



Green Financing Reporting

December 2024



Key highlights



€377M

Gross Rental Income, +8% vs. the previous year



€316M

Group EBITDA, +12% vs. the previous year



€172M

Recurring Net Profit, +7% vs. the previous year



€32 cts./share

Recurring EPS



€11.3bn

Gross Asset Value of the portfolio, -6% vs. the previous year



€9.95/share

Net Tangible Assets (NTA)



> €700M⁽¹⁾

Disposal programs in line with valuation



158,225 sqm

Signed in 2023



Growth

in signed rent and indexation capturing



97% occupancy

Solid occupancy levels (100% in Paris)



100%

of the current debt hedged at a fixed rate



100%

Portfolio with BREEAM & LEED certification



-9%

Energy intensity reduction 23/22



88%

Renewable energy +1,462 bp



-15%

GHG⁽²⁾ emissions intensity (Scopes 1 & 2) 23/22



-25%

2023 total GHG emissions of 75,236 TnCO₂e



+33%

Hours of training



42% women

Non-executive director



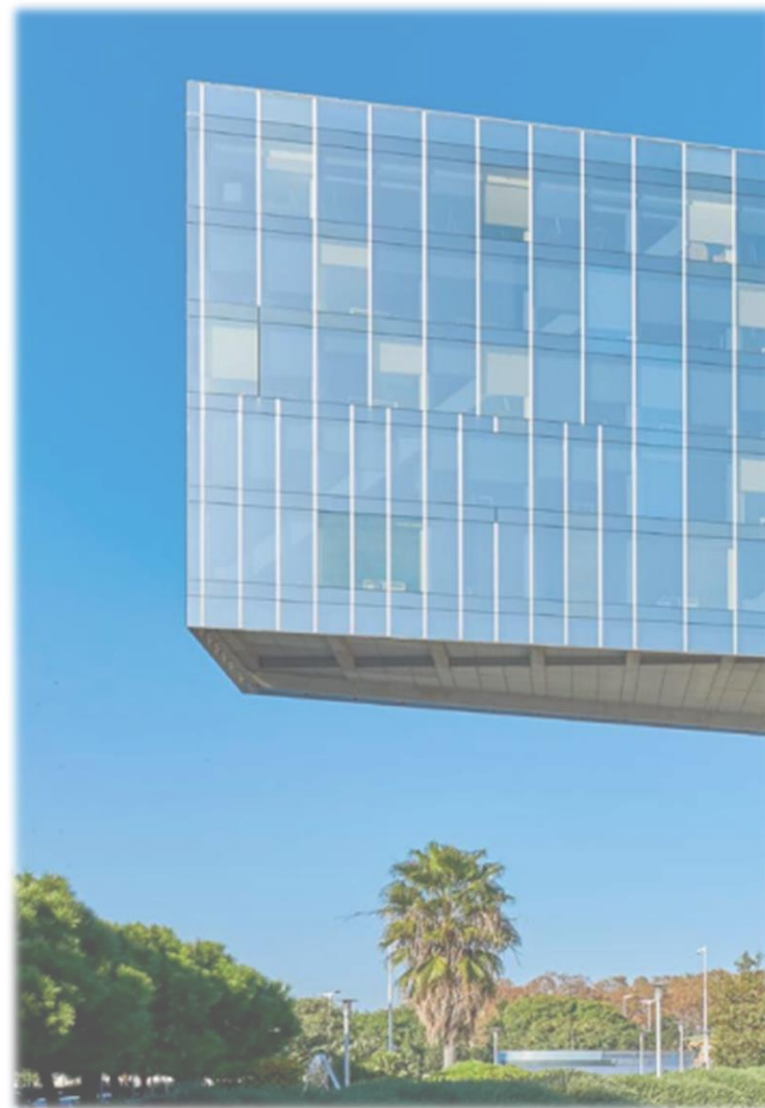
Rating A in CDP: leadership in the IBEX 35 and globally



