

Hines European Value Fund 2
ESG Review



The Burlin, London



Published June 2022.

This report is a snapshot of the Hines European Value Fund 2 as of 31 December 2021.

For Hines' global ESG report, please visit www.hines.com/esg/reports.

Endnotes are provided on page 64.



Paul White
Fund Manager
Senior Managing Director

We are pleased to share our second annual ESG Review for the Hines European Value Fund 2 (HEVF 2).

As conscientious stewards of the built environment and a family led organisation, Hines is acutely aware of its responsibility to reduce carbon emissions, tackle the challenge of embodied carbon and promote social equity within the cities, communities and people we serve. This is why 2021 saw the appointments of Global and European Heads of ESG, as the firm remains committed to ESG action to help create positive long lasting change which meaningfully impacts the planet.

As a value add Fund, HEVF 2 is in the fortunate position of reviewing existing buildings, and creating new ones, in seeking to improve ESG performance which reflects the needs of today's occupiers, investors and communities alike. We have started strongly, awarded 5 stars, 92 points and Overall Global Sector Leader from GRESB in the Fund's inaugural submission. You can read about some of the specific initiatives taken in this report. We plan to continue building strongly onward from here.

We hope you enjoy reading this report and learning more about our ESG successes to date.



Daniel Chang
Head of ESG - Europe
Managing Director

2021 was the year where the urgency to tackle climate risk and social inequity came into focus more than ever and became ubiquitous.

In this report, we at Hines are pleased to share with you the practical steps we have taken towards achieving decarbonisation, including appointing Mike Izzo as Hines' Vice President of Carbon Strategy, producing an Embodied Carbon Guide which was released on Earth Day, and in Europe partnering with ULI in a study focused on accelerating progress to net zero carbon in the real estate sector. In this context, the HEVF 2 portfolio continued to implement its ambitious ESG strategy, putting into place high level sustainability certificates, setting ambitious targets for reduced operational and embodied carbon, and reviewing opportunities to include onsite renewables where possible.

Hines and HEVF 2 also recognized the benefits of improving social resilience in our projects, with our 'shaere' programme at our aer asset in Munich becoming a thriving social anchor in its local community. In terms of bolstering governance, we obtained an ISO 14001 certification for the Environmental Management System framework that is in place for Hines Europe Investment Management.

At Hines and HEVF 2, we are committed to continuing to push ourselves further and build on the Fund's ESG initiatives to deliver increased value to our investors, occupiers, people and communities.

About Hines

Our vision at Hines is to be the best real estate investor, partner, and manager in the world. We work to benefit people and communities by investing in, developing, and managing buildings that create a vibrant sense of place and minimise our environmental footprint.

DZ Bank, Berlin



609 Main at Texas, Houston



HINES 2021 GLOBAL PRESENCE

285

cities where Hines is located (exclusive of facilities management)

442

cities with facilities management assignments

28

countries

- | | | | |
|-----------|-----------|-------------|----------------------|
| Australia | Finland | Italy | Russia |
| Austria | France | Japan | Singapore |
| Brazil | Germany | Luxembourg | South Korea |
| Canada | Greece | Mexico | Spain |
| China | Hong Kong | Netherlands | United Arab Emirates |
| Czechia | India | Panama | United Kingdom |
| Denmark | Ireland | Poland | United States |



As of 31 December 2021.



TOTAL ASSETS UNDER MANAGEMENT¹

€80.7B



DEVELOPMENTS WORLDWIDE

198

projects currently underway, 9.6M sqm

956

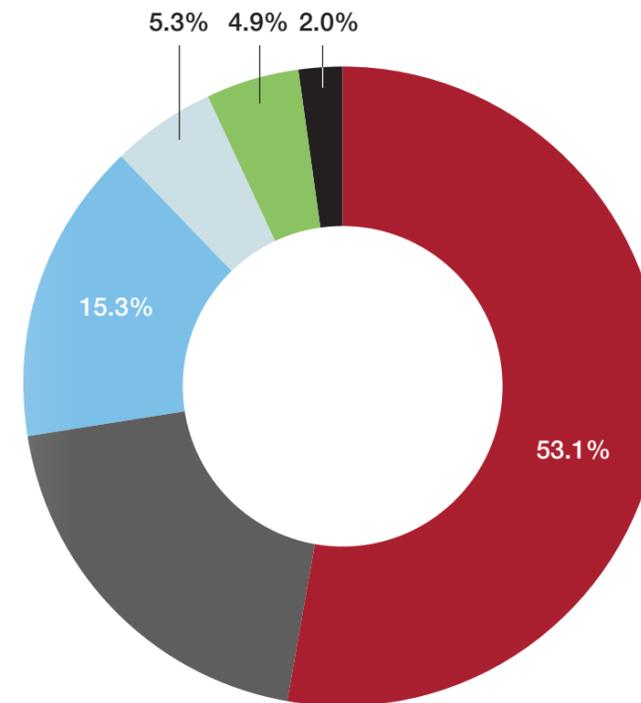
completed projects, 26.3M sqm



PROPERTY AND ASSET MANAGEMENT

669

properties, 21.4M sqm



Hines current AUM by sector

● Office	53.1%
● Residential	19.5%
● Mixed-Use	15.3%
● Retail	5.3%
● Industrial/Logistics	4.9%
● Other	2.0%

ESG at Hines

345 Hudson, New York City



Hines understands the built environment's contribution to climate change. As a global real estate investment, development and management company, we know we are part of the climate problem - and we are committed to being part of the solution.

We have been taking steps to meet the climate crisis head-on through initiatives to track and reduce carbon across our business lines and move toward net zero carbon emissions.

