

# 2024 Sustainability Report

BVK HIGHSTREET RETAIL EUROPE  
IMMOBILIENFONDS

Hines



From Our Fund Leadership



Simone Pozzato  
Senior Managing Director  
and Fund Manager



Daniel Chang  
Head of Sustainability Europe

We are pleased to share our fifth annual Sustainability Report for the BVK Highstreet Retail Europe Immobilienfonds (BVK Retail Mandate or the Mandate). In the pages that follow, we highlight our ongoing efforts to advance environmental and social outcomes across a diverse European portfolio – and the value these actions deliver to our investors, tenants, and communities.

We are proud to announce that the BVK Retail Mandate achieved outstanding results in the Global Real Estate Sustainability Benchmark (GRESB) in 2024. Due to our consistent efforts – including full coverage of Energy Performance Certificates (EPCs) and green building certifications across the

portfolio – the Mandate was recognised as Global Sector Leader and earned five out of five stars, an accolade achieved by the fund in two of the last four years. We also recorded exciting progress at key assets. Liffey Valley earned a BREEAM In-Use Outstanding rating and advanced its biodiversity strategy, while Royal Exchange Manchester advanced tenant engagement and waste tracking innovations.

Over the course of 2024, we continued to implement asset-level decarbonisation plans, strengthen data transparency, and integrate sustainability into investment and business planning. In line with Hines’ firm-wide carbon targets, we assessed stranding risk for each of our assets in the portfolio using the

Hines Carbon Impact Assessment Tool, built on the Carbon Risk in Real Estate Monitor (CRREM), to inform both climate change mitigation efforts and long-term financial performance. We also continued to actively engage with our tenants and asset communities, helping to promote well-being and build resilience at and around our build-ings through programmes, events, and partnerships.

These achievements and initiatives reflect our long-standing commitment to creating and protecting investment value through sustainability. While it faces scrutiny in some global markets, sustainability remains a core stakeholder expectation in Europe and a critical lens through which we assess risk and

opportunity. We believe strong performance on climate and social impact is imperative for preserving and growing value. Looking ahead, we aim to deepen our focus on biodiversity and nature-related risk, strengthen tenant partnerships on energy, and sharpen our data analysis to guide site-specific action.

Within this report, we aim to share the most important 2024 content while providing opportunities for Deep Dives – more information on specific topics and initiatives in the report annex and online – throughout the narrative. We hope you enjoy the new format, and we look forward to sharing continued progress in the years to come.





01	————	BVK Retail Mandate Overview
02	————	Investment Value Creation and Protection
03	————	Environmental Stewardship
04	————	Thriving Communities
05	————	Annex



# BVK Retail Mandate Overview<sup>1</sup>

The BVK Retail Mandate is a German investment fund sponsored by Hines, focused on reposition-to-core retail assets across key European cities. Since 2015, the Mandate has prioritised long-term value creation through disciplined investment and proactive asset management.

With sustainability increasingly linked to asset performance – particularly in the retail sector – we embed environmental and social considerations across our portfolio as both a responsibility and a strategic lever for preserving value in a shifting market.

Total Assets Under Management

€1.9B

Number of Investments

9

Occupancy

97%

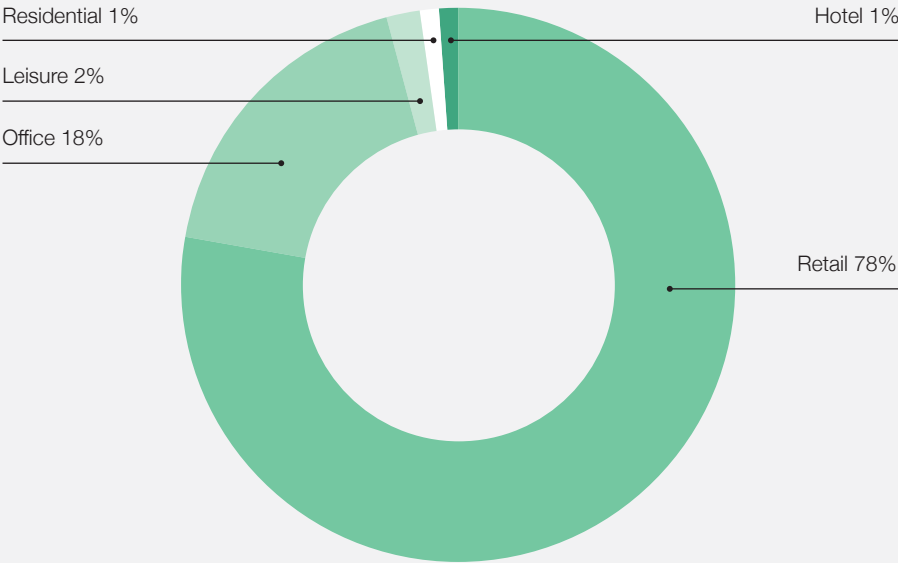
Countries

Denmark  
France  
Ireland  
Italy  
Spain  
United Kingdom

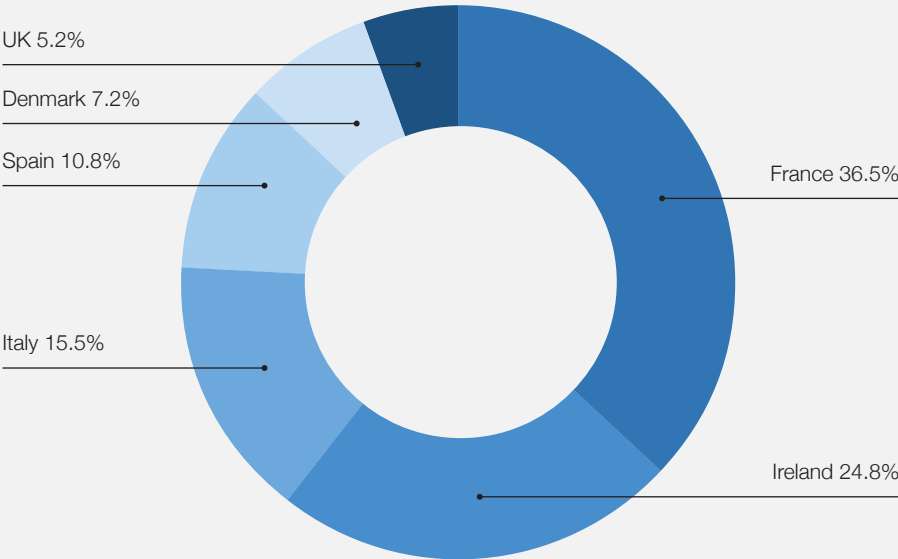
Cities

Barcelona  
Copenhagen  
Dublin  
Madrid  
Manchester  
Milan  
Paris

Allocation by Sector



Allocation by Country



# 2024 BVK Retail Mandate Highlights



G R E S B

Global Sector Leader

Diversified, Office/Retail (out of 136)

68%

whole-building  
electricity covered  
by renewables

-0.3%

average year-on-year  
landlord controlled

GHG  
reduction

-18.2%

like-for-like  
landlord-controlled  
water use reduction

100%



of portfolio held  
EPCs and green  
building certifications

100%

of assets have  
decarbonisation  
roadmaps

45%

green lease  
coverage  
by income

100%

waste  
diverted from landfill

100%

of electricity supplying  
landlord-controlled areas on  
green tariffs

# Our Sustainability Focus and Goals

Sustainability is central to our investment strategy. We embed environmental and social considerations into our investment process and across the asset lifecycle to ensure our buildings meet present and future needs. We believe this approach brings value to our investors, tenants, and communities and helps competitively position our portfolio. We are committed to evolving our approach over time to make sure we make progress against our targets.



## The Hines Sustainability Framework

The latest evolution of Hines’ Sustainability Framework was introduced in 2024. It sharpens the focus on the most material and important global challenges and opportunities Hines can address, ensuring we remain proactive and engaged in a rapidly changing world. The framework builds upon Hines’ legacy of leadership and innovation while supporting broader efforts to deliver client-centric solutions on a global scale.

The Sustainability Framework is composed of three themes, nine

focus areas, and key foundational elements, which align firm-wide targets, policies, and standards to drive value creation. It applies across all aspects of Hines – from corporate strategy and investment impact, to development and operations – and is reinforced by strong firm-wide governance.

The framework helps our Fund prioritise environmental and social initiatives that create and protect value at our assets and for our stakeholders.



