

**VIA OUTLETS
GREEN FINANCE FRAMEWORK**

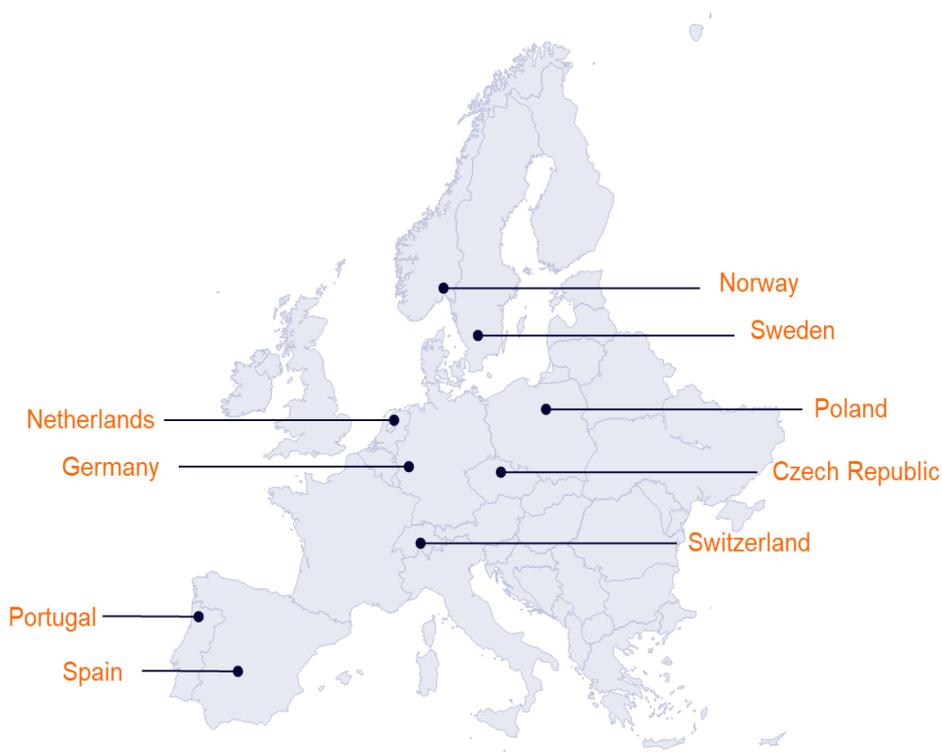
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INTRODUCTION

About VIA Outlets

VIA Outlets owns and operates sustainable premium fashion outlet shopping destinations throughout Europe, serving a growing consumer demand for unique shopping experiences. Guided by our 3R strategy - remerchandising, remodelling and remarketing - we manage our portfolio maximizing long term value.

As commercial real estate and retail experts, we combine the showcasing of premium brands, the best local food and a sustainable environment to generate a lasting experience both for the national and international guest. As members of both the commercial real estate industry and the retail industry our long-term vision incorporates a sustainability journey aimed at minimizing our footprint, implementing a circular business model, maximizing employee and guest well-being and increasing awareness and expectations around sustainability with brand partners and guests, thus contributing to the shopping environment of the future.



Currently VIA Outlets operates in

9

countries across Europe, **with 11 Fashion outlets** across those countries.

VIA Outlets' Sustainability Strategy

VIA Outlets sustainability strategy is based on a 4 pillar approach, which encompass the material issues that are identified as relevant for our company and our industry:

Sustainable Buildings

We aim to minimize the environmental impact of our buildings and contribute to limiting the global temperature increase to 1,5°C and have set emission reduction targets and energy intensity targets aligned with the Carbon Risk Real Estate Monitor (CRREM) tool. In doing so we work with all aspects of our value chain (development, operations and tenants), to become more efficient, reduce our carbon emissions and implement innovative solutions, so as to generate synergies and work with our partners towards a common goal.

Conscious Consumers

Our strategy is to provide our guests with a sustainable and unique premium shopping experience. This means we enhance the social and environmental impacts of the experience, at different levels: transport to the centre, food & beverage options, recycling, reduction and phasing out of single use plastics, and sustainability of the products sold. On this last point, we support and encourage our brand partners in their sustainability initiatives, and we work with them and our communities to promote responsible consumption, reuse and recycling.

