

GREEN BOND INVESTOR REPORT

JULY 2024

PRO Sustainability
PRO Green Investments
PRODEA Investments

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PRODEA Investments is the leading real estate investment company in Greece.

Introduction

PRODEA Investments (“PRODEA” or “the Company”) is the leading real estate investment company in Greece, with total assets exceeding **€3.4bn**, and is listed on the Athens Stock Exchange (ATHEX).

PRODEA engages in real estate investments and is internally managed by experienced professionals with proven sourcing, execution and value creation track record as well as portfolio and property management expertise.

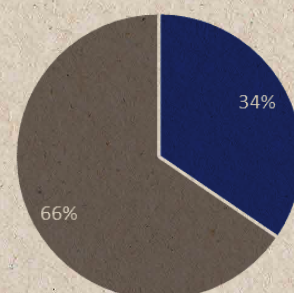
PRODEA Investments is presenting its third **Green Bond Investor Report** following the successful issuance of the company’s first **Green Bond in July 2021**, covering the period from the time of issuance up until **30.06.2024**.

On July 20, 2021, the Company issued a “Green” Common Bond Loan for an amount of **€300mn** with a duration of seven (7) years bearing a fixed interest rate of **2.3% p.a.** The total amount of proceeds have been utilised as at 30.06.2024, before the **31.12.2024** deadline, for **Green Investments¹**, including debt repayment of a pre-existing lending facility in relation to a sustainable (green) real estate property. The trading of the **300,000 bonds** commenced on **21 July 2021** in the category of fixed income securities of the regulated market of the Athens Exchange.



Issued amount	€300mn
Maturity	7 years
Pricing Date	16 July 2021
Start trading Date	21 July 2021
Fixed interest rate	2.3%
Listing Exchange	Athens Stock Exchange – Regulated Market
Joint Coordinators and Bookrunners	Piraeus Bank S.A., National Bank of Greece S.A., Alpha Bank S.A. and Eurobank S.A.
Issue Advisors	Piraeus Bank S.A., National Bank of Greece S.A.
ISIN	GRC5091217D9

Proceeds by Investors
Investors ● Retail Investors ● Special Investors



Graph 1: “Allocation by Investor Type”

¹**Green Investments:** Any investment of the Company and/or the Group related to the acquisition, management and operation of real estate properties and/or participations (according to art. 22 of law 2278/1999 as in force), concluded within the Green Bond Framework.

Green Bond Framework

Sustainability is an integral part of our business; our corporate strategy and business activities are driven by our commitment to sustainable growth, reflected in all our operations, from our investment endeavours to our corporate responsibility initiatives. PRODEA Investments is convinced that Green Bonds are an effective tool to channel investments towards a low carbon economy and climate resilient assets that have environmental benefits and thereby contribute to the achievement of the UN Sustainable Development Goals (SDGs).

Prodea Investments has developed its Green Bond Framework² in accordance with the Green Bond Principles (GBP), version June 2018³, drafted by the International Capital Market Association (ICMA) with the aim of issuing Green Bonds with particular focus in financing or refinancing projects which fall into the following areas:



Green buildings which meet regional, national or internationally recognised sustainability standards or certifications.



Energy efficient and sustainable buildings.



Green transportation projects.



Renewable energy projects.

Prior to its first Green Bond Issuance, Prodea engaged ERNST & YOUNG (HELLAS) Certified Auditors - Accountants S.A. (EY) to provide an independent assurance report for the bond issuance which is available on the Company's [website](#).

In accordance with its commitment for transparency, the company has prepared this report in order to provide information on the progress made to date with respect to the allocation of proceeds to eligible green projects and the associated impact. All documentation relating to our Green Bond is available on the on the Company's [website](#).



²PRODEA-Green-Bond-Framework.pdf

³<https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/Green-Bonds-Principles-June-2018-270520.pdf>

Eligibility Criteria

The proceeds of our Green Bond are to be utilised to finance or refinance projects which are included in our Green Bond Register.

The criteria used for the inclusion of properties in the Eligible Green Projects, are in accordance with our commitment to investing in high-quality and environmentally friendly real estate properties and other projects.



