



A Sustainable Culture

2020 CORPORATE RESPONSIBILITY REPORT

FEDERAL
1962

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Federal Realty Investment Trust (Federal) is a recognized leader in the ownership, operation, and redevelopment of high-quality retail-based properties located primarily in major coastal markets from Washington, D.C., to Boston, as well as San Francisco and Los Angeles. Founded in 1962, Federal's mission is to deliver long-term, sustainable growth through investing in communities where retail demand exceeds supply. Our expertise ranges from small neighborhood shopping centers to urban, mixed-use neighborhoods and everything in between. We invest in retail-based locations that have the best prospects for delivering sustainable growth and increasing in value over the long term.

Let's Get Started

IN THIS SECTION

- ABOUT THIS REPORT
- FEDERAL FACTS
- UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS
- A MESSAGE FROM OUR CEO

GRI 102-6, 102-14, 102-46, 102-50, 102-52, 102-54

A Short Video Message
from Our CEO



About this Report

This report is the primary way in which we convey to our stakeholders our commitment and approach to environmental, social, and governance (ESG) matters; it also supplements information included in our Annual Report/Form 10-K and our Proxy Statement, both of which are available on our website.

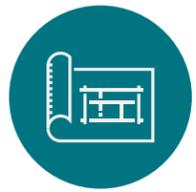
We have aligned this report with the Global Reporting Initiative (GRI) and are providing additional disclosures in alignment with the Sustainability Accounting Standards Board (SASB) and the Taskforce on Climate-Related Financial Disclosures (TCFD). The main body of this report ([pages 3-56](#)) provides a description of our ESG programs and strategy. Our Appendices ([pages 57-72](#)), including the Content Index ([pages 61-72](#)), include specific metrics and information not included in the body of the report as well as references to where additional information can be found.

This report covers calendar year 2020 unless otherwise indicated.

Federal Facts



PORTFOLIO



102
total properties



22 years
average ownership



23M SF
commercial space



~2,900
residential units

PEOPLE



96%
of employees feel proud
to work for Federal



309
employees



51%
women



49%
men



8 years
average tenure

PLANET



3.3M SF
LEED certified buildings



13.1 MW
on-site solar capacity



200
EV charging
stations installed

Federal's Recognition



2018-2021 / 2021-2024



G R E S B
REAL ESTATE
Sector Leader 2020



EcoLeadership Award 10TH YEAR
Health & Wellness Seal of Approval 13TH YEAR
Workplace Excellence Seal of Approval 13TH YEAR

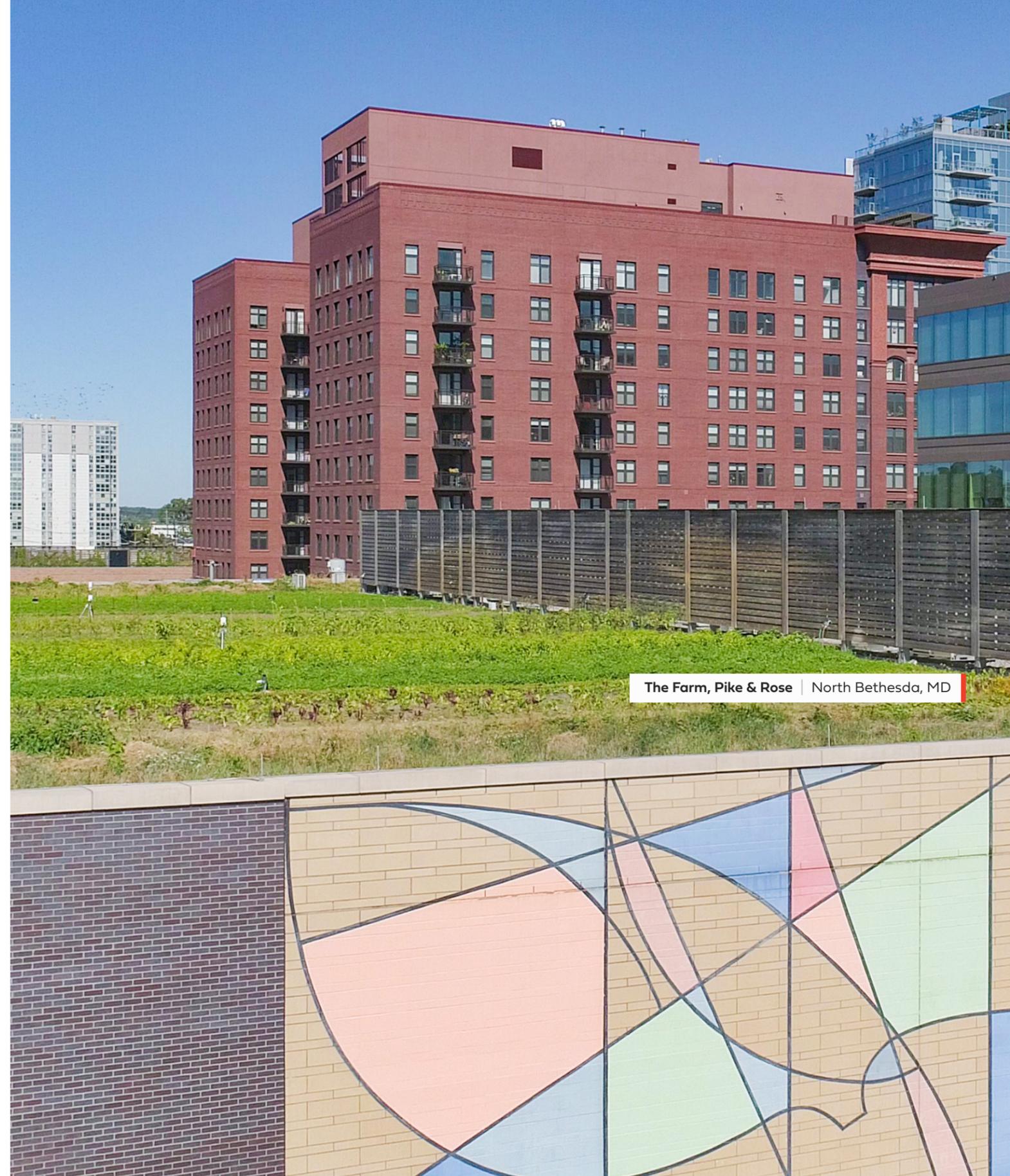


United Nations Sustainable Development Goals

Federal’s ESG efforts are guided by the United Nations Sustainable Development Goals (UNSDGs). We have focused our efforts on the specific UNSDGs where our business can have the most impact.

Our team members consider how they can advance these goals in every aspect of their day-to-day work, whether they are designing and constructing a building, maintaining a shopping center, or simply deciding not to print a document. You will see the alignment of our ESG activities with these UNSDGs throughout this report.

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| <p>3 GOOD HEALTH AND WELL-BEING</p>  | <p>5 GENDER EQUALITY</p>  | <p>6 CLEAN WATER AND SANITATION</p>  | <p>7 AFFORDABLE AND CLEAN ENERGY</p>  | <p>8 DECENT WORK AND ECONOMIC GROWTH</p>  |
| <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>  | <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>  | <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>  | <p>13 CLIMATE ACTION</p>  | <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>  |



A Message from Our CEO



2020 was a year that challenged our team and every aspect of our business in ways we could not have imagined when the year began. The unprecedented operational, public health, and economic challenges from the COVID-19 global pandemic were further complicated as protests against systemic racism emerged across the country and extreme weather events brought on by climate change threatened lives and properties. Never has the necessity of a sustainable and resilient business been more clear than in 2020.

For more than half a century, this company has been built with long-term sustainability and resilience in mind, while also remaining nimble enough to react to changes. The fact that we have been able to increase our dividend for 53 consecutive years through all types of conditions, including COVID, is evidence of the resiliency of our business.

Because a focus on sustainability in its broadest sense is ingrained in the DNA of this company, our team, and our way of doing business, we were able to adapt to the rapidly changing conditions in 2020. In the pages that follow, you'll see some of the specific actions we took in 2020 to support our employees, our tenants, and the communities where we operate. Suffice it to say that the events of 2020 proved more than ever that our business is resilient and that we are all part of a global community, with each of us needing to do our part to meet the environmental, social, and governance challenges ahead.

Last year we used this report to provide an overview of how we think about sustainability and the kinds of things we do in our business to improve the environment and support our employees, our tenants, and the communities

we serve. Despite the challenges of 2020, we continued executing our overall ESG strategy with such notable accomplishments as achieving LEED Gold certification on our building at 909 Rose Avenue in our Pike & Rose project, achieving a FitWel certification for our new corporate headquarters space that we occupied in August of last year, and aligning all of our ESG efforts with the UNSDGs to maximize their impact. We'll provide more information throughout this report on our ESG efforts in 2020 and our plans for the future.

One thing that will be more evident in this year's report is the rigor and seriousness with which we approach our ESG mission. We've aligned this report with the Global Reporting Initiative to provide a better understanding of the impacts we have on the economy, the environment, and society in general, and to enhance our accountability for and transparency into our contributions. We'll also provide more insight into the formalization of many parts of our ESG initiatives to improve the accountability of the company and our team members, including setting specific electric and GHG emissions reduction targets.

We're pleased to be able to provide you with this report highlighting our ESG journey and accomplishments and look forward to continuing to share that journey with you in the years ahead.

Donald C. Wood
Chief Executive Officer

INDUSTRY-LEADING CONSISTENCY

53 consecutive years of increased dividends.



The Events of 2020

IN THIS SECTION

- RACIAL JUSTICE
- EMPLOYEE HEALTH AND SAFETY
- RISK MANAGEMENT
- STAKEHOLDER ENGAGEMENT
- TENANT SUPPORT
- COMMUNITY AND PHILANTHROPIC SUPPORT

GRI 102-12, 102-21



Assembly Row | Somerville, MA

In the U.S., 2020 was largely defined by the COVID-19 pandemic and the civil unrest to raise awareness of racial injustice. As a company, we took actions to address both.

Highlights of some of the actions we took are described on the following pages.



Bethesda Row | Bethesda, MD

Racial Justice

As racial justice protests swept the country in 2020, we were reminded that saying our properties serve their local communities isn't just a catchphrase for us.

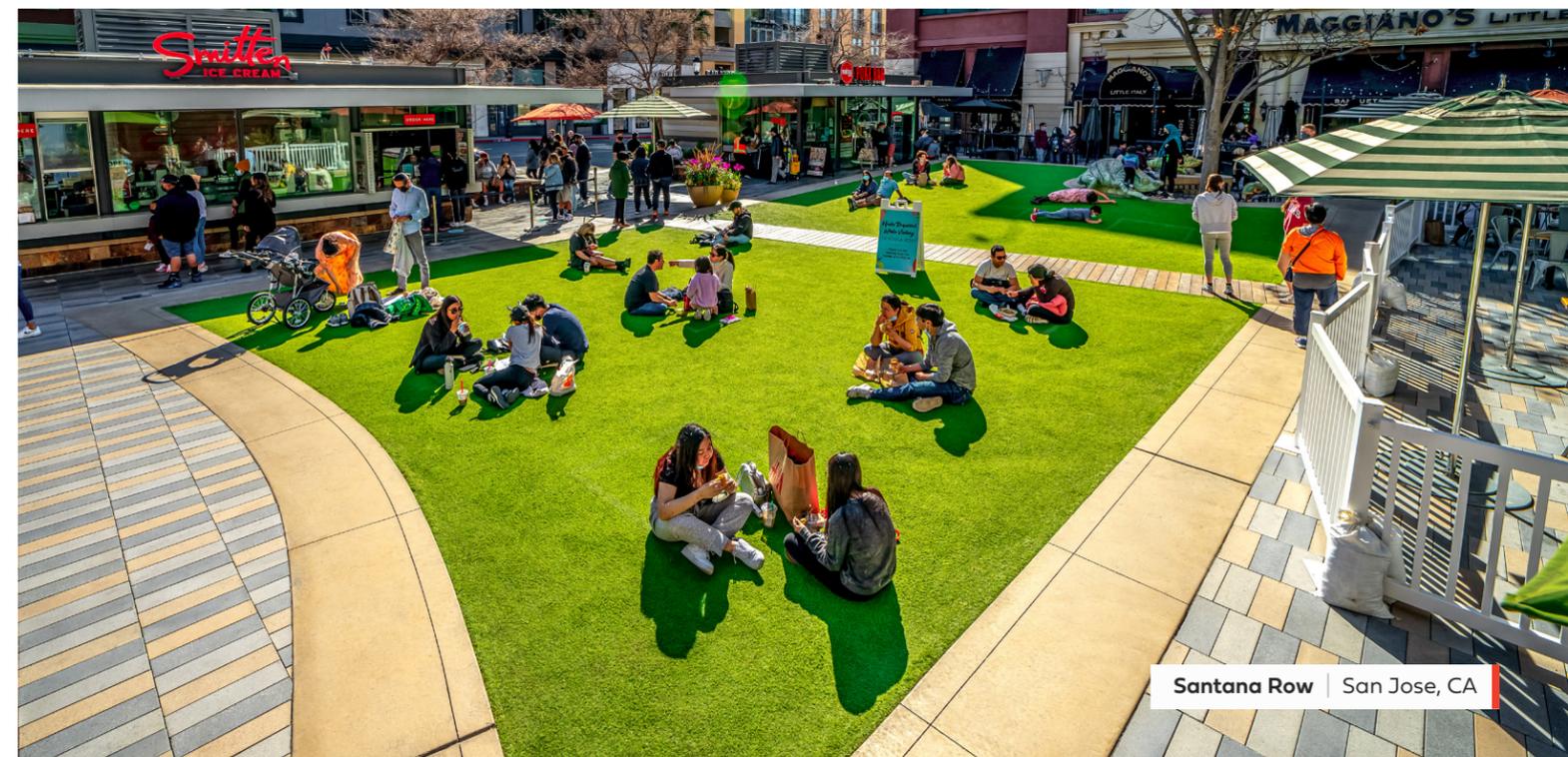
It is a fundamental tenet of how we approach our business and supporting our communities during civil unrest was one of the best ways for us to live up to that core belief. While many property owners took action to keep protest activities away from their properties, we worked cooperatively with protest organizers to host events at a number of our properties and serve as meeting points for marches. Those actions were supplemented by internal awareness efforts. We supported our team members' contributions to charitable organizations that championed causes related to racial injustice, raising more than \$50,000, while sharpening our focus on our own efforts around issues of diversity, equity, and inclusion.

