

2022 Sustainability Report



ACADIA
HEALTHCARE

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ABOUT THIS REPORT

This report highlights our commitment to sustainability and provides information on our initiatives, programs, policies, oversight, governance, and performance around material issues to Acadia Healthcare and our stakeholders. Unless otherwise specifically stated, this report covers Acadia Healthcare's performance and disclosures for the fiscal year ended December 31, 2022. This report was prepared using the Sustainability Accounting Standards Board's (SASB) Healthcare – Healthcare Delivery Industry Standard and Task Force on Climate-related Financial Disclosures (TCFD).

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A Message From Our CEO

I am pleased to deliver our Company's inaugural Sustainability Report to share our initiatives and progress related to Environmental, Social, and Governance (ESG) priorities across Acadia Healthcare. Since our founding in 2005, we have focused on creating a world-class organization that sets the standard for excellence in the delivery of behavioral healthcare services. We recognize that our success depends on fostering and supporting an inclusive culture that encourages employees to be compassionate, innovative, and well-equipped to support our patients.

Over the course of 2022, we have taken great strides in scaling our programs to best serve our employees, our patients, and our communities across 250 behavioral healthcare facilities in 39 states and Puerto Rico. Our commitment to leverage the diversity of perspective, thought, experience, and background of our approximately 23,000 employees ensures we always deliver on our mission to improve the lives we touch.

Although we have made significant progress in 2022, we know there always is more to do, and we will continue to push the bar higher. We look forward to engaging with our stakeholders as we progress on our sustainability journey.

Thank you for your interest in Acadia Healthcare.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ch H Hunter".

CHRISTOPHER H. HUNTER

Chief Executive Officer

About Acadia Healthcare

Acadia Healthcare (“Acadia”) is a leading provider of behavioral healthcare services across the United States, operating a network of 250 behavioral healthcare facilities with approximately 11,000 beds in 39 states and Puerto Rico. With approximately 23,000 employees serving more than 75,000 patients daily, Acadia is the largest stand-alone behavioral healthcare company in the U.S. Acadia provides behavioral healthcare services to its patients in a variety of settings, including inpatient psychiatric hospitals, specialty treatment facilities, residential treatment centers, and outpatient clinics.

Headquartered in Franklin, Tennessee, Acadia was founded in January 2005 to develop and operate a network of behavioral healthcare facilities across the country.



75K+

patients treated daily

~\$2.6B

2022 revenue

~23,000

employees

250

behavioral healthcare facilities

~11,000

beds in 39 states and Puerto Rico

WORKING TOGETHER TO SUPPORT OUR COMMUNITIES

At Acadia, our [primary mission](#) is to improve the lives of our patients by providing quality care in a manner that best meets their unique needs. From the beginning, we have worked to bring together teams of professionals with diverse and complementary skill sets for the benefit of those who are entrusted to our care.

This spirit of care is a critical aspect of our identity. In 2023, we are embarking on a journey to refresh our purpose and values to even more strongly reflect who we are and how we collectively support all those we serve throughout our communities.

Our Mission

Acadia's mission is to maintain our position as a world-class organization that sets the standard for excellence in the delivery of behavioral healthcare services. We strive to provide clinically excellent care with an unparalleled commitment to our patients, our employees, our communities, and the professionals with whom we collaborate.

Our Vision

Acadia's vision is to promote comprehensive and integrated care to improve the mental well-being of the children, adolescents, and adults we serve.

Our Principles

- Understanding of and sensitivity to our patients and their families
- Appreciation and practical, integrated application of the most current practices of psychotherapy, psycho-dynamic clinical care, and psycho-education
- Engagement and cooperation with people and organizations working together for the benefit of our patients
- Commitment to promote and improve the mental well-being of the communities we serve



Our Approach to Sustainability

Acadia is committed to establishing and promoting sustainability and corporate social responsibility. This commitment is central to our organizational identity and guides how we care for our patients, support our employees, relate with our professional partners, and serve our communities.

We hold ourselves accountable to the highest standards, striving for reductions in energy usage at all of our facilities, in order to minimize our environmental footprint, while keeping the safety and well-being of our patients and employees at the forefront of everything we do. We are guided by our stakeholders and third-party frameworks including the Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD).

We integrate environmental, social, and governance (ESG) criteria into our operations and business strategy through an Executive Steering Committee chartered to ensure that these objectives align with our mission of “Improving the Lives We Touch.”

