

CPI Property Group

Type of Engagement: Annual Review

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Engagement Team:

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Introduction

CPI Property Group SA (“CPIPG” or the “Company”) raised EUR 2.7 billion¹ through the issuance of seven green bonds² between October 2019 and July 2025 (collectively the “Green Bonds”) to finance and refinance projects related to green buildings, energy efficiency, renewable energy and management of living natural resources and land use. In August 2025, CPIPG engaged Sustainalytics to review the projects financed with proceeds from the Green Bonds (the “Nominated Expenditures”) and provide an assessment as to whether they meet the use of proceeds criteria and whether CPIPG complied with the reporting commitments in the CPI Property Group Sustainability Finance Framework (the “2022 Framework”).³ Sustainalytics provided a Second-Party Opinion on the Framework in January 2022.⁴ The 2022 Framework is an update to the 2019 CPI Property Group Green Bond Framework (the “2019 Framework”), which the Company used for the green bonds issued prior to 2022.

This is Sustainalytics’ fourth annual review of allocation and reporting of the bonds issued under the 2019 and 2022 Frameworks, following previous reviews in March 2022, March 2023 and August 2024.^{5,6,7}

Evaluation Criteria

Sustainalytics evaluated the Nominated Expenditures and CPIPG’s reporting based on whether they:

1. Meet the use of proceeds and eligibility criteria defined in the Framework; and
2. Reported on at least one key performance indicator (KPI) for each use of proceeds category defined in the Framework.

Table 1: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs from the 2019 CPI Property Group Green Bond Framework

Use of Proceeds Category	Eligibility Criteria	Key Performance Indicators
Green Buildings	<p>Acquisition, construction or refurbishment of buildings that meet recognized standards, such as:</p> <ol style="list-style-type: none"> i. BREEAM (Very good and above) ii. LEED (Gold and above) 	<ol style="list-style-type: none"> i. Level of certification by property ii. Annual GHG emissions reduced or avoided (tCO₂e per annum) iii. Annual energy savings (MWh per annum)

¹ CPIPG raised EUR 2,718 million in gross proceeds through the issuance of the Green Bonds, with net proceeds of EUR 2,591 million.

² CPIPG issued seven green bonds, raising EUR 750 million in October 2019 with a maturity of seven years; EUR 471 million in January 2020 and January 2022 with a maturity of eight years; EUR 750 million in May 2020 with a maturity of six years; EUR 86 million in August 2020 with a maturity of 10 years; EUR 600 million in May 2024 with a maturity of five years; EUR 750 million in September 2024 with a maturity of seven years; and EUR 500 million in July 2025 with a maturity of five years.

³ CPIPG, “CPI Property Group Sustainability Finance Framework”, (2022), at:

<https://www.cpipeg.com/storage/app/uploads/public/61d/feb/797/61dfeb797a48f837269241.pdf>.

⁴ Sustainalytics, “Second-Party Opinion: CPI Property Group Sustainability Finance Framework”, (2022), at: <https://mstar-sustops-cdn-mainwebsite-s3.s3.amazonaws.com/docs/default-source/spos/cpi-property-group-sustainability-finance-framework-second-party-opinion-2022.pdf>

⁵ Sustainalytics, “Annual Review: CPI Property Group”, (2022), at: <https://mstar-sustops-cdn-mainwebsite-s3.s3.amazonaws.com/docs/default-source/spos/cpi-green-bond-annual-review-2022.pdf>

⁶ Sustainalytics, “Annual Review: CPI Property Group”, (2023), at: [https://mstar-sustops-cdn-mainwebsite-s3.s3.amazonaws.com/docs/default-source/spos/cpi-green-bond-annual-review-\(2023\).pdf](https://mstar-sustops-cdn-mainwebsite-s3.s3.amazonaws.com/docs/default-source/spos/cpi-green-bond-annual-review-(2023).pdf)