1. Green buildings

1.1 Environmentally certified buildings

DESCRIPTION

i) Financing or refinancing of land acquisition and development/ construction of sustainable buildings or acquisition of existing sustainable buildings, that have or will receive (after development) one of the following building certifications at the defined threshold or greater:

- LEED “Silver”
- BREEAM “Very Good”

ii) Financing of acquisition and renovation of existing buildings (including the building’s acquisition cost as well as any capital expenditures on the building) in order to receive one of the following building certifications at the defined threshold or greater:

- LEED “Silver”
- BREEAM “Very Good”.





2. Energy Efficiency

2.1 Residential Buildings

2.2 Commercial/Retail/ Offices/ Hotels

DESCRIPTION

- i) Financing or refinancing of land acquisition and development/ construction of energy efficient buildings or acquisition of existing energy efficient buildings, that have or will achieve (after development) energy performance at least equal to nZEB (nearly Zero Energy Buildings) standards⁴ (for new buildings EPC rating at least “A” and for existing ones EPC rating at least “B+”).
- ii) Financing of acquisition and renovation of existing buildings (including the building’s acquisition cost as well as any capital expenditures on the building) in order to achieve, in a timeframe of 3 years, at least:
 - For buildings with EPC bellow “C” rating: 25% decrease in primary energy consumption
 - For buildings with EPC “C” and “B” rating: 15% decrease in primary energy consumption

2.3 Logistics/Industrial Buildings

DESCRIPTION

- i) Financing or refinancing of land acquisition and development/construction of energy efficient logistics and industrial buildings or acquisition of existing energy efficient logistics and industrial buildings that incorporate energy efficiency technologies and systems, above the National energy efficiency minimum requirements⁵. For the purposes of the present framework, energy efficient logistics and industrial buildings are defined the logistics buildings that incorporate at least three of the following: LED lighting, skylights, thermal insulated envelope, energy efficient heat pumps, inverter motors, ventilation with heat recovery, high energy efficient heating/cooling system, high energy efficient refrigeration system, RES systems, smart building and automation systems.
- ii) Financing of acquisition and renovation of existing logistics and industrial buildings (including building’s acquisition cost as well as any capital expenditures on the logistics building) in order to achieve, in a timeframe of three years, higher energy efficiency performance than the National energy efficiency minimum requirements, through the instalment of at least three of the following: LED lighting, skylights, thermal insulated envelope, energy efficient heat pumps, inverter motors, ventilation with heat recovery, high energy efficient heating/ cooling system, high energy efficient refrigeration system, RES systems, smart building and automation systems.

⁴According to Ministerial Decision 5447/2018, nearly Zero Energy Buildings are characterized all new buildings which have EPC rating at least “A” and all existing ones which have EPC rating at least “B+” (according to the National EPC rating scheme).

⁵According to Energy Performance of Buildings Directive as well as the respective National legislative framework, industrial and logistics buildings are excluded from any minimum energy performance requirement.



3. Green buildings & Energy efficiency

3.1 Energy Efficiency and Sustainability Upgrades

DESCRIPTION

i) Financing or refinancing the implementation of individual or set of energy efficiency and sustainability measures, aiming to reduce the primary energy consumption and improve the sustainability characteristics of our portfolio's buildings.

3.2 Energy Efficient and Sustainable Major Renovations

DESCRIPTION

ii) Financing or refinancing major renovations to our portfolio's buildings, aiming the energy efficiency and sustainability upgrade of the buildings towards the achievement of at least one of the following targets:

- LEED “Silver”
- BREEAM “Very Good”
- Energy performance equal to nZEB standard and energy efficiency rating “B+”, according to National EPC rating scheme.



4. Clean Transportation

4.1 Contribution in Public Transport Infrastructure Works

DESCRIPTION

Co-Financing infrastructure works such as train stations, bike roads as well as clean infrastructure for clean energy vehicles close to our portfolio's properties.

The projects will target to the CO2 reduction of private vehicles, supporting: i) the modal shift to more sustainable transport modes (public transport - electric trains, bicycles etc.) and ii) the National electrification priority and consequently the replacement of private vehicles with more energy efficient electric ones.

The projects will take into account and be in line with the National Policy Priorities (P.P. 1.3, P.P. 2.11, P.P. 3.8) as well as the respective energy and climate measures, as described in the National Energy and Climate Plan (NECP)⁶.