Our senior leaders, up to our CEO, are key in leading and overseeing our environmental, health, and safety programs. We have a chartered cross-functional executive steering committee that meets quarterly to discuss our ESG initiatives. The committee is composed of executive leaders, as well as our CEO. The Chief Human Resources Officer leads the committee, with ultimate oversight from our Board of Directors. The Board is periodically updated on Acadia's ESG initiatives, policies, programs, and performance.

Our Board of Directors has ultimate oversight of our ESG program and is responsible for reviewing and providing guidance on the Company's climate change-related programs and policies as part of its wider sustainability oversight. The Board and its committees regularly review and assess the Company's policies, practices, goals, and programs relating to environmental, sustainability, corporate social responsibility, health, safety, and corporate governance matters.

SOCIAL



At Acadia, our commitment to our patients, our employees, and the communities we serve extends beyond the provision of clinically excellent care. We respect and honor every individual, and we demonstrate this through the dignity and compassion that we show every patient.



OUR PATIENTS

An unwavering commitment to our patients and their families is at the heart of all we do at Acadia. Key elements of this dedicated effort include a focus on superior service, an ongoing effort to assess and improve patient satisfaction, and multiple initiatives to enhance safety, privacy, and security.

We recognize that treatment is only one part of a person's journey toward improved health. Facilities within the Acadia network provide individualized discharge plans to guide each patient's continued progress.

Quality Service & Care for Patients

The most important impact we have at Acadia is our daily focus on providing quality care to improve the lives of our patients and their families. We provide a full spectrum of behavioral healthcare services for individuals of all ages.

Treatment options within the Acadia network include detoxification, acute inpatient treatment, residential care, partial hospitalization, intensive outpatient programming, and medication-assisted treatment. [Click here to learn more about our programs.](#)

The following are examples of our commitment to superior care:

SERVING OUR COMMUNITIES

The highest priority for each of our facilities is meeting the behavioral healthcare needs of individuals and families in the communities that we serve. We are continually working to expand and enhance our facilities and our team's ability to provide superior services to their communities.

STREAMLINED ADMISSIONS PROCESSES

At Acadia, we recognize that seeking treatment can be difficult, so we aim to remove barriers by streamlining our admissions process. This allows us to quickly connect individuals with the help they need and smooth their transition between levels of care.

THOROUGH ASSESSMENTS

In-depth evaluations help our treatment team accurately identify each individual's needs. These areas of concern allow our staff to prioritize focused care for each person throughout their long-term recovery journey.

INVESTING IN OUR FACILITIES

To provide optimal healing environments for our patients, we continue to invest in our facilities. When you choose the Acadia network for yourself or a loved one, you can rest assured that treatment will be provided in a safe, secure, and highly supportive therapeutic setting.

HELPING END THE OPIOID CRISIS

Acadia is a leading provider of opioid treatment services. With more than 150 comprehensive treatment clinics dedicated to helping individuals who are struggling with opioid use disorder, we are committed to playing a prominent role in the effort to end the nation's opioid crisis.

Patient Safety

Acadia strives to set the standard for excellence in the behavioral healthcare industry. To fully achieve our goal of providing excellent patient care, we have established an enterprise-wide Quality and Safety Plan.

The Quality and Safety Plan establishes initiatives, expectations, and goals for the enterprise, with a focus on implementing and sustaining programs that further continuous improvement.

The plan includes provisions for quality assurance and process improvement and has the following primary goals:

- Support excellence in services across the enterprise so that every patient receives the highest quality of care, every time.
- Advance high reliability as a principle in practice and a vehicle for ensuring safety.
- Integrate evidence-based and best practices throughout patient-care systems.
- Inspire innovation, collaboration, and mutually therapeutic care in all lives we touch.

The philosophy behind the Quality and Safety Plan is to feature continuous, measurable improvement in the quality of service to promote effective, efficient, and compassionate behavioral healthcare. Our high-reliability principles provide an effective, proactive way of thinking about safety and quality. We believe that we achieve this through consistent support and collaboration with facilities and staff, continuous monitoring of services, and strategic partnerships with accrediting and regulatory organizations.

Although the facilities within the Acadia network operate with a significant degree of independence, their ability to deliver quality care is enhanced by our national Quality and Compliance teams, led by our Chief Medical Officer, Chief Quality Officer, and Chief Compliance Officer, who have oversight of quality, regulatory clinical initiatives, and legal and regulatory compliance. Acadia also has a dedicated team of professionals who lead our risk management program and work closely with our facility and clinic risk managers.

