



Table of Contents

1. Introduction

1.1. Matexi, Welcome to the Neighbourhood

1.2. Matexi's Sustainability Approach

2. Matexi's Green Finance Framework

2.1 Use of Proceeds

2.2 Process for Project evaluation and selection

2.3 Management of Proceeds

2.4 Reporting

2.5 External Review

3. Disclaimer

1. Introduction

1.1. Matexi, Welcome to the Neighbourhood

Matexi Group NV (together with its group companies “Matexi”) is the parent company of Matexi NV, Belgium’s leading real estate neighbourhood developer, also active in Poland and Luxembourg. Established in 1945, Matexi has transformed itself over time from a land parceller to a residential house builder, and into a neighbourhood developer with a keen focus on sustainable, mixed-use, urban regeneration projects. Matexi is a privately held company with a strong equity basis and longstanding, stable shareholders’ base. Today, more than 300 highly qualified and driven professionals manage the acquisition, development, construction, and sales of 420+ projects, realizing a turnover of more than €400 million a year.

Matexi’s employees are driven by the belief that “everybody deserves a great place to live”. We understand that a home is a place where our customers build their lives, a place that belongs to them, where they can be themselves. In a neighbourhood with attractive green areas, local services and amenities – a well-thought-out mix of private and public spaces where people can live comfortably, work, shop, spend their free time and make friends, and create a future for their children.

Matexi has experience with suburban area development, inner-city mixed reconversions, assisted living, daycare centers and a retirement home, office buildings, and PPP projects. As market leader, Matexi wants to provide adequate answers to evolutions and challenges in the housing market. With projects such as Antwerp Tower (reconversion of an iconic office building with 26 floors), Leopold Views (Evere, reconversion from an office tower to apartments), De Kazerne (Ghent, reconversion of a military complex to an urban area), Betons Lemaire (Ottignies, reconversion of an industrial site), Quartier Bleu (Hasselt, construction of a new district near the water), I-Dyle (Genappe, first 'eco-quartier' in Wallonie) and Kolska od Nowa (Warsaw, development of an apartment complex), Matexi takes the lead with regard to major inner-city developments, reconversion, and sustainable building.

1.2. Matexi’s Sustainability Approach

Matexi has been committed to sustainable neighbourhood development for more than 25 years and is uniquely positioned to make a lasting contribution to the realisation of not only ecological, but also social objectives. To be able to undertake concrete initiatives with a measurable positive impact on Planet-People-Profit, we created the ‘Matexi Sustainability Matrix’. This matrix identifies the measures we implement at four levels: the neighbourhood, the home, our company, and our partners, and assesses them in terms of their positive impact on the planet (Planet), on people (People) and on the global (monetary) added value (Profit). In addition, having a healthy economic basis always enables our company to continue to live up to this ethos in the long term.

Sustainable Development Goals

We believe it is important to link our efforts to worldwide recognised goals. Therefore, Matexi’s sustainability approach is aligned with the Sustainable Development Goals (SDGs) of the United Nations. At the current time Matexi has identified that its activities have an impact on 10 of the 17 SDGs:



Of all SDGs, SDG 11 ‘Sustainable Cities and Communities’ is most in line with Matexi’s core business. We contribute to the development of inclusive, safe, and sustainable neighbourhoods. We do this by creating a set of circumstances that offer the residents a high quality of life and social stability, while striving to minimize our impact on the environment.

KPIs

Matexi has set KPIs based on five themes: Soft Mobility, Water Management, Biodiversity, Circularity & Waste, and Energy Transition. A set of yearly social objectives exist as well, focussed on health and wellbeing, diversity and inclusion, and participation. We continue to challenge ourselves to produce increasingly sustainable neighbourhood developments and a more sustainable company. Using a structured approach, we are striving to make measurable progress on these various objectives by 2030, with continuous balancing of care and profit anchored in our decision-making processes. We report annually on our achievements and ambitions in our Impact Report.

More information: <https://www.matexi.be/en/about-matexi/investor-relations>

2. Matexi’s Green Finance Framework

Matexi has developed its Green Finance Framework (“Framework”) aiming to attract specific funding for green assets and real estate projects which contribute to its sustainability strategy. Under this Framework, Matexi can issue a variety of Green Finance Instruments such as Green (Retail) Bonds, Green Notes, Green Commercial Paper, Green Private Placements, Green (Syndicated) Loans.

The Framework provides a clear and transparent set of criteria for Green Finance Instruments issued by Matexi and is consistent with the guidelines of the Green Bond Principles (“GBP”) (as issued by the International Capital Market Association (ICMA) and last updated in June 2021⁴⁴ and the Green Loan

⁴⁴ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/>

Principles (“GLP”) (from the Loan Market Association (LMA), last updated in Feb 2021⁵). These voluntary process guidelines are developed in multi-stakeholder processes involving issuers, investors, financial institutions, and NGOs, with a view to promoting the development and integrity of the sustainable finance market.

Matexi is also willing to align its Framework with the best market practices and applicable market guidelines, to the extent possible.