Rating 6,2 in Sustainalytics: #1 on IBEX 35 & Top 26 globally

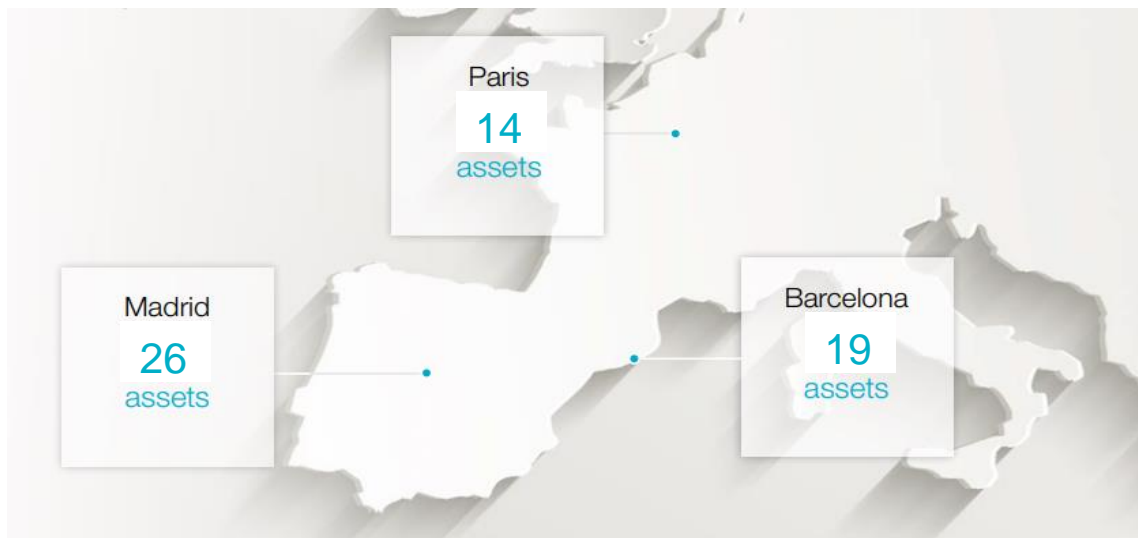
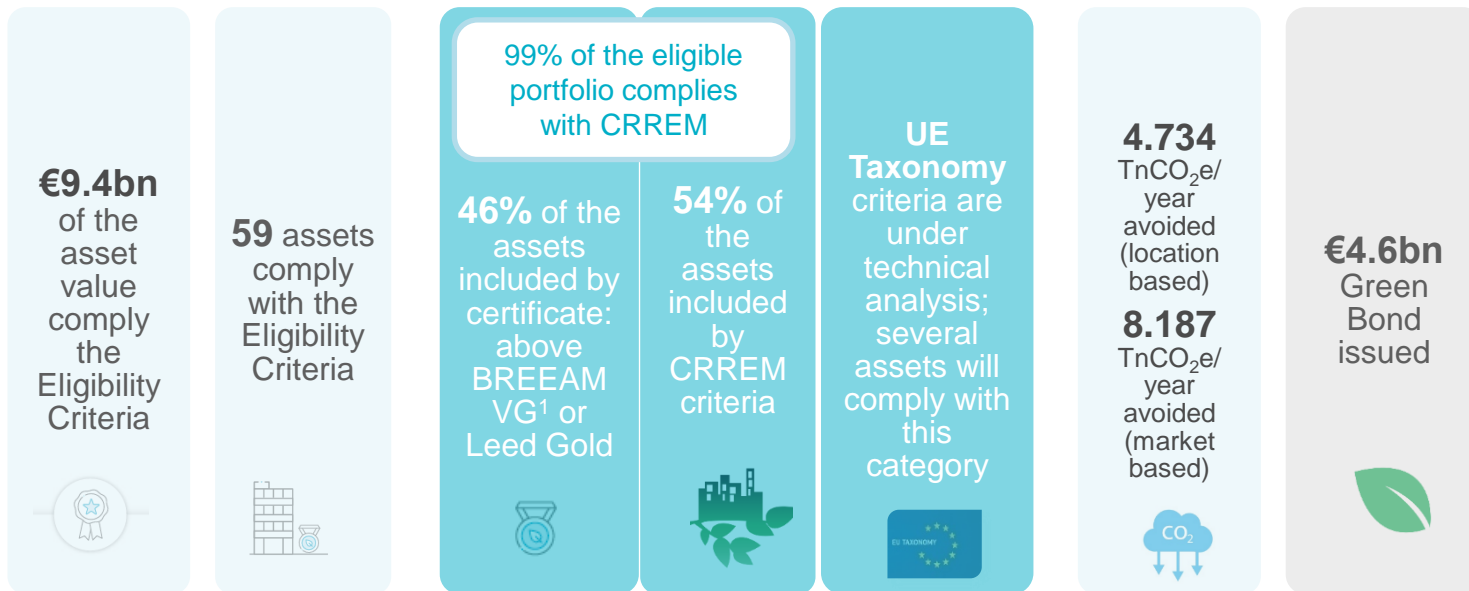