We work continually to improve our culture of safety, and we strive for **zero patient harm**. In addition to our facility-based safety practices, we have undertaken several initiatives to ensure that our commitment to safety is integrated throughout our organization, including the following:

CORPORATE QUALITY COMMITTEE

Our Corporate Quality Committee evaluates quality and safety risks to our patients and employees, as well as revises existing corporate policies and/or develops new policies, as needed.

ZERO TOLERANCE TRAINING

Every Acadia employee completes zero tolerance training upon being hired and our field employees complete the training on an annual basis thereafter. This training is focused on defining and preventing abuse, neglect, boundary violations, and exploitation. The training includes a mandatory test each year, with a required passing grade of 100%.

HOW WE ACHIEVE PATIENT SATISFACTION

Evaluating the success of behavioral healthcare treatment is always a challenge. At Acadia, we measure our effectiveness through patient satisfaction surveys and numerous clinical quality metrics. We also conduct detailed evaluations to identify trends and assess areas for improvement within our treatment programs and throughout our physical facilities.



SAFE DRIVING

Every employee who drives patients must take a safe driving course upon being hired and on an annual basis thereafter. These employees are also subject to regular driving record reviews. All trips require an assessment to determine whether accommodations must be made to meet the special needs of any patients who are being transported.

INCIDENT REPORTING

Despite our best efforts, incidents occasionally occur at our facilities. Acadia reports all such incidents, and analyzes all relevant data for trends and follow-up tracking. The data is reviewed by our patient safety subcommittee, which includes our Chief Quality Officer, Chief Medical Officer, General Counsel, Vice President of Risk Management, Chief Human Resources Officer, and operations leadership.

SAFE CATCH PROGRAM

Acadia encourages employees to take an active role in maintaining a safe environment, and we acknowledge staff members who identify and report any potential hazards.

MONTHLY SAFETY ASSESSMENT WALK-THROUGHS

The risk manager at each of our facilities conducts a monthly walk-through of the facility, guided by a formal checklist of safety and risk indicators. This monthly audit provides the basis for both immediate corrective actions and longer-term improvement planning.

FACILITY SAFETY COMMITTEES

Each of our facilities has a safety committee that includes facility leadership and frontline staff. These committees meet quarterly to discuss, implement, and monitor improvements for patient, employee, and visitor safety.

SAFETY CERTIFICATION PROGRAM

Acadia facilities participate in a Safety Certification Program that motivates its team members to maintain a commitment to safety across all daily activities. The program promotes a culture of safety and a dedication to improving the lives we touch.

SUPPLY-CHAIN QUALITY

We conduct purchasing through a Group Purchasing Organization (GPO), which supports quality oversight by ensuring established standards are met, including vetting third parties to ensure they are not on a Centers for Medicare & Medicaid Services (CMS) or Office of Inspector General (OIG) exclusion list.

THE FIVE PILLARS

1 / HIGH-RELIABILITY PRINCIPLES IN PRACTICE

- Sensitivity to operations
- Preoccupation with failure
- Reluctance to simplify
- Deference to expertise
- Resilience

2 / MEANINGFUL USE OF DATA

- Scorecard with benchmarks
- Outcome measures
- Process improvement tools
- Process improvement projects
- Progress over perfection

3 / CLINICAL EXCELLENCE

- Advancing clinical skills
- Trauma-informed care
- Nurtured heart
- Situational awareness
- Human factors
- Training & education

4 / SERVICE READINESS THROUGH SURVEY READINESS

- Getting ready for the next patient, not the next survey
- Regulations and standards for a sound clinical foundation
- Maintaining a culture of compliance
- Continuous survey readiness
- Inspecting & expecting practices

5 / CULTURE OF SAFETY & CARING

- “I CAN” campaign
- Just culture
- Patient experience
- Staff experience

OUR EMPLOYEES

Acadia promotes a culture of empowerment, innovation, and excellence. We are honored to be a respected provider of behavioral healthcare services, and we work diligently every day to ensure that every member of the Acadia team has the tools and support they need to improve our organization and enhance our industry. Our organization values input from employees, physicians, and all strategic alliances. Through our annual *myVoice* employee engagement survey, quarterly town halls, site visits, and other feedback tools, we are consistently seeking the input of our people to ensure we are delivering on our commitments and fostering our goal to be a mission-based employer of choice.

