

ENERGY EFFICIENCY GUIDE

1. Scope

This guide encompasses energy use at EastGroup's properties. This document details EastGroup's energy efficiency goals and the strategies that support the execution of these goals.

To reduce energy usage, property teams are encouraged to adopt energy efficiency best practices and install high-efficiency HVAC systems, LED lighting, and appliances meeting ENERGY STAR® efficiency standards, wherever feasible.

2. Goals and Targets

It is EastGroup's goal to decrease energy use wherever feasible.

EastGroup's targets in support of this goal are as follows:

Target	Applicability	Measurement	Threshold	Timeline
Reduce energy use intensity (EUI) by 15% over 10 years	Corporate offices (where separately metered) and EastGroup-owned buildings' exterior and parking lot lighting	Energy use intensity (EUI)	15%	Baseline year: 2023 Deadline: 2033
Achieve data coverage of at least 95% for landlord-paid utilities	Landlord-paid utilities (primarily building exterior and parking lot lighting)	Percent of related square footage	95%	Deadline: 2033
Increase % of exterior LED lighting (building exterior & parking lot) to substantially 100%	All owner-controlled building exterior and parking lot lighting	Percent of buildings	100%	Deadline: 2033
Pursue ENERGY STAR or other green building certification for at least five buildings annually	Any EastGroup-owned buildings	Number of certifications obtained	5 certifications	Ongoing
Install electric vehicle chargers for tenant use in at least 90% of new development transfers on an annual basis by 2029 and in at least 80% of new	EastGroup development properties transferring to the operating portfolio in any given year (excluding	% of buildings with qualifying EV charging stations (Level 2+ dual-port) as a % of total transfers	90% in 2029 80% in 2024-2028	Ongoing Note: EGP's 6 th Amended and Restated Credit Agreement contains a KPI related to this target

development transfers from 2024-2028	value-add acquisitions)	during a given year		
Comply with all benchmarking, audit and GHG reduction reporting requirements	All assets with reporting requirements	Percent of compliant buildings	100% of impacted properties	Annually

3. Responsible Parties

Achieving the goals in this guide will require the support and participation of those responsible for selecting, overseeing, managing and operating energy systems. Asset managers, construction managers and property managers will have overall responsibility for implementing and enforcing the policy, with support from the ESG team (Director of Corporate Sustainability and third-party consultants).

4. Implementation Guidance

To implement this guide, the following actions should be taken:

The ESG team should:

- Remain up to date on best practices related to energy management and communicate these findings to key decision makers (property managers, construction managers, etc.)
- Create educational and/or engagement materials for property managers, construction managers, and tenants
- Obtain annual energy data from Yardi, the utility providers or other sources for benchmarking ordinance reporting or voluntary reporting to third-party organizations, as applicable
- Track energy use efficiency, energy data coverage, energy projects and audits, and any other applicable key performance indicators (KPIs)
- Identify low-performing properties that could benefit from an energy audit or lighting retrofit and make recommendations for consideration in the annual budgeting process
- Function as overall administrator for ENERGY STAR Portfolio Manager and ESG platforms (e.g. Measurabl), including profile creation, deactivation, and profile sharing

Property managers should:

- Implement policy and review on an annual basis
- Educate tenants and employees on energy efficiency strategies through engagement activities and distribution of materials such as:
 - Newsletters
 - Signage
 - Training
- Ensure tenants are made aware of any new construction and renovation guidelines for HVAC equipment installed during tenant improvement projects
- Work with tenants to ensure HVAC equipment (e.g., air handling units) is regularly inspected and maintained
- Schedule regular HVAC maintenance for property management offices and arrange for repair of any EastGroup-controlled energy equipment not functioning properly
- Track all EastGroup-controlled lighting fixtures that have not yet been upgraded to LED and incorporate retrofitting into future budget planning as feasible
- Communicate planned and completed efficiency projects to the ESG team and respond to informational requests to aid in quantifying savings from such projects
- Create a plan to replace/retrofit existing energy fixtures to meet high-efficiency standards as feasible (particularly during periods of vacancy or lease renewals)
- Implement electricity sub-metering for leased spaces, when applicable, and encourage tenants to share utility consumption data with EastGroup and our third-party ESG consultants upon request
- Provide whole-building ENERGY STAR scores to tenants annually upon request (when available)

- Cooperate with governmental agencies and utility companies on energy-saving and rebate programs
- Benchmarking regulations: work with ESG team to submit data needed for compliance with regulations
- Review and investigate any unusual energy consumption variances flagged in Yardi Pulse
- Implement energy management best practices as feasible (see below)

Construction managers should:

- Install energy-efficient fixtures during new construction or renovations (such as ENERGY STAR)
- Adopt best practices listed in this guide wherever feasible (see below)

5. Performance Tracking and Reporting

The implementation of this guide will be evaluated by the responsible parties for compliance and discussed with the ESG team annually. The ESG team will track portfolio-level energy usage and progress towards targets listed in the Corporate Responsibility Policy annually and will report progress to the responsible parties.