⁶ https://ec.europa.eu/energy/sites/default/files/documents/el_final_necp_main_el.pdf



5. Renewable Energy

DESCRIPTION

Financing or refinancing of renewable energy production projects such as roof top solar panels. The projects will take into account and be in line with the National priorities as well as the respective energy and climate measures, as described in the National Energy and Climate Plan (NECP).

The net proceeds of the Green Bonds issuance will be used to finance or refinance all the direct and associated costs (technical due diligence, legal expenses, notary fees etc.) of all the above eligible green projects (Eligible categories: 1 to 5).



Process for Project Evaluation and Selection

Eligible Green Projects will remain in the Eligible Green Register for as long as they meet the Eligibility Criteria prevailing at the time of issuance of the Green Bonds, without being affected by subsequent changes to the **Green Bond Framework**. If Eligible Green Projects cease to fulfil the Eligibility Criteria or exit the assets portfolio, the Company will use its best effort to substitute these projects as soon as reasonably practicable, once an appropriate substitution option has been identified. Alternatively, a reallocation of the proceeds to other Eligible Green Projects may also be considered. The **Green Bond Committee** will review the Eligible Green Register annually or earlier if deemed necessary.

To ensure the smooth and efficient implementation of its **Green Bond Framework**, PRODEA has established a dedicated **Green Bond Committee** ('the **Committee**'). The Committee consists of representatives from the Investment, Technical and Financial departments of the company (including the inhouse sustainability expert).

The Green Bond Committee:

1. Assesses the use of proceeds raised through green bond issuances in order to ensure that they are channeled into eligible green projects, comply with the Green Bond Principles (June 2018), the United Nations Sustainable Development Goals, the Company's internal policies and best practices as well as with the applicable regulatory framework.

2. Monitors and coordinates:

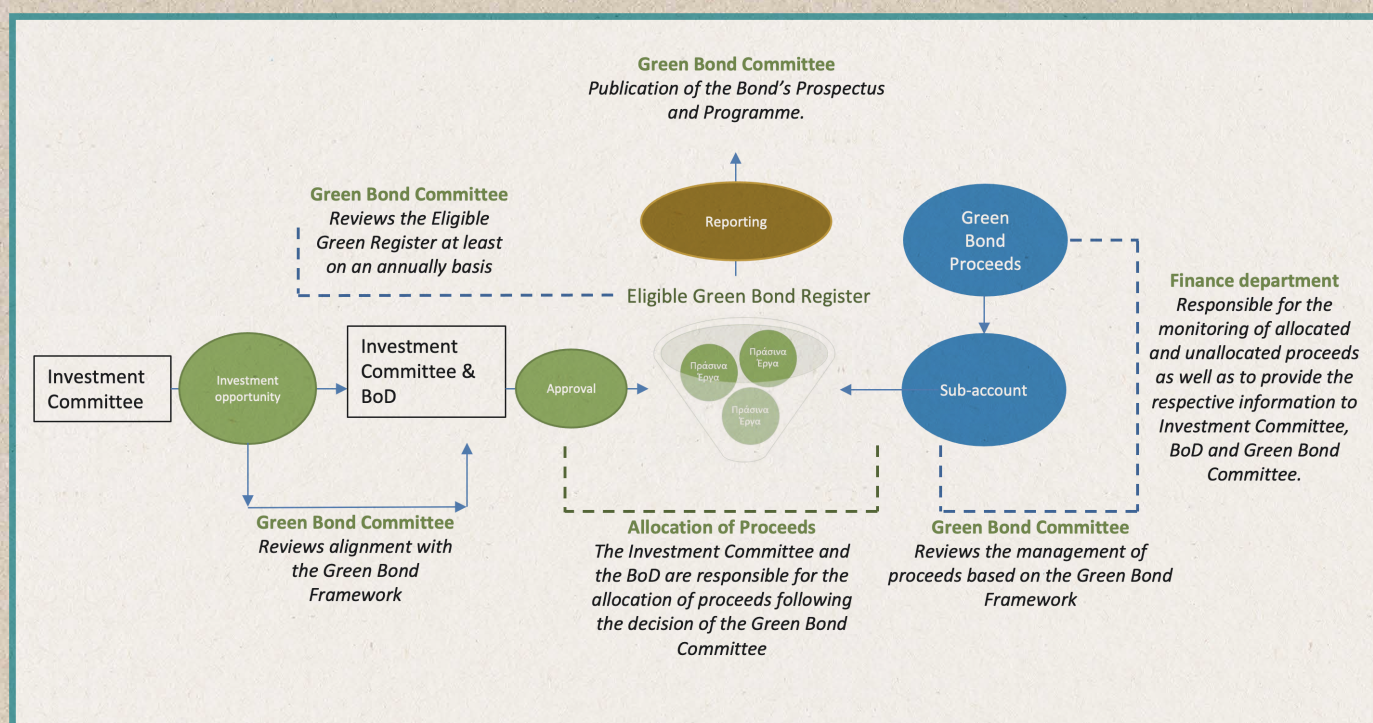
- a. The update and maintenance of the Eligible Green Register
- b. The process of management of proceeds in accordance with the present framework
- c. The drafting and publication of the Green Bond Investor Report
- d. the issuance of the Company's green bonds and the support of the processes in relation to providing information to the investors, in collaboration with the advisors, the green bond assurance providers and the financial institutions

