4.3 Green Financing of the Group Activities

4.3.1 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 investments into eco efficiency for 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. Since Dec 2023 all use of proceeds have been allocated to a variety of darker and lighter green investments with the lightest green investments allocated to at least BREEAM Excellent qualified buildings.

4.3.2 Green bond criteria

The ESG criteria associated with the Green Bonds were approved by S&P Global/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 off shore 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 BREAAM "Very Good" certification or equivalent DGNB/LEED rating)
- Note VGP has since decided to increase the quality of allocation for this category to a minimum of BREAAM "Excellent" or equivalent
- 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 CRREM, also referring to section 4.2.2.7 Disclosures Pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and section 4.2.2.2.7 Targets related to Climate Change Mitigation and Adaptation (ESRS E1-4) – are published on the Investor Relations' website under the following link: *https://www.vgpparks.eu/en/investors/financial-debt/*

4.3.3 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 as at 31 December 2024 is illustrated below:

Use of categories	**Green Bond – April 2029**		**Green Bond – Jan 2027**		**Green Bond – Jan 2030**		**For reference:**
	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**	**EIB loan allocation** *(€)*
Renewable Energy	63,037,369	10.50%	3,596,694	0.70%	—	—	55,395,630
Green buildings	535,263,236	89.20%	513,098,831	102.60%	505,719,753	101.10%	—
o/w EU Taxonomy compliant	515,933,236	86.00%	310,134,027	62.00%	333,783,545	66.80%	—
Energy Efficiency	23,582,376	3.90%	6,649,967	1.30%	11,341,405	2.30%	—
—Waste Management	—	—	—	—	—	—	—
Clean Transportation	—	—	—	—	1,369,185	0.30%	—
Sustainable Water Management	—	—	1,939,695	0.40%	2,691,320	0.50%	—
(over)/unallocated	(21,882,980)	(3.60%)	(25,285,187)	(5.10%)	(21,121,664)	(4.20%)	79,604,370
Total gross proceeds	**600,000,000**	**100.00%**	**500,000,000**	**100.00%**	**500,000,000**	**100.00%**	**135,000,000**

The allocation of the proceeds between CAPEX and refinancing:

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**
CAPEX financing	575,491,069	95.90%	323,097,588	64.60%	416,368,732	83.30%
Refinancing	46,391,911	7.70%	202,187,599	40.40%	104,752,932	21.00%
(over)/unallocated	(21,882,980)	(3.60%)	(25,285,187)	(5.10%)	(21,121,664)	(4.20%)
Total gross proceeds	**600,000,000**	**100.00%**	**500,000,000**	**100.00%**	**500,000,000**	**100.00%**

* for buildings which were under construction at time of bond issue 50% is assumed refi and 50% capex

With regards to EU Taxonomy compliance, 86.0% (Apr-29), 62.0% (Jan-27) and 66.8% (Jan-30) respectively of the proportional proceeds are allocated to investments which are in compliance with EU Taxonomy as of December 2024. The aligned portion of the portfolio with EU Taxonomy is expected to grow further in the coming period.

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**
EU Taxonomy aligned	515,933,236	86.0%	310,134,027	62,0%	333,783,545	66.8%
EU Taxonomy eligible (not yet aligned)	105,949,745	17.7%	215,151,160	43,0%	187,338,119	37.5%
(over)/unallocated	(21,882,980)	(3.6%)	(25,285,187)	(5,1%)	(21,121,664)	(4.2%)
Total gross proceeds	**600,000,000**	**100.0%**	**500,000,000**	**100,0%**	**500,000,000**	**100.0%**

* for buildings which were under construction at time of bond issue 50% is assumed refi and 50% capex

4.3.3.1 Green bond – April 2029

Green buildings allocation by certification type (€-proceeds allocation)