Gresb 2023 Rating in "5-Star" level

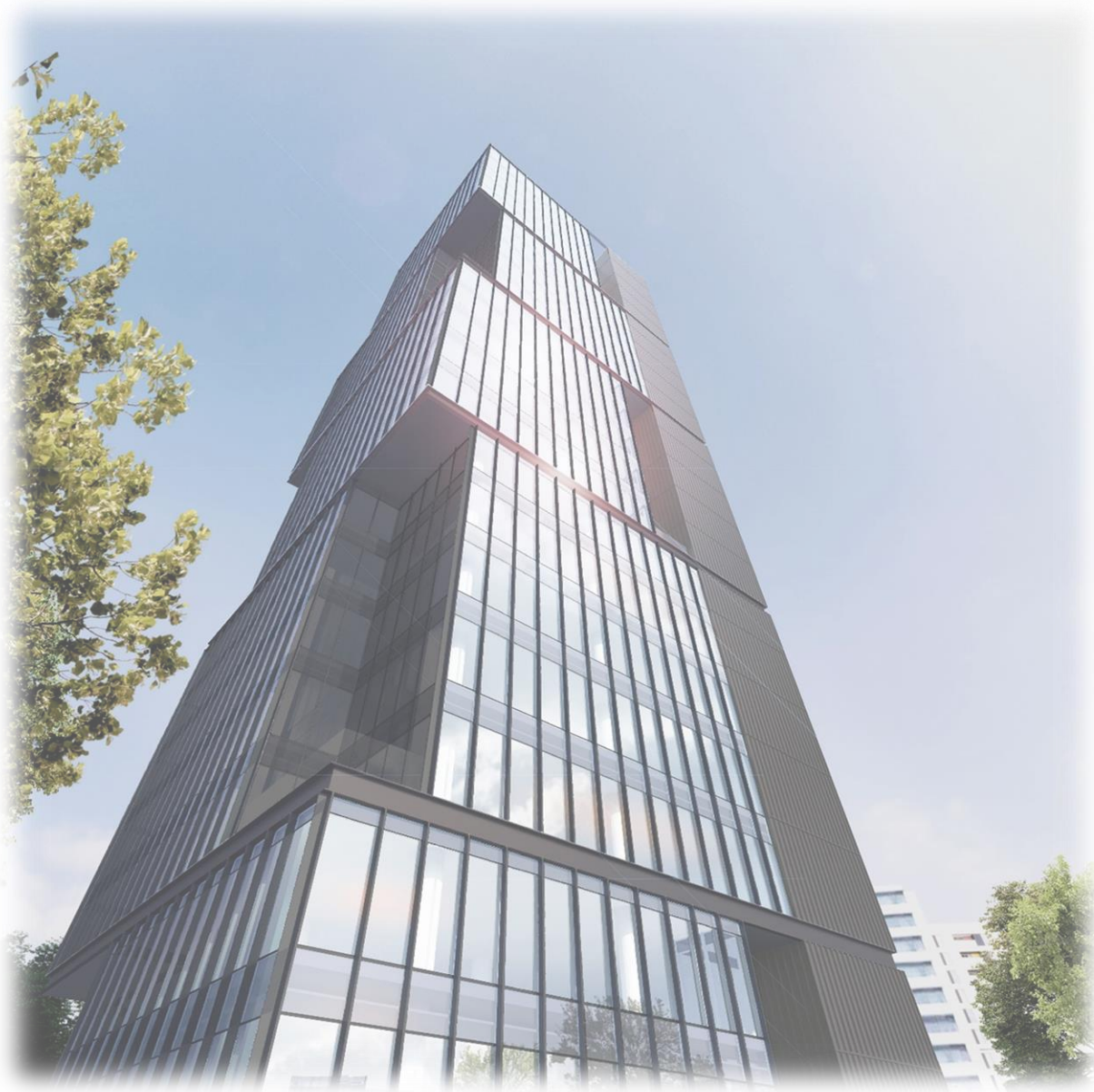


(1) Out of €723m, €574m have been carried out during 4Q22 and the first nine months of 2023 and €150m during the last quarter of 2023 and the first months of 2024.
 (2) GreenHouse Gas (GHG).

Key figures – Green Financing report in a nutshell



¹With a minimum score of 70% in the energy category



01 Sustainability strategy & achievements

02 Green Financing Framework overview

03 Allocation report & Impact report as of December 2023

04 Examples Eligible Green Projects

05 Auditor's Limited Assurance report



01

Sustainability strategy & achievements

02

Green Financing Framework overview

03

Allocation report & Impact report as of December 2023

04

Examples Eligible Green Projects

05

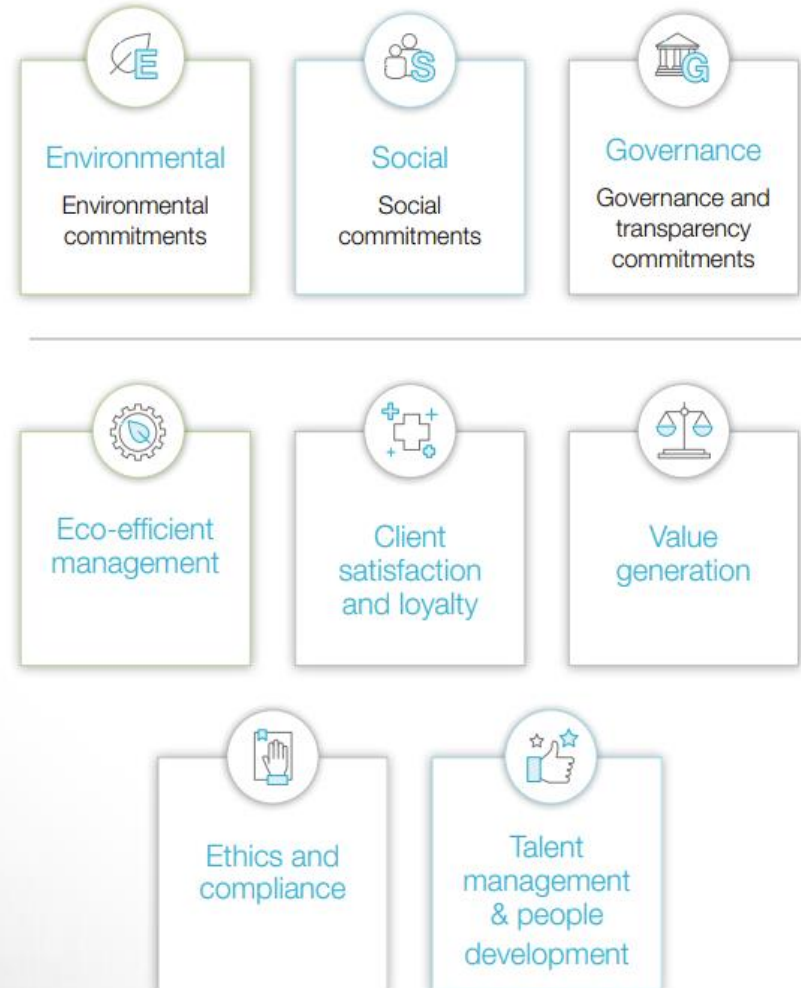
Auditor's Limited Assurance report

Sustainability strategy

A core element of the Colonial Group's corporate strategy lies in its commitment to excellence and leadership in ESG, as this is the basis for ensuring sustainable long-term returns for the company, i.e. for the Group's shareholders and all stakeholders

