Montea

Green Finance Allocation & Impact Report

25 April 2025

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MONTEA
SPACE FOR GROWTH

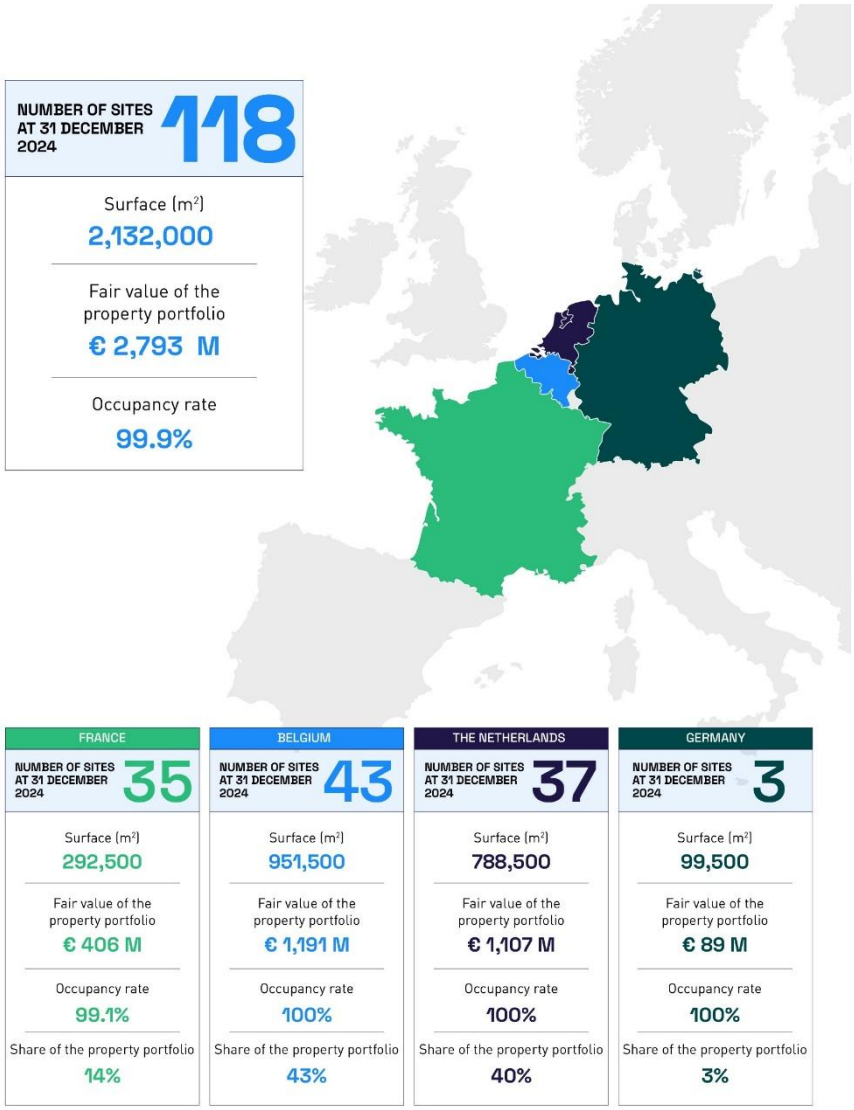
1. Introduction

1.1. About Montea

Montea NV (**Montea** or the **Company**) is a public regulated real estate company (RREC) under Belgian law, specialised in the development and the management of logistics property in Belgium, France, the Netherlands and Germany. The Company is a leading player in this market. Montea literally provides its clients with the space to grow, through flexible and innovative property solutions.

On December 31, 2024, the property portfolio represented a total space of 2,132,243 m² spread across 118 locations. Montea has been listed on Euronext Brussels (MONT) and Euronext Paris (MONTP) since the end of 2006.

Montea shares are aimed at Belgian and foreign individual and institutional investors looking for an indirect investment in logistics property and seeking to achieve a relatively high dividend yield while incurring a moderate risk.