Country	BREEAM Outstanding	BREEAM – Excellent	DGNB – Platinum	DGNB/OGNI – Gold	Grand Total	%
Austria	—	—	—	—	—	—
Croatia	—	—	—	—	—	—
Czech Republic	—	—	—	—	—	—
Denmark	—	—	—	—	—	—
France	—	—	—	—	—	—
Germany	—	—	129,110,016	386,823,219	515,933,236	96%
Hungary	—	—	—	—	—	—
Italy	—	—	—	—	—	—
Latvia	—	—	—	—	—	—
Netherlands	—	—	—	—	—	—
Portugal	—	—	—	—	—	—
Romania	—	19,330,000	—	—	19,330,000	4%
Serbia	—	—	—	—	—	—
Slovakia	—	—	—	—	—	—
Spain	—	—	—	—	—	—
Grand Total	**—**	**19,330,000**	**129,110,016**	**386,823,219**	**535,263,236**	
% of total	**—**	**3%**	**22%**	**64%**	**600,000,000**	

Photo

Renewable Energy allocation by country (€-proceeds allocation)

Country	2021	2022	2023	2024	Total	Total (Apr '29 Bond)
Austria	—	—	—	873,400	873,400	—
Croatia	—	—	—	—	—	—
Czech Republic	—	73,038	2,869,960	380,000	3,322,998	73,038
Denmark	—	—	—	—	—	—
France	—	—	—	3,591,000	3,591,000	—
Germany	19,072,084	30,270,609	36,904,646	3,831,492	90,078,831	49,342,693
Hungary	84,909		—	—	84,909	84,909
Italy	—	704,348	3,131,513	25,515	3,861,376	704,348
Latvia	—	—	—	—	—	—
Netherlands	5,309,425	6,644,132	835,417	—	12,788,974	11,953,557
Portugal	—	—	—	—	—	—
Romania	—	530,824	1,068,176	72,100	1,671,100	530,824
Serbia	—	—	—	—	—	—
Slovakia	—	—	—	679,320	679,320	—
Spain	—	348,000	—	1,148,000	1,496,000	348,000
Total	**24,466,418**	**38,570,951**	**44,809,712**	**10,600,827**	**118,447,908**	**63,037,369**

Energy efficiency allocation by country (€-proceeds allocation)

Energy efficiency investments (air heat pumps, LED relighting, motion detectors, etc) specification by country (€ proceeds allocation)

Country	2021–2023	2024
Czech Republic	—	141,816
Spain	1,450,949	—
Germany	11,089,470	7,488,449
Hungary	—	504,221
Italy	—	1,581,314
Portugal	—	299,377
Romania	—	1,026,780
Total	**12,540,418**	**11,041,957**

4.3.3.2 Green bond – January 2027

Green buildings allocation by certification type (€-proceeds allocation)

Country	BREEAM Outstanding	BREEAM – Excellent	DGNB – Platinum	DGNB/OGNI – Gold	Grand Total	%
Austria	—	—	—	70,246,000	70,246,000	13%
Croatia	—	20,880,000	—	—	20,880,000	4%
Czech Republic	—	—	—	—	—	—
Denmark	—	—	—	—		—
France	—	—	—	—	—	—
Germany	—	—	130,337,220	236,670,861	367,008,081	69%
Hungary	—	—	—	—	—	—
Italy	—	4,767,750	—	—	4,767,750	1%
Latvia	—	—	—	—	—	—
Netherlands	—	—	—	—	—	—
Portugal	—	47,640,000	—	—	47,640,000	9%
Romania	—	—	—	—	—	—
Serbia	—	—	—	—	—	—
Slovakia	—	—	—	—	—	—
Spain	—	2,557,000	—	—	2,557,000	—
Grand Total	**—**	**75,844,750**	**130,337,220**	**306,916,861**	**513,098,831**	
% of total	**—**	**13%**	**22%**	**51%**	**500,000,000**	

VGP Park Giessen Am Alten Flughafen

Renewable Energy allocation by country (€-proceeds allocation)

Renewable energy investments (direct photovoltaic investments and geothermal energy projects) specification by country (€ proceeds allocation)

Country	2021–2023	2024
Germany	2,817,206	—
Spain	348,000	431,489
Total	**3,165,206**	**431,489**

Energy efficiency allocation by country (€-proceeds allocation)

Energy efficiency investments (air heat pumps, LED relighting, motion detectors, etc) specification by country (€ proceeds allocation)