We are proud of our management style and philosophy, which champion collaboration and flexibility as we create an energetic and team-oriented service delivery system. As stated in our mission statement, Acadia employees strive to serve our communities with behavioral healthcare treatment that enables our patients to regain hope in a supportive, caring environment. We want

Acadia to be synonymous with excellent care, phenomenal customer service, and an unparalleled commitment to our patients, employees, physicians, and communities.

Acadia makes a concerted effort to offer appropriate training, ensure workplace safety, and promote continued personal development so that our employees can provide quality care to our patients. Key elements of this effort include a strong focus on safety, a comprehensive training program, and a competitive benefits package. We are committed to offering a desirable internal culture that encourages our employees both personally and professionally, supporting them as they reach their career goals and achieve their greatest potential.

Approximately 1.6% of our full-time and part-time employees are unionized, as of December 31, 2022.



Benefits Offered to Acadia Employees

Acadia provides a competitive package of benefits to our employees. Current benefits for all employees who work more than 29 hours include the following:

Medical and Dental
Insurance

Vision Insurance

Paid Time Off

Short-Term and Long-Term
Disability

Employee Assistance
Program (EAP)

Acadia Healthcare 401(k)
Plan

Health Savings Account
(HSA)

Health Care Flexible
Spending Account (FSA)

Limited Health Care Flexible
Spending Account (LFSA)

Dependent Care Flexible
Spending Account (DCA)

Prescription Drug Coverage

Basic Life and Accidental
Death & Dismemberment
(AD&D) Coverage

Supplemental Life Insurance
and Supplemental
Accidental Death &
Dismemberment (AD&D)

Employee Discount Program

Employee Care Fund

To encourage an ownership mentality, we grant equity awards to many of our key employees.

Acadia Healthcare Employee Care Fund

Established in 2020, the Acadia Healthcare Employee Care Fund is designed to provide short-term emergency support to employees who are facing serious financial hardship as a result of certain unforeseen and unpreventable circumstances, including natural disaster, life threatening illness or injury, a death incident, or other catastrophic or extreme life events beyond their control. This monetary support is offered to those to help offset costs associated with these types of events and assist employees and their families during these difficult times. The fund is seeded through employee donations in support of colleagues who may experience such a hardship.

Comprehensive Training for Employees

Acadia offers programs to foster both leadership and professional skills development. All members of our clinical staff are trained in their professional disciplines, and we also provide support for their continuing education. Additionally, we offer company-wide training to reinforce key policies and practices related to regulatory compliance, safety, patient care, and other relevant key areas. Last year, we provided over 125,000 hours of training to our front-line staff. Our corporate staff receives department-specific training and performance reviews annually.

The following are examples of training modules that Acadia employees complete:

- **Customer Service:** Excellent Customer Service, Delighting Customers, and Methods for Handling Customer Complaints
 - **Active Shooter Response in Healthcare Settings:** How to Recognize Indicators of Potential Violence and How to Become Familiar with Various Response Concepts
 - **High Reliability:** Foundational Principles of Becoming A High-Reliability Organization
 - **Workplace Violence:** How to Prevent and Handle Workplace Violence
 - **Social Media:** Acadia's Company Policy and Procedures on Social Media in the Workplace and Social Media Best Practices
 - **Diversity in the Workplace:** Defining Diversity, the Benefits of Valuing Workplace Diversity, Legal Aspects of Diversity, and Managing Workplace Diversity
 - **IT Security Awareness:** Best Practices of Information Security for Data Protection, Passwords, Social Engineering, and Spear Phishing
 - **Infection Control:** Infection Control and How to Help Prevent the Spread of Disease in the Healthcare Setting
 - **Workers' Compensation:** Acadia's Company Policy and Procedures on Workers' Compensation
- **Regulatory Compliance Part I:** Corporate Compliance, Sexual Harassment, Patient Rights, Confidentiality, HIPAA, and Grievances
 - **Regulatory Compliance Part II:** General Safety, Fire Safety, Electrical Safety, Ergonomics, Back Safety, Hazard Communication, Security and Workplace Violence, Reporting Incidents, Emergency Preparedness, and Infection Control
 - **Zero Tolerance:** Boundaries, Abuse, Neglect, and Exploitation

EXECUTIVE TRAINING PROGRAM

To develop our future leaders, we offer an Executive Training Program to eligible employees. This is an executive development and training program aimed to create a pipeline of future leaders across the Company.