Foundations: Data, Policies, Processes, Disclosures, and Reporting

DEEP DIVE ↗

Read more about sustainability at Hines

Preciados 13, Madrid



# BVK Retail Mandate Sustainability Progress Overview

DEEP DIVE ↗

Review our detailed sustainability commitments and progress

THEMES	FOCUS AREAS	2024 SUSTAINABILITY PROGRESS
<b>Investment Value Creation and Protection</b>  <small>Sustainable Development Goals (SDGs): 9, 11, 12, 13, 17</small>	<b>Investment Intelligence</b>	<ul style="list-style-type: none"><li>Implemented 'Green Business Plans', leveraging intelligence on asset-level brown-discounts and green-premiums.</li></ul>
	<b>Portfolio Management</b>	<ul style="list-style-type: none"><li>Completed fourth GRESB assessment and achieved 5/5 stars. Improvement of score from 92 to 93, achieving Global Sector Leader.</li><li>Completed Sustainability European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Report to required INREV standards.</li><li>Continued to employ Sustainability Assessment and Action Plans (SAAPs) at all assets to help identify and implement sustainability opportunities.</li><li>Provided GRESB-specific training for investment management team.</li><li>Initiated EU Taxonomy assessment for the Mandate.</li><li>Fund has an Environmental Management System Framework, which is part of an ISO 14001 re-certified Hines Europe Real Estate Investments (HEREI) portfolio Environmental Management System Framework.</li></ul>
	<b>Innovation Leadership</b>	<ul style="list-style-type: none"><li>Expanded automatic data capture technology at Liffey Valley and Viking assets.</li><li>Piloted Occupier Engagement and Value Creation Program to link sustainability capital expenditure (CapEx) with tenant savings and improved financial performance.</li></ul>
<b>Environmental Stewardship</b>  <small>SDGs: 9, 11, 12, 13, 17</small>	<b>Building Operations and Performance</b>	<ul style="list-style-type: none"><li>Reduced landlord-controlled GHG emissions by -0.3% on a like-for-like basis.</li><li>100% of Gross Asset Value (GAV) covered by decarbonisation roadmaps.</li><li>100% renewable energy for all landlord-procured electricity, installed solar at Liffey Valley entrance .</li><li>100% of the portfolio holds valid green building certificates.</li><li>All assets hold valid EPCs (or equivalent energy ratings) .</li><li>Systematic tenant engagement utilised including the use of green lease clauses in new leases, new Sustainability Tenant Fit-out Guide and Hines Green Retail Guide.</li></ul>
	<b>Climate and Nature Risk</b>	<ul style="list-style-type: none"><li>Commissioned a Financial Conduct Authority (FCA) climate risk report, which included disclosures aligned with the Task Force on Climate-related Financial Disclosures (TCFD).</li><li>Conducted physical climate risk assessments for entire portfolio.</li><li>Obtained biodiversity assessments for Liffey Valley.</li><li>Initiated Task Force on Nature-related Financial Disclosures (TNFD) gap analysis.</li></ul>
<b>Thriving Communities</b>  <small>SDGs: 3, 5, 8, 10, 11, 12, 13, 17</small>	<b>People-Centric Places</b>	<ul style="list-style-type: none"><li>Achieved WiredScore certificate at Cordusio 2.0.</li><li>Achieved Fitwel certification at Cordusio 2.0, adding to the one achieved at Royal Exchange Manchester.</li></ul>
	<b>Talent and Culture</b>	<ul style="list-style-type: none"><li>Employee sustainability objectives were broadened from investment management functions to the European platform as a whole.</li><li>Several Health and Well-being trainings were provided by Human Resources over the course of 2024 .</li><li>Hines employees received multiple internal sustainability training sessions, covering GRESB, sustainability best practice, sustainability legislation, and key emerging topics.</li></ul>
	<b>Building Economic Resilience</b>	<ul style="list-style-type: none"><li>Continued to engage in sustainability-related initiatives in our asset communities to support positive impact, including numerous events at Liffey Valley, Royal Exchange Manchester, and Marché St. Germain.</li><li>Continued to participate in Business Improvement Districts (BIDs) and community stakeholder groups.</li></ul>
<b>Foundations</b>  <small>SDGs: 12, 13, 17</small>		<ul style="list-style-type: none"><li>100% of landlord-controlled assets have sustainability objectives established and incorporated into their business plans.</li><li>Tracked 100% of landlord-managed utility data.</li><li>Achieved 94% environmental data coverage contributing to 93 point GRESB achievement.</li></ul>



# Investment Value Creation and Protection

The BVK Retail Mandate takes a performance-led approach to sustainable investing. We focus on driving asset improvements that provide environmental and social benefits while striving to add value for occupiers, opening up opportunities for improved cashflow and liquidity.

## Investment Intelligence

The Mandate team utilises investment intelligence to anticipate market trends and tenant preferences, strengthen asset positioning, and understand climate risk across the portfolio. This data-driven approach helps us adapt to evolving tenant expectations and regulatory landscapes, aims to enhance portfolio resilience, and safeguards long-term value for investors.



Liffey Valley, Dublin

## Due Diligence

Every potential acquisition is evaluated using Hines' **Sustainability Due Diligence Scoping Document** and **Sustainability Development Brief** (for new developments), assessing key criteria such as CRREM alignment, energy consumption data, fossil fuel usage, and feasibility for on-site renewables. The review also embeds sustainability considerations into investment decisions by assessing certifications, regulatory compliance, and physical climate risks.

“

We at BVK remain committed to our ambitious sustainability goals. We are pleased to have Hines at our side as an asset manager that successfully implements them and pays just as much attention to sustainability. The consistently excellent 5-star GRESB ratings of the Mandate managed by Hines reflect this.

### ROBERT PAUL

Real Estate Investment Europe  
Bayerische Versorgungskammer  
Capital Investment Real Estate  
Management

During underwriting, we employ tools such as the **Carbon Impact Assessment Tool** and **District Energy Guide** to understand each asset's carbon intensity today and reductions needed over time to avoid asset stranding. We also leverage a best-in-class third-party platform to assess climate risk exposure and provide initial guidance on climate mitigation and adaptation measures. The insights compiled through our due diligence process guide decision-making and help us shape strategies and business plans for each asset.

## Implementing Green Business Plans

We strive to ensure investment decisions account for performance and value creation in the long term.

The Mandate has adopted what we refer to as **“green business plans”** across the portfolio. By embedding decarbonisation CapEx into asset-level cash flows, or, where decarbonisation is not feasible, including a corresponding discount at exit, we avoid asset stranding and erosion of asset value.

### DEEP DIVE ↗

Learn more about Hines' asset-level due diligence tools





# Portfolio Management

The Mandate embeds sustainability into each investment in our portfolio, aligning environmental, social, and financial performance. Sustainability action plans guide energy efficiency, carbon reduction, and tenant well-being across all assets. Our focus on net zero operational carbon, minimising embodied carbon in refurbishments, and enhancing building health helps differentiate the Mandate in the marketplace while driving continuous portfolio-wide improvement.

The Mandate’s **Environmental Management System (EMS)** is supported by Hines’ EMS for European countries, which is audited by Bureau Veritas and **ISO 14001-certified** annually by Bureau Veritas. The EMS follows a Plan-Do-Check-Act framework, ensuring sustainability risks and opportunities are assessed, implemented, monitored, and refined.



## Europe Sustainability Offsite

Many asset and property managers working on BVK Retail Mandate assets attended Hines Europe’s Sustainability Offsite in Paris. We were pleased that three of our key assets – 28 Madeleine, Marché Saint-Germain, and 114 Champs-Élysées – were featured at the event.

The asset management team shared how they are driving sustainability performance, with examples including the Mandate’s GRESB performance, energy reduction efforts, and tenant engagement initiatives across the portfolio.



## Sustainability Expertise

The Mandate’s portfolio benefits from Hines’ holistic approach to sustainability strategy and implementation.

A team of experts drive a comprehensive agenda across Hines’ European platform, providing guidance from acquisition to implementation, including:


- Coordinating regional carbon reduction standards and initiatives
- Defining social programmes that support stakeholder engagement
- Implementing transparent and accountable governance frameworks

The **Europe Sustainability League** fosters knowledge-sharing and upskilling across key roles in asset management, development, property management, and acquisitions.

**Country-level task forces** align local initiatives with Mandate and regional goals, driving effective implementation and continuous improvement.

The Mandate’s portfolio managers participate in role-specific sustainability training as well as GRESB training and integrate sustainability objectives into their annual goals.

This structured approach enhances consistency across our portfolio.

**DEEP DIVE**   
Learn more about our EMS





## EU Taxonomy Alignment

In 2024, the Mandate initiated a comprehensive alignment assessment of each asset under the EU Taxonomy, a regulatory framework designed to standardise sustainability reporting and enhance transparency in sustainable investments. Deploying a Hines proprietary **EU Taxonomy Alignment Tool**, this process evaluates asset-level sustainability performance, providing a structured methodology to measure environmental impact and regulatory compliance.

This assessment will help our team understand where the Mandate stands against industry-defined sustainability thresholds, and we will seek to begin reporting on our EU Taxonomy alignment in 2025.



Cordusio 2.0, Milan

## Standards and Frameworks

The BVK Retail Mandate is recognised as an **Article 6 Fund** under the **Sustainable Finance Disclosure Regulation (SFDR)**. Alongside this designation, we utilise sustainability frameworks to drive improvement and benchmark progress.

Our **Sustainability Assessment and Action Plans (SAAPs)** are updated throughout the year, helping us identify progress towards asset-level sustainability strategies, including certification levels, upgrades and renewals, sustainability risks, tenant engagement, and community impact.

We maintain a dedicated **EMS** that is **ISO 14001-certified** annually at the European Investment Management level, and we map our sustainability objectives to the **UN Sustainable Development Goals (SDGs)**.

The Mandate produces annual reporting which is **INREV aligned** and includes **social KPIs**. We utilise climate risk assessments to inform acquisition and risk management processes and help us embed climate adaptation and resilience strategies across our portfolio, which was further included in the **HEREI Climate Risk report** which aligns to **TCFD** and is required by the FCA. This was published in 2024 and is publicly available [here](#).



# GRESB Global Sector Leader

Diversified, Office/Industrial

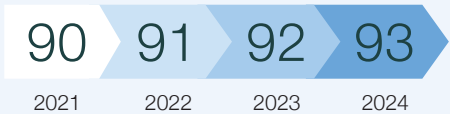


Five out of five stars

# Peer Group Leader

1st of 37 entities in Europe, Diversified, Office/Retail, Core

Participation and Score



## Global Sector Leader Two out of Four years

The Mandate has submitted to GRESB since 2021, receiving five out of five stars each year and the Global Sector Leader award twice. We use the GRESB framework to measure our performance and provide our investors with transparent reporting.



## Innovation Leadership

The BVK Retail Mandate advances sustainability by strategically integrating innovative technologies, design, and best practices to enhance asset performance and support data-driven decisions. From smart metering to decarbonisation modelling, we use sustainability innovation to push beyond compliance, reduce environmental impact, and build resilience.