Country	2021–2023
Czech Republic	113,470
Germany	4,521,377
Hungary	275,661
Italy	966,000
Romania	698,681
Slovakia	74,779
Total	**6,649,967**

Sustainable Water Management allocation by country (€-proceeds allocation)

Country	2021–2023
Denmark	265,934
Spain	629,556
Germany	1,010,644
Italy	33,560
Total	**1,939,695**

4.3.3.3 Green bond – January 2030

Green buildings allocation by certification type (€-proceeds allocation)

Country	BREEAM Outstanding	BREEAM – Excellent	DGNB – Platinum	DGNB/OGNI – Gold	Grand Total	%
Austria	—	—	—	126,649,560	126,649,560	24%
Croatia	—	—	—	—	—	—
Czech Republic	—	57,878,969	—	—	57,878,969	11%
Denmark	—	—	—	—		—
France	—	—	—	—	—	—
Germany	—	—	50,717,490	163,547,500	214,264,989	4—
Hungary	—	—	—	—	—	—
Italy	—	—	—	—	—	—
Latvia	—	—	—	—	—	—
Netherlands	—	—	—	—	—	—
Portugal	—	18,750,623	—	—	18,750,623	4%
Romania	11,940,000	28,420,000	—	—	40,360,000	8%
Serbia	—	—	—	—	—	—
Slovakia	—	—	—	—	—	—
Spain	—	47,815,611	—	—	47,815,611	9%
Grand Total	**11,940,000**	**152,865,204**	**50,717,490**	**290,197,060**	**505,719,753**	
% of total	**2%**	**25%**	**8%**	**48%**	**500,000,000**	

VGP Park Laatzen

Energy efficiency allocation by country (€-proceeds allocation)

Energy efficiency investments (air heat pumps, LED relighting, motion detectors, etc) specification by country (€ proceeds allocation)

Country	2021–2023
Austria	331,460
Czech Republic	380,825
France	196,650
Germany	9,214,671
Hungary	928,839
Latvia	288,960
Total	**11,341,405**

Clean transportation allocation by country (€-proceeds allocation)

Clean transportation investments (electric vehicle charging stations, bike facilities, etc) specification by country (€ proceeds allocation)

Country	2023	2024
Austria	34,500	—
Czech Republic	8,250	36,078
Spain	71,767	32,199
France	33,000	—
Germany	256,707	518,384
Hungary	39,372	46,385
Italy	42,000	64,832
Latvia	6,000	—
Netherlands	39,750	—
Portugal	43,500	9,500
Romania	21,000	39,802
Slovakia	15,000	11,160
Total	**610,846**	**758,339**

4.3.4 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.

4.3.5 Annual reporting on green bonds in compliance with framework

4.3.5.1 Renewable energy

This category includes 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.

Of the 147 photovoltaic projects on VGP Parks' roofs 135 are owned and operated by VGP and of these 88 are included in the Green Finance Framework allocation. Of these 83 systems were operational by December 2024, representing 117 MWp and a further 5 were under construction/waiting for grid connection, representing 5 MWp.

The eligible photovoltaic investments have generated green energy in 2024 for in total 83G Wh, equivalent to 27,572 TCO2e. For calculating the equivalent CO_2 emissions the average grid factor of the VGP Parks portfolio of 0.3314 tCO_2/MWh has been used:

Full year actual renewable energy production	2021	2022	2023	2024
Full year production *(MWh)*	8,216	27,449	44,496	83,199
Emission factor *(tCO_2/MWh)*	0.308	0.3328	0.439	0.417
Avoided emissions *(tCO_2)*	2,529	8,450	19,534	34,677

Please refer to the table below for the capacity and production data of the photovoltaic systems included in the Green Finance Framework allocation split by country. All assets are included in the Green Bond – April 2029:

Country	Capacity installed *(MWp)*	Production 2024 *(MWp)*
Germany	89.6	60,931
Hungary	—	39
Italy	4.5	1,074
Netherlands	22.5	20,381
Spain	0.6	774
Total	**117.2**	**83,199**

Please refer to section Renewable Energy and 4.2.2.2.8 Energy Consumption and Mix for further information on the Group's initiatives and KPIs with respect to renewable energy production.

