

Green financing of the Group activities

Green bond issuance

The VGP Green finance framework was introduced in 2019 as part of our strategy to diversify financing sources. The Group has decided to develop a Green Bond framework to finance new development projects, and/or standing assets which meet the environmental criteria for the construction and operational phases as defined in the “Use of Proceeds” procedure, and specified hereafter. Green Bonds are only used to finance resilient eligible assets, in line with a clear procedure for allocating funds.

VGP issued its first Green Bond on the Euro market in March 2021. In January 2022, the Group issued its second Green Bond (split into two tranches) on the Euro market. These issuances are testament to the success of the Group’s integral focus on ESG as part of the organization, investments, and financing. In total, the two issuances raised €1.60 billion.

Eligible Assets

The ESG criteria associated with the Green Bonds were approved by CICERO. They are (i) aligned with the “Green Bond Principles” (GBP) updated in March 2015 and (ii) fit in with the Group’s ESG strategy. Proceeds from Green Bonds issued under this framework will be used exclusively to finance and/or refinance, in whole or in part, “Eligible Assets”, described in the Green Finance Framework. Proceeds can be allocated to refinance existing projects as well as finance new developments.

Eligible projects include:

- renewable energy projects (i.e., onshore and offshore renewable energy facilities, including primarily solar and wind projects, but also hydrogen and geothermal energy projects)
- Category of green buildings (i.e., real estate assets with BREAAAM “Very Good” certification or equivalent DGNB/LEED rating)
- Other eligible project categories include energy efficiency (i.e., for existing or new (logistics) buildings, warehouses and technologies-related services and products), waste management (i.e., projects, investments and expenditures which promote better recycling rates), clean transportation (i.e., electric vehicle charging stations, bike facilities), and sustainable water management (i.e., reduce freshwater consumption, capturing and recycling rainwater, green roofing)

Additional criteria and indicators to be monitored for eligible assets – including EU Taxonomy and CREM, also referring to the section on EU Taxonomy and CRREM respectively in the Additional Information Chapter – are published on the Investor Relations’ website under the following link:

<https://www.vgpparks.eu/en/investors/financial-debt/>

Current Allocation of Green Bond Proceeds

In line with the Group's internal Green Bond analysis, selection and monitoring procedure, the funds generated by Green Bonds issuances are allocated to the selected assets based on a previously defined list of "eligible assets". The criteria are presented above and explained in detail in the Green Finance Framework as available on the Group website.

In the case of an asset disposal (both in full or partially) to one of the Group's Joint Ventures during the funding period (i.e. prior to the bond issue maturity), the proceeds initially allocated to the disposed asset shall be reallocated to another "eligible asset" held by the Group, based on the same process. In case of a full disposal the equivalent asset base shall be reallocated and in case of a disposal to one of the Joint Ventures the remaining equity interest shall be reflected in the pro-rata asset allocation.

The allocation of the proceeds from the outstanding Green Bonds is illustrated below:

USE OF CATEGORIES	GREEN BOND - APRIL 2029		GREEN BOND - JAN 2027		GREEN BOND - JAN 2030	
	NET BOND PROCEEDS ALLOCATION (€)	% OF TOTAL NET BOND PROCEEDS	NET BOND PROCEEDS ALLOCATION (€)	% OF TOTAL NET BOND PROCEEDS	NET BOND PROCEEDS ALLOCATION (€)	% OF TOTAL NET BOND PROCEEDS
Renewable Energy	24,420,753	4.1	—	0.0%	—	0.0
Green buildings	572,552,336	95.4	282,134,217	56.4%	290,714,049	58.1
Energy Efficiency	—	0.0	—	0.0%	—	0.0
Waste Management	—	0.0	—	0.0%	—	0.0
Clean Transportation	—	0.0	—	0.0%	—	0.0
Sustainable Water Management	3,746,700	0.6	—	0.0%	—	0.0
(over)/ unallocated	(719,789)	- 0.1	217,865,783	43.6%	209,285,951	41.9
Total gross proceeds	600,000,000	100.0	500,000,000	100.0%	500,000,000	100.0

