

**IMMOBEL GROUP**  
**GREEN FINANCE FRAMEWORK**  
**MARCH 21**



## 1. Introduction

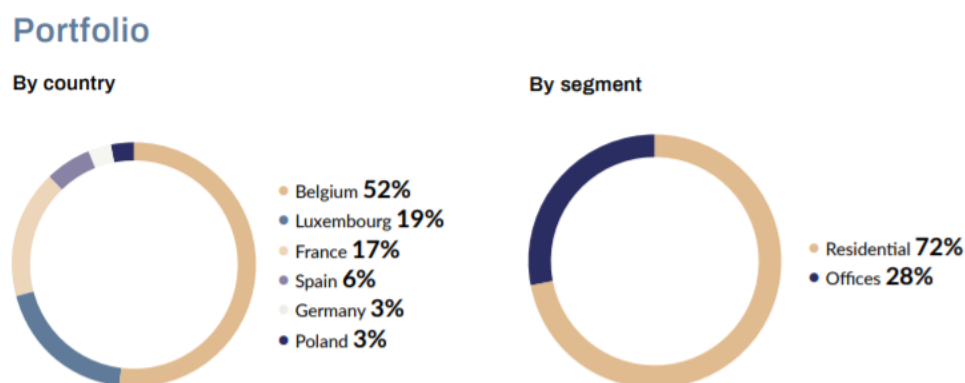
### 1.1. About Immobel

Immobel ('Immobel', 'The Group') is the largest listed real estate developer in Belgium, with approximately 200 people working at Immobel. The Immobel Group, which dates back to 1863, creates high-quality, future-proof urban environments with a positive impact on the way people live, work and play, and specialises in mixed real estate (residential, office, leisure and retail).

With a stock market value of +/- EUR 650 million as per 31.12.2020 and a portfolio of more than 1,600,000 m<sup>2</sup> of project development in 6 countries: Belgium, Grand Duchy of Luxembourg, Poland, France, Spain, Germany, Immobel occupies a leading position in the European real estate landscape.

Immobel's investment and development portfolio has a value of 5.2 bio EUR as per 31.12.2020 .

The composition of the portfolio as per 31.12.2020 is as follows:



For more information, please visit [www.immobelgroup.com](http://www.immobelgroup.com)

### 1.2. Immobel and Sustainability

Construction is the sector with the largest ecological footprint. As a developer, Immobel is aware of the difference it can make by adopting sustainable development and building methods. The Group strives for sustainability in urban development. Furthermore, it uses part of its profits to support good causes in the areas of health, culture and social inclusion.

In recent years, sustainability has become ever more important, and COVID-19 has revealed how much we depend on nature. People are demanding a higher-quality living and working environment, one that offers them a high degree of comfort and promotes a healthy lifestyle. The pandemic has also shown that cities need open and green space, as well as walking and cycling infrastructure. Immobel strives for sustainability in all its assets to satisfy all its stakeholders, from governments to investors to customers.



In 2020, The Group developed a new plan to improve its sustainability performance which contains four key objectives that are linked to the United Nations Sustainable Development Goals (“UN SDGs”). This plan will help Immobel design sustainable cities and communities that offer a better quality of life, where natural resources are used wisely.

The four objectives are the following:

1. **To develop healthy buildings and environments.** Immobel designs buildings to improve the health and quality of life of those who live and work there. The plans incorporate public space around the buildings. Immobel also commits to targeted actions to increase biodiversity and to design more ecological cities.
2. **To reduce the environmental impact.** Immobel reduces its ecological footprint through mindful water and energy consumption, and by reducing its CO2 emissions. Immobel works with independent sustainability experts to identify the greenhouse gases in their value chain and is developing an ambitious reduction plan. Immobel will also launch programmes, objectives and partnerships to adopt an optimal circular approach. This includes reusing resources and materials to extend their life cycle.
3. **To be a civil and socially responsible real estate player.** As one of the major players in the real estate sector in Europe, Immobel aims to play a leading role in the transformation towards the sustainable cities and communities of tomorrow and promote the trend towards sustainability in the real estate sector. Immobel wants to contribute to the urban mix, promote the local economy and encourage soft mobility. Immobel will extend cooperation partnerships with organizations, think tanks, governments, changemakers and other stakeholders, to create a more sustainable society together. Through the Immobel Social Fund, Immobel engages towards organizations and associations that work on health, culture and social inclusion.
4. **To integrate sustainability in our work and in the workplace.** Immobel wants to make sustainability an integral part of its projects and of all layers of in the organization. Immobel is developing partnerships with start-ups or incubators to translate new urban trends into innovative solutions and services. Immobel promotes a healthy and innovative working atmosphere in which employees feel good.