3. Ensures the compliance with the procedures set out in the Framework

4. Follows up the developments in the green bond market and ensures that the Framework is updated as and when appropriate.



Furthermore, the Green Bond Committee supports the work of the Board of Directors and the Investment Committee by reviewing the alignment with the Green Bond Framework of the under-examination investment opportunities regarding their compliance with the provisions of “Use of Proceeds” as defined in the Green Bond Framework. The Green Bond Committee provides recommendations for final approval at the level of the Board of Directors or the Investment Committee as applicable.



Eligible Green Projects and Green Bond Register

As of the date of this report, PRODEA's total Green Bond Register comprises Eligible Green Projects in Greece, Cyprus and Italy.

Summary of Eligible Green Projects that have been financed by the utilised proceeds:

Use of Proceeds (GBF)	Project	Use	Description
1.1: Green Buildings - Environmentally Certified Buildings ⁷	Panterra	Office Mixed use Hotel	Buildings that hold or will receive an environmental building certification
	Kaizen Campus		
	Hub 26		
	Kifisias 77		
	Viva Wallet		
	Piraeus Tower		
	Landmark Tower		
	Moxy Athens City		
Cortina			
Logic ⁸			
2.1: Energy Efficiency - Residential Buildings	Home ⁹	Residential	nZEB residential buildings
2.3: Energy Efficiency - Logistics/ Industrial Buildings	New Metal Thetis	Logistics	Energy efficient logistic centers

⁷ Cortina and Logic are expecting to receive a LEED at "Gold" level certification and they have been reclassified under 1.1: Green Buildings - Environmentally Certified Buildings. Cortina was previously under 2.2: Energy Efficiency – Commercial/Retail/Hotels category while Logic was under 2.3: Energy Efficiency - Logistics/ Industrial Buildings. The reclassification came as a result of the Company's commitment to seek certification where possible given the increased environmental impact that such certification implies.

⁸ Logic consists of two Eligible Green Projects which have been inserted to Green Bond Register. The first one refers to the initial investment and the second one to an expansion of it.

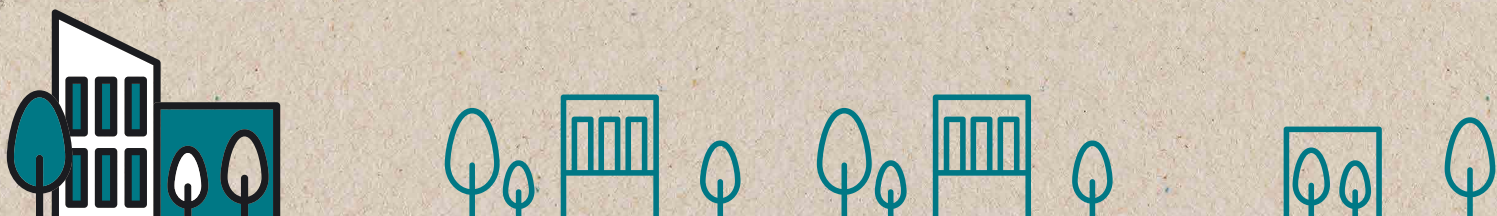
⁹ Home consists of two Eligible Green Projects which have been inserted to Green Bond Register. The first one refers to the initial investment and the second one to an expansion of it.