⁷ Sustainalytics, “Annual Review: CPI Property Group”, (2024), at: [https://mstar-sustops-cdn-mainwebsite-s3.s3.amazonaws.com/docs/default-source/spos/cpi-property-group-annual-review-\(2024\).pdf](https://mstar-sustops-cdn-mainwebsite-s3.s3.amazonaws.com/docs/default-source/spos/cpi-property-group-annual-review-(2024).pdf)

		iv. Annual reduction in water consumption (in m ³)
Energy Efficiency	<ul style="list-style-type: none"> i. New or existing commercial buildings belonging to the top 15% most energy-efficient buildings in the local market ii. Renovations or refurbishment of existing buildings delivering a minimum 30% reduction in carbon emissions intensity or two letter grade improvements according to local energy performance certificate requirements 	<ul style="list-style-type: none"> i. Annual GHG emissions reduced or avoided (tCO₂e per annum) ii. Annual energy savings (MWh per annum) iii. Percentage of annual energy efficiency gains relative to an established baseline
Renewable Energy	<ul style="list-style-type: none"> i. Installation of solar photovoltaic ii. Dedicated support infrastructure for solar photovoltaic across building management systems 	<ul style="list-style-type: none"> i. Renewable energy capacity added or rehabilitated (MWh per annum) ii. Annual GHG emissions reduced or avoided (tCO₂e per annum) iii. Annual energy savings (MWh per annum) iv. Percentage of annual energy efficiency gains relative to the building's energy performance baseline defined for a particular type in the region
Environmentally Sustainable Management of Living Natural Resources and Land Use	<p>Promotion of ecological value, biodiversity and organic agriculture, such as:</p> <ul style="list-style-type: none"> i. Farmland certified to EU standards on organic farming production ii. Installation of green roof gardens iii. Facility and infrastructure new builds or upgrades that contribute to the protection of living natural resources, including rooftop beehive installations and artificial nesting sites for birds 	<ul style="list-style-type: none"> i. Amount of land covered by open space (hectares and percentage) ii. Estimated land area with biodiversity management (hectares) iii. Quality enhancement of soil, land and/or water through management practices associated with land-use-specific projects

Table 2: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs from the 2022 CPI Property Group Sustainability Finance Framework

Use of Proceeds Category	Eligibility Criteria	Key Performance Indicators
Green Buildings	<p>Acquisition, construction or refurbishment of portfolio that meet recognized international sustainability standards, such as:</p> <ul style="list-style-type: none"> i. BREEAM (Excellent and above) ii. BREEAM In-Use (Very Good and above) when certified under the most recent version of the certification scheme iii. LEED (Gold and above) 	<ul style="list-style-type: none"> i. Level of certification by property ii. Annual GHG emissions reduced or avoided (tCO₂e per annum) iii. Annual energy savings (MWh per annum) iv. Annual reduction in water consumption (m³)
Energy Efficiency	<ul style="list-style-type: none"> i. Acquisition, construction or refurbishment of buildings with primary 	<ul style="list-style-type: none"> i. Annual GHG emissions reduced or

	<p>energy demand (PED) of at least 10% below the threshold set for nearly zero-energy building (NZEB) requirements</p> <ul style="list-style-type: none"> ii. Acquisition, construction or refurbishment of buildings belonging to the top 15% most energy-efficient buildings in the local market⁸ or have an energy performance certificate (EPC) class of at least A in line with EU Taxonomy requirements iii. Renovations or refurbishment of existing buildings delivering a minimum 30% reduction in carbon emissions intensity or two letter grade improvements according to local EPC requirements 	<p>avoided (tCO₂e per annum)</p> <ul style="list-style-type: none"> ii. Annual energy savings (MWh per annum) iii. Percentage of annual energy efficiency gains relative to an established baseline
Renewable Energy	<ul style="list-style-type: none"> i. Installation of solar photovoltaic, wind, biogas (solely from waste sources), heat pumps (air and ground source), and combined heat and power (powered by renewable fuels, such as biogas, including landfill or digester gas, and wood waste, and excluding those powered by fossil fuels) ii. Dedicated support infrastructure for renewable energy sources across building management systems 	<ul style="list-style-type: none"> i. Renewable energy capacity added or rehabilitated (MWh per annum) ii. Annual GHG emissions reduced or avoided (tCO₂e per annum) iii. Annual energy savings (MWh per annum) iv. Percentage of annual energy efficiency gains relative to the building's energy performance baseline defined for a particular type in the region
Environmentally Sustainable Management of Living Natural Resources and Land Use	<p>Promotion of ecological value, biodiversity and organic agriculture, such as:</p> <ul style="list-style-type: none"> i. Farmland certified to EU standards on organic farming production ii. Installation of green roof gardens iii. Facility and infrastructure new builds or upgrades that contribute to the protection of living natural resources, including rooftop beehive installations and artificial nesting sites for birds 	<ul style="list-style-type: none"> i. Amount of land covered by open space (hectares and percentage) ii. Estimated land area with biodiversity management (hectares) iii. Quality enhancement of soil, land or water through management practices associated with land use specific projects

⁸ CPIPG has commissioned a report to determine a threshold for the top 15% most energy-efficient buildings in Czechia and in Hungary. The full methodology is available on CPIPG's website.