Our ESG commitment is reflected in our ESG policy (or Corporate Social Responsibility - CSR, a term also used in the markets and in various forums) applicable to all our stakeholders

In particular, our ESG policy is grouped into five main areas of action that allow us to focus our efforts in a methodical and efficient manner



Strategic plan

In line with its strategy focused on long-term sustainability, the Colonial Group is committed to the 2030 Agenda adopted by the United Nations (UN) in September 2015, which established a total of seventeen global goals (known as Sustainable Development Goals or SDGs).

Therefore, the Colonial Group has carried out an analysis of its contribution to achieving the SDGs and all the actions included in the ESG strategic plan have been examined in detail. Based on this analysis, the main goals on which the organization can generate a greater positive impact have been identified, as well as other interrelated SDGs to which the Colonial Group also contributes*.



* for more details to each objective through the monitoring of the key indicators: https://www.inmocolonial.com/sites/default/files/uploaded-files/2024-06/COLONIAL_IA_2023_ENG_WEB.pdf

Important advances in ESG ratings and indexes



6.2 Rating



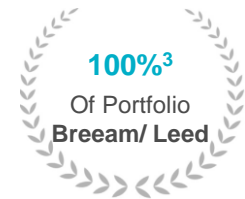
A - Score



5 STAR – 4th year in a row



Leader in Europe



(1) Colonial ranks among the 26 companies with the highest rating out of 15,536 companies covered worldwide
 (2) Only 346 companies out of 23,000 in the world have an "A" rating
 (3) Operational Portfolio as of 31/12/23



01

Sustainability strategy & achievements

02

Green Financing Framework overview

03

Allocation report & Impact report as of December 2023

04

Examples Eligible Green Projects

05

Auditor's Limited Assurance report

Green Financing Framework in line with Green Bond Principles and Green Loan Principles

Use of proceeds



The Eligibility criteria include UE Taxonomy Substantial contribution for Climate Change Mitigation, Green Certifications and alignment with CREEM (Carbon Risk Real Estate Monitoring). The Eligible Green Projects will be included in the respective Eligible Green Portfolio of each Issuing Entity at their latest appraisal value. This allocation is tested every year.

Evaluation and selection process



Colonial's Group monitors the selection of the Eligible Assets through its ESG Committee.

Management of proceeds



An amount equivalent to all of each Issuing Entity's outstanding Green Financing Instruments will be allocated to the Eligible Green Portfolios in line with the Use of Proceeds section and validation by the ESG Committee.

Reporting






An allocation and Impact Reporting provided on an annual basis, on:

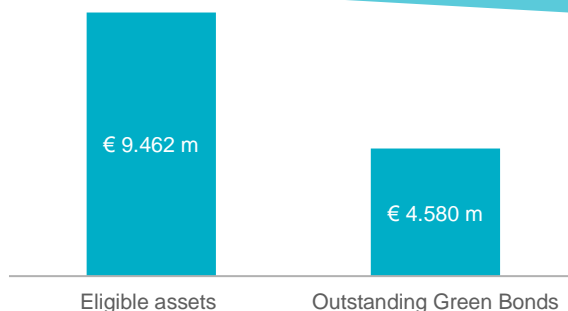
- The allocation of the proceeds
- The key Environmental Impact Indicators
- Publicly available with a high standard of transparency: dedicated page on Colonial & SFL website, publication of all the documents available (SPO, Green Financing Framework, reporting)

Second Party Opinion: Sustainalytics has provided a positive Second Party Opinion on the [Green Financing Framework](#) (GFF) (available in our website)

An external auditor issues an annual independent limited assurance report on whether the portfolio allocation of the green bonds proceeds is in accordance with the eligibility Criteria and on the green bonds portfolio allocation and impact indicators. For fiscal year 2023 reporting, the assurance is performed by PwC

Green Financing Framework in line with Green Bond Principles

Eligibility Criteria		 Acquisition & Ownership	 Construction	 Renovation
UE Taxonomy		Substantial Contribution to Climate Change Mitigation criteria	Substantial Contribution to Climate Change Mitigation criteria	Substantial Contribution to Climate Change Mitigation criteria
Label	BREAAM	“In use Very Good ” (or above) ¹	“Construction of new buildings “Excellent” or above	Renovation of existing buildings “Excellent” or above
	LEED BD +C	“ Gold ” or above	“ Gold ” or above	“ Gold ” or above
	HQE	“ Excellent ” or above	“ Excellent ” or above	“ Excellent ” or above
CO ₂ e emissions intensity threshold		Aligned with the CRREM (Carbon Risk Real Estate Monitoring) carbon emissions or energy efficiency threshold for the relevant segment and country and year		Buildings which do not exceed the CRREM carbon emissions / energy efficiency applicable thresholds 10 years post-delivery per relevant building type and per country and year



- As of December 31, 2023, Colonial’s Group has €4,580m Outstanding Bonds (€2,882m Colonial and €1,698m SFL)
- €9,462m comply with the criteria of our Green Financing Framework and thus qualify as Eligible Assets² to be refinanced by these bonds