Utilisation of proceeds

PRODEA's net proceeds from the Green Bond issued in June 2021 were €291.8 million, of which the total amount has been utilised as at 30.06.2024. The use of the proceeds is focused on financing green projects and repaying a pre-existing syndicated bond loan in relation to the investment in Karela Office Park. The net proceeds of the bond have been allocated as follows:

Summary of use of proceeds

Use of proceeds	Amount in EUR
Total proceeds	300,000,000.00
Issuance Expenses	-8,173,098.93
Total Net proceeds	291,826,901.07
Repayment of syndicated bond loan	-55,977,000.00
Total utilised proceeds for investment projects	-235,849,901.07
Total utilised proceeds	-291,826,901.07
Total remaining proceeds	0.00



The utilised proceeds have been allocated to the following green projects:

	Project	Utilised amount of proceeds	% out of utilised amount of proceeds for investment projects	Country	Mapping with use of proceeds	Status
1	Panterra	42,093,926.04	17.8%	Greece	1.1: Green Buildings - Environmentally Certified Buildings	Completed
2	New Metal	8,102,446.42	3.4%	Greece	2.3: Energy Efficiency - Logistics/ Industrial Buildings	Completed
3	Piraeus Tower	3,905,554.00	1.7%	Greece	1.1: Green Buildings - Environmentally Certified Buildings	In progress ¹⁰
4	Thetis	11,985,007.18	5.1%	Greece	2.3: Energy Efficiency - Logistics/ Industrial Buildings	Completed
5	Kaizen Campus	22,264,539.26	9.4%	Greece	1.1: Green Buildings - Environmentally Certified Buildings	Completed
6	Hub 26	6,437,184.00	2.7%	Greece	1.1: Green Buildings - Environmentally Certified Buildings	In progress
7	Moxy Athens City	8,292,998.05	3.5%	Greece	1.1: Green Buildings - Environmentally Certified Buildings	Completed
8	Landmark Tower	18,274,413.37	7.7%	Cyprus	1.1: Green Buildings - Environmentally Certified Buildings	In progress
9	Kifisias 77	14,100,101.96	6.0%	Greece	1.1: Green Buildings - Environmentally Certified Buildings	In progress
10	Logic ¹¹	6,803,373.38	2.9%	Greece	1.1: Green Buildings - Environmentally Certified Buildings	In progress
11	Cortina	27,488,480.00	11.7%	Italy	1.1: Green Buildings - Environmentally Certified Buildings	In progress
12	Home ¹²	34,338,257.22	14.6%	Greece	2.1: Energy Efficiency - Residential Buildings	In progress
13	Viva Wallet	31,763,620.19	13.5%	Greece	1.1: Green Buildings - Environmentally Certified Buildings	Completed
	Total Utilised proceeds for financing projects	235,849,901.07	100%			

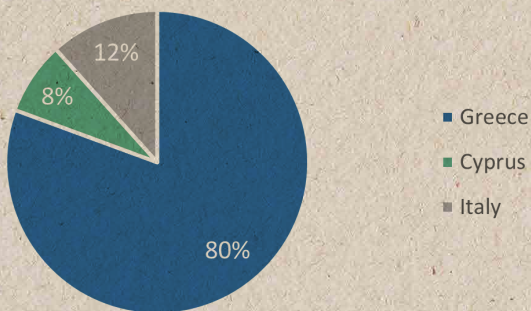
¹⁰ At Piraeus Tower only the green certification is pending.

¹¹ Logic consists of two Eligible Green Projects which have been inserted to Green Bond Register. The first one refers to the initial investment and the second one to an expansion of it. The utilised amount of proceeds is presented consolidated.

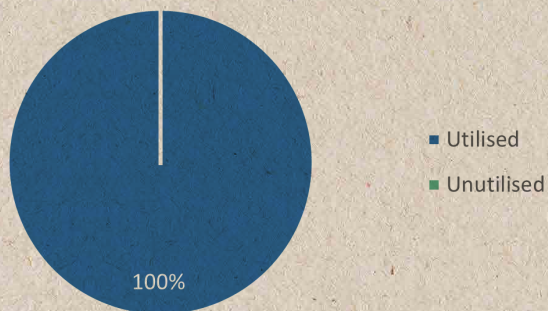
¹² Home consists of two Eligible Green Projects which have been inserted to Green Bond Register. The first one refers to the initial investment and the second one to an expansion of it. The utilised amount of proceeds is presented consolidated.