The ESG team will work with the property management team to report annual energy consumption data, where applicable, to meet state and local energy benchmarking ordinances or for reporting to third-party organizations such as ENERGY STAR, GRESB, and/or USGBC.

6. Quality Control

This guide was reviewed and approved by the CEO and members of senior management and will be reviewed and revised on an annual basis by the ESG team as needed.

7. Best Practices

- In addition to selecting high-efficiency products, the best practices below can help reduce energy use. For more information on how to implement these practices, please reach out to the appropriate provider for the respective equipment and/or services mentioned.
Operations and Maintenance:
 - Check that equipment is functioning as designed
 - Calibrate thermostats
 - Adjust dampers
 - Adjust cleaning schedules (e.g. team cleaning or day cleaning) to reduce building operating hours and HVAC equipment runtimes
 - Visually inspect insulation on all piping, ducting and equipment for damage (tears, compression, stains, etc.)
 - Plug air leaks with weather stripping and caulking
 - Clean the evaporator and condenser coils on heat pumps, air-conditioners, or chillers
- Lighting:
 - Change interior and exterior incandescent and fluorescent lights to LED
 - De-lamp and disconnect unused ballasts and recycle them afterwards
 - Verify performance of full floor lighting sweeps
 - Install occupancy sensors
 - Use high-efficiency LED exit signs
 - Install timer controls or photocells for exterior lights
- Controls:
 - Set for lowest amount of dehumidification when the building is unoccupied
 - Raise the indoor thermostat setting during the cooling season
 - Evaluate after hours usage
 - Adjust ventilation to reduce exhaust and outdoor-air ventilation rates within code (ASHRAE 62.1)
 - Switch older pneumatic controls to direct digital controls (DDC)

- **Equipment:**
 - Install heat recovery equipment
 - Use a power strip as a central “turn off” point for electronics and computers when not in use
 - Enable power management features on computers and monitors
 - Look for cordless phones that feature switch-mode power supplies and “smart” chargers for added energy savings
- **Thermostats**
 - During the winter, lower “normal” thermostat setting and raise during the summer to save on monthly energy bill
 - Make sure thermostats are turned off for work spaces that are not used frequently
 - Do not place devices that create heat near thermostats
 - Relocate thermostats to optimal locations
- **Tenant Engagement:**
 - Encourage tenants to turn off equipment during off-hours or when not in use. The AC adapter for a laptop and other electronic devices will continue to draw power, even when not in use
 - Institute a stakeholder engagement energy awareness program
 - Encourage tenants to use ENERGY STAR certified equipment
 - Install computer monitor power management software
 - Harvest daylight by locating work stations adjacent to windows
 - Switch off overhead and task lights when daylight is sufficient
 - Clean windows and skylights
 - Use workstation task lighting
 - Ensure HVAC filters are replaced quarterly with the highest filter suitable for the equipment
 - Perform regularly scheduled maintenance on equipment
 - Consider retro or re-commissioning the building to ensure it is running the way it was intended
 - Consider energy audits to identify areas where building systems have become inefficient over time and bring them back to peak performance
 - Ensure areas in front of vents are clear of furniture and paper

8. Resources and References

- ENERGY STAR Portfolio Manager: <https://www.energystar.gov/buildings/benchmark>
- Energy Saver “Tips on Saving Money and Energy in Your Home”:
<https://www.energy.gov/sites/default/files/2022-08/energy-saver-guide-2022.pdf>
- BBP Better Metering Toolkit: <http://www.betterbuildingspartnership.co.uk/better-metering-toolkit>
- Green Lease Leaders Reference Guide for Landlords: <https://www.greenleaseleaders.com/wp-content/uploads/2023/07/Landlord-Reference-Guide.pdf>

Appendix: Green Building Certifications

For properties that are pursuing LEED, BOMA or IREM CSP certifications, there are additional requirements and procedures that must be implemented. For more information on these requirements and procedures, please reach out to a member of the ESG team.