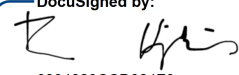


Statement of Compliance

JULY 2025

The disclosures in this report for Hines Europe Real Estate Investments Limited (HEREI) comply with the requirements set out in Chapter 2 of the Environmental, Social and Governance sourcebook which forms part of the FCA Handbook.

Hines European Real Estate Investments Limited

DocuSigned by:

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Fiona Hipkiss
Chief Operating Officer – Investment and Strategy
Global Chief Investment Office

EXECUTIVE SUMMARY

- Governance
- Strategy
- Risk Management
- Metrics and Targets
- Next steps

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This report sets out HEREI's disclosures in line with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) and Chapter 2 of the ESG sourcebook forming part of the FCA Handbook. This disclosure seeks to be consistent with the four pillars and associated disclosures as set out in the TFCF recommendations.

The scope of this report addresses certain management and investment advisory services conducted by HEREI from the United Kingdom in respect of the European portfolio. This disclosure covers the period 2024.

This disclosure describes and outlines current processes in relation to governance, strategy, risk management and metrics and targets, but contains forward-looking elements around strengthening processes and capabilities in this area.

References herein to Hines' approach to sustainability and climate risk apply to HEREI unless otherwise indicated.

ABOUT HINES AND HEREI

Hines is a leading global real estate investment manager operating in over 30 countries and with \$90.1bn assets under management across property types and on behalf of a diverse group of institutional and private wealth clients (includes global Hines organisation and Registered Investment Adviser AUM, as of 31st December 2024).

HEREI provides investment services to discretionary and non-discretionary, open-ended and closed-ended real estate funds and separate accounts.

HEREI has a fully developed Environmental Management System (EMS) that outlines the responsibilities and process around managing sustainability risks and opportunities. This is described through Hines' Sustainability Framework, which provides the parameters under which sustainability risk can be assessed. Climate risk is assessed as part of this framework.

In 2022, Hines set a science-based Net Zero Carbon by 2040 target for scope 1-3 emissions. This was reinforced in 2024 with third-party endorsement from the Science Based Target initiative (SBTi) of our interim 42% reduction by 2030 target. These firmwide targets apply to HEREI.

MAIN DISCLOSURE

GOVERNANCE

Description of climate governance

a. Board oversight - Describe the board's oversight of climate-related risks and opportunities

Hines' governance of climate-related risks and opportunities is led by the Management Committee. This Committee is composed of the Chief Executive Officers, Chief of Staff, Chief Investment Officer, Global Head of Real Estate and Global Chief Financial Officer. This group is responsible for setting the firm's strategic priorities and ensures long-term value creation. The Committee governs the objectives outlined in the Responsible Investment Statement and Climate Policy.

The Investment, Audit and Compliance, and Sustainability committees support the Management Committee in oversight of specific governance functions to enable a cohesive and accountable leadership framework.

Locally, the HEREI Board of Directors oversees all relevant risks and opportunities including those related to sustainability, delegating oversight to the Management

Committee and other relevant committees.

b. Management Responsibility - Describe management’s role in assessing and managing climate-related risks and opportunities

Climate-related risk and opportunities are primarily addressed through the Investment Management process; key management responsibilities sit with:

- Investment Committee: Provides oversight and guidance on investment decisions, integrating climate considerations.
- Investment Risk: Focuses on identifying, analysing, and mitigating climate-related financial risks.
- Sustainability Committee: composed of sustainability leaders across Hines’ business units and integrates climate governance into business operations, reporting progress to the Management Committee.
- Sustainability Strategies: Develops and implements strategies to address climate-related opportunities and risks.



The Co-Heads of Investment Management have overall responsibility for management and operation of the HEREI’s sustainability framework. They are responsible for ensuring that sustainability is an integral element of HEREI’s process and activities, including new ventures and investor relations, and applied by all staff. Specifically, the Co-Heads of Investment Management:

- Ensure the integration of sustainability-related risks in the investment process.
- Ensure inclusion of sustainability risk analysis within all Investment Committee submissions.

- Ensure sufficient resources are available to successfully deliver commitments stated in the Sustainability Framework.
- Participate in the review of sustainability performance annually.

Investment Management personnel, operating out of London and Luxembourg, manage a range of strategies across various risk profiles, geographies, and product types. The HEREI platform’s responsibilities include:

- Strategic asset management
- Risk management
- Debt management
- Capital markets and investor reporting
- Sustainability integration
- Oversight of asset, development and property management

This visual demonstrates the resourcing and investment management structural context for Hines Europe.