The Framework will cover (2.1.) the use of proceeds, (2.2.) the process for project evaluation and selection, (2.3.) the management of proceeds, (2.4.) the reporting on allocation and impact, (2.5.) and the external review.


2.1. Use of Proceeds

The net proceeds of Matexi’s Green Finance Instruments will be allocated exclusively to finance and/or refinance in whole or in part, sustainable and energy efficient real estate projects which contribute to its sustainability strategy (“Eligible Green Projects”). Financing will be allocated to expenditures required to build environmentally certified and energy efficient buildings. Eligible Green Projects means a selected portfolio of construction projects undertaken by Matexi that target climate change mitigation and/or adaptation and are eligible under the following below definitions.





Matexi will not knowingly allocate proceeds from any issuance of Green Bonds to the following:

- The production or trade of alcohol, tobacco, or weapons;
- The production, operation, trade, or sale of fossil fuels;
- Any other activity that Matexi determines is ineligible for allocation of proceeds at the time of allocation.

The Eligible Green Projects are also mapped to the UN Sustainable Development Goals (UN SDGs).

Eligible Green Projects CATEGORY & UN SDGs	ELIGIBILITY CRITERIA
<div style="display: flex; align-items: flex-start;">  <div style="font-size: 0.8em;"> <p>SDG 11: Sustainable Cities and Communities. Eligible Assets contribute to the target to “Make cities and human settlements inclusive, safe, resilient and sustainable”.</p> </div> </div>	<p>Newly constructed, existing and/or refurbished buildings which meet recognized standards for best practices in energy and resource efficiency, sustainable building design, construction, and operation. The certifications will be obtained at the latest 12 months after delivery of the building.</p> <p>Residential Buildings: Eligible certifications:</p> <ul style="list-style-type: none"> ○ A building certificate equivalent to EPC ‘A’. ○ Near Zero Energy Building (“NZEB”) (as defined by local building legislation) or better. ○ BREEAM minimum ‘Very Good’ or equivalent.

⁵ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/39>

 <p>SDG 7: Affordable and Clean Energy. Eligible Assets contribute to the target to "Ensure access to affordable, reliable, sustainable and modern energy for all".</p>	<p>Office Buildings: Eligible certifications:</p> <ul style="list-style-type: none"> ○ BREEAM minimum 'Very Good' or equivalent.
<p>Sustainable Water & Wastewater Management</p>  <p>SDG6: Clean water and sanitation. Eligible Assets contribute to the target to "substantially increasing recycling and safe reuse, and substantially increase water-use efficiency".</p>	<ul style="list-style-type: none"> ● Investments in the installation of rainwater re-use systems in residential units, with the purpose of re-using rainwater in the unit for toilet flushing and washing machines.
<p>Clean Transportation</p>  <p>SDG12: Responsible consumption and production. Eligible Assets contribute to the target to "achieve the sustainable management and efficient use of natural resources".</p>	<p>Investments in the construction, installation or implementation of:</p> <ul style="list-style-type: none"> ● Charging infrastructure for electric and hybrid vehicles; ● Bicycle lanes and bicycle parking; ● Electric Vehicles and bike sharing systems.
<p>Renewable Energy</p>  <p>SDG 7: Affordable and Clean Energy. Eligible Assets contribute to the target to "Ensure access to affordable, reliable, sustainable and modern energy for all".</p>	<ul style="list-style-type: none"> ● Investments in the installation of solar photovoltaic infrastructure.

Regarding the residential portfolio, the selection of projects is based on the best Energy Performance Certificates (EPC), as defined by European Norms EN 15217 and EN15251. Matexi will favour financing buildings whose Primary Energy Demand is within the top 15% of buildings in each jurisdiction.

Eligible Green Buildings are either buildings in acquisition phase or on-going development. For each project, a forecast date of delivery is communicated.

Eligible Green Buildings have been acquired up to maximum 3 years before the issuance of a Green Finance Instrument.

2.2. Process for Project evaluation and selection

Matexi will follow a transparent process for selection and evaluation of Eligible Green Projects. Projects financed and/or refinanced through the Green Finance Instruments issued under Matexi's Green Finance Framework are evaluated and selected based on compliance with the Eligibility Criteria as set under paragraph 2.1 Use of Proceeds.

All potential Eligible Green Projects first comply with local laws and regulations, including any applicable regulatory environmental and social requirements, as well as Matexi's standards managing ethical and governance risks.

Selection and evaluation of Eligible Green Projects is done by an internal reporting tool 'the Matexi Sustainability Matrix'. This tool is in place to check on the integration of sustainable solutions and in particular compliance with the Eligibility Criteria as set under paragraph 2.1 Use of Proceeds. The tool serves as a control mechanism at two essential milestones in each real-estate project: the design approval, and the building approval. It is ensured that only projects that fully comply with the Eligibility Criteria at the building approval phase are selected as Eligible Green Projects.

The potential Eligible Green Projects will be designated by the Steering Group Sustainability, composed of the CFO, the Chief Construction Officer, the Acquisition & Development Director, the Corporate Office Manager and the Sales, Marketing & Communication Director, assisted by the Sustainability Officer.

