

BVK Highstreet Retail Europe Immobilienfonds

2023 ESG REPORT

Hines





We are pleased to share our fourth annual ESG Review for the BVK Highstreet Retail Europe Immobilienfonds and the Liffey Valley Shopping Center, together referred to as the “BVK Retail Mandate” or “the Mandate.” In this report, we review our continued, proactive efforts to implement our ambitious ESG goals during 2023 and offer a glimpse of where we are heading in the years to come.

Over the course of 2023, stakeholders of the real estate industry have firmly transitioned from simply understanding the organisational and asset-level impact on climate change to executing granular climate change mitigation and decarbonization strategies. The challenging economic backdrop of 2023 and associated real estate market headwinds have only served to further highlight the value proposition of strong ESG performance at the asset level, with market evidence indicating that best-in-class ESG performance can strengthen value preservation during market downturns.

Hines’s commitment to wider community betterment goes hand-in-hand with our focus on minimizing adverse environmental impacts and carbon emissions of our assets. In 2023 the Mandate achieved various operational improvements towards decarbonization and continued to utilize best-in-class tools to refine our approach to decarbonization going forward. The BVK Retail Mandate is well-positioned to advance towards decarbonization, performing to average year-on-year reductions of 10% and 15% in landlord-controlled energy consumptions and carbon emissions, respectively, since 2020. Furthermore, in alignment with BVK’s own target of ensuring stranding of 10+ years across portfolio assets as defined by the Carbon Risk in Real Estate Monitor (CRREM), the BVK Retail Mandate has currently achieved an average portfolio stranding of 2035 with ongoing efforts to postpone this further.

Our cumulative asset-level improvements are also reflected in the Mandate’s

accreditations, with the Global Real Estate Sustainability Benchmark (GRESB) score increasing from 91 to 92 and again achieving 5 out of 5 stars. Additionally, the entire portfolio retained its full coverage of energy labels and green building certifications, demonstrative of the strong ESG credentials held by portfolio assets. The Mandate’s first Fitwel certification was achieved at the Royal Exchange, Manchester, signalling the robust social considerations implemented at the property for both occupiers and the surrounding community. Aside from reduction in consumption, we are actively exploring how to positively contribute to re-greening with the first biodiversity assessment completed for Liffey Valley, outlining how the site can enhance the natural and local ecology through future landscaping efforts.

Moving forward into 2024, the Mandate will be seeking to double-down on its focus on net zero carbon through the creation of decarbonization plans for

all assets and taking the initial steps towards decarbonization for all long-term hold assets. Furthermore, the Mandate will continue to advance its social impact efforts and seek to further its understanding of the ecological environments local to our assets.

While we are proud of these accomplishments, we are constantly exploring new ways in which the Mandate can continue to drive environmental and social sustainability. We hope you enjoy learning about our progress in 2023 and look forward to our common efforts moving forward.

Elena Vakali
Senior Managing Director,
Portfolio Management

Daniel Chang
Managing Director
Head of European ESG

1



BVK Retail Mandate Overview

2



ESG Strategy, Governance, and Priorities

3



Environmental Stewardship

4



Social Impact

5



About Hines Europe

BVK Retail Mandate Overview



Piazza Cordusio, Milan



BVK Retail Mandate Overview

Highstreet retail with an ESG focus

The BVK Retail Mandate is a German investment fund advised by Hines. The Mandate's investment strategy targets retail assets across Europe with reposition-to-core potential. Since our launch in 2015, the Mandate has acquired 12 assets and sold two.



Buchanan Street, Glasgow

BVK RETAIL MANDATE AT A GLANCE*

Fund Presence



Countries

- Denmark
- France
- Ireland
- Italy
- Spain
- United Kingdom

Cities

- Barcelona
- Copenhagen
- Dublin
- Glasgow
- Madrid
- Manchester
- Milan
- Paris

6

8

Total Assets Under Management

€1.99 B

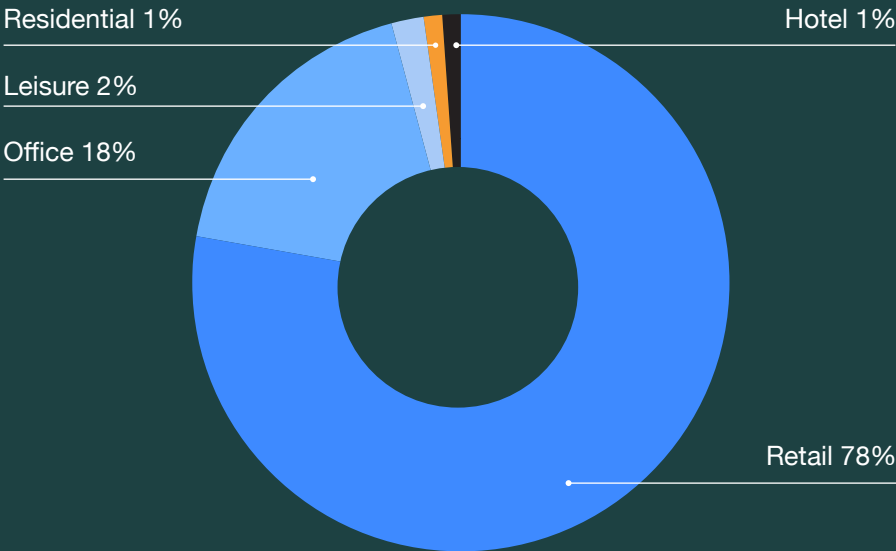
Number of Investments

10

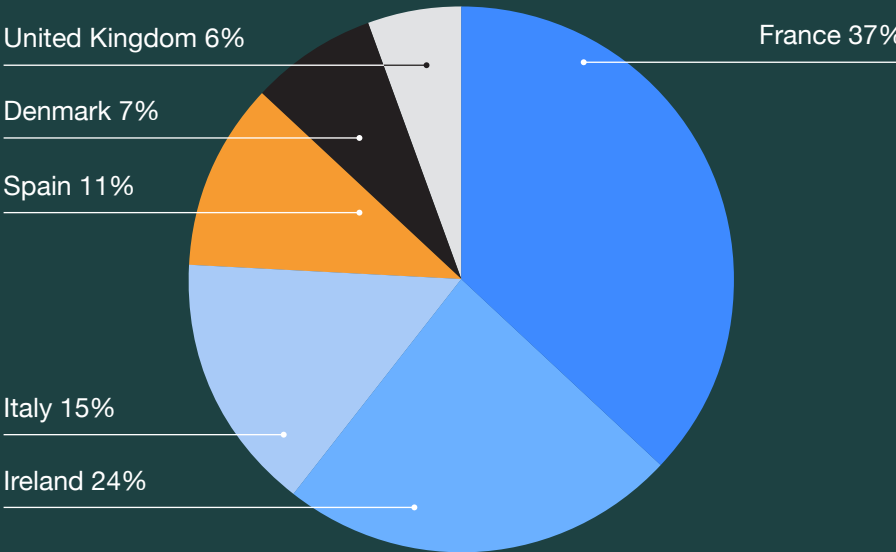
Occupancy**

97.4%

Allocation by Sector



Allocation by Country



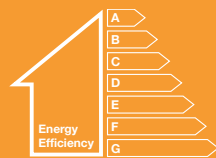
* As of December 31, 2023 ** Based on income



5 out of 5 green stars
in GRESB
and year-over-year
scores improvement



100%
EPC coverage



net zero
carbon
roadmaps for

50%

portfolio GAV



53%
electricity
covered by
renewables

First Fitwel
certification



100%

of the portfolio
has earned
green building
certifications

Average year-on-year
landlord controlled
GHG reduction

15%

Piloted Carrot, a waste
data digitisation platform
at Royal Exchange
Manchester

Carrot

Environmental data
coverage for

84%

of the portfolio

Portfolio average CRREM
stranding date¹

2035

ESG TIMELINE

2015

The BVK Retail Mandate launches.



2018

Via Cordusio obtains LEED Gold certification.

2021

BVK Retail Mandate participates in GRESB for the first time, achieving five out of five stars and Global Sector Leader recognition.

The Mandate's portfolio is benchmarked against the CRREM tool.

2023

BVK Retail Mandate improves GRESB score from 91 to 92 and places in the top quartile of Europe | Diversified – Office/Retail | Core | Tenant-Controlled peer group.

The Mandate procures net zero carbon roadmaps for Royal Exchange Manchester, Liffey Valley, Piazza Cordusio, and Preciados 13, totaling 49% of portfolio GAV.

The Mandate obtains first Fitwel certification at Royal Exchange Manchester and Fitwel pre-assessments at Liffey Valley and Cordusio.

The Mandate embarks on first waste data digitization initiative with Carrot waste monitoring at Royal Exchange Manchester.

The Mandate conducts first local ecology assessment carried out at Liffey Valley.



BVK Retail Mandate introduces Hines Green Office program for tenants.



The Mandate includes Green Leases in first lease signings.

The Mandate includes Service Level Requirements with ESG scope in property management agreements.

2017

Hines Europe develops an ESG strategy for BVK Retail Mandate, formalizing the ESG policy and supporting the environmental management system (EMS) framework.

The Mandate collects and starts monitoring utility data.

The Mandate introduces Hines Green Retail program for tenants.



The Mandate and its assets are onboarded to Siera, an ESG data-management program.

2020



100% of BVK Retail Mandate assets achieve green building certifications.

The Mandate participates in GRESB for a second year, again achieving five out five stars and placing 1st in peer group.

The Mandate creates enhanced ESG action plans for the portfolio, with emphasis on Liffey Valley, Cordusio, and Royal Exchange Manchester.

2022





CASE STUDY

Piazza Cordusio

Honoring the past, operating for the future

Location: Milan, Italy
Acquired: 2016

Situated between the Duomo and Sforzesco Castle in the heart of Milan, the 15,000-square-meter Piazza Cordusio exemplifies 19th-century Milanese architecture.

A 2018 refurbishment — completed by Hines Italy for the Mandate according to strong sustainability and energy efficiency standards while respecting the original architecture and materials — restored the building to its former grandeur and created flagship highstreet retail units on three lower floors and prime offices on the upper floors overlooking the public square and the city center.



Green Energy and Decarbonization

In 2023, the BVK Retail Mandate procured a net zero carbon roadmap for Piazza Cordusio and pursued a range of other initiatives to ensure this historic asset continues to reflect our ESG standards, now and in the future.


Over the coming years, the Mandate and Hines Italy will explore the suggested measures and seek to implement recommended improvements.

To decarbonize the asset’s energy supply, the asset team obtained permission from the local municipality to activate Piazza Cordusio’s on-site photovoltaic system, which will help reduce operational carbon intensity.


In 2023, approximately 70% of the building’s total electricity consumption came from renewable sources. With the addition of the on-site PV activation and continuous collaboration with tenants to encourage

CERTIFICATIONS
Targeting:


LEED
Good



WiredScore
Certified


WiredScore

Fitwel
Underway



further uptake of renewable electricity, we are striving to reach 100%.