HEREI Fund Managers have day-to-day responsibility for managing Hines’ mandates, which includes climate risk. Fund managers are also responsible for ensuring the management of sustainability risk (including climate risk) in mandate-specific risk reports. Training is developed and delivered to HEREI employees and sustainability objectives are embedded into performance objectives, as appropriate to job function. This includes the consideration of climate risk.

STRATEGY

a. Climate-related issues - Describe the climate-related risks and opportunities the organisation has identified over the short-medium and long term.

- Risks identified – transition and physical
- Opportunities identified
- Risks/opportunities described in detail

HEREI assesses the materiality of various sustainability and climate issues on a deal-by-deal basis based on investment strategy, building characteristics, geographical context, regulatory environment, market maturity and other fund specific objectives. We have identified the following climate risks and opportunities to be materially significant to HEREI and our investment management process based on their financial and environmental/societal impacts.

The tables below summarise the materially significant climate risks and opportunities that have been identified in relation to HEREI, their impact, and our management approach:

CLIMATE-RELATED RISKS

		POTENTIAL IMPACTS	TIMEFRAME ¹	HINES MANAGEMENT APPROACH
Policy and regulation	Enhanced emissions reporting obligations and building regulations	<ul style="list-style-type: none"> Increased compliance expenditure, higher operating costs Higher capital investment requirements Early write-off of existing assets due to policy changes 	Short/Medium/Long	<ul style="list-style-type: none"> Hines engages a third-party provider to deliver data on climate-related legislation and reporting requirements specific to all geographies, allowing us to stay current on local regulations. As part of our evolving data strategy, we are working to gather full asset-level utility data through various means to fulfil reporting requirements and to monitor carbon and energy performance of assets. Local teams lead efforts to comply with local regulations such as RE2020 and Décret Tertiaire in France.
	Increased regulation and pricing of GHG emissions – taxes/tariffs/ fines	<ul style="list-style-type: none"> Higher operating costs Bifurcation of existing assets vs. new build or major retrofits being built to higher performance standards 	Short/Medium/Long	<ul style="list-style-type: none"> Where relevant we review performance requirements for climate mitigation and adaptation for our real estate investments and disclose performance. For our Funds classified as SFDR Article 8 with a sustainable investment objective, we conduct regular performance monitoring against the SFDR Principal Adverse Impacts (PAIs) for real estate investments and report performance regarding exposure to fossil fuels through real

¹ Hines define our timeframes as the following based on our Net Zero Carbon by 2040 target and other business considerations: Short – 2030; Medium = 2035; Long = 2040+.

				estate assets and tenant activities, energy efficiency and carbon performance.
	Exposure to litigation	<ul style="list-style-type: none"> ▪ Greater site and location risks in vulnerable geographies ▪ Higher risk premiums ▪ Reduced investor capital raised 	Medium/Long	<ul style="list-style-type: none"> ▪ The Hines compliance teams conduct routine internal checks and audits to ensure our management procedures are aligned to the legislative requirement of each geography to minimise risk of litigation.
Technology	Substitution of existing technologies and services with lower emissions options	<ul style="list-style-type: none"> ▪ Higher capital investment to adapt/deploy new practices and processes 	Short/Medium/Long	<ul style="list-style-type: none"> ▪ The Hines sustainability teams continuously explore and stay current with technological advancements, collaborating with property and engineering teams to implement technologies that enhance performance and increase the long-term value of our assets. ▪ As part of ongoing efforts to decarbonize our portfolio, approximately two-thirds of Hines' assets in Europe have procured or will soon procure Net Zero Carbon roadmaps and will, wherever suitable, implement recommended decarbonisation measures. ▪ Our European Sustainability Development Brief requires all developments and major refurbishments to prioritise efficient, low-carbon technologies and design. ▪ At acquisition, capital expenditure requirements for decarbonisation are integrated into underwriting, facilitating necessary technology upgrades during holding period of investment.

Market	Changing customer behaviour for more resilient assets	<ul style="list-style-type: none"> ▪ Devaluation and reduced liquidity ▪ Reduced rental income from reduced demand ▪ Increased cost of finance/ reduced availability of finance for inefficient assets 	Short/Medium/Long	<ul style="list-style-type: none"> ▪ Hines collaborates with a third-party consultancy to analyse the market supply and demand for 'green assets' in our key investment markets. We use this insight to understand how resilience enhancements contribute to the overall value of the asset. ▪ Our Net Zero Carbon targets drive decarbonisation of the portfolio, which will help future-proof our business, as tenant and investor demand for low-carbon assets and products increase.
Reputation	Stigmatization of sectors	<ul style="list-style-type: none"> ▪ Reduced availability of private capital ▪ Reduced liquidity 	Medium/Long	<ul style="list-style-type: none"> ▪ The Hines Investor Relations, Capital Markets Group and Fund teams engage with investors on a regular basis to understand investor priorities and employ management strategies that align to these requirements. ▪ Hines' 2040 Net Zero Carbon Target is science-based, and our 2030 interim target has been approved by SBTi. Several European funds have even more ambitious targets and sustainability objectives.

