

WATER EFFICIENCY GUIDE

1. Scope

This guide encompasses indoor and outdoor water use at EastGroup's properties. The actions outlined within this document detail the water use reduction goals and the actions that support the execution of this guide.

To reduce water usage, properties are encouraged to adopt water efficiency best practices and install weather-based irrigation systems and high-efficiency plumbing fixtures and appliances meeting EPA WaterSense or ENERGY STAR® efficiency standards, wherever feasible. This applies to all indoor and outdoor water fixtures and fittings in EastGroup's properties, including tenant fixtures. This includes:

- Toilets (Water Closets)
- Urinals
- Faucets
- Appliances
- Irrigation systems

2. Goals

It is EastGroup's goal to reduce both indoor and outdoor water use wherever feasible, however our initial water reduction target is focused on water consumption associated with our buildings' exterior landscaping, as this is the area in which we have the most operational control.

EastGroup's water reduction target in support of this goal is as follows:

Target	Applicability	Measurement Unit	Threshold	Timeline
Install efficient irrigation (e.g. smart irrigation systems, drip irrigation, xeriscaping, etc.) for substantially 100% of EastGroup's buildings in areas of "Relatively High" or higher drought risk	EastGroup-owned buildings in areas of "Relatively High" or higher drought risk (according to our third-party climate risk assessment)	Percentage of applicable buildings with efficient irrigation systems	100%	Deadline: 2033

3. Responsible Parties

Achieving the goals of this guide will require the support and participation of those responsible for overseeing, managing, and operating water systems. Construction managers and property managers will have overall responsibility for implementing and enforcing this guide, 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 regulatory codes, standards (such as EPA WaterSense), and guidelines for water fixtures, equipment, and infrastructure, and communicate these to key decision makers (property managers, construction managers, etc.)

- Create educational/engagement materials for property managers, construction managers, and tenants
- Obtain annual water data from Yardi or other sources for benchmarking ordinance reporting or voluntary reporting to third-party organizations, as applicable
- Track water use efficiency, water data coverage, and any other applicable key performance indicators (KPIs)

Property managers should:

- Implement policy and review on an annual basis
- Educate tenants and employees on water efficiency strategies through engagement activities and distribution of materials such as:
 - Newsletters
 - Signage
 - Training, etc.
- Ensure tenants are made aware of any new construction and renovation guidelines for plumbing fixtures installed during tenant improvement projects
- Monitor water consumption to identify and address potential leaks in a timely manner
- Arrange repairs or replacement for water equipment not functioning properly (leaks, etc.)
- Perform retrofits of existing plumbing fixtures to meet high-efficiency standards as feasible
- Communicate planned and completed efficiency projects to the ESG team and respond to informational requests to help quantify the savings from those projects
- Work with Property Accounting to review water bills and verify that properties are receiving appropriate sewer credits
- Review and investigate any unusual consumption variances flagged in Yardi Pulse to ensure that properties are not consuming unexpected amounts of water
- Adopt water management best practices where feasible (see below)

Construction managers should work with general contractors and others to:

- Install water-efficient fixtures during new construction or renovations
- Install weather-based smart irrigation systems where feasible
- Adopt water management best practices where feasible (see below)

5. Performance Tracking and Reporting

The implementation of this guide will be evaluated by the responsible parties for onsite compliance and discussed with the ESG team annually.

The ESG team will review portfolio-level water usage and progress towards the above goals and target annually and will report progress to the responsible parties. The ESG team will work with the property management team to report annual water consumption data where applicable to meet any state or local water benchmarking ordinances or for reporting to third-party organizations such as ENERGY STAR, GRESB, and/or the 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 also help reduce water 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.

- Equipment monitoring and maintenance
 - Install metering and leak detection/prevention for:

- Irrigation
 - Indoor plumbing
 - Domestic hot water
 - Chilled water systems
- Implement a monthly preventative maintenance program
- Repair or replace leaking faucets and equipment
- Install aerators on faucets
- Landscaping/Irrigation
 - Install native plants or plants with low water requirements
 - Install high-efficiency nozzles on irrigation heads
 - Install micro-spray or drip irrigation in narrow planting beds that cannot be irrigated efficiently with spray irrigation
 - Use smart sensor irrigation systems such as WeatherTRAK® that incorporate flow sensors, weather-based irrigation adjustments and automated leak detection alerts; experiment with reducing watering times
 - Work with irrigation vendors to confirm staff are properly trained on use of weather-based irrigation settings
 - Avoid or minimize use of turf grass
- Fountains, outdoor walkways
 - Recirculate water for decorative fountains
 - Drain fountains during droughts where feasible
 - Set timers on fountains and other water features
 - Use brooms or pressure washers for cleaning outdoor walkways and pavements
- Alternative water sources
 - Rainwater (can be used for irrigation, toilet, urinal flushing)
 - Stormwater (can be used for irrigation, cooling tower make-up, industrial)
 - Greywater (can be used for toilet, urinal flushing, irrigation)
 - Air handling condensate (can be used for cooling tower makeup, industrial)
 - Purified water system discharge (can be used for industrial)
- Hot water systems
- Reclaimed water
- Other process water

8. Resources and References

EastGroup standards:

Fixture type	Flush/Flow Rates
Water closets	≤ 1.28 gpf
Urinals	≤ 0.125 gpf
Private lavatory faucets	≤ 1.5 gpm
Public lavatory faucets	≤ 0.35 gpm
Showerheads	≤ 2.0 gpm
Kitchen faucets	1 gpm at 60 psi

Appliance efficiency standards:

Appliance	Criteria
Dishwasher, standard or compact	ENERGY STAR (or equivalent)
Pre-rinse spray valve	1.28 gpm or less
Ice machine	ENERGY STAR (or equivalent) AND either air-cooled or closed-loop cooling

References:

- WaterSense labeled products: <http://www.epa.gov/watersense/>
- ENERGY STAR products: <https://www.energystar.gov/products>

- Additional best practices: <https://www.epa.gov/watersense/best-management-practices>

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.