1.2. Sustainability within Montea

Our strategy and sustainability pillars

Sustainability is in our DNA. We are leading the way in making the logistics sector more sustainable. With a land bank of more than 2 million square metres, over 80% of which is grey and brownfield land, we focus on redeveloping existing industrial sites. In recent years, we have invested around €15 million in the remediation of polluted industrial sites, transforming them into energy-efficient and sustainable logistics hubs. In all our developments, we focus on reducing greenhouse gas emissions, improving energy efficiency and making smart use of existing space. Not to make a quick profit, but to create long-term value - for this generation and generations to come. That value lies in sustainable and innovative logistics real estate at strategic locations, with multimodal accessibility and a multifunctional character.

To increase our impact, we have further strengthened our internal sustainability governance. The ESG Steering Committee, led by our Chief Sustainability Officer, works closely with the Board of Directors. The committee integrates sustainability into our business strategy and investment decisions, and takes the lead on setting our sustainability goals for the future. The committee's recommendations are implemented throughout the organization by dedicated ESG teams in each country. This ensures that we not only meet current standards, but also continue to innovate for the future. It also allows us to build a logistics sector that is not only economically profitable, but also socially responsible.

In 2024, we conducted a dual materiality analysis in accordance with the Corporate Sustainability Reporting Directive (CSRD), from which three key areas of attention for Montea could be derived: greenhouse gas emissions and energy efficiency, land use and raw material use. On this basis, five pillars were identified for our sustainability strategy:

1. Climate change and energy: towards net zero
2. Contributing to climate resilience and biodiversity
3. Developing circular and multifunctional buildings
4. Supporting sustainable logistics
5. Excelling in sustainability

For more details on these pillars and how this will be rolled out, read our annualreport2024 | Montea.

Our sustainability goals for 2030 and 2050

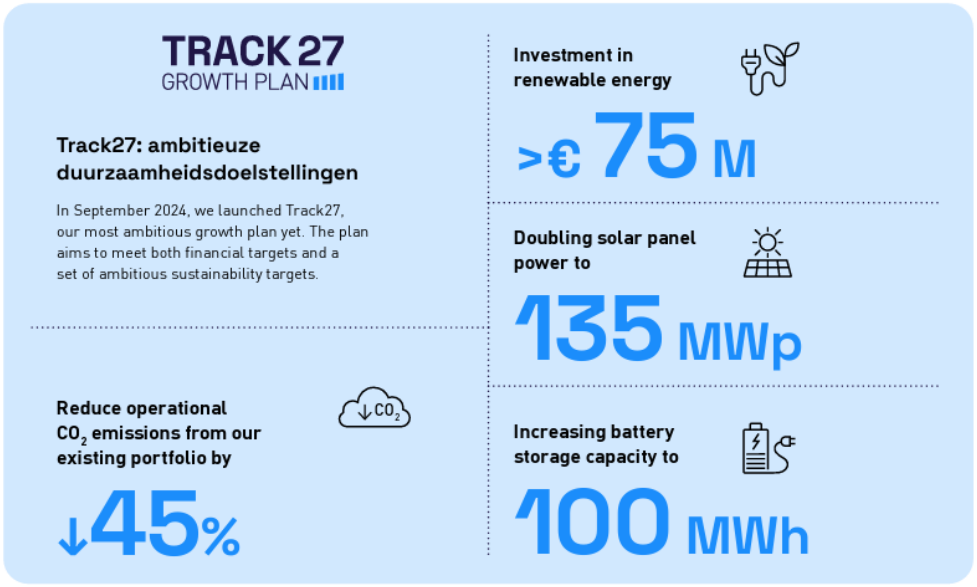
Our sustainability goals are aligned with the European Green Deal (The European Green Deal - European Commission) and include three components: our own operations, our existing portfolio and our new construction projects. Each pillar requires a specific approach and impact analysis. For new constructions, we use 2021 as a reference year, while 2019 is the base year for our existing portfolio and operations.