Issuer’s Responsibility

CPIPG is responsible for providing accurate information and documentation relating to the details of the projects, including descriptions, amounts allocated and impact.

Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings, conducted the verification of the use of proceeds from the Green Bonds. The work undertaken as part of this engagement included collection of documentation from CPIPG and review of said documentation to assess conformance with the Framework.

Sustainalytics relied on the information and the facts presented by CPIPG. Sustainalytics is not responsible, nor shall it be held liable, for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by CPIPG.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

Conclusion

Based on the limited assurance procedures conducted,⁹ nothing has come to Sustainalytics’ attention that causes us to believe that, in all material respects, the Nominated Expenditures do not conform with the use of proceeds criteria and reporting commitments in the Framework. CPIPG has disclosed to Sustainalytics that the proceeds from the Green Bonds were fully allocated as of 31 July 2025.

Detailed Findings

Table 3: Detailed Findings

Framework Requirements	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the Nominated Expenditures to determine alignment with the use of proceeds criteria outlined in the Framework	The Nominated Expenditures comply with the use of proceeds criteria.	None
Reporting Criteria	Verification of the Nominated Expenditures to determine if impact was reported in line with the KPIs outlined in the Framework	CPIPG reported on at least one KPI per use of proceeds category.	None

⁹ Sustainalytics’ limited assurance process includes reviewing documentation relating to details of projects, as provided by the issuing entity, which is responsible for providing accurate information. These may include descriptions of projects, estimated and realized costs, and reported impact. Sustainalytics has not conducted on-site visits to projects.

Appendices

Appendix 1: Allocation of proceeds

Table 4: Allocation of proceeds from the Green Bonds as of 31 July 2025

Use of Proceeds Category	Sub-category	Net Proceeds Allocated (EUR million)		Total Net Proceeds Allocated per Category (EUR million)
		Financing	Refinancing	
Green Buildings	Certified green buildings	750.00	1,523.00	2,273.10
	Equity investments	-	151.80	151.80
Energy Efficiency	Energy efficiency projects	-	58.90	58.90
Renewable Energy	Renewable energy projects	-	5.70	5.70
Environmentally Sustainable Management of Living Natural Resources and Land Use	Agriculture assets	-	102.50	102.50
Total Net Proceeds Allocated (EUR million)		750.00	1,841.80	2,591.90
Share of Financing and Refinancing		28.94%	71.06%	100.00%

Appendix 2: Reported Impact

Table 5: Reported impact from the Green Bonds as of 31 July 2025

Use of Proceeds Category	KPI	Reported Impact
Green Buildings	Level of certification by property	i. 16 BREEAM Excellent certified buildings
		ii. 20 BREEAM Very Good certified buildings
		iii. 1 LEED Platinum certified buildings
iv. 1 LEED Gold certified buildings		
	Annual GHG emissions reduced (tCO ₂ e per annum)	20,969.20
	Annual energy savings (MWh per annum)	6,560.40
Energy Efficiency	Annual energy savings (MWh per annum)	583.95
	Annual GHG emissions reduced (tCO ₂ e per annum)	374.30
Renewable Energy	Annual GHG emissions reduced (tCO ₂ e per annum)	1,116.10
	Renewable energy capacity added or rehabilitated (kWp per annum)	124.85
	Annual energy production (MWh per annum)	4,898.00
Environmentally Sustainable Management of Living Natural Resources and Land Use	Amount of land covered by open space (hectares and percentage)	17,827.10 ha (93.33%)
	Estimated land area with biodiversity management (hectares)	16,076.00
	Quality enhancement of soil, land and/or water through management practices associated with land-use-specific projects (hectares and tonnes)	Grassland: 13,787.50 ha Fertilizing and composting: 40,947.70 tonnes

About Morningstar Sustainalytics

Morningstar Sustainalytics is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. For more than 30 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world's leading asset managers and pension funds, which incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices and capital projects. For more information, visit www.sustainalytics.com.

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