Resilient Communities

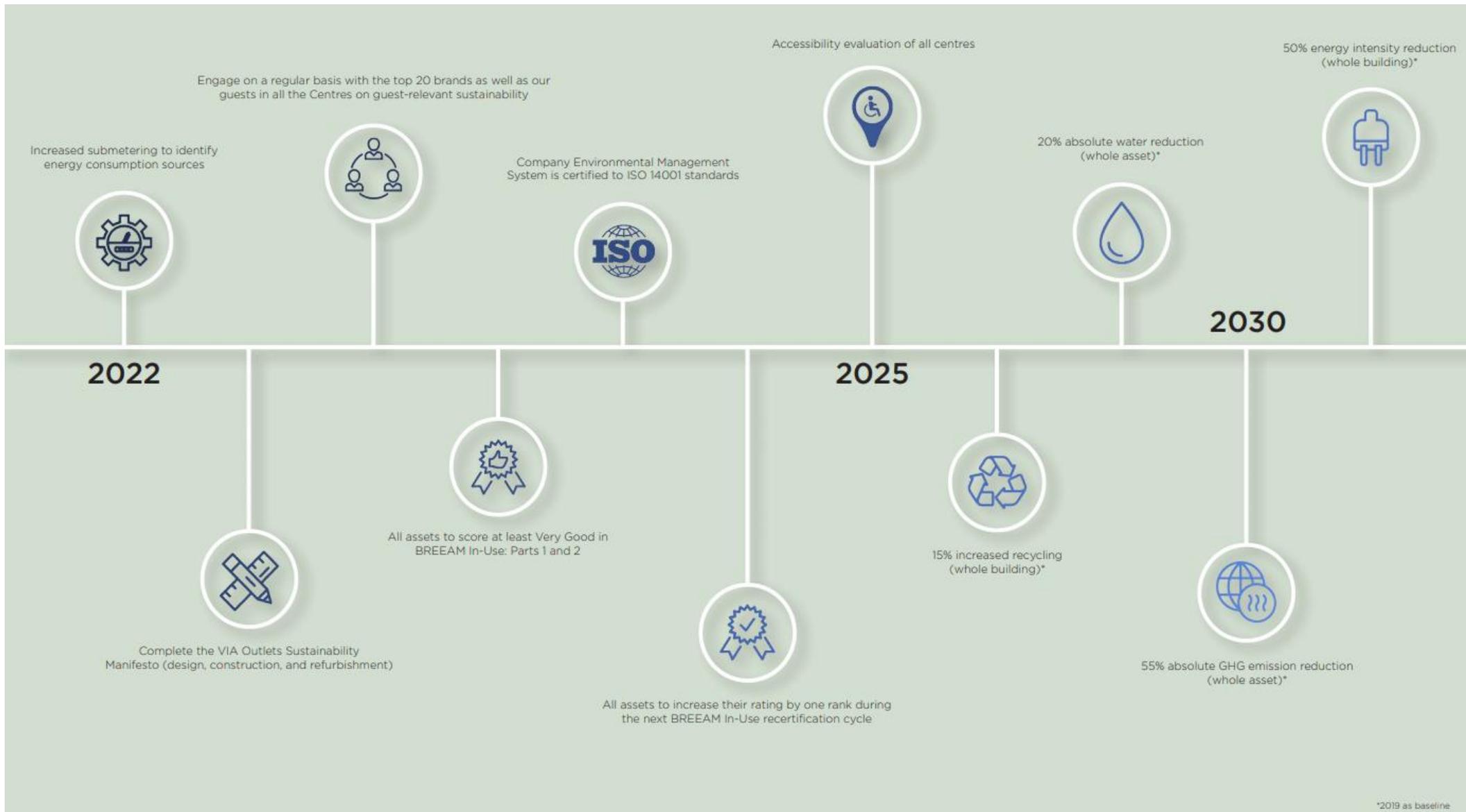
We take our responsibility towards our community – our employees, our suppliers, our tenants, our guests, and our local communities – very seriously, which is why we set ourselves ambitious standards in safeguarding their health, safety and wellbeing, and promoting accessibility in all our Centres. We also strive to create a working and shopping environment that is inclusive and embraces diversity.