We are also committed to leveraging our real estate expertise and partnerships to address the social inequalities caused by climate change and promote human health and wellbeing in the built environment and beyond. We believe sustainably built and efficiently operated buildings add tremendous value to communities, and we are more focused than ever on investing in, developing and managing places, spaces and communities that help people thrive.

Hines' New Comprehensive ESG Strategy

From Sustainability to ESG

In mid-2021, Hines rolled out an enhanced firm-wide ESG strategy. This was the culmination of the work done by an ESG working group together with an independent consultancy, focused on identifying key ESG priorities and commitments for the firm.

Their methodology included:

- Identifying ESG topics for Hines consideration
- Prioritising these topics based on our ESG Working Group's preliminary commitments
- Aligning topics with existing industry and ESG frameworks to elevate best practices
- Engaging Hines leaders to understand internal priorities and perspectives related to ESG
- Creating a balanced ESG scorecard to reflect topic relevance and impact to key stakeholders

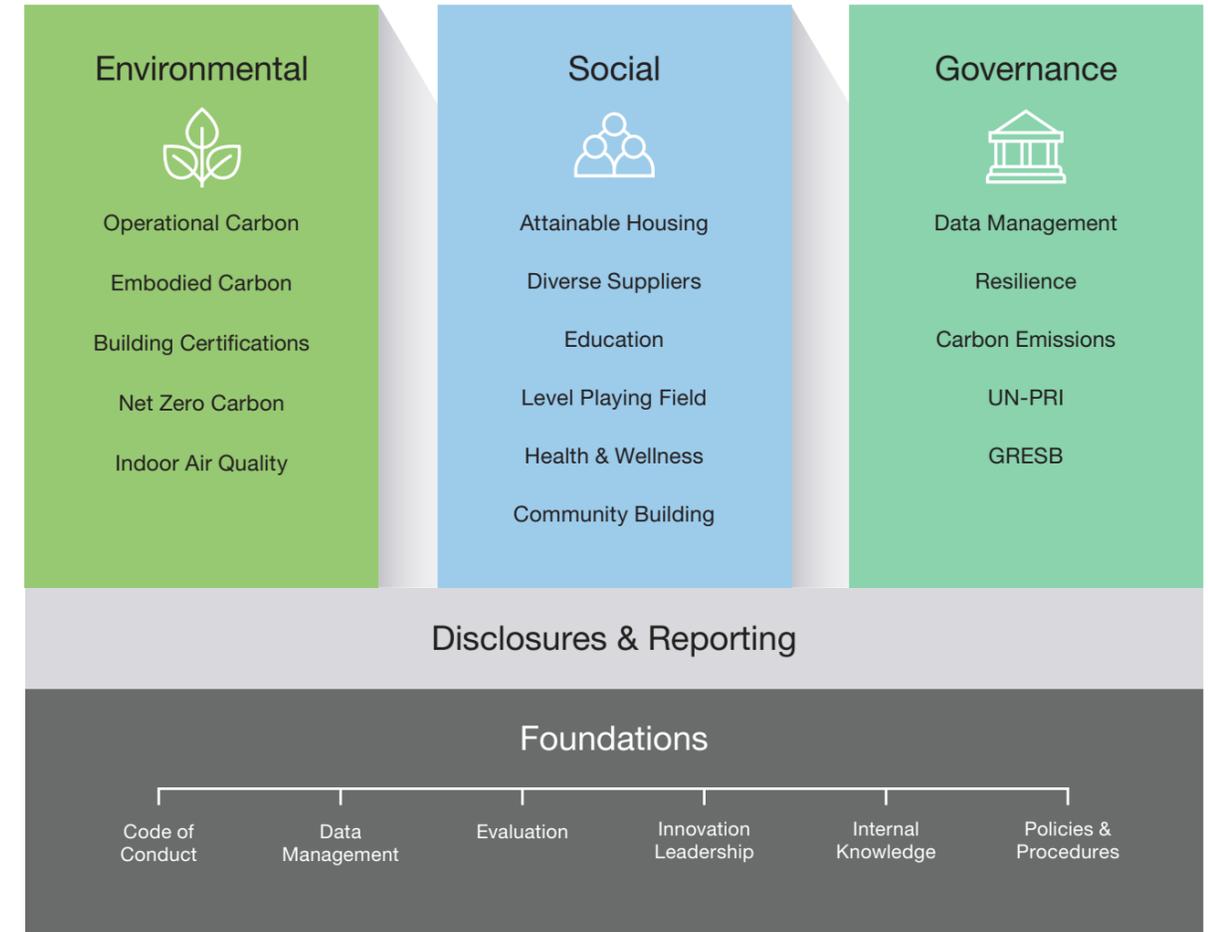
The result of this assessment is a long-term plan for approaching ESG at Hines that is grounded by a strategic framework. At the foundation are the global policies, practices, and processes we adhere to across the firm to ensure Hines meets market requirements and industry best practices. Our disclosures and external reporting commitments are intended to provide transparency to our stakeholders and demonstrate progress over time. The three ESG pillars cover 16 focus areas through which we strive to solve the pressing challenges the world is facing and align with progressive investor and client goals.

The strategy leverages the strength of the Hines regions to prioritise ESG issues and set goals that are relevant and actionable in their local markets and reflect their resources and product offerings. Each regional CEO has appointed an ESG leader with a passion for the work to drive the ESG strategy and ensure regional goals align with and support firm goals.