Green lease clauses are in place for the office tenant, and we are seeking to roll this out further for all other tenants at appropriate lease events to facilitate and prioritize asset-level ESG improvements.

Smart Building Systems

Hines Italy has obtained a WiredScore certificate for Piazza Cordusio and are implementing a number of systems to future-proof connectivity and technical infrastructure at the asset. CODE Labs, a system that will deliver data analysis and building optimisation insights, will work hand-in-hand with Building Engine, a communication portal between the

Mandate’s tenants and the Hines property team. Together these systems will foster information exchange between Hines, our tenants, and property managers.

Health and Well-Being

Following results of a Fitwel gap analysis and action plan, Hines Italy implemented building health and well-being improvements such as healthier food options, anti-smoking incentives, and the use of bio-cleaning agents. These improvements will help facilitate a full Fitwel certification for Piazza Cordusio in 2024.

Tree Replanting

As part of the asset’s community and tenant engagement program, the local Hines team supported a tree replanting initiative to restore the urban landscape in the wake of summer storms in Milan. Our team contributed €10,000 to the municipality’s fundraising campaign to replant the approximately 5,000 fallen trees.



ESG Strategy and Priorities



2

The Mandate's ESG Strategy

Elevating sustainability in highstreet retail

Our ESG strategy is a central component of our investment strategy. We embed ESG considerations into our investment process and across the asset lifecycle to ensure our buildings meet present needs and remain resilient in the long term.

We believe effective ESG strategy and implementation bring value to our stakeholders and help competitively position our portfolio. We prioritize environmental and social issues that are relevant to our stakeholders as well as transparent reporting and accountability, and we annually review and update Sustainability Assessment and Action Plans (SAAPs) for each asset in our portfolio to more actively address our ESG targets and benchmark our progress.



Preciados 13 Madrid

ESG Alignment Across Our Firm

Revisiting Hines’ material areas and revising the global ESG framework

Like all Hines investment entities and funds, BVK Retail Mandate supports key ESG goals, objectives, and commitments. The Mandate’s investment strategy reflects Hines’ Responsible Investment Statement, which ensures we consider ESG issues across our investment decisions. We are also committed to implementing the United Nations Principles for Responsible Investment (UN PRI), as Hines is a UN PRI signatory.

At the end of 2023, Hines conducted a double materiality assessment to revisit and realign sustainability priorities and ensure the firm’s business, stakeholder, and market expectations are being met or exceeded. The Global ESG team is leveraging these results to refine Hines’ firm-wide sustainability strategy and build a new ESG framework that will guide sustainability efforts and priorities at Hines. We will be aligning the Mandate’s ESG strategy with the new framework in 2024.

Learn more about the materiality and framework updates at [Hines.com/ESG](https://www.hines.com/ESG).

Our ESG Policy and EMS

BVK Retail Mandate’s ESG policy and Environmental Management System (EMS) serve as the foundations for its ESG strategic framework. The Mandate’s EMS is encompassed by Hines Europe’s ISO 14001–aligned EMS framework and ensures all Mandate commitments, responsibilities, and objectives are clearly defined and communicated to internal and external stakeholders. These objectives are listed from page 16 onwards.

The EMS follows a Plan-Do-Check-Act approach to promote continuous improvement:

- **Plan:** Consider the materiality of ESG risks and opportunities over which we have influence and develop objectives to control, reduce, or improve performance of significant impacts.
- **Do:** Implement necessary resources, programs, and accountability to work toward achieving our ESG goals.
- **Check:** Put in place feedback mechanisms to review progress of the EMS, including qualitative and quantitative impacts.
- **Act:** Critically analyze and assess the impact of our operations, and progress against targets, to achieve continuous

improvement and guide decision-making.

In 2023, Bureau Veritas completed Hines Europe’s second EMS audit. The four-day, third-party audit conducted in our London and Luxembourg offices evaluated Hines Europe’s investment management approach to ESG strategy, objectives, and progress to ensure the region’s EMS, and all the Fund-specific EMSs encompassed by it, reflect best-in-class ESG systems and processes.



BVK Retail Mandate’s ESG Strategy and Implementation Framework outlines our approach to managing ESG factors and defines supporting activities of the EMS.

External ESG Frameworks, Alignment, and Achievements

The BVK Retail Mandate uses ESG governance frameworks and benchmarks to hold ourselves accountable, disclose objectives, report progress to our stakeholders, and evaluate improvement. The Mandate has submitted to GRESB for the past three years. We also align our reporting with the INREV ESG reporting and data analysis requirements, to provide transparency on energy, water, waste, and carbon performance compared to our peers.

While reporting is a key communication tool for the Mandate, we also communicate ESG targets and achievements to our stakeholders through tenant and investor meetings, outreach, and events.

SFDR Article 6 Designation

The European Union initiated the Sustainable Finance Disclosure Regulation (SFDR) to provide a consistent structure for how investment entities disclose sustainability information. This

transparency framework enables investors to be fully informed about the ESG characteristics and objectives related to their investments. The Mandate is designated as an Article 6 Fund under SFDR’s transparency framework.

Assessing Climate Risk, Aligning with TCFD

The BVK Retail Mandate team conducts climate risk assessments and carbon intensity analysis to examine the transition and physical risk exposure at all assets. We use the findings to shape strategy at the asset and portfolio levels, so we can address climate risk proactively and effectively across the portfolio.

We have also adopted the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, now part of the International Financial Reporting Standards, providing transparency around climate risks and how we manage them. We address TCFD’s four pillars – Governance, Strategy, Risk Management, and Metrics and Targets – and include all 11 disclosures within the annual INREV report for the Mandate.



17 Paseo de Gracia, Barcelona

LEADING WITH GRESB



GRESB is an independent organization that validates ESG company, fund, and asset performance data and provides peer benchmarking. The Mandate has been submitting to GRESB since 2021 for the 2020 reporting year. We use the GRESB framework to measure our ESG performance and provide our investors with transparent reporting on ESG-related risks and opportunities.

In 2023, the Mandate achieved five out of five stars with a score of 92 out of 100.

Participation and Score



Top quartile of peer group



Five out of five stars

2023 GRESB Awards



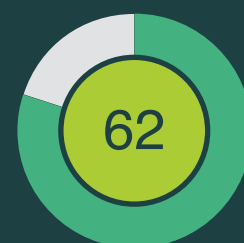
**GRESB Score/
Green Star**
(out of 77 peers)

GRESB average: 75
Peer average: 80



**Management Score
within Europe**
(out of 1,013 peers)

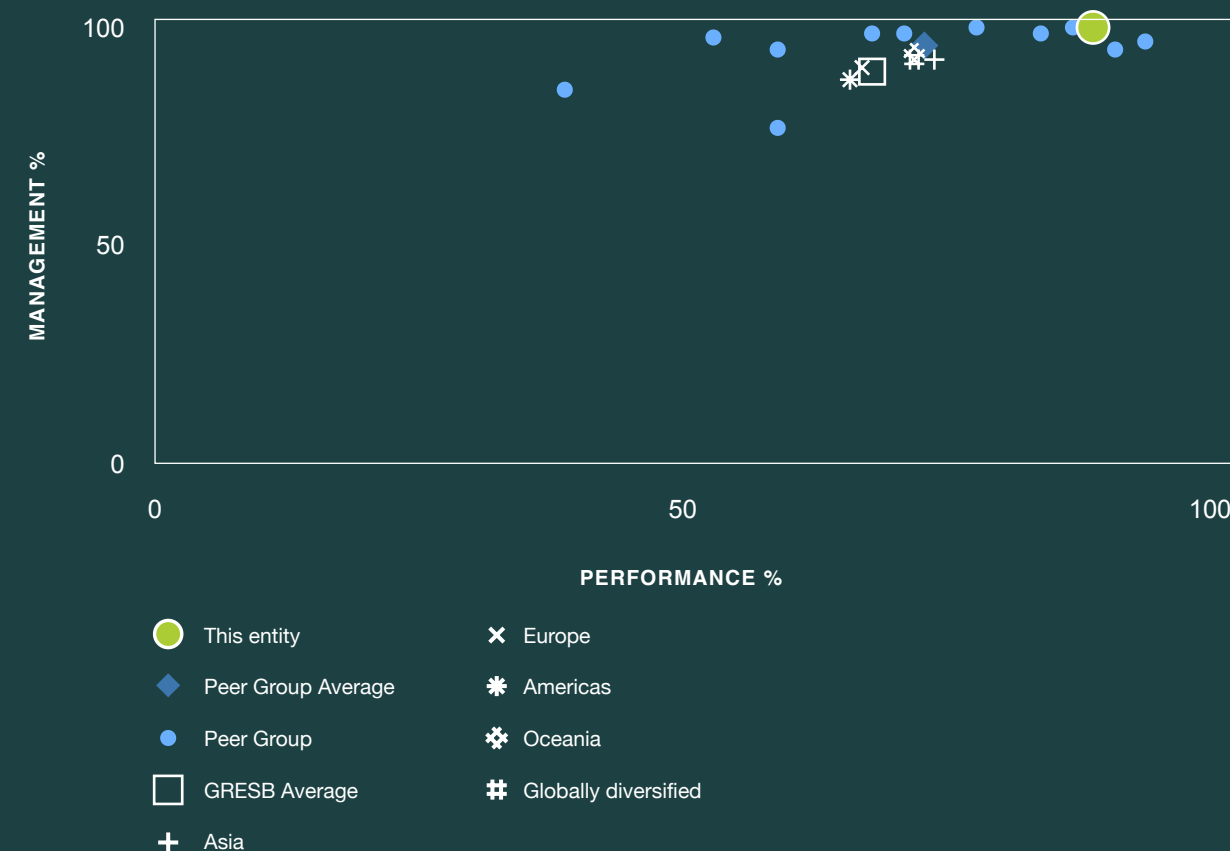
GRESB average: 27
Benchmark average: 28



**Performance
Score**
(out of 78 peers)

GRESB average: 48
Benchmark average: 51

GRESB Performance Against Peers





Aligned with The UN SDGs

Like our firm, BVK Retail Mandate supports the ambitious vision of the United Nations’ Sustainable Development Goals (SDGs). We prioritize SDGs that align with our investment and ESG strategies and join in the Hines corporate commitment to community benefit and positive impact.

