



# **Group Renewable Energy Policy**

[www.vgpparks.eu](http://www.vgpparks.eu)







# Introduction to VGP Renewable Energy

VGP NV ('VGP' or 'the Group'), a European provider of high-quality logistics and semi-industrial real estate, has setup VGP Renewable Energy N.V. in 2020 in order to be able to better assist clients in making their businesses more sustainable in a cost-effective way. The objective of the Renewable Energy business line is to serve the Group's client base, by offering an ability to assist with their green energy transition, including:



an ability to offer green energy (produced on or off site)



smart energy management (including use of batteries and smart local grids),



facilitate our clients in their transition towards a green (forklift-)truck and car fleet by offering green electric and hydrogen charging facilities and infrastructure at our parks.

The imminent target is to expand the roll-out of photovoltaic installations on the roofs of VGP Parks – not by renting out our roofs to PV investors but by investing and operating such PV systems directly as owner, in cooperation with our tenants. Ultimately the goal of VGP Renewable Energy is to capitalize, not only on the available roof space on VGP Parks but on the most current energy technologies available across the entire spectrum of renewable energy production and storage relevant to the clients of VGP. This is to do good for VGP's tenants – as obtaining sufficient supply of (sustainable) energy sources and emissions are increasingly key constraining factors – and municipalities, but also as the Group believes that due to a combination of better technology, lower prices, and the benefits of scale, such investments can be made at increasingly attractive terms for shareholders.



## POLICY FOR INVESTING IN RENEWABLE ENERGY

The VGP Group Environmental Policy stipulates VGP's general goal of designing and operating logistics and semi-industrial parks in ways that reduce their energy, greenhouse gas (GHG) emissions and water use. An important mean to realise this objective is by facilitating the usage of green energy by tenants by installing photovoltaic installations on the roofs of VGP Parks.

In order to achieve this objective a separate entity has been established, VGP Renewable Energy NV, this entity invests solely in renewable energy assets in VGP Parks or in renewable energy assets elsewhere with the aim of supporting tenants of VGP Parks in their green energy transitioning.

In order to (i) create a uniform offering, (ii) create a product that is available for our tenants to use in their green transitioning and (iii) in order for our investors to be able to recognize the efforts made by the Group, **it is VGP policy not to rent the roof to third party investors or to tenants for the deployment of photovoltaic installations.** Instead the Group will own the photovoltaic assets on balance sheet through VGP Renewable Energy NV and offer the energy first and foremost to its tenants either through:

- Long term lease agreements (of the photovoltaic installation) or
- by agreeing long-term power purchase agreements (PPAs).

## GROUP FINANCING FOR RENEWABLE ENERGY ASSETS

In 2019, VGP drew up a Green Finance Framework which provides clear, transparent insight into the criteria that facilitate investments into renewable energy projects, energy efficiency and ecologically sound measures for logistics property, in order to reduce CO<sub>2</sub> emissions and achieve a carbon-neutral environment.

Since 2021 the Group has raised € 1.6 billion through several bond issuances under the Group's Green Finance Framework which requires the Group to make considerable investments into renewable energy assets.

This Green Finance Framework offers VGP a general framework for the issue of Green Bonds, Green Private Placements and/or Green (Syndicated) Loans.

The independent non-profit research institute Centre for International Climate and Environmental Research (CICERO) has confirmed that this financing program is in line with the Green Bond Principles.

Further information about our Group green financing and future emissions can be found in the Investor section on our website<sup>1</sup>

- ✓ Green Financing Framework classified as "Medium Green"
- ✓ Governance framework classified as "Good"
- ✓ Green Financing Framework in-line with the Green Bond and Green Loan principles

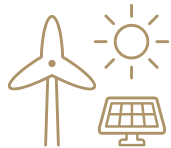


<sup>1</sup> <https://www.vgpparks.eu/en/investors/>

## VGP RENEWABLE ENERGY PRODUCT OFFERING

In addition to green electricity, the Group offers ancillary services for efficient green energy usage and deployment ranging from e-mobility charging facilities to optimization of green energy usage facilities for the building (e.g. batteries and flexible energy consumption).

Below a high level overview of the VGP Renewable Energy product offering:



### Green Electricity

- PV roof systems, wind or PV-ground mounted
- Lease or on-site PPA (Power Purchase Agreement)
- Sourcing (local tailored solutions)



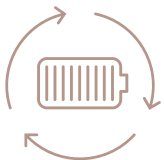
### eMobility

- BEV/FCEV charging
- Smart management
- Interlocking infrastructures, including energy storage and charging
- Power (sun or wind) to hydrogen



### PPAs/balancing

- IPP (independent power producing)
- Off-site PPAs with CfD (Contract for Differences)



### Flexibility

- Maximized PV/Wind consumption potential:  
Assist tenants with identifying green energy usage optimization through energy control in industrial/production processes



### Battery installation and management

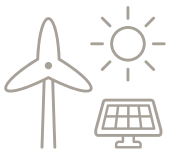
- Local network capacity issues
- Frequency management
- Self consumption of eMobility enabler

## TAILOR-MADE GREEN ENERGY SOLUTIONS

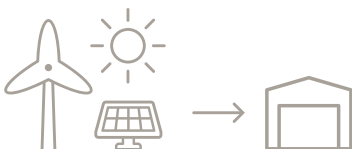
VGP aims to offer VGP clients a tailor-made green energy solution, which starts with green energy offered through roof photovoltaic installations, yet also includes the ability to offer green energy sourced elsewhere typically from existing VGP Renewable Energy parks.