ESG Reporting and Disclosures

Within our disclosure practice, we have made significant efforts to align to the United Nations Principles for Responsible Investment (PRI) and the Global Real Estate Sustainability Benchmark (GRESB), while assessing the Task Force on Climate-related Financial Disclosure (TCFD) and the United Nations Sustainable Development Goals (SDGs) for future disclosure.

ESG STRATEGIC FRAMEWORK



Environmental

- **Operational Carbon Reduction Through Design:** Reduce operational carbon through design
- **Embodied Carbon:** Reduce embodied carbon through our design and construction process
- **Building Certifications:** Leverage green and healthy building certifications
- **Net Zero Carbon:** Define Net Zero Carbon for Hines and set benchmarks for progress
- **Indoor Air Quality:** Conduct indoor air quality (IAQ) research that furthers our innovation and enhances our buildings

Social

- **Attainable Housing:** Support project teams by recording our performance, tracking future attainable housing projects, and identifying best practices and successes
- **Diverse Suppliers:** Track and expand diversity of suppliers
- **Education:** Raise awareness of and access to real estate careers through education
- **Level Playing Field:** Enhance our people practices by adopting workplace policies that achieve greater equality, retention and representation
- **Health & Wellness:** Enhance employee health and wellness programmes
- **Community Building:** Expand and enhance Hines' philanthropic and employee volunteering activities

Governance

- **Data Management:** Expand and enhance ESG data management
- **Resilience:** Track and leverage climate resilience data to inform investment decisions
- **Carbon Emissions:** Assess Hines' carbon emissions and create a management and mitigation plan
- **United Nations Principles for Responsible Investment:** Became a PRI signatory in 2021
- **GRESB:** Increase new Fund participation in GRESB and strive for five stars

“We are deeply committed to ensuring ESG leadership and innovation are at the heart of our entire business.”

PETER EPPING
Global Head of ESG



European ESG League Seeks to Drive ESG Implementation

Hines formed the European ESG League in October 2021 to integrate and coordinate ESG initiatives across our European platform teams. It is made up of nominated representatives from each of our European country teams, and includes asset, development, ESG and communication managers.



The group's projects for 2022 include the production of an upgraded green lease clause and an updated ESG acquisition due diligence checklist.

In 2021 it discussed a range of topics including:

- an update on the Hines global ESG strategy
- an overview of the organisation's carbon commitment study
- Germany country-specific ESG strategy
- COP26 takeaways
- an introduction to the Hines European logistics solar panel playbook
- an overview of the NABERS sustainability certification scheme

The group meets roughly every six weeks to work towards aligning and setting ESG priorities, sharing experiences and supporting the organisation in setting best practices.

Ronald Banus, Hines Netherlands; Cristiano Brambilla, Hines Italy; Hannah Brown, Hines Europe; Daniel Chang, Hines Europe; Danilo Chiesa, Hines Italy; Elena Clavijo, Hines Spain; Matthew Drane, Hines Europe; Ulrike Dreykluff, Hines Germany; Alice Durand-Buffet, Hines France; Julie Helweg, Hines Nordics; Vangelis Mantzavinatos, Hines Greece; Karen Nielsen, Hines Nordics; Robbie Pitman, Hines UK; Claire Pomroy, Hines Ireland; Hugo Pywell, Hines UK; Mickey Scott, Hines UK; Luke Treasure, Hines Spain; Thijs van Dorssen, Hines Netherlands.

Hines Named Global ESG Firm of the Year

Hines was awarded four awards at the prestigious 2021 Global PERE Awards. The company was named ESG Firm of the Year: Global and won an additional three regional awards as Firm of the Year in Germany, France and Southern Europe.



ESG Firm of the Year: Global

These accolades are testament to Hines' commitment to ESG issues following the launch of our ambitious new ESG strategy in June 2021, which included creating a dedicated ESG team.

Among several other efforts, the PERE Global ESG Firm of the Year award recognises that five out of nine investment entities submitted to GRESB earned Sector Leader status, that an Embodied Carbon Reduction Guide was developed, and that the firm became a Signatory to the UN Principles for Responsible Investment.

“Our firm-wide commitment to ESG starts with our executive leadership and extends to Hines regions across the globe.”



LAURA HINES-PIERCE
Co-CEO

Hines European Value Fund 2 (HEVF 2)

Valdebebas, Madrid



HEVF 2 is a Luxembourg-domiciled investment Fund sponsored by Hines. It raised €1.09 billion of equity commitments and is pursuing active asset level value creation. The Fund was launched at the end of 2019 and, whilst still at an early stage of its life cycle, has acquired or contracted eleven² assets in six European countries: France, Germany, Italy, Netherlands, Spain and the UK. The Fund is currently prioritising logistics, residential and mixed-use schemes.



11
investments

6
countries

- Hines office
- Hines office + HEVF 2 asset(s)
- HEVF 2 asset(s)

Fund Overview as of 31 December 2021.