¹ with a minimum score of 70% in the energy category

² The amount of eligible assets corresponds to the GAV (Gross Asset Value) as of December 31, 2023



01

Sustainability strategy & achievements

02

Green Financing Framework overview

03

Allocation report & Impact report as of December 2023

04

Examples Eligible Green Projects

05

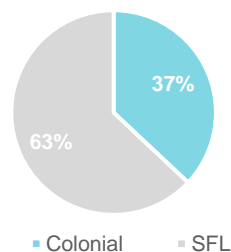
Auditor's Limited Assurance report

Allocation breakdown as of December 2023

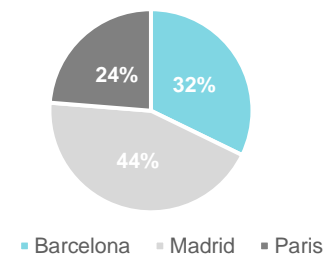
List of Group outstanding Green Bonds, as of 31st of December 2023

Issuer	ISIN	Issuance date	O/S Amount (€m)	Coupon	Maturity
COLONIAL	XS1509942923	10/28/2016	187	1,45%	10/28/2024
	XS1725677543	11/28/2017	500	1,63%	11/28/2025
	XS1808395930	04/17/2018	650	2,00%	04/17/2026
	XS1516312581	11/10/2016	50	1,88%	11/10/2026
	ES0239140017	10/14/2020	500	1,35%	10/14/2028
	XS1725678194	11/28/2017	370	2,50%	11/28/2029
	ES0239140025	06/22/2021	625	0,75%	06/20/2029
Total Spain			2.882		
SFL	FR0013335767	05/29/2018	500	1,50%	05/29/2025
	FR0013515871	06/05/2020	599	1,50%	06/05/2027
	FR00140060E7	10/14/2021	599	0,50%	04/21/2028
Total France			1.698		
TOTAL GROUP			4.580		

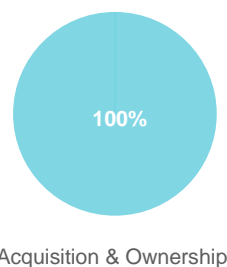
Green Financing Instruments held by entities of the Group (in%)



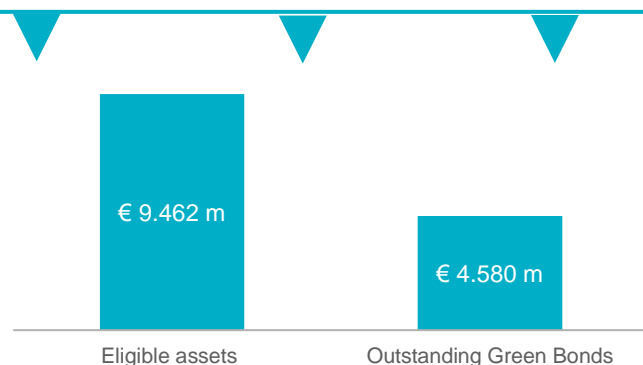
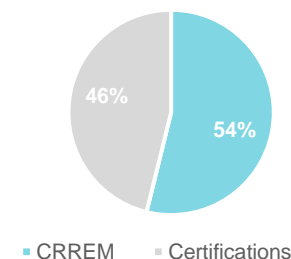
Asset location



Eligible sub-category (in%)



Eligibility criteria distribution (in%)



Impact report (1/2)

The main impact indicators of Colonial's Eligible Green portfolio as of December 2023, are presented in the tables below. The decrease of the carbon intensity of the entire portfolio is due to the continuous efforts of Colonial in reducing its buildings consumption of energy (heating limits, new lighting, etc.) and other measures related to limit water use and waste generation, as detailed in our 2023 Integrated Annual Report.

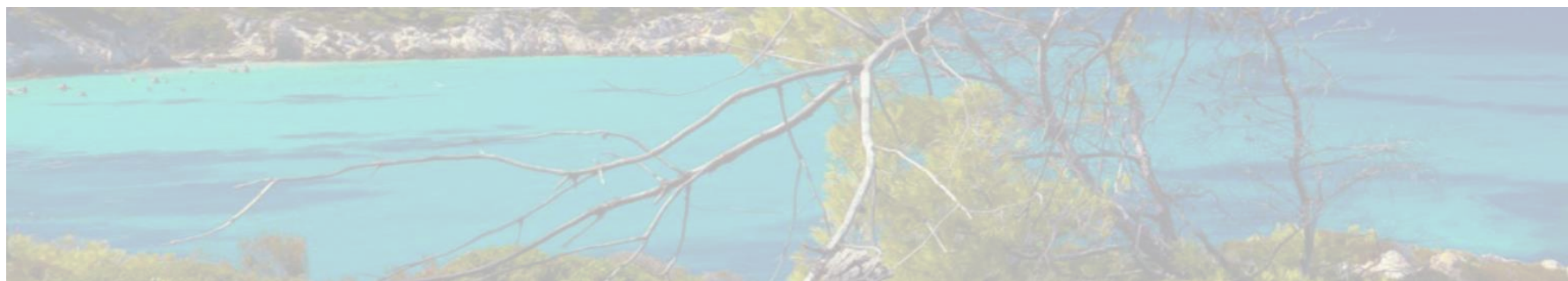
Colonial's Group was hence able to avoid 8,187 TnCO₂e/year in 2023 according to the market-based conversion method and 4,734 TnCO₂e/year according to the location-based approach.