1/ Montea operations	2/ Existing portfolio	3/ Montea developments
2030: Net zero[1]	**2030**: Reduce CO_2 emissions by 55% **2050**: Net zero	**2030**: Reduce CO_2 emissions by 55% **2050**: Net zero

Our total carbon footprint is broken down into Scope 1, 2 and 3 emissions. Scope 1 and 2 are relatively easy to measure, but only account for a small portion of our total carbon emissions. The majority of our carbon emissions are in scope 3. Several years ago, we had our Scope 1 and 2 targets validated by SBTi (Science Based Targets initiative - Ambitious corporate climate action - Science Based Targets Initiative). In 2024, the new SBTi framework for the

real estate sector will be set. In 2025, we will set our own targets with SBTi, including more specific targets for Scope 3 emissions.

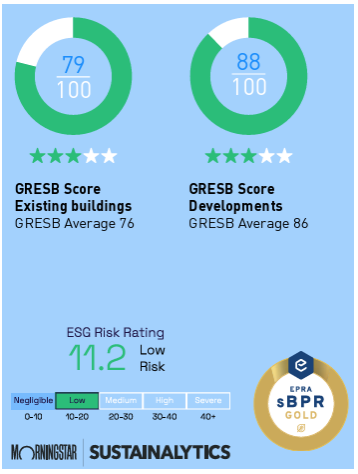
In addition, in September 2024, we launched Track27, the most ambitious growth plan in our history. It includes not only financial targets, but also a series of ambitious sustainability goals.



Montea received wide recognition for its sustainability efforts during the past years. Montea is included in the BEL® ESG Index, alongside 19 other listed companies showing the lowest environmental, social and governance (ESG) risk score in Belgium. Euronext uses the Sustainalytics score as a benchmark which is set at 11.2 for Montea.

For EPRA sBPR and GRESB we were also able to reaffirm our credentials, respectively with a sBPR Gold Award and a GRESB score of 79% for existing portfolio and 88% for new developments.

For more details on Montea's sustainability strategy, reference is made to our annualreport2024 | Montea.



1.3. Montea's Green Finance Framework

To strengthen its sustainability ambitions, Montea has set up a Green Finance Framework on 16 February 2021 (**Green Finance Framework**). With this framework, Montea intends to issue green financing instruments (e.g. bonds, loans, etc.) to (re)finance sustainable projects that clearly take account of the impact on the environment and society. The Green Finance Framework operates fully in accordance with the ICMA (International Capital Markets Association) Green Bond Principles and the LMA Green Loan Principles.

1.4. Eligibility criteria and process for project evaluation and selection

In line with the Green Finance Framework, Montea allocates the incremental net proceeds of any green finance instruments to a portfolio of eligible green projects (the **Eligible Green Projects**) in the categories "Green Building" and "Renewable Energy". More details on the eligibility criteria to fall under one of said categories are set out in the Green Finance Framework (see section 'Use of Proceeds').

Eligible Green Projects are evaluated and selected based on compliance with the eligibility criteria. Investments, expenditures and/or projects are proposed by internal departments and the ESG Steering Committee. A separate Sustainable Executive Committee (consisting of the Chief Sustainability Officer and a representative of the finance department) evaluates compliance of a given project with the eligibility criteria and internal policies and selects and validates the pool of Eligible Green Projects.

1.5. Scope of this allocation and impact report

According to the Green Finance Framework, Montea must report on the progress and, where possible, on the impact of the "Eligible Green Project Portfolio" (as defined in the Green Finance Framework).

With respect to the ***allocation*** of proceeds of green finance instruments, the Green Finance Framework provides that such reporting needs to occur after a year from the issuance of the applicable Green Finance Instrument, and then annually until full allocation. With respect to the environmental ***impact*** of the Eligible Green Project Portfolio, Montea needs to report on an annual basis.

To date, Montea issued green bonds for a total amount of EUR 615 million. The net proceeds of these green bonds have been fully allocated in 2021 and 2022. More information on these allocations can be found here:

- EUR 235 million green bonds issued through a US private placement in 2021 (**US PP 2021**), see Allocation and impact report 26 April 2022;
- EUR 380 million green bonds issued through US private placement in 2022 (**US PP 2022**), see Allocation and impact report 26 April 2023.