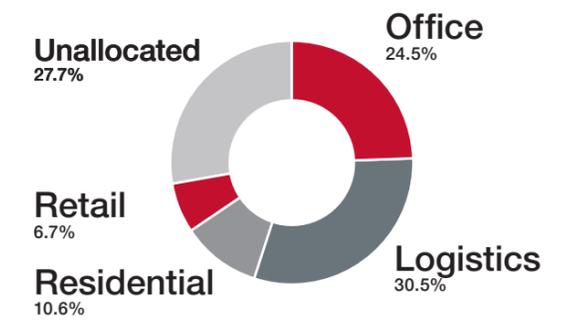
Total Equity Commitments

€1.09 B

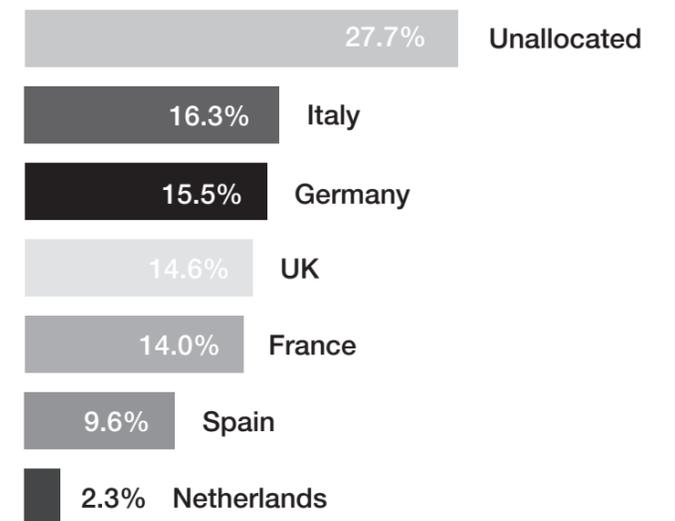
NUMBER OF INVESTMENTS

11

CAPITAL COMMITMENTS BY SECTOR



CAPITAL COMMITMENTS BY COUNTRY



“At Allianz Real Estate we consider it the highest priority to reduce the carbon footprint of our investments. One of the approaches we take is to engage with equally committed prime partners such as Hines. HEVF 2 has a similar ESG approach to our own, which is why we selected it for our Indirect European portfolio.”



JEROME BERENZ
Head of Indirect Investments
Allianz Real Estate

Fund Performance as of 31.12.2021

Notwithstanding the continued headwinds from COVID-19 and wider global affairs, including inflation and more recently the conflict in Ukraine, the Fund continues to perform well. Over the course of 2021 the Fund has made significant progress in successfully deploying the Fund and major milestones have been achieved across the portfolio. At year-end the Fund was c. 75% allocated across 11 projects in six countries.

During 2021, notably, the Fund also received the results of its first GRESB submission and it was awarded 5 stars and Overall Global Sector Leader, with a score of 92 out of 100. The results exhibit the continued passion and commitment

for attaining the highest ESG standards and is the base from which the Fund will build on in the years to come.

The Fund remains focused on securing the final assets to complete the Fund's allocation and on delivering on the business plans at the assets. The Fund is also looking at potentially selling some assets earlier than originally planned which, if secured, is expected to drive outperformance. Across the portfolio the Fund is undertaking further gap-analysis to see whether the ESG targets at each asset can be further improved to deliver attractive, sustainable buildings for existing and future occupiers, owners and the wider community.

Castel San Pietro Logistics, Bologna, Italy



ESG at HEVF 2

We strive to improve the built environment for our HEVF 2 stakeholders by creating, managing and investing in buildings that meet the needs of the present and remain resilient in the future.

Grand opening of shaere at aer, Munich



HEVF 2 is committed to implementing an ambitious ESG strategy to minimise construction and operational environmental impacts, while promoting energy efficiency, health, wellness and social value. Our approach aligns with the Hines' Responsible Investment Statement, ensuring that ESG issues are embedded in our investment strategy and considered across the property life cycle.

HEVF 2's investment strategy aims to actively create value at asset level through improving and repositioning the buildings in our portfolio. One of the ways we can create value for our investors is to ensure our buildings meet best-in-class sustainability standards and therefore align with the current and future requirements of occupiers. In delivering our investment strategy, we will strive to create future-proofed buildings that enhance the communities in which they operate in, while reducing their impact on the environment.

Recognising that the Fund has a number of comprehensive refurbishment projects, HEVF 2 has the opportunity to and is ensuring that sustainability factors are addressed in the design and construction phases, to promote the sustainable and resilient future operation of these assets. In doing so, we will work in collaboration with our supply chain partners to pursue opportunities to enhance sustainable practices.

HEVF 2's ESG commitments

We aim to deliver against performance-focused objectives in accordance with these overarching ESG commitments for the Fund:

- Satisfy all relevant legislation requirements and seek to stay ahead of regulation compliance on ESG issues, including through our supply chain
- Maintain compliance with corporate, investor and partner requirements

- Establish and maintain an Environmental Management System (EMS) aligned with the international standard ISO 14001, to allow us to manage the implementation of our ESG aspirations and seek continual improvement
- Benchmark ESG performance against recognised targets and standards and via the GRESB assessment to evaluate our continual improvement
- Promote health, safety, wellbeing and productivity amongst Hines employees, development teams and building users
- Deliver regular (at least annual) ESG training to all HEVF 2 investment management employees and local asset managers, and embed ESG objectives into their reviews, when appropriate for that job function
- Establish and maintain ESG objectives for construction projects to be implemented by project teams including consideration of:
 - Energy efficiency and carbon emissions (both operational and embodied)
 - Resource consumption, construction waste and pollution impacts
 - Health and wellbeing of building occupants
 - Resilience of buildings to meet future needs (including climate resilience)
 - Social value of construction projects and engagement with communities
 - Achieve green building certification for projects striving to maximise sustainability performance through the design and construction process, and review viability of wellbeing certification where appropriate

Note: In the ESG at HEVF 2 section, "we," "our" and "us" refer to HEVF 2.

ESG AT HINES AND HEVF 2 TIMELINE

1957

Gerald D. Hines founds the company with an eye toward energy efficiency.



1992

Hines develops indoor air guidelines before the EPA issues its standards.

1998

Hines joins USGBC to guide and grow the global market for high-performance buildings.

