Climate-Related Financial Risk Report

Introduction

EastGroup Properties (“EastGroup” or the “Company”) prepared this report using the Task Force on Climate-related Financial Disclosures (TCFD) 2021 Guidance as the primary reporting framework. EastGroup used the TCFD framework as the baseline reference point for identifying, organizing and presenting relevant climate-related financial disclosures.

The disclosures included here reflect the climate-related financial risks and opportunities that EastGroup has determined to be material to its business operations, financial performance and strategic planning. Certain TCFD recommendations and sub-disclosures are not included in this report. In each case, these omissions result from (1) information or data not yet available at the time of reporting, and/or (2) a determination that the topic is not material to EastGroup’s business given its operational model, risk exposure profile and existing mitigation practices.

The determination of immateriality was based on several factors. First, many climate-related physical hazards are not present at levels across EastGroup’s portfolio that pose material near- or medium-term operational risks to the Company. Next, EastGroup maintains an insurance program with national coverage, under which climate-related property risks are already comprehensively addressed; for this reason, disaggregating insurance coverage by geography was determined to be immaterial. Finally, certain categories of resource-use data—such as property-level waste or water consumption—were not considered material to EastGroup’s financial performance.

EastGroup recognizes that climate-related risks, data expectations and materiality assessments will continue to evolve. To support improved alignment with the TCFD framework and forthcoming SB 261 compliance requirements, EastGroup will continue to review materiality on an ongoing basis and evaluate which additional disclosures may become relevant over time. For any disclosures identified as material but not yet available, EastGroup intends to develop the necessary data collection processes so that future reports—including the TCFD Index in subsequent annual Corporate Responsibility reports—can be expanded and strengthened to more fully align with TCFD recommendations.

TCFD Aligned Index

Section 1: Governance

Describe the board's oversight of climate-related risks and opportunities.

EastGroup's Board of Directors upholds its responsibility to provide ongoing oversight to all Board committees. This includes the Nominating and Corporate Governance Committee, which provides direct oversight of our corporate responsibility program and initiatives, including our assessment of climate-related risks and opportunities.

The Board stays abreast of the Company's corporate responsibility program and associated climate-related risks and opportunities via quarterly updates from EastGroup's Director of Corporate Sustainability and through participation in the Company's annual Enterprise Risk Management process, which pulls insights from annual surveys taken by the Board and management team. Risks related to physical climate change and transition to a lower carbon economy are included in the survey and considered in relation to both likelihood of occurrence and degree of impact.

The Nominating and Corporate Governance Committee holds more in-depth discussions around corporate responsibility, including climate-related risks and opportunities, at least annually.

EastGroup maintains open lines of communication between the Board and management to quickly and efficiently share pertinent information and insights as relevant topics arise.

Describe management's role in assessing and managing climate-related risks and opportunities.

EastGroup's management team is collaborative and communicative when it comes to assessing and managing the Company's climate-related risks and opportunities. EastGroup's Chief Executive Officer has overarching responsibility for EastGroup's business strategy, including climate-related matters. This includes direct involvement in material decisions concerning corporate responsibility initiatives and participation in the Company's annual Enterprise Risk Management ("ERM") process, where climate-related risks are evaluated alongside other strategic and operational risks.

The ERM process provides a formal mechanism through which senior management and the Board of Directors regularly assess current and emerging risks. Climate-related risks—both physical and transitional—are reviewed in this context to ensure the Company remains resilient and adaptive in a changing business and environmental landscape. This process also informs mitigation strategies and long-term planning.

The Director of Corporate Sustainability is directly responsible for researching, recommending and leading our sustainability initiatives. This involves heading the Company's internal Corporate Sustainability Committee, which includes EastGroup's Chief Financial Officer and Chief Accounting Officer as well as other employees and senior management across various departments. The Director of Corporate Sustainability meets weekly with external consultants and facilitates an annual strategy meeting for the entire Corporate Sustainability Committee and our consultants to review progress, assess current standing and plan priority initiatives for the coming year.