Given that no new green finance instruments have been issued under the Green Finance Framework since the publication of the allocation and impact report of 26 April 2024, no additional allocation reporting is required. Hence, this report dated 25 April 2025 (the **Report**) only covers the impact reporting in relation to the entire Eligible Green Project Portfolio, consisting of Eligible Green Projects to which the proceeds from both the US PP 2021 US PP 2022 have been allocated.

To the extent feasible, Montea aligned the Report with the portfolio approach described in "Handbook – Harmonize Framework for Impact Reporting (April 2020)", as amended from time to time.

The environmental impact assessment as mentioned in this Report has been validated by way of a "limited assurance"-audit by EY Bedrijfsrevisoren BV (see section 4 of this Report).

Given that the last impact report was issued on 26 April 2024, this Report has been drawn up in timely manner (i.e. reporting once a year on the environmental impact of the entire Eligible Green Project Portfolio).

On the date of this Report, no other financing instruments have been issued or entered into by Montea under the Green Finance Framework, other than the US PP 2021 and the US PP 2022.

1.6. Value of the eligible assets

The values considered are the fair market values (for both buildings and solar panels) on December 31, 2024, as reported in the financial statements, based on valuations done by Jones Lang LaSalle and Stadim (reference is made to the report of our real estate experts included in our integrated Annual & ESG Report on FY 2024 annualreport2024 | Montea.

2. Eligible assets and allocation reporting

Below is an overview of our Eligible Green Project Portfolio as per 31 December 2024 and the combined allocation of the net-proceeds raised by the US PP 2021 (i.e. EUR 235 million) and the US PP 2022 (i.e. EUR 380 million). All these net-proceeds were used exclusively to refinance qualifying sustainable assets such as certified buildings and renewable energy in accordance with the eligibility criteria set out in the Green Finance Framework.

For more details on the allocation reference is made to the respective allocation reports published in 2022 and 2023. No additional green finance instruments have been issued since the publication of the allocation and impact report of 26 April 2024, so no additional allocation has taken place since then.

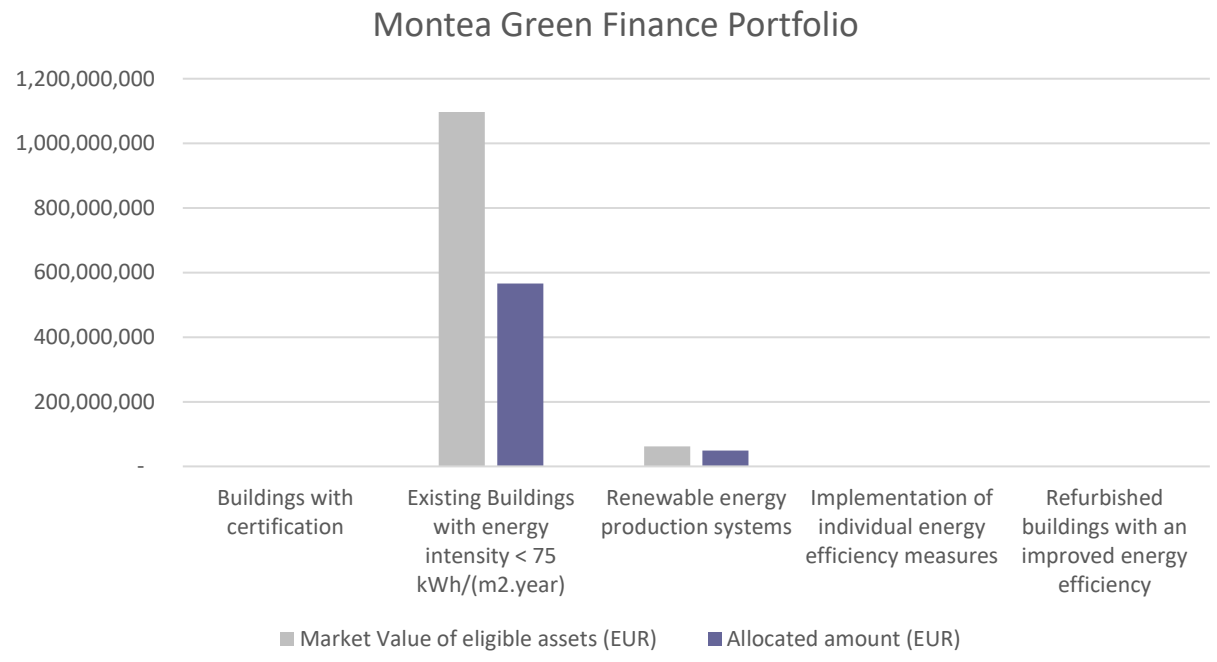
Eligible Green Project Portfolio	Number of eligible assets	Market Value of eligible assets (EUR)	Allocated amount (EUR)	Eligible Green Projects portfolio allocated to net proceeds of green funding (%)
Buildings with certification	-	-	-	-
Existing Green Buildings with energy intensity < 75 kWh/(m².year)	50	1,096,870,516	565,707,226	52%
Renewable energy production systems	68	62,419,797	49,292,774	79%
Implementation of individual energy efficiency measures	-	-	-	-
Refurbished buildings with an improved energy efficiency	-	-	-	-
Total	**118**	**1,159,290,314[1]**	**615,000,000**	**53%**