Passeig de Gracia, Barcelona



## Innovation in Action

In 2024, Hines Europe introduced an Occupier ESG Engagement and Value Creation Guide to help asset management teams link sustainability CapEx to rental income growth and asset valuation. Using this innovative, proprietary resource, we're working to align energy efficiency improvements with tenant cost savings and premium rents, aiming to boost both sustainability and financial performance across our portfolio.





# Environmental Stewardship

The BVK Retail Mandate strives to build sustainable value through environmental stewardship. We continue minimising operational carbon by scaling renewable energy, operational efficiency, and decarbonisation efforts across the portfolio. Our asset teams are equipped with dedicated budgets and strategic guidance to incorporate energy efficiency upgrades and emissions reduction initiatives into their business plans.



## Our Net Zero Target

The BVK Retail Mandate is committed to achieving net zero operational carbon emissions across Scopes 1, 2, and 3 by

# 2040

in line with the Hines firm-wide target.

## Building Operations and Performance

We are committed to improving building performance and reducing operational carbon emissions through energy-efficient practices and sustainable innovations. We track and report on environmental performance and continue to improve environmental data quality and monitoring through smart building technology.

Throughout 2024, we also used our Carbon Impact Assessment Tool, built on the CRREM framework, to track and reduce environmental impacts at portfolio assets. This proprietary tool integrates energy and emissions data, district energy inputs, and waste and water data, to provide a comprehensive model that helps us understand each asset's impacts and risks and create plans for addressing them.

## Decarbonisation

We have completed CRREM audits and developed decarbonisation roadmaps for each Mandate asset. We continue to leverage CRREM to track portfolio and asset-level progress towards Paris agreement 1.5-degree targets and help us prioritise decarbonisation measures across the portfolio.

The current CRREM stranding date for the portfolio is

# 2035<sup>2</sup>

DEEP DIVE ↗

Read more about Hines' asset-level decarbonisation tools and resources







### Piloting a Plan for Decarbonisation

In 2024, a working group was established to create a process that could bridge the gap between decarbonisation audits and high-quality implementation plans. This process leverages Hines’ technical expertise and experienced internal engineers to ensure best-in-class practices, minimise risk, and deliver buildings that meet the highest standards of innovation and sustainability.

The BVK Retail Mandate is piloting the new approach at Liffey Valley, helping to create a process to ensure:

- Inputs and analysis are accurate
- Operational efficiencies with existing plant and equipment are maximised
- Intelligently selected and impactful CapEx are deployed
- Operational standards are maintained once the property reaches low carbon operational status

Operational efficiencies and minor CapEx are already being implemented to make progress towards our targets.



Liffey Valley, Dublin

### Data Collection

We believe good data helps us understand and improve performance. Our 2024 portfolio-wide data coverage increased to 94% compared to 84% in 2023.

In 2024 we:

- Enhanced our data infrastructure by adopting the Scaler platform, unlocking advanced analytics across energy, water, waste, and GHG performance
- Integrated all assets into the Carbon Impact Assessment Tool for asset-level insights, including CRREM alignment.
- Began onboarding Metry, a third-party platform that automates utility data collection from government hubs across Europe, improving our data accuracy
- Continued expanding smart metering at Liffey Valley
- Partnered with DS energy in Denmark to obtain asset-level data for the Viking Portfolio directly from energy providers

### Environmental Performance

Since 2020, the Mandate has experienced continuous annual reductions in landlord-controlled energy consumption and GHG emissions.

#### AVERAGE LANDLORD (LL) LIKE-FOR-LIKE REDUCTION FROM 2020 TO 2024



#### CONTINUOUS YEAR-ON-YEAR REDUCTIONS IN ENERGY AND GHG

	2020	2021	2022	2023	2024
LL Energy	-12%	-16%	-12%	-1%	0.6%
LL GHG	-16%	-24%	-18%	-1%	-0.3%

#### CUMULATIVE REDUCTION TARGETS

From 2019 baseline





# Energy Optimisation

Wherever possible, our assets are powered by renewable energy. Our team actively encourages tenants to transition to renewable energy tariffs, and we review photovoltaic (PV) feasibility across the portfolio, identifying assets best suited for on-site installations.

## RENEWABLE ENERGY

100%

LL on green tariffs = equivalent to 4.4m kWh

68%

whole building electricity covered by renewables



Passeig de Gracia, Barcelona

# Green Building Certification

We use building certifications to benchmark performance, support transparency, and align with the Hines Sustainability Framework.

In 2024, we maintained portfolio-wide coverage of green building certifications and EPCs, including new EPCs for all leased units at Liffey Valley and Royal Exchange Manchester. Targeted improvements, guided by asset-level optimisation reports, are now being implemented on a rolling basis to enhance certification ratings and long-term environmental performance.

100%

of Mandate assets have or are targeting green building certificates

BREEAM certified buildings

12

Fitwel certified buildings

2

LEED® certified buildings

1





## CASE STUDY

# Driving Continuous Improvement at Liffey Valley



The Mandate has been landlord at Dublin's Liffey Valley Shopping Centre, one of Ireland's leading retail destinations, since 2016. Pushing the boundaries of what can be accomplished towards sustainability gains at a large, multi-tenant, retail asset, our team continues to advance decarbonisation, environmental performance, and social impact objectives at Liffey, aiming for continuous improvement.

In 2024, in line with the centre's decarbonisation roadmap, Hines engineers began implementing key monitoring and efficiency upgrades, including:

- 40 smart meters
- Lighting optimisation via astronomical timers
- A robotic floor cleaner that minimises overnight energy and water use
- A solar installation, as part of the entrance extension project

Water-saving strategies – such as low-flow fixtures, greywater reuse, and leak detection – cut water consumption by 44% from January to November 2024.

Waste was reduced by 1.7% compared to 2023, and none was sent to landfill.



Greenscaping now covers 32% of the site footprint, complemented by new bee and bug hotels, meadow signage, and improved landscape stewardship.

Liffey Valley has been making strong strides in green lease coverage, with all leases since 2022 incorporating green clauses and 28% of current leases now aligned as of Q4 2024. Tenant data collection continues to expand, with another smart meter rollout planned for H2 2025. ■

## OUTSTANDING ACHIEVEMENT WITH BREEAM

In 2024, Liffey Valley became the only retail centre – and the only commercial asset – in Ireland and the UK to achieve BREEAM In-Use Part 1 'Outstanding', with a score of 85.5%. Fitwel certification is also underway.

BREEAM®

BREEAM

fitwel®

Fitwel

## DEEP DIVE ↗

Learn more about Liffey Valley Shopping Centre



## Tenant Engagement

Tenant engagement is a key part of the BVK Retail Mandate’s strategy. By building strong partnerships with tenants and embedding efficiency and decarbonisation into building rules, fit-out guidelines, and ongoing communication, we keep our collective goals front of mind as a shared priority. Programmes like **Hines GREEN OFFICE™ (HinesGO)** and **Hines GREEN RETAIL™ (HinesGR)** provide our tenants with tools to set, implement, and track sustainability objectives, driving measurable, collaborative progress.

## Green Leases

We use Hines’ Green Lease Templates for European markets to embed sustainability provisions into tenant agreements. These templates emphasise energy efficiency, data sharing, and renewable energy procurement, with both minimum and aspirational clauses to drive improvement. Our green leasing language also requires tenants to designate a sustainability contact who will support key initiatives and includes split-incentive clauses to support shared benefits from efficiency efforts. We saw extensive lease optimisation at Cordusio 2.0 in 2024. The local team successfully engaged all tenants signing new leases to include green lease clauses.

### Minimising Waste with Carrot

At Royal Exchange Manchester, we continued using Carrot to monitor waste outputs and engage tenants in improving recycling practices. In our first full year of data collection, 43 retailers were registered and we were able to obtain actionable insights relating to tenant-level waste behaviours.



DEEP DIVE ↗

Learn more about our tenant-focused sustainability resources



Royal Exchange Manchester



## Sustainability Tenant Fit-out Guide

Created in 2024, Hines’ **Sustainability Tenant Fit-out Guide** helps occupants understand the benefits of prioritising sustainability in a fit-out – including greater flexibility, energy savings and reduced costs, and improved well-being – and how to accomplish it. We use best efforts to present the guide to all stakeholders involved in fit-out projects at the earliest possible stage, to help drive decision-making.



100%

of portfolio waste diverted from landfill



# Climate and Nature Risk

Climate risk assessments and carbon intensity analyses are critical to our sustainability strategy, helping us proactively identify and mitigate transition and physical risks at the asset and portfolio level.

Using insights from a best-in-class third-party platform that relies on predictive modelling, we are evaluating hazards such as flooding

and heat stress across multiple climate scenarios and time horizons to inform investment decisions and asset management strategies. Insights from these assessments are helping us identify vulnerabilities and shape risk mitigation plans that protect long-term value at new and existing investments.