The graphs below present the utilisation of proceeds per country, per eligible category and per utilisation type.

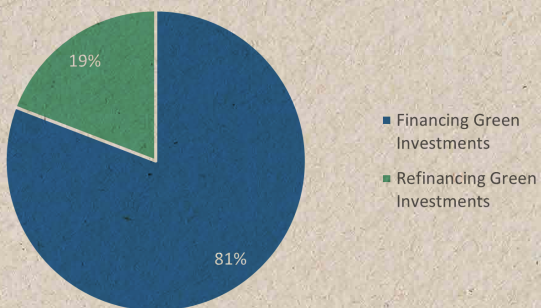
Utilised proceeds by country



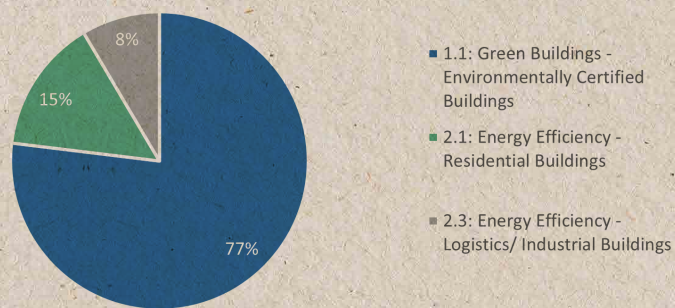
Utilisation of proceeds



Utilised proceeds by type



Eligible category by utilised proceeds



Impact indicators

The expected impact of the Eligible Green Projects which constitute PRODEA's Green Bond Register is presented in the table below.

Category 1.1: Green Buildings - Environmentally Certified Buildings

Project	Area (sqm)	Use	Metric of expected Impact
Panterra	30,600	Offices	LEED Certified at "Gold" Level (already achieved)
Piraeus tower	34,600	Mixed use	LEED Certified at "Platinum" Level, WELL Core certification
Kaizen Campus	14,213	Offices	LEED Certified at "Gold" Level (already achieved)
Hub 26	31,009	Offices	LEED Certified at "Gold" Level
Moxy Athens City	10,300	Hotel	LEED Certified at "Gold" Level (already achieved)
Landmark Tower	26,406	Mixed use	LEED Certified at "Gold" Level
Kifisias 77	19,213 – 37,729	Offices	LEED Certified at "Gold" Level
Viva Wallet	20,096	Offices	BREEAM In-Use Certified at "Very Good" Level
Cortina	11,600	Hotel	Under LEED Certification at "Gold" Level
Logic	99,650	Logistics	Under LEED Certification at "Gold" Level
Total	297,687 – 316,203		

Category 2.1: Energy Efficiency - Residential Buildings

Project	Area (sqm)	Use	Metric of expected Impact
Home	23,372.84	Residential	nearly Zero Energy Residential Buildings (EPC rating at least "A")
Total	23,372.84		

Category 2.3: Energy Efficiency - Logistics/ Industrial Buildings

Project	Area (sqm)	Use	Metric of expected Impact
New Metal	23,806	Logistics	23,806 sqm of energy efficient logistics building ¹³
Thetis	59,044	Logistics	59,044 sqm of energy efficient logistics building ¹³
Total	82,850		

¹³As defined in PRODEA Green Bond Framework (June 2021)

Case Studies

Panterra Greece

“Panterra” is a modern, sustainable and high-quality office complex in Athens CBD. The complex, designed by the international office Barnett Associates, consists of two autonomous and functionally independent buildings. “Panterra” office complex has a total gross building area (GBA) of 30,600 sqm including ca.17,000 sqm of high-quality office space and 282 parking spaces over 7 floors above ground and four underground levels. Building A was completed in Q2 2022 and was sold to Generalli Hellas to be used as its Athens HQs, while Building B was completed in Q2 2023. The office complex is primely located on Syggrou Avenue, in close proximity to the center of Athens, enjoying high visibility and excellent accessibility. Building A has been certified with LEED certification at “Platinum” level while building B has received a LEED at “Gold” level certification.