Green finance instrument			
Instrument	Issuance Date	Maturity Date	Amount (millions EUR)
US PP 2021	27/04/2021	27/04/2031	80.0
US PP 2021	23/06/2021	23/06/2036	70.0
US PP 2021	4/01/2022	4/01/2034	85.0

[1] During 2024 our Eligible Green Project Portfolio has grown from 1,042,262,455 EUR to 1,159,290,314 EUR.

US PP 2022	15/06/2022	15/06/2032	160.0
US PP 2022	17/08/2022	17/08/2030	175.0
US PP 2022	2/11/2022	2/11/2030	20.0
US PP 2022	7/12/2022	7/12/2030	25.0
Total Green finance instruments			**615.0**

Overview of total allocation	
Eligible Green Projects portfolio allocated to net proceeds of green funding	53%
Net proceeds allocated	100%
Unallocated proceeds	0%
Net proceeds used for financing	0%
Net proceeds used for refinancing	100%



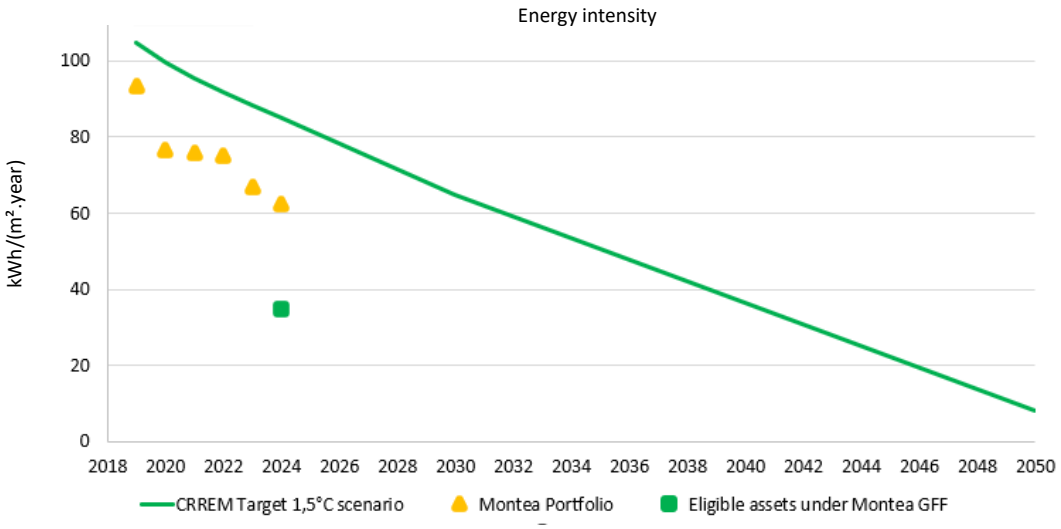
3. Impact reporting

This section sets out, to the extent feasible and available, the calculation of the environmental impact of Montea's Eligible Green Project Portfolio.