The Mandate also aligns with the **TCFD framework**, now part of the International Financial Reporting Standards (IFRS). We follow TCFD’s four pillars – Governance,

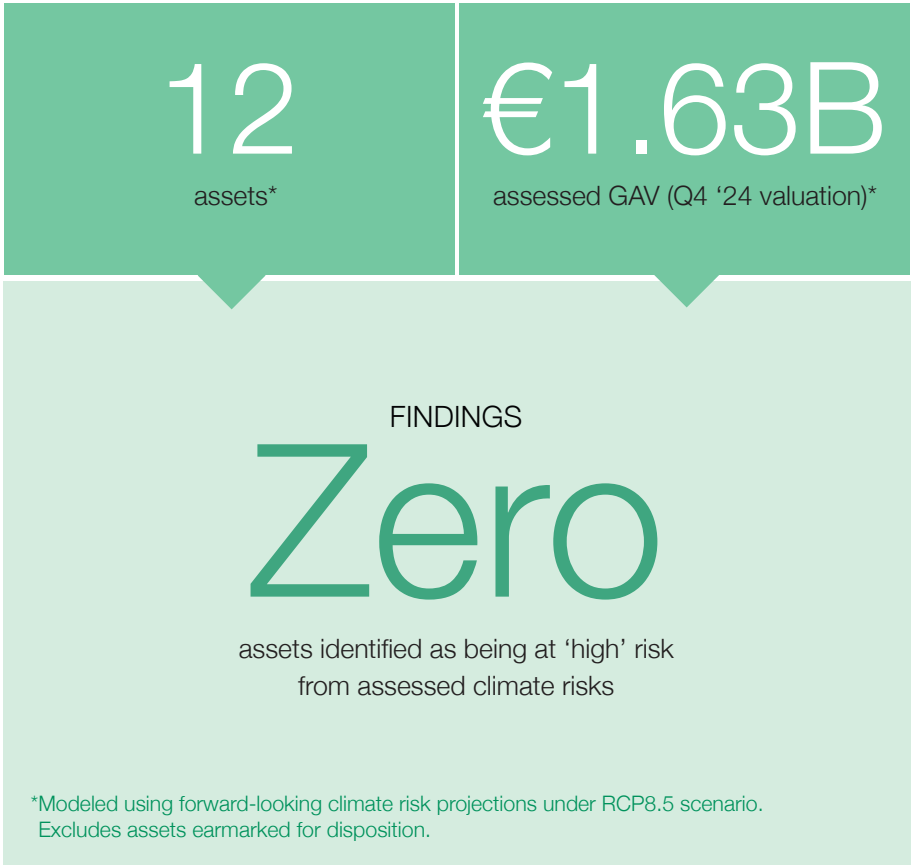
Strategy, Risk Management, and Metrics and Targets – and report against all 11 disclosures.

## Biodiversity

We are working to enhance biodiversity across Mandate assets to support tenant well-being, protect local ecosystems, and mitigate climate-related risks. In 2024, a pilot biodiversity study at Liffey Valley, including a site-specific screening assessment and a landscaping strategy focused on native species and habitats, marked a key step forward.

These efforts build on the ESG Development Brief’s 10% Biodiversity Net Gain target and should help shape a broader Mandate-wide strategy. Insights from the pilot are informing future interventions and contributing to the launch of a **TNFD gap analysis** to evaluate alignment with emerging nature-related risk frameworks.

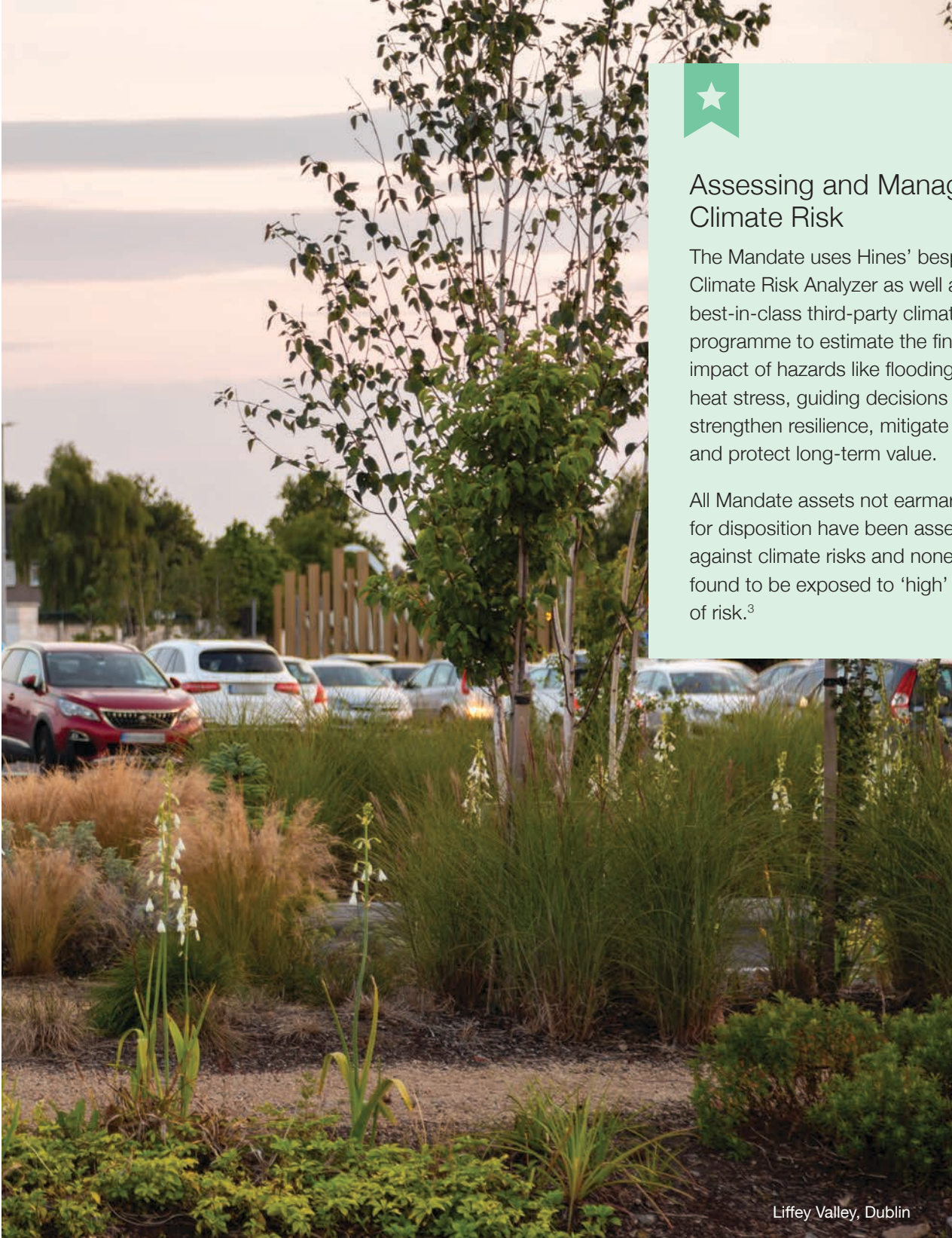
### CLIMATE RISK ASSESSMENT



## Assessing and Managing Climate Risk

The Mandate uses Hines’ bespoke Climate Risk Analyzer as well as a best-in-class third-party climate-risk programme to estimate the financial impact of hazards like flooding and heat stress, guiding decisions to strengthen resilience, mitigate risk, and protect long-term value.

All Mandate assets not earmarked for disposition have been assessed against climate risks and none were found to be exposed to ‘high’ levels of risk.<sup>3</sup>



Liffey Valley, Dublin



# Thriving Communities

The BVK Retail Mandate creates people-centric places that strive to generate lasting value for communities and investors. Through vibrant environments, local initiatives, and strategic partnerships, we support tenant well-being, community connection, and long-term economic resilience.

- Robust water quality checks, including legionella and contaminant checks beyond legislation requirements
- Signage to prevent smoking

We are also developing an IAQ (indoor air quality) strategy at Liffey Valley.



## People-Centric Places

We strive to create and manage spaces that prioritise people and contribute to healthy, economically resilient communities. Our team uses health and well-being certifications to measure progress and highlight success.

In 2024, we completed a Fitwel certification at Cordusio 2.0 and were able to include several benefits such as:

- Addition of new artwork to encourage a sense of well-being

### HEALTH AND CONNECTIVITY CERTIFICATIONS

# 2

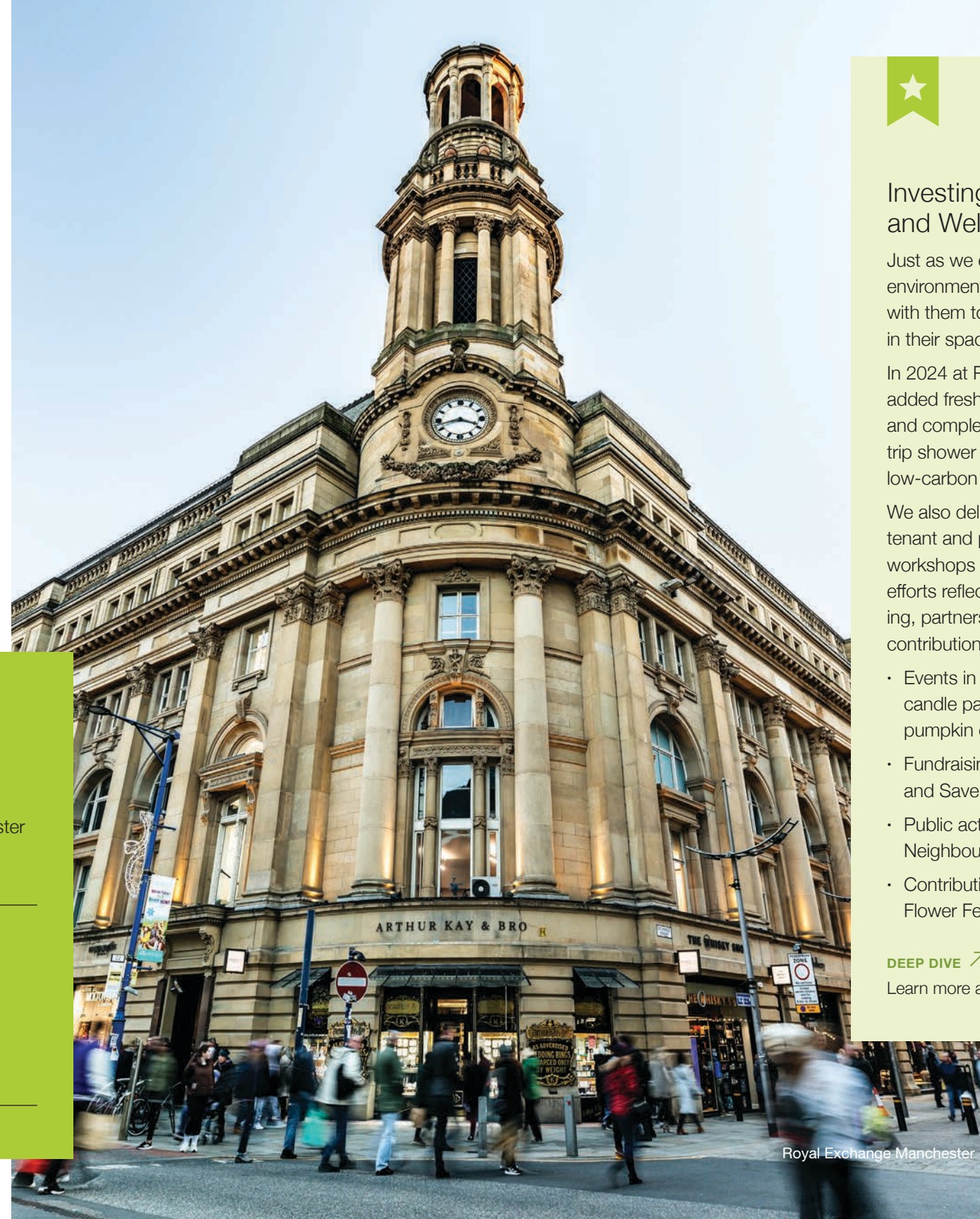
#### FITWEL

Royal Exchange Manchester  
Cordusio 2.0, Milan

# 1

#### WiredScore

Cordusio 2.0, Milan



### Investing in Placemaking and Well-being

Just as we engage with tenants to improve environmental performance, we collaborate with them to improve vibrancy and well-being in their spaces and across their communities.

In 2024 at Royal Exchange Manchester, we added fresh planting to the rooftop garden and completed a feasibility survey for end-of-trip shower facilities to encourage active, low-carbon commuting.

We also delivered a diverse programme of tenant and public events, from wellness workshops to seasonal celebrations. These efforts reflect our strong focus on placemaking, partnership, and proactive community contribution.

- Events in collaboration with our tenants: candle painting, wellness workshops, pumpkin carving
- Fundraising for Macmillan Cancer Support and Save the Children
- Public activations: “Get to Know Your Neighbour,” gift giveaways
- Contribution to the Manchester Flower Festival

#### DEEP DIVE ↗

Learn more about Royal Exchange Manchester

Royal Exchange Manchester





## Investing in Social Impact

In 2024, Liffey Valley deepened its role as a community anchor through vibrant programming and local partnerships. Events ranged from large-scale family celebrations to targeted charitable initiatives, including a standout Santa's Arrival that drew over 44,000 visitors, a 13% increase on 2023. The Centre also supported social impact through grassroots efforts like foodbank donations, youth sports sponsorships, and fundraising for local and national charities.

### 2024 Highlights – Liffey Valley

- 134 free events delivered across the year
- Ongoing partnership with Clondalkin Cares Foodbank
- Sponsorship of Round Towers GAA Girls U-10 team
- Fundraising support for Pieta House, St Vincent de Paul, and others
- Participant in Building Better Communities Competition



Liffey Valley, Dublin



Passeig de Gracia, Barcelona

## Economic Resilience

The BVK Retail Mandate is committed to investing in and managing assets that strengthen economic resilience for people and communities. Our development brief includes sustainability targets for economic development, including creating local employment opportunities, supporting small businesses, and contributing to long-term economic stability in the areas where we operate.

## Community Engagement

The Mandate supports vibrant, resilient communities by partnering with local organisations and **Business Improvement Districts (BIDs)** to enhance public spaces, promote social and environmental sustainability, and respond to local needs. Current partnerships include:

- Københavns City Centre BID
- Comité Champs-Élysées
- Manchester City Centre BID

Through our partnership with Manchester City BID, for example, we attend regular BID council meetings to discuss sustainability, footfall, neighborhood issues, and improvements, and we contributed to numerous events and celebrations including:

- Chinese New Year
- Flower Festival
- Manchester Day
- Halloween
- Manchester Markets
- Manchester Christmas Parade and Santa Sunday

We also attend monthly stakeholder meetings as part of St. Ann's Square to discuss ideas for building and enhancing community.

Partnerships like these allow us to engage at the grassroots level and contribute to the long-term health of our assets' neighborhoods.



# Building Better Communities Competition

Hines Europe’s Building Better Communities Competition encourages property teams to strengthen tenant and community relationships through creative, place-based initiatives. In 2024, the BVK Retail Mandate participated in standout programmes that positively impacted our asset communities.



## Liffey Valley

### Creating Opportunity for Quarryvale

At Liffey Valley, the centre launched a 9-week summer programme for children in Quarryvale – one of Ireland’s most disadvantaged communities. In partnership with the local community centre, the initiative provided a safe, engaging space for children aged 2–10, featuring weekly themed events like a petting zoo and t-shirt workshops. Reaching over 2,000 children, it became one of the centre’s most attended initiatives, supported by retailers including Art N Hobby, Dubray, and McDonald’s. The programme was delivered for under €2,000, thanks to donated supplies and volunteer efforts.

## Marché Saint-Germain

### Building Connections Across Communities

Marché Saint-Germain held a series of December events under the theme “Let’s fight exclusion together” fostering connection across diverse social groups in Paris. In partnership with retail tenants, activities included a Christmas party at Foyer Saint-Germain, food and hygiene kit distribution with Avant-Comptoir Restaurant, and a Uniqlo-sponsored gift drive for local families. The event highlighted the role of retail spaces as community-focused platforms, and tenants, community members, and Hines employees all contributed.



“

We were touched by your presence, your support and your time. The residents are so happy that they still talk about it today... I believe that thanks to all of you, a magnificent memory will remain engraved in their minds... Thank you very much.

**ANNE-MARIE**  
Head of Department  
Foyer Saint-Germain

Celebrating the spirit of Christmas at Marché Saint-Germain



05

Annex



# BVK Assets as of December 31, 2024

OVERVIEW ↗  
See our portfolio overview

ASSET INFORMATION		GREEN BUILDING CERTIFICATION				
Investment Name and Location	Asset Type	Certification 1	Certification 2	Certification 3	On-site Renewables	Renewable Electricity
<b>Cordusio 2.0</b> Milan, Italy	Mixed use: Office/Retail	LEED (BD+C) Gold	WiredScore Certified	Fitwel/Fitwel - Built 1 Star	Yes	Landlord, Tenant (partial)
<b>Paseo de Gracia 17</b> Barcelona, Spain	Mixed use: Office/Retail	BREEAM In-Use Very Good			Yes	Landlord
<b>Preciados 13</b> Madrid, Spain	Mixed use: Other	BREEAM In-Use Good				Tenant (whole-building)
<b>Royal Exchange Manchester</b> Manchester, United Kingdom	Mixed use: Office/Retail	BREEAM In-Use Good	Fitwel/Fitwel - Built 1 Star			Landlord, Tenant (partial)
<b>St Germain</b> Paris, France	Retail: High Street	BREEAM In-Use Good				Landlord, Tenant (partial)
<b>114 Champs Elysees</b> Paris, France	Mixed use: Office/Retail	BREEAM In-Use Good			Yes	Tenant (whole-building)
<b>28 Madeleine</b> Paris, France	Retail: High Street	BREEAM In-Use Good				
<b>Købmagergade 24</b> Copenhagen, Denmark	Mixed use: Office/Retail	BREEAM In-Use Good				
<b>Liffey Valley</b> Dublin, Ireland	Retail: Retail Centres: Shopping Centre	BREEAM In-Use Outstanding			Planned	Landlord, Tenant (partial)
<b>Viking - Østergade 40</b> Copenhagen, Denmark	Mixed use: Office/Retail	BREEAM In-Use Pass				Tenant (whole-building)
<b>Viking - K22</b> Copenhagen, Denmark	Mixed use: Other	BREEAM In-Use Pass				Landlord
<b>Viking - Vimmelskiftet 36</b> Copenhagen, Denmark	Mixed use: Office/Retail	BREEAM In-Use Good				Tenant (whole-building)
<b>Viking - K26</b> Copenhagen, Denmark	Mixed use: Other	BREEAM In-Use Good				Landlord