Employee Health and Safety

- Transitioned to remote work for all but a few employees who volunteered to assist with critical office functions
- No layoffs, furloughs, or pay reductions for any employee
- Paid full bonuses to property employees and partial bonuses to all other employees
- Provided enhanced health and wellness benefits to employees and their families and increased communications with employees
- Enacted health protocols for return to office with focus on employee health and safety

Risk Management

- Identified risks related to pandemic and focused on mitigation
- Raised significant amounts of capital and maintained a high level of liquidity to ensure ability to operate through the pandemic
- Invested in properties and people to position the company for a quick recovery post-pandemic
- Frequent meetings and discussions with Board of Trustees



Santana Row | San Jose, CA

Stakeholder Engagement

Issued press releases and other updates to provide current information to investors

Ongoing communication with investors and other constituents

Continued payment of dividend, which is an important source of income for many of our investors

Tenant Support

Kept all properties open and operating

Modified approximately 1,200 leases, particularly those of small- and mid-sized businesses, to share financial burden of pandemic

Creative deal structures for new businesses to open post-pandemic

Enhanced safety features for tenants and customers, including portfolio-wide curb-side pickup for use by all tenants and created new outdoor seating areas

Community and Philanthropic Support

Company-wide fundraising efforts to address food insecurity in a local community

Use of a vacant retail space as facility to sanitize personal protective equipment for re-use

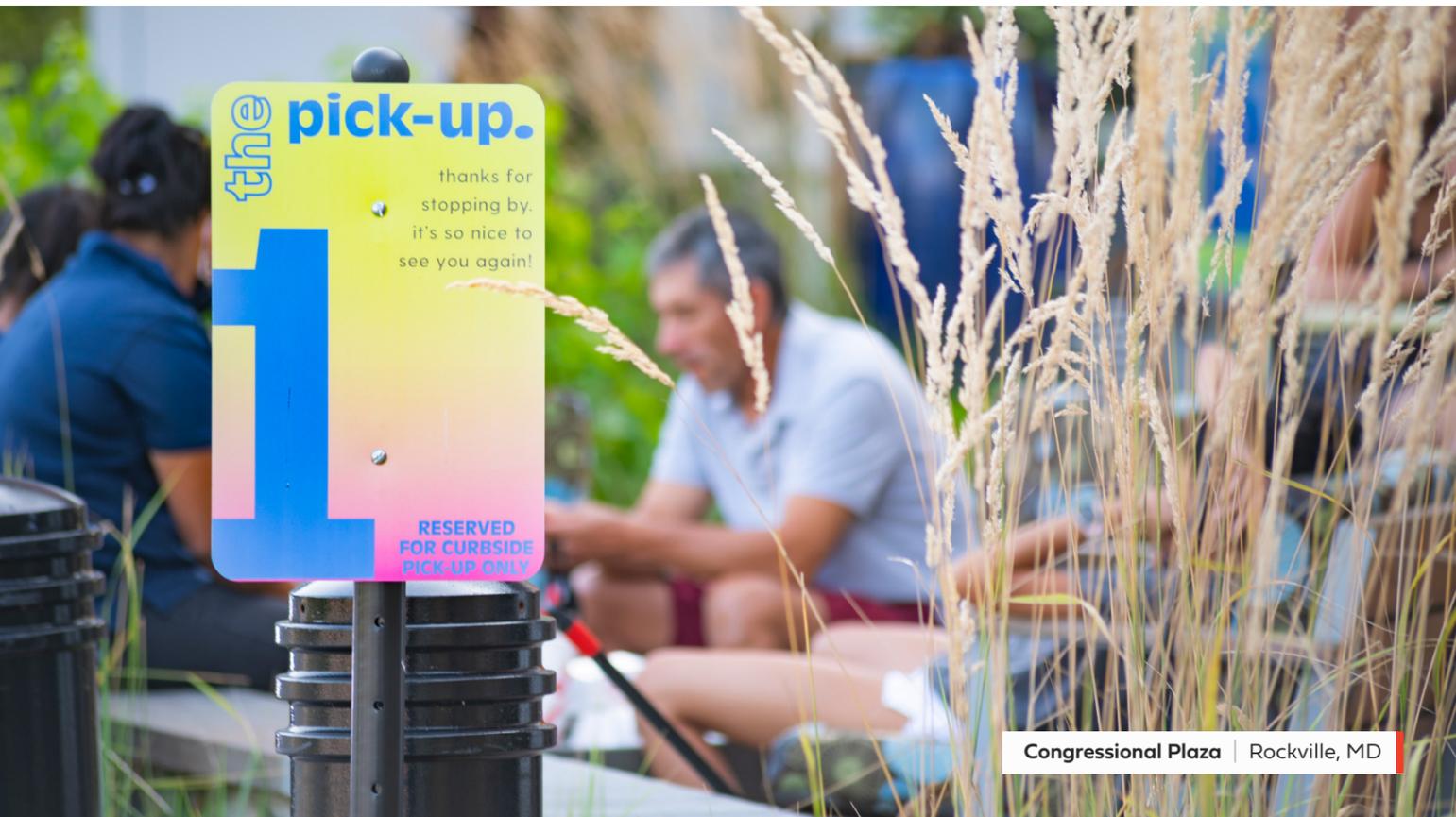
Partnered with restaurant tenants to donate meals to homeless and front line health and safety workers

Numerous campaigns to match sales from restaurant tenants with gift cards donated to first responders

Partnered with a tenant to provide cleaning supplies to local police precinct

"2020 was a year that challenged our team and every aspect of our business in ways we could not have imagined when the year began. Never has the necessity of a sustainable and resilient business been more clear."

Donald C. Wood
Chief Executive Officer



Congressional Plaza | Rockville, MD

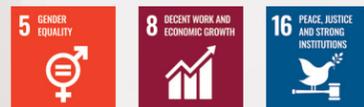


Commitment to Diversity, Equity, and Inclusion

IN THIS SECTION

- OUR TEAM
- OUR PARTNERSHIP WITH PRIMESTOR

GRI 102-12, 102-21



Corporate Headquarters | North Bethesda, MD

Integrity has been and continues to be a core company value because doing the right thing, even if it's hard, leads to better long-term results. Integrity at Federal includes being fair and respectful, valuing diversity, and embracing what makes each of us unique.

The ideas of diversity, equity, and inclusion were purposely embedded into our core values when they were adopted in 2016 because they are fundamental considerations for every part of our business and in everything that we do. In 2020, we formalized our commitment to diversity, equity, and inclusion with our CEO's signing of the CEO Action for Diversity & Inclusion pledge.

Our Team

Diversity for Federal is about making sure we bring together people with different backgrounds, different points of view, different life experiences, and different expectations so those differences can fuel the healthy debate that's needed for the long-term success of the company. But it can't stop there. To have impact, it also requires that everyone in those diverse groups be treated fairly and have a meaningful voice in the discussion.

Our long-standing commitment to diversity, equity, and inclusion throughout our company spans more than three decades, starting at the top with our Board of Trustees and senior executive team, well ahead of others in the commercial real estate industry.

Beginning in these years, we have maintained:

1988

1 or more Female Senior Executives

1995

1 or more Female Trustees

2003

At least 1/3 Female Non-Management Trustees

2007

At least 1 Minority Trustee

We think about diversity in our offices in much the same way we think about our real estate—it's local and needs to reflect the local community.

We purposely locate our offices at our properties because we want our team members to live and participate in the communities our properties serve. Our expectation is that the gender, racial, and ethnic makeup of the team members in our offices should reflect the gender, racial, and ethnic makeup of these communities. In our corporate headquarters at Pike & Rose and our West Coast headquarters at Santana Row, housing approximately two-thirds of our employees, the diversity of our team aligns with the diversity of the local community.

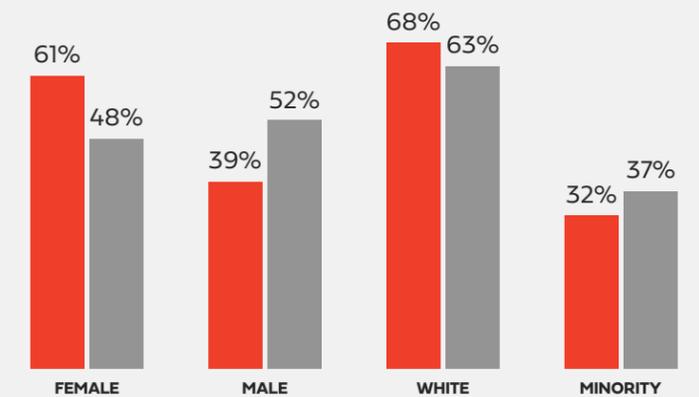
More detail on the diversity of our entire workforce can be found in the [Team Information appendix](#).

Our Workforce Aligns with Our Local Communities

■ Federal Workforce ■ Local Community*

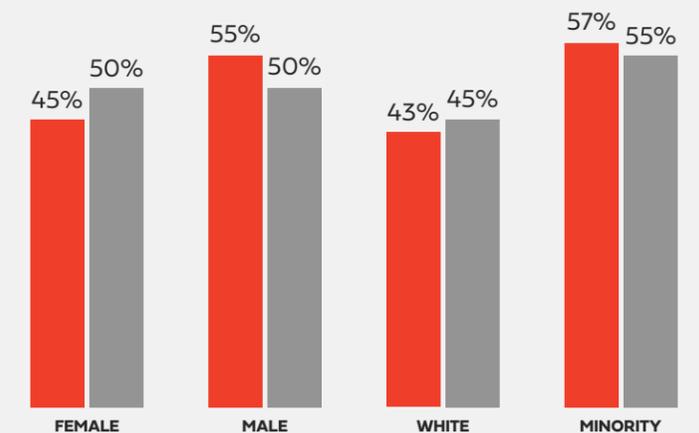
PIKE & ROSE

North Bethesda, MD—Corporate HQ



SANTANA ROW

San Jose, CA—West Coast HQ



*Assumes 15-minute drive time based on September 2020 demographic data provided by Trade Area Systems

Current Senior Leadership Diversity

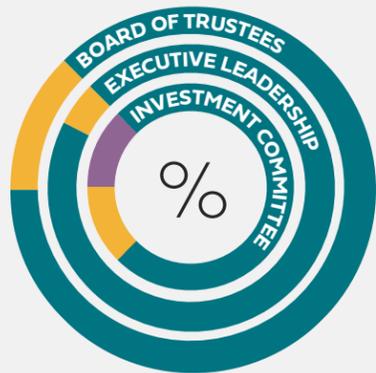
Gender

Female Male



Race / Ethnicity

White Black Latino



Although there's always room for improvement, our Board of Trustees, executive leadership team, and Investment Committee include diversity by gender, race, and ethnicity.

As we think about further improving the diversity of our workforce, we're focused on identifying and eliminating any structural biases in our company and in our processes that could inhibit our ability to recruit and hire a diverse group of employees. We've already implemented a version of the so-called "Rooney Rule" for all positions at a director level and above. We also provide hiring managers with resumes where any information that could identify a candidate by gender, race, or ethnicity is removed to avoid initial bias.

As we enhance our efforts, we're looking to:

- Address initiatives that expand recruiting sources to cast a wide net for new employees
- Update processes to ensure diverse candidates are proportionally included at each phase of the process
- Craft job descriptions to avoid inherent biases
- Identify jobs that are suitable for ongoing remote work to mitigate the physical boundaries that come with requiring a person be in a particular office every day

These efforts, along with anticipated and ongoing training, will help us address any company-specific issues that inhibit diversity and help us reinforce that diversity is a core part of our values.