<div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div><div></div></div>	<div><div>4</div><div>QUALITY EDUCATION</div><div></div></div>	<div><div>6</div><div>CLEAN WATER AND SANITATION</div><div></div></div>	<div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div><div></div></div>
<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div>	<div><div>9</div><div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div></div></div>	<div><div>10</div><div>REDUCED INEQUALITIES</div><div></div></div>	<div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div><div></div></div>
<div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div>	<div><div>13</div><div>CLIMATE ACTION</div><div></div></div>	<div><div>15</div><div>LIFE ON LAND</div><div></div></div>	<div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div><div></div></div>

2023 ESG OBJECTIVES AND TARGETS

Environmental

FOCUS AREA	2023 COMMITMENTS	2023 PROGRESS / OUTCOMES	2024 OBJECTIVES / TARGETS
<div>Environmental Performance</div> <div>SDGs: 6, 7, 12</div>	<p>Obtain and monitor utility data, including energy, water and waste, on a monthly basis.</p> <p>Continue to roll out smart meters across existing assets and new acquisitions to ensure data quality.</p> <p>Protect the environment, including through pollution prevention across BVK Retail Mandate direct business activities.</p>	<ul style="list-style-type: none">• 100% of landlord-managed utility data tracked• Automatic data capture technology rolled out at Royal Exchange Manchester and comprehensive plans put in place for Liffey Valley and Købmagergade• 84% data coverage achieved in GRESB contributing to 92-point score	<p>Obtain and monitor utility data, including energy, water and waste, on a monthly basis.</p> <p>Continue to roll out automatic data collection across existing assets and new acquisitions to ensure data quality.</p> <p>Protect the environment, including through pollution prevention across the Mandate’s direct business activities.</p> <p>Implement comprehensive BMS systems to monitor consumption.</p>
<div>Net Zero Carbon</div> <div>SDGs: 7, 11, 13</div>	<p>Continue to work towards the Fund-level commitment of net zero operational carbon emissions for scopes 1,2, and 3 by 2040, in line with CRREM methodology.</p> <p>Progress towards obtaining asset-level net zero carbon roadmaps for all assets not earmarked for disposition.</p>	<ul style="list-style-type: none">• Energy: landlord-controlled energy reduced by 1% on a like-for-like basis• Carbon: landlord-controlled GHG emissions reduced by 1% on a like-for-like basis• 49% of GAV covered by net zero carbon roadmaps	<p>Continue to work toward net zero operational carbon emissions for all 3 scopes by 2040.</p> <p>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).</p> <p>Implement decarbonization plans within all internally-managed cash flow models for assets.</p>
<div>Renewable Energy</div> <div>SDGs: 7, 11, 13</div>	<p>Maintain 100% renewable electricity, where procured by the landlord.</p> <p>Continue to review opportunities across the portfolio for the installation of on-site renewable electricity supplies.</p> <p>Make efforts to engage with tenants to have them convert to green tariffs for their leased spaces.</p>	<ul style="list-style-type: none">• 100% renewable energy for all landlord-procured electricity• Solar panel activation at Cordusio and 114 Champs Elysees• Engaged tenants across portfolio around converting to green tariffs	<p>Maintain 100% renewable electricity, where procured by the landlord.</p> <p>Make efforts to engage with tenants to have them convert to green tariffs for their leased spaces.</p> <p>Continue to review opportunities across the portfolio for the installation of on-site renewable energy.</p>

2023 ESG OBJECTIVES AND TARGETS

Environmental

FOCUS AREA	2023 COMMITMENTS	2023 PROGRESS / OUTCOMES	2024 OBJECTIVES / TARGETS
<div>Building Certifications</div> <div>SDGs: 9, 11, 12, 13</div>	Maintain 100% green building certificate coverage. Ensure that 100% of assets are covered by a valid EPC or European equivalent. Obtain the portfolio’s first health and wellbeing certificate.	<ul style="list-style-type: none">• 100% of portfolio held valid green building certificates• Fitwell certification obtained for Royal Exchange Manchester; pre-assessments obtained for Liffey Valley and Cordusio, with recommended improvements planned and/or executed• Valid EPCs (or equivalent energy ratings) held by all assets	Maintain and improve green building certificates for all assets with the aim of consistent, 100% portfolio coverage. Ensure 100% of assets have valid EPCs or equivalent energy ratings. Achieve green building certification (e.g. BREEAM or equivalent) on major refurbishment projects. Target ‘Very Good’ rating or equivalent. Target minimum EPC (Energy Performance Certificate) ‘B’ rating for major refurbishments and seek to gradually improve operational assets to this standard.
<div>Waste</div> <div>SDGs: 11, 12</div>	Maintain 100% diversion from landfill for landlord-managed waste. Engage tenants annually at assets, with a view to minimizing waste production and maximising recycling.	<ul style="list-style-type: none">• 100% diversion achieved• Fund successfully deployed first waste data digitization platform, Carrot, at REM	Maintain 100% diversion of waste from landfill for landlord-managed waste. Engage tenants annually at assets, with a view to minimizing waste production and maximising recycling. Seek to increase waste data digitization coverage. 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.
<div>Biodiversity</div> <div>SDGs: 11, 15</div>	Seek to improve understanding of ecology local to Mandate assets.	<ul style="list-style-type: none">• Obtained local ecology assessment at Liffey Valley to better understand baseline levels of local biodiversity	Explore opportunities to integrate plants and biophilic design elements. Consider ecological enhancement opportunities at refurbishment projects. Consider native planting and blue/green infrastructure features. Integrate ecological enhancement opportunities where appropriate, targeting a net gain in biodiversity.

Social

FOCUS AREA	2023 COMMITMENTS	2023 PROGRESS / OUTCOMES	2024 OBJECTIVES / TARGETS
Tenant Engagement SDGs: 3, 12, 17	Continue to share Sustainable Fit-Out Guide with tenants. Continue incorporate green lease clauses into tenancy agreements and create green lease clauses specific to asset classes. Continue to engage with tenants on ESG topics, the benefits of reducing consumption of finite resources, and HinesGO/HinesGR.	<ul style="list-style-type: none">• Further updates have been made to the green lease template, including sector-specific green lease clauses and more ambitious provisions• Utilized Firm’s new client engagement guidelines to best engage tenants in decarbonization efforts• Cordusio in process of implementing Building Engine communication portal between tenants and property management	Continue to share Sustainable Fit-Out Guide with tenants in advance of fit-outs. Continue to incorporate green lease clauses into tenancy agreements and engage with tenants on the benefits of reducing consumption of finite resources. Create green lease clauses specific to asset classes (residential, retail, etc.) Continue to increase tenant engagement on ESG topics, particularly through HinesGO and Hines GR programs. Survey tenants to gauge satisfaction with and interest in our ESG efforts. Promote health, safety, wellbeing and productivity amongst building users.
Employee Engagement SDGs: 4, 8	Continue to embed ESG objectives into performance reviews. Promote our people practices by adopting workplace policies that achieve greater equity, retention, and representation. Continue to deliver ESG-focused training. Continue to carry out workstation and / or workplace checks for all employees. Continue to coordinate the European ESG League meetings and activities to align best practices across the European platform.	<ul style="list-style-type: none">• Employee ESG objectives broadened from investment management functions to whole European platform• Diversity and Inclusion and Health and Wellbeing trainings were provided• Employees received multiple ESG training sessions, covering GRESB, ESG best practices, legislation and emerging topics as well as country-and function-specific trainings	Continue to embed ESG objectives into performance reviews. Promote our people practices by adopting workplace policies that achieve greater equity, retention, and representation. Continue to deliver ESG-focused training. Continue to carry out workstation and / or workplace checks for all employees. Continue to coordinate the European ESG League meetings and activities to align best practices across the European platform. Conduct employee engagement surveys.
Community Engagement SDGs: 4, 10, 17	Ensure all managed assets continue to complete and track ESG-related community engagement. Ensure that, wherever an asset is part of a Business Improvement District, BVK Retail Mandate supports the community initiatives. Ensure the BVK Retail Mandate team commits time to volunteering with charities as part of the Hines OurCommunity program.	Social impact efforts, detailed in full starting on page 30, include: <ul style="list-style-type: none">• Community engagement and eduction with Liffey Valley Life sessions.• Local charity and BID support in Manchester• Tree planting in Milan• Ukraine orphanage support in Copenhagen• BVK Retail Mandate team participation in soup kitchen hosted by Refugee Network International	Seek to partake in and track community engagement initiatives within the locality of all assets, where appropriate. Develop a community engagement plan appropriate to the project and report on initiatives undertaken throughout the lifecycle of projects. Consider opportunities to utilise local suppliers/contractors, employees, and engagement with voluntary, community or social enterprises. Act on feedback/concerns raised by stakeholders in decision making. Facilitate engagement by arranging community visits to project sites.

2023 ESG OBJECTIVES AND TARGETS

Governance

FOCUS AREA	2023 COMMITMENTS	2023 PROGRESS / OUTCOMES	2024 OBJECTIVES / TARGETS
ESG Disclosure / Benchmarking <i>SDGs: 8, 13, 17</i>	Continue to participate in GRESB to support benchmarking and communicate transparent ESG performance.	<ul style="list-style-type: none"> Completed third GRESB assessment and achieved five out of five stars. Improved score from 91 to 92 and placed in top quartile of peer group: Europe Diversified – Office/Retail Core Tenant Controlled ESG INREV Report completed to required INREV standards 	Continue to participate in the GRESB survey to support benchmarking and communicate transparent ESG performance.
Climate Risk and Resilience <i>SDG: 13</i>	Continue to progress towards alignment with TCFD recommendations. Continue to perform climate-risk assessments on all acquisitions and seek to further embed climate change adaptation and resilience related risks into wider risk-management strategies and acquisition processes.	<ul style="list-style-type: none"> TCFD-aligned disclosure in relation to 2023 performance published No new acquisitions for which climate risk assessments were required 	Look to transition to the IFRS S2 (Climate-related Disclosures) for future reports. Continue to perform climate-risk assessments on all new acquisitions, using Hines' new climate risk platform, Climate X, and seek to further embed climate change adaptation and resilience related risks into wider risk-management strategies and acquisition processes.
Acquisition Due Diligence	Continue to complete the Sustainability Acquisitions Due Diligence Checklist for all new acquisitions. Update the checklist template to further embed ESG considerations in line with industry best practices.	<ul style="list-style-type: none"> Sustainability Acquisition Due Diligence checklists not required due to no new acquisitions ESG Due Diligence Scoping Document updated to include more stringent ESG considerations 	Continue to leverage the ESG Due Diligence Scoping document and Sustainability Acquisition Due Diligence Checklists for all new acquisitions. Update the checklist to include more detailed ESG considerations, in line with industry best practices. Include NZC considerations in investment underwriting.
Asset-Level Plans	Continue to maintain Sustainability Assessment and Action Plans (SAAPs) for all assets to identify opportunities for improving ESG performance within asset business plans. Continue to incorporate opportunities for improving ESG performance within 100% of asset business plans. Incorporate a review of ESG opportunities within all major landlord refurbishments (e.g. shared mechanical, electrical and hydraulic systems).	<ul style="list-style-type: none"> SAAPs employed across entire Fund to aid identification and implementation of ESG opportunities at all assets 100% of landlord-controlled assets had asset-level ESG objectives established and incorporated into asset business plans, via the Mandate's SAAPs 	Continue to complete and update SAAPs for all assets to identify opportunities for improving ESG performance within asset business plans on an annual basis. Update SAAP template to include more detailed ESG considerations in line with industry best practices. Incorporate a review of ESG opportunities within all major landlord refurbishments (e.g. shared mechanical, electrical and hydraulic systems). Apply the new ESG Development Brief to any major refurbishments.