The allocation of the proceeds for Green buildings split between CAPEX financing and refinancing:

TYPE OF FINANCING	GRAND TOTAL (€)	%
CAPEX financing	656,853,160	56
Refinancing	516,714,894	44
Total	1,173,568,054	100

Green Bond – April 2029

Green buildings allocation by certification type €

COUNTRY	BREEAM EXCELLENT	BREEAM VERY GOOD	DGNB GOLD	DGNB SILVER	LEED SILVER	GRAND TOTAL	%
Austria		—	11,165,410	9,872,193	—	21,037,603	2
Czech Republic		4,382,952	—	—	—	4,382,952	0
Germany		—	96,845,417	235,027,061	—	331,872,478	29
Hungary		39,569,136	—	—	—	39,569,136	3
Italy	10,259,626	31,787,666	—	—	—	42,047,292	4
Latvia		2,293,462	—	—	—	2,293,462	0
Netherlands		—	—	—	—	—	0
Portugal		—	—	—	—	—	0
Romania		44,623,963	—	—	—	44,623,963	4
Serbia		—	—	—	—	—	0
Slovakia		57,662,488	—	—	—	57,662,488	5
Spain		29,062,961	—	—	—	29,062,961	3
Grand Total	10,259,626	209,382,629	108,010,827	244,899,254	—	572,552,336	
% of total	1	18	9	21	0		

RENEWABLE ENERGY SPECIFICATION (€ proceeds allocation)

Netherlands	5,309,425
Italy	1,744
Germany	19,109,584
Total	24,420,753

SUSTAINABLE WATER MANAGEMENT (€ proceeds allocation)

Netherlands	175,000
Germany	3,571,700
Total	3,746,700

Green Bond – Jan 2027

Green buildings allocation by certification type €

COUNTRY	BREEAM EXCELLENT	BREEAM VERY GOOD	DGNB GOLD	DGNB SILVER	LEED SILVER	GRAND TOTAL	%
Austria	—	—	—	—	—	—	0
Czech Republic	—	62,474,383	—	—	—	62,474,383	5
Germany	—	—	—	194,533,303	—	194,533,303	17
Hungary	—	—	—	—	—	—	0
Italy	—	—	—	—	—	—	0
Latvia	—	—	—	—	—	—	0
Netherlands	—	—	—	—	—	—	0
Portugal	—	14,350,305	—	—	—	14,350,305	1
Romania	—	—	—	—	—	—	0
Serbia	—	—	—	—	—	—	0
Slovakia	—	—	—	—	—	—	0
Spain	—	10,776,224	—	—	—	10,776,224	1
Grand Total	—	87,600,913	—	194,533,303	—	282,134,217	
% of total	0	8	0	17	0		

Green Bond – Jan 2030

Green buildings allocation by certification type €

COUNTRY	BREEAM EXCELLENT	BREEAM VERY GOOD	DGNB GOLD	DGNB SILVER	LEED SILVER	GRAND TOTAL	%
Austria	—	—	—	—	—	—	0
Czech Republic	—	5,751,291	—	—	7,048,214	12,799,505	1
Germany	—	—	—	78,270,995	—	78,270,995	7
Hungary	—	—	—	—	—	—	0
Italy	—	9,566,403	—	—	—	9,566,403	1
Latvia	—	—	—	—	—	—	0
Netherlands	—	100,437,160	—	—	—	101,839,379	9
Portugal	—	—	—	—	—	—	0
Romania	—	—	—	—	—	—	0
Serbia	—	—	—	—	—	—	0
Slovakia	—	—	—	—	—	—	0
Spain	—	89,639,987	—	—	—	89,639,987	8
Grand Total	—	205,394,840	—	78,270,995	—	290,714,049	
% of total	0	18	0	7	1		

Audited criteria

VGP engaged an independent auditor to verify that the assets financed meet the eligibility criteria. The reporting on these criteria and the independent auditor's attestation on the information related to the allocation of funds are presented in the following section.