Equity and inclusion are also embedded into the culture of our company. With only 300 employees, each employee holds an important place in the company and has a voice that can be heard.

We have a centralized team of HR professionals that oversee all compensation, promotion, hiring, and termination decisions. This approach allows our team to strive for consistent treatment of all people with similar jobs, with the only differentiation being the consideration of performance-relevant factors such as years of experience, needs of the position, and overall skills and qualifications.

2020 Employment Actions

Gender

Female Male



Race / Ethnicity

White Minority



2021 Employee Engagement Survey

Overall Favorability

80% OF ALL EMPLOYEES
77% FEMALES
81% MINORITIES

"Employees Are Treated Fairly Regardless of Race, Gender, Age, Sexual Orientation, etc."

91% OF ALL EMPLOYEES
86% FEMALES
88% MINORITIES

"My Ideas and Suggestions are Given Consideration"

87% OF ALL EMPLOYEES
82% FEMALES
88% MINORITIES

Our Partnership with Primestor

Diversity for Federal doesn't stop at the doors of our offices. It extends to how we invest in our real estate.

We've partnered with Primestor Development to own and develop properties in areas of Los Angeles County that serve primarily Black and Latino communities. Primestor is a full-service real estate company that focuses on economic development within underserved and marginalized communities and we partner with their diverse team of professionals who live in these communities to lease and operate the properties. We have committed to invest an additional \$2 million to a Primestor-managed real estate fund whose purpose is to invest in projects located in urban, low- and moderate-income, predominantly Latino markets. Our partnership with Primestor provides the needed expertise to extend our investment reach to these historically underserved and marginalized communities. The perspectives we gain from our partnership with Primestor are invaluable, so much so that Arturo Sneider, the co-founder of Primestor, is a full voting member of our Investment Committee, giving us the benefit of his unique perspectives on all our investment decisions greater than \$1 million.



Freedom Plaza is a 113,000 square foot shopping center located in the Watts neighborhood of Los Angeles, an area best known for the 1965 race riots. Today, 87% of the population within one mile of the property identifies as Hispanic according to Trade Area Systems. Completed in 2020, Freedom Plaza includes a Smart & Final grocery store and other nationally known tenants such as Nike, Starbucks, Ross, Blink Fitness, and Habit Burger Grill. Prior to the opening of the Smart & Final grocery store, this area was designated by the U.S. Department of Agriculture as an "urban food desert" – meaning that there were at least 100 households more than half a mile from the nearest supermarket with no vehicle access.

The impacts of this property are already being felt in the community. Residents of the area are now able to walk to a store to get fresh, quality food to feed their families. Local employment has improved. The tenant leases require 30% local hiring and as of July 2020, 78% of all workers at the property were from the area with nearly half of those workers categorized as disadvantaged: either a single parent, homeless, receiving public assistance, or lacking a high school diploma or GED. The economic impact this property will ultimately have on the community is yet to be seen, but it serves as an example that financially responsible investing can also support societal objectives.

Primestor had been working on this project for nearly a decade, seeing the site's potential for development as a way to create more economic opportunity and jobs for local residents. Investing in this project alongside Primestor gave us the opportunity to advance societal considerations in a financially responsible way. More than \$50 million has been invested in this project by us, Primestor, the tenants, the Housing Authority of the City of Los Angeles and through the New Market Tax Credit program.



PRIMESTOR PARTNERSHIP



9

Total Properties



\$400M

Total Investment



1.2M

Square Feet



\$54K

Median Household Income *



83%

Latino Population *

*Average within a 3-mile radius per Trade Area Systems

Our Climate Change Story

IN THIS SECTION

- IMPACT OF OUR INVESTMENTS
- INVESTING IN OUR PORTFOLIO
- ADDRESSING ENVIRONMENTAL IMPACTS AT OUR PROPERTIES
- OUR APPROACH TO MANAGING CLIMATE RISK

GRI 102-3, 102-11, 102-19, 102-20, 102-26, 102-27, 102-29, 102-30, 102-31, 102-33, 103-1, 103-2, 103-3, 201-2, 302-1, 302-2, 302-4, 303-1, 303-3, 305-1, 305-2, 305-4, 305-5



Solar Smart Flower, Assembly Row | Somerville, MA

Our primary assets are our land and buildings **and we hold these assets for decades.**

This is why our decisions around what assets to buy, how a building should be designed and constructed, and what's necessary to keep a building in good repair and relevant have to be made with a focus on the right thing to do for the long-term.



22 years
average ownership

We have long recognized the need for us to lessen the impact our business has on the climate, and over the past decade we have made significant investments in our real estate that have reduced and will continue to significantly reduce that impact over time.

Impact of Our Investments

\$1.2 billion INVESTED IN open and operating LEED-certified buildings

\$37.5 million INVESTED IN on-site solar arrays

ENERGY USE REDUCTION*



ANNUALLY

40K MMBtu

ENOUGH TO POWER
600+
homes for one year

THROUGH 2050

1.2M MMBtu

ENOUGH TO POWER
20,000+
homes for one year

AVOIDED CO₂ EMISSIONS*



ANNUALLY

5.5K metric tons

EQUIVALENT TO REMOVING
1,200+
cars from the road for one year

THROUGH 2050

177K metric tons

EQUIVALENT TO REMOVING
39,000+
cars from the road for one year

WATER USE REDUCTION*



ANNUALLY

23.5M Gal

ENOUGH TO FILL
36+
Olympic-sized swimming pools

THROUGH 2050

753M Gal

ENOUGH TO FILL
1,100+
Olympic-sized swimming pools

SOLAR POWER GENERATION⁺



ANNUALLY

13M kWh

ENOUGH TO POWER COMMON AREA ELECTRIC AT OUR
45 Assets
from New York to Maryland for one year

USEFUL LIFE

352M kWh

ENOUGH TO POWER COMMON AREA ELECTRIC AT OUR
Entire Portfolio
for 10 years

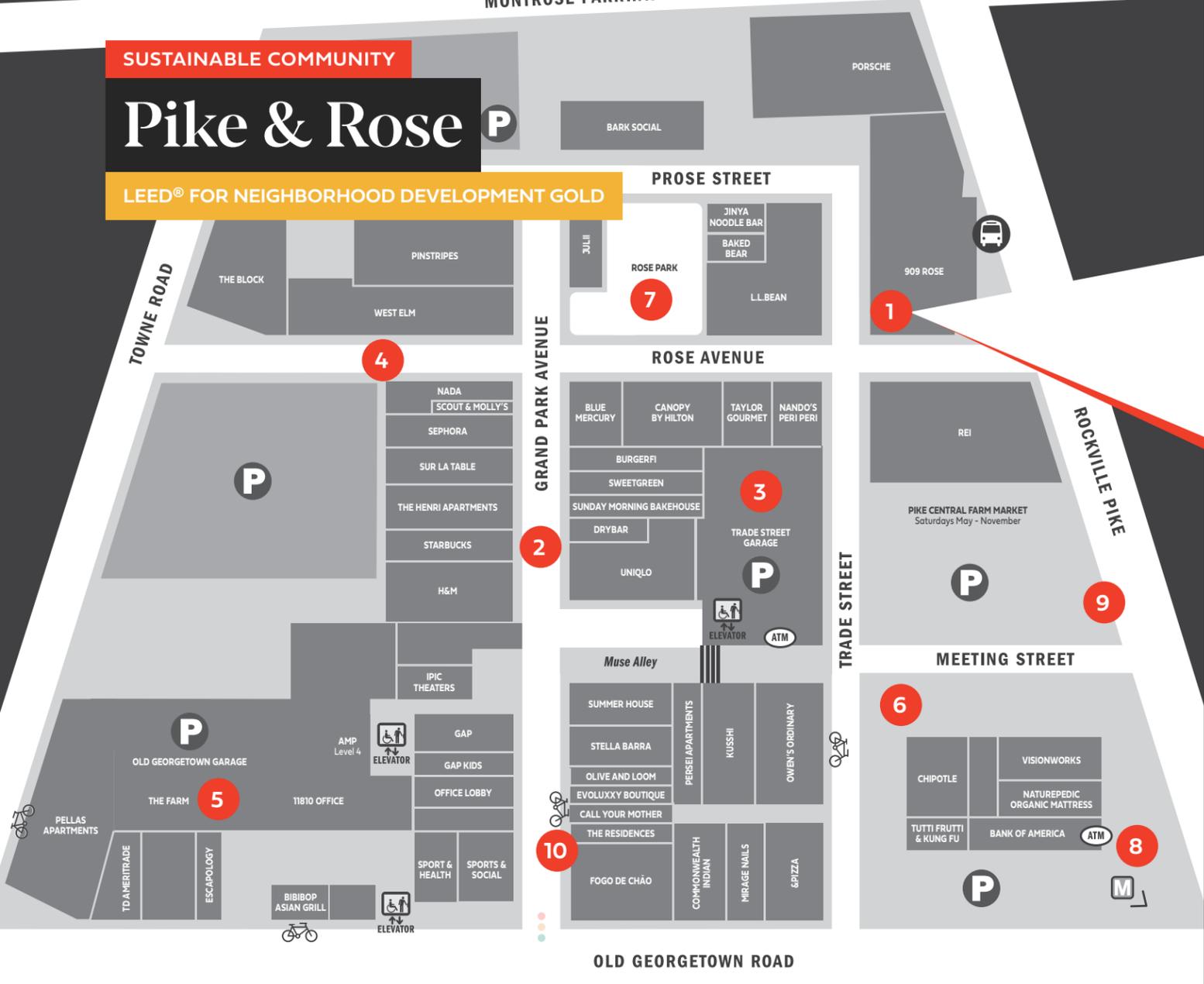
* Impact measured against LEED baseline.

+ Projected power generation through expected useful life of each solar array.

SUSTAINABLE COMMUNITY

Pike & Rose

LEED® FOR NEIGHBORHOOD DEVELOPMENT GOLD

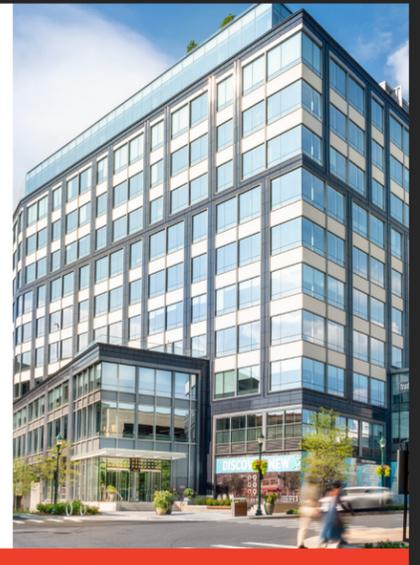


909 Rose

OUR NEWEST LEED® PROJECT

909 Rose has earned LEED gold certification and our corporate HQ in the building has earned LEED Gold and Fitwel certifications as a result of significant investment in features that support sustainability, health, and wellness.

- Dedicated outside air ventilation system
- 30% greater fresh air circulation than code
- Wifi enabled public spaces for working outside
- Proximity to public transit
- Ergonomic desks and chairs



3 Solar Panels

The canopy atop the Trade Street garage provides covered parking and a sustainable source of energy. The 855-panel solar array can produce 350,000 kWh of electricity annually—enough to power 42 homes each year.

4 Silva Cells

This innovative technology is used to absorb and treat stormwater. The modular, underground bioretention system utilizes the proven capacity of soils for stormwater management and healthy tree growth.

5 The Farm At Pike & Rose

At 17,000-square-feet, it is the Mid-Atlantic's largest rooftop farm. It produces 20,000 lbs. of fruits and vegetables annually that are sold to residents and restaurants in the neighborhood, and distributed through the on-site farmers market.

6 Electric Vehicle Charging

Through continued investment in 2020, there are now 50 electric vehicle charging stations throughout Pike and Rose.

7 Sustainable Landscaping

Use of native plants and sustainable irrigation methods designed to reduce potable water consumption by 96% versus typical commercial landscaping.

8 Transit-Oriented

Visitors have their choice of a variety of transportation options—from Metro just across the street to the several bus lines that stop at the property.

9 Bikeshare

On-site Capital Bikeshare stations add to the many transportation options for residents and visitors to the property.

10 Bike Parking

Ample bike parking is provided throughout the property for visitors who bring their own bikes.

1 LEED-Certified

100% of the new buildings within the project, including the new 909 Rose office building, are LEED-certified. We intend to pursue LEED certification for all future buildings. The community of Pike & Rose is LEED for Neighborhood Development Stage 3 Gold certified.

2 Green Construction

As part of a comprehensive effort to reduce waste and recycle material during construction, concrete from the buildings of Mid-Pike Plaza, the shopping center that stood where Pike & Rose is today, was crushed and repurposed as base material for the roads within the project.