17 Paseo de Gracia, Barcelona



Environmental Stewardship

3

Environmental Performance

Addressing climate impacts and risks across our portfolio

The Mandate tracks and reports on environmental performance where it has operational control and are the landlord responsible for procuring utilities and/or waste management services. Where possible, the Mandate continues to use automatic meter reading (AMR) technology to improve data and monitoring capabilities at its assets, and are tracking and analyzing asset and portfolio data with Siera+, the Mandate's ESG data management platform.



2023 PERFORMANCE

Year-on-Year
Landlord-Controlled
Performance:
2020 to 2023

ENERGY CONSUMPTION (%)

-10%

average year-on-year energy
reductions since 2020

GREENHOUSE GAS EMISSIONS (%)

-15%

average year-on-year GHG
reductions since 2020

28 Madeleine, Paris



Upgrading Our ESG Management Platform

In 2023, the BVK Retail Mandate upgraded to the Siera+ ESG data management platform. This new resource gives relevant stakeholders within Hines – from local project teams to fund managers and ESG experts – the ability to update metrics about asset-level energy, water, waste, and carbon and analyze data within an easily digestible dashboard.

The upgrade has provided us more refined ESG data, analytics, and insights about the Mandate's portfolio and helping bring even more transparency to our ESG reporting for investors, INREV, and GRESB.



Targeting Carbon Emissions

The BVK Retail Mandate is committed to achieving net zero operational carbon emissions across Scopes 1, 2 and 3 by 2040, as required by the Hines firm-wide target.

Assessing Carbon Impact


The Mandate has been using the Carbon Risk in Real Estate Monitor (CRREM) tool to establish science-based carbon targets and create net zero carbon roadmaps for our existing assets, and to evaluate the portfolio against stranding.

We also procure net zero roadmaps for all potential acquisitions as part of our ESG and investment strategy. These roadmaps help us understand the costs of decarbonizing and ensure they have a path to net zero that aligns with the Mandate’s decarbonization targets set out on this page.

By the end of 2023, we had decarbonization roadmaps for four key assets – Liffey Valley, Royal Exchange Manchester, Piazza Cordusio, and

Preciados 13 – which make up 49% of portfolio GAV. We also began using the new Hines **Carbon Impact Assessment Tool**, powered by CRREM, to perform carbon audits in-house and assess the challenges, opportunities, and capital expenditures associated with achieving net zero carbon at our assets. Launched in 2023 and powered by CRREM, the Hines Carbon Impact Assessment Tool provides a standard, centralized way to collect and evaluate asset- and portfolio-wide operational data within the CRREM framework, including stranding analysis. We will leverage this new tool to run scenarios and test assumptions on Mandate assets moving forward, to gain an even clearer understanding of carbon risks and opportunities across our portfolio.

CONTINUOUS ANNUAL (Y-O-Y) REDUCTIONS IN ENERGY AND GHG					
	2020	2021	2022	2023	Y-o-Y Ave.
LL Energy	-12%	-16%	-12%	-1%	-10%
LL GHG	-16%	-24%	-18%	-1%	-15%



BVK Retail Mandate Cumulative Reduction Targets

- LL Energy -10% by 2025 (versus 2019)
- LL GHG -15% by 2025 (versus 2019)

The BVK Retail Mandate set like-for-like portfolio reduction targets of -15% for landlord-controlled (LL) greenhouse gas (GHG) emissions and -10% for LL energy consumption by 2025, against a 2019 baseline. We have achieved and surpassed those targets, and we continue to strive for improvement, as shown by the 1% reductions in LL energy and GHG emissions in 2023.



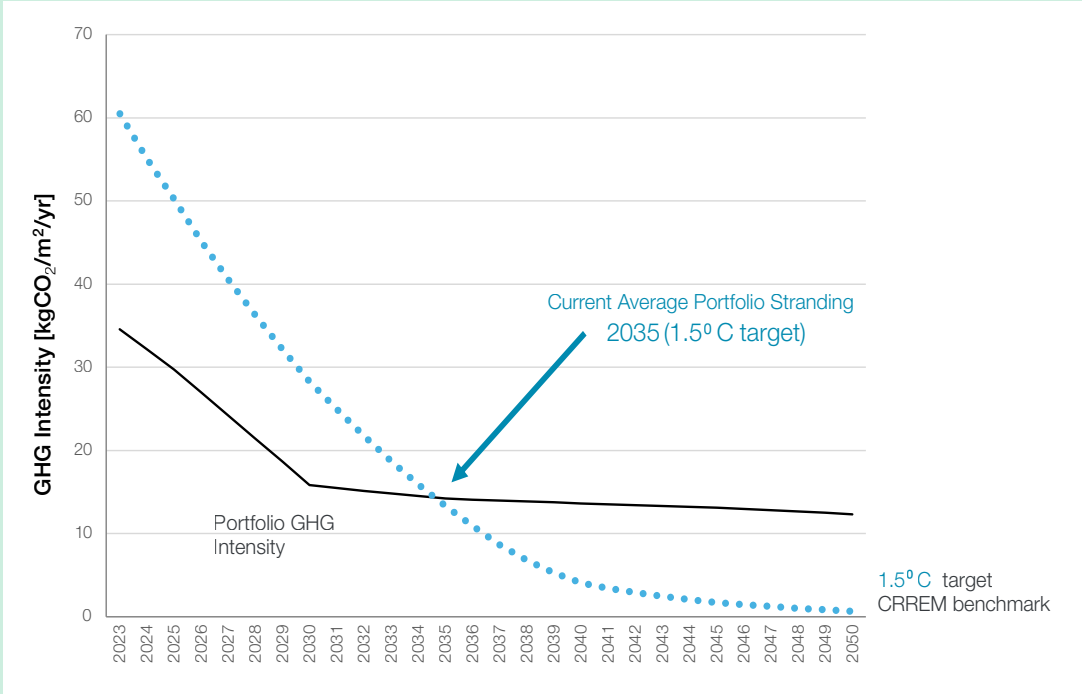
2023 HIGHLIGHT

BVK Retail Mandate Decarbonization Efforts Exemplified with CRREM

In January 2023, CRREM released an updated tool (V2), characterized by portfolios benefiting from lower grid emissions factors but also being measured against much stricter carbon and energy intensity pathways,

demonstrative of the overshooting against advised carbon budgets across sectors globally.

The BVK Retail Mandate has been evaluated against the updated analysis framework both in 2023 and 2024, and the stranding date has remained steady at 2035. This continued strong performance is a good result for the Mandate, as it additionally aligns with BVK’s own target of driving stranding to 10+ years across portfolio assets and we are looking to extend the portfolio stranding date further as we execute on asset-level decarbonization plans.



Considering ESG Factors Across the Asset Life Cycle

We assess and address ESG opportunities and risks across the Mandate portfolio and throughout each asset’s life cycle.

ESG Tools to Reach Our Targets

In 2023, Hines’ Global ESG experts released several resources to help teams assess ESG impacts – with a particular focus on carbon – from acquisition through development and operation, and in preparation for sale. The Mandate is leveraging these tools to assess the carbon impact of potential acquisitions, integrate ESG best practices into our project plans, develop new projects net zero, and understand the costs and impacts of decarbonizing existing operational assets.

Net Zero Planning and Underwriting

The Mandate procures net zero roadmaps for all potential acquisitions to understand the costs associated with decarbonization and ensure the investment has a path to net zero that aligns with our strategy and carbon goals. We are using the Hines **Net Zero Scoping Document** to help



ensure the third-party contractors creating roadmaps for our assets are implementing a consistent, best-practice approach to the work.

We are also leveraging the Hines **ESG Due Diligence Scoping Document** to help identify ESG-related risks and opportunities and procure consistent ESG due diligence reporting from third-party providers. This document defines crucial asset-level due diligence considerations – including electrification, energy-efficiency measures, on-site renewables, data collection, and building certifications – to ensure we assess and price ESG improvements as capital expenditures in

the business plans for operational assets, new developments, major refurbishments, and forward purchases.

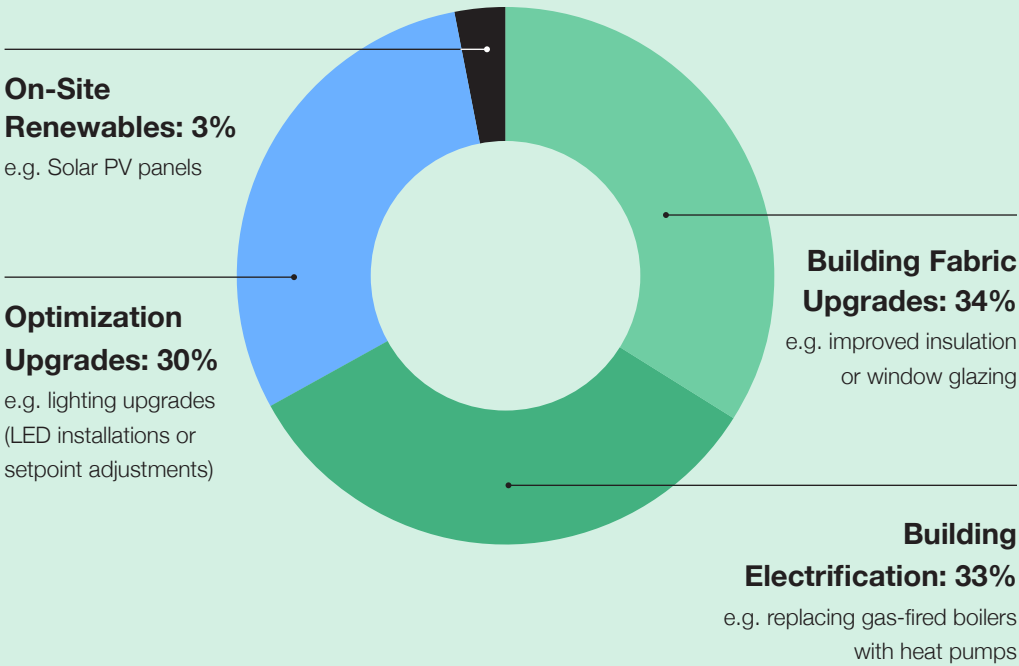
Net Zero Delivery and Operation

The Mandate is committed to ensuring that operational optimization is delivered before any CapEx is spent, and that we maintain operational standards once assets have been upgraded.

We are also utilizing the firm’s comprehensive new **Operational Carbon Reduction Guide** to address climate and transition risks, as well as to integrate decarbonization best practices into project plans.

ESTIMATED CAPEX SPENDING ON DECARBONIZATION INITIATIVES ACROSS THE BVK RETAIL MANDATE PORTFOLIO

Based on CRREM analyses, the CapEx improvements that will enable Royal Exchange Manchester, Preciados 13, and Piazza Cordusio (assets for which net zero audits are finalized) to meet the firm’s net zero operational carbon target break down as follows:



Decarbonization in Action

In 2023, Hines embarked on an exciting and collaborative project to bridge the gap between asset-level decarbonization plans and effectively decarbonizing our portfolio assets.