Section 2: Strategy

Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

With support from a third-party consultant, EastGroup conducts periodic portfolio-wide, regional and property-level assessments to identify climate-related physical and transition risks and associated opportunities over the short term (within 12 months), medium term (1-10 years) and long term (10+ years). Factors considered in these assessments include the following:

Weather- and climate-related physical risks:

- Drought
- Heat stress
- Earthquake
- Flood
- Hurricane
- Tornado
- Wind
- Wildfire
- Winter weather
- Sea level rise

Indirect risks associated with climate-related events and risks associated with transition to a lower-carbon economy:

- Operating costs—including insurance premiums—construction and labor costs and utility expenses
- Supply chain disruption
- Compliance with "green" building codes, utility benchmarking requirements or building performance standards

Based on our assessment of climate-related risks, EastGroup has identified the following as the most prevalent risks across the short, medium and long term:

- Short term (within 12 months): Tornado, hurricane and flood
- Medium term (1-10 years): Drought and heat stress; increasing property and casualty insurance premiums, compliance with laws or regulations, and increasing utility and development costs
- Long term (10+ years): Sea-level rise; compliance with laws or regulations, and increasing utility and development costs

EastGroup diligently assesses climate-related risks and intends to continue monitoring the evolving climatic, regulatory and ordinance landscape, but at this time, the Company does not consider any of the identified risks above to pose a material financial impact to the Company. Our comprehensive insurance coverage, location diversity, policy guidelines and ongoing work by our Sustainability Committee all contribute to insulate our business from climate-related risks and ensure the Company complies with local and federal regulation and reporting requirements.

EastGroup already takes advantage of opportunities to install energy-efficient lighting and equipment during periods of tenant turnover or lease renewal and incorporates efficient equipment and design features in our new development properties. Additionally, EastGroup explores opportunities presented by emerging technologies, energy transition and shifting market demand. Two prominent opportunities identified to date are implementation of EV charging stations to support our tenants in their transition to a low-carbon economy and installation of onsite PV solar to take advantage of inexpensive clean energy. We currently work with tenants who express an interest in installing onsite solar and expect these opportunities to continue to grow over the medium term.

Describe the impact of climate-related risks and opportunities on the organization’s business, strategy and financial planning.

At EastGroup, climate-related risks and opportunities are widely factored into how the Company operates our business and plans for continued success.

BUSINESS

EastGroup incorporates climate-related risks and related considerations in our enterprise risk management process, insurance strategy and tenant engagement initiatives. In partnership with our third-party sustainability consultants, EastGroup performs ongoing risk assessments that guide capital allocation and performance improvements across our assets. The Company maintains comprehensive insurance coverage across our portfolio to reduce financial exposure to extreme weather events and other climate-driven hazards. EastGroup has adopted green lease provisions across all markets to enable data transparency and foster tenant collaboration around advancing building operational performance. Tenant engagement efforts also include environmental awareness campaigns and disaster preparedness resources to promote tenant well-being and strengthen the resiliency of the communities in which we operate.

STRATEGY

Our sustainability strategy is led by a dedicated Director of Corporate Sustainability, who chairs our Corporate Sustainability Committee and manages our external consultant relationships. Together, they ensure our climate-related actions are aligned with broader corporate goals and that they support innovation, compliance and goal setting. We use our EMS, modeled on ISO 14001 standards, to guide environmental practices across acquisitions, construction, operations and stakeholder engagement. The EMS helps us embed environmental accountability into each stage of our value chain, and the Company encourages regional management teams to embrace location-specific operational strategies that aim to improve resource efficiency and building performance.

FINANCIAL PLANNING

EastGroup considers climate-related factors in our capital access strategy, forward-looking business planning and budgeting processes. Since June 2021, EastGroup has had an unsecured revolving credit facility that offers an incremental reduction in borrowing costs if the Company achieves a target number of newly constructed buildings with qualifying EV charging stations as a percentage of total qualifying buildings for each fiscal year. Also, EastGroup has explored portfolio-wide strategies for meeting green building certification standards in new developments and engages third-party consultants to assess opportunities such as potential rooftop solar leases. Through scenario analysis and close collaboration with our sustainability consultants, we refine our short-, medium- and long-term plans to reflect best practices, mitigate risks and capitalize on opportunities.

Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

EastGroup engages a third-party sustainability consultant to support in the identification and assessment of and planning for climate-related risks and opportunities. This partnership integrates climate resilience into EastGroup’s planning for and execution of site evaluations, construction costs, design specs and tenant engagement. The partnerships also enable EastGroup to stay abreast of best practices in sustainability reporting, peer benchmarking and performance requirements. With guidance from its consultant, EastGroup conducts regional risk evaluations and property-level site evaluations for each asset every three years. These evaluations are based on best available strategies of the time, ensuring the Company remains agile to shifting priorities while maintaining its resolve for strong business performance.

EastGroup's most recent Regional Climate Resilience Assessment, conducted by our consultant in 2023, included a sea-level rise risk assessment analysis using three Representative Concentration Pathway ("RCP") scenarios from the Intergovernmental Panel on Climate Change ("IPCC"): RCP 2.6 (representing deep and rapid emissions cuts); RCP 4.5 (representing moderate emissions cuts); and RCP 8.5 (representing unchecked emissions). All of our properties were assessed as "very low risk" under both the RCP 2.6 and RCP 4.5 scenarios, and under the RCP 8.5 scenario, less than 4% of the Company's properties (by square footage) were assessed as "low risk" through the year 2100, with the remainder assessed as "very low risk."

Section 3: Risk Management

Describe the organization's process for identifying and assessing climate-related risks.

EastGroup conducts several key assessments on a three-year basis to stay focused on material risks and promote data-driven investment and budgetary decisions:

- **Double Materiality Assessment**: used to establish the environmental, social and governance topics that most influence Company performance and assess EastGroup's operations that have the most impact on the environment and society.
- **Regional Climate Resilience Assessment**: used to determine property-level exposure to identified climate-related risks prevalent to the geographic locations in which the Company operates.
- **Property-Level Resilience Survey**: used to assess the presence of property-level resilience attributes across EastGroup's portfolio.

For new acquisitions, EastGroup uses a Sustainability Due Diligence Scorecard to ensure that critical environmental, social, regulatory and resilience factors are considered when evaluating investment opportunities.

Additionally, EastGroup's Director of Corporate Sustainability holds weekly meetings with the Company's sustainability consultant, allowing for regular check-ins on the Company's exposure to and progress toward addressing various climate-related risks.

Incorporated into these weekly meetings is a meticulous review of processes, programs and policies as part of the Company's GRESB reporting process, which helps identify areas of strong performance and opportunities for improvement.

Describe the organization's process for managing climate-related risks.

EastGroup leverages assessments (described in response to 3a), tools and guidance from its third-party consultant to shape policies, implement mitigation measures and perform stakeholder outreach, all of which contribute to the Company's management of climate-related risks.

Concurrently, EastGroup maintains continual focus on increasing data coverage across the Company's portfolio, helping to better inform decisions around building performance and resilience initiatives as well as to strengthen tenant-owner collaboration. EastGroup also has extensive insurance coverage over each of its assets to transfer some of the risk associated with the potential for extreme weather events and insulate the Company from costs associated with exposure to various climate hazards.

Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.

EastGroup has established protocols and communication channels ensuring the identification, assessment and management of climate-related risks are integrated into the Company's overall risk management.

EastGroup's EMS and Corporate Responsibility Policy serve as the company-wide foundation for environmental management and operational best practices. Also, EastGroup utilizes a Sustainability Due Diligence Scorecard for acquisition due diligence to ensure material physical, social and transition risk hazards are factored into investment decisions.

EastGroup promotes effective communication of climate-related risks throughout the Company:

- EastGroup's Director of Corporate Sustainability leads the Company's Corporate Sustainability Committee, meets weekly with EastGroup's sustainability consultants, reports regularly to EastGroup's Chief Accounting Officer and provides quarterly updates to the Board of Directors on EastGroup's corporate responsibility program and related initiatives.
- Members of the Corporate Sustainability Committee participate in the annual Enterprise Risk Management process to ensure perspectives on climate-related

risks are well integrated into annual strategy planning with the Company's most senior leadership.