Investing in Our Portfolio

Investment requests of \$1 million or more, whether for filling a tenant space, acquiring a new property, or constructing a new building, are presented to our Board of Trustees and/or our internal Investment Committee for approval and must address ESG considerations, including climate-related risks and opportunities.

We understand that decisions we make during design and construction will have impacts for decades into the future. Concepts and priorities that we incorporate into our projects, regardless of asset type or scope, include:

- | | |
|----------------------------------------------------------|---------------------------------------------------|
| On-site solar | Waste diversion requirements |
| EV charging | LEED certification |
| White or green roofs | Stormwater management |
| Material reuse | No greenfield development |
| Tenant sustainability design and construction guidelines | Health and wellness design features |
| Green Box™ Criteria for landlord construction | Walkable properties with live/work/play amenities |
| Energy and water efficient design | Integrative design |
| Strategic material sourcing | |

In October 2020, we issued a \$400 million green bond that will be used to finance and refinance projects that have received a LEED certification of Silver or better. See the [Green Bond Information appendix](#) for more details on our green bond.



PROPERTY HIGHLIGHT

Plaza El Segundo & The Point

Located at the intersection of Rosecrans and Sepulveda in the beachside town of El Segundo, California, these adjacent properties totaling 500,000 square feet include many of the sustainable concepts found throughout the portfolio.



Assembly Row | Somerville, MA

Addressing Environmental Impacts at Our Properties

Operational excellence is at the heart of our business. We maintain a culture of continuous improvement focused on finding opportunities to reduce costs, reduce greenhouse gas emissions, improve performance, and enhance the tenant and consumer experience.

This results in our properties—**some of which we have held for more than 50 years**—maintaining relevance even as the world around them changes. We're able to take advantage of what we learn about environmental and social design from our mixed-use communities and use those same concepts more broadly across our portfolio to support environmental initiatives.

Greenhouse Gas Emissions

We have been making decisions and taking actions for years that help mitigate the greenhouse gas (GHG) emissions from our buildings and operations, and are now setting a formal GHG emissions reduction target. We have established our baseline utilizing guidance from the Greenhouse Gas Protocol's Corporate Standard, applying the operational control method to establish organizational boundaries, and have chosen to set a like-for-like reduction target. 2019 was chosen as our baseline year because it reflects the last full year of normalized operations not impacted by COVID-19 shutdowns.

OUR GOAL

30% reduction of Scope 1 and Scope 2 GHG emissions by 2025

Our strategies to address GHG emissions will include a number of items, many of which we have already started implementing:

- A focus on energy efficiency in our operating properties and new developments
- Smart design and construction of new buildings and renovations of existing assets, leveraging what we have learned from our substantial investment in LEED buildings
- Renewable energy technology throughout the portfolio
- Purchasing green power

We are developing a methodology to gather and estimate the data needed to understand our Scope 3 emissions.

Our objective is to develop a strategy that would allow us to achieve carbon neutral operations by 2050 as contemplated by the Paris Climate Accord.

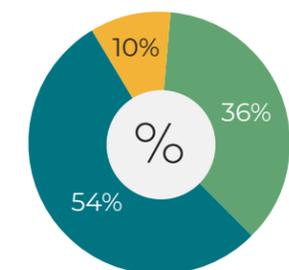
2019
18,772 MT CO₂e
 Scope 1 and 2 Emissions

2020*
18,026 MT CO₂e
 Scope 1 and 2 Emissions

*2020 performance potentially impacted by COVID-19 shutdowns

Federal's 2020 Electricity Sources

- Solar*
- Grid Purchased
- Green Power Sources



*Solar renewable energy credits are sold in some cases.

HIGHLIGHT

IREM Certifications

IREM® Certified Sustainable Property (CSP) recognizes sustainability achievements at existing operating assets. In 2020, we earned CSP certification at Bethesda Row, Bethesda, MD, and Barracks Road, Charlottesville, VA, as part of our efforts to enhance sustainability initiatives at our existing properties that are not undergoing renovations.



Barracks Road | Charlottesville, VA

Energy Efficiency

Improving energy efficiency at our properties starts with focusing on landlord-controlled consumption throughout our property common areas. Parking lot lighting is the largest controllable energy consumer in our portfolio and we have invested considerably in LED upgrades.

Our efforts have resulted in a **16.8% reduction** in like-for-like electric usage between 2016 and 2020.

BUT WE HAVEN'T GONE FAR ENOUGH.

LED Upgrade Impacts

RECENT EXAMPLES

BARCROFT PLAZA
Falls Church, VA

51,000 kWh Annual Savings  **35%** Reduction

LANGHORNE SQUARE SHOPPING CENTER
Levittown, PA

127,000 kWh Annual Savings  **54%** Reduction

OLD KEENE MILL SHOPPING CENTER
Springfield, VA

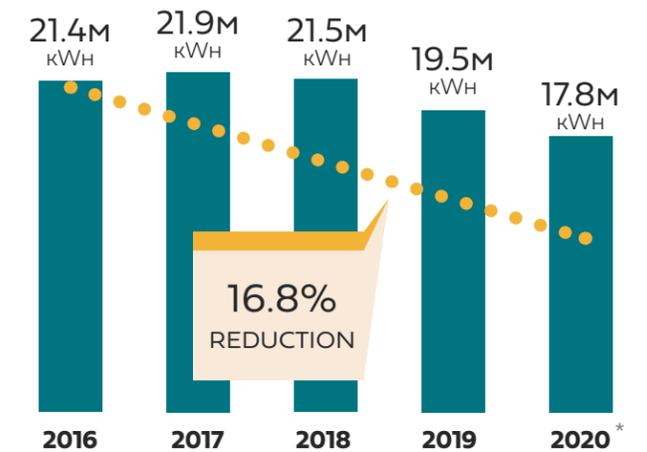
91,000 kWh Annual Savings  **50%** Reduction

OUR GOAL

15% reduction in landlord-controlled electric use by 2025

Our goal is to reduce landlord controlled common area electric consumption throughout the portfolio. Since usage in 2020 may not reflect typical operations, we have elected to use 2019 as our baseline. We expect to achieve this goal through a focus on upgrading common area lighting to LED and acting on other energy savings opportunities.

Electric Consumption Since 2016*



*Like-for-like common area exterior electric use.
*2020 performance potentially impacted by COVID-19 shutdowns

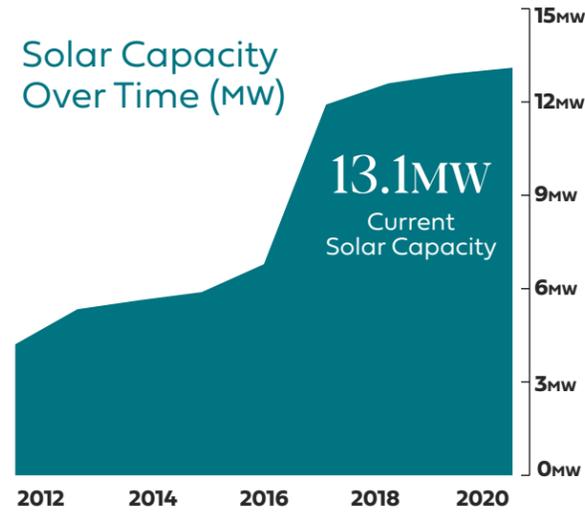


Barcroft Plaza | Falls Church, VA

Solar

On-site solar power generation has been part of our overall approach to addressing climate change since 2012, when our first installation went live. We now have solar photovoltaic systems installed at 25 properties located in six different states, with a capacity of 13.1 MW. We have additional systems under construction with the expectation that we will continue to install these systems where feasible. The solar electricity generated at our properties is used to power our common areas, sold back to the grid to aid utilities in achieving their renewable energy goals, and sold to such tenants as TJ Maxx, Nordstrom Rack, and Target to power their stores and help them achieve their own sustainability goals. Using renewable energy to partner with our tenants is a win-win for both parties while also lessening the environmental impact of our properties.

4TH
in Real Estate for
On-site Solar Capacity
in SEIA's 2019
Solar Means Business Report



Water

Reducing our water consumption cuts water-related energy use and carbon emissions while reducing operating costs and improving the resilience of our properties. We continue to pursue strategies like real-time data monitoring, proactive maintenance, and water-efficient fixtures, controls, and landscaping in construction and design requirements.

13%

Water Reduction for Accounts in Federal's Name from 2019 to 2020*

Waste

We actively manage our waste streams by using right-sized equipment, deploying technology for data intelligence gathering, and coordinating with our tenants. Our focus on managing waste also includes recycling materials on our construction projects, hosting book and clothing bins, and collaborating with local restaurants to reduce food waste.

86%

Average Diversion Rate in LEED-certified Projects

*2020 performance potentially impacted by COVID-19 shutdowns

HIGHLIGHT

EV Charging Stations

Throughout our portfolio, we are supporting the transition to a low-carbon economy by installing electric vehicle charging stations. We have 200 installed EV charging stations with more than 50 in progress at our properties across the country.

Avoided GHG Emissions

3,000
metric tons

*from use of our
EV charging stations*



SAVED

337,500

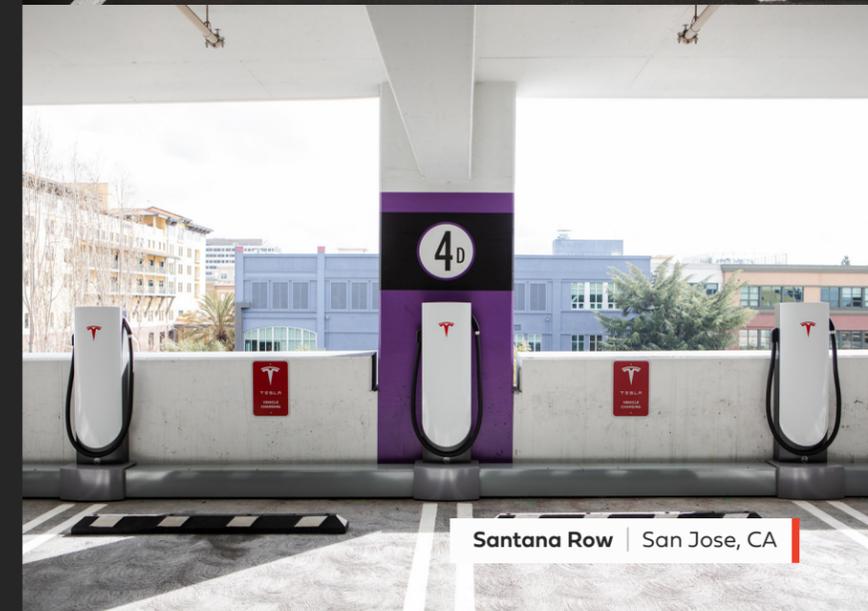
gallons of gasoline



Bethesda Row | Bethesda, MD



Pike 7 | Tysons, VA



Santana Row | San Jose, CA



Mercer Mall | Lawrenceville, NJ

Our Approach to Managing Climate Risk

Our approach to climate change starts with the properties we own. The location of a property cannot be changed and sets a baseline for the impacts, both positive and negative, that property will have on climate change over time, as well as the physical and transitional risks that property will impose on our business.

Our properties are typically located in densely populated, first-ring suburbs with access to public transit, which allows those people who live, work, and shop at our properties the ability to easily accomplish daily tasks on foot without a car.

80
Average Portfolio Walk Score

44%
Our Buildings have a 90+ Walk Score

Walk score measures how easily residents can accomplish daily tasks on foot on a scale of 0 (entirely car dependent) to 100 (entirely walkable)

With property location being so impactful, choosing the right properties to add to our portfolio is critical. We have a thorough due diligence process for all new acquisitions that we use to identify physical and transitional risks and quantify the potential impact of those risks on our business. That process utilizes our own knowledge as well as the knowledge of expert third parties who can provide us with a more in-depth understanding of the intensity of future physical risks.

Governance

Our Board of Trustees has direct oversight responsibility for our ESG matters, including climate change, through its Nominating and Corporate Governance Committee (Nominating Committee). The Board and the Nominating Committee are provided with quarterly updates on all ESG matters and climate-related risks. Internally, our CEO is ultimately responsible for our ESG efforts with day-to-day management of ESG overseen by our Executive Vice President-General Counsel and our Head of Sustainability, with support from key department heads and an interdisciplinary council of employees representing different functional areas, different offices, and different demographics.

Strategy

Our portfolio is located primarily in seven major geographic areas. We currently use FEMA's National Risk Index for Natural Hazards (NRI) to identify the primary historical climate-related risks in each of those areas. The NRI provides information at a county level, allowing us to identify risks more specifically by property in each geographic area. The identified climate-related risks are being incorporated into our operating and investment plans for our assets to position them to be resilient in the face of those risks.

Risk Management

Assessing risk is a continuous process throughout the lifecycle of our assets. We assess climate-related risks as part of our review and approval of acquisitions, developments, and other investments greater than \$1 million. The potential financial impact of any identified risk and any necessary remediation measures are incorporated into our financial evaluation of the investment. For our operating assets, climate-related risks are evaluated at least annually and addressed as necessary in the annual operating plans for each asset. We also consider climate-related risks in our evaluation of whether to sell an asset.