# BVK Sustainability Commitments and Targets

## Environmental Commitments

FOCUS AREA	2024 TARGET AND PROGRESS	2025 OBJECTIVES / TARGETS
Environmental Performance Data	<p><b>Obtain and monitor utility data, including energy, water, and waste, on a monthly basis:</b></p> <ul style="list-style-type: none"><li>• The Mandate once again achieved excellent data coverage (95.8% coverage across landlord and tenant energy supplies).</li><li>• During 2024, a process was established to collect energy data from the network operators which will maximise data coverage across assets.</li></ul> <p><b>Continue to roll out smart meters across existing assets and new acquisitions to ensure data quality:</b></p> <ul style="list-style-type: none"><li>• Enhanced data coverage, quality and monitoring capabilities via the continued rollout of automatic data collection technology across operationally controlled assets, for example, at Liffey Valley.</li></ul> <p><b>Protect the environment, including through pollution prevention across direct business activities:</b></p> <ul style="list-style-type: none"><li>• Decarbonisation approach advanced with Liffey Valley pilot, contributing to emissions abatement and pollution prevention.</li><li>• Water efficiency measures in place for Cordusio, Liffey Valley, 28 Madaleine, and St Germain.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Obtain and monitor utility data, including energy, water, and waste, on a monthly basis.</li><li>• Continue to roll out smart meters across existing assets and new acquisitions. Implement an enhanced utility Monitoring and Targeting Programme for landlord-controlled assets.</li><li>• Seek to reduce and optimise whole-building utilities consumption.</li><li>• Seek to minimise waste production and maximise recycling rates.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• Install automatic meter reading (AMR) devices (or half hourly meters) for main utility meters (electricity, gas, district heating, water), with separate metering of landlord and tenant supplies.</li><li>• Implement comprehensive BMS systems to monitor consumption.</li></ul>
Net Zero Carbon	<p><b>Continue to work toward net zero operational carbon emissions for all 3 Scopes by 2040:</b></p> <ul style="list-style-type: none"><li>• On a like-for-like occupancy adjusted basis, the Mandate reported a decrease in Scope 1 and Scope 2 emissions of 0.3%.</li></ul> <p><b>Explore feasibility of all-electric building services to enable net zero carbon in operation on major refurbishments (with consideration to capital expenditure and investor demand).</b></p> <ul style="list-style-type: none"><li>• No new major refurbishments commenced in 2024, though all-electric building services remain a key consideration for asset decarbonisation plans.</li></ul> <p><b>Implement decarbonization plans within all internally-managed cash flow models for assets:</b></p> <ul style="list-style-type: none"><li>• Net zero roadmaps obtained for 100% of assets.</li><li>• Decarbonisation Cap Ex plans being implemented at Liffey Valley.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Continue to work toward net zero operational carbon emissions for all Scopes by 2040.</li><li>• Implement decarbonization plans within all internally-managed cash flow models for assets.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• Explore feasibility of all-electric building services to enable net zero carbon in operation on major refurbishments (with consideration to capital expenditure and investor demand).</li><li>• For major refurbishments, target the 2040 CRREM 1.5°C pathway relevant to asset type and location.</li></ul>
Renewable Energy	<p><b>Maintain 100% renewable energy, where procured by the landlord, and make efforts to engage with tenants to have them convert to green tariffs for their leased spaces:</b></p> <ul style="list-style-type: none"><li>• 100% renewable energy for all landlord-procured electricity.</li><li>• Continued engagement with tenants to encourage switching to green tariffs, 68% coverage of green supplies in 2023 (by area).</li></ul> <p><b>Continue to review opportunities across the portfolio for the installation of on-site renewable energy:</b></p> <ul style="list-style-type: none"><li>• PV installation completed at Liffey Valley in 2024.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Maintain 100% renewable energy for all landlord procured electricity and support tenants in the transition to procurement of green tariffs when possible.</li><li>• Engage with tenants to encourage them to convert to green tariffs for their leased spaces.</li></ul> <p><b>All Assets (including major refurbishments):</b></p> <ul style="list-style-type: none"><li>• Continue to review opportunities for on-site renewable energy and if viable proceed to the next stage of installation of on-site renewables.</li></ul>





<b>Building Certifications</b>	<p><b>Maintain and improve green building certificates for all assets with the aim of consistent, 100% portfolio coverage:</b></p> <ul style="list-style-type: none"><li>• 100% coverage of GBCs maintained.</li><li>• The Mandate has driven forward efforts to improve GBC ratings across the portfolio, through the procurement of optimization reports.</li></ul> <p><b>Ensure 100% of assets have valid EPCs or equivalent energy ratings:</b></p> <ul style="list-style-type: none"><li>• 100% coverage of EPCs maintained.</li><li>• The Mandate has driven forward efforts to improve EPC ratings across the portfolio, through the procurement of optimization reports.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Maintain and improve green building certificates for all assets with the aim of consistent, 100% portfolio coverage.</li><li>• Ensure 100% of assets have valid EPCs or equivalent energy ratings.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• Achieve green building certification (e.g. BREEAM or equivalent) on major refurbishment projects. Target ‘Very Good’ rating or equivalent.</li><li>• Target minimum EPC (Energy Performance Certificate) ‘B’ rating for major refurbishments and seek to gradually improve operational assets to this standard.</li></ul>
<b>Waste</b>	<p><b>Maintain 100% diversion of waste from landfill for landlord-managed waste:</b></p> <ul style="list-style-type: none"><li>• The Mandate continued to divert 100% of landlord-managed waste from landfill.</li></ul> <p><b>Engage tenants annually at assets, with a view to minimising waste production and maximising recycling:</b></p> <ul style="list-style-type: none"><li>• The Mandate continued to engage tenants in relation to waste minimising behaviours.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Maintain 100% diversion of waste from landfill for landlord-managed waste.</li><li>• Engage tenants annually at assets, with a view to minimising waste production and maximising recycling.</li><li>• Seek to increase waste data digitisation coverage.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• For major refurbishments, follow ESG development brief on effective waste management through demolition and works on-site. Prioritise waste reduction in accordance with best practices.</li></ul>
<b>Biodiversity</b>	<p><b>Seek to improve understanding of ecology local to assets:</b></p> <ul style="list-style-type: none"><li>• Liffey Valley obtained a biodiversity screening assessment in 2024, informing efforts to protect local species and habitats and will help to develop the Mandate's biodiversity approach.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Explore opportunities to integrate plants and biophilic design elements.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• Refurbishment projects will consider ecological enhancement opportunities.</li><li>• Consider native planting and blue/green infrastructure features.</li><li>• Obtain a TNFD gap analysis for the Fund and review opportunities at a portfolio level to improve performance.</li></ul>



# BVK Sustainability Commitments and Targets

## Social Commitments

FOCUS AREA	2024 TARGET AND PROGRESS	2025 OBJECTIVES / TARGETS
Tenant engagement	<p>Continue to share Sustainable Fit-Out Guide with tenants in advance of fit-outs:</p> <ul style="list-style-type: none"><li>Offered to all new tenancies.</li></ul> <p>Continue to incorporate green lease clauses into tenancy agreements and engage with tenants on the benefits of reducing consumption of finite resources:</p> <ul style="list-style-type: none"><li>Green lease clauses included in all new commercial leases where agreed with tenant.</li></ul> <p>Continue to increase tenant engagement on sustainability topics, particularly through HinesGO and Hines GR programs:</p> <ul style="list-style-type: none"><li>100% commercial tenants engaged on sustainability topics.</li><li>An Occupier Sustainability Engagement and Value Creation Guide has been developed for asset management teams, which connects sustainability CapEx with increasing rental income and consequently, positive asset-level valuation impact.</li></ul> <p>Survey tenants to gauge satisfaction with and interest in our sustainability efforts:</p> <ul style="list-style-type: none"><li>Tenant sustainability engagement survey developed in 2024, to go live in H2 2025.</li></ul>	<p>Operational Assets</p> <ul style="list-style-type: none"><li>Seek to incorporate green lease clauses into tenancy agreements.</li><li>Conduct tenant surveys to understand and align with their priorities, including sustainability.</li><li>Seek to share the Tenant Sustainability Fit-Out Guide in advance of tenant fit-outs.</li></ul>
Employee engagement	<p>Continue to embed sustainability objectives into performance reviews:</p> <ul style="list-style-type: none"><li>Performance objectives were updated in 2024 and made mandatory for all director-level and above employees.</li></ul> <p>Promote our people practices by adopting workplace policies that achieve greater equity, retention, and representation:</p> <ul style="list-style-type: none"><li>Several Diversity and Inclusion and Health and Well-being trainings were provided by Human Resources over the course of 2024.</li></ul> <p>Continue to deliver sustainability-focused training:</p> <ul style="list-style-type: none"><li>Hines employees received multiple internal sustainability training sessions. sustainability training was delivered by multiple external partners, with sessions covering GRESB, sustainability best practice, sustainability legislation and key emerging topics.</li></ul> <p>Continue to coordinate the European Sustainability League meetings and activities to align best practices across the European platform:</p> <ul style="list-style-type: none"><li>In 2024, alongside regular virtual sessions, the European Sustainability League hosted its third offsite event in Paris, during September. The event took place over two days and included the Sustainability League cohort, as well as additional attendees from across the organisation.</li></ul>	<ul style="list-style-type: none"><li>Embed sustainability objectives within performance reviews for the Mandate’s investment management and local teams.</li><li>Carry out sustainability-focused training sessions for investment management and local teams.</li><li>Conduct employee engagement surveys.</li></ul>



Community engagement	<p><b>Ensure all managed assets continue to complete and track sustainability-related community engagement:</b></p> <ul style="list-style-type: none"><li>• In 2024, Mandate assets participated in the Building Better Communities social competition.</li><li>• The Mandate continued to fulfil numerous sustainability-related community engagement initiatives within the locality of assets to exert wider positive influence. These include the community support programme developed at Liffey Valley, and partnerships with neighbourhood associations at Marche Saint Germain.</li></ul> <p><b>Consider opportunities to utilise local suppliers/contractors, employees and engagement with voluntary, community or social enterprises:</b></p> <ul style="list-style-type: none"><li>• In 2024, Royal Exchange Manchester and Liffey Valley continued to support local social causes and enterprises.</li></ul>	<p><b>All Assets:</b></p> <ul style="list-style-type: none"><li>• Seek to partake in and track community engagement initiatives within the locality of all assets, where appropriate.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• Develop a community engagement plan appropriate to the project and report on initiatives undertaken throughout the lifecycle of projects.</li><li>• Consider opportunities to utilise local suppliers/contractors, employees, and engagement with voluntary, community, or social enterprises.</li><li>• Act on feedback/concerns raised by stakeholders in decision making.</li><li>• Facilitate engagement by arranging community visits to project sites.</li></ul>
----------------------	---	--