3.1. Existing buildings with energy intensity < 75 kWh/(m².year)

For the existing Eligible Green Projects, the avoided GHG emissions were calculated in relation to the CRREM 1.5°C scenario target for 2024 for the Montea Portfolio.[2] The CO_2 emissions were calculated according to the Greenhouse Gas Protocol with location-based emission factors. Supply data were collected through a combination of energy monitoring systems, extraction of contract data and tenant surveys.[3]

CRREM Target 1,5°C scenario 2024 [4]	24.73	kg CO_2e/(m².year)
GHG intensity of eligible assets under Montea GFF	1.26	kg CO_2e/(m².year)
Avoided GHG emissions	23.47	kg CO_2e/(m².year)
Building SQM eligible assets	1,070,965	m²
Total avoided GHG emissions	**25,135**	**tCO_2e/year**



[2] The Carbon Risk Real Estate Monitor (CRREM) provides the real estate sector with transparent, science-based decarbonization pathways aligned with the Paris climate goals to limit global temperature rise. CRREM was funded by the Horizon Programme of the European Union. The consortium members are the IIÖ (Institute for Real Estate Economics), GRESB, the University of Alicante, Ulster University, and TIAS Business School. Montea uses these decarbonization paths as benchmarks.

[3] Montea recognizes that the accuracy and reliability of the data it uses in monitoring the environmental performance of its portfolio are directly linked to the quality of the information received, possible measurement inaccuracies and other factors that could potentially reduce data quality. Nevertheless, Montea strives for continuous improvement of this data quality through automation, the use of multiple sources as verification and the optimization of the monitoring systems.

4 As CRREM – 1,5°C pathway the CRREM version v1.10 (10.05.2020) was used to be consistent with previous reports.

3.2. Renewable energy production systems

For the renewable energy production systems, the avoided GHG emissions were calculated by comparing the GHG emissions for grid electricity to the GHG emissions for locally produced electricity from renewable energy systems (in this case photovoltaic solar systems). The CO_2 emissions were calculated according to the Greenhouse Gas Protocol with location-based emission factors. Data comes from the monitoring system of the solar systems, the specific yield (kWh/kWp) was calculated for the total portfolio of eligible assets, based on location.[5]

	GHG emission factors in scope 1/2/3 (tCO_2e/MWh)						
	Electricity generated from local solar panels[6]	Grid Electricity mix location based	Avoided emissions (Grid electricity vs solar panels)	Mean specific yield (kWh/kWp)	PV installed power (MWp)	Yearly Production (MWh)	Avoided GHG emissions (tCO_2e/year)
Belgium	0.0000	0.1839	0.1839	809	45,23	36,593	6,729.4
the Netherlands	0.0000	0.3545	0.3545	893	27,10	24,200	8,579.0
France	0.0000	0.0910	0.0910	749	2,00	1,497	136,2
Total eligible renewable energy systems					**74,33**	**62,290**	**15,444.6**

3.3. Total impact of Montea's eligible Green Project Portfolio

The total impact of Montea's eligible green finance Portfolio on 31 of December 2024 can be estimated at:

Green Buildings	25,135	tCO_2e/year
Renewable energy systems	15,445	tCO_2e/year
Total annual avoided GHG emissions	**40.580**	**tCO_2e/year**

Equivalent surface trees[7]	**2,601**	**ha**

[5] Montea recognizes that the accuracy and reliability of the data it uses in monitoring the environmental performance of its portfolio are directly linked to the quality of the information received, possible measurement inaccuracies and other factors that could potentially reduce data quality. Nevertheless, Montea strives for continuous improvement of this data quality through automation, the use of multiple sources as verification and the optimization of the monitoring systems.

[6] For the emission factor of solar panels, a correction was made this year. The emission factor of locally generated green electricity by our PV plants was set to 0. The production of solar energy also has an emission factor, but this is only due to the production process of the solar panels, their transport and installation. These emissions are already included in the embodied carbon of a project and don't need to be taken into account in the comparison with the emission factors of the grid electricity.

