

SUSTAINABILITY AT FEDERAL REALTY

GROWTH AND SUCCESS THROUGH ENVIRONMENTAL, SOCIAL AND GOVERNANCE LEADERSHIP.

Federal Realty Investment Trust is committed to addressing the effects of climate change through our Environmental, Social and Governance (ESG) priorities. Our environmental practices are reflected in the way we develop and manage our properties; from our efforts to minimize and reduce environmental impact through energy and resource-efficient buildings in transit-oriented locations, to investing in renewable energy sources, to creating places that promote health and well-being throughout our portfolio.

KEY INITIATIVES

SUSTAINABLE DEVELOPMENT

From new developments to the adaptive re-use of existing buildings, our projects reflect our commitment to sustainability and to creating places that better the community and enhance the quality of life for residents, employees and visitors.

- Since 2012, we have invested over \$1.2 billion in construction projects that have certified as green by the U.S. Green Building Council and other similar groups.
- We use energy modeling to understand the impact of design decisions on projected energy use and commissioning is undertaken to ensure that the designed energy efficiencies are achieved.
- We prioritize water quality in site and building design to improve stormwater through green roofs and rain gardens.
- Our focus on sustainable community development takes advantage of existing transit infrastructure and proximity to community amenities is evidenced in the average walkability score of 85.

SHOPPING CENTER OPERATIONS

Through engagement with all stakeholders, including employees, tenants, vendors, local governments and the community, we continually measure the impact of our actions, search for opportunities for improvements and identify ways to advance environmental performance.

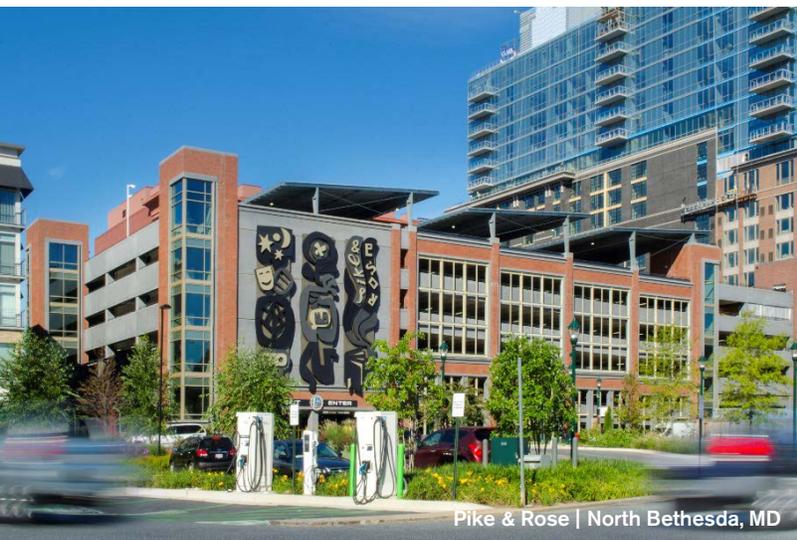


Energy Management

Reducing energy usage is not only positive for the environment; it makes good business sense that creates value for our stakeholders. We measure and manage our energy consumption, which also helps drive smart business investments—from installing LED lights at our properties for 50%–70% in energy savings, to installing rooftop solar systems that produce clean, renewable energy on site.

Energy Efficiency

- LED lighting technology installed at 60% of our properties.
- Upgrading and enhancing building automation and controls equipment.
- Implementation of data systems to continually monitor and analyze energy trends.
- Regular performance of internal and external energy audits and retro-commissioning.



Renewable Energy

Federal Realty was an early adopter of developing, owning and operating rooftop solar. Since 2010, we have made investments of nearly \$35M dollars in 22 solar photovoltaic systems with an additional \$12 million currently being invested in 10 more solar photovoltaic systems.

- With 18.9 MWdc of roof top solar installed at 30% of our properties, Federal Realty is a leader amongst U.S. corporations for utilizing our locations to generate renewable energy.
- Generating nearly 18.5 million kWh of electricity on an annualized basis, which offsets nearly 30 million pounds of CO₂; equivalent to the carbon sequestered by 16,202 acres of US forest in one year.

Water Efficiency

- Real time consumption meter reading technology that eliminates unnecessary water use at nearly half of our portfolio.
- Construction and design requirements for low-flow and water-efficient fixtures.

SUSTAINABILITY IS NOT A SEPARATE MISSION, BUT AN EMBEDDED COMPONENT OF OUR LONG-TERM VISION AND CORE BUSINESS PHILOSOPHY.

- Use of advanced monitoring technology to reduce process water consumption for air conditioning systems while extending the life expectancy of the capital investment.
- Landscaping with native, adaptive and drought-tolerant plants combined enhanced by smart controls to reduce irrigation needs.

Waste Reduction

Minimizing our environmental impact takes many forms, including our commitment to reducing waste and maximizing landfill diversion—from construction all the way through the ongoing operation of our shopping centers.

- Throughout our construction activities, recycling has been in excess of 90%. Recycling is required in our contracts as part of FRIT's Green Box® standards.
- Hosting book and clothing donation bins.
- Collection of restaurant oils to be re-used for bio-diesel production.
- Active management of the waste streams that includes using the right equipment, deploying technology for data intelligence and ongoing coordination with our tenants to increase landfill diversion rates.

Green Leasing

Our leases contain clauses that primarily focus on shopping center operations and maintenance issues such as chemical use, indoor air quality, energy efficiency, water efficiency, recycling programs, exterior maintenance programs, and systems upgrades to ensure that landlord and tenant have established, accountable environmental standards.



INNOVATIVE PARTNERSHIPS

Up Top Acres

With Up Top Acres, The Farm at Bethesda Row became one of the first conversions of an existing green roof to an urban rooftop farm. Crop yields have increased to 10,000 lbs. annually on 7,000 SF of roof space.

Our continued partnership and mentorship with Up Top Acres has enabled urban rooftop farming to become commercially important and earned Up Top Acres a spot on Forbes' 30 Under 30 for Social Entrepreneurs.

Building on the success of our first farm, Up Top Acres has deployed a half-acre of roof area at our Pike & Rose project which was converted to a new roof top farm. The crops grown here will further enable the local community to connect with the built environment through a Community Supported Agriculture program where subscribers receive weekly deliveries of the farm's harvest furthering our commitment to roof to table dining.

Freight Farms

Earlier this year, we launched a partnership with Freight Farms, a Boston-based company that retrofits shipping containers with vertical farming technology capable of growing acres' worth of produce in a fraction of the space of traditional farms. The partnership empowers anyone to use this technology while repurposing Federal Realty's unused parking spaces as a place to locally and sustainably produce food that benefits the shopping centers' tenants, customers and community.



AT FEDERAL REALTY, OUR SUSTAINABILITY MISSION IS GOVERNED BY THE BELIEF THAT GREAT REAL ESTATE IS FOUNDED UPON THE INTRINSIC RELATIONSHIP BETWEEN RESPONSIBLE DEVELOPMENT AND ACCOUNTABILITY TO THE COMMUNITIES AND PEOPLE WE SERVE.

BY BALANCING ENVIRONMENTAL, SOCIETAL, AND ECONOMIC PRIORITIES WITH INNOVATION, CREATIVITY, AND RESOURCEFULNESS, WE SEEK TO CONTINUOUSLY CHALLENGE THE WAY BUILDINGS IMPACT THE PLANET.