# BVK Sustainability Commitments and Targets

OVERVIEW ↗  
See our high-level sustainability goals

## Governance Commitments

FOCUS AREA	2024 TARGET AND PROGRESS	2025 OBJECTIVES / TARGETS
GRESB and Awards	<p>Continue to participate in GRESB to support benchmarking and communicate transparent sustainability performance:</p> <ul style="list-style-type: none"><li>Achieved GRESB Global Sector Leader status in 2024, and maintained 5-star rating for fourth consecutive year.</li></ul>	<ul style="list-style-type: none"><li>Participate in the GRESB survey in order to support benchmarking and communication of sustainability performance.</li></ul>
Climate risk and resilience	<p>Continue to report in line with TCFD recommendations.</p> <ul style="list-style-type: none"><li>Maintained alignment with TCFD recommended disclosures.</li></ul> <p>Continue to perform climate-risk assessments on new acquisitions, and seek to further embed climate change adaptation and resilience related risks into wider risk-management strategies and acquisition processes:</p> <ul style="list-style-type: none"><li>Climate risk assessment capabilities improved via platform upgrade.</li><li>100% of operational assets evaluated via third-party climate risk platform in 2024.</li><li>No new acquisitions for which climate risk assessments were required.</li></ul>	<ul style="list-style-type: none"><li>Continue to report in line with TCFD recommendations.</li><li>Continue to perform climate-risk assessments on all existing acquisitions and seek to further embed climate change adaptation and resilience related risks into wider risk-management strategies and acquisition processes.</li></ul>
Acquisition due diligence	<p>Continue to complete the Sustainability Acquisitions Due Diligence Checklist for all new acquisitions:</p> <ul style="list-style-type: none"><li>No new acquisitions requiring Due Diligence.</li><li>Starting from 2023, an ESG Due Diligence scoping document was developed which ensures that all material sustainability risks and opportunities are uncovered for a potential acquisition. Acquisitions teams have been trained on how to leverage these newly develop sustainability considerations.</li></ul>	<ul style="list-style-type: none"><li>Continue to complete the Sustainability Acquisitions Due Diligence Checklist and IC Memo advanced sustainability considerations for all new acquisitions.</li><li>Apply the ESG Due Diligence Scoping Document.</li><li>Carry out robust carbon and energy intensity assessments of all potential new acquisitions.</li><li>Include NZC considerations in investment underwriting.</li><li>Update the checklist to include more detailed sustainability considerations, in line with industry best practices.</li></ul>
Asset-level action plans	<p>Continue to maintain SAAPs for all assets to identify opportunities for improving sustainability performance within asset business plans:</p> <ul style="list-style-type: none"><li>100% SAAP coverage across portfolio.</li></ul> <p>Update SAAP template to include more detailed sustainability considerations in line with industry best practices:</p> <ul style="list-style-type: none"><li>N/A - SAAPs to be superseded by new sustainability data platform.</li></ul> <p>Incorporate a review of sustainability opportunities within all major landlord refurbishments (e.g. shared mechanical, electrical, and hydraulic systems).</p> <ul style="list-style-type: none"><li>N/A – no new developments or major refurbishments commenced in 2024.</li></ul> <p>Apply the new ESG Development Brief to all new development projects:</p> <ul style="list-style-type: none"><li>N/A – no new developments or major refurbishments commenced in 2024.</li></ul>	<ul style="list-style-type: none"><li>Seek to complete and update SAAPs for 100% of assets, on at least an annual basis.</li><li>Once available, formally replace SAAPs with new sustainability data platform capabilities.</li></ul>



# Compliance and Methodology

## Reporting standard – INREV compliance

The BVK Retail Mandate sustainability strategy and key environmental performance data (e.g. energy and water consumption) in this report have been compiled in line with the INREV Sustainability Reporting Guidelines. As permitted by the guidelines, environmental data is developed and presented in line with GRESB.

The mandate has reported environmental data where it has ‘operational control’ and where, acting as landlord, it was responsible for procuring utilities and/or waste management services. This scope applies to ‘directly managed’ (multi-let) assets, where the Mandate has the authority to introduce and implement operating policies. The reporting process has been supported by the sustainability consultancy firm EVORA, using a proprietary sustainability software tool, SIERA. The Mandate also commissioned EVORA Global, who undertook a limited assurance engagement of reported environmental data.

## Methodology

Like-for-like energy, water and greenhouse gas (GHG) emissions performance compares consumption and emissions data of assets held in both 2022 and 2023, excluding any assets held for less than 24 months, or assets that underwent major refurbishment during this time. Like-for-like performance data have been normalised to remove the impact of external factors on consumption, where relevant. Normalisation for external factors has considered occupancy changes and weather patterns (through reference to ‘heating degree days’). Only gas, district heating (and, for one asset, electricity) and related GHG were normalised for degree days. Degree-day information has been sourced from www.degreedays.net using the closest weather station to each asset.

Normalisation adjustments for occupancy and weather patterns are standard practice in sustainability reporting; however, we acknowledge that a linear approach – including the one applied here – does not reflect the true relationship between these external factors and building operation. Clearly, all buildings and tenants are different and blanket assumptions such as those applied here have a limited ability to reflect all such nuances. In future, we intend to engage directly with this sector-wide issue and

to explore a more sophisticated approach for reporting. To pursue this goal, we will complete our own internal investigations and engage with external parties and industry associations, as appropriate.

## Sustainable Finance Disclosures Regulation (SFDR)

The Mandate is required to comply with article 6 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the “SFDR”) by making disclosures as to (1) how sustainability risks are integrated into the investment decision-making in respect of the Mandate and (2) the likely impact of sustainability risks on the returns of the Mandate.

The Mandate does not purport to promote certain environmental and social characteristics pursuant to article 8 of the SFDR by way of the adoption of any ESG targets.

There is no suggestion that any of the Mandate’s investments are ‘sustainable investments’ pursuant to the SFDR or otherwise ‘taxonomy-aligned’ investments pursuant to the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment.

# Disclaimer

## For use by professional/institutional investors only.

The statements in this document are based on information which we consider to be reliable. This document does not, however, purport to be comprehensive or free from error, omission or misstatement. We reserve the right to alter any opinion or evaluation expressed herein without notice. Statements presented concerning investment opportunities may not be applicable to particular investors. Liability for all statements and information contained in this document is, to the extent permissible by law, excluded.

## Confidential

The reproduction of this document, in whole or in part, is prohibited. You are not permitted to make this document or the information contained herein available to any third parties. This document is not to be used for any purpose other than the purpose for which it was provided to you. Except as otherwise provided in a written agreement between the recipient and Hines or its affiliates, if the recipient receives a request under any applicable public disclosure law to provide, copy

or allow inspection of these materials or other information regarding or otherwise relating to Hines or any of its affiliates, the recipient agrees (at its own cost and expense) to (i) provide prompt notice of the request to Hines, (ii) assert all applicable exemptions available under law and (iii) cooperate with Hines and its affiliates to seek to prevent disclosure or to obtain a protective order or other assurance that the information regarding or otherwise relating to Hines or any of its affiliates will be accorded confidential treatment.

## Not an offer

This marketing communication does not constitute an offer to sell or the solicitation of an offer to buy or subscribe for securities, units or other participation rights described herein by any party including Hines or its affiliates (“Hines”).

Any such offer will be made only pursuant to a confidential private placement memorandum and the definitive documents of the Mandate (the “Definitive Documents”), which will be furnished to qualified investors at their request in connection with any such offering and should be referred to before making any investment decisions. The information contained in this presentation is qualified by reference to the Definitive Documents, which will entirely supersede this presentation. The information in this document should not be relied on because it is incomplete and remains subject to change.

## Preliminary, Selective Information Only

This document summarizes certain characteristics of a proposed investment program. It is presented solely for purposes providing you with initial and general information at your own responsibility. This document is not suitable to inform you of the legal and factual circumstances necessary to make an informed judgement about any prospective investment. Prospective investors are requested to inform themselves comprehensively and, in particular, to verify the Definitive Documents which is are expected to be provided in the future. Hines reserves the right, in its sole and absolute discretion, without notice, to alter the terms or conditions of the Mandate and/or to terminate the potential investment opportunity described herein. Unless otherwise noted, the information contained herein is unaudited and may be preliminary and speaks as of the date of this document or the specific date specified. Hines disclaims any obligation to update this document in any manner, even in the event that the information becomes

materially inaccurate.

In no event should this document be viewed as legal, business, tax, accounting, investment or other advice. Any statements of federal tax consequences contained in this presentation were not intended to be used and cannot be used to avoid penalties under the Internal Revenue Code or to promote, market or recommend to another party any tax related matters addressed herein. This document does not constitute any regulated investment (MiFID) advice.

## Real Estate Related Risks

Investments in real estate funds such as those described herein, are subject to numerous risks and uncertainties, including risks inherent in private, real estate funds, such as lack of liquidity, lack of diversification and dependence on key personnel of the Mandate sponsor, as well as risks inherent in the types of investments such funds make, competition for investment opportunities, changes in market conditions, regulatory and environmental risks, entitlement and development risks and risks of tenant, purchaser or seller defaults on contractual obligations. Investors in real estate funds must be able to evaluate and bear the potential consequences of these and other risks, including the potential loss of their entire investment.

The characteristics of investments to be made by the Mandate may vary from the characteristics of those shown herein and may not have comparable risks and returns. An investment in the Mandate is speculative and involves significant risks, including loss of the entire investment and is suitable only for sophisticated investors who fully understand and are capable of bearing the risks of an investment in the Mandate. The Mandate should be considered illiquid, as there is limited to no secondary market for interests in the Mandate and there are restrictions to redemptions and/or transfers of interests in the Mandate. A recipient who has preliminary interest in the Mandate should understand these risks and have the financial ability and willingness to accept such risks for an extended period of time before considering making an investment in the Mandate. Please refer to the Definitive Documents for detailed information on the risks and rewards of the Mandate.

## Prior or Targeted Performance

Any investment entails a risk of loss, including loss of the entire investment. In considering any performance data contained herein, each recipient should bear in mind that past

performance is not indicative of future results, and there can be no assurance that an investment program will achieve comparable results or will achieve any target or estimated results.

