



BUDAPART

# Green bond Allocation and Impact report

31/01/2023





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# Management statement



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- Kopaszi Gát Zrt. successfully issued green bonds in a volume of HUF 34.45 billion in the end of January 2022 to finance their BudaPart investment project.
- As a part of the Green Finance Framework Kopaszi Gát has set up the Green Committee (GC) to oversee and control the allocation of green proceeds during their semi-annual Committee meeting. The Green Committee published two summaries of their decisions and results during the last year.
- The Green Committee has approved 5 eligible green projects, with an allocation of around HUF 13.8 billion in the first year.
- Kopaszi Gát manages green developments with top priority. Kopaszi Gát's green strategy offers corporate-wide guideline for more sustainable operation.





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# Sustainability at Kopaszi Gát





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## Kopaszi Gát takes great steps towards greener operation

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### Green Finance

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- In January 2022 Kopaszi Gát Zrt. issued green bond in a volume of HUF 34.45 billion to finance green and sustainable projects
- Kopaszi Gát set up a Green Committee to oversee and control potential and ongoing projects considered as eligible green
- During the past 12 months the Green Committee met two times to authorize green investments and published online the results of their decisions and their review over green impacts



### Green Strategy

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- In January 2022 Kopaszi Gát Zrt. published their Green Strategy
- Kopaszi Gát's Green strategy supports the creation of company-wide green approach, as well as sets up green guideline for BudaPart project.

## Guidelines of Green Strategy support efficient green allocation

### Main green values of the company



Consciously taking responsibility for contributing to climate goals



Commitment to sustainability and social awareness



Commitment to reduce carbon-footprint

### Green guidelines of BudaPart



Applying an environmentally conscious business model



Being environmentally and socially responsible



Consumer centrality and awareness of well-being



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# Green bond in a nutshell



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## Main features of the issued green bond

**Auction date:  
31st Jan 2022**

**Volume of issued capital  
HUF 34.45 billion**

**ISIN: HU0000361308**

**Scheduled maturity at  
2032**

**Coupon rate fixed 5,75%,  
payment dues annually**

**100% of green proceeds  
for finance projects in  
part or full**










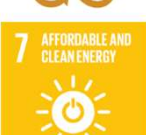

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# Green Finance Framework



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## Use of Proceeds

Eligible category	Eligible projects	Contribution to the SDGs	Eligibility Project Portfolio
Clean transportation	Development of e-mobility	 	<ul style="list-style-type: none"> <li>Design and construction of electric vehicle charging stations related to real estate developments.</li> <li>Support E-carsharing availability for real estate projects</li> <li>Design and construct bicycle and electric scooter racks</li> </ul>
Clean transportation	Improvement of public transport and auxiliary infrastructure	 	<ul style="list-style-type: none"> <li>Construction to core infrastructure by new bicycle lanes and promotion of public transport</li> <li>Construction to auxiliary infrastructure to reduce ambient noise and improve surface luminance</li> <li>Avoid or reduction of transport use</li> </ul>
Biodiversity	Investments for new projects		<ul style="list-style-type: none"> <li>Natural landscape restoration through the establishment of green areas</li> </ul>
Green Buildings	Investments for new projects	 	<ul style="list-style-type: none"> <li>Preparation, design, and construction of buildings which meet recognized standards:             <ul style="list-style-type: none"> <li>LEED (Gold or above) and Hungarian EPC level BB</li> </ul> </li> <li>Preparation, design, and construction of residential buildings:             <ul style="list-style-type: none"> <li>Hungarian EPC level BB</li> </ul> </li> </ul>





## About the indicators

Eligible projects		Impact indicators (KPIs)
	Development of e-mobility	<ul style="list-style-type: none"><li>• Number of electric charging stations for EVs installed</li><li>• Number of bicycle and electric scooter racks installed</li></ul>
	Improvement of public transport and auxiliary infrastructure	<ul style="list-style-type: none"><li>• Improved luminance for surfaces by performance materials in m2</li><li>• New dedicated bicycle lanes in meter</li><li>• Ambient noise reduction from the transport infrastructure in db(A)</li><li>• Annual GHG reduced or avoided in tCO2</li></ul>
	Investments for new biodiversity projects	<ul style="list-style-type: none"><li>• Increase of natural landscape area in m2 and/or in % for increase</li></ul>
	Investments for new green building projects	<p>Preparation, design, and construction of buildings which meet recognized standards:</p> <ul style="list-style-type: none"><li>• LEED (Gold or above)</li><li>• EPC level achieved and the energy usage in KWh/m2 per annum</li></ul> <p>For residential properties:</p> <ul style="list-style-type: none"><li>• EPC level achieved and the energy usage in KWh/m2 per annum</li></ul>



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# Allocation report





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## Green Committee has approved 5 projects

The Green Committee had two meetings in 2022, the first on 06/01/2022 and the second on 28/10/2022.

The Committee decided to provide green funding as loans to certain subsidiaries of the company to finance in part or whole five eligible green projects. The decision was in line with the criteria as defines in Kopaszi Gát's Green Finance Framework.