Eligible Green Portfolio Performance – Carbon intensity




	Surface (sqm)	Avg. Carbon Intensity (Deepki*) KgCO ₂ e/sqm/y	Avg. Carbon Intensity KgCO ₂ e/sqm/y	Total emissions Avoided TnCO ₂ e	Avg. Carbon Intensity KgCO ₂ e/sqm/y	Total emissions Avoided TnCO ₂ e
FRANCE	367,353	9,3	5,2	1,499	4,7	1,685
SPAIN	464,160	16,7	2,3	6,687	10,1	3,049
GROUP	831,513	13,4	3,6	8,187	7,7	4,734

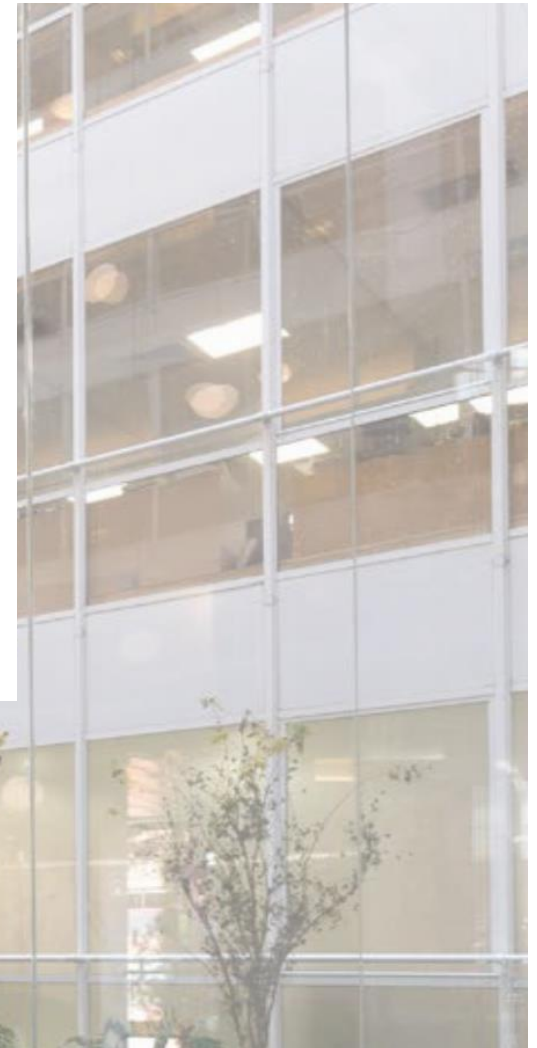
Market based
Location based



(*) Average carbon emission of the geography based on Deepki's ESG Index: <https://index-esg.com/>

Impact report (2/2)

	Eligible Green Portfolio Performance - Final Energy intensity		
	Surface LFL (sqm)	Energy intensity 2023 KWh/sqm/year	Like-for-Like Performance 2022-2023 (%)
FRANCE	302,692	176,4	-3%
SPAIN	419,908	136,6	-10%
GROUP	722,600	153,2	-6%



Impact calculation methodology

KPI	Definitions
<p>Average carbon intensity (Deepki) in KgCo2/sqm/y</p>	<p>The average carbon intensity of the countries where Colonial's Group has building is based on Deepki ESG-Index. Deepki provides benchmarks on energy and carbon performance with the aim of creating a European ESG index (available here: https://index-esg.com/)</p> <p>In order to compare the total carbon emissions of its Green Eligible Assets in 2023, Colonial's Group uses for each of its building the indicator of CO2 emissions published in 2024 for its respective region and typology.</p> <p>For more information, Deepki's methodology can also be found here: https://index-esg.com/methodology/</p>
<p>Average carbon intensity in KgCo2e/sqm/y of the Green Eligible Portfolio</p>	<p>It is calculated by dividing the total carbon dioxide equivalent (in kgCO2e) by the buildings in one year by the total area (sqm) of the buildings. The data for each asset come from the actual CO2 emissions calculated each year by Colonial based on the data gathered on the building (location-based for scope 2)</p> <p>Please note that the Methodological aspects related to the impact indicators is available in Colonial's 2023 Annual Report in section 8.3.II.I and overall related information on Colonial's Portfolio in section 5.5.1.2</p>
<p>Total GHG emissions avoided (in TnCo2e)</p>	<p>Total intensity of the Baseline portfolio (Deepki ESG Index) - Total intensity of the Green Eligible Portfolio</p>
<p>Energy intensity KWh/sqm/year</p>	<p>It is calculated by dividing the total energy consumption equivalent (in KWh) by the buildings in one year by the total area (sqm) of the buildings. The data for each asset come from the actual energy consumption calculated each year by Colonial based on the data gathered on the building.</p> <p>Please note that the Methodological aspects related to the impact indicators is available in Colonial's 2023 Annual Report in section 8.3.II.I and overall related information on Colonial's Portfolio in section 5.5.1.1</p>
<p>Like-for-Like Performance 2022-2023 (%)</p>	<p>The calculation of like-for-like indicators has been carried out including those Green Eligible portfolio that have been in continuous operation over the last two years (2023 and 2022) and for which complete consumption data is also available for these two years.</p>



01

Sustainability strategy & achievements

02

Green Financing Framework overview

03

Allocation report & Impact report as of December 2023

04

Examples Eligible Green Projects

05

Auditor's Limited Assurance report

Biome – One of the first buildings in Paris to obtain BBCA* Renovation label & Biodiversity Excellent

Biome

Status

Ownership

Location

Paris City Centre

Surface

24,500 sqm

Eligibility Criteria

Certification

Certifications

- HQE Exceptional
- BREEAM New Construction Excellent
- LEED Gold
- Biodiversity Excellent
- BBCA Renovation
- Wired Gold

Delivery

4Q 2022



Biome is a clear example of a sustainable building with **triple certification**: HQE Exceptional, BREEAM New Construction Excellent and LEED Gold. It was also selected as one of the first buildings in Paris to obtain the BBCA (Low Carbon Building) Renovation label and will also be labelled as Biodiversity Excellent, highlighting the important revegetation efforts made.