We had found that externally procured net zero carbon roadmaps did not offer enough guidance to fully support investment-grade decarbonization decision-making.

A working group was established to address the issue, leveraging Hines’ technical expertise:

- Corporate Operations & Engineering Services (COES)
- Conceptual Constructions Group (CCG)
- Environmental Strategies (ES)

After months of colaboration and piloting the newly created decarbonization execution approach at Hines pilot assets in Europe, the team created a process to maximize operational efficiencies, deploy decarbonization CapEx in a smart way and maintain operational standards after improvements have been made. This approach will become the Hines decarbonization standard in Europe and will include all the BVK Retail Mandate assets.



DECARBONIZATION PROCESS

TARGET SETTING
Aligning on portfolio wide goals and prioritizing assets for decarbonization

DATA COLLECTION
Simplified process with local team accountability and data accuracy

ASSET STRATEGIES
Vertically integrated, technically advanced strategies

PROJECT EXECUTION
Uniform scopes of work to ensure consistency across counties

HINES’ TECHNICAL EXPERTISE

CORPORATE OPERATIONS AND ENGINEERING SERVICES

CONCEPTUAL CONSTRUCTION GROUP

ENVIRONMENTAL STRATEGIES



PROJECT HIGHLIGHT

Piazza Cordusio and Royal Exchange Manchester

As part of our ESG action plans and new net zero carbon roadmaps for Piazza Cordusio and Royal Exchange Manchester, the Mandate has made a number of initial operational improvements to drive decarbonization.

Improvements at the Royal Exchange include:

- Installing LEDs
- Installing a heat pump for end of trip facilities

Improvements at Cordusio include:

- Activating solar PV
- Implementing green lease clauses
- Installing smart building optimisation technology



How Green Is District Energy?

Understanding how district energy impacts our carbon targets

A District Energy System (DES) offers centralized energy distribution for heating, cooling, and occasionally electricity across multiple buildings. A DES can achieve significant carbon reductions compared to on-site combustion of fuel oil or natural gas. However, given that a DES might still rely on fossil fuels and contested energy sources like

biomass, it could prove inconsistent with Hines’ net zero carbon targets.

To help asset managers and acquisition teams understand how DESs affect the carbon performance of buildings, Hines developed a **District Energy Guide**. The guide outlines a two-step process and decision matrix that acquisition teams can use during their technical assessment to evaluate a system’s carbon performance and compliance with net zero goals:

1. Identifying the carbon intensity of the fuel mix that currently powers the DES
 2. Identifying the provider’s and/or municipality’s carbon reduction plans for the DES
- These indicators provide a reasonable basis for assessing the carbon impacts of relying on district energy today and in the future.



PROJECT HIGHLIGHT

Assessing District Energy Systems

Leveraging the District Energy Guide at 28 Madeline and our Nordic Assets

Once net zero roadmaps are in hand for 28 Madeleine, the Købmagergade assets, Østergade 40, and Vimmelskaftet 36, the Mandate will use the District Energy Guide to understand the potential carbon impact of using DES networks at these assets.



Købmagergade 24, Copenhagen

This assessment will help us identify whether relying on local DESs would support and align with the Mandate’s net zero carbon ambitions.



28 Madeleine, Paris



CASE STUDY

Royal Exchange Manchester

Enhancing Operational Efficiency and Well-Being

Location: Manchester, UK
Acquired: 2016

Royal Exchange Manchester is a prime mixed-use asset in Manchester’s bustling city center. The iconic 264,000-square-foot building houses the Royal Exchange Theatre along with retail, leisure, and modern office space. The asset improved its operational, environmental, and wellness attributes while serving the community in various capacities throughout 2023.



Operational Improvements for Decarbonization

The BVK Retail Mandate procured a net zero carbon roadmap for the asset and, in collaboration with the local Hines team, began implementing initial operational improvements, including installing a heat pump for end-of-trip facility heating needs. The local Hines team instituted an LED installation program for landlord lighting supplies. We expect the payback period to be less than one year, and estimate we should save 16.8 tons of carbon per year.



CERTIFICATIONS

BREEAM
Good

BREEAM®

Fitwel
Certified

fitwel®

Health and Well-Being Certification

The BVK Retail Mandate commissioned a Fitwel gap analysis and action plan for Royal Exchange Manchester, which detailed building improvements that will facilitate visitor health and well-being.

After implementing these changes, including a defibrillator installation, healthier food options, and increased signage, Royal Exchange Manchester completed the Fitwel assessment process in 2023 and received a 1-star rating – the Mandate’s first Fitwel certification.



Waste Data Digitization

The BVK Retail Mandate in collaboration with the local Hines team is leveraging the Carrot platform at Royal Exchange Manchester for advanced waste monitoring capabilities and to digitize waste data. In 2023, we installed the requisite hardware in advance of training all local personnel and the platform is now live.

Carrot will provide the Mandate and Royal Exchange Manchester tenants with real-time data on waste disposal behaviors at the asset, including breakdown of waste disposal data by waste stream. This data will empower our asset team and tenants to make more sustainable waste disposal choices.

Carrot

2023 ASSET SNAPSHOTS

BVK Retail Mandate uses building certifications to help measure progress, support transparent reporting, and align with the Hines ESG Strategy.

Green Building Certificates

14

assets certified with 16 total certificates

Renewable Energy

We strive to utilize renewable electricity in both landlord controlled spaces and across the whole building, and to promote on-site renewable energy systems, when possible.

3



On-site renewable energy systems

7



assets with whole-building electricity consumption 100% on green tariffs

4

(100% of all landlord-procured supplies)
assets where landlord-controlled electricity is fully renewable



Købmagergade 22

Location: Copenhagen, Denmark
Asset type: High Street Retail & Office
Renewable electricity: Landlord, Tenant
Certifications: BREEAM Pass



Købmagergade 24

Location: Copenhagen, Denmark
Asset type: High Street Retail
Renewable electricity: Landlord, Tenant
Certifications: BREEAM Good



Købmagergade 26

Location: Copenhagen, Denmark
Asset type: High Street Retail & Office
Renewable electricity: Landlord, Tenant
Certifications: BREEAM Acceptable



Østergade 40

Location: Copenhagen, Denmark
Asset type: High Street Retail & Office
Renewable electricity: Landlord, Tenant
Certifications: BREEAM Pass



Vimmelskiftet 36

Location: Copenhagen, Denmark
Asset type: High Street Retail
Renewable electricity: Landlord, Tenant
Certifications: BREEAM Good



114 Champs Elysees

Location: Paris, France
Asset type: Mixed use: Retail & Office
On-site Renewables: Yes
Renewable electricity: Tenant (partial)
Certifications: BREEAM Good



2023 ASSET SNAPSHOTS



28 Madeleine
 Location: Paris, France
 Asset type: High Street Retail
 Certifications: BREEAM Good

BREEAM®



Marché Saint-Germain
 Location: Paris, France
 Asset type: High Street Retail
 Renewable electricity: Landlord, Tenant (partial)
 Certifications: BREEAM Good

BREEAM®



Liffey Valley
 Location: Dublin, Ireland
 Asset type: Shopping Center
 Renewable electricity: Landlord, Tenant (partial)
 Certifications: BREEAM Pass

BREEAM®



Piazza Cordusio
 Location: Milan, Italy
 Asset type: Mixed Use Retail/Office
 On-site Renewables: Yes
 Renewable electricity: Landlord, Tenant (partial)
 Certifications: LEED Gold, WiredScore Certified

  
 WiredScore



Paseo de Gracia 17
 Location: Barcelona, Spain
 Asset type: Mixed Use Retail/Office
 On-site Renewables: Yes
 Renewable electricity: Tenant (partial)
 Certifications: BREEAM Good

BREEAM® 



Preciados 13
 Location: Madrid, Spain
 Asset type: Retail/Hotel
 On-site Renewables: Yes
 Renewable electricity: Landlord, Tenant
 Certifications: BREEAM Good

BREEAM® 



229-249 Buchanan Street
 Location: Glasgow, Scotland
 Asset type: High Street Retail
 Renewable electricity: Landlord, Tenant
 Certifications: BREEAM Good

BREEAM® 



Royal Exchange Manchester
 Location: Manchester, UK
 Asset type: Mixed Use Retail/Office
 Renewable electricity: Landlord, Tenant (partial)
 Certifications: BREEAM Good, Fitwel

BREEAM® 

Supporting Health and Well-Being

BVK Retail Mandate is committed to optimizing buildings to support people’s health and well-being. In 2023, the Mandate received the results of Fitwel gap analyses and recommended action plans for three key landlord-controlled assets: Liffey Valley, Piazza Cordusio, and Royal Exchange Manchester. The analyses – which we are reviewing and integrating into asset-improvement plans – highlighted opportunities to elevate and improve the health and well-being of building users.



Social Impact



Marché Saint-Germain, Paris

4

Tenant Engagement

Providing exceptional experiences for the people in our buildings

BVK Retail Mandate aims to create great experiences in and around our assets. We forge strong partnerships with our tenants and curate offerings based on their specific needs and goals.

ESG has been part of BVK Retail Mandate's tenant engagement strategy from the beginning. We provide ESG support and guidance and help our tenants reach their ESG objectives and leverage firm- and region-wide ESG resources to bring sustainability to the forefront of our tenant partnerships.



ESG Collaboration

ESG is a key element of every BVK Retail Mandate tenant partnership. We are dedicated to providing ESG assistance and guidance to help the Mandate’s tenants reach their ESG aspirations while prioritizing Mandate and firm-wide goals, as well.



2023 HIGHLIGHT

Striving for Greener

To realize our Firm net zero carbon targets for Scope 3 emissions, which the Mandate is also subject to, we need to collaborate with our tenants on efforts to decarbonize their spaces. We are leveraging firm- and region-wide tools to bring carbon and other ESG topics into our conversations with tenants early and often.

Leveraging Green Lease Language

Because tenant emissions make up a large portion of Hines’ total emissions, green leasing language plays a critical part in our firm’s decarbonization strategy. The Mandate is using Hines Europe’s new **Green Lease Templates** to integrate ESG focused leasing language into our tenant agreements.

Updated in 2023, the new templates for commercial, student housing, and build-to-rent properties place more emphasis on energy efficiency improvements, data sharing, and on-site renewables.

They also include minimum and aspirational clauses to set a higher sustainability bar, provide a clear path for improvement, and support tenant ESG goals.

These updated templates facilitate greater collaboration between The Mandate and our tenants by encouraging:

- Data sharing
- Right of access and metering
- Renewable energy procurement
- Enabling works
- Certification
- Sustainability procurement

The templates also require tenants to designate a sustainability contact to work directly with our team on key ESG initiatives and provide a split-incentive clause to share savings related to ESG CapEx investments.

The templates also require tenants to designate a sustainability contact to work directly with our team on key ESG initiatives and provide a split-incentive clause to share savings related to ESG CapEx investments.