Acute and chronic climate events	<p>Acute events: River flooding, surface flooding, landslides, wildfire, storms, tropical cyclones, storm surge and droughts</p>	<ul style="list-style-type: none"> ■ Direct building damage, increased capital costs and liability ■ Reduced insurability ■ Greater potential for business disruptions ■ Greater site and location risks in vulnerable geographies ■ Higher risk premiums ■ Increased cost of finance/ reduced availability of finance 	<p>Short/Medium/Long</p>	<ul style="list-style-type: none"> ■ Hines utilises a third-party climate risk software provider to identify the presence and significance of various physical climate risk factors for potential new investments. Early identification of these risks enables the sustainability teams to collaborate with property teams to evaluate and implement adaptation solutions that enhance the asset's overall resilience. ■ We also review insurance rates annually, analysing market signals to understand how providers account for different climate risks. Hines works closely with our insurance carriers to better understand climate risks and how to mitigate them.
	<p>Chronic events: Subsidence, coastal flooding and extreme heat</p>	<ul style="list-style-type: none"> ■ Direct building damage, increased capital costs and liability ■ Greater site and location risks in vulnerable geographies ■ Higher risk premiums 	<p>Medium/Long</p>	<ul style="list-style-type: none"> ■ Service Level Requirements (SLRs) for property managers include requirements on systems resilience and disaster response planning. ■ European Sustainability Development Brief for construction and renovation projects includes physical climate risk assessment and adaptation planning.

CLIMATE-RELATED OPPORTUNITIES

		POTENTIAL IMPACTS	TIMEFRAME ²	HINES MANAGEMENT APPROACH
Resource efficiency	Increased efficiency of investment portfolio - Energy, Water and Waste	<ul style="list-style-type: none"> Reduced operating costs Increased value of asset ("green premium") Increased tenant demand 	Short/Medium/Long	<ul style="list-style-type: none"> The Hines Carbon Impact Assessment (CIA) tool provides a standard, centralised way to collect and evaluate a building's operational data. The tool gathers energy, water, waste, refrigerant, and financial data and aggregates it to reveal asset- and portfolio-level insights. Service Level Requirements (SLRs) for all property managers include requirements to track consumption and present utility savings opportunities to tenants.
Energy source	Use of renewable energy sources in place of fossil fuels	<ul style="list-style-type: none"> Improved cash flow from reduced exposure to future fossil fuel price increases Increased rental income from increased demand for low carbon assets 	Short/Medium	<ul style="list-style-type: none"> Our Net Zero Carbon strategy emphasizes increasing the use of both on-site and off-site renewable energy sources to meet an asset's power needs. The Sustainability team has developed the 'Future Ready Clean Electricity Strategy' to guide property teams in exploring opportunities to integrate on-site renewable energy technologies or procure electricity from renewable energy tariff.

² Hines define our timeframes as the following based on our Net Zero Carbon by 2040 target and other business considerations: Short – 2030; Medium = 2035; Long = 2040+.

		<ul style="list-style-type: none"> ▪ Aligned to regulatory requirements, less exposure to litigation risk and improved reputation 		<ul style="list-style-type: none"> ▪ Renewable electricity contracts are pursued for landlord electricity and, wherever possible, tenant electricity. For example, Hines Germany have a Power Purchase Agreement in place which sources offshore wind energy to supply 70% of their portfolio's power.
	Use of low-carbon energy technologies	<ul style="list-style-type: none"> ▪ Returns on investment on low carbon technology 	Medium/Long	<ul style="list-style-type: none"> ▪ The Hines sustainability teams and Conceptual Construction Group (CCG) continuously explores and stays current with technological advancements, collaborating with property and engineering teams to implement technologies that enhance performance and increase the long-term value of our assets. ▪ Hines European Sustainability Development Brief establishes minimum standards for low-carbon design. ▪ Hines Europe Sustainability League facilitates forums to share best practices across country teams, including presentation of low-carbon innovations and technologies.