2004

Hines becomes the first real estate firm to win ENERGY STAR's Sustained Excellence Award for long-term commitment to conservation.



2011

Hines launches the myCommunity programme to help employees to give back to their communities through volunteerism.

2012

Hines published its first sustainability report based on the GRI framework.

1978

Hines' engineering team begins firm-wide energy tracking and management



2007

Hines founds the German Sustainable Building Council with other partner organisations.

2009

The Hines GREEN OFFICE (HinesGO) programme launches to enhance the sustainable features and operations of its office spaces for tenants.



2016

Hines appoints its first Innovation Officer.

2017

Hines invests in Fifth Wall, a real estate venture capital firm.

Hines becomes Founding Alliance Member of Well Living Lab.

Hines hires its first Director of Diversity & Inclusion.

Hines launches the flagship HEVF Series with HEVF 1 having the objective to secure and invest in value-add commercial real estate through Europe.



2018

Hines provides a three-year grant to create the ULI Women's Leadership Initiative.

HEVF 1 launches and the total Fund size exceeds €700 million of equity commitments.



2019

Hines hires its first People Officer.

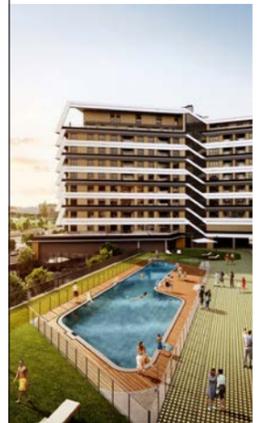
HEVF 2 launches, building on the success of HEVF 1.

2021

Hines releases new global ESG Strategic Framework to further ESG focus and commitments across investments, properties, communities and stakeholders.

HEVF 2 completes its final close with over €1bn of equity

HEVF 2 participates in GRESB for the first time, achieving five stars and Overall Global Sector Leader recognition.



2022

Hines is named Global ESG Firm of the Year in PERE's inaugural ESG awards.



2020

Gerald D. Hines passes away at age 95 leaving a legacy of architectural excellence, superior engineering and integrity in the built environment.

Hines partners with Well Living Lab on research to address virus transmission in the built environment.

HEVF 2 develops its ESG strategy, formalising an ESG policy and support environmental management system framework.

Hines partners with international, award-winning structural and civil engineering firm, Magnusson Klemencic Associates (MKA) to develop an Embodied Carbon Reduction Guide to help mitigate the impact of embodied carbon resulting from new developments.



