



Energy Efficiency Policy

1. Introduction

Simpson Housing LLP (“Simpson”) is dedicated to incorporating ESG policies and initiatives that not only promote sustainability but also enhance the quality of life for our employees and residents. A key aspect of this commitment is our focus on energy efficiency, essential for reducing our carbon footprint across all assets, whether owned or managed.

2. Purpose and Scope

This Energy Efficiency Policy outlines Simpson Housing’s commitment to reducing energy consumption across our operations, including our properties and value chain. This policy applies to all our business activities, emphasizing the importance of energy efficiency in both operations and resident engagement.

3. Policy Statement

We recognize the need for responsible energy management and are implementing strategies that reduce energy consumption and greenhouse gas emissions. This policy guides our journey towards more sustainable energy practices, aiming to establish clear and achievable energy efficiency goals.

4. Definitions

Energy Efficiency: The strategic use of energy-saving methods and technologies to deliver the same level of service or output using less energy. This includes optimizing building systems, implementing advanced controls, and retrofitting existing structures with materials and equipment that reduce overall energy demand without compromising functionality or comfort.

Renewable Energy: Energy derived from resources that are regenerative or for all practical purposes cannot be depleted. Types of renewable energy include solar, wind, geothermal, hydroelectric, and biomass. Utilization of renewable energy involves harnessing natural

processes that are continuously replenished to create electricity or thermal energy, supporting the transition to a low-carbon economy, and reducing reliance on fossil fuels.

Green Building Standards: A set of rigorous guidelines and certifications, such as NGBS, BREEAM, or the WELL Building Standard, which are designed to improve the environmental performance of buildings through better design, construction, operation, and maintenance. These standards emphasize not only energy efficiency but also water conservation, indoor environmental quality, materials selection, and the building's overall impact on health and the environment.

5. Commitments

Energy Efficient Technologies: We will implement energy-efficient lighting, HVAC systems, and appliances in our properties. This includes upgrading lighting to LED, installing programmable thermostats, and using ENERGY STAR-rated appliances to reduce energy consumption in common areas and individual units.

Renewable Energy Integration: Simpson Housing will actively explore and integrate renewable energy sources, such as solar panels, especially in areas with ample sunlight exposure, where feasible. The goal is to supplement our energy needs with renewable sources, reducing reliance on traditional energy grids and lowering overall carbon emissions.

Energy Audits: Regular energy audits will be conducted to systematically evaluate energy use in our properties, identifying opportunities for improvements in efficiency. This will involve assessing building insulation, HVAC systems, and lighting, and implementing changes that can lead to significant energy savings.

Resident Engagement: Engagement with our residents is key to advancing energy efficiency. We will utilize our "Sustainable Tenant Guide" to provide residents with actionable information on using energy-efficient appliances and reducing energy waste. Workshops will further support these initiatives, empowering residents to contribute to our community's energy-conscious culture.

Sustainable Building Practices: In all new developments and major renovations, Simpson Housing will evaluate green building standards, such as NGBS certification. This commitment includes using sustainable building materials, designing for natural light, and ensuring proper insulation to enhance overall energy efficiency.

6. Targets and Milestones

- Achieve a 10% reduction in overall energy consumption per square foot of controllable space across all properties by 2025].
- Upgrade 100% of all lighting fixtures to LED in common areas and residential units by Intermediate Target Year, e.g., 2025.
- Install only Energy Star appliances in 100% of replacements in all properties by 2025.

7. Responsibilities

The successful implementation of this policy requires the collective effort of all departments and employees of Simpson Housing. Specific responsibilities include:

Executive Leadership Team: Overseeing the integration of energy efficiency considerations into corporate strategy.

Property Management Teams: Executing energy efficiency measures at property levels.

Maintenance Teams: Maintaining energy-efficient systems and implementing new technologies.

All Employees and Residents: Adhering to energy efficiency practices and participating in related initiatives.

8. Monitoring and Evaluation

To ensure we are on track to achieve our energy efficiency targets, Simpson Housing will:

- Conduct regular monitoring of our energy consumption using advanced analytics software to track progress against our interim energy reduction goals. This will involve evaluating energy usage patterns across all properties to inform our evolving energy efficiency strategy.
- Engage with third-party experts to conduct independent evaluations of our energy efficiency initiatives. These evaluations will help validate our progress, ensure the integrity of our data, and provide an external perspective on our energy management practices.
- Utilize specific KPIs, such as energy use intensity (EUI), percentage of energy from renewable sources, and reduction in total energy costs, to measure our progress. We will regularly review these KPIs to adjust our strategies and ensure continuous improvement in energy efficiency.