Product growth and expansion	Changing customer behaviour for more resilient assets	<ul style="list-style-type: none"> ■ Increased rental income from demand for low carbon assets ■ Increased liquidity for more efficient assets ■ Reduced cost of finance/ increased availability of finance for efficient assets 	Medium/Long	<ul style="list-style-type: none"> ■ Hines collaborates with a third-party consultancy to analyse the market supply and demand for 'green assets' in our key investment markets. We use this insight to identify divergences in supply and demand trends, allowing us to capitalize on opportunities by providing undersupplied markets with more efficient and resilient assets that are increasingly in demand.
Policy and Regulation	Increasing demand from tenants and next buyers for low carbon real estate	<ul style="list-style-type: none"> ■ Increased liquidity on sale ■ Green premium / Brown discounts ■ Increased demand from tenants 	Medium/Long	<ul style="list-style-type: none"> ■ We monitor future-looking directional data which provides an indication of changing market trends over the course of a hold period
Markets	Investor demand for resilient assets	<ul style="list-style-type: none"> ■ Increased availability of private capital ■ Increased liquidity for inefficient assets 	Short/Medium/Long	<ul style="list-style-type: none"> ■ For our European flagship funds that are subject to SFDR, we have set investment objectives that drive the efficiency and overall resiliency of our underlying investments. ■ Through regularly reporting in our annual Firm-level and Fund-level Sustainability Reports we communicate our progress towards various climate objectives for our global investment portfolio.

Resilience	Enhanced climate resilience of assets	<ul style="list-style-type: none">▪ Reduced risk premiums▪ Increased growth and capitalization rate▪ Increased rental income▪ Reduced operating and capital costs	Short/Medium/Long	<ul style="list-style-type: none">▪ As outlined in our Strategy and Risk Management sections, HEREI has adopted a climate risk management strategy integrated into our investment processes and EMS.▪ We aim to identify and assess the physical and transition climate risks within our hold period, implementing appropriate management interventions to mitigate these risks and protect or enhance overall asset value. Asset-level interventions are not finalised and therefore, are not disclosed in this report.
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b. Climate related impacts - Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.

See table above for potential impacts of climate risks and opportunities.

c. Resilience - Describe the resilience of the organisation's strategy, taking into consideration different climate scenarios including a 2°C or lower scenario.

HEREI's Sustainability Framework contains many elements that enhance the portfolio's adaptive capacity and resilience, including strong governance and responsible parties at various levels (as described in the Governance section), multiple sustainability training opportunities for employees, a continually updated library of internal sustainability resources, and the risk management practices described in the Climate-Related Risks and Opportunities table in Strategy section (a) and the Risk Management section of this report.

As described further in the Metrics & Targets section, Hines has committed to a net zero carbon target of 2040 and an interim target in 2030 to increase our resilience against transition risk. We evaluate carbon-related risks for operational assets using our internal Carbon Impact Assessment (CIA) tool which is described further in the Risk Management section. Following the CRREM methodology, this process enables us to evaluate the stranding point for the asset relative to a 1.5°C scientific pathway which aligns with our 2040 goals. We leverage the insights from the CIA tool to identify those assets that require further intervention to improve carbon performance, and our sustainability and investment teams work collaboratively to develop decarbonisation plans suitable to the investment strategy.

Regarding physical climate risk, Hines has conducted a global scenario analysis discussed further in the Risk Management section below. Regional results are still under analysis. Broadly, the results of the global Scenario Analysis identified that:

- All HEREI assets can secure private buildings insurance to cover all weather conditions.
- Global projections indicate that largest potential financial impacts would be from acute climate hazards such as surface flooding, river flooding and storm surge.

RISK MANAGEMENT

a. Identification and assessment - Describe the organisation's processes for identifying and assessing climate-related risks

Over the past few years, Hines have upgraded our investment approach to better integrate sustainability objectives and importantly evaluate climate-related factors in our investment strategy and individual fund strategies. As part of this effort, we have updated

our acquisition processes to require investment teams to evaluate the materiality of key climate risks and opportunities and leverage sustainability data alongside investment performance data, market research, and evolving climate regulations to address local climate opportunities and challenges.

The following steps are taken to identify climate-related risks in the context of HEREI's sustainability strategy:

- Sustainability due diligence is integrated for all transactions, including analysis of climate-related risks and opportunities such as transition and physical risks, as appropriate. This is enabled through the use and procurement of third-party climate data and analysis.
- Reviews of sustainability objectives in asset business plans are undertaken, identifying opportunities to improve sustainability performance.
- Sustainability performance is benchmarked against recognised targets, standards and disclosure performance.
- Regular reviews of policy and regulations via a third-party real estate research firm, PMA.
- Maintain compliance with legal, corporate, investor and partner obligations.
- An EMS aligned to ISO 14001 is maintained.
- Creation of fund and asset decarbonisation roadmaps and implementation plans, where appropriate.