Allocation according to the committee's decision		Amount in HUF
Green bond proceeds – January 2022		34,450,000,000
Number of eligible investments		5
Bpart Aspius Kft.	<i>office building development</i>	8,307,188,556
Bpart Lucius Kft.	<i>residential building development</i>	1,804,250,980
Budapart Barbus Kft.	<i>Hotel development</i>	177,225,803
Budapart Carassius Kft.	<i>residential building development</i>	2,472,654,172
Budapart Silurus Kft.	<i>office building development</i>	1,066,646,338
The balance of unallocated proceeds		20,622,034,151

## **Allocation of the green proceeds by Eligible Project Categories**

Total amount of investments in the Eligible Project Portfolio 13,827,965,849 HUF

The investments of Eligible Projects, development of e-mobility, Improvement of public transport and auxiliary infrastructure, new biodiversity projects are realized through the development of Green Buildings. These Eligible Projects are an inseparable part of the Green Building.

The Improvement of public transport and auxiliary infrastructure projects are long term projects which divided into several construction phases furthermore part of ongoing and future Green Building developments. Each Green Building projects contribute to the cost of infrastructure investments in proportion to its own floor are.

Due to the concrete plant operating on the site, as well as the local use of excavated soil, the transport use is reduced, and the negative environmental impacts are decreased. These measures are also the consequences of Green Building developments however not require additional resources in the current development phase.

Taking into account the above, we consider it more appropriate to present 100 % of the financial allocation on the Green Building line.



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### SV0

Szükséges lenne alábontani a költséket a 4 kategória szerint. Amennyiben nem tudjátok visszakövetni az adatokat, alárendelhetjük egy célnak a teljes költsést (pl green building), azonban a hatásriport résznél látszik, hogy értetek el zöld sikereket ilyen fejlesztéseknél is.

Szücs Viktória; 2023-01-30T15:51:43.707

An aerial photograph of a park area with a lake, surrounded by modern buildings. A large, semi-transparent orange rectangle is overlaid on the center of the image, containing the title text. The background shows a lush green park with many trees, a winding path, and a body of water in the distance. To the left is a tall, modern building with a glass facade. To the right is a multi-story apartment building with balconies. The sky is blue with scattered white clouds.

# Overview of eligible green projects





## BudaPart's current investment schedule



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## BudaPart's current investment schedule



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## BRF residential building



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Architect

Studio A4

No. of flats

185 pcs

Handed over

2023 Q1

EPC rating

BB



## BRG residential building



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Architect

Óbuda Group

No. of flats

180 pcs

Handed over

2024 Q2

EPC rating

BB



## BRL residential building



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**Architect**

Studio A4

**No. of flats**

140 pcs

**Handed over**

2024 Q3

**EPC rating**

BB

## BOE office building – BudaPart City



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<b>Architect</b>	Fazakas Arch. Firm
<b>Total area</b>	19.800 sqm
<b>Parking spaces</b> (incl. electric charging stations)	411 pcs
<b>Bicycle spaces</b>	61 pcs
<b>Total storage area</b>	1135 sqm
<b>Handed over</b>	2021 Q2
<b>LEED rating</b>	Gold



## BOG hotel and office building – BudaPart Downtown



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<b>Architect</b>	KÖZTI
<b>Total area</b>	7.840 sqm
<b>Parking spaces</b> (incl. electric charging stations)	177 pcs
<b>Hotel</b>	198 rooms
<b>Bicycle spaces</b>	42 pcs
<b>Total storage area</b>	87 sqm
<b>Planned handover</b>	2023 Q1
<b>Leed rating</b>	Gold (expected)



# Impact report



## Green investment impacts

Eligible Project Category	Eligible Project	KPI
 <p>Green Building</p>	<b>Bpart Aspius Kft.</b> (office building)	Leed Gold O+M certification is ongoing, expected in Q1 2023.
	<b>Budapart Carassius Kft.</b> (residential building in construction)	Expected EPC level: BB in Q4 2023
	<b>Bpart Lucius Kft.</b> (residential building in construction)	Expected EPC level: BB in Q1 2024
	<b>Budapart Silurus Kft.</b> (office building in construction)	Leed Gold (Construction phase) certification is expected in Q2 2023
	<b>Budapart Barbus Kft.</b> (hotel in construction)	Expected EPC level: BB in Q2 2023
 <p>Clean transportation</p>	<b>Bpart Aspius Kft.</b> (office building)	<p>Number of electric charging stations: 6 + 14 additional places prepared to install electric charging stations when it is necessary</p> <p>Number of bicycle racks: 76</p> <p>Annual GHG reduction: cca 2.1 t</p>
	<b>Infrastructure development "C1" Phase I.</b>	Ambient noise reduction from transport infrastructure: 2 dB(a) in 807 sq m newly created special asphalt lanes;
	<b>Infrastructure development "C1" Phase II.</b> <b>Infrastructure development "D2-E2" Phase</b> to be handed over to the Municipality of Budapest	Improved luminance of surface by applied materials: 1,920 sq m; Improved luminance of surface by applied materials: 3,117 sq m; Bicycle lane: 510 m; New bus stops: 1 pcs

## Green investment impacts



Eligible Project Category	Eligible Project	KPI
	<b>Bpart Lucius Kft.</b> (residential building in construction)	Annual GHG reduction: cca 2.55 t
	<b>Budapart Carassius Kft.</b> (residential building in construction)	Annual GHG reduction: cca 1.03 t
	<b>Budapart Silurus Kft. and Budapart Barbus Kft.</b> (Office and Hotel building)	Annual GHG reduction: cca 2.05 t
	<b>Infrastructure development “C1” Phase II.</b>	Increase of natural landscape: 711 sq m
	<b>Infrastructure development “D2-E2” Phase</b> to be handed over to the Municipality of Budapest	Increase of natural landscape: 2,330 sq m
	<b>Bpart Aspius Kft.</b> (office building)	Increase of natural landscape: 1,149 sq m



## Disclaimer



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