ESG Firm of the Year: Global

2021 Objectives/Targets

	Focus area	2021 Objectives/Targets	Progress	Outcome	2022 Objectives/ Targets
ENVIRONMENT	GREEN BUILDING CERTIFICATIONS	<ul style="list-style-type: none"> Continue green building certification implementation targeting BREEAM 'Excellent' on new developments and refurbishment projects or local equivalent. 	Achieved	<ul style="list-style-type: none"> Several assets are now progressing towards obtaining green building certifications as part of their refurbishment/ construction works. 	<ul style="list-style-type: none"> Continue green building certification implementation targeting BREEAM 'Excellent' on new developments or refurbishment projects or local equivalent.
	ENERGY EFFICIENCY & OPERATIONAL CARBON	<ul style="list-style-type: none"> Target minimum EPC (Energy Performance Certificate) 'A' rating for new developments, or 'B' rating for refurbishments. 	Achieved	<ul style="list-style-type: none"> There are extensive refurbishment works at multiple assets to improve energy efficiency/ carbon performance resulting in improved EPCs. 	<ul style="list-style-type: none"> Continue to target minimum EPC (Energy Performance Certificate) 'A' rating for new developments, or 'B' rating for refurbishments.
	EMBODIED CARBON	<ul style="list-style-type: none"> Seek to complete an assessment of total embodied carbon associated with new build/refurbishment projects, using a robust methodology and work towards a reduction. 	Achieved	<ul style="list-style-type: none"> Embodied carbon assessments were undertaken at The Burlian, Grain House and aer. Further embodied carbon assessments for recent acquisitions are planned. 	<ul style="list-style-type: none"> Continue to seek to complete an assessment of total embodied carbon associated with new build/refurbishment projects, using a robust methodology and work towards a reduction.
	WATER EFFICIENCY	<ul style="list-style-type: none"> Evaluate water efficient fixtures and fittings in new build/refurbishment projects. Seek to include installation of automatic meter reading devices on mains water supply in project scope. 	Achieved	<ul style="list-style-type: none"> Several assets are pursuing water efficiency measures as part of their targeted green building certifications. 	<ul style="list-style-type: none"> Continue to evaluate water efficient fixtures and fittings in new build/refurbishment projects. Continue to seek to include installation of Automatic Meter Reading devices on mains water supply in project scope.
	BIODIVERSITY	<ul style="list-style-type: none"> Refurbishment projects to consider ecological enhancement opportunities. 	Achieved	<ul style="list-style-type: none"> Several assets are improving planting as part roof terrace design as well as integrating interior greenery. 	<ul style="list-style-type: none"> Continue to consider ecological enhancement opportunities.
	WASTE	<ul style="list-style-type: none"> Develop a Construction Waste Management Plan for all construction projects. 	Achieved	<ul style="list-style-type: none"> Construction waste management plans have been developed in conjunction with appointed contractors. 	<ul style="list-style-type: none"> Continue to develop construction waste management plan for all construction projects.
	DATA COLLECTION	<ul style="list-style-type: none"> Seek to include the installation automatic meter reading (AMR) devices (or half hourly meters) for main utility meters (electricity, gas, district heating) in project scope. 	Achieved	<ul style="list-style-type: none"> As part of refurbishment works, projects are embedding enhanced metering. 	<ul style="list-style-type: none"> Continue to seek to include the installation automatic meter reading (AMR) devices (or half hourly meters) for main utility meters (electricity, gas, district heating) in project scope.
MATERIALS	<ul style="list-style-type: none"> Consider ESG requirements in material tendering including: <ul style="list-style-type: none"> Assessment of health attributes and life cycle impacts to inform materials choices. All timber products to be legally sourced, as a minimum requirement. Consider opportunities to prioritise locally sourced products or those containing recycled content. 	Achieved	<ul style="list-style-type: none"> Local teams have supported the integration of ESG requirements in material tendering for projects. 	<ul style="list-style-type: none"> Continue to consider ESG requirements in material tendering. 	
SOCIAL	WELLBEING CERTIFICATIONS	<ul style="list-style-type: none"> Explore feasibility of achieving WELL certification (Silver rating or higher) or Fitwel (2 Star rating or higher) on new refurbishments, with consideration to stakeholder demand. 	Achieved	<ul style="list-style-type: none"> WELL certification is being pursued at The Burlian (WELL Platinum enabled) and Grain House (WELL Platinum). 	<ul style="list-style-type: none"> Continue to explore feasibility of achieving WELL certification (Silver rating or higher) or Fitwel (2 Star rating or higher) on new refurbishments, with consideration to stakeholder demand.
	COMMUNITY ENGAGEMENT	<ul style="list-style-type: none"> Develop a community engagement plan appropriate to the project and report on initiatives undertaken throughout the life cycle of projects. Consider opportunities to utilise local suppliers/contractors, employees and engagement with voluntary, community or social enterprises. 	Achieved	<ul style="list-style-type: none"> Several assets have active community engagement plans in place and initiatives underway. 	<ul style="list-style-type: none"> Continue to develop community engagement plans appropriate to the project and report on initiatives undertaken throughout the life cycle of projects. Continue to consider opportunities to utilise local suppliers/contractors, employees and engagement with voluntary, community or social enterprises.
	EMPLOYEE ENGAGEMENT	<ul style="list-style-type: none"> Continue to embed ESG objectives within performance reviews for the HEVF 2 investment management team. Carry out ESG-focused training sessions for the HEVF 2 investment management team. 	Achieved	<ul style="list-style-type: none"> Achieved – ESG objectives were embedded and multiple employee ESG training sessions were carried out in 2021. 	<ul style="list-style-type: none"> Continue to embed ESG objectives within performance reviews for the HEVF 2 investment management team. Continue to deliver ESG-focused training to employees.
	TENANT ENGAGEMENT	<ul style="list-style-type: none"> Seek to incorporate green lease clauses into tenancy agreements. Seek to share the Tenant Sustainability Fit-Out Guide in advance of tenant fit-outs. 	Achieved	<ul style="list-style-type: none"> The Fund has defined a Green Lease annex to include in all upcoming lease discussions. Hines has a Sustainability Fit-out Guide to share with tenants once they have signed leases and occupy their space. 	<ul style="list-style-type: none"> Seek to incorporate green lease clauses into tenancy agreements. Seek to share the Tenant Sustainability Fit-Out Guide in advance of tenant fit-outs. Survey tenants to gauge their satisfaction and interest in ESG.
GOVERNANCE	GRESB	<ul style="list-style-type: none"> Participate in the GRESB survey (in July 2021, based on 2020 calendar year) in order to support benchmarking and communication of ESG performance. 	Achieved	<ul style="list-style-type: none"> Achieved – 5 stars with a score of 92 out of 100 (peer group average was 79 out of 100) and was awarded Overall Global Sector Leader (out of 12 participants). 	<ul style="list-style-type: none"> Continue to participate in the GRESB survey (in July 2022, based on 2021 calendar year) in order to support benchmarking and communication of ESG performance.
	ACQUISITION DUE DILIGENCE	<ul style="list-style-type: none"> Complete a Sustainability Acquisition Due Diligence checklist for all new acquisitions. Perform an environmental site assessment during due diligence process for all acquisitions, including review of potential contamination and hazards. Prioritise selection of sites with good connectivity to multi-modal transport networks. 	Achieved	<ul style="list-style-type: none"> Achieved – completed for all new acquisitions in 2021. 	<ul style="list-style-type: none"> Continue to complete a Sustainability Acquisition Due Diligence checklist for all new acquisitions.
	CONSTRUCTION MANAGEMENT	<ul style="list-style-type: none"> Monitor site safety and promote best practices, including communication of safety information, on-site H&S coordinator and training for site personnel. Minimise environmental impacts of construction on the surrounding community, including light pollution, noise pollution and protecting air quality. Measure and minimise on-site energy/water consumption and transport impacts. 	Achieved	<ul style="list-style-type: none"> Achieved – local teams are working with appointed contractors to promote site safety and minimise environmental impacts of projects. 	<ul style="list-style-type: none"> Continue to promote site safety and minimise environmental impacts during construction process.
	CLIMATE RESILIENCE	<ul style="list-style-type: none"> Carry out portfolio climate risk assessment to model physical risks. 	Achieved	<ul style="list-style-type: none"> Carried physical climate risk assessments for assets and included TCFD-aligned disclosures in reporting. 	<ul style="list-style-type: none"> Continue to carry out portfolio climate risk assessment to model physical risks. Continue to progress towards alignment with TCFD recommendations.



G R E S B
 REAL ESTATE
 sector leader 2021

Success for HEVF 2

Our leadership on ESG was recognised by GRESB, the organisation that sets global ESG benchmarks for real estate and infrastructure investments.