Section 4: Metrics & Targets

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

The primary metrics used by the organization to assess climate-related risks and opportunities include the following:

- Percentage of portfolio (by square footage) with exposure to each climate-related hazard included in our Regional Climate Resilience Assessment
- Insurance premium trends and claims data
- Percentage of properties in areas of "relatively high" or higher drought risk with efficient irrigation systems
- Percentage of new development properties with EV charging stations installed annually

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks.

2024 GHG Emissions: Intensity Performance	
Scope 1	0.09 $MTCO_2e$/KSF
Scope 2	6.00 MTCO2e/KSF
Scope 3	1.30 $MTCO_2e$/KSF

Our reported scope 1 and scope 2 emissions represent the emissions resulting from fuel and purchased electricity, respectively, associated with EastGroup's own operations, regardless of whether we own or lease the office space. This includes our corporate headquarters as well as our asset management, property management and regional offices, totaling approximately 41,000 SF. Our reported scope 3 emissions represent the GHG emissions generated from our downstream leased assets (Category 13).

Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Related to management of climate-related risks and opportunities, it is EastGroup's goal to decrease energy use as well as indoor and outdoor water use wherever feasible. In support of these goals, EastGroup has embraced the following targets:

- 15% reduction in energy use intensity (and related GHG emissions) by 2033 compared to a 2023 baseline. This target applies to corporate offices (where separately metered) and EastGroup-owned buildings' exterior and parking lot lighting for which EastGroup is billed directly.
- 100% compliance with benchmarking, audit and GHG reduction reporting requirements annually
- 90% of new development transfers to receive EV charging installation on an annual basis by 2029
- 95% data coverage for landlord-paid utilities by 2033
- Substantially 100% of EastGroup's buildings in areas of "relatively high" or higher drought risk to have efficient irrigation (e.g., smart irrigation systems, drip irrigation, xeriscaping, etc.) by 2033

Every year, EastGroup improves upon our data collection processes and capacity, expanding upon our coverage for EastGroup-controlled operations as well as whole-building data. In 2024, EastGroup submitted all relevant benchmarking and reporting requirements and did not receive any associated penalties or fees. The Company also implemented irrigation improvements at 88 properties in 2024 to improve efficiency across areas of higher drought risk.

About This Report

Our goals regarding our corporate responsibility and sustainability initiatives are aspirations. They are not guarantees or promises that we will meet all or any of our goals. Any statistics and metrics regarding our corporate responsibility and sustainability activities are estimates and may be based on assumptions or developing standards. The principles used to determine whether to include information or data in this report do not correspond to the principles of materiality contained in the federal securities laws, the concept of materiality used to determine whether disclosures are required to be made in filings with the U.S. Securities and Exchange Commission or principles applicable to the inclusion of information in financial statements.

No part of this report constitutes, or shall be taken to constitute, an offer to sell or the solicitation of an offer to buy any securities of the Company or any other entity. This report is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, tax considerations or financial situation or needs of any investor. This report and the information contained in this report are not incorporated by reference into and are not a part of any offer to sell or solicitation of an offer to buy any securities of the Company pursuant to any offering registered under or any offering exempt from the Securities Act of 1933. All investors should consider such factors in consultation with financial, tax and legal advisors of their choosing when deciding if an investment is appropriate.

This report contains statements that reflect or are based on our views about our future business achievements and financial performance. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified through the inclusion of words such as "aim," "anticipate," "believe," "drive," "estimate," "expect," "goal," "intend," "may," "plan," "project," "strategy," "target" and "will" or similar statements or variations of such terms and other similar expressions. Forward-looking statements inherently involve risks and uncertainties. For information on certain factors that could cause actual events or results to differ materially from our expectations, please see our filings with the Securities and Exchange Commission, including our most recent annual report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. All forward-looking statements are based on management's knowledge and reasonable expectations at the time of publication, and we assume no duty to update these statements as of any future date.