alternative Workplace Solutions with telecommuting options.

Greenhouse Gas Inventory

Apollo’s 2012 Greenhouse Gas Inventory is available on the Apollo Group website.

EPA Green Power Partnership® Program

2011
- Increased Green-E Certified RECs to 68,931. University of Phoenix ranked among EPA’s top 20 college and university list on the EPA Green Power Partnership2 website Green Power Partnership program.

Procurement

2012
- Created supplier environmental survey to gauge supplier environmental performance and certifications.
- Completed the process of enhancing standard copy paper procurement for U.S. to provide only copy paper, which has a minimum of 30% post-consumer recycled fiber (and also has processed chlorine-free (PCF) bleaching, wood fiber certified by the Forest Stewardship Council (FSC) FSC certified, and is acid-free).

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2 EPA Green Power Partnership is a registered trademark of U.S. Environmental Protection Agency.
Information Technology Operations

Energy Efficiency

2012
- Established Power Usage Efficiency (PUE) baseline for largest Phoenix data center (17,000 sq. ft) on July 2012. PUE is currently at 2.2.
- Achieved and actively practicing enhanced IT infrastructure processes and project management efforts to support the virtualization of servers for all new infrastructure requests.
- Decommissioned 649 servers since January 2011.
- Installed blanking panels (cold plate) in two major data centers (10,000 and 4000 sq ft) on July 2012.
- Installed variable speed motors to manage gradual temperature increase in July 2012.
- Install blanking panels (cold plate) in our 17,000 sq ft data center by Dec 31, 2012.

Centralized Printing

2012
- Total Device Reduction: 4538 to 2126 (reduction of 2412 or 53%; original estimate of 2541 or 56%)
- Actual CO2e Emission Reduction: 193 Metric Tons (Estimated goal annually: 300 metric tons of CO2e or 603,000 kWh)
- Paper Consumption Actual Reduction: 8% (Estimated goal 10%)

E-Waste

2012
- Apollo Group is still an active charter member of BAN e-Stewards and continues to use a BAN e-Steward certified vendor.
- E-waste disposal through Ban-certified vendor include the following:
  - Number of Pickups: 630
  - Number of Assets: 73,753
  - Weight (pounds): 1,309,461

Environmental Employee Education and Engagement

Goal: Enhance programs for employee environmental education and community engagement

2012
- Successfully launched Earth Year℠ interactive sustainability engagement and education program in April, 2012. The Earth Year program uses regular communications to thousands
of US employees to encourage and educate them about environmental actions they can take at home, at work, and in the community.

- 130 volunteers participated in the Keep Phoenix Beautiful Corporate Challenge.

### Philanthropic Environmental Partnerships

#### Focus on Environmental Education

#### 2012

- Expanding K12 sustainability education grant program to include entire 4th grade of a Phoenix elementary school. Continuing program in Phoenix area high school.
- Keep Phoenix Beautiful: In 2012, provided funding for Keep Phoenix Beautiful to expand their educational offerings to K12 school in the Phoenix area.
- Partnering with National Park Foundation to support the Parks Stewards Program, which gives high school teachers and students the opportunity to explore the relevance of national parks to their lives, and enables them to become civically engaged stewards of their national parks through year-long service-learning projects. These service-learning activities allow students to apply academic knowledge and critical thinking skills (in addition to physical skills as appropriate) to address genuine needs of the park. The resulting curriculum engages their students and meets all local, state, and national education standards.
- Partnering with Earth Day Network to support their work with the Department of Education’s Green Ribbon Schools program, which recognizes schools that save energy, reduce costs, feature environmentally sustainable learning spaces, protect health, foster wellness, and offer environmental education to boost academic achievement and community engagement.
- Held additional Business Academy in Nashville, TN at the Nashville University of Phoenix campus with partner, Green For All. Another three Business Academies will be held at campuses across the country by December 31, 2012.
- Engaged over 30 teachers at Valley Forward’s 2011 EarthFest event and will sponsor the program again in 2012.
- October, 2011: Awarded one Master of Arts in Education to one Arizona school teacher.

#### Nonprofit Collaborations List

Listed below are environmentally-related nonprofits with which we have collaborated (does not include other non-environmental nonprofit collaborations):

### 2012

- National Park Foundation
- Green For All
- Cleantech Open—National Education Partner
- Earth Day Network
- Valley Forward Association
- Discovery Triangle