The following key tools are used to identify and assess climate-related risks, and other sustainability risks, throughout the investment lifecycle:

- CIA tool, an internal CRREM modelling tool
- Third party physical climate risk assessment software
- PMA/ Regulatory assessment toolkit
- Sustainability Template in the Investment Committee Memo
- Hines Sustainability Due Diligence Scoping Document and Acquisition Sustainability Checklists
- Hines Net Zero Scoping Document
- Hines Sustainability Service Level Requirements (SLRs)
- Sustainability Assessment and Action Plans (SAAPs)
- Sustainable Development Brief

- Monitoring & Targeting program
- Hines Embodied Carbon Guide
- Hines Operational Carbon Reduction Guide
- Decarbonization and Energy Strategies and Conceptual Construction Group provide internal technical expertise

Describe scenarios used (physical and transition if applicable)

Physical Climate Risk Analysis

In 2024 and 2025, Hines conducted a climate risk scenario exercise to evaluate the strategic implications of various climate scenarios and climate hazards on our existing global investment portfolio, including HEREI. The exercise evaluated the potential financial loss over the hold period for our material investments, accounting for 100% of our global AUM.

Prior to the global scenario analysis, assets in four of the key flagship core, core plus and value add Hines funds were assessed for physical climate risks using another third-party climate risk assessment software. This software evaluated physical climate risks under two scenarios (RCP 4.5 and 8.5) and seven timeframes (decadal from 2030 - 2090).

Scenarios:

For the 2024 global scenario analysis, assets were evaluated under 9 different climate scenarios to understand the variations in hazard exposure and vulnerability of the underlying assets. Scenarios were based on individual IPCC aligned Representative Concentration Pathway (RCP) over the short (2030), medium (2035) and long (2040+) time horizon.

RCP 4.5	Intermediate scenario, carbon emissions are predicted to peak around 2040 and the decline. Global temperature rise between 2°C and 3°C, by 2100.
RCP 6	Carbon emissions are predicted to peak around 2080 and then decline. Global temperature rise between 3°C and 4°C, by 2100.
RCP 8.5	Worst case scenario, no action taken to reduce carbon emissions. Emissions are predicted to increase until the end of the century.

Climate hazards:

Acute Hazards	▪ River flooding	▪ Storms
	▪ Surface flooding	▪ Tropical cyclones
	▪ Landslides	▪ Storm surge
	▪ Wildfire	▪ Droughts
Chronic Hazards	▪ Subsidence	▪ Coastal flooding
	▪ Extreme heat	

Hines has developed a bespoke Climate Risk Analysis dashboard that leverages data from a third-party climate software platform and details of our investment portfolio to identify and evaluate the potential impact of climate hazards.

The results of our global Scenario Analysis identified that:

- All HEREI assets can secure private buildings insurance to cover all weather conditions.
- Projections indicate that largest potential financial impacts would be from acute climate hazards such as surface flooding, river flooding and storm surge.

We are using the results from the scenario analysis to refine our Climate Risk Management approach that is integrated into our investment management and financial planning processes. Please see the Risk Management section for details of the Hines Climate Risk Management approach.

Transition Risk Analysis

To enable progress against net zero carbon goals applicable to HEREI (see Metrics & Targets section) and to assess transition risk, Hines has developed an internal carbon data management tool that is used by HEREI for operational assets, called the CIA tool. The tool enables us to centrally collect energy consumption, water, and waste data for our properties and calculate an asset’s carbon emissions. This allows us to evaluate projected stranding year based on the emission factors and methodologies provided by the Carbon Risk Real Estate Monitor (CRREM) relative to a 1.5°C scientific pathway. Hines seek to develop detailed decarbonisation roadmaps for prioritised assets within our portfolio based on stranding year and investment strategy.

Hines is currently conducting an analysis of all the equity properties in the portfolio, including HEREI assets, to shortlist those assets identified to be 'stranding' in the near term and requiring intervention to improve carbon performance to meet our Net Zero by 2040 target. The shortlist of assets will be reviewed with our investment and asset management teams, and assets will be prioritised for detailed decarbonisation studies. Following decarbonisation analysis, budgets and resources required to improve long-term carbon performance based on the investment strategy of the individual asset will be implemented. These are currently in development.

a. Risk management process - Describe the organisation's processes for managing climate-related risks

As part of HEREI's Sustainability Framework, the management of sustainability risks (including climate risks) is embedded throughout the investment lifecycle. Our approaches to managing identified climate risks can be seen in the Climate Related Risks and Opportunities table in Strategy section (a).