Criteria of the use of proceeds reporting



Renewable Energy

The financing and/or refinancing of projects, investments and expenditures in products, technologies and services ranging from the generation and transmission of energy to the manufacturing of related equipment including among others onshore and offshore renewable energy facilities. This includes among others solar, wind, hydro and geothermal energy projects.

List of all eligible photovoltaic investment projects and allocation per green bond (only eligible photovoltaic projects have been included):

PARK	BUILDING	PV PRODUCTION (KWP)		BOND ALLOCATION		
		OPERATIONAL	UNDER CONSTRUCTION	Apr.-29	Jan.-27	Jan.-30
VGP Park Nijmegen	NLDNIJ – Linie 11	2,279		x		
	NLDNIJ – Linie 13	1,518		x		
	NLDNIJ – Rietgraaf 2a	1,012		x		
	NLDNIJ – B1/B2		3,082	x		
	NLDNIJ – B3/B4		5,940	x		
	NLDNIJ – C1/2		3,779	x		
VGP Park Roosendaal	NLDROO1 – A	3,899		x		
VGP Park München	GERMUE – A1	748		x		
	GERMUE – A2/A3		1,696	x		
	GERMUE – B		3,789	x		
	GERMUE – C		3,031	x		
	GERMUE – E		1,894	x		
	GERMUE – F		109	x		
	GERMUE – PHS		311	x		
VGP Park Göttingen	GERGOE – A	750		x		
	GERGOE – A	747		x		
	GERGOE2 – C		3,870	x		
	GERGOE2 – C		497	x		
	GERGOE2 – C		2,244	x		
VGP Park Wustermark	GERWUS – A1		745	x		
VGP Park Berlin	GERBER – A		745	x		
	GERBER2 – B		746	x		
	GERBER2 – C		750	x		
VGP Park Giessen-Buseck	GERBUS – A	749		x		
VGP Park Lützellinden	GERLUE – A	748		x		
VGP Park Chemnitz	GERCHE – A		746	x		
VGP Park Magdeburg	GERMAG – A (ph I)	750		x		
	GERMAG – A (ph II)		1,798	x		
	GERMAG – B		2,244	x		
VGP Park Erfurt	GERERF – A	750		x		
VGP Park Hamburg	GERHAM – A1		748	x		
	GERHAM – A2		750	x		
	GERHAM2 – B2		750	x		
	GERHAM3 – C		750			



PARK	BUILDING	PV PRODUCTION (KWP)		BOND ALLOCATION		
		OPERATIONAL	UNDER CONSTRUCTION	Apr.-29	Jan.-27	Jan.-30
VGP Park Rodgau	GERROD-C	746		x		
VGP Park Borna	GERBOR-A	748		x		
VGP Park Ginsheim	GERGIN-A	748		x		
VGP Park Schwalbach	GERSCH-A	645		x		
VGP Park Soltau	GER SOL-A	749		x		
VGP Park Berlin Oberkrämer	GEROBK-A		299	x		
VGP Park Höchststadt	GERHOE-A	748		x		

The eligible photovoltaic investments have generated green energy in 2021 for in total 8,216 MWh, equivalent to 3,020 TCO₂e. For calculating the equivalent CO₂ emissions the average grid factor of the VGP Parks portfolio of 0.368 tCO₂ / MWh has been used:

RENEWABLE ELECTRICITY (MWh)	FY 2021
Total green energy generation	8,216
CO ₂ reduction (TCO ₂ e)	3,020



Green buildings

The financing and/or refinancing of projects, investments and expenditures in relation to real estate assets which have received, or are designed and intended to receive, BREAAAM “Very Good” certification (or equivalent DGNB Silver/LEED Silver rating)

In total 80 eligible building projects have been identified and allocated to the three outstanding green bonds according to the following split between the bonds, highlighting the certification level as well as status of the certification process (see table below). Due to employed certification pre-checks and uniform VGP building standard being employed for all construction projects across Europe a very high degree of confidence can be expressed for expected realisation of the targeted certification level in case this is not yet completed. In case of project would not achieve the required certification level it will be removed from the eligible green buildings investments portfolio.