Diversity at Acadia Healthcare

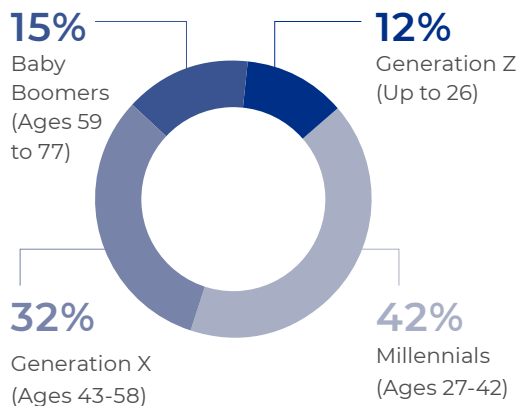
	% Women	% People of Color
DIRECTOR	67%	27%
SUPERVISOR	77%	37%
MANAGER	68%	36%
EXECUTIVE	50%	16%
TOTAL STAFF	74%	48%

Diversity, Equity, and Inclusion

At Acadia, we embrace diversity and believe our diversity, equity, and inclusion (DEI) efforts play a significant part of what makes the services we provide so exceptional. We value the diversity of perspective, thought, experience, and background within our workforce. These differences provide an opportunity to learn from each other’s experience, and those experiences help shape how we deliver treatment, how we define our culture, and how we achieve our business objectives. We strive to attract the best employees and partners regardless of race, gender, nationality, ethnic origin, religion, age, sexual orientation, or other identity traits. We believe fostering a culture that emphasizes fair and equitable treatment is at the core of our business. Bullying, intimidation, or harassment of any kind is not acceptable in our workplace. Our DEI programs are overseen by our Chief Human Resources Officer and Diversity, Equity, & Inclusion Council Co-Chairs and are discussed with our Board of Directors. All employees receive mandatory annual anti-discrimination and anti-harassment trainings.

We are committed to maintaining a welcoming and inclusive environment and to treating everyone with dignity and respect. We have policies that strictly prohibit any discrimination on the basis of race, color, national origin, age, religion, disability, gender, marital status, veteran status, or any other basis prohibited by federal, state, or local law.

Generation Distribution



OUR COMMUNITIES

Acadia believes in fulfilling our responsibilities as a good corporate citizen in the communities where we work and live. A key element of this is actively supporting causes that have a meaningful impact on people's mental and physical health not only locally, but on a national level as well.

The Jason Foundation – Youth Suicide Awareness & Education

One of the most troubling mental health challenges facing our communities and our nation is the large number of teenagers and young adults who are considering suicide. Suicide is the second leading cause of death for youth ages 12 – 18 and the third leading cause of death for young adults ages 18 – 22. More teenagers and young adults die from suicide each year than from cancer, heart disease, AIDS, birth defects, stroke, pneumonia, influenza, and chronic lung disease combined.

At Acadia, we are deeply committed to preventing and solving this national crisis. As part of our efforts, we are a [National Community Affiliate with The Jason Foundation, Inc. \(JFI\)](#) in their work on Youth Suicide Awareness and Education. JFI has more than 170 offices in 37 states, which provide programs and services to all 50 states. 60% of those offices are provided by Acadia.

JFI's programs and resources are donated at no-charge to any school, youth organization, or community. JFI's work includes student curriculums and



professional development, as well as in-service trainings, parent seminars, and community seminars. In addition to significant financial support, Acadia provides phone responders, office space, and group meeting spaces for gatherings of teachers, counselors, and community members.

ENVIRONMENT



We understand our responsibility to help protect the environment. We seek to minimize the environmental impact of our operations, and we are committed to complying with environmental laws and regulations.

Environmental Management

Each of Acadia's inpatient facilities has a risk manager and a physical plant director. Together, they manage the risks related to hazardous materials and waste and ensure effective environmental management at their facility. We have detailed policies, trainings, and procedures regarding the storage, handling, and disposal of waste products, hazardous waste, and other regulated materials to ensure compliance with all applicable laws and regulations. For The Joint Commission (TJC) accredited facilities, we also conduct external audits for compliance with TJC hazardous-waste regulations.