Transitional risk management: In addition to the various risk management approaches detailed in Strategy section (a) and the investment process diagram below, Hines is developing a prioritisation process and decarbonisation roadmaps for assets in our global portfolio, including assets in HEREI. In Hines Europe, nearly two thirds of assets under management have already completed or will soon undergo a Net Zero Carbon audit to produce a roadmap that details implementation measures to decarbonize the asset on an appropriate timeline. Key decarbonisation interventions are being budgeted and implemented where feasible, including installation of on-site renewable energy technology, procurement of green electricity through green tariffs and PPAs, electrification, whole life carbon assessments, and low-carbon material selection.

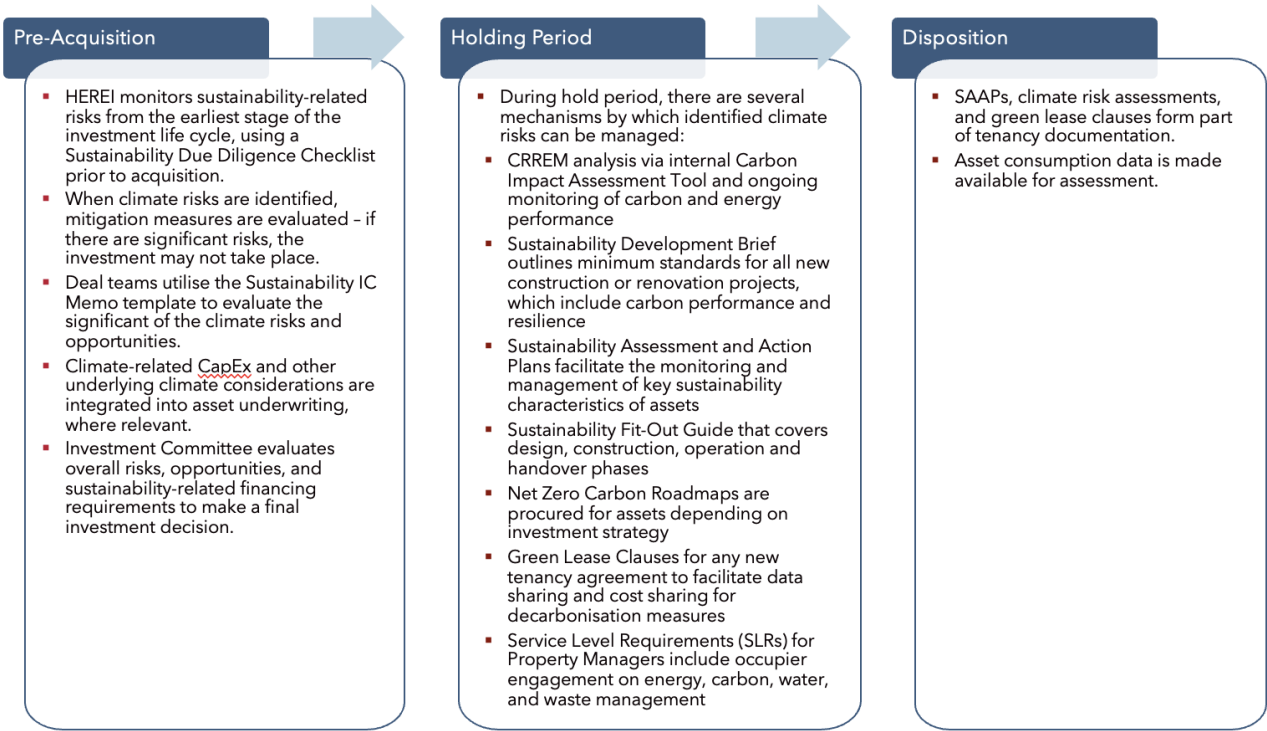
HEREI regularly reviews climate-related policies and regulations using a service from a third-party real estate research firm, PMA. Hines Europe country teams are also responsible for meeting the local regulations that apply to their assets.

Additionally, HEREI collaborates with industry bodies and regional working groups focused on climate mitigation. Hines have played a leading role in C Change, a ULI-led program to mobilize the European real estate industry to decarbonize. As part of the steering committee, Hines are among the first firms to pilot the Transition Risk Assessment Guidelines with a Discounted Cashflow Tool, called the Preserve Tool. Hines continues to work with ULI on further pilots and initiatives.

Physical risk management: Following the completion of the top-down physical risk scenario analysis with the third-party climate software system described in Risk Management (a), further investigation has been undertaken for assets deemed high risk. The climate software has facilitated the evaluation of potential adaptation measures to address specific climate hazards. These measures are in the process of being reviewed by

our property and engineering teams, to determine which are most appropriate based on asset specifications. Following this assessment, we will seek to engage our experienced engineering partners to develop accurate Cap Ex estimates and integration plans for any necessary adaptations, where this has not already taken place.