4.3.5.2 Green buildings

The framework defines eligible 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, BREAAM "Very Good" certification (or equivalent DGNB Silver/LEED Silver rating)

However, as a reflection of the year-over-year improvement of the quality of the portfolio, the building allocation has since December 2023 been refined to **100% allocation to green building certification of minimum BREEAM Excellent or equivalent**. Furthermore, **majority is now allocated to EU Taxonomy compliant assets** see section 4.3.3 Current allocation of green bonds.

As such, in total 248 eligible building projects have been identified of which 72 buildings have been allocated under the Green Financing framework, of which 50 buildings are completed and 22 under construction. The completed buildings have predominantly been built since 2021. Given this is such a new portfolio it benefits from the latest ESG features of our building standard and green energy sourcing.

The EPC ratings which have not been updated since completion of construction works will benefit from installed PV since the EPC was issued. Considering the photovoltaic installations the pro-forma EPC ratings split per bond are as follows, with **80% of buildings allocated to EPC B or better**:

EPC Rating	Bond – April 2029	Bond – Jan 2030	Bond – Jan 2027
A	60%	68%	69%
B	20%	16%	13%
C	20%	5%	13%
D	—	5%	—
E	—	5%	6%

The allocation of the 50 completed buildings per EPC band of the original EPC certificate per bond is shown in the table below. In total is 70% of the assets rated EPC B or better.

EPC Rating	Bond – April 2029	Bond – Jan 2030	Bond – Jan 2027
A	33%	47%	25%
B	27%	32%	44%
C	27%	—	25%
D	13%	16%	—
E	—	5%	6%

Some EPC ratings do not yet take into account photovoltaic which has been installed after EPC rating was issued. A re-rating of such buildings is expected to improve the EPC score.

The allocated green buildings portfolio has been assessed using the latest version of the CRREM tool (version 2.05; as published March 2024) and has a GHG-stranding year of 2038, assuming all the current photovoltaic projects under construction/contracted are completed and connected to the grid.

The Group has analysed various asset specific and portfolio-based solutions to improve the stranding date. Based on the retrofit plans, heat pump initiatives, photovoltaic roll-out and green electricity transition an upgrade to 1.5°C-compliant pathway is envisaged. Further details are included in section 4.2.2.2.7. Targets related to Climate Change Mitigation and Adaptation (ESRS E1-4).

The split of allocation to the three outstanding green bonds is shown in the 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 a project would not achieve the required certification level it will be removed from the eligible green buildings investments portfolio.