TRANSITIONAL RISKS

- Building code, zoning codes, and other regulations related to utilities and energy efficiency may result in an increased cost of development and operations for our properties. We maintain local awareness of changes that are incorporated into planning to manage these risks.
- Utility rates continue to change due to climate-related events and initiatives to address climate change. We regularly monitor changes and adjust operations and procurement strategies. We also maximize energy-efficient designs and materials in our developments, redevelopments, and property operations.
- Our properties could become less successful, which would impact the value of the company, if we did not provide the types of environmental and social features that tenants and the local community want in a retail or mixed-use environment.

PHYSICAL RISKS

ACUTE

- Increases in severity and frequency of storms could, over the long term, result in increased capital costs for damage repair and/or retrofits to properties to make them more resilient, as well as increases in insurance costs. In the short term, we do not have meaningful exposure to geographic areas that are highly prone to significant and severe storms for this to be a material issue.

CHRONIC

- Rising sea levels could have significant impact on any of our properties that are within close proximity to waterways or other

areas subject to storm surge. This could result in property damage, interruptions to business operations, and an increased cost of insurance. We currently have limited exposure to rising sea levels; however we consider this to be a long-term risk and are evaluating the risk at individual assets and potential mitigation strategies.

- Increasing temperatures could lead to a need to retrofit properties' HVAC systems to accommodate increased heat load. It could also lead to increased droughts and decreased available water supply. We are evaluating strategies to mitigate impacts on our properties, with a particular focus on our California assets.

OPPORTUNITIES

RESOURCE EFFICIENCY

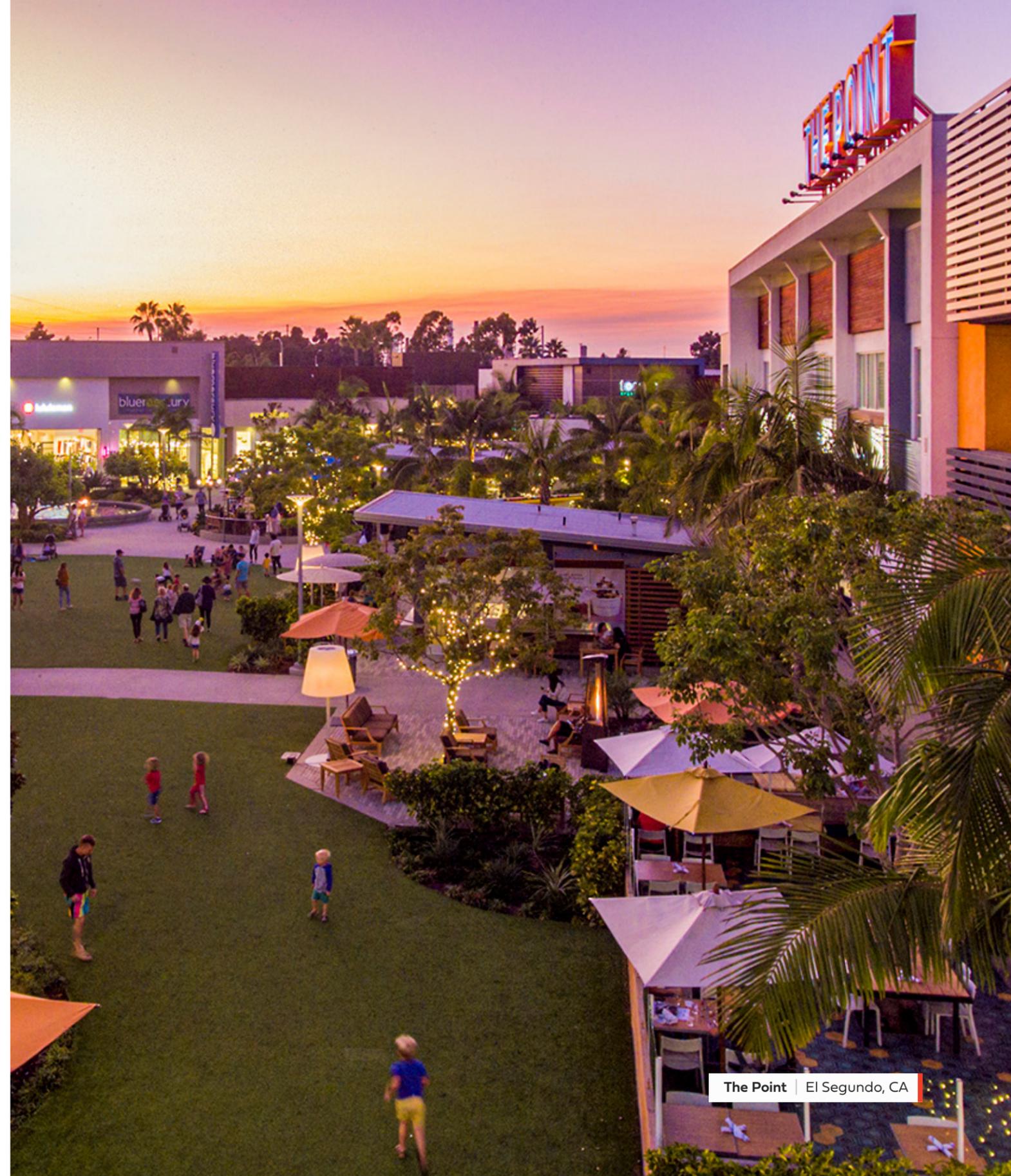
We continuously seek to improve our resource efficiency at our properties to reduce operating costs, improve property value, and mitigate the need for future costly investments.

ENERGY SOURCE, PRODUCTS, AND SERVICES

We are increasing our use of green power through our comprehensive energy procurement strategy and through more on-site solar power generation, reducing our reliance on the grid and offering a way for our tenants to use renewable power at our properties.

MARKETS

We maintain geographic diversity which mitigates the potential for any one particular climate-related risk to have a material adverse impact on our business as a whole.



The Point | El Segundo, CA

Supporting Our Team

IN THIS SECTION

- WE COMMUNICATE WITH OUR TEAM
- WE INVEST IN OUR PEOPLE
- WE FOCUS ON THE HEALTH AND WELLNESS OF OUR EMPLOYEES
- WE ACKNOWLEDGE ACCOMPLISHMENTS
- WE GIVE AND GET FEEDBACK



Corporate Headquarters | North Bethesda, MD

GRI 102-16. 401-2, 404-1, 404-2, 404-3



The quality of our properties is exceeded only by the **quality of our team.**

We can't create long-term value for our stakeholders without attracting and retaining a group of smart and talented team members who have the aptitude to work on properties that include complex mixed-use assets, grocery-anchored neighborhood shopping centers, and everything in between. With only 300 employees, each job is unique and each person is an important contributor to our success. We align the efforts of our team around our core values of **Excellence, Accountability, Integrity, and Innovation.**

We Communicate with Our Team

Regular and transparent company-wide communication keeps our team informed and connected to the company and to their co-workers.

Our CEO uses quarterly all-employee meetings to keep everyone up to speed on company performance, discuss successes and challenges, spotlight different employees and initiatives, and give employees the chance to ask our CEO questions about whatever is on their minds. New employees are also invited to a small group meeting with the CEO shortly after joining the company to engage in a dialogue about the company and learn more about one another. An internal web portal keeps our teams regularly apprised of company news as well as personal news about our co-workers. The transparency and regularity of our communications binds us together so we can share in and celebrate happy events and successes or provide a shoulder for a co-worker to lean on during tougher times.



We Invest in Our People

With 93% of our employees headquartered in one of our regional offices, the most impactful training for our team comes from frequent and invaluable interactions between more senior team members and employees at every level and in all departments.

Our team members have the opportunity to join our CFO on a call with a key investor, participate with one of our experienced leasing agents in an important lease negotiation, or engage with our internal investment committee to understand the key considerations for capital allocation. Those practical experiences prepare our team to quickly assume roles with higher levels of responsibility. We actively encourage other forms of self-directed training through our tuition reimbursement program and our "Learn at Federal" training platform. We also offer employees time and expense reimbursement to participate in and present at industry-related educational seminars. Our investment extends to technology for our employees to use and develop new skills. These technology investments improve work experience by allowing employees to focus their efforts on the intellectually challenging and motivating aspects of their job instead of tedious, routine tasks, and provide more flexibility and work-life balance.

Our culture is defined by our four core values

Excellence

Be Outstanding

- Strive to be best in class
- Embrace change
- Be determined to succeed

Accountability

Own It

- Do what you say you're going to do
- Take ownership of your work quality
- Take pride in team achievements
- Be accountable for what you do

Integrity

Make Us Proud

- Always do the right thing
- Be trustworthy, fair, and respectful
- Value diversity in all respects
- Value what makes us unique

Innovation

Be Progressive

- Innovate and challenge the norm
- Be creative
- Take smart risks
- Learn from setbacks

We Focus on the Health and Wellness of Our Employees

We prioritize the health of our employees by offering benefits and activities that promote physical and mental well-being.

The focal point of those activities is our annual week-long health fair that gives our employees access to basic health screening tests, free flu shots, and other health-related information, as well as our gym and fitness class reimbursements. Through our **Step Up with Federal program**, we've partnered with Givhero to give our employees a way to improve fitness through counting steps and turning those steps into dollars donated by Federal to charitable causes.

Our focus on the health and well-being of our employees extends to our office environments where employees spend meaningful portions of their working days. **With the relocation of our corporate headquarters to Pike & Rose in 2020, we now have 82% of our office-based employees working at one of our mixed-use, walkable properties** where they can access public transit, food, activities, and services without getting into a car. They also enjoy inviting public spaces where they can relax and recharge at any time during the day. We've focused on creating a healthy, welcoming, and productive environment for our teams; **90% of our employees occupy spaces built since 2014.**

Our investments include ergonomically-designed desk chairs and adjustable-height desks to give employees more control over the way in which they work while in the office. With the opening of our new corporate headquarters, **65% of our office-based workforce are in buildings that have LEED Gold certification**, with all the health and wellness benefits that come with such buildings, including improved lighting and air quality, which are critical as employees return to work post-COVID. We want our employees to thrive and investing in their work environment is one way to help them on that path.

To protect the health and safety of our team members returning to work in our offices, we enacted a wide range of protective measures. We are now preparing for more of our team members to return to our offices post-COVID and are working with offices, departments and individual employees to provide continued work-from-home flexibility. Continued protection of the health and safety of our teams returning to the office remains a high priority.



909 Rose at Pike & Rose | North Bethesda, MD
CORPORATE HEADQUARTERS



We Acknowledge Accomplishments

Recognizing the accomplishments of our team members is a critical part of keeping our talented team together.

FIND A BETTER WAY AWARD

We have a quarterly "Find A Better Way Award" that recognizes success aligned with our Innovation value. Since this award was created in 2008, we have had winners from all departments and all offices with ideas that improved our bottom line and business operations ranging from new ways to generate revenue to improving process efficiency to developing new ways to create demand for our properties. Award winners are honored at our quarterly employee meetings and receive a \$2,500 gift card plus a recognition plaque.

YEARS OF SERVICE AWARDS

Our annual "years of service awards" event recognizes every employee who has celebrated a milestone anniversary, giving them an opportunity to make some personal remarks to the whole company.

In addition to a financial award, our employees appreciate the recognition certificate, which includes a personal note from our CEO; you can find them displayed on desks in every office throughout the company. There is no better evidence of the passion our team has for the company than listening to the stories of those celebrating a major service anniversary.



We Give and Get Feedback

Ongoing feedback from supervisors is supplemented by an annual performance review for all employees below the Vice President level that covers job performance, promotions, and growth opportunities within the company. We also conduct periodic engagement surveys of our employees to identify what we're doing well and where we may be missing the mark. Our most recent survey was done in March 2021 for the purpose of understanding the impact that more than a year away from the office, managers, and co-workers has had on our employees.

In 2021, the overall favorable response rate and the favorable response rate by category improved over the results of our last survey conducted in 2019. The results of this survey will be used to help us reestablish a new normal working environment that combines the best of what we learned from working remotely with the benefits of the personal interactions that are so valuable and critical in our company.

80%

Overall Favorable Response

91%

"Employees are Treated Fairly Regardless of Race, Gender, Sexual Orientation, etc."

95%

"I Have Confidence in this Organization's Leadership"

92%

"I Would Recommend this Organization as a Good Place to Work"

Good Governance

IN THIS SECTION

- BOARD OF TRUSTEES AND EXECUTIVE LEADERSHIP
- KEY GOVERNANCE FACTS
- INVESTMENT MANAGEMENT
- ETHICS AND COMPLIANCE
- INFORMATION SECURITY
- POLITICAL CONTRIBUTIONS AND ACTIVITIES
- MATERIALITY ASSESSMENT

GRI 102-13, 102-16, 102-17, 102-23, 102-25, 102-29, 102-32, 102-44, 102-47, 103-1, 103-2, 103-3, 405-1, 415-1



Wildwood Shopping Center | Bethesda, MD

Our corporate governance framework starts with our Board of Trustees (Board) who has primary responsibility for overseeing the business of the company on behalf of our shareholders.