Our Risk Management Incident Reporting program provides for the immediate reporting of any unsafe storage or improper disposal or release of a hazardous or toxic substance.

Reducing Our Environmental Impact

In addition to adhering to environmental laws and regulations, we also look to reduce our biggest overall environmental impact: the use of energy in our buildings.

Mechanical-Electrical-Plumbing (MEP) Systems:

For all new Acadia facilities and renovations, we specify the use of MEP systems that achieve facility energy performance higher than typical systems. We implement data-driven designs in new buildings to achieve low energy use targets that are 20% more efficient than typical behavioral health hospitals.



Lighting Designs: In our new construction and renovations, we specify lighting designs that are typically over 30% more efficient than code and include all Light Emitting Diode (LED) lighting.

Heating, Ventilation, and Air Conditioning (HVAC):

We create efficiencies with power usage and heating by rightsizing our HVAC.

Plumbing: Our new building designs have plumbing systems that consume 30% less water than code requirements.

Energy Conservation: All newly constructed Acadia hospitals exceed the requirements of the International Energy Conservation Code (IECC). Our corporate headquarters are in a LEED-certified building.



GOVERNANCE

At Acadia, we are committed to acting with integrity in all of our interactions with patients, employees, communities, and other stakeholders.

Governance Oversight

We have a cross-functional executive steering committee that meets quarterly to discuss our ESG initiatives. The committee is composed of members of senior management with executives serving as leaders on each of the three ESG pillars, with oversight from our Board of Directors.

Ethics and Integrity

As a healthcare provider, we know our success is indivisibly linked to our reputation and integrity. We are guided by our [Code of Conduct](#) and [Code of Ethics for Senior Financial Officers](#), in order to improve the lives we touch every day. All employees receive annual training on our Code of Conduct, in addition to training on compliance with all applicable laws and regulations related to fraud, waste, and abuse. All employees must also review and sign their acknowledgement to abide by our Code of Conduct.

To ensure we operate with the highest ethical standards, our Corporate Compliance Committee and the Compliance Committee of the Board of Directors meet quarterly to review our policies and performance. We also regularly perform an enterprise risk management assessment that identifies significant risks to the Company, actions to mitigate such risks, and metrics to measure our success. Senior management reports to the Board each quarter on the Company's significant enterprise risks and mitigation efforts.

Bribery and Corruption

The Chief Compliance Officer oversees our Compliance Program and policies, which includes information and training on Anti-Bribery and Anti-Corruption guidelines. The Chief Compliance Officer reports any concerns to the CEO and Compliance Committee of the Board.



Data Privacy and Security

The safety and security of our patients, including patient data, is paramount. We are committed to ensuring the privacy and security of the medical records and personal health information of all of our patients. Our data privacy and security programs are overseen by our Chief Compliance Officer and our Senior Director of Information Security, who reports to our Chief Information Officer. We also have a Cybersecurity Infrastructure Committee that meets monthly. The Compliance Committee of the Board oversees our privacy program, and the Audit and Risk Committee of the Board oversees our data security program. The committees review the Company's privacy and security programs on a quarterly basis.

All employees and contractors with access to our systems receive data privacy and security training upon hire and each year thereafter. We have implemented monthly email blasts with information on how to keep information safe, as well as frequent phishing exercises, with high-risk individuals receiving extra, targeted exercises. Any failure will result in the employee receiving additional ad-hoc dynamic training on the topic. In addition to internal phishing practices, we also employ independent phishing campaigns as a measure to ensure adequate performance of our employees. All employees also receive specific training in compliance with HIPAA requirements on an annual basis. The structural integrity of our data privacy and security program is subject to regular internal and external security audits in the form of annual penetration tests and risk assessments.

APPENDIX



SASB INDEX – HEALTH CARE DELIVERY INDUSTRY STANDARD

SASB is an independent, private-sector standards-setting organization dedicated to improving the effectiveness and comparability of corporate disclosures on environmental, social, and governance factors. The table below cross-references the SASB accounting metrics with where that information can be found in Acadia Healthcare’s reporting.

