



EAGLESTONE
Belgium – France – Luxembourg

GFF – Annual Allocation and Impact Report

7th October 2023



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1. Introduction

1.1. Scope of this report

Eaglestone Group is pleased to present its first Green Retail Bond Allocation Report and Impact Report following the implementation of a Green Finance Framework in September 2022.

This report details the allocation of the net proceeds of the Green Bond issued in 2022 in line with the Eaglestone's Green Finance Framework. This Green Bond Allocation Report covers the period between 7 October 2022 and 13 September 2023. It was approved by the Comex on 13 September 2023.

1.2. About Eaglestone Group

Eaglestone Group is a European real estate developer active in Belgium, Luxembourg and France. Created in 2011 in Belgium, the group expanded rapidly. Firstly, through the opening of an office in Luxembourg in 2015. Secondly, through the acquisition of two companies in France, Interconstruction in 2020 (active in Île-de-France) and Cardinal in 2022 (active in Île-de-France and other major regions in France).

Recognized for the architectural and technical quality of its projects, Eaglestone's DNA promotes the enhancement of the existing environment through the creation of responsible urban developments with a unique identity.

In harmony with these values, all Eaglestone developments are part of a strong environmental approach aiming to carbon neutrality but also the well-being and comfort of the occupants through the achievement of international certifications.

Currently the group employs approximately 234 people across three countries and has a portfolio of over 130 projects covering the residential, office, retail, hotel and student housing segments.

The portfolio represents more than 823,000m² in portfolio or pipeline.

2. Green Retail Bond Issue – October 2022

Eaglestone Group issued on 7th October 2022 a 4-year green bond (ISIN: BE0002883644) with a gross coupon of 5.5% for an amount of €26 million. This bond was placed in the form of a public offer in Belgium open to retail investors and, to a certain extent, qualified investors.

The net proceeds from the public offer, €26 million, are exclusively allocated to the financing or refinancing, in whole or in part of green and energy-efficient real estate projects that contribute to Eaglestone's environmental objectives. These projects meet certain eligibility criteria which are defined in the point 4 of this report.

3. Eaglestone and Sustainability

Construction is the sector with the largest ecological footprint. As a developer, Eaglestone is aware of the difference it can make by adopting sustainable development and building methods. The Group strives for sustainability in urban development. Furthermore, it uses part of its profits to support good causes in the areas of health, culture and social inclusion.

In recent years, sustainability has become even more important, and COVID-19 has revealed how much we depend on nature. People are demanding a higher-quality living and working environment, one that offers them a high degree of comfort and promotes a healthy lifestyle. The pandemic has also shown that cities need open and green space, as well as walking and cycling infrastructure. Eaglestone strives for sustainability in all its assets to satisfy all its stakeholders, from governments to investors to customers.

Since 2019, Eaglestone has been a Carbon Neutral company for all its corporate activities. Since that year also, all new developments undergo an analysis of their carbon footprint and measures are taken to reduce these and to offset the remaining ones. Eaglestone works with independent sustainability experts (e.g. CO2Logic) to identify the greenhouse gases in their value chain and is developing an ambitious reduction plan. Eaglestone obtained its first Carbon Neutral certification® in collaboration with CO2logic in December 2020. CO2logic offers the CO2-Neutral certification® to organizations that calculate, reduce and offset their climate impact. Since 2015 this label is also certified by Vinçotte, an international independent certification body. There are many carbon neutral certifications around the world but few have a third-party validation by a serious and credible certifier.



In 2022, all entities of Eaglestone defined together the six United Nations Sustainable Development Goals (“UN SDGs”) to which every development project should significantly contribute:



1. Goal 6 - Ensure availability and sustainable management of water and sanitation for all
2. Goal 7 - Ensure access to affordable, reliable, sustainable and modern energy for all
3. Goal 11 - Make cities and human settlements inclusive, safe, resilient and sustainable
4. Goal 12 - Ensure sustainable consumption and production patterns
5. Goal 13 - Take urgent action to combat climate change and its impacts
6. Goal 15 – Protect, restore and promote sustainable use of terrestrial ecosystems

Each phase (design – construction – use) of Eaglestone’s project is now screened based on these goals in order to identify and improve their contribution to these goals.