9. Training and Awareness

Simpson Housing is committed to enhancing the understanding of energy efficiency across our organization and the pivotal role all employees play. To achieve this, we will:

- **Conduct Regular Training Sessions:** We will provide sessions that cover energy conservation techniques, the benefits of energy-efficient appliances, and the specifics of our energy efficiency policy. These sessions will be continuously updated to incorporate the latest in energy-saving technology and practices.
- **Launch Awareness Campaigns:** Regular campaigns will be initiated to keep our employees informed about our energy efficiency goals and progress. These will also provide context on how our efforts fit into global sustainability practices and will include updates on the implementation of our energy efficiency initiatives.
- **Provide Resources and Tools:** Employees will have access to educational materials and tools that support the adoption of energy-efficient practices in their work

environment. This may include guidelines on how to optimize energy use in their respective roles and information on incentives for energy-saving measures.

10. Reporting

Simpson Housing is dedicated to transparency and accountability as we strive for greater energy efficiency. In support of this commitment, our reporting practices will include:

- **Annual Sustainability Reports:** We will compile and publish annual reports providing details on our energy consumption, the effectiveness of our energy efficiency initiatives, and the strides we've made towards our energy efficiency targets. These reports will align with internationally recognized reporting standards, including the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and ENERGY STAR performance metrics.

Recognizing the critical role of external collaboration and verification in our sustainability endeavors, we commit to align with and report our energy efficiency progress to various respected organizations in the industry:

- **GRI (Global Reporting Initiative):** Our annual reports will follow the GRI standards, ensuring they are comprehensive and consistent with global sustainability reporting practices.
- **ENERGY STAR:** We will report our energy performance through ENERGY STAR Portfolio Manager, benchmarking our properties against similar properties nationwide.
- **GRESB (Global ESG Benchmark for Real Assets):** As participants, we will provide our ESG data, including details of our energy efficiency efforts, to GRESB for benchmarking with industry peers.
- **Other Relevant Organizations:** Simpson Housing will actively participate in and report to other platforms and organizations that support and track energy efficiency progress, ensuring our actions and achievements are communicated widely.
- **Stakeholder Engagement:** In addition to formal reporting, we will maintain open communication with our stakeholders—including investors, residents, employees, and the community—to report updates, solicit feedback, and share success stories related to our energy efficiency journey.

11. Alignment with Industry Standards and Frameworks

Simpson Housing acknowledges the significant influence of global standards and frameworks in guiding our energy efficiency initiatives. Our approach to enhancing energy efficiency is informed by and actively contributes to the objectives of key international frameworks, including:

- **ENERGY STAR:** We follow ENERGY STAR for its leading energy efficiency benchmarks to improve the performance of our appliances, lighting, and HVAC systems.
- **National Green Building Standards (NGBS):** Our development efforts aim to meet or exceed NGBS standards, which provide a comprehensive suite of energy efficiency and sustainability metrics.

- **IREM (Institute of Real Estate Management):** We seek to align with IREM's sustainability and energy efficiency initiatives, adopting best practices for property management that reduce energy consumption and environmental impact.
- **International Energy Conservation Code (IECC):** We ensure compliance with IECC standards to align with regulatory energy efficiency requirements for building construction and operations.
- **ASHRAE Standards:** Our heating, ventilating, and air-conditioning systems are designed and maintained in accordance with ASHRAE standards to optimize energy use and ensure healthy indoor air quality.
- **Other Relevant Frameworks:** Simpson Housing is dedicated to continuous improvement by assessing and adopting additional frameworks and certifications that support our energy efficiency objectives, ensuring our practices are up to date with industry advancements.

12. Review

This policy will be reviewed annually to ensure it remains relevant and aligned with the latest scientific research, industry best practices, and stakeholder expectations.

13. Approval

This version of Simpson's Energy Efficiency Policy has been approved by Simpson's Executive Leadership Team on 12/28/2023.