The Mandate will make investments in different economic conditions than those prevailing in the past. Thus, no guarantee is made that the Mandate will have the same types or diversity of investment opportunities as prior vehicles. While Hines believes all performance targets and estimates to be reasonable and sound under the current circumstances, actual returns will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, legal and contractual restrictions on transfer that may limit liquidity, any related transaction costs and the timing and manner of sale, all of which may differ materially from the assumptions and circumstances on which the estimated future cash flows and exit values used in the performance estimates and targets contained herein are based. Accordingly, nothing herein should be deemed to be a prediction or projection of future performance of the Mandate and actual realized returns on unrealized investments may be materially different from the returns indicated herein. Additional information on the performance and other numbers presented herein is available from Hines upon request. Please refer to the Definitive Documents for detailed information on Fund performance.

## Track Record

The Hines property investments and investment programs referred to herein were made at different times, with materially different terms and in materially different market conditions than those contemplated for the Mandate. The results of the investment programs presented illustrate results that could be achieved in certain conditions if the underlying assumptions prove to be correct. In considering all of the track record and performance information contained herein, prospective investors should bear in mind that past performance is not indicative of future results, and there can be no assurance that the Mandate will achieve comparable results to historical transactions or that the Mandate will be able to implement its investment strategy and investment approach or achieve its investment objective.

## Third Party Information

This document contains information in the form of charts, graphs and/or statements that Hines indicates were obtained by it from published

sources or provided to it by independent third parties, some of whom Hines pays fees for such information. Hines considers such sources to be reliable. It is possible that data and assumptions underlying such third-party information may have changed materially since the date referenced. You should not rely on such third-party information as predictions of future results. None of Hines, its affiliates or any third-party source undertakes to update any such information contained herein. Further, none of Hines, its affiliates or any third-party source purports that such information is comprehensive, and, while it is believed to be accurate, it is not guaranteed to be free from error, omission or misstatement. Hines and its affiliates have not undertaken any independent verification of such information. Finally, you should not construe such third-party information as investment, tax, accounting or legal advice, and neither Hines nor any of its affiliates nor any of their respective partners, officers, affiliates, employees, agents or advisors has verified or assumes any responsibility for the accuracy, reliability or completeness of such information.

## Distribution by Hines

This document is being provided to you as a professional investor. The distribution of this document may be restricted in certain jurisdictions. It is the responsibility of the recipient of this document to comply with all relevant laws and regulations. For the purposes of distribution in the UK, this financial promotion has been distributed by Hines Europe Real Estate Investments Ltd , which is authorized and regulated by the Financial Conduct Authority. The address is 6 Dryden Street, London WC2E 9NH, United Kingdom, +44 207 292 1900. Companies House registration number: 07331555. In the European Union distribution is by Hines Luxembourg Investment Management S.à.r.l, which is authorized and regulated by the Commission de Surveillance du Secteur Financier. The address is 35F Avenue John F. Kennedy, Luxembourg, L-1855, +352 264 337 1. In the Dubai International Financial Centre, distribution is by HEREI Representative Office Regulated by the Dubai Financial Services Authority as a Representative Office. The address is Unit 1701B, Level 17, Emirates Financial Towers, DIFC, PO Box 113355, Dubai, UAE, +971 4 375 3965. In the US, distribution is by Hines Private Wealth Solutions LLC, a registered broker-dealer with the SEC, and a member of FINRA. The address is 845 Texas Ave, Suite 3300, Houston, TX, 77002, +1 888 446 3773.



### Currency and Taxation

Investments in the Mandate will be denominated in Euros and, therefore, will be subject to any fluctuation in the rate of exchange between the Euro and the currency of the investor's home jurisdiction, which may have an adverse effect on the value of, price of or income or gains from an investor's investment in the Mandate. Future performance is subject to taxation which depends on the personal situation of the investor, and which may change in the future.

### ESG

It should not be assumed that any sustainability initiatives, standards, or metrics described herein will apply to each asset in which the Mandate invests or that they have applied to each of Hines' prior investments. Sustainability is only one of many considerations that Hines takes into account when making investment decisions, and other considerations can, in some cases, be expected in certain circumstances to outweigh sustainability considerations. The information provided herein is intended solely to provide an indication of the sustainability initiatives and standards that Hines applies when seeking to evaluate and/or improve the sustainability characteristics of an asset as part of the larger goal of maximizing financial returns on investments. Accordingly, certain investments may exhibit characteristics that are inconsistent with the initiatives, standards, or metrics described herein. The decision to invest should take into account all of the characteristics of the Mandate as described in the Definitive Documents and not just ESG characteristics.

### Forward Looking Statements

This document contains projected results, forecasts, estimates, targets and other "forward-looking statements" concerning proposed and existing investment funds and other vehicles. Due to the numerous risks and uncertainties inherent in real estate investments, actual events or results, or the actual performance of any of the Mandates or investment vehicles described, may differ materially from those reflected or contemplated in such forward-looking statements. Accordingly, forward-looking statements cannot be viewed as statements of fact. The projections presented are illustrations of the types of results that could be achieved in the given circumstances if the assumptions underlying them are met. Prospective investors should not rely on such forward-looking statements in deciding whether to make an investment.

## Definitions

CRREM (Carbon Risk Real Estate Monitor) aims to provide the European commercial real estate industry with appropriate science-based carbon reduction pathways at building, portfolio and company level and with financial risk assessment tools to cost-effectively manage carbon mitigation strategies. CRREM resources are free to market participants; though companies are charged to refer to CRREM in reports and register their compliance with CRREM pathways officially.

Offered by the German Sustainable Building Council, DGNB is a holistic certification process by the German Green Building Council that measures environmental quality, economic quality, sociocultural and functional quality of new buildings, existing buildings, refurbishments and buildings in use. Hines pays to submit projects for certification.

The HQE certification is a voluntary process for construction, renovation and maintenance of all building types. It shows balance between respect of the environment (energy, carbon, water, waste, biodiversity, etc.), quality of life and economic performance through a comprehensive approach. Fees are based on the scale and scope of a project.

GRESB is a mission-driven and investorled organization that provides actionable and transparent Environmental, Social and Governance (ESG) data to financial markets. GRESB collects, validates, scores and benchmarks ESG data to provide business intelligence, engagement tools, and regulatory reporting solutions. Hines pays to participate in GRESB.

The Pension Real Estate Association (PREA) established the annual PREA Real Estate Investment ESG Awards to recognize PREA members at the forefront of ESG within real estate investing, and to provide the industry with examples of best practices in ESG. To be eligible for PREA Closed End ESG Award, the Mandate must be an closed-end real estate fund, the firm managing the Mandate must be a PREA member and the Mandate must participate in GRESB. Winner is selected based on the Mandate's GRESB score and an expert panel's subjective rating of the Mandate's ESG program.

Fitwel, developed by public health professionals, evaluates a project's certification documentation using a double-blind process. Two independent reviewers assess each project and then confirm a numerical score. Hines pays for a project to submit a project for certification.

BREEAM is the world's leading science-based suite of validation and certification systems for a sustainable built environment. It provides independent third-party certification of the assessment of the sustainability performance of individual buildings, communities and infrastructure projects. Participants pay for the certification process.

WiredScore is the global digital connectivity rating system, working with landlords to assess, improve, benchmark and promote their buildings. A WiredScore Certified building proves that it is of satisfactory levels of digital connectivity. To achieve WiredScore Certified status, a building must be digitally capable to meet the majority of tenants' technological demands.

Bureau Veritas (BV) is a French company that provides testing, inspection, and certification services globally.

LEED (Leadership in Energy and Environmental Design) is the most widely used green building rating system in the world. LEED is for all building types and all building phases including new construction, interior fit outs, operations and maintenance and core and shell. To earn LEED certification, a project team must demonstrate compliance with all mandatory prerequisites and select a number of optional credits to pursue. Hines pays registration and certification fees.

The AA1000 Series of Standards (AccountAbility 1000 Series), developed by AccountAbility and audited for Hines by IHS Markit, are principles-based standards used to help organizations become more accountable, responsible, and sustainable. They provide a framework for sustainability assurance and stakeholder engagement.

Published June 2025.

This report is a snapshot of the BVK Retail Mandate as of December 31, 2024. Unless otherwise noted, all data in this report is as of December 31, 2024.

For a comprehensive disclosure of INREV-compliant sustainability data, please email Daniel Chang: [daniel.chang@hines.com](mailto:daniel.chang@hines.com).

## Endnotes

- 1 All data in this report is as of December 31, 2024, unless otherwise noted.
- 2 For all assets where there is a relevant CRREM benchmark in place.
- 3 High risk is defined as estimated losses from climate risk exposure over hold period resulting in damages equivalent to >5% of asset value.



# About Hines

Hines has been a leader in real estate investment, development, and management for more than six decades. Founded by Gerald D. Hines in 1957, Hines is now one of the largest privately held real estate firms in the world, with a global presence and extensive experience across all property types and investment risk profiles.

Since our beginning, we have focused on creating and preserving value in the built environment through spaces that set industry standards for quality and efficiency, uplift cities and communities, and enable our tenants and other stakeholders to flourish. We believe prioritising value creation through sustainability leverages our vertical integration and broad expertise – and differentiates us as a company.

We use sustainability as a lens to support decision-making, goal-setting, and continuous improvement across our business lines. Our commitment to positive environmental and social impact inspires us to tackle pressing climate challenges through innovation and supports our company vision: to be the best real estate investor, partner, and manager in the world.

DEEP DIVE ↗  
Learn more about our firm-wide focus on sustainability

## Investment Management

**Simone Pozzato**  
Fund Manager  
Senior Managing Director  
+44 20 7292 1900  
simone.pozzato@hines.com

## Sustainability Europe

**Daniel Chang**  
Head of Sustainability Europe  
Managing Director  
+44 20 7292 1900  
daniel.chang@hines.com