Biome is fully let to the Banque Postale and SFIL Paris. The transaction covers the entire space of offices, as well as the adjacent areas (restaurant, facilities, conference center, capacity for 270 bicycles, etc.).

Miguel Ángel, 23 – One of the first Net Zero buildings in the CBD in Madrid

Miguel Ángel, 23

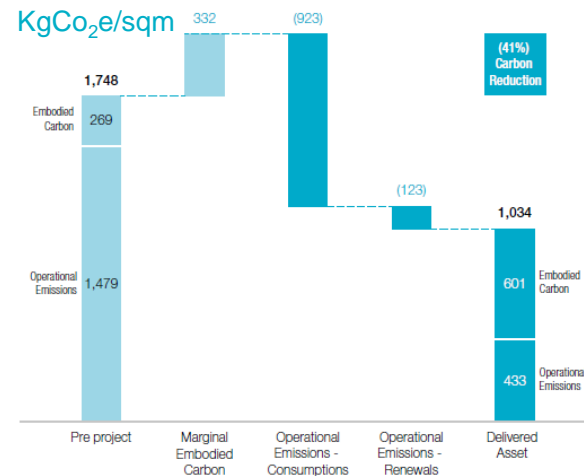
Status	Ownership
Location	Madrid CBD
Surface	8,057 sqm
Eligibility Criteria	CRREM
Certification	☐ BREEAM Very Good
Delivery	October 2022



Life cycle analysis

Rating	BREEAM New Construction Excellent
Operational emissions	Reduced around 60%
Lifetime emissions	Reduced by 41% for 60-year LCA and 36% for 50-year LCA

Marginal Impact Analysis (60 years)



Note: calculations assuming constant emission factor through full life cycle.
 The surface used for intensity KPIs is the Gross Internal Area (LCA methodology): 1,940 sqm.

Velázquez, 86 – fully let to top-tier clients and signed at maximum rental prices

Velázquez, 86

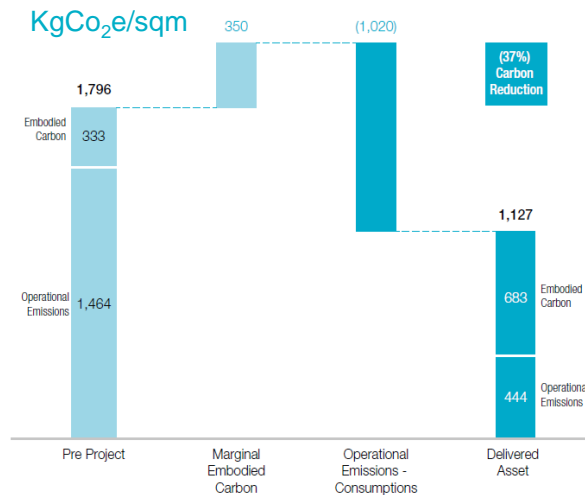
Status	Ownership
Location	Madrid CBD
Surface	16,318 sqm
Eligibility Criteria	Certification
Certification	<input type="checkbox"/> BREEAM Excellent
Delivery	4Q 2022

Life cycle analysis

Rating	LEED Platinum
Operational emissions	Reduced around 56%
Lifetime emissions	Reduced by 37% for 60-year LCA and 33% for 50-year LCA



Marginal Impact Analysis (60 years)



Note: calculations assuming constant emission factor through full life cycle.
The surface used for intensity KPIs is the Gross Internal Area (LCA methodology): 17,660 sqm.



01

Sustainability strategy & achievements

02

Green Financing Framework overview

03

Allocation report & Impact report as of December 2023

04

Examples Eligible Green Projects

05

Auditor's Limited Assurance report

Independent limited assurance report on the 'Green Financing Reporting'



Inmobiliaria Colonial, SOCIMI, S.A. and its subsidiaries

Independent limited assurance report
on the 'Green Financing Reporting'
31 December 2023

Independent limited assurance report on the 'Green Financing Reporting'

To the management of Inmobiliaria Colonial, SOCIMI, S.A.