Building code	Certification level	Certification Status	Green Bond – April 2029	Green Bond – Jan 2027	Green Bond – Jan 2030
AUTEHR-B	ÖGNI – Gold	Ongoing			x
AUTEHR-C	ÖGNI – Gold	Ongoing		x	
AUTGRA2-B	ÖGNI – Gold	Realized		x	
AUTGRA2-C	ÖGNI – Gold	Realized		x	
AUTLAX-A	ÖGNI – Gold	Ongoing			x
AUTLAX-B	ÖGNI – Gold	Ongoing			x
CZECEB-A	BREEAM – Excellent	Ongoing			x
CZECEB-B	BREEAM – Excellent	Ongoing			x
CZECEB-D	BREEAM – Excellent	Realized			x
CZECEB-E	BREEAM – Excellent	Ongoing			x
CZEOLO3-M	BREEAM – Excellent	Realized			x
CZEOLO4-E	BREEAM – Excellent	Ongoing			x
CZEPRO-C	BREEAM – Excellent	Realized			x
CZEUST2-B	BREEAM – Excellent	Ongoing			x
ESPCOR-A	BREEAM – Excellent	Ongoing			x
ESPCOR-B	BREEAM – Excellent	Ongoing			x
ESPMAR-A	BREEAM – Excellent	Ongoing			x
ESPSEV-A	BREEAM – Excellent	Ongoing			x
ESPSEV-B	BREEAM – Excellent	Ongoing		x	
ESPSFH-D2	BREEAM – Excellent	Realized			x
ESPVAL-C	BREEAM – Excellent	Ongoing			x
GERBER4-M	DGNB – Gold	Realized		x	
GERERF-A	DGNB – Gold	Realized			x
GERERF2-B	DGNB – Gold	Realized			x
GERERF3-A	DGNB – Gold	Ongoing			x
GERGOE2-C	DGNB – Gold	Realized		x	
GERHAL-B	DGNB – Gold	Realized		x	
GERHAL-C	DGNB – Gold	Realized		x	
GERHAL2-A	DGNB – Gold	Realized		x	
GERHDW-A	DGNB – Gold	Ongoing		x	
GERHDW-B	DGNB – Gold	Ongoing		x	
GERHDW-C	DGNB – Gold	Ongoing			x
GERHDW2–A	DGNB – Gold	Ongoing		x	
GERHOH–A	DGNB – Gold[1]	Ongoing		x	
GERKOB–A	DGNB – Gold	Ongoing	x		
GERLAA–A	DGNB – Platinum	Realized		x	
GERLAA–B	DGNB – Platinum	Realized		x	
GERLAA–C	DGNB – Gold	Realized			x
GERLAA–D	DGNB – Gold	Realized			x
GERLEI–C1	DGNB – Gold	Realized		x	
GERLEI–C2	DGNB – Gold	Realized			x
GERLFH–A	DGNB – Gold	Realized		x	
GERLUE–A	DGNB – Gold	Realized	x		
GERMAG–A	DGNB – Gold	Realized	x		
GERMAG–B	DGNB – Gold	Realized	x		
GERMAG–C	DGNB – Gold	Realized	x		
GERMAG–D	DGNB – Gold[1]	Ongoing	x		
GERMAG–F	DGNB – Gold	Realized	x		
GERMUE–A	DGNB – Gold	Realized	x		
GERMUE–B	DGNB – Platinum	Realized	x		
GERMUE–C	DGNB – Platinum	Realized		x	
GERMUE–E	DGNB – Platinum	Realized			x
GERMUE–F	DGNB – Platinum	Realized	x		
GEROBK–A	DGNB – Gold	Realized	x		
GEROBK–B	DGNB – Gold	Realized	x		
GEROBK–C	DGNB – Gold	Realized	x		
GEROBK–D	DGNB – Gold	Realized		x	
GERROS–A	DGNB – Gold	Realized			x
GERSOL–A	DGNB – Gold	Realized	x		
GERWUS–A1	DGNB – Gold	Realized	x		
HRVLUC–A.1	BREEAM – Excellent	Ongoing		x	
ITAPAR2–A	BREEAM – Excellent	Realized		x	
PRTLOU–A	BREEAM – Excellent	Realized			x
PRTLOU–B	BREEAM – Excellent	Realized		x	
PRTMON–A	BREEAM – Excellent	Ongoing		x	
PRTSIN–A	BREEAM – Excellent	Ongoing		x	
ROMARA–F	BREEAM – Excellent	Ongoing	x		
ROMARA–G	BREEAM – Excellent	Ongoing			
ROMBRA–B1	BREEAM – Excellent	Ongoing			x
ROMBRA–B2	BREEAM – Excellent	Ongoing			x
ROMBRA–I	BREEAM – Excellent	Realized			x
ROMBUC–D	BREEAM – Outstanding	Realized			x
ROMTIM3–E	BREEAM – Excellent	Ongoing	x		

Please refer to section 4.2.2.1.1. Details of Building Environmental Certifications for additional details on the Group's certification achievements and initiatives.

1 GERHOH-A and GERMAG - D were both certified DGNB Platinum in 2025

4.3.5.3 Energy efficiency

The financing and/or refinancing of projects, investments and expenditures focusing on Energy Efficiency measures in existing or new (logistics) buildings, warehouses and technologies (insulation, LED relighting, motion detectors, energy monitoring tools etc.) and related services and products.

Whilst not all eco-efficiency measures have been separately accounted for the measures identified include air heat pumps, energy saving LED investments, sun protection and moving sensors in offices to reduce energy consumption. A total of 165 expenditure and refurbishment projects spread over the building portfolio have resulted in ca. € 62 million of additional eligible investments, the proportional eligible spent amounts to € 42 million.