25% of BVK Retail Mandate Leases by Area Include a Green Lease Clause²

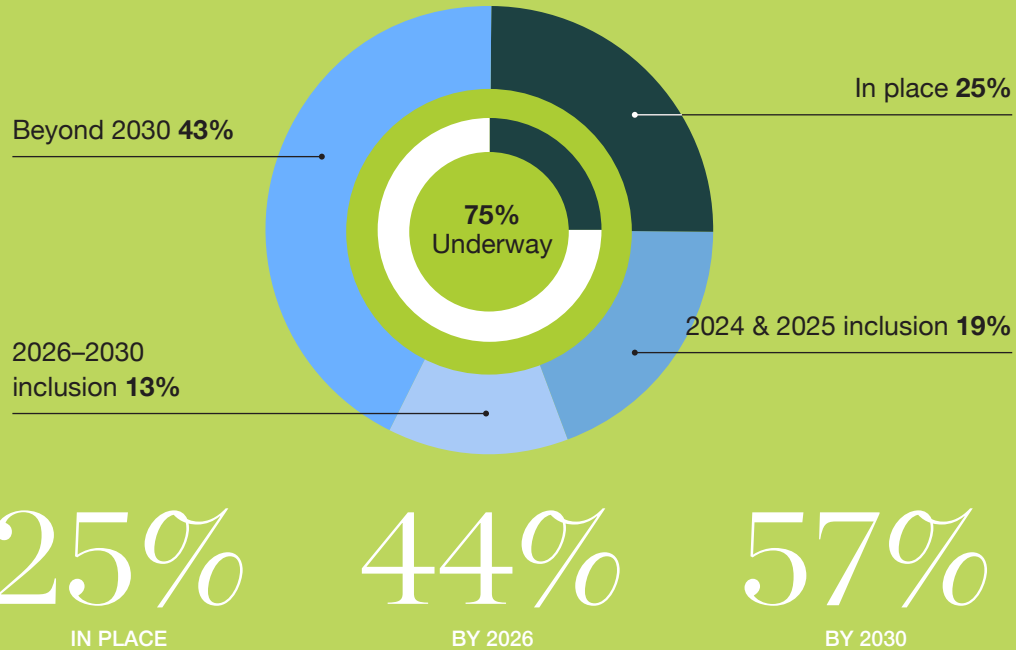
This figure represents all current leases including green lease clauses such as data provisions, access to the site, and prioritizing efficiency measures.

Of the 75% left:

- An additional 19% of the portfolio will have green leases by 2026
- A further 13% of the portfolio will have green leases by the end of 2030

- The final 43% will have green leases when current leases expire in/after 2030

During the hold period, we will use leasing events to promote green lease language and increase ESG engagement with tenants, with a portfolio-wide goal of 44% green lease coverage by 2026 and 57% by 2030.



Engaging Tenants in Decarbonization

The firm's new **Client Engagement for Decarbonization Guide** supports BVK Retail Mandate's green leases by helping our asset and building management teams understand our tenants' carbon ambitions early in the leasing relationship and keeping decarbonization top-of-mind throughout their lease.

Released in 2023, the guide shares best practices and lessons learned from Hines initiatives and properties across the globe and explains how to engage clients in a decarbonizing journey through:

- **Communication:** Fostering an ongoing conversation about decarbonization
- **Integration:** Including decarbonization in leasing documents, building rules and regulations, and fit-out guidelines



17 Paseo de Gracia, Barcelona

Realizing ESG Ambitions with HinesGO and HinesGR

The Mandate offers the Hines GREEN OFFICE (HinesGO) and Hines GREEN RETAIL (HinesGR) Programs to help our tenants prioritize ESG efforts in their spaces. These opt-in programs give tenants a framework for setting and reaching sustainability goals and include HinesGO or HinesGR guides to help tenants determine which policies and plans they want to implement, set benchmarks, and track their progress.

HinesGO
GREEN OFFICE

HinesGR
GREEN RETAIL



CASE STUDY

Liffey Valley Shopping Centre

Cultivating Community Connections and Positive Impact

Location: Dublin, Ireland
Acquired: 2016

BVK Retail Mandate and Hines Ireland serve as asset manager for Liffey Valley Shopping Centre, which has been one of Ireland’s top retail, leisure, and dining destinations for more than 25 years. We strive to be responsible community members by supporting charitable causes and sustainable practices that promote commuter connectivity, health and well-being, decarbonization, and urban ecology at the asset. We are also dedicated to creating positive social impact through customer connections, activations, and experiences at the property.



Improving Connectivity

As a key part of the center’s sustainable travel plan, the National Transport Authority (NTA) invested €15 million at Liffey Valley to allow for the city’s first BusConnects bus interchange facility on-site. Completed in 2023, along with extensive upgrades to the road network and bus lanes, the new bus plaza has already increased public transportation use by 50%.

CERTIFICATIONS

BREEAM
Pass

BREEAM

Fitwel
Underway

fitwel

Landscaping and Local Ecology

Landscaping played a lead role in the Mandate’s redevelopment of the Liffey Valley car park in 2022, and landscape maintenance continued to enhance the property’s overall image in 2023. Guided by the All Ireland Pollination Plan, the landscape design team selected plant species that provide optimal pollination opportunities for beetles, butterflies, bats, and bees. The plant palette includes a

diversity of native and non-native trees chosen to withstand the exposed site conditions.

The landscaping portion of the project involved planting:

- 500 trees
- 28,000 bulbs
- 75,000 perennials
- 2,500 shrubs



Supporting Community Groups

Liffey Valley is actively engaged in sponsoring and supporting local community groups. Partnerships with athletic and nonprofit organizations in 2023 included:

- Sponsorship of Round Towers Gaelic Athletic Association (GAA)
- Sponsorship of St. Kevin’s Community College GAA teams
- Support for Quarryvale Community & Youth Centre



Optimizing Health and Well-Being

BVK Retail Mandate took steps toward achieving Fitwel certification by commissioning a Fitwel gap analysis and action plan for Liffey Valley. The analysis highlighted opportunities for health and well-being improvements, which are being reviewed and integrated into the building.

Public Programming for Social Impact

Liffey Valley Shopping Centre stages year-round community programming. BVK Retail Mandate supported community upskilling with **Liffey Valley Life Sessions**, a series of live presentations held across three summer weekends in 2023. More than 1,150 attendees engaged with leading industry experts on a range of subjects, including nutrition and health, baby weaning and sleep training, and beauty

and skincare. Proceeds from the series benefited the Society of St. Vincent De Paul, a local charity battling poverty.

Santa’s arrival heralded the start of the Christmas season at Liffey Valley with entertainment, live music, magicians, and festive characters throughout the center. Little Blue Heroes Foundation, a partner that supports families of children with serious illnesses in Ireland, invited a local family to light the Christmas tree and be first in line to meet Santa.



Community Engagement

Supporting the people and places around our assets

BVK Retail Mandate actively supports community. The Mandate aids local charities, our team members participate in fundraising events in our asset communities, and we assist people and places in crisis around the world.



Liffey Valley, Dublin

Forging Community Partnerships

BVK Retail Mandate actively contributes to local improvement initiatives by forming relationships with Business Improvement Districts (BIDs) and other organizations that promote community vitality in our asset communities.

Cultural Enrichment

Hines Nordics contributes to the Københavns City Centre (KCC) BID (Købmagergade Portfolio), which focuses on making central Copenhagen a lively place, providing frameworks for running businesses and creating cultural experiences. Representing



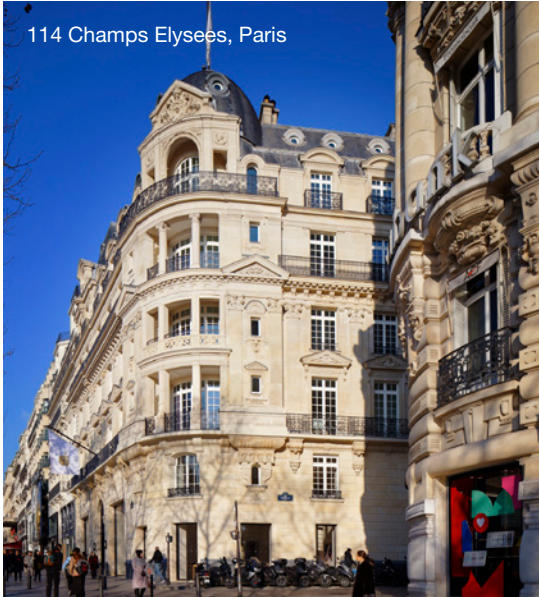
more than 250 members, KCC works to develop neighborhoods and the overall experience so that the city continues to function as a cultural hub attractive to customers, businesses, and residents.

Revitalizing Communities

Hines is a member of the Comité Champs-Élysées, a nonprofit association created in 1916 to promote and develop the storied Paris avenue and district. The committee has since organized and sponsored numerous events, from annual Christmas illuminations to exhibitions and other leisure events, benefiting Parisians and visitors alike.

In 2018, the Comité began lobbying the City of Paris to reinvigorate the avenue and area, especially in light of the recent spate of crises such as the yellow vest strikes and the COVID-19 pandemic. In January 2021, the city officially took on the challenge, giving the green light to a €250 million makeover of the Champs-Élysées to turn the 1.9-km stretch of central Paris into “an extraordinary garden.”

The avenue’s renovation will mark one of the flagship urban projects of this decade. In 2023, the Comité made strong strides toward this initiative by planting more than 130 trees.



Supporting Community Resilience

The Manchester City Centre BID, promotes the city center as a place to visit, work, and play while building the business community’s resiliency. The BVK Retail Mandate team at Royal Exchange Manchester has a close relationship with the BID’s management organization, CityCo, and allows the group to use vacant office space and host local events at the asset. In 2023, our team also offered a free period of occupation to Rekindle, a local charity focused on supporting children in need, and partnered with the city council to use one unit for staging the local Christmas Parade event.



2023 HIGHLIGHT

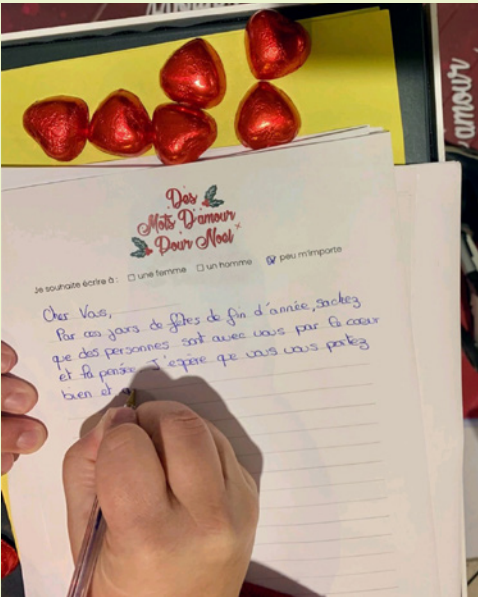
Season of Giving

In 2023, the Mandate supported holiday fundraisers to benefit those in need within and beyond the borders of our asset communities. Our teams at Copenhagen’s Købmagergade 22, 24, and 26 and Paris’ Marché Saint-Germain engaged with their tenants and communities by hosting Christmas charity events.