We have undertaken a limited assurance engagement in respect of the accompanying 'Green Financing Reporting' of Inmobiliaria Colonial, SOCIMI, S.A. (the Parent company) and its subsidiaries (hereinafter, 'Colonial' or 'the Group') as of 31 December 2023, in regards with the bonds issued by Inmobiliaria Colonial, SOCIMI, S.A. (and that specifically, according to their corresponding ISIN / Issuance Date, are the following: XS1509942923 / 10/28/2016; XS1516312581 / 11/10/2016; XS1725677543 / 11/28/2017; ES0239140025 / 06/22/2021; XS1808395930 / 4/17/2018; ES0239140017 / 10/14/2020; XS1725678194 / 11/28/2017) and the bonds issued by Société Foncière Lyonnaise (and that specifically, according to their corresponding ISIN / Issuance Date, are the following: FR0013335767 / 05/29/2018; FR0013515871 / 06/05/2020; FR00140060E7 / 10/14/2021) (hereinafter 'the green bonds portfolio'), prepared in accordance with the criteria described in the 'Green Financing Framework' published in November 2024 (hereinafter, 'Green Financing Framework' or 'the Framework'), described in section '2. Green Financing Framework overview' of the 'Green Financing Reporting', and available on its website:

<https://www.inmocolonial.com/en/shareholders-and-investors/fixed-income/green-bonds/framework>

Specifically, the sections of the 'Green Financing Reporting' subject of our engagement have been the following:

- The portfolio allocation of the green bonds proceeds in accordance with the eligibility criteria, defined by Colonial in the 'Green Financing Framework' and described in section '2. Green Financing Framework overview' of the 'Green Financing Reporting'.
- Green bonds portfolio allocation and impact indicators, included in section '3. Allocation report & Impact report as of December 2023' of the 'Green Financing Reporting'.

Responsibility of the management

The management of Inmobiliaria Colonial, SOCIMI, S.A. is responsible for the preparation, content and presentation of the 'Green Financing Reporting' in accordance with the criteria established by the Group, and the definition of these criteria according to the 'Green Financing Framework'. This responsibility includes the design, implementation and maintenance of internal control required to ensure the information included in the 'Green Financing Reporting' is free from material misstatement, whether due to fraud or error.

The management of Inmobiliaria Colonial, SOCIMI, S.A. is also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the 'Green Financing Reporting', is obtained.

PricewaterhouseCoopers Auditores, S.L., *Avinguda Diagonal, 640, 08017 Barcelona, España*
Tel.: +34 932 532 700 / +34 902 021 111, Fax: +34 934 059 032, www.pwc.es

1

R. M. Madrid, hoja M-63.988, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - NIF: B-79031299

Independent limited assurance report on the 'Green Financing Reporting'



Inmobiliaria Colonial, SOCIMI, S.A. and its subsidiaries

Our responsibility

Our responsibility is to issue a limited assurance report based on the procedures that we have carried out and the evidence obtained. Our limited assurance engagement was done in accordance with the International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).

The scope of a limited assurance engagement is substantially less extensive than the scope of a reasonable assurance engagement and thus, less security is provided.

The procedures that we have carried out are based on our professional judgment and have included consultations, observation of processes, document inspection, analytical procedures and random sampling tests. The general procedures employed are described below:

- Meetings with Colonial's personnel from various units who have been involved in the preparation of the 'Green Financing Reporting', to understand the use of proceeds of the green bonds portfolio, the existing internal procedures and management systems, the information gathering process and the control environment.
- Analysis of the procedures used for obtaining and validating the information presented in the sections of the 'Green Financing Reporting'.
- Verification that the portfolio allocation of the green bonds proceeds meets the eligibility criteria, defined by Colonial in accordance with the 'Green Financing Framework'.
- Verification that Colonial's green bonds portfolio allocation and impact indicators, included in section '3. Allocation report & Impact report as of December 2023' of the 'Green Financing Reporting', have been prepared in accordance with the criteria described in section '2. Green Financing Framework overview' of the 'Green Financing Reporting', defined by the Group in accordance with the 'Green Financing Framework'.
- Verification, through random sample testing, internal control tests and substantive tests procedures on the quantitative and qualitative information included in the sections of the 'Green Financing Reporting' subject of our engagement. We have also verified whether these quantitative and qualitative information have been appropriately compiled from the data provided by the Group's sources of information.
- Obtaining of a representation letter from the management of the Parent company.

The 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 we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether Colonial's 'Green Financing Reporting' has been prepared, in all material respects, in accordance with the 'Green Financing Framework'.



Inmobiliaria Colonial, SOCIMI, S.A. and its subsidiaries

Our independence and quality management

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

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that:

- the portfolio allocation of the green bonds proceeds is not in accordance with the eligibility criteria, defined by Colonial in the 'Green Financing Framework' and described in section '2. Green Financing Framework overview' of the 'Green Financing Reporting',
- the green bonds portfolio allocation and impact indicators, included in section '3. Allocation report & Impact report as of December 2023' of the 'Green Financing Reporting', have not been prepared, in all material respects, in accordance with the criteria described in section '2. Green Financing Framework overview' of the 'Green Financing Reporting', defined by Colonial in accordance with the 'Green Financing Framework'.

Restriction on distribution and use

This report, including the conclusion, has been prepared solely for the management of Inmobiliaria Colonial, SOCIMI, S.A., to assist them in reporting on the information related to the green bonds portfolio of Colonial. We permit the disclosure of this report within the 'Green Financing Reporting', to enable the management to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the information related to the green bonds portfolio. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than management as a body and Inmobiliaria Colonial, SOCIMI, S.A. for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PricewaterhouseCoopers Auditores, S.L.


 Margarita de Rosselló Carril

18 December 2024



Castellana Av. 52
28046 Madrid
Tel. +34 91 782 08 80

Diagonal Av. 532
08006 Barcelona
Tel. +34 93 404 79 00

42 Rue Washington
75008 Paris

www.inmocolonial.com