Management of transition and physical risks is integrated into our investment lifecycle as shown below:



b. Integration - Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation’s overall risk management.

Sustainability risk assessment contains consideration of climate risks. Sustainability risk management is integrated into existing risk management processes and responsibilities as described in section Governance (b) and Strategy (a). This integration is further strengthened through the presence of an EMS aligned to ISO 14001. This ensures that climate risk considerations are understood at pre-acquisition, holding and disposal stages.

METRICS AND TARGETS

a. Climate related metrics - Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

The following metrics are calculated for full year 2024 and disclosed:

- Scope 1 and 2 greenhouse gas emissions;
- Scope 3 greenhouse gas emissions;
- total carbon emissions;
- weighted average carbon intensity (WACI).

b. GHG emissions - Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Emissions data is reported below for assets in HEREI that were operational in 2024 and for which we have collected sufficient energy consumption data.

Among 240 total properties, 143 assets remained in scope for this analysis, with exclusions of 97 assets on the basis of non-operational status, limited energy data availability and energy data outlier checks.

Property level emissions are calculated for consumption of energy and upstream energy impacts. Energy emissions are broken down by electricity, natural gas, diesel, steam, district hot water, and district chilled water consumption. Solar consumption and power purchase agreements are assumed to have 0 associated emissions. For electricity modelling, purchased power agreement (PPA) consumptions were subtracted from total electricity consumption for each property. Emission factors are assigned by location using the most location-specific factors available:

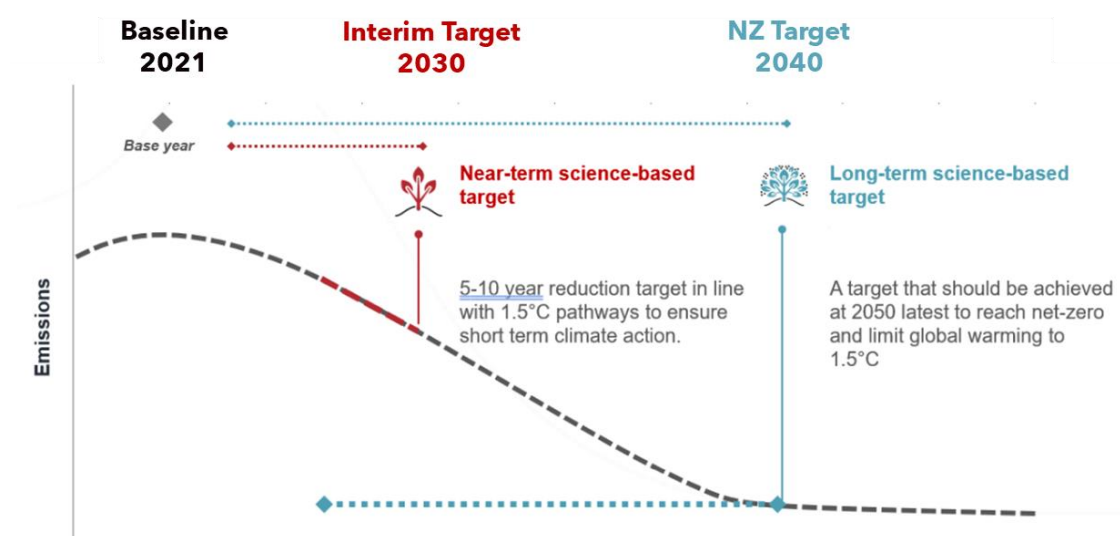
- Electricity location-based emission factors are sourced by eGRID region for US properties and at the country level for all non-US locations using Carbon Database Initiative factors for international locations. All Scope 2 and 3 emissions are calculated using location-based emissions factors.
- Natural gas and diesel emission factor sources are broken down by US (EPA Emission Factor Hub), Canadian provinces (The Climate Registry), and international (UK DEFRA).
- Steam and district hot water emission factors are assigned to locations in the US and Canada from the US EPA Emission Factor Hub and to international locations from UK DEFRA.

- District chilled water emission factors follow the same sourcing breakdown as electricity as chilled water is primarily electricity driven.

For assets in GRESB participating funds, data collection is supported by third party consultants. For other assets, energy consumption data for 2024 was self-reported by HEREI asset management teams and entered into the Hines CIA tool. While all reporting properties state that they have reported whole-building data, inclusive of both landlord and tenant consumptions, we have not yet been able to independently review utility expenditures in all tenant spaces.