Properly sized heat pump installations instead of gas-powered heating help reduce the gas consumption of our buildings. Furthermore, such HVAC installations allow more easily to heat of cool different areas of the warehouse separately depending on occupancy and use. Automated controls further help optimize the operation of HVAC systems based on occupancy schedules and temperature settings in offices.

Based on the average gas consumption per sqm of a gas connected building in the VGP portfolio over 2024 and assuming the air heat pump is powered through grey electricity from the grid, and based on a coefficient of performance of 3.0x for the air heat pumps, the amount of MWhs consumption avoided through the heat pump installations over 2024 is 19,820 MWh, equal to 1,361 tCO_2 emissions.

Avoided energy consumption and emissions	2024
Avoided energy consumption *(MWh)*	19,820
Emission factor *(tCO_2/MWh)*	0.0687
Avoided emissions *(tCO_2)*	1,361

Details on the energy efficiency measures and related KPIs are discussed in more detail in section 4.2.2.2.7 Targets related to Climate Change Mitigation and Adaptation (ESRS E1-4)

4.3.5.4 Waste management

The financing and/or refinancing of projects, investments and expenditures which promote better recycling rates. The Group did not isolate any investments made specifically related to waste management. Please refer to section 4.2.2.6.2 Policies Related to Resource Use and Circular Economy (ESRS E5-1) for further information on the Group's waste management user data and KPIs and waste management improvement initiatives.

4.3.5.5 Clean transportation

The financing and/or refinancing of projects, investments and expenditures which promote clean transportation (electric vehicle charging stations, bike facilities, etc.). The Group has set the target to developing connectivity and sustainable mobility for each VGP Park to be equipped with EV charging and public transport access.

The reported investments in electric charging and bicycle parking facilities in the VGP Parks up to 2024 amounts to € 2.3 million in 105 VGP building locations, reflecting the locations where EV chargers have been installed and cost base could be isolated. The proportional eligible spent amounts to € 1.4 million. Based on a gross up of the consumption data those sites for which charging data is available the total KWh charged at VGP charging sites in 2024 is 314 MWh, or 1.9 million kilometres of road traffic, equal to avoided emissions of 94 tCO_2.

Avoided emissions	2024
Total EV charging (MWh)	314
Assumed car KMs covered[1]	1,881,596
Avoided emissions ($kgCO_2$/km)[2]	0.500
Avoided emissions (tCO_2)	94

Please note this data is based on a gross-up of sites for which charging data is available.

4.3.5.6 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:

Park	Project
VGP Park München	Infiltration basin south incl. plants/vegetation
VGP Park Gottingen	Rainwater channels with rainwater retention basin
VGP Park 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 biodiversity stimulation
VGP Park Kladno	Rainwater channels with rainwater retention basin
VGP Park České Budějovice	Rainwater channels with rainwater retention basin

In 2024, the water management projects collected 171,028 m^3 of rainwater/greywater on site, which were partially used for cleaning and for watering green spaces.

Please refer to section 4.2.2.4 Water and Marine Resources (ESRS E3) for further information on the Group's water management user data and KPIs and water management improvement initiatives.

1 Based on assumed 0.19 kwh/km average reach of new European BEVs (source: MDPI: Energy Consumption of Electric Vehicles in Europe – Weiss, Winbush, August 2024)
2 Based on the emission factor for diesel vehicles (0.15 $kgCO_2$/km) minus the emission factor for grey electricity (0.08 $kgCO_2$/km) for charging EV vehicles (weighted according to car use in VGP countries)

4.3.6 Independent third party's report on green bond criteria and indicators

VGP has commissioned Cicero Shades of Green, part of S&P Global, as a third-party reviewer to check the allocation against the Green Finance Framework criteria and impact metrics for relevance and transparency. The attestation on the information related to the allocation of funds from Cicero Shades of Green is available hereafter. The original document including disclaimers is also available on VGP's website.

VGP External Review of Green Finance Reporting 2024

March 12, 2025

This report was produced by S&P using Shades of Green Methodology. On December 1, 2022, S&P Global acquired Shades of Green from CICERO.