The four objectives are linked to the following selection of the UN SDGs



In 2021, Immobel will further translate these ambitions into specific, measurable objectives monitored using a KPI dashboard.

Immobel is pursuing an ambitious certification strategy for its entire asset portfolio. The Group will assess its portfolio as a whole against the GRESB standard in 2021. Additionally, BREEAM and HQE remain key references to assess the environmental performances of individual asset.

### 1.3. Background of the Immobel Green Finance Framework

Immobel has developed its Green Finance Framework (the “Framework”) with the aim to attract funding that will be allocated to sustainable and energy efficient real estate assets in its development portfolio.

The Framework provides a clear and transparent set of criteria which enable investments in green buildings, energy efficient, and other environmental friendly assets related to its real estate portfolio.

Immobel’s Framework is consistent with the guidelines of the Green Bond Principles (ICMA, 2018) and the Green Loan Principles (LMA/APLMA, 2021). These voluntary process guidelines are developed in multi-stakeholder processes involving issuers, investors, financial institutions and NGO’s, with a view to promoting the development and integrity of the sustainable finance market.

With this Framework, Immobel has the possibility to issue a variety of “Green Finance Instruments”, such as f.i. Green Bonds, Green Private Placements, Green (Syndicated) Loans.

Immobel may further update or expand its Framework to align with emerging markets standards and best-practices, such as the introduction of the EU Taxonomy of sustainable economic activities and the EU Green Bond Standard or other relevant standards and guidelines.



## 2. Immobel Green Finance Framework

Immobel's Framework will be presented along the four core components of the Green Bond Principles and Green Loan Principles and includes commitments regarding external review.




The document covers:

1. Use of proceeds
2. Process for assets evaluation and selection
3. Management of proceeds
4. Reporting
5. External review

### 2.1. Use of proceeds

Immobel intends to use an amount equal to the net proceeds of Green Finance Instruments issued under this Framework to finance and/or refinance, in whole or in part, assets, projects and activities which contribute to Immobel's ESG strategy (the "Eligible Assets").

Eligible Assets include construction or acquisition of new or on-going assets, as well as existing assets owned by Immobel that have received major renovations, and which fall under one of the categories in the table below:

Eligible Green Assets Category	Eligibility Criteria	Mapping with the UN SDG
<p>Acquisition or construction of new Green Buildings</p>	<p>&gt;New acquisitions, construction of new buildings (mostly office and mixed-use developments) which have received or will be designed to receive any of the following classifications:            *BREEAM: minimum “Excellent”            *HQE: minimum “Excellent”            * Or any equivalent internationally recognized third-party verified certification scheme.</p> <p>For Assets which are not subject to an official classification standard (mostly residential projects), Eligible projects should achieve a high level of energy efficiency with a maximum Primary Energy Demand (“PED”) of</p> <p>&gt;For Belgium, Luxembourg, and Spain: 100 kWh/m<sup>2</sup>/year,            &gt;Germany: up to 75 kWh/m<sup>2</sup>/year,            &gt;France: 70 kWh/m<sup>2</sup>/year</p>	  
<p>Refurbished existing Green Buildings</p>	<p>&gt; Significant refurbishments with an improved energy efficiency of at least 30% in Primary Energy Demand compared to a baseline before the renovation and which have received or will be designed to receive any of the following classifications:            *BREEAM: minimum “Excellent”            *HQE: minimum “Excellent”            * Or any equivalent internationally recognized third-party verified certification scheme.</p>	

Eligible Assets are located in countries in which Immobel operates. Immobel will perform a location analysis to ensure the best possible accessibility with regards to public transport.

Eligible Assets are either buildings in acquisition phase or on-going developments. For each project, a forecast date of delivery is communicated.

Eligible assets have been acquired up to maximum 3 years before the issuance of a Green Finance Instrument.



## 2.2. Process for asset evaluation and selection

All potential Eligible Assets first and foremost comply with environmental and social laws and regulations, as well as with Immobel's policies and standards which aim to manage and mitigate environmental, social and governance risks.

On at least an annual basis, the Immobel Treasury department populates an overview of potential Eligible Projects at Immobel Group level. The list of potential Eligible Projects is subsequently evaluated by the dedicated Immobel Green Finance Committee (composed of the Group Treasurer, the Group CSR Manager and the Group Legal manager) to verify whether the proposed assets comply with the definition of Eligible Assets as included in paragraph 2.1 of this Framework and subsequently approves the final list of Eligible Assets.

## 2.3. Management of proceeds

The Immobel Treasury department will manage the net proceeds of issued Green Finance Instruments on a portfolio basis. An amount equal to the net proceeds of the Green Finance Instruments will be credited to Immobel's general account, and an amount equal to the net proceeds will be earmarked for allocation to Eligible Assets using Immobel's internal accounting systems.