2.3. Management of Proceeds

Matexi will manage the net proceeds of issued Green Finance Instruments on a portfolio basis.

As long as the Green Finance Instruments under this Framework are outstanding, Matexi aims to allocate an amount equivalent to the net proceeds of these instruments towards its Eligible Green Projects, as defined in the paragraph 2.1. Use of Proceeds.

Given the inherent nature of Matexi's business model, the control and ownership of the Eligible Green Projects will be transferred to the acquirer at completion. These Eligible Green Projects will be removed from the Green portfolio when control is transferred to the acquirer.

If a project is divested, discontinued, or does no longer meet the definition of Eligible Green Projects as included in paragraph 2.1., it will be removed from the portfolio of Eligible Green Projects and replaced by another Eligible Green Project. Matexi aims to ensure that the total value of issued Green Finance Instruments does not exceed the value of its portfolio of Eligible Green Projects.

Pending the full allocation of the net proceeds of issued Green Finance Instruments to the portfolio of Eligible Green Projects Matexi will manage the unallocated proceeds in cash or cash equivalents in line with its regular treasury criteria. Matexi intends to allocate the full amount of proceeds within the next 24 months following the issuance of Green Financing Instruments. The internal treasury policy describes the actions to follow by the treasury team, approved by the board of directors.

The allocation of the net proceeds of issued Green Finance Instruments to Eligible Green Projects will be subject to at least an annual review and approved by the Steering Group Sustainability until full allowance of the net proceeds of issued Green Finance Instruments.

2.4. Reporting

Matexi will report annually, until full allocation of the net proceeds, on the allocation of its net proceeds of issued green finance instruments to its portfolio of Eligible Green Projects. This reporting will be available one year after the issuance of the first Green Finance Instrument on Matexi's website:

<https://www.matexi.be/en/about-matexi/investor-relations>

Allocation Reporting

The allocation report will include details on:

- the amounts of investments allocated to Eligible Green Projects including a breakdown by eligible Category,
- the geographic distribution of the portfolio of Eligible Green Projects,
- the balance of unallocated proceeds (if any), and,
- the proportion of new financing and refinancing.

Impact reporting

Matexi will report on environmental impacts of the Eligible Green Projects (re-)financed by the net proceeds of the Green Finance Instruments. The impact report will provide information regarding Eligible Green Projects and their environmental classification (i.e. EPC certificates, E-performance, BREEAM certificate), including the specific classification level where applicable (e.g. "EPC A", E20, "Excellent")

Additional impact indicators are subject to availability of data and could include:

- Expected annual generation of renewable energy (in kWh) and the related CO₂ emission avoidance;
- Number of rainwater re-use systems installed;
- Number of electric vehicles charging stations installed;
- Number of secured bicycles storage.

2.5 External Review

2.5.1 Second Party Opinion

A Second Party Opinion (SPO) will be issued by an independent external verifier in order to provide an external verification on Matexi's Green Finance Framework. This external opinion will certify Matexi's Framework alignment with the applicable Green Principles, such as the Green Bond Principles (GBP) and the Green Loan Principles (GLP).

The Second Party Opinion is available on the investor website: <https://www.matexi.be/en/about-matexi/investor-relations>

2.5.2 Independent verification

Matexi will request on an annual basis, starting one year after issuance of its inaugural Green Finance Instrument and for as long as any Green Finance Instruments under this framework are outstanding, a limited assurance report of the allocation of the proceeds to its Eligible Green Projects, provided by an independent external auditor.

The limited assurance report will be made available on <https://www.matexi.be/en/about-matexi/investor-relations>

3. Disclaimer

The information provided in this Green Finance Framework are prepared by Matexi Group NV and provided as at the date of this Framework and are subject to changes without notice. None of Matexi Group NV or any of its affiliates (jointly referred to as Matexi) 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 Green Finance Framework represents Matexi Group NV's current objectives and policies, is subject to change and is not intended to, nor can it be relied on to create legal relations, rights, or obligations. The objective of this document is to provide non-exhaustive, general information. This framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Matexi or its management and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Matexi or its management as to the fairness, accuracy, reasonableness, or completeness of such information. Therefore, Matexi nor its management shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising in connection with the information contained herein.

This Green Finance Framework contain statements about future events and expectations that are forward looking statements. Consequently, forward looking statements involve both general and specific assumptions and uncertainties as risks exist that these forward-looking statements will not be achieved. Forward-looking statements speak only as at the date of this instrument. As a result of a number of risks

or uncertainties, of which many are out of control of Matexi, recipients of this Green Finance Framework are cautioned not to put undue reliance on such forward-looking statements because actual results may vary materially from those expressed or implied.

This Framework does not constitute a recommendation regarding any securities of Matexi, nor financial, technical, or commercial advice. This Framework is not, does not contain and may not be intended as an offer to sell or a solicitation of any offer to buy any securities issued by Matexi. In particular, neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about, and observe, any applicable restrictions on distribution. Any decision to purchase or otherwise to invest in any green financing instruments should be made solely based on 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.