In its first year of entry, HEVF 2 has achieved the highest possible award, taking the award for Overall Global Sector Leader in the Diversified Office/Retail category³.

This award shows our continuing commitment to making a positive impact across the spectrum of ESG.

Each year, GRESB assesses and benchmarks the ESG performance of assets worldwide, providing clarity and insights to financial markets. The GRESB Assessments are guided by what investors and the industry consider to be material issues in the sustainability performance of asset investments and are aligned with international reporting frameworks, goals and emerging regulations. The GRESB ESG benchmark grew in 2021 to cover more than \$6.4 trillion of assets under management, up from \$5.3 trillion the year

before. Data on key environmental performance indicators is reported at asset level and covers nearly 117,000 assets, across 64 countries.

GRESB data is used by hundreds of capital providers and thousands of asset managers to benchmark investments across portfolios and to better understand the opportunities, risk and choices that need to be made as the industry transitions to a more sustainable future.

AWARDED

DIVERSIFIED OFFICE/RETAIL

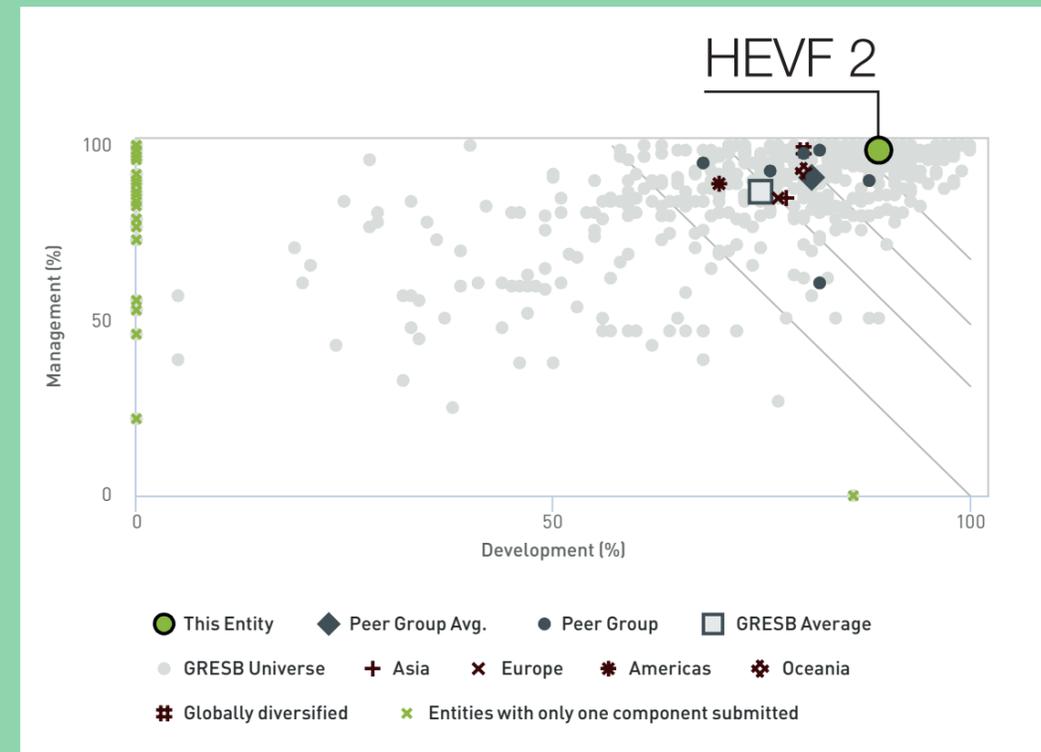
1st

OVERALL GLOBAL SECTOR LEADER

out of 12

GLOBAL SECTOR LEADER

out of 8



Environmental

aer, Munich



Hines and HEVF 2 believe a successful climate strategy supports our business goals, positively impacts our stakeholders - and challenges us to innovate.

For Hines, this means addressing climate issues that threaten the natural environment while prioritising people's comfort, health and productivity in the built environment. It means piloting projects that push the possibilities of net zero carbon resource-efficient buildings so they bring more value to investors and communities. And it means collaborating with industry partners to meet local and global climate goals by creating roadmaps for retrofitting the buildings of today for the people of tomorrow. We are energised by the opportunity to leverage Hines' climate strategy to improve the way we do business and help our industry bring solutions to global problems facing people and the planet.

Focusing on Decarbonisation

Addressing Carbon Across our Business

The built environment is responsible for 39% of global carbon emissions. Carbon reduction is a critical focus for Hines and a major component of our ESG strategy. An environmental problem and an issue of social justice, carbon's contribution to climate change poses one of the biggest challenges of our time, and Hines is striving to address it as a firm and a leader in our industry.

In 2021, we created a Vice President (VP) of Carbon Strategy role to place leadership and dedicated resources behind measuring managing and mitigating carbon emissions across our global portfolio. We also began taking steps toward creating a formalized carbon commitment. Hines engaged third-party partners to provide data, tools and knowledge to help us understand our current carbon footprint and find solutions for reducing carbon across the Hines portfolio. Based on the results of the study, we began developing firm-wide plans for carbon reduction and a robust, data-driven management and mitigation programme to benchmark progress and hold ourselves accountable.

28%

of global emissions are from building operations (operational carbon)⁴

11%

of global emissions are from building materials & construction (embodied carbon)⁴

Operational Carbon

Hines approaches operational carbon reduction through design and engineering, efficiency upgrades, data collection, measurement and reporting. We are beginning to utilise the Carbon Risk Real Estate Monitor (CRREM) to measure environmental performance in Hines owned and managed assets, and Hines plans to develop a pathway toward net zero carbon for each property through efficiency, green power and electrification improvements and hyper-systems efficiency to provide immediate benefit to the people in our buildings and the communities that surround them.