More information about our Board, the Board's committees, and each of our trustees is [available on our website](#), as are copies of some of our key governance policies and documents.

BOARD OF TRUSTEES



Dave Faeder
Non-Executive
Chairman of the Board
Compensation and Human Capital
Management Committee Chair



Liz Holland
Nominating and
Corporate Governance
Committee Chair



Nicole Lamb-Hale



Tony Nader



Mark Ordan



Gail Steinel
Audit Committee Chair



Don Wood

Average Tenure of
Non-Management
Trustees
7 Years

EXECUTIVE LEADERSHIP



Don Wood
CEO



Dan Guglielmono
EVP, CFO & Treasurer



Dawn Becker
EVP, General Counsel
& Secretary



Jeff Berkes
President and COO



Wendy Seher
EVP, Eastern
Region President



Jan Sweetnam
EVP, Western
Region President

Average Tenure
of Executive
Leadership
19 Years

Key Governance Facts

- Annual election of all Trustees
- Independent Audit, Compensation, and Nominating Committees
- Independent non-executive chairman of the Board since 2003
- Direct Board oversight of corporate responsibility and sustainability efforts
- Direct Board oversight of human resources policies and strategies
- Annual Board and individual Trustee evaluations

- Shareholder approval required to classify the Board
- Majority voting in uncontested elections
- Proxy access for shareholders
- No poison pill
- Pay-for-performance compensation philosophy
- Prohibition on hedging and pledging our stock
- Robust stock ownership requirements for Trustees and senior management
- Clawback policy in place

Investment Management

All proposed capital investments in excess of \$1 million, including acquisitions, developments, redevelopments, and leasing capital, as well as all dispositions, are presented to our internal Investment Committee for review and approval.

Our eight-person Investment Committee is comprised of our CEO, President and COO, CFO, General Counsel, our regional presidents, our SVP of acquisitions, and Arturo Sneider, president of Primestor, with each person having one equal vote. The diversity of our Investment Committee members and their respective experiences and disciplines provides a full range of relevant considerations for each investment decision. Investments approved by the Investment Committee that exceed certain size thresholds must be submitted to the full Board for approval. The supporting package that is prepared for review by the Investment Committee and/or the Board includes a description of the request, detailed financial analysis, the ESG considerations related to the request, and an evaluation of major risks and potential opportunities.

Ethics and Compliance

One of our four core values is Integrity, which reflects the expectation of the highest ethical behavior from the company and all trustees, employees, and other representatives in all aspects of our business.

Our Board has adopted a Code of Conduct that applies to every trustee and employee and addresses things such as conflicts of interest, prohibition on bribery, fair dealing with third parties, and protection of Federal's assets. An additional Code of Ethics was put in place by our Board to specifically address our most senior officers as it relates to professional integrity and appropriate controls with respect to all our financial reporting. Each year our senior officers acknowledge their agreement to be bound by that Code of Ethics. Employees and other parties with whom we do business can use our whistleblower hotline to anonymously report any violations of the Code of Conduct, Code of Ethics, or other behavior that may not be appropriate. Our General Counsel has direct oversight responsibility for ensuring compliance with the Code of Conduct and Code of Ethics and reports directly to the chair of the Board's Audit Committee on any violations.

We also expect our vendors, suppliers, contractors, and consultants to act with the highest degree of integrity in their businesses. We've adopted a [code of conduct](#) for these groups that specifically lays out our expectations for their general business practices, their policies towards working conditions, human rights, and their environmental impact. The policy provides information for how to report any violations, including the ability to report anonymously using our whistleblower hotline.

In 2020

ZERO

Code of Conduct
Violations

ZERO

Code of Ethics
Violations

ZERO

Calls to
Whistleblower Hotline

Information Security

Our information systems were designed with the objective of allowing employees who were out of the office for business travel or otherwise to be able to work as seamlessly as possible as and when needed.

That required a keen focus on protecting the safety and security of those systems. It is why we were well positioned to transition our workforce to remote work quickly and securely when COVID-related lockdowns began in March 2020. To provide further protection for our systems, we instituted multi-factor authentication in 2020 for all means of access into our systems. We have also put in place systems and processes for secure file sharing to minimize the potential for any breaches involving sensitive data and personally identifiable information. We regularly test our systems and employees to be sure everyone maintains a sense of heightened awareness of cyber security threats. The Audit Committee is responsible for overseeing our cybersecurity efforts and receives quarterly reports from management identifying the risks to the company, how those risks are being managed, and any breaches that may have occurred. As an additional precaution, we maintain cyber insurance to cover certain types of cyber-related breaches.

Political Contributions and Activities

Federal does not make contributions of any kind to any federal candidates or campaigns.

The company does, however, periodically authorize contributions to state and local candidates and to promote ballot initiatives that support our business objectives in a particular locality (subject to applicable laws and after obtaining necessary internal approvals). In addition, the company belongs to various trade associations that may engage in federal and local lobbying activities. We do not control those activities in any way; they are generally undertaken for the benefit of the industry and all members as a whole. We may from time to time lease space in our properties to candidates or campaigns solely for use as an office with an express prohibition against holding any political activities at the property.

Our employees are encouraged to engage in the political and governmental process; however those activities are considered personal, must be undertaken on the employees' own time, may not involve the use of company resources, and may not interfere with or disrupt our business. Employees are provided with paid time off to vote and in 2020 we provided a paid day off for employees to volunteer in the election process.



Linden Square | Wellesley, MA

Materiality Assessment

In a recently conducted ESG materiality assessment, responsible corporate governance was consistently ranked by stakeholders as a top priority.

Our corporate governance policies and practices are intended to provide the decision-making and behavioral framework that is needed to promote long-term value creation, properly manage short- and long-term business risks, and provide transparency and accountability for all our stakeholders.

Topics found to be important to our internal and external stakeholders based on our materiality assessment conducted in 2020 were:

- Sustainable investing
- Environmental factors contributing to operational excellence
- Health and safety
- Diversity, equity, and inclusion
- Maintaining strong corporate governance and ethical standards.

The findings from this assessment will help us prioritize our ESG efforts and further engage staff, tenants, and investors on these topics in the future.

Environmental

- 1 Managing physical risk to properties from climate-related events
- 2 Managing transition risk from market shifts
- 3 Managing transition risk from regulatory shifts
- 4 Controlling energy cost/use
- 5 Controlling water cost/use
- 6 Recycling, composting, and waste
- 7 Environmental (Greenhouse Gas) footprint
- 8 Green building design/pursuit of green building certifications



Social

- 9 Health and safety of employees
- 10 Engagement efforts to enhance community well-being
- 11 Economic development and vitality of local communities
- 12 Employee training and education opportunities
- 13 Consideration of ESG elements in contracting and procurement

Governance

- 14 Responsible corporate governance practices
- 15 Resilient, sustainable corporate operations
- 16 Policies and initiatives to promote diversity, equity, and inclusion
- 17 Adherence to ethical business policies and practices

Appendices

IN THIS SECTION

- TEAM INFORMATION
- GREEN BOND INFORMATION
- CONTENT INDEX

Team Information

COMPANY DEMOGRAPHICS (as of December 31, 2020)

| | HISPANIC OR LATINO | | WHITE | | BLACK OR AFRICAN AMERICAN | | NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER | | ASIAN | | AMERICAN INDIAN OR ALASKA NATIVE | | TWO OR MORE RACES (NOT HISPANIC OR LATINO) | | TOTAL | |
|---------------------------------------------|--------------------|----|-------|-----|---------------------------|----|-------------------------------------------|---|-------|----|----------------------------------|---|--------------------------------------------|---|-------|-----|
| | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M |
| EXECUTIVE/SENIOR LEVEL OFFICIALS & MANAGERS | 0 | 0 | 6 | 28 | 0 | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 7 | 30 |
| FIRST/MID-LEVEL OFFICIALS & MANAGERS | 6 | 2 | 46 | 45 | 6 | 3 | 0 | 0 | 6 | 3 | 0 | 0 | 1 | 0 | 65 | 53 |
| PROFESSIONALS | 0 | 2 | 25 | 20 | 6 | 1 | 0 | 1 | 7 | 4 | 1 | 0 | 0 | 0 | 39 | 28 |
| SALES WORKERS | 1 | 1 | 5 | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 11 |
| ADMINISTRATIVE SUPPORT WORKERS | 5 | 0 | 24 | 3 | 6 | 4 | 0 | 0 | 3 | 0 | 0 | 0 | 1 | 0 | 39 | 7 |
| OPERATIVES | 0 | 2 | 0 | 1 | 0 | 3 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 7 |
| LABORERS AND HELPERS | 1 | 9 | 0 | 1 | 0 | 3 | 0 | 0 | 0 | 2 | 0 | 1 | 0 | 1 | 1 | 16 |
| TOTAL | 13 | 16 | 106 | 108 | 18 | 15 | 0 | 1 | 17 | 11 | 1 | 1 | 2 | 1 | 157 | 152 |

GOVERNING BODIES DEMOGRAPHICS (as of May 5, 2021)

| | HISPANIC OR LATINO | | WHITE | | BLACK OR AFRICAN AMERICAN | | TOTAL | |
|----------------------|--------------------|---|-------|----|---------------------------|---|-------|----|
| | F | M | F | M | F | M | F | M |
| BOARD OF TRUSTEES | 0 | 0 | 2 | 4 | 1 | 0 | 3 | 4 |
| EXECUTIVE COMMITTEE | 0 | 0 | 2 | 4 | 0 | 0 | 2 | 4 |
| INVESTMENT COMMITTEE | 0 | 1 | 2 | 4 | 0 | 1 | 2 | 6 |
| TOTAL | 0 | 1 | 6 | 12 | 1 | 1 | 7 | 14 |

2020 INFORMATION

| | | NEW HIRES | | DEPARTURES | |
|-----------|--------------------|-----------|---------|------------|---------|
| | | PEOPLE | PERCENT | PEOPLE | PERCENT |
| TOTAL | | 22 | 100% | 28 | 100% |
| AGE GROUP | Under 30 Years Old | 5 | 23% | 2 | 7% |
| | 30-50 Years Old | 12 | 55% | 15 | 54% |
| | Over 50 Years Old | 5 | 22% | 11 | 39% |
| GENDER | Female | 10 | 45% | 17 | 61% |
| | Male | 12 | 55% | 11 | 39% |
| REGION | East Coast | 17 | 77% | 23 | 82% |
| | West Coast | 5 | 23% | 5 | 18% |

Green Bond Information



GRANT THORNTON LLP
757 Third Ave., 9th Floor
New York, NY 10017-2013

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F +1 212 370 4520

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Management of Federal Realty Investment Trust

We have examined the management of Federal Realty Investment Trust's (the "Trust") assertion regarding Green Bond proceeds, that the net proceeds from the October 8, 2020 issuance of 1.25% Notes Due February 15, 2026 were used to fund, in whole or in part, the Eligible Green Projects as defined in management's assertion, included on the "Green Bond Use of Proceeds Statement as of March 31, 2021." The Trust's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

The other information included in the Trust's 2020 Corporate Responsibility Report is presented by management of the Trust and is not a part of the Trust's assertion. Such information has not been subjected to the procedures applied in the examination engagement and accordingly, we do not express an opinion or provide any assurance on it.

In our opinion, management's assertion that the net proceeds from the October 8, 2020 issuance of 1.25% Notes Due February 15, 2026 were used to fund, in whole or in part, the Eligible Green Projects, as defined in management's assertion, included on the "Green Bond Use of Proceeds Statement as of March 31, 2021" is fairly stated, in all material respects.

Grant Thornton LLP

New York, New York
May 26, 2021

GT.COM

Grant Thornton LLP is the U.S. member firm of Grant Thornton International Ltd (GTIL). GTIL and each of its member firms are separate legal entities and are not a worldwide partnership.

Management's Assertion Regarding Green Bond Proceeds

| | |
|---------------------------------------------------------------------|----------------|
| Federal Realty Investment Trust \$400 million 1.25% Notes Due 2026* | |
| Net Proceeds from Sale of Notes | \$ 394,214,221 |

Federal Realty Investment Trust's management is responsible for the completeness, accuracy and validity of the Green Bond Use of Proceeds Statement dated March 31, 2021. Management asserts that \$310,800,000 of the net proceeds from the October 8, 2020 issuance of 1.25% Notes Due February 15, 2026 were used to fund, in whole or in part, the Eligible Green Projects, as defined below, included on the Green Bond Use of Proceeds Statement as of March 31, 2021.