Hines Nordics: maintains close contact with Copenhagen’s Ukrainian community, who provide insight into the war’s impact on the local population and guidance on how we and our tenants can best help. The team served glogg and other festive treats at Købmagergade to encourage donations of gifts, warm clothing, and a generator for a nursery and an orphanage in Ukraine, and also held pop-up art galleries to benefit frontline doctors and paramedics. This successful collection and fundraising effort

allowed us to connect with our tenants around a common cause close to our hearts.

Hines France: During the month of December, the association “1 lettre 1 sourire” installed a stand at the asset and shoppers were invited to write a letter for isolated people to offer them some joy during Christmas time. 350 letters were sent.



About Hines Europe



5

Our Region and Governance Structure

Prioritizing ESG across our portfolio

Hines has been actively investing in, developing, and acquiring real estate in Europe for more than 30 years. Headquartered in London, Hines Europe has 17 offices across the continent and includes a full portfolio of prominent office, retail, industrial, and residential properties.

The Hines Europe ESG Team drives a comprehensive ESG agenda across our firm’s European platform. We coordinate regional carbon reduction standards and initiatives, define social programs that foster meaningful engagement with our stakeholders, and implement transparent and accountable governance frameworks across the portfolio.



Grainhouse, London

Hines’ European Head of ESG sits on the firm’s ESG Advisory Committee, which was formed in 2023 to further embed sustainability into Hines business lines and help implement and activate key sustainability initiatives.



2023 HIGHLIGHT

Hines’ New European Headquarters Has ESG at its Heart

In September 2023, Hines Europe celebrated the opening of our new, world class headquarters at Grainhouse. A three-year restoration and refurbishment project transformed this Hines European Value Fund 2 (HEVF 2) acquisition into a prime office and retail asset in the heart of London’s Covent Garden – and three floors of the building are now occupied by Hines.

The HEVF 2 project team took a comprehensive approach to transforming the 91,000-square-foot former Victorian grain warehouse into a sophisticated workplace. The team considered environmental and social sustainability at every step – from acquisition, design, and development to day-to-day management and operations – and continues to work with the building’s tenants to prioritize ESG goals.



CERTIFICATIONS

Our targeted certifications for Grainhouse reflect the industry’s highest green building standards

BREEAM
New Construction Excellent



WELL
Core Platinum (CAT A & CAT B;
WELL Platinum certification
obtained upon occupation)



WiredScore
Platinum



Europe ESG League

The Hines Europe ESG League is made up of regional representatives and includes a mix of roles covering Hines’ main business functions: investment, development, and management.

In 2023, the Europe ESG League hosted ESG calls every six weeks with individuals from country teams, investment management teams, and central functions to discuss global and country-specific topics including:

- data management
- climate and insurance risk
- new ESG tools and resources
- Hines’ carbon strategy

Local initiatives featured prominently – for example Hines Italy’s RFP for ESG consultants to help establish a country-level

40+
participants across country teams
and central functions

ESG strategy, and Hines Germany’s power purchase agreement progress – as did broader, regional discussions, such as the European EMS ISO-certification process.

The European ESG League also meets once a year in person for two days of ESG-focused discussion on strategic ESG initiatives, current best practices, and Hines case studies. The meeting also includes site visits to lighthouse ESG projects.



The Hines Europe team gathers for an offsite at aer in Munich.



Country-level ESG Committees and Task Forces

In 2023, Hines country-level offices across Europe created ESG committees to focus even more deeply on local ESG initiatives. Committee members are from a variety of job families within Hines, leveraging diverse ESG knowledge and perspectives to better understand and drive sustainability initiatives in local markets.

Based on a model initiated by Hines Germany, Hines France formed a local ESG committee with an ESG coordinator and representatives from acquisition, development, construction, asset and property management, and marketing and communications. Hines Italy, Nordics, Spain, UK, and Greece are forming local ESG teams as well.

Helix, Hines’ property management company throughout the UK, also established an ESG task force of representatives from property, facilities, and on-site building management to promote collaboration and bring greater consistency to ESG efforts across the property portfolio.



2023 HIGHLIGHT

European ESG Roadshow

The European ESG Team met with country teams throughout the region to provide ESG training, conduct an ESG portfolio and asset-level performance review, and visit select assets. The in-person meetings gave the ESG team a better understanding of each country’s unique achievements and challenges, and participants a chance to discuss their forward focus, including key ESG benchmarks, progress areas, and future plans.

These tailored, country-level ESG sessions increased connectivity between the Europe ESG team and country teams and helped to clarify each country’s ESG focus and next steps. Since the roadshow, regular calls with country teams every six weeks have helped the Europe ESG team to stay informed and follow up on progress.



Top: An ESG site visit with the Milan team. Bottom: An ESG training session with the Nordic team.

ESG Offsite at aer in Munich

Hines colleagues from across Europe gathered in Munich in June for a two-day ESG offsite event. The meetup aimed to drive further connection and collaboration across our teams, share new resources and insights to accelerate our ESG work, and experience the ambitious and authentic aer and shaere projects.

The offsite gave us a chance to hear from Hines’ in-house experts on carbon, engineering, capital markets, asset management, development management, and innovation about tangible ways they are advancing ESG in their own areas of work. The event also included visits to LOVT and Tucherpark, two inspiring projects with high ESG aspirations.

Following the success in Munich, and the ESG offsite in Barcelona in 2022, Hines Europe plans to host ESG offsites annually.

40+

attendees



Hines colleagues learn about the shaere community engagement project.



In conjunction with the ESG offsite – and in line with our firm’s commitment to enriching community – Hines Europe made a donation to Mia Akademie, a Munich-based organization that provides training and support to help adolescents and young adults with intellectual disabilities gain a foothold in the labor market



Integrating Climate Risk into Asset Value with C Change

Hines is a founding sponsor of and active participant in C Change, an Urban Land Institute (ULI) program to fast-track decarbonization and address climate risk by integrating it into asset value.

C Change leverages industry collaboration and data sharing to:


- Discover and define best practices for assessing and evaluating climate risk over the lifespan of an investment
- Create a standardized way to link ESG performance with financial valuations

In June of 2023, C Change released initial guidelines for 12 transition risks, eight of which can be quantified into a discounted cash flow, along with advice for systematically integrating decarbonization into cash flow models.

Hines' European ESG team tested the guidelines at Hines European Core Fund (HECF) asset Noortse Bosch by integrating them into our standard cash flow model to understand the payback period of net zero carbon capital expenditures in the

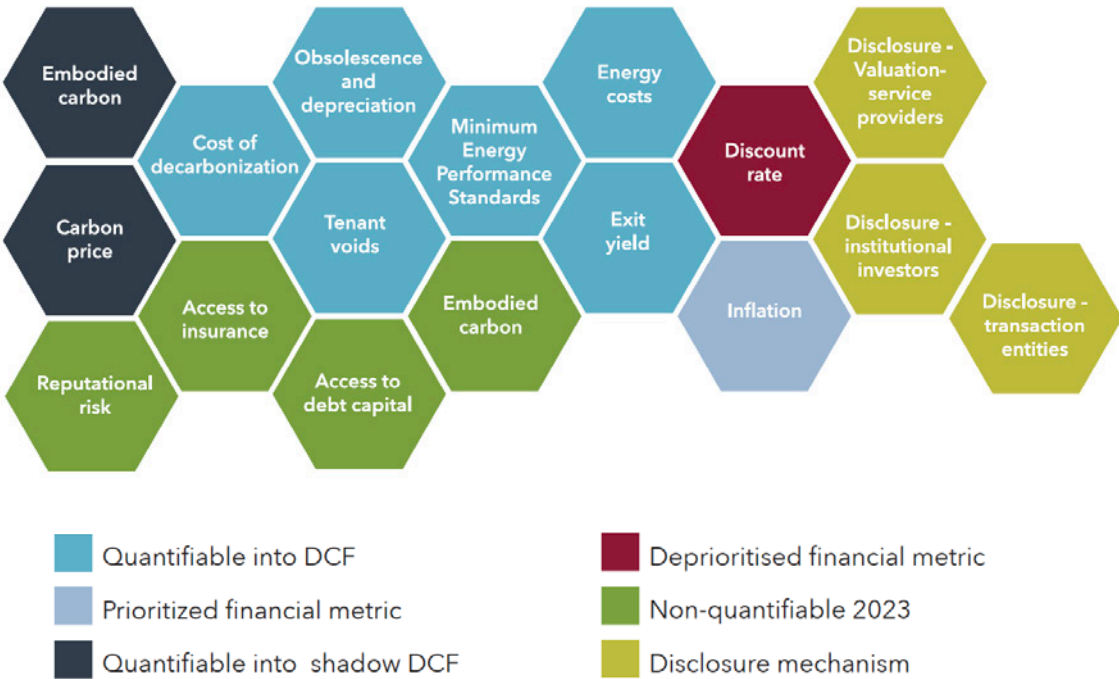
context of real asset-level financial models. We evaluated the costs associated with installing solar panels, decarbonizing heating, and driving energy efficiencies at the asset against potential energy savings, operational carbon pricing, leasing impacts, and a premium or discount at exit, and provided feedback to C Change.

We believe in C Change's potential to ripple across global markets, supporting asset-level decarbonization plans that help future-proof the built environment and positively impact people and communities.



Hines' Head of Europe ESG, Daniel Chang, sits on the C Change steering committee, is on the board of the ULI Randall Lewis Centre for Sustainability, and was appointed co-chair of the ULI European Sustainability Council in 2023. He presented the initial findings of our test at the C Change Summit held in Copenhagen.

C CHANGE TRANSITION RISKS AND CASH FLOW NET ZERO CARBON CONSIDERATIONS



Noortse Bosch, Amsterdam

Supporting Our Employees

Investing in our most important asset

Hines operates as a global team on a local scale. Our firm strives to provide a consistent, positive experience for employees around the world while supporting the regional and cultural flexibility unique to each Hines office.

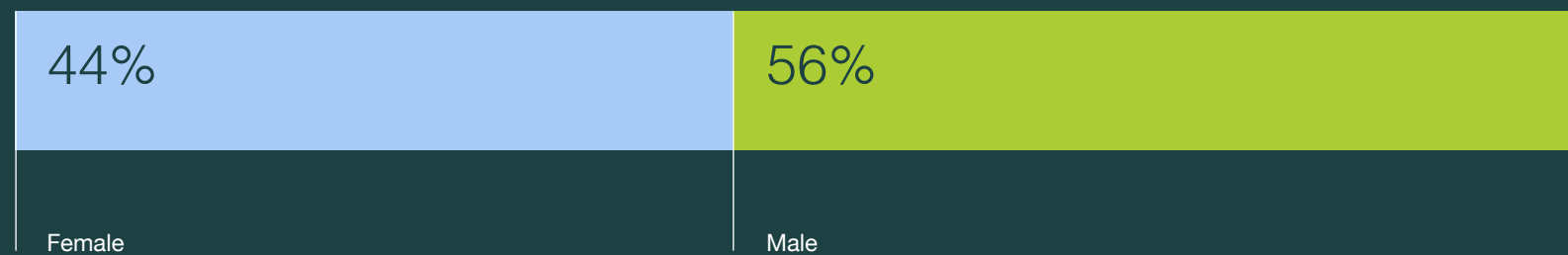
Like all Hines employees, the Europe team enjoys excellent health and wellness benefits, opportunities for learning and career growth, and initiatives that foster well-being and belonging. Our team participates in firm-wide employee satisfaction surveys every three years (and more frequent “pulse” surveys around timely issues) and has access to EthicsPoint to confidentially raise issues of concern.