S&P Global has reviewed the elements of VGP's ESRS Report 2024 ("Report") relating to its green financing activities. We review against VGP's Green Finance Framework (dated March 2021, the "Framework") criteria, and impact metrics for relevance and transparency.

We consider that the allocations in the Report align with the Framework. We welcome that VGP adopts requirements for eligible assets that exceed Framework requirements, for example higher certification standards, to align with developing market expectations. The green portfolio furthermore reflects VGP's issuer-level climate and environmental ambitions and approaches demonstrated, for example, in the increasing percentage of buildings in the green portfolio VGP considers EU Taxonomy aligned.

We consider that the Report utilizes relevant and transparent impact metrics. Particularly for green buildings, we welcome the additional context the Report provides (e.g. on EPC ratings, EU Taxonomy alignment, and CRREM alignment) which provide additional color to green bond impacts. We consider it a strength that VGP has increased transparency in its reporting year-on-year, for example including additional information on EPC levels in the Report.

Finally, we consider the Report aligns with the core principles and recommendations contained in ICMA's Handbook – Harmonized Framework for Impact Reporting (June 2023).[1]

Project allocation

VGP has issued two green bonds under the Framework, totaling EUR 1.6 billion. The first, issued in March 2021, raised EUR 600 million, and the second, issued in January 2022, raised EUR 1 billion in two, EUR 500 million tranches. Allocation is reported as at 31 December 2024, with eligible assets in VGP's green portfolio totaling around EUR 1.67 billion.

We consider that the allocations in the Report align with the Framework – see Appendix 1 for a detailed review.

The Framework was assigned an overall Medium Green in our Second Party Opinion.[2] Project categories were shaded Dark Green (renewable energy, waste management, clean transportation, and sustainable water and wastewater management projects), Light to Medium Green (energy efficiency), and Light Green (green buildings). Figure 1 sets out the allocations by Shade of Green, showing that around 93% of assets in the green portfolio are buildings. Based on the Shades of Green allocated to the project categories, the investments in VGP's green portfolio are not therefore – in and of themselves – representative of the Medium Green shading awarded to the Framework, though we note VGP's holistic approach to the climactic and environmental performance of its green building portfolio.

Allocation by Shade of Green

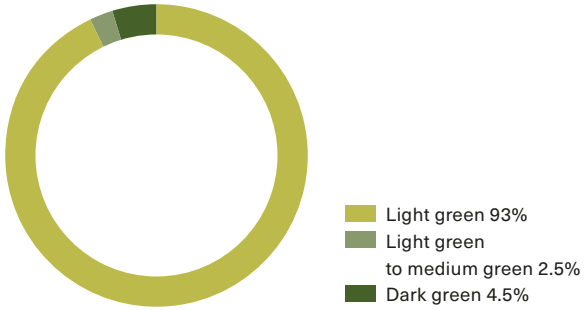

Figure 1: Allocation by SPO Shade of Green. Shading is based on evaluation at time of issuance and does not reflect ex-post project verification.

1 ICMA Handbook
2 VGP SPO

Impact metrics
VGP reports impacts as at 31 December 2024. We consider that VGP provides transparent and relevant impact reporting. Viewed as a whole, the Report paints a good and clear picture of impacts, complemented by useful context and description, including reference to VGP's issuer-level approaches. See Appendix 1 for a detailed reviewed.

Terms
S&P Global provides a review of VGP's annual reporting based on documentation provided by the issuer and information gathered during teleconferences and e-mail correspondence with VGP. VGP is solely responsible for providing accurate information. All financial aspects of the sustainable finance reporting – including the financial performance of the bond and the value of any investments in the bond – are outside of our scope, as are general governance issues such as corruption and misuse of funds. S&P Global does not validate nor certify the existence of investments and does not validate nor certify the climate effects of investments. Our objective has been to provide an assessment of the extent to which the bond has met the allocation and reporting criteria established in the Framework. The review is intended to inform VGP, investors and other interested stakeholders in VGP's green bond and has been made based on the information provided to us. S&P Global cannot be held liable if estimates, findings, opinions or conclusions are incorrect. Our review does not follow verification or assurance standards and we can therefore not provide assurance that the information presented does not contain material discrepancies.