"Eligible Green Projects" means (i) investments in acquisitions of buildings; (ii) building developments or redevelopments; (iii) renovations in existing buildings; and (iv) tenant improvement projects, in each case, that have received, or are expected to receive, in the three years prior to the issuance of the notes or during the term of the notes, a LEED Silver, Gold or Platinum certification (or environmentally equivalent successor standards). Not all projects, in whole, are LEED certified, rather, in some cases, only a portion of the project has been deemed LEED certified. As of March 31, 2021, two projects were LEED certified in whole (the Montaje Building at Assembly Row and the Canopy Hotel Building at Pike & Rose). An additional project (the LL Bean Building at Pike & Rose) was LEED certified for core and shell (excludes tenant related build out costs).

Leadership in Energy and Environmental Design, or LEED, is a voluntary, third party building certification process developed by the U.S. Green Building Council ("USGBC"), a non-profit organization. The USGBC developed the LEED certification process to (i) evaluate the environmental performance from a whole-building perspective over a building's life cycle, (ii) provide a definitive standard for what constitutes a "green building," (iii) enhance environmental awareness among architects and building contractors, and (iv) encourage the design and construction of energy-efficient, water-conserving buildings that use sustainable or green resources and materials (see www.usgbc.org for more information).

GREEN BOND USE OF PROCEEDS STATEMENT AS OF MARCH 31, 2021

| BUILDING | PROJECT | PROJECT LOCATION | LEED CERTIFICATION | LEED PROJECT COSTS INCURRED |
|--------------------------------------------------|--------------|--------------------|--------------------|-----------------------------|
| Montaje Building (retail/residential) | Assembly Row | Somerville, MA | Gold | \$ 205,500,000 |
| Canopy Hotel Building (retail/residential/hotel) | Pike & Rose | North Bethesda, MD | Silver | \$ 98,200,000 |
| LL Bean Building (retail) | Pike & Rose | North Bethesda, MD | Silver | \$ 7,100,000 |
| | | | | \$ 310,800,000 |
| Proceeds remaining to be allocated: | | | | \$ 83,414,221 |

Content Index



| DISCLOSURE | | RESPONSE |
|-------------------------------|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ORGANIZATIONAL PROFILE | | |
| ● | 102-1 | Name of the organization Federal Realty Investment Trust |
| ● | 102-2 | Activities, brands, products, and services Report page i ; 2020 Form 10-K pages 3-6 and 22-27 |
| ● | 102-3 | Location of headquarters Federal's corporate headquarters is located at 909 Rose Avenue, Suite 200, North Bethesda, Maryland 20852 |
| ● | 102-4 | Location of operations 2020 Form 10-K page 19 |
| ● | 102-5 | Ownership and legal form 2020 Form 10-K pages 3 and 28 |
| ● | 102-6 | Markets served Report page 3-4 ; 2020 Form 10-K pages 3-6 and 22-27 |
| ● | 102-7 | Scale of the organization Following is information as of December 31, 2020: a. Total number of employees: 309. b. Total number of operations: 101 properties in 11 states and the District of Columbia; 6 corporate/regional offices. c. Net revenues: 2020 Form 10-K page F-6 . d. Total capitalization: 2020 Form 10-K pages F-5 and F-7 . e. Quantity of products or services provided: 2020 Form 10-K pages F5-F7 . |
| ● | 102-8 | Information on employees and other workers Team Information appendix: Report page 58 . a. Federal had 309 employees (51% female; 49% male). One male employee is a temporary employee. b. 242 of our employees are based on the East Coast and 67 of our employees are based on the West Coast. c. Full-time employees: 154 Female and 151 Male. Part-time Employees: 3 Female and 0 Male. d. There is not a significant portion of our activities that are performed by workers who are not employees. e. There are no seasonal variations in our workforce. f. Our data is compiled from our HRIS. Full-time refers to employees who are required to work 40 hours per week. Our part-time employees all work in excess of 30 hours per week and are eligible for full benefits. All employee data provided as of December 31, 2020. |

| DISCLOSURE | | RESPONSE |
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| ● | 102-9 | Supply chain As a real estate owner and developer, the vendors and suppliers we work with fall into these primary categories: utility or insurance providers, firms that provide day-to-day property management support, firms that provide professional support such as advisory or audit support, and firms that provide construction or other services related to development and property redevelopment. |
| ● | 102-10 | Significant changes to the organization and its supply chain Form 10-K pages 36-37 |
| ● | 102-11 | Precautionary Principle or Approach We have not formally adopted the precautionary principle as described in the UN Rio Declaration of 1992; however, our sustainability practices and performance described in this report demonstrate our commitment to proactively identify, prevent and/or mitigate environmental degradation. |
| ● | 102-12 | External initiatives Report pages 10-14 and 16-22 . We have adopted a Human Rights Policy that includes a general statement of our commitment to human rights and the general principles that guide our commitment to human rights for our company and our vendors, suppliers, consultants and contractors. We have also aligned our efforts with the UN Sustainable Development Goals that guide everyone throughout our company. In addition, our CEO Don Wood has signed onto the CEO Action for Diversity and Inclusion Pledge. |
| ● | 102-13 | Membership of associations Memberships: National Association of Real Estate Investment Trusts, including Real Estate Sustainability Council, Corporate Governance Council and Social Responsibility Council; Urban Land Institute; International Council of Shopping Centers; Montgomery County Chamber of Commerce. |

| DISCLOSURE | | RESPONSE |
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| STRATEGY | | |
| ● | 102-14 | Statement from senior decision-maker Report pages 2 and 7 |
| ● | 102-15 | Key impacts, risks, and opportunities 2020 Form 10-K pages 8-18 |
| ● | FRIT01 | Climate related risks and opportunities we have identified over the short, medium and long term Report pages 37-39 |
| ● | FRIT02 | Impact of climate related risks and opportunities on the organization's business, strategy, and financial planning Report pages 37-39 |
| ETHICS AND INTEGRITY | | |
| ● | 102-16 | Values, principles, standards, and norms of behavior Report pages 43-44, 53 and Corporate Governance Policies |
| ● | 102-17 | Mechanisms for advice and concerns about ethics Report page 53 . Employees are encouraged to report any suspected violation of our code of conduct or any other inappropriate action to their supervisor, our head of human resources and/or our General Counsel. Employees and third parties can also report violations and concerns anonymously using a hotline that is administered by a third party company. The Chair of our Board's Audit Committee and our General Counsel are immediately notified of any reports made to the hotline and will devise an appropriate strategy for investigating the issue raised depending on the nature of the allegation. Information for how to report something using the hotline is posted internally in multiple locations and is included on our website . No reports were made to our hotline in 2020. |
| GOVERNANCE | | |
| ● | 102-18 | Governance structure a. Governance structure: 2021 Proxy Statement, pages 5-12 b. Committees responsible for ESG decision making: 2021 Proxy Statement pages 9-10 |
| ● | 102-19 | Delegating authority Report pages 37-38; 50 |
| ● | 102-20 | Executive-level responsibility for economic, environmental and social topics Report pages 37-38; 50-52 |
| ● | 102-21 | Consulting stakeholders on economic, environmental and social topics Report pages 10-14, 16-22, 55-56 |
| ● | 102-22 | Composition of the highest governance body and its committees 2021 Proxy Statement pages 5-16 |

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| ● | 102-23 | Chair of the highest governance body Report page 51, 2021 Proxy Statement page 8 |
| ● | 102-24 | Nominating and selecting the highest governance body 2021 Proxy Statement pages 7-8 |
| ● | 102-25 | Conflicts of interest Report page 53 . The process for addressing potential conflicts of interest is set forth in our Corporate Governance Guidelines . |
| ● | 102-26 | Role of highest governance body in setting purpose, values and strategy Report pages 38; 43; 50; 52; 53-54 |
| ● | 102-27 | Collective knowledge of highest governance body Report pages 37-39 . The Executive Vice President in charge of our programs reports to the Board of Trustees on a quarterly basis on all of our activities including discussions of items of importance to the company, evolving trends and items of importance to our various stakeholders. |
| ● | 102-28 | Evaluating the highest governance body's performance 2021 Proxy Statement page 10 |
| ● | 102-29 | Identifying and managing economic, environmental and social impacts Report pages 37-39; 55-56 |
| ● | 102-30 | Effectiveness of risk management processes Report pages 37-39; 2021 Proxy Statement pages 10-11 |
| ● | 102-31 | Review of economic, environmental and social topics Economic, environmental and social topics, including the risks, opportunities and impacts of those items are discussed with our Board of Trustees on a quarterly basis. See 2021 Proxy Statement pages 10-11 ; Report pages 37-39 . |
| ● | 102-32 | Highest governance body's role in sustainability reporting This report was provided to our Board of Trustees for review prior to publication. |
| ● | 102-33 | Communicating critical concerns Report pages 37-39 . Critical concerns on all business issues, including corporate responsibility topics, are reviewed quarterly with our Board of Trustees. |
| ● | 102-35 | Remuneration policies 2021 Proxy Statement pages 12; 18-27 |
| ● | 102-36 | Process for determining remuneration 2021 Proxy Statement pages 12; 18-27 |
| ● | 102-37 | Stakeholders involvement in remuneration 2021 Proxy Statement page pages 18-19 and Form 8-K filed May 6, 2021 |
| ● | 102-38 | Annual total compensation ratio 2021 Proxy Statement page 33 |
| ● | 102-39 | Percentage increase in annual total compensation ratio -1.4%; 2021 Proxy Statement page 33 and 2020 Proxy Statement page 28 |
| ● | FRIT03 | Board oversight of climate risk Report pages 37-39 |
| ● | FRIT04 | Process for identifying, assessing, and managing climate risk Report pages 37-39 |

| DISCLOSURE | | RESPONSE |
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| STAKEHOLDER ENGAGEMENT | | |
| ● | 102-40 | List of stakeholder groups We engage regularly with our investors and other stakeholders which includes shareholders, bondholders, lenders, tenants, brokers, customers at our properties, employees, vendors, suppliers, consultants and contractors, the media and local community groups including local governments and regulatory agencies. |
| ● | 102-41 | Collective bargaining agreements We do not have any collective bargaining agreements in place with any of our employees. |
| ● | 102-42 | Identifying and selecting stakeholders Our stakeholders were identified by considering the various groups with whom we interact on a frequent basis in all aspects of our business. |
| ● | 102-43 | Approach to stakeholder engagement The interaction with stakeholders varies depending on the stakeholder group and ranges from frequent interpersonal interaction to communication through electronic platforms. |
| ● | 102-44 | Key topics and concerns raised Report pages 55-56 |
| REPORTING PRACTICES | | |
| ● | 102-45 | Entities included in the consolidated financial statements 2020 Form 10-K pages 22-27 |
| ● | 102-46 | Defining report content and topic boundaries Report page 2 |
| ● | 102-47 | List of material topics Report pages 55-56 |
| ● | 102-48 | Restatements of information None |
| ● | 102-49 | Changes in reporting None |
| ● | 102-50 | Reporting period January 1, 2020 through December 31, 2020 |
| ● | 102-51 | Date of most recent report April 6, 2020 |
| ● | 102-52 | Reporting cycle Annual |
| ● | 102-53 | Contact point for questions regarding the report Emily Paciolla, Head of Sustainability, 301-998-8100 |
| ● | 102-54 | Claims of reporting in accordance with the GRI standards This report has been prepared in alignment with the GRI Standards: Core Option. |
| ● | 102-55 | Content Index Report pages 61-72 |
| ● | 102-56 | External assurance This report was not externally assured, however, the report was checked by our third-party consultant RE Tech Advisors. |

| DISCLOSURE | | RESPONSE |
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| ECONOMIC PERFORMANCE | | |
| ● | 103-1; 103-2; 103-3 | Explanation of the material topic and its Boundary, management approach and its components, evaluation of the management approach Report pages 37-39 and 2020 Form 10-K pages 30-53 |
| ● | 201-1 | Direct economic value generated and distributed 2020 Form 10-K pages 30-53 |
| ● | 201-2 | Financial implications and other risks and opportunities due to climate change Report pages 37-39 ; 2020 Form 10-K pages 12, 14-15 and 33 |
| ● | 201-3 | Defined benefit plan obligations and other retirement plans 2020 Form 10-K page F-30 |
| ANTI-CORRUPTION | | |
| ● | 103-1; 103-2; 103-3 | Explanation of the material topic and its Boundary, management approach and its components, evaluation of the management approach Operating with the highest ethical standards is a core value of Federal. We expect all employees to be honest in all business dealings which we believe yields better results for the company and lessens the impact of potential financial risk. Our Code of Conduct reflects these expectations. This expectation is set by our Board of Trustees and runs through every level of our organization. Responsibility for overseeing compliance with these standards lies with our General Counsel's office and Human Resources department. We evaluate our effectiveness by the fact that we have had no incidents raised through any means of any breaches of our Code of Conduct. |
| ● | 205-2 | Communication and training about anti-corruption policies and procedures Our Code of Business Conduct specifically requires compliance with all applicable laws, rules, orders and regulations which include those that prohibit corrupt business practices. All employees receive training on our Code of Business Conduct. |
| ● | 205-3 | Confirmed incidents of corruption and actions taken There were no confirmed incidents of corruption of any type in 2020. |
| ANTI-COMPETITIVE BEHAVIOR | | |
| ● | 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices There were no pending or completed legal actions in 2020 relating to any type of anti-competitive behavior or violations of anti-trust or monopoly legislation. |