Accounting Metric	Code	Disclosure
ENERGY MANAGEMENT		
(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	HC-DY-130a.1	Not reported
WASTE MANAGEMENT		
Total amount of medical waste, percentage (a) incinerated, (b) recycled or treated, and (c) landfilled	HC-DY-150a.1	Not reported
Total amount of: (1) hazardous and (2) nonhazardous pharmaceutical waste, percentage (a) incinerated, (b) recycled or treated, and (c) landfilled	HC-DY-150a.2	Not reported
PATIENT PRIVACY & ELECTRONIC HEALTH RECORDS		
Percentage of patient records that are Electronic Health Records (EHR) that meet "meaningful use" requirements	HC-DY-230a.1	Not reported
Description of policies and practices to secure customers’ protected health information (PHI) records and other personally identifiable information (PII)	HC-DY-230a.2	For details, see the Data Privacy and Security in the Governance section of this report.
(1) Number of data breaches, (2) percentage involving (a) personally identifiable information (PII) only and (b) protected health information (PHI), (3) number of customers affected in each category, (a) PII only and (b) PHI2	HC-DY-230a.3	Not reported

Total amount of monetary losses as a result of legal proceedings associated with data security and privacy	HC-DY-230a.4	Any material legal or regulatory issues would be disclosed in annual 10-K and quarterly 10-Qs
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ACCESS FOR LOW-INCOME PATIENTS

Discussion of strategy to manage the mix of patient insurance status	HC-DY-240a.1	Not reported
Amount of Medicare Disproportionate Share Hospital (DSH) adjustment payments received	HC-DY-240a.2	Not reported

QUALITY OF CARE & PATIENT SATISFACTION

Average Hospital Value-Based Purchasing Total Performance Score and domain score, across all facilities	HC-DY-250a.1	Not reported
Number of Serious Reportable Events (SREs) as defined by the National Quality Forum (NQF)	HC-DY-250a.2	Not reported
Hospital-Acquired Condition (HAC) Score per hospital	HC-DY-250a.3	Not reported
Excess readmission ratio per hospital	HC-DY-250a.4	Not reported
Magnitude of readmissions payment adjustment as part of the Hospital Readmissions Reduction Program (HRRP)	HC-DY-250a.5	Not reported

MANAGEMENT OF CONTROLLED SUBSTANCES

Description of policies and practices to manage the number of prescriptions issued for controlled substances	HC-DY-260a.1	Not reported
Percentage of controlled substance prescriptions written for which a prescription drug monitoring program (PDMP) database was queried	HC-DY-260a.2	Not reported

PRICING & BILLING TRANSPARENCY

Description of policies or initiatives to ensure that patients are adequately informed about price before undergoing a procedure	HC-DY-270a.1	Not reported
Discussion of how pricing information for services is made publicly available	HC-DY-270a.2	Not reported
Number of the entity's 25 most common services for which pricing information is publicly available, percentage of total services performed (by volume) that these represent	HC-DY-270a.3	Not reported

EMPLOYEE HEALTH & SAFETY

(1) Total recordable incident rate (TRIR) and (2) days away, restricted, or transferred (DART) rate	HC-DY-320a.1	Not reported
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EMPLOYEE RECRUITMENT, DEVELOPMENT & RETENTION

(1) Voluntary and (2) involuntary turnover rate for: (a) physicians, (b) non-physician health care practitioners, and (c) all other employees	HC-DY-330a.1	Not reported
Description of talent recruitment and retention efforts for health care practitioners	HC-DY-330a.2	For details, see the Our Employees section of this report.

CLIMATE CHANGE IMPACTS ON HUMAN HEALTH & INFRASTRUCTURE

Description of policies and practices to address: (1) the physical risks due to an increased frequency and intensity of extreme weather events and (2) changes in the morbidity and mortality rates of illnesses and diseases, associated with climate change	HC-DY-450a.1	Not reported
Percentage of health care facilities that comply with the Centers for Medicare and Medicaid Services (CMS) Emergency Preparedness Rule	HC-DY-450a.2	Not reported

FRAUD & UNNECESSARY PROCEDURES

Total amount of monetary losses as a result of legal proceedings associated with Medicare and Medicaid fraud under the False Claims Act	HC-DY-510a.1	Any material legal or regulatory issues would be disclosed in annual 10-K and quarterly 10-Qs
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ACTIVITY METRICS

Number of (1) facilities and (2) beds, by type	HC-DY-000.A	1) 250 facilities 2) Approximately 11,000 beds
Number of (1) inpatient admissions and (2) outpatient visits	HC-DY-000.B	Not reported

TCFD INDEX

Acadia is committed to providing transparency in our climate change-related risk management. The TCFD has developed voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to stakeholders.