VGP Team receiving EU Taxonomy certification

Appendix 1 – Detailed Review

Category	Description	Review against framework criteria	Impact Metrics	Relevance of metrics	Transparency considerations
Renewable Energy	• 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.	**No discrepancies identified** • The projects financed under the renewable energy project category are solar panels and geothermal heating projects.	• Total energy generated (MWh). • Avoided CO_2 emissions (tCO_2e).	• Metrics are relevant and production, capacity, and avoided emissions are listed as core indicators in the ICMA Handbook – Harmonized Framework for Impact Reporting.	• Capacity, production and avoided emissions are reported on a portfolio basis. • For avoided emissions, VGP uses the average grid factor of the European countries in which it operates. Transparency on this is welcome. • No quantitative impacts are provided for the geothermal heating projects – this is considered a minor omission.
Green Buildings	• Projects, investments, and expenditures in relation to real estate assets which have received, or are designed and intended to receive, BREEAM "Very Good" certification (or equivalent DGNB/LEED rating).	**No discrepancies identified** • The Report states that all buildings in the green portfolio exceed the Framework criteria, achieving at least BREEAM Excellent or DGNB/OGNI Gold. We welcome that the performance of the portfolio improves over time. • The Report contains useful contextual information on allocations, particularly around EU Taxonomy alignment, EPC levels, and CRREM performance.	• Environmental certification achieved or expected to be achieved. • EPC levels (%).	• Certification standard (including environmental certifications such as BREEAM, as well as EPCs) is listed as a core indicator in the ICMA Handbook – Harmonized Framework for Impact Reporting.	• VGP reports environmental certification on a project basis. • Given that environmental certifications do not guarantee, for example, a certain energy use, VGP could consider reporting on additional metrics such as energy use on an absolute and intensity basis. As such, we welcome that the Report includes the EPC level of the buildings in the portfolio (on a percentage basis).
Energy Efficiency	• Projects, investments and expenditures focusing on energy efficiency measures in existing or new (logistics) buildings, warehouses. • Technologies (insulation, LED relighting, motion detectors, energy monitoring tools etc.) and related services and products, including installation.	**No discrepancies identified** • **The Report does not list all eligible energy efficiency measures. According to the Report, investments under the energy efficiency category include HVAC systems, LED investments, sun protection, and moving sensors to reduce energy consumption.**	• Avoided energy consumption (MWh) • Avoided emissions (tCO_2)	• Metrics are relevant and energy savings and avoided emissions are listed as core indicators in the ICMA Handbook – Harmonized Framework for Impact Reporting.	• VGP provides information on the baselines used for calculating avoided energy consumption, and how it derives its emissions factors for calculating avoided emissions. • According to VGP, the calculation includes a majority, rather than all, of energy efficiency investments.
Clean Transportation	• Electric vehicle charging stations. • Bike facilities.	**No discrepancies identified** • **According to the Report, investments under the clean transportation category are electric vehicle charging and bicycle parking facilities across 105 locations.**	• Total EV charging (KWh) • Assumed car kilometres covered • Avoided emissions per km ($kgCO_2km$) • Avoided emissions (tCO_2)	• Metrics are relevant and/or are included in the ICMA Handbook – Harmonized Framework for Impact Reporting as either core or 'other sustainability indicators'.	• VGP provides sufficient and transparent information on how it has calculated impacts. According to the Report, the calculation is limited to sites where charging data is available.
Sustainable water and wastewater management	• Reduction of freshwater consumption. • Capturing and recycling rainwater. • Green roofing.	**No discrepancies identified** • The Report does not list all eligible water/wastewater projects, listing selected projects, such as the construction of rainwater channels with rainwater retention basin, the utilization of rainwater for toilet facilities, and the development of green roofs for water retention.	• Collected and reused rainwater/greywater (m^3)	• Water reuse is listed as a core indicator in the ICMA Handbook – Harmonized Framework for Impact Reporting.	• VGP reports on completed projects for this project category. Impacts for projects currently under construction will be reported following completion.