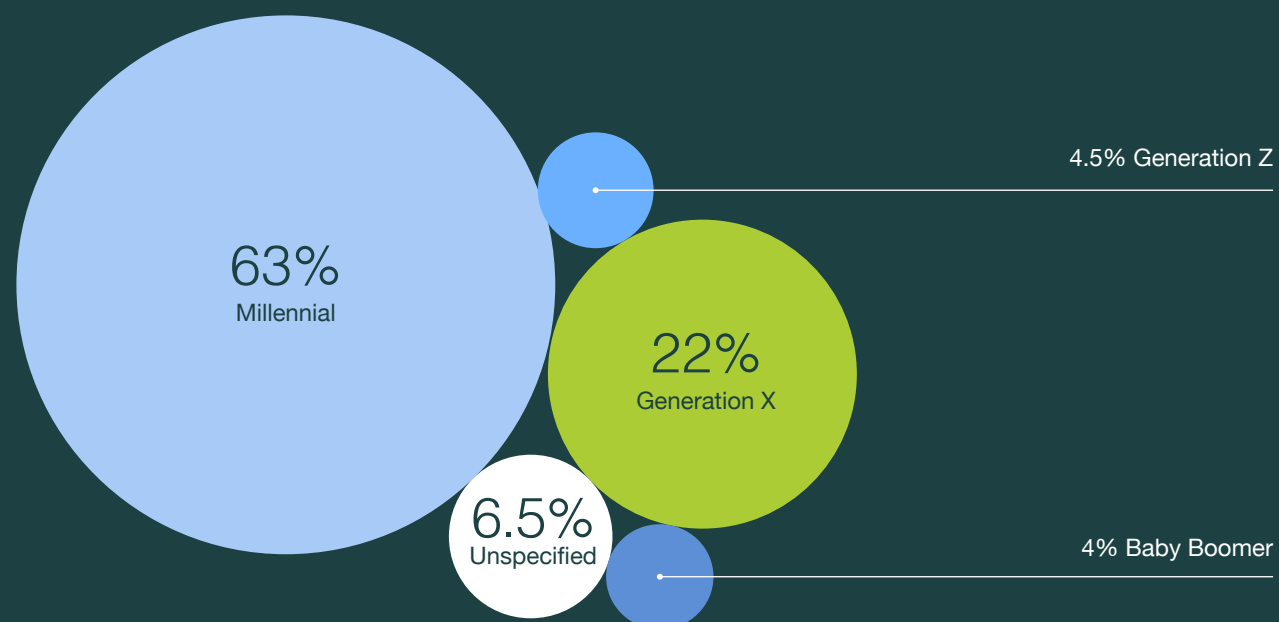
Site visit during the ESG League off-site in Munich

HINES EUROPE*

Gender Diversity



Generational Diversity



Employees

804

Employees by Country



ESG Upskilling and Training

All Hines employees participate in ESG training to better understand and support the firm’s Global ESG Strategy and integrate it into their daily roles. Hines Europe employees also receive trainings on region-specific ESG initiatives, and investment management employees in Europe have specific ESG targets tied into their annual objectives and reflected in performance reviews.

Upskilling on ESG, Decarbonization, and GRESB Reporting

In 2023, the firm launched two new training programs: ESG 101 and Carbon 101. These modules were designed to educate employees about Hines’ Global ESG and Carbon strategies and associated reporting requirements.

Hines Europe also created an online ESG trainingfor new employees as part of the European Onboarding Program.

Hines Europe employees who support our participating funds received two GRESB-specific trainings in 2023, as well. These dug into each fund’s GRESB scope and

performance, scoring breakdown and points potential, conclusions, and key steps and action plans to prioritize ESG and improve the score moving forward.

Employees participate in the Hines Europe ESG Offsite in Munich.



Diversity, Equity, and Inclusion Training

Hines Europe’s Diversity, Equity, and Inclusion (DEI) education builds on firm-wide training and initiatives to foster inclusion and belonging.

Our 2023 training topics included:

- Conscious Inclusion
- The Role of DEI in People Management
- Diversity Talks: Anti-Racism & Anti-Sexism in the Workplace
- Having Challenging Conversations
- Strength in Solidarity: How to Become an LGBTQ+ Ally
- Innovation through Inclusion
- Understanding Allyship
- Global Collaboration

Hines Europe employees participated in

1,355

total hours of DEI training

Investing in Community

Giving back to people and places

Hines Europe is committed to enriching the communities around our assets. In addition to firm-wide philanthropy and volunteering, we support regional and local charities and participate in awareness-raising events for communities in need.



Hines Europe, Hines UK and Helix join together for the annual JLL Property Triathlon.

Employee Volunteering

In 2023, our country teams partnered with various nonprofit organizations, joined in wide-reaching initiatives, and volunteered their time to benefit the people and communities surrounding our assets. The following examples showcase just a few of their inspiring initiatives.

Hines UK donated office furniture to Business2Schools, which redirects used office furniture and technology to state schools across the UK. The team sold additional furniture, raising £2,500 for The Marylebone Project, a life-changing service for homeless women and the largest and longest-running center of its kind in the UK.

Separately, 29 members of the Hines Europe, UK, and Helix teams proved their mettle in the JLL Property Triathlon in Windsor, raising funds for the World Wildlife Fund (WWF).

Hines France collected and donated 153 kg of professional clothing for La Cravate Solidaire, a network of associations that fight against discrimination in hiring practices.

Hines Spain and tenants turned off their lights for an hour on Earth Day as part of a

global environmental awareness initiative to act decisively against climate change.

Hines Ireland partnered with Team Hope, an interdenominational Christian development aid charity working with children and families experiencing poverty in Eastern Europe, the former Soviet Union, and Africa. Our team of employees packaged gifts for the organization’s annual Christmas Shoebox Appeal, which delivers what are often the only holiday gifts these children will receive.

Hines Nordics engaged tenants to gather Christmas gifts and warm clothing for children and nurses impacted by the Russian-Ukrainian war, building on the team’s work in 2022 to provide apartments for Ukrainian refugees in Copenhagen. In parallel, Hines Nordics hosted two pop-up galleries by Ukrainian art project “Vejen til hjertet via kunsten” (Art for Heart) at Købmagergade and Portland Towers. Tenants purchased the art at a fundraising event, with all proceeds given to nurses in Ukraine.



An HECF Nordics event at Mariendalsvej raises donations for a Ukrainian orphanage.



Top right: HECF Spain team collects new clothes for donation. Bottom right: The HECF Werfthaus team hosts an educational workshop for children to learn about the importance of bees.



2023 HIGHLIGHT

Hines Europe Colleagues Support London Soup Kitchen

Employees from Hines investment funds BVK Retail Mandate, HECF, HEPP, and the HEREP fund series, including HEVF 2, volunteered at a Refugee Network International soup kitchen near London’s Charing Cross. Our colleagues also donated tents, rucksacks, sleeping bags, clothes, and toiletries to those coming to the soup kitchen.

Together, the team of 22 Hines Europe volunteers:

- Contributed provisions for about 90 service users
- Served approximately 85 meals on site
- Served 30 meals and hot drinks as part of the street outreach



Hines Europe Employees volunteering with Refugee Network at the International Soup Kitchen.

Social Enterprise UK

Hines UK is an active member of Social Enterprise UK (SEUK), the largest network of social enterprises in the UK. SEUK members represent the major players in the UK social enterprise movement, from multi-million-pound public service providers to community organizations and retail businesses. Its purpose is to promote and share its values and get social enterprises on the radars of decision-makers across all sectors. Hines UK also participates in SEUK’s Buy Social Corporate Challenge – the world’s largest commitment to social procurement – and strives to work with suppliers that have a positive social or environmental impact.



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

There can be no assurance that Hines' ESG policies and procedures as described herein will continue. It should not be assumed that any sustainability initiatives, standards, or metrics described herein will apply to each asset in which the Fund invests or that they have applied to Hines' prior investments. 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. Any ESG-related statements, initiatives and goals with respect to the Fund's investment strategy, portfolio and investments are aspirational and not guarantees or promises that all or any such initiatives and goals will be achieved, other than as set out in any applicable regulatory disclosures, including those made pursuant to Regulation (EU) 2019/2088. Any ESG measures, targets, programs, commitments, incentives, initiatives, or benefits referenced are not promoted to investors and do not bind any investment decisions or the management or stewardship of the Fund for the purpose of Regulation (EU) 2019/2088 unless otherwise specified in the relevant fund documentation or regulatory disclosures.

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.

Endnotes

- 1 The year until which the average portfolio GHG intensity is below an estimated average portfolio GHG intensity target required to contribute towards limiting global temperature increases to 1.5°C above pre-industrial levels.
- 2 Actual results in relation to green lease implementation may differ materially from the forecasted results.

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.

The Nordic Swan Ecolabel was established in 1989 by the Nordic Council of Ministers as a voluntary ecolabelling scheme for the Nordic countries Denmark, Finland, Iceland, Norway and Sweden. The Mandate pays to submit for Ecolabel certification.

The Royal Institute of British Architects ("RIBA") provides climate targets for operation energy, embodied carbon and potable water for us

Published June 2024.

This report is a snapshot of the BVK Retail Mandate as of December 31, 2023. Unless otherwise noted, all data in this report is as of December 31, 2023.

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

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.

We strive to create and preserve 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. ESG is central to Hines’ business strategy. We believe prioritizing ESG factors leverages our vertical integration and broad expertise – and differentiates us as a company.

Hines uses an ESG lens to support decision-making, goal-setting, and continuous improvement across the firm. Our commitment to sustainability inspires us to tackle pressing climate and industry challenges through innovation and supports our company vision: to be the best real estate investor, partner, and manager in the world.

To learn more about our firm-wide focus on ESG, visit hines.com/esg.



Investment Management

Alex Knapp
Chief Investment Officer – Europe
Senior Managing Director
+44 20 7292 1900
alex.knapp@hines.com

Elena Vakali
BVK Retail Mandate Fund Manager
Senior Managing Director
+44 20 7292 1900
elena.vakali@hines.com

Robert Aird
BVK Retail Mandate Portfolio Manager
Managing Director
+44 20 7292 1900
robert.aird@hines.com

ESG Europe

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