As long as the Green Finance Instruments under this Framework are outstanding, Immobel aims to allocate an amount equivalent to the net proceeds of these instruments towards a portfolio of Eligible Assets. If a specific asset is divested, discontinued or does no longer meet the definition of Eligible Assets as included in paragraph 2.1, it will be removed from the portfolio of Eligible Assets. In such a scenario, Immobel will strive to replace the asset with another Eligible Assets as soon as reasonably practicable.

Immobel aims to ensure that the total volume of issued Green Finance Instruments will not exceed the value of the portfolio of Eligible Assets at Immobel Group level. Pending the allocation of the net proceeds of issued Green Finance Instruments to the portfolio of Eligible Assets, or in case insufficient Eligible Assets are available, Immobel will manage the unallocated proceeds in cash or cash equivalent, in line with its regular treasury criteria.

Full allocation of the net proceeds is expected at issuance, or ultimately within 24 months following the issuance of a given Green Finance Instrument.

The allocation of the net proceeds of issued Green Finance Instruments to the portfolio of Eligible Assets will be reviewed and approved by the Immobel Management Team on at least an annual basis, until full allocation of the net proceeds of issued Green Finance Instruments.

## 2.4. Reporting

Immobel will make and keep readily available reporting on the portfolio of Eligible Assets towards which the net proceeds of the Green Finance Instruments are allocated, and on the associated environmental impact, a year after the issuance of the relevant Green Finance Instrument, and then



annually until full allocation. Immobel intends to provide aggregated reporting for all Green Finance Instruments outstanding. Immobel's reporting will be published on its corporate website: <https://www.immobelgroup.com/en/investor-relations>

Immobel will align, on a best effort basis, the reporting with the portfolio approach described in the "Handbook – Harmonized Framework for Impact Reporting (December 2020)" published by ICMA.

#### 2.4.1. Allocation of proceeds reporting

On an annual basis, until full allocation, Immobel will report to investors on the allocation of the net proceeds of issued Green Finance Instruments to its portfolio of Eligible Assets .

The report will provide the following information:

- > An overview of the Green Finance Instruments issued under the Framework and the total amount outstanding (in EUR equivalent) of issued Green Finance Instruments
- > The allocation of the net proceeds of issued Green Finance Instruments to a portfolio of Eligible Assets, including information on the composition of the portfolio of Eligible Projects and a breakdown by geographical area (country level)
- > A breakdown of new financing vs. refinancing (i.e. share of allocation to assets under construction/refurbishment and share of allocation to existing assets )
- > The amount of unallocated proceeds (if any), and the type of temporary investments.

#### 2.4.2. Impact reporting

On an annual basis, Immobel intends to report on the environmental credentials of the portfolio of Eligible Assets to which the net proceeds of issued Green Finance Instruments have been allocated. Immobel will report on quantitative impact indicators.

The impact reporting will include:

- > An overview of Eligible Assets and their environmental classification (i.e. BREEAM certification, HQE label or any equivalent internationally-recognized third-party verified certification scheme), including the classification level where applicable (e.g. "Excellent").

For Assets which are not subject to an environmental classification standard, reporting will be based on the Primary Energy Demand of the Eligible Assets (in kWh/m<sup>2</sup>)

- > Selected case studies of Eligible Assets.

Additional impact indicators are subject to availability of data and could include:

- > The % of renewable energy (RE) generated on site (specifying the relevant RE form) and in case of refurbishments the % of energy use reduced/avoided vs baseline





> In case of refurbishments: the annual carbon emissions reduced/avoided in tonnes of CO2 equiv. vs baseline.

## 2.5. External review

### 2.5.1. Second Party Opinion

Prior to the inaugural issuance under this Framework, ImmoBel has commissioned Sustainalytics to provide a Second Party Opinion for its Green Finance Framework. Sustainalytics has reviewed the ImmoBel Green Finance Framework and issued a Second Party Opinion which concluded that the Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2018 and Green Loan Principles 2021.

The Second Party Opinion is available on the investor relations section of the ImmoBel corporate website: <https://www.immobelgroup.com/en/>

### 2.5.2. Independent verification

ImmoBel will appoint an independent verifier to provide a post-issuance review addressing the allocation of the net proceeds of issued Green Finance Instruments on an annual basis until full allocation, or in case of significant changes in the allocation of proceeds.

## 2.6. Disclaimer

The information and opinions contained in this ImmoBel Group Green Finance Framework (the **Framework**) are provided as at the date of this Framework and are subject to change without notice. None of ImmoBel NV/SA or any of its affiliates (jointly referred to as **ImmoBel**) assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise.

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