Embodied Carbon

Though the percentage of embodied carbon emissions is smaller than operational carbon for Hines, we see embodied carbon as one of the biggest climate risks Hines and the commercial property industry face as we move into the future. It is also one of our biggest opportunities to lead. The embodied carbon from yet-to-be built buildings could determine whether the world meets key climate goals or falls further behind – and we aspire to lead our industry in the right direction.

In 2021, we began exploring options for creating an embodied carbon database to measure and manage embodied carbon across Hines projects. We also began requesting third-party verified Environmental Product Declarations (EPDs) from select manufacturers and suppliers to understand the carbon footprint of new developments across their entire life cycle, and we will require EPDs from select stakeholders in 2022.

Our VP of Carbon Strategy, Conceptual Construction Group, and our partners at Magnusson Klemencic Associates also developed a suite of resources for our firm and partners that provide knowledge and actionable steps toward reducing embodied carbon across the building life cycle. Designed as living documents, these resources are updated regularly and will continue to evolve with new information and best practices.

The Embodied Carbon Reduction Guide is a robust resource that provides the background to understand embodied carbon and outlines tools and tactics for reducing

embodied carbon across Hines' global portfolio. This publicly available guide is also designed to foster goal-oriented collaboration with our development partners, employees, contractors and design consultants. We hope it serves as an industry standard for quantifying, tracking and reducing embodied carbon in real estate.

To help Hines project teams utilize these resources, we developed an in-depth Embodied Carbon Training that includes materials assessments, guidance for life cycle and product-stage analysis, and case studies of these tools in action across Hines.



Joining Forces with Urban Land Institute to Scale Up

In late 2021, Hines began working on a new initiative with the Urban Land Institute (ULI) that is designed to support the European built environment's journey to carbon neutrality.

ULI is a non-profit education and research body supported by its members. Its mission is to shape the future of the built environment for transformative impact in communities worldwide.

The project is part of ULI's global mission to decarbonise the real estate sector and accelerate progress to net zero carbon. Titled Fast-track to Decarbonisation: An Integrated Roadmap for the Built Environment, it aims to "speed up and scale up" the decarbonisation process by analysing and consolidating the real estate industry's approach to net zero carbon. ULI also intends to identify the gaps in the industry that need to be bridged.

Hines is one of several major real estate organisations working with ULI on the project. Other partners include Allianz Real Estate, Catella, Redevco, ARUP, ImmoBel and Schroders Capital. Partnering with ULI on this project, working alongside world-class organisations in the process, is a critical part of collaboration within our industry.

According to ULI Europe CEO Lisette van Doorn, positive changes are already happening in the industry in terms of net zero carbon targets.

However, many investors and managers have experienced challenges when trying to implement their pledges. These include:

- legacy regulation or insurance issues holding up innovations
- real estate valuation approaches not properly addressing risks
- a lack of knowledge and expertise across the value chain
- alignment issues between tenants and landlords

Fast-track to Decarbonisation aims to further the ULI mission by delivering a critical industry evaluation and analysis of the built environment approach to decarbonisation, focusing on the actors within the sector as well as those closely connected.

The roadmap for the project is intended to be launched at a dedicated hybrid summit in autumn 2022. This will be followed by at least two advisory services panels, featuring five-day programmes during which ULI members will engage with communities and deal with a broad range of real estate and land use challenges.

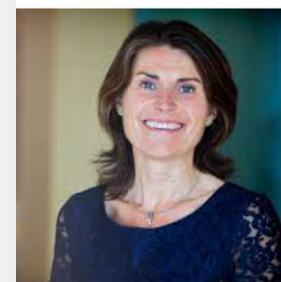
It is hoped that providing unbiased, expert advice and recommendations for improvement will help cities fast-track and scale up the decarbonisation challenge of the built environment.



aer, Munich

“Thanks to the early support of these leading, influential real estate companies, we can get started on this important initiative straight away, with more partners also looking to join us on our journey.”

LISETTE VAN DOORN
CEO - ULI EUROPE



HEVF 2 Case Studies

aer, Munich

HEVF 2 is implementing various low-carbon solutions to renovate and redesign an office property in Munich, spanning a total of 35,000 square meters.

The resulting multi-tenant sustainable office and mixed-use campus is expected to be granted DGNB Gold, WiredScore Platinum and SmartScore green building certifications. aer intends to achieve a SmartScore certification with tenants demanding agile, future-

TARGETING



proofed spaces where technological upgrades are simple and easy. aer uses smart meters and sensors that allow real time consumption monitoring. Integration into an app is also planned, so that tenants will be able to track and optimize consumption.



©Oliv Architekten

Embodied Carbon

An embodied carbon assessment was completed for aer using a cradle-to-cradle approach, with system limits of A1-A3: this considers the product stage of the building's life cycle and includes the extraction of raw materials, transport and the manufacture of products used.

The refurbishment of aer will focus on a wood-hybrid construction method, which is expected to have a positive impact on the carbon footprint of the building as well as the wellbeing of its occupants.

Operational Carbon

The project also envisages achieving carbon neutrality in its operation, through a number of solutions:

The project also envisages achieving carbon neutrality by:

- aer procures 100% of its energy from renewable sources and thus can consider itself a carbon-neutral building in operation
- Using geothermal energy onsite, with the planned installation of two extraction wells in the south and two absorption wells in the northern part of aer. Usage of groundwater and