4. Eligibility Criteria

The net proceeds of the 7th October 2022 Green Retail Bond issuance are being used to finance and/or refinance, in whole or in part, assets, projects and activities which contribute to Eaglestone’s ESG strategy (the “Eligible Assets”). Eligible Assets include construction or acquisition of new or on-going assets and which fall under one of the categories in the table below:

| Eligible assets | Eligibility criteria |
|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Acquisition or construction /refurbishment of Green Buildings | <p>New acquisitions, construction of new building or refurbishment of existing buildings which have received or will be designed to receive specific certifications:</p> <ol style="list-style-type: none"> 1. For new or deeply refurbished office buildings: <ul style="list-style-type: none"> ○ <u>1st mandatory requirement:</u> BREEAM: minimum “Excellent” or any equivalent internationally recognized third-party verified certification scheme (DGNB, HQE). ○ <u>2nd mandatory requirement:</u> Minimum one of the three following requirements: <ul style="list-style-type: none"> ▪ <u>Energy and Carbon Performance:</u> achieve a minimum of 75% of available credits of the BREEAM Energy category (Ene 01 to Ene 10) ▪ <u>Water efficiency and savings:</u> achieve a minimum of 75 % of available credits of the BREEAM Water category (Wat 01 to Wat 04) ▪ <u>Waste management:</u> achieve a minimum of 75 % of available credits of the BREEAM Waste category (Wst 01 to Wst 06) ○ Additional optional indicator: <ul style="list-style-type: none"> ▪ WELL Core and Shell¹ 2. For assets not subject to official classification (mostly residential) <ul style="list-style-type: none"> ○ Achieve a high level of energy efficiency with a maximum Primary Energy Demand (“PED”)² of 85 kWh/sqm |
| Geography | Located in countries in which Eaglestone operates (France, Belgium, Luxembourg) and might operate in the future: the UK and the EU member countries with the exclusion of Greece, Hungary and Bulgaria |

¹ <https://v2.wellcertified.com/en/wellv2/overview>

² https://www.bpie.eu/wp-content/uploads/2021/06/Nearly-zero_EU-Member-State-Review-062021_Final.pdf.pdf

5. Allocation Report and Impact Report

Eaglestone Group followed a transparent process for the selection and evaluation of Eligible assets. Assets financed and/or refinanced through the Green Bond issued by Eaglestone Group were evaluated and selected based on compliance with the Eligibility Criteria as set under point 4 of this report (page 3).

All the Eligible Assets comply with local laws and regulations, including any applicable regulatory environmental and social requirements.

The Eligible Assets are fully eligible and were designated by the Executive Committees.

For residential and student projects, Primary Energy Demand are indicated in PEB certificates obtained for each building. Those PEB certificates are delivered by national/local authorities of each country.

PEB are based on the methods defined by the Th-BCE 2012 calculation method in France and based on the PEB software in Belgium. The calculation methodology of the PEB software is based on standardized occupancy and use of the building.

Furthermore, no modification (removal or additional projects) of the portfolio is planned.

| Project | Acquisition Country | Type | m ² Criteria | Status | Expected delivery | Allocation | Refinancing | Financing |
|--------------|---------------------|-------------|---------------------------------------------------------|--------------|-------------------|---------------------|---------------------|------------|
| Ypso | 2022 Belgium | Office | 25.000 Target: BREEAM Outstanding, DGNB, WELL certified | Design | 2027 | 5.000.000 € | 5.000.000 € | 0 € |
| The W | 2018 Belgium | Residential | 17.828 Target: Average: 45 KWH/m ² | Construction | 2026 | 5.000.000 € | 5.000.000 € | 0 € |
| La Fabrique | 2021 France | Residential | 11.431 Target: Average: 58 KWH/m ² | Construction | 2025 | 6.000.000 € | 6.000.000 € | 0 € |
| Créteil RE | 2019 France | Student | 16.349 Target: Average: 65 KWH/m ² | Construction | 2024 | 5.000.000 € | 5.000.000 € | 0 € |
| The Nest | 2022 Luxembourg | Office | 10.324 Target: BREEAM Outstanding, WELL certified | Design | 2027 | 5.000.000 € | 5.000.000 € | 0 € |
| Total | | | 80.932 | | | 26.000.000 € | 26.000.000 € | 0 € |

6. Disclaimer

The information and opinions contained in this Allocation Report are provided as at the date of this report and are subject to change without notice. None of Eaglestone Group SARL or any of its affiliates (jointly referred to as Eaglestone) assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise.

This Allocation Report represents the current Eaglestone policies and objectives, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights or obligations. The goal of this Allocation Report is to provide non-exhaustive, general information.

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Any decision to invest in any green financing instruments should be made solely on the basis of the information to be contained in any offering document provided in connection with the offering of such green financing instruments. Prospective investors are required to make their own independent investment decisions. This Framework does not constitute a prospectus or an offering memorandum.