New Metal Greece

“New Metal” is a new-built logistics park developed in phases and comprises of two energy efficient logistics buildings located in Aspropyrgos, the most prime logistics area of Western Attica. The project was completed in Q2 2022 and offers 23,806 sqm of Grade A logistics area developed according to the latest specs.

Piraeus Tower Greece

“Piraeus Tower” project is the re-development of a landmark tower in the port of Piraeus area; the largest port in the southeastern Mediterranean region. The re-development of the building is being executed through a joint venture with Dimand S.A. and the European Bank of Reconstruction & Development. PRODEA participates in the joint venture with 30% ownership. “Piraeus Tower” has been re-developed into a 34,600 sqm modern, sustainable, 22-storey office tower, including two basements, retail, restaurants, café and auxiliary spaces, with a green roof, using high technology materials. The project was completed in Q2 2024. Piraeus Tower will be the first LEED Platinum certified tower in Greece. It is also expected to receive WELL Core certification.



Thetis Greece

“Thetis”, one of the largest new-built logistics hub, comprises of four independent energy efficient buildings located in Aspropyrgos, the most prime logistics area of Western Attica. “Thetis” consists of 59,044 sqm Grade A logistics area developed in accordance with the latest specs and it was fully leased to AAA tenants. The project was completed in Q1 2023.

HUB 26 Greece

This Grade A modern office complex will consist of four autonomous office buildings in Thessaloniki. The office complex will have a total GBA of 31,009 sqm including ca.20,000 sqm of high-quality offices and 238 parking spaces over 5 floors and one underground level. The project is estimated to be completed in Q4 2024. The office complex is expected to receive LEED Gold certification.



Kaizen Campus Greece

“Kaizen Campus” is a state-of-the-art green office building in Maroussi’s business district, consisting of 3 levels above ground, 3 wings and a total GBA of 14,213 sqm including ca.8,000 sqm energy sustainable offices and 187 parking spaces.

The building is primarily located in Marousi, one of the most established office markets in the Attica region, offering excellent accessibility as it is situated next to Metro Station “Neratziotissa”. The building was completed in Q4 2022 and it is let to Kaizen Gaming. The office received a LEED certification at “Gold” level.



Moxy Athens City Greece

“Moxy Athens City” by Marriott is the result of a regenerated office building (Sarogleio Megaro) to a brand-new modern city hotel, Moxy Athens City, in the historical center of Athens. The hotel has a total GBA of ca.10,300 sqm and 200 keys. It is strategically located in Omonoia Square, by Stadiou Street, enjoying high visibility and excellent accessibility. The project was completed in Q2 2022. Moxy Athens City is the first LEED Gold certified hotel in Greece.



Kifissias 77 Greece

“Kifissias 77” project is a new “green” Grade A office complex development in Marousi. The office complex will have a total GBA of ca. 19,000 – 38,000 sqm including ca. 14,000-17,000 sqm high-quality offices and is expected to receive LEED at “Gold” level certification. The asset is primely located in Marousi, one of the most established office markets of Attica region, and it will be easily accessible, as it is situated 100m from “Attica Ring Road Exit 11: Olympic Station/Kifissias Avenue”. The project is estimated to be completed in Q3 2027.

Landmark Tower Cyprus

“Landmark Tower” project is a newly developed office tower which is being constructed in the adjacent plot of the Landmark Hotel in Nicosia, Cyprus. “Landmark Tower” will be of high-quality and one of the most modern and energy efficient office buildings in Cyprus with total GBA of 26,406 sqm. The project is estimated to be completed in Q4 2025. The office tower is expected to receive LEED at “Gold” level certification.



Logic Greece

“Logic” is a new logistics park development in Aspropyrgos, the most prime logistics area of Western Attica in a land plot of ca 264,000 sqm with the aim to develop 99,650 sqm of high-quality warehouse and distribution centres. The project is estimated to be completed in Q1 2027. Logic is expected to receive LEED at “Gold” level certification.



Home Greece

“Home” project is a portfolio of energy efficient residential development projects in Attica region. Currently, there are twelve projects under development. The projects are located across Attica having a total gross building area of ca. 23,300 sqm. Project completion will take place progressively and it is estimated to be completed in Q4 2027.



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