CLIMATE METRICS	2024 PERFORMANCE
Scope 1 GHG Emissions (MtCO2e)	536
Scope 2 GHG Emissions (MtCO2e)	2,427
Scope 3 GHG Emissions (MtCO2e)	39,535
Total Carbon Emissions (MtCO2e)	42,497
Weighted Average Carbon Intensity (kg/m2 GIA)	15.4

c. Targets - Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.



Illustrative pathway to Net Zero. There is no guarantee Hines or HEREI will achieve all of its net zero targets.

Hines aims to achieve net zero operational carbon emissions by 2040. As an interim step, the Firm set a near-term target to reduce operational carbon emissions in the global portfolio by 42% below our 2021 emissions by 2030. This target includes all emissions in Scope 1, Scope 2, and Scope 3 emissions from the use of sold product and downstream leased assets. SBTi has approved Hines' near-term target. These firmwide targets apply to HEREI. In addition to these firmwide targets, certain funds aim to achieve net zero operational carbon emissions by 2030 for Scopes 1 and 2.

The first step in setting our firmwide emissions targets was to take an inventory of our emissions across the Firm. Using 2021 as our base year, Hines conducted an assessment of firmwide emissions, with assistance from Ramboll. We annually collect annual energy consumption data from asset teams in the CIA tool to track our progress towards our goals.

DATA GAPS

What are the data gaps?

The emissions metrics reported above represent 143 of the 240 operational properties in the HEREI portfolio in reporting year 2024. There are exclusions of 97 assets on the basis of non-operational status, limited energy data availability and energy data outlier checks. Hines identifies outliers using EUI benchmarks for comparable climate zone and asset types. Outliers are identified as those with reported EUIs outside of the statistical

boundaries of the benchmark data. In the instance an asset has provided data that is assumed to be an outlier, that asset is excluded from the emissions analysis.

Why have they occurred?

Data gaps are due to challenges obtaining access to, and in verifying, energy consumption data from tenant consumption.

What is being done to rectify them?

Efforts are underway to expand our data coverage across the portfolio. We are exploring various tools and capabilities that will help obtain more consumption data, particularly for tenant-controlled spaces. We are also implementing green lease clauses in all new leases with stipulations regarding the sharing of consumption data and are working to engage occupiers to obtain data even in cases where green leases are not yet in place. In addition, automated tools are being developed to help scrutinise tenant data quality.

What has been done for this statement?

2024 landlord and tenant consumption data were requested for all operational assets in HEREI as part of a global consumption data collection effort. An analysis of available data was performed to provide the climate-related metrics above.

GLOSSARY OF TERMS

- Carbon/GHG footprint - A carbon footprint is the total amount of greenhouse gases (including carbon dioxide and methane) that are generated by an entity's actions. Carbon emissions for accounting purposes are split into Scopes.
- CRREM - The Carbon Risk Real Estate Monitor (CRREM) seeks to help real estate actors foster investments in energy efficiency as many assets will become 'stranded' properties that will not meet future energy and carbon efficiency standards and whose energy upgrade will not be financially viable.
- IFRS - International Financial Reporting Standards (IFRS) are accounting standards issued by the IFRS Foundation and the International Accounting Standards Board (IASB).
- MEES - The Minimum Energy Efficiency Standard applies to private rented residential and non-domestic property and is aimed at encouraging landlords and property owners to improve the energy efficiency of their properties by a restriction on the granting and continuation of existing tenancies where the property has an Energy Performance Certificate Rating of F and G.
- Scenario analysis - A process for identifying and assessing the potential implications of a range of plausible future states under conditions of uncertainty.

Scenarios are hypothetical constructs and not designed to deliver precise outcomes or forecasts

- Scope 1 emissions - Scope 1 emissions are direct emissions from owned or controlled sources.
- Scope 2 emissions - Scope 2 emissions are indirect emissions from the generation of purchased energy.
- Scope 3 emissions - Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.
- TCFD - The Financial Stability Board (FSB) created the Task Force on Climate-related Financial Disclosures (TCFD) in 2015 to improve and increase reporting of climate-related financial information. The TCFD has developed a framework to help public companies and other organizations more effectively disclose climate-related risks and opportunities through their existing reporting processes.
- Transition Risk - Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organizations.
- Weighted Average Carbon Intensity (WACI) - is typically a measure of the carbon intensity of a portfolio normalized by revenues. For the purposes of this report, this measure is the total carbon emissions of all assets in scope per sqm.
- Global Real Estate Sustainability Benchmark (GRESB) - a mission-driven and investor-led 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.