| DISCLOSURE | | RESPONSE |
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| ENERGY | | |
| ● | 103-1; 103-2; 103-3 | Explanation of the material topic and its Boundary, management approach and its components, evaluation of the management approach Report pages 31-34 . Energy usage at our properties is the single largest source of operational greenhouse gas emissions for the company. Our objective is to develop a strategy that allows us to achieve carbon neutral operations by 2050. Our investment efforts in new buildings has focused on energy efficiency and we are retrofitting areas of older assets to improve their energy efficiency. Our property teams monitor energy usage on a regular basis. Our boundary is for areas where we have operational control which are generally our outdoor common areas. Much of the energy usage at our properties is in spaces that are controlled by tenants who we encourage to be energy efficient. Information in this section is for calendar year 2020. |
| ● ● | 302-1 | Energy consumption within the organization a. Total fuel consumption within the organization from non-renewable sources: 590,974 therms b. Total fuel consumption within the organization from renewable sources: 0 c. Total electricity consumption: 67,894,524 kWh. Includes all electricity use attributable to Federal d. Total electricity sold: 35,025,259 kWh. Includes solar production and grid-purchased electricity that is billed back to tenants e. Total energy consumption within the organization: 85,210,058 kWh. Includes all fuel and electricity usage attributable to Federal f. Calculated by RE Tech Advisors. Conversion factors from EPA eGRID and US Climate Registry |
| ● ● | 302-2 | Energy consumption outside of the organization a. Energy consumption outside of the organization: 46,019,377 kWh b. Calculated by RE Tech Advisors using standards and principles of the GHG Protocol. Includes energy purchased by Federal and allocated to tenants c. Conversion factors from EPA eGRID and US Climate Registry |
| ● ● | 302-3 | Energy intensity a. 2020 Electricity intensity: 2.4 kWh/sq ft; 2020 Site Energy Use Intensity: 3.0 kWh/sq ft b. Intensity metrics calculated using gross floor area of Federal's portfolio c. Site EUI includes Scopes 1 and 2 fuel consumption and electricity d. Intensity metrics include energy consumption within the organization |
| ● ● | 302-4 | Reduction of energy consumption Report page 33-34 |
| ● ● | FRIT05 | Discussion of energy management practices for investment and operations Report pages 29; 31-35 |

| DISCLOSURE | | RESPONSE |
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| WATER AND EFFLUENTS | | |
| ● | 103-1; 103-2; 103-3 | Explanation of the material topic and its Boundary, management approach and its components, evaluation of the management approach Report page 35 . Water use from municipally supplied sources is a considerable expense for Federal. While primarily consumed by tenants at our properties, we monitor water consumption at every site and identify opportunities for improvement including water efficient fixtures, proactive maintenance, controls, and water efficient landscaping. |
| ● | 303-3 | Water withdrawal 2020 municipally supplied water: 557,649.12 kGal Includes all water consumption from accounts in Federal's name. |
| BIODIVERSITY | | |
| ● | 304-1 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas ESG Policy page 11 |
| ● | 304-2 | Significant impacts of activities, products, and services on biodiversity ESG Policy page 11 |
| EMISSIONS | | |
| ● ● | 305-1 | Direct (Scope 1) GHG emissions Report page 32 . 2020 Scope 1 Greenhouse Gas Emissions: 3,145.61 MT CO ₂ e. Calculated by RE Tech Advisors using the GHG Protocol Corporate Standard, organizational control method. Emissions factors from EPA eGRID and US Climate Registry. |
| ● ● | 305-2 | Energy indirect (Scope 2) GHG emissions Report page 32 . 2020 Scope 2 greenhouse gas emissions: 14,880.67 MT CO ₂ e. Calculated by RE Tech Advisors using the GHG Protocol Corporate Standard, organizational control method. Emissions factors from EPA eGRID and US Climate Registry. |
| ● ● | 305-3 | Other indirect (Scope 3) GHG emissions 2020 Scope 3 emissions from energy paid for by Federal and allocated to tenants: 16,448 MT CO ₂ e. |
| ● ● | 305-4 | GHG emissions intensity 2020 greenhouse gas emissions intensity: .0006 kWh/sq ft using total portfolio gross floor area. Includes scopes 1 and 2 emissions. |
| ● ● | 305-5 | Reduction of GHG emissions Report page 32 . 4% like-for-like reduction in Scope 1 and 2 emissions between 2019 and 2020. |

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| ENVIRONMENTAL COMPLIANCE | | |
| ● | 103-1; 103-2; 103-3 | Explanation of the material topic and its Boundary, management approach and its components, evaluation of the management approach |
| | | Environmental compliance is a critical component of our business. Not only is it important in our role as a good corporate citizen but it also mitigates monetary and reputational risks. We work closely with a third party environmental consultant who continuously monitors our properties on our behalf and oversees all necessary remediation efforts at our assets including participation in a variety of voluntary clean-up programs. Prior to investing in any new assets, our consultant performs extensive environmental investigations so that we can understand the potential issues and create appropriate remediation plans if we choose to proceed with the investment. We have detailed databases of environmental conditions at our properties that are used by our teams to ensure that we manage environmental risks appropriately. Ultimate responsibility for compliance is under our General Counsel's office. |
| ● | 307-1 | Non-compliance with environmental laws and regulations |
| | | Federal is in the process of working with governmental agencies on remediating environmental conditions at our properties that are required to be remediated at this time. We have not identified any non-compliance with environmental laws and/or regulations that must be remediated at this time other than matters which are currently being addressed. We did not incur any fines or non-monetary sanctions for non-compliance with environmental laws or regulations. |
| EMPLOYMENT | | |
| ● | 103-1; 103-2; 103-3 | Explanation of the material topic and its Boundary, management approach and its components, evaluation of the management approach |
| | | Report pages 42-48 . Our success is inextricably tied to our employees. We pride ourselves on creating a culture where all of our employees feel valued and are engaged in their work. We compensate our employees fairly and provide a wide range of benefits to support our employees. We evaluate our effectiveness through employee engagement surveys as well as by monitoring changes in our average tenure and our voluntary turnover rate. |
| ● | 401-1 | New employee hires and employee turnover |
| | | Report page 58 |

| DISCLOSURE | | RESPONSE |
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| ● | 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees |
| | | Report pages 42-48 . In addition to providing market-competitive compensation through a base salary and annual bonus, we also provide all our year-round full- and part-time employees with a wide range of other benefits. <ul style="list-style-type: none"> a. Medical, dental, and vision insurance to support the health and wellbeing of our employees and their families, with different options depending on personal and family needs. b. Basic life insurance, accidental death and dismemberment, and short- and long-term disability insurance. c. Paid vacation, personal days, sick time, and company holidays to encourage time away from work. Generous leave and accrual policy allows employees to accrue and carry over 320 sick hours and 320 vacation hours each year. d. Company-matching contribution to a 401K retirement savings plan for all full- and part-time employees. All employees are automatically enrolled when they join the company. e. Paid day off to volunteer at election polls in presidential elections. f. \$15-per-hour minimum wage for all year-round full- and part-time employees. g. Employee assistance programs to provide help on topics including: emotional health, counseling and well-being, work-life balance, as well as financial and legal advice. h. Flexible spending and health savings accounts to allow employees to pay for certain medical expenses with pre-tax dollars. i. An employee stock purchase plan to allow employees a simple way to acquire company stock without commissions. j. Discounts on rent at company-owned apartment complexes. k. Added benefits like flexible work arrangements, bagel Wednesday, frequent retailer-offered discounts, fitness center reimbursements, casual office dress every day, free parking at our offices, and commuter benefits help round out some of the considerations that add to our company culture. |

| DISCLOSURE | | RESPONSE |
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| ● | 401-3 Parental leave | <p>Federal offers parental leave to birth mothers through short-term disability and accrued paid time off and offers non-birth parents the right to take leave using accrued paid time off. Generous leave and accrual policy allows employees to accrue and carry over 320 sick hours and 320 vacation hours each year. We are in the process of developing a paid parental leave policy. Following is information about parental leave in 2020.</p> <p>a. Total number of employees that were entitled to parental leave: Total: 11; Female: 7; Male: 4</p> <p>b. Total number of employees that took parental leave: Total: 8; Female: 7; Male: 1</p> <p>c. Total number of employees that returned to work in the reporting period after parental leave ended: Total: 8; Female: 7; Male: 1</p> <p>d. Total number of employees that returned to work after parental leave ended and were still employed 12 months after their return to work: Total: 8; Female: 7; Male: 1</p> <p>e. Return to work and retention rates of employees that took parental leave: Female: 100%; Male: 100%</p> |
| ● | 403-2 Hazard identification, risk assessment, and incident investigation | <p>Federal complies with all applicable laws regarding workplace safety and encourages employees to identify and advise the appropriate person in the office of any potential hazard. If an issue is identified, Federal works to promptly correct the issue and to cause the problem to be made safe pending a correction. Any injuries are reported to our Human Resources team and to our worker's compensation insurer. In 2020, we had one worker's compensation claim with no days missed and we had no worker fatalities.</p> |
| ● | 403-9 Work-related injuries | <p>We had one employee injured on the job who missed no work as a result of the injury. We did not have any fatalities.</p> |

| DISCLOSURE | | RESPONSE |
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| TRAINING AND EDUCATION | | |
| ● | 103-1; 103-2; 103-3 | <p>Explanation of the material topic and its Boundary, management approach and its components, evaluation of the management approach</p> <p>Report page 44.</p> |
| ● | 404-1 | <p>Average hours of training per year per employee</p> <p>Report page 44. All employees are encouraged to participate in both internal and external training opportunities and we make money available on an annual basis to support external training opportunities. We know that significant time is spent each year by employees participating in webinars, conferences and other internal and external programs and continuing education opportunities; however, we do not track and do not ask our employees to track the time they spend each year on these types of training activities. We do not believe that tracking participation in these training opportunities would increase employee participation and accordingly, do not believe there is any added value for our organization to track participation solely for the sake of tracking and reporting.</p> |
| ● | 404-2 | <p>Programs for upgrading employee skills and transition assistance programs</p> <p>Report page 44.</p> |
| ● | 404-3 | <p>Percentage of employees receiving regular performance and career development reviews</p> <p>All employees are eligible to receive formal written or oral annual performance reviews.</p> |
| DIVERSITY AND EQUAL OPPORTUNITY | | |
| ● | 103-1; 103-2; 103-3 | <p>Explanation of the material topic and its Boundary, management approach and its components, evaluation of the management approach</p> <p>Report pages 15-20.</p> |
| ● | 405-1 | <p>Diversity of governance bodies and employees</p> <p>Our three primary governance bodies are our Board of Trustees elected by our shareholders, our Executive Committee comprised of our 6 senior most leaders in the company and our Investment Committee which is responsible for approving all investments by the company greater than \$1 million. All members of our Board of Trustees and Executive Committee are over 50 years old. One member of our Investment Committee is between 30 and 50 years old and the others are over 50. See Team Information for more detail - Report page 58.</p> |

| DISCLOSURE | | RESPONSE |
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| NON-DISCRIMINATION | | |
| ● | 406-1 | Incidents of discrimination and corrective actions taken |
| | | There were no incidents of discrimination reported through any of our available means in 2020 nor were there any instances of non-compliance identified through any established procedures. |
| LOCAL COMMUNITIES | | |
| ● | 103-1; 103-2; 103-3 | Explanation of the material topic and its Boundary, management approach and its components, evaluation of the management approach |
| | | We believe that our properties are most successful when they reflect the values and desires of the local community in which they are located. Our employees live in these communities and our property teams form connections within the communities with local officials and community focused groups such as local schools and philanthropic organizations. We also actively engage with the community as we make new investments and improvements to our properties to understand what would be of most value to these communities. All of these efforts fall under our divisional Presidents who monitor our success through feedback we receive as well as the financial returns on our investments. |
| ● | 413-1 | Operations with local community engagement, impact assessments, and development programs |
| | | ESG Policy page 19 |
| PUBLIC POLICY | | |
| ● | 415-1 | Political contributions |
| | | Report page 54 |
| CUSTOMER HEALTH AND SAFETY | | |
| ● | 416-1 | Assessment of the health and safety impacts of product and service categories |
| | | All of our properties are inspected on a regular basis for potential health and safety issues by both our internal team as well as third parties. Inspections cover all aspects of the properties relating to health and safety including spaces controlled by tenants. We also regularly monitor the environmental condition of our properties for any potentially dangerous conditions and engage in remediation activities as needed. In any new acquisitions, we also perform detailed inspections of the environmental and physical condition of the asset and incorporate a capital investment plan as part of our acquisition decision to correct any issues identified that do not meet our standards. |



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