[7] Equivalent surface of trees in a moderate climate with 13 kg CO_2e/(tree.year) and 1,200 trees/ha.

4. External Verification

EY Bedrijfsrevisoren
EY Réviseurs d'Entreprises
Kouterveldstraat 7B 001
B-1831 Diegem

Tel: +32 (0)2 774 91 11
ey.com

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Limited Assurance Report of the Independent Auditor on the Use of Proceeds

Introduction

We were engaged by Montea nv (the "Company") to provide a limited assurance conclusion on the use of proceeds and impact report for the issuances of green finance instruments included in the section 2 "Eligible assets and allocation reporting" and section 3 "Impact reporting" (the "Selected Information") of Montea's Green Finance Allocation & Impact Report 2024 (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining sustainability indicators included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by the Company

In preparing the Selected Information included in the Report, Montea applied the criteria of proceeds allocation to Eligible Green Projects disclosed in section "Use of Proceeds" of Montea's Green Finance Framework (https://montea.com/uploads/investor-relations/20210216MonteaGreenFinanceFramework.pdf) (the "Criteria").

Conclusion

Based on our procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information is not prepared, in all material respects, in accordance with the Criteria.

Basis for our conclusion

We have carried out our limited assurance engagement on the Selected Information in accordance with the International Standard on Assurance Engagements (ISAE) 3000: "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board.

Our responsibilities under this standard are further described in the section "Our responsibilities" of this report.

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of Montea for the Selected Information

Montea is responsible for the preparation of the Green Finance Framework Allocation & Impact Report and the Selected Information contained herein in accordance with the Criteria.

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Limited Assurance Report of the Independent Auditor on the Use of Proceeds Montea nv

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the Report and the Selected Information contained herein that is free from material misstatement, whether due to fraud or error.

It also includes developing the Criteria, selecting and applying policies, making judgments and estimates that are reasonable in the circumstances and maintaining adequate records in relation to the Report and the Selected Information contained herein.

Our Independence and Quality Control

We apply the International Standard on Quality Control 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our responsibilities

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed in relation to the Selected Information. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement.

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the Selected Information. The materiality affects the nature, timing and extent of our review procedures and the evaluation of the effect of identified misstatements on our conclusion.

Our limited assurance conclusion relates solely to the Selected Information. Also it is not our responsibility to provide any form of assurance on:

- The suitability of the Criteria in relation to the 2021 Green Bond Principles of the International Capital Markets Association which was assessed by Sustainalytics in the 'Second Party Opinion' published in February 2021 on https://montea.com/uploads/investor-relations/Montea-Green-Finance-Framework-SPO_final.pdf;

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Limited Assurance Report of the Independent Auditor on the Use of Proceeds Montea nv

- The management of the proceeds from the green finance instruments prior to their allocation or the use of these proceeds after their allocation.

Procedures performed

Our limited assurance engagement on the Selected Information consists of making inquiries, primarily of persons responsible for the preparation of the Selected Information, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included, among others:

- Identifying areas of the Selected Information where material misstatements, whether due to fraud or error, are likely to arise, designing and performing limited assurance procedures responsive to those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion;
- Developing an understanding of internal controls relevant to the preparation of the Selected Information;
- Evaluating the appropriateness of the reporting Criteria used and their consistent application, including the reasonableness of estimates made by the Company and related disclosures to the Selected Information;
- Interviewing relevant persons responsible for preparing the Selected Information, for carrying out internal control procedures on and consolidating and reporting the Selected Information;
- Reviewing relevant internal and external documentation that reconcile with the Selected Information;
- Analytical review procedures to confirm our understanding of evolutions in the Selected Information.

Brussels, 25 April 2025

EY Bedrijfsrevisoren BV/EY Réviseurs d'Entreprises SRL
Independent Auditor
Represented by

Christophe Boschmans*
Partner
* Acting on behalf of a BV/SRL

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