NAME	RENTABLE SPACE – TOTAL (in m ²)	CERTIFICATION LEVEL	CERTIFICATION STATUS	BOND ALLOCATION		
				Apr.-29	Jan.-27	Jan.-30
AUTGRA2 – B	7,822	DGNB – Silver	ongoing	x		
AUTGRA2 – C	14,520	DGNB – Gold	initialising	x		
CZECEB – C	9,409	BREEAM – Very Good	ongoing		x	
CZEHNN – H1	40,361	Leed Silver	realized			x
CZEHNN2 – H6	29,566	BREEAM – Very Good	initialising		x	
CZEKLA – A	15,805	BREEAM – Very Good	initialising			x
CZEKLA – B	11,250	BREEAM – Very Good	initialising	x		
CZEOL05 – F	65,966	BREEAM – Very Good	initialising		x	
CZEPIL – E	5,775	BREEAM – Very Good	ongoing		x	
CZEPRO – A	15,199	BREEAM – Very Good	ongoing		x	
CZEPRO – B	26,850	BREEAM – Very Good	ongoing		x	
CZEVYS – A	28,199	BREEAM – Very Good	pre-checked		x	
ESPDOH – B	26,630	BREEAM – Very Good	pre-checked			x
ESPFUE – A	41,745	BREEAM – Very Good	pre-checked			x
ESPGRA – A	8,323	BREEAM – Very Good	pre-checked		x	
ESPLLI – A	13,639	BREEAM – Very Good	ongoing		x	
ESPLLI – D	7,204	BREEAM – Very Good	ongoing			x
ESPLLI – E	22,193	BREEAM – Very Good	ongoing	x		
ESPSFH – C1	8,251	BREEAM – Very Good	realized			x
ESPSFH – C2	5,165	BREEAM – Very Good	realized	x		
ESPSFH – D1	11,453	BREEAM – Very Good	ongoing			x
ESPVAL – A	13,944	BREEAM – Very Good	ongoing			x
ESPVAL – B	25,547	BREEAM – Very Good	ongoing			x
ESPZAR – A	18,073	BREEAM – Very Good	realized			x
ESPZAR – B	20,736	BREEAM – Very Good	ongoing	x		
ESPZAR – C1	22,556	BREEAM – Very Good	pre-checked	x		
ESPZAR – C2	13,615	BREEAM – Very Good	pre-checked			x
GERBER4 – M	17,327	DGNB – Silver	ongoing	x		
GERERF – A	26,562	DGNB – Silver	partially realized	x		
GERGAF – A	153,272	DGNB – Gold	ongoing	x		
GERGAF – B	49,626	DGNB – Silver	ongoing			x
GERGOE2 – C	79,900	DGNB – Silver	realized		x	
GERHAL – B	26,846	DGNB – Silver	ongoing		x	
GERHAL – C	37,841	DGNB – Silver	ongoing		x	
GERLAA – A+B	54,728	DGNB – Silver	ongoing		x	

NAME	RENTABLE SPACE – TOTAL (in m ²)	CERTIFICATION LEVEL	CERTIFICATION STATUS	BOND ALLOCATION		
				Apr.-29	Jan.-27	Jan.-30
GERLAA – C	50,769	DGNB – Silver	realized			×
GERLAA – D	8,518	DGNB – Silver	realized			×
GERLEI – C1	2,397	DGNB – Silver	ongoing		×	
GERLFH – A	21,411	DGNB – Silver	ongoing		×	
GERLUE – A	14,156	DGNB – Gold	realized	×		
GERMAG – A	40,037	DGNB – Silver	ongoing	×		
GERMAG – B	64,768	DGNB – Silver	ongoing	×		
GERMAG – C1	43,202	DGNB – Silver	ongoing	×		
GERMAG – F	56,974	DGNB – Gold	realized	×		
GERMUE – A.2	19,248	DGNB – Gold	realized	×		
GERMUE – B	81,548	DGNB – Silver	ongoing	×		
GERMUE – C	48,470	DGNB – Silver	ongoing	×		
GERMUE – E	39,351	DGNB – Silver	ongoing	×		
GERMUE – F	7,486	DGNB – Silver	ongoing	×		
GEROBK – A	13,759	DGNB – Silver	realized	×		
GEROBK – B	13,986	DGNB – Silver	ongoing	×		
GEROBK – C	22,753	DGNB – Silver	ongoing	×		
GERROS – A	23,335	DGNB – Silver	ongoing			×
GERSOL – A	55,812	DGNB – Silver	realized	×		
GERWUS – A1	10,997	DGNB – Silver	realized	×		
HUNBUD – B.1	62,669	BREEAM – Very Good	initialising	×		
HUNGYO2 – B	13,162	BREEAM – Very Good	pre-checked	×		
HUNKEC – A	16,942	BREEAM – Very Good	pre-checked	×		
ITACAL – A	23,689	BREEAM – Very Good	realized	×		
ITAPAD – A	15,301	BREEAM – Very Good	pre-checked	×		
ITAPAD – B	7,246	BREEAM – Very Good	pre-checked	×		
ITASOR – A	12,034	BREEAM – Very Good	pre-checked			×
ITAVAL – A + B	6,677	BREEAM – Excellent	realized	×		
LVATIR – A	28,816	BREEAM – Very Good	pre-checked	×		
NLDNIJ – A	67,352	BREEAM – Very Good	realized			×
NLDNIJ – E (Plot V)	19,200	BREEAM – Very Good	initialising			×
NLDNIJ2 – B1B2	42,835	BREEAM – Very Good	ongoing			×
NLDNIJ2 – B3B4	60,062	BREEAM – Very Good	ongoing			×
NLDNIJ2 – C	37,384	BREEAM – Very Good	ongoing			×
NLDROO1 – A	41,958	BREEAM – Very Good	pre-checked			×
PRTSMF – A	29,813	BREEAM – Very Good	ongoing		×	
ROMARA – A	28,810	BREEAM – Very Good	pre-checked	×		
ROMBRA – A	27,726	BREEAM – Very Good	ongoing	×		
ROMBRA – E	9,989	BREEAM – Very Good	ongoing	×		
ROMBUC – C	28,508	BREEAM – Very Good	pre-checked	×		
ROMTIM D	31,399	BREEAM – Very Good	ongoing	×		
SVKBRA – A	43,336	BREEAM – Very Good	pre-checked	×		
SVKBRA – F	57,329	BREEAM – Very Good	ongoing	×		
SVKBRA – G	23,748	BREEAM – Very Good	initialising	×		
SVKBRA – H	18,576	BREEAM – Very Good	ongoing	×		



Sustainable Water Management

The financing and/or refinancing of projects, investments and expenditures which promote a sustainable water management (reduce freshwater consumption, capturing and recycling rain water, green roofing etc.).

Selected eligible projects:

SUSTAINABLE WATER MANAGEMENT				
VGP PARK	PROJECT	GREEN BOND APRIL 2029	GREEN BOND JAN 2027	GREEN BOND JAN 2030
VGP Park München	Infiltration basin south incl. plants/vegetation	×		
VGP Park Göttingen	Rainwater channels with rainwater retention basin	×		
VGP Park Giessen-Buseck	Use of rainwater for toilet facilities (cistern, piping, separation systems, technology) and Infiltration of rainwater in the rainwater retention basin	×		
VGP Park Magdeburg	Rainwater channels with large rainwater retention basin combined and connected (through transport trenches) with several smaller basins with overflow and throttling system	×		
VGP Park Roosendaal	Infiltration crates, installation built under building for water overflow and retention (independent of public sewerage)	×		
VGP Park Berlin	Entire green Roof for water retention and bio-diversity stimulation	×		