GOVERNANCE

Our Board of Directors has ultimate oversight of the material risks that could affect our business and results of operations. Our senior management team and Board of Directors actively manage and mitigate such risks, which include climate change-related and other environmental risks.

STRATEGY

As a healthcare provider, we do not believe climate change poses a significant financial impact on our business. However, we evaluate how we could be affected by climate change-related issues such as energy prices, extreme weather, and changing regulations.

Regulatory Risks – We do not currently view climate change as a significant business risk; however, it could pose regulatory risks such as through potential future carbon disclosure and compliance requirements, as well as reputational risks from passively addressing climate-change issues. Possible carbon tax or regulatory incentives to encourage the use of renewables could affect energy costs. However, as a healthcare provider that offers a climate-resilient service, we do not expect this would have significant impact to our business and financial performance.

Physical Risks – We take any potential of business disruption which may occur seriously. Some of our facilities are located in areas prone to hurricanes or wildfires. Natural disasters have historically had a disruptive effect on the operations of facilities and the patient populations in such areas. Our business activities could be significantly disrupted by wildfires, hurricanes, or other natural disasters that could be made more frequent and severe by climate change.

Reputational Risks – We monitor industry-focused information sources on evolving risks and evolving litigation patterns involving the industry. We also track environmental concerns raised by shareholder proposals at companies and engage our stakeholders. On a regular basis, risks and responses are reviewed as part of the overall sustainability-risk evaluation during our annual strategic meeting.

RISK MANAGEMENT

Acadia applies and utilizes an integrated enterprise-wide risk management approach which includes in its scope our operations and business strategy. Our senior management team and Board of Directors are committed to actively manage and mitigate various risks which may apply to our business and financial performance, including climate change-related and other environmental risks. Such risk management topics and the mitigation processes are regularly reviewed and discussed between our management team and cross-functional executive committee on a cross-organizational scale. The consideration of these risks is integrated as part of our operations decision-making process in all aspects of the business. Our Audit and Risk Committee actively monitors and discusses major financial and enterprise risk exposures, including, but not limited to, climate-related and other environmental risks with senior management. The Audit and Risk Committee reports to the full Board quarterly on enterprise risk-management oversight and provides an opportunity for discussion of the most significant risks and related matters.

METRICS

Our locations monitor energy use and efficiency. We do not currently disclose company-wide greenhouse gas emissions data.

U.S. EEO-1 DATA

(As of December 31, 2021)

Job Categories	Hispanic or Latino		Not Hispanic or Latino														Overall Totals
	Male	Female	Male							Female							
			White	Black or African American	Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	None	White	Black or African American	Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	None	
1.1 - Executive/ Senior-Level Officials and Managers	5	4	115	9	0	3	0	1	0	107	11	0	5	1	3	0	264
1.2 - First/Mid-Level Officials and Managers	62	95	445	91	3	16	2	14	0	1,017	222	4	24	5	21	1	2,022
2 - Professionals	200	525	1,215	314	7	139	12	63	7	4,127	1,429	16	257	40	153	17	8,521
3 - Technicians	36	126	179	146	1	15	4	14	0	752	700	5	34	10	39	4	2,065
4 - Sales Workers	1	4	21	1	0	0	0	0	0	40	6	0	3	0	0	0	76
5 - Administrative Support Workers	55	314	220	102	1	10	1	15	1	1,541	610	15	52	18	59	0	3,014
6 - Craft Workers	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	2
7 - Operatives	14	3	114	19	0	1	1	1	0	24	23	0	0	0	4	0	204
8 - Laborers and Helpers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 - Service Workers	273	428	745	1,087	10	48	16	74	2	1,525	1,938	20	67	28	134	3	6,398
Z - None	0	0	2	0	0	0	0	0	0	5	1	0	0	0	0	0	8
Total	646	1,500	3,057	1,769	22	232	36	182	10	9,138	4,940	60	442	102	413	25	22,574
Percent of Total	3%	7%	14%	8%	0%	1%	0%	1%	0%	40%	22%	0%	2%	0%	2%	0%	



Acadia Healthcare Company, Inc.
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Franklin, TN 37067

<https://www.acadiahealthcare.com/about/social-responsibility/>

If you have any questions regarding the Sustainability Report,
please contact us at InvestorRelations@acadiahealthcare.com.

APRIL 2023

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