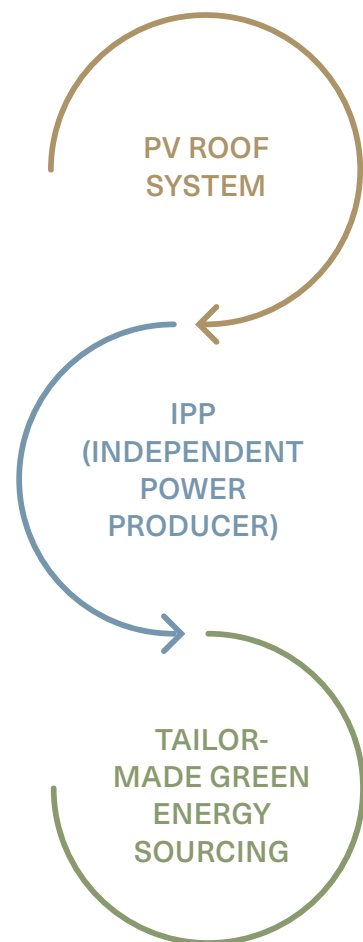
Offer green energy through  
— roof PV-rental or  
— power purchase agreement  
for roof PV system



Source local tailored opportunities (ground mounted PV or wind turbines in relative proximity to tenant location) to develop green power generation assets tailored to local tenant energy needs



Offer green energy sourced from existing/other VGP Renewable Energy parks (roof system but in future also ground mounted PV or wind turbines) in portfolio (PPA), typically nationally sourced but can also be international







## **VGP OWN RENEWABLE ENERGY CONSUMPTION**

As of January 1, 2022, all VGP offices switched to 100% renewable energy usage through the setup of a virtual Power Purchase Agreement (PPA) spanning 14 countries with ACT Commodities and Scholt Energy. The power being used is generated through the photovoltaic installation at VGP Park Nijmegen. Please see the press release on next page.



## First of its kind, pan-European corporate solar energy deal to power all VGP offices with 100% renewable electricity

### PRESS RELEASE 21 December 2021

VGP NV will switch as of 1 January 2022 all its European office locations to renewable energy as an agreement was reached with Scholt Energy B.V., the independent energy supplier, and ACT Commodities B.V., the European energy trading house, to purchase 100% renewable electricity for all its European office locations.

The Virtual Power Purchase Agreement (VPPA) will provide power supplied from VGP's existing solar farm on the roofs of VGP Park Nijmegen, Netherlands, to VGP offices across Europe. The solar farm at VGP Park Nijmegen today has a combined power output of almost 4,400 megawatt hours in total of which 2,100 megawatt hour is currently being utilised by local tenants. Of the remaining output circa 450 megawatt hours will be allocated to VGP's offices across Europe and the rest is offered for purchase to Dutch companies and households by Greenchoice, the green energy provider.

This agreement covers VGP's 20 offices across 13 countries<sup>1</sup>. Additionally, it is envisaged to include VGP's new offices in France and Serbia next year also.

VGP's Chief Executive Officer, **Jan Van Geet**, said: *"As a developer of prime logistics real estate, we know that sustainability is not just part of our business, it is our business. From offering green leases to our new tenants, making use of circular building materials and eliminating unnecessary waste at our building sites to supporting environmental projects through VGP Foundation, we are continuously looking for ways to reduce our environmental impact and aiming to ultimately have a net positive effect."*

Jan Van Geet concluded: *"This is why we are very excited today to announce this partnership with Scholt Energy and to add new European solar capacity through additional photovoltaic projects on the roofs of VGP Parks. As we welcome the European Green Deal, we now ask our customers, colleagues, business partners and fellow companies to join us in shifting towards renewable power – we are committed to making our own 100% renewable electricity generated on roofs of VGP Parks available to our tenants where this is feasible and hope that we all together can support this positive change."*

**Rob van Gennip** CEO at Scholt Energy, said: *"Developers like VGP are a driving force in the green energy transition and, with regards to the operational and real estate footprint of their clients, can help play a part in combatting climate change through the offering of renewable energy sources. We are proud to be supporting VGP in their renewable energy transition and to help make affordable, reliable and sustainable energy available to their offices across Europe."*

The operation will be effectuated for all VGP offices by January 1st 2022. For the VGP offices in those countries with existing Scholt Energy operations it is the aim to switch to the new renewable energy contracts by the earliest contractual opportunity. Until this time ACT Commodities will provide VGP with the local delivery of Guarantees of Origin for the equivalent power consumption. Guarantees of Origin will also be delivered by ACT Commodities to the VGP offices in those countries in which Scholt Energy cannot deliver energy directly<sup>2</sup>.

As the solar farm on the roof of VGP Park Nijmegen is already operational the green energy supply can be established as of January 1st 2022, however as Southern Europe enjoys higher solar irradiation, the plan is to switch to delivery from photovoltaic installations on roofs of VGP Parks in Italy which are currently still in design phase.

<sup>1</sup> The offices in the following countries are covered: Belgium (HQ), Germany, Spain, Czech Republic, Romania, Luxembourg (VGP Asset Management), Hungary, Slovakia, Portugal, Italy, Latvia, Netherlands and Austria

<sup>2</sup> Scholt Energy is expected to deliver energy directly to VGP offices in Belgium, Netherlands, Germany and Austria

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