Stakeholder Engagement

Our stakeholders take an active part in defining our sustainability strategy, which is why we continuously improve our reporting, engage with them on our targets and activities, provide training and generate awareness around sustainability issues. We also work with partners and experts on our material sustainability issues so that we may improve our understanding of our impacts and increase our efforts to create social value. Due to its all-encompassing nature, this pillar therefore crosses the boundaries of the other three pillars and acts as the foundation for our strategy.

We ensure a short, medium and long-term approach, by setting long-term and medium-term targets (energy & emissions, environmental impacts related to design & construction, waste, water, health & safety, responsible consumption), with yearly Sustainable Action Plans, outlined in our Goals section.

VIA Outlets' Sustainability Goals



VIA Outlets' Environmental and Climate Change Strategy

Climate Change Adaptation

The impacts from climate change are already being experienced globally. We are fully committed to embedding climate change into the heart of our strategy and reporting on our progress alongside the Taskforce on Climate-Related Financial Disclosure (TCFD) guidelines. Our ultimate intention is to understand and plan for the physical risks posed by climate change whilst creating opportunities from these risks through adaptation and mitigation strategies on an asset and corporate level. This has become a focal point in our business strategy, and any actions to mitigate risks have been incorporated as a priority within our budgetary planning

As part of our Climate Change and environmental strategy, VIA Outlets conducted physical climate-related risk scenario analyses across all the Centres in 2020 to identify areas of vulnerability to the implications of future climate change, in line with ISO 14091 standards. This has provided us with a sensitivity and exposure risk matrix against the predicted physical risks following best-case and worstcase emissions scenarios until 2100. We have used this preliminary analysis to enhance our internal approach to climate change (particularly our risk management process, governance and strategy), with the intention of a deeper analysis into the highest risk assets in 2021 to ensure we can maximise their adaptive capacity.

In 2021, a further analysis was carried out focussing on any physical damage risks. This provided an individual damage rating for:

- 5 selected impact chains: heavy rain, flooding, strong winds, fire;
- 2 climate scenarios : RCP 4.5 assumes that global annual GHG emissions peak around 2040, with emissions declining substantially thereafter and RCP 8.5, also described as the Worst-Case Scenario, assumes that emissions continue to rise throughout the 21st century;
- 3 timeframes: 2030,2050,2100.

To identify priority assets in terms of implementing an adaptation strategy, cumulative damage risk was calculated for the RCP 8.5 (worst case) scenario, and we identified 4 assets which, in comparison to the others had a higher risk: Batavia Stad Fashion Outlet (mainly strong winds & flooding), Oslo Fashion Outlet, Zweibrucken Fashion Outlet and Mallorca Fashion Outlet (mainly flooding).

Climate Change Mitigation

We have evaluated the alignment of our assets to a 1.5°C trajectory, using the Carbon Risk Real Estate Monitor (CRREM). This analysis has led to a revision of our original energy targets set in 2019 to ensure alignment of the entire portfolio by 2030. It is important to note that our energy and emissions targets cover our assets as a whole (including tenant consumption/emissions), which means we are proactively engaging with them to optimize the energy efficiency and emission ratios of our assets. Over the course of 2021, the CRREM targets are being incorporated into our investment plans for each asset, taking into consideration the results of energy audits and HVAC inventory analyses, producing energy and emissions efficiency pathways for each one, as well as the investments required to stay on track.

VIA Outlets Reporting and Benchmarks

VIA Outlets measures itself against international benchmarks and certifications as well as reporting requirements and these are an excellent indicator of our overall performance.

On a portfolio level, we have benchmarked ourselves against our peers for the fifth year running through our engagement with the Global Real Estate Sustainability Benchmark (GRESB). Through diligent adjustments to our current management and operations, we reached a 5-star rating in the 2020 GRESB evaluation, and this score was increased by 7% to 92% for the 2021 evaluation. We aim to maintain our 5-star rating in the coming years while we continue to set ambitious targets and stay up to date with the latest operational best practices. In addition, we endeavour to align ourselves to internationally recognised standards, ranging from the Sustainable Development Goals (SDGs), Global Reporting Initiative (GRI) and the Carbon Risk Real Estate Monitor (CRREM).

100%

of Assets assessed for transition and physical risks through CRREM tool

About CRREM: (*Carbon Risk Real Estate Monitor*) CRREM is a tool developed with EU funding that allows investors and property owners to assess the exposition of their assets to stranding risks based on the type of asset, its whole building energy consumption and emission data, country grid emission factors and expected evolution of the same, the use of self-generated renewable energy and the analysis of regulatory requirements. By setting science-based carbon reduction pathways, *CRREM* faces the challenge to estimate risk and uncertainty associated to commercial real estate de-carbonization, building a methodological body and empirically quantify the different scenarios and their impact on the investor portfolios.

100%

of the portfolio certified in BREEAM IU

All assets boost both a BREEAM In-Use certification in sustainable Asset Performance, and are in the process of certifying under Part 2 (asset management), as well as a Bureau Veritas Safer Shopping certificate that is renewed every year.

About BREEAM: BREEAM In-Use is an environmental assessment method that enables property investors, owners, managers and occupiers to determine and drive sustainable improvements in the operational performance of their buildings. It provides sustainability benchmarking and assurance for all building types.

Governance

The VIA Outlets sustainability strategy is defined by VIA Outlets' CEO, Head of Strategy and Asset Management, and Sustainability Director, and presented to VIA Outlets' Board of Directors (which includes shareholder/nonexecutive Director representation) as part of the annual budget process.

The implementation of the strategy relies on the collective contribution of all departmental representatives for its holistic and successful approach. Since July 2019, our sustainability strategy is governed and monitored by a Sustainability Taskforce composed of the Group Departmental Leads most relevant to our overall material issues and strategy.

Finally, all employees both at Group and Centre level are subject to sustainability targets, which influence their annual bonus, thus ensuring the entire workforce contributes through its skills and responsibilities to the achievements of the group's key sustainability goals.



Risk Management Process

Since early 2020, VIA Outlets established a set process for identifying and assessing climate-related risks. A scoping exercise was carried out to determine what risks are deemed material and should be scenario tested for their impact to our portfolio and our sensitivity to these risks. This analysis then resulted in the supplementary stress tests indicated below



Alignment with Sustainable Development Goals

Our materiality is defined by the two sectors we are part of and the environmental and social impacts these generate, with our commitment extending beyond regulatory compliance. The first sector is commercial real estate, where our environmental footprint, our energy consumption and GHG emissions, our impact on the health and safety of our employees, tenants and guests, as well as sustainable construction are at the forefront of our strategy. Secondly, we are part of the retail sector, and as such contribute to the impact generated by our partners that make up our outlet centres. We are therefore concerned with issues such as responsible consumption, responsible fashion as well as sustainable transport. All of the issues we deem material are managed through our sustainable governance processes outlined below, directed by our Sustainability department. The management approach to each material issue is detailed within our Sustainability Policy and re-evaluated with every updated version (with the latest review being in 2020). This Policy applies to the entire portfolio, and we monitor progress on our core issues through the short, medium and long-term goals we set in the following table:

Category	Subcategory	Boundary	Sustainable Development Goals
Environmental Performance	Air quality	Portfolio	   
	Asset design, materials, sourcing, and construction	Portfolio	  
	Ecological impact	Portfolio	    
	Energy efficiency and emissions	Portfolio	  
	Green mobility	Guests	 
	Physical impacts of climate change	Portfolio	
	Sustainable asset management	Portfolio	  
	Waste	Portfolio	 
	Community relations	Guests	 
Social Capital	Diversity and equality	Portfolio	 
	Health, safety, and wellbeing	Portfolio	
	Supply chain management	Critical suppliers	
Governance	Business ethics	Portfolio	  
	Risk management	Portfolio	   

GREEN FINANCE FRAMEWORK

Rationale for Green Financing

The Green Finance Framework aims to support VIA Outlets' strategy and the transition to a low carbon economy. By issuing Green Finance Instruments, VIA Outlets intends to align its funding strategy with its mission and reinforce its commitment to a low carbon, resilient, inclusive and healthy society. We believe that Green Finance instruments are an effective tool to channel investments to projects that have demonstrable environmental benefits and thereby contribute to the achievement of the SDGs. Through its Green Finance Framework, VIA Outlets also intends to contribute to the growth of the Green Financing market and to address investor's willingness to finance green projects.

Basis of this Framework

This Green Finance Framework is established as an overarching platform under which VIA Outlets intends to issue Green Finance Instruments, which may include bonds (including private placements), commercial paper, loans, promissory notes (Schuldscheindarlehen) and any other Green Finance Instruments in various formats and currencies, to finance and/or refinance green projects with an environmental benefit.

VIA Outlets's Green Finance Framework ("the Framework") is aligned with the International Capital Markets Association ("ICMA") Green Bond Principles ("GBP"), 2021 version¹ and Loan Market Association ("LMA") Green Loan Principles ("GLP"), 2021 version². These voluntary process guidelines are developed through multi-stakeholder processes involving issuers, investors, financial institutions and NGOs, with a view to promoting the development and integrity of Green Finance Instruments.

Moreover, this Green Finance Framework reflects requirements from the EU Taxonomy Regulation³ and the EU Taxonomy Climate Delegated Act⁴ on a best effort basis.

VIA Outlets's Green Finance Framework has four core components:

- Use of Proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting

This Green Finance Framework also follows the recommendation of the Green Bond Principles and Green Loan Principles regarding External Review.

This Framework and the four components outlined above will apply to any Green Finance Instrument issued by VIA Outlets and will be in force as long as any Green Finance Instrument is outstanding.

As the green finance market continues to evolve, VIA Outlets' Green Finance Framework may be subsequently revised or updated to remain consistent with changes in corporate strategy, technological developments, best market practices and the regulatory landscape.

¹ To be found [here](#)

² To be found [here](#)

³ To be found [here](#)

⁴ To be found [here](#)

USE OF PROCEEDS

The proceeds of VIA Outlets' Green Finance Instruments will be used to finance and/or refinance, in whole or in part, new or existing green projects ("Eligible Green Projects") aligned with the eligibility criteria as defined below, together forming the "Eligible Green Project Portfolio". Eligible Green Projects may include assets, investments and capital and operational expenditures. Operational expenditures qualify with a three year lookback period.

ICMA GBP/GLP Category	Eligibility criteria	Contribution to UN SDG	EU Economic Activities and EU Environmental Objectives
Green Buildings	<ul style="list-style-type: none"> Existing commercial real estate assets owned and managed by VIA Outlets or one of its subsidiaries that have received a Very Good, Excellent or Outstanding BREEAM certification. Construction, development and upgrades of properties that are expected to receive a BREEAM Very Good, Excellent or Outstanding certification. Acquisition of properties that are expected to receive a BREEAM Very Good, Excellent or Outstanding certification New or existing investments in or expenditures related to the acquisition or construction of renewable energy installations. These can include, but are not limited to solar energy projects owned by the issuer or one of its affiliates or wind-related energy projects. Buildings built before 31 December 2020 either with an EPC label \geq "A" or belonging to the top 15% of the national building stock Buildings built after 31 December 2020 with energy performance lower of at least 10% than the threshold set for nearly zero-building (NZEB) requirements Refurbished buildings that achieve energy savings of at least 30% in comparison to the baseline performance before the refurbishment. 	 	<p>EU Economic Activities:</p> <ul style="list-style-type: none"> - Construction of new buildings - Renovation of existing buildings - Installation, maintenance and repair of energy efficiency equipment - Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings - Installation, maintenance and repair of renewable energy technologies - Acquisition and ownership of buildings <p>Contribution to EU Environmental Objectives:</p> <p>Substantial contribution to Climate Change Mitigation (Art. 10): 1.b) Improving energy efficiency, except for power generation activities as referred to in Article 19(3)</p>

PROCESS FOR PROJECT EVALUATION AND SELECTION

A cross-functional Green Finance Committee ("The Committee") reviews, monitors, and approves all Eligible Green Projects that meet the above eligibility criteria. The committee will be chaired by the Group CFO and

furthermore composed of the Head of Development and representatives of management at Group and affiliate level, as required, as well as the Group Sustainability Director.

The Committee is also responsible for:

- removing or replacing assets and expenditures that no longer comply with the Eligibility Criteria or for which the Green Finance Committee has otherwise determined should not be funded under this framework;
- reviewing and updating the content of the Green Finance Framework and managing any future updates of this document to reflect relevant changes in corporate strategy, technological developments, best market practices and the regulatory landscape;

VIA Outlets makes every effort to ensure that all of its activities comply with official national and international environmental and social standards and local laws and regulations. VIA Outlets also applies risk management measures in its capital allocation decisions which are supported by group planning, reporting and controlling systems. We have baseline sustainability expectations in place that are addressed in our group sustainability policies, which can be accessed [here](#). VIA Outlets takes appropriate measures to identify and manage potential ESG risks associated with the eligible project pool through the application of risk analysis processes and sustainability management systems.

MANAGEMENT OF PROCEEDS

The proceeds of the Green Finance Instruments issued under this Framework will be managed by VIA Outlets in a portfolio approach.

VIA Outlets intends to allocate the proceeds from the Green Finance Instruments to an Eligible Green Project Portfolio that meet the Use of Proceeds eligibility criteria and in accordance with the Evaluation and Selection process presented above.

VIA Outlets will strive, over time, to achieve a level of allocation to the Eligible Green Project Portfolio which matches or exceeds the balance of proceeds from its outstanding Green Finance Instruments. Additional projects will be added to the Eligible Green Project Portfolio to the extent required.

The Eligible Green Project Portfolio may consist of capex, opex or asset values. Capital and operational expenditures qualify for refinancing with a maximum three-year look-back period. Asset values qualify for refinancing without a specific look-back period. VIA Outlets intends, to the best of its abilities, to fully allocate the proceeds within 24 months after the issuance date of each Green Finance Instrument.

Pending the allocation or reallocation, as the case may be, of the net proceeds, VIA Outlets will invest the balance of the net proceeds, at its own discretion, in cash and/or cash equivalent and/or other liquid marketable instruments or use them for other capital management purposes.

REPORTING

VIA Outlets will make and keep readily available annual reporting on the allocation and impact of the portfolio of Eligible Green Projects after a year from the issuance of the Green Finance Instruments, to be renewed annually until full allocation or in case of material change. Reporting will take place on a portfolio basis. This report will be publicly available on VIA Outlets' website (<https://www.viaoutlets.com/sustainability/>).

VIA Outlets intends to report on an aggregated basis for all the Green Finance Instruments outstanding.

VIA Outlets intends to align its impact reporting with the Handbook for 'Harmonized Framework for Impact Reporting', June 2021 version⁵.

Allocation report

The allocation report will provide indicators such as:

- The total amount of VIA Outlets Green Finance Instruments outstanding
- The amount of proceeds allocated to Eligible Green Project Categories
- The balance of unallocated proceeds
- The amount or the percentage of new financing and refinancing
- The geographical distribution of the projects
- The proportion that is aligned with the EU Taxonomy

Impact Report

The Impact Report will provide information on the environmental outcomes of the Eligible Green Projects.

The Green Finance Impact Report may include the following impact indicators:

- Reduction in average whole building energy intensity(Kwh/m²)
- Reduction in whole-asset portfolio absolute GHG emissions (KgC2e/m²)
- Breeam score of each asset
- Energy generated through on-site self-generation projects

⁵ To be found [here](#)

EXTERNAL REVIEW

Second party Opinion (pre-issuance)

VIA Outlets has engaged ISS to provide a Second Party Opinion on its Green Finance Framework. ISS reviewed the alignment of VIA Outlets's Green Finance Framework with ICMA's 2021 Green Bond Principles and LMA's 2021 Green Loan Principles. The Second Party Opinion and the Green Finance Framework will be made public on VIA Outlets's website (<https://www.viaoutlets.com/sustainability/>).

Annual audit/limited assurance on the Allocation Reporting

VIA Outlets may request on an annual basis, starting one year after issuance until full allocation, a limited assurance report of the allocation of the Green Finance instrument's proceeds to Eligible Green Projects, provided by an external auditor. The Annual Assurance Report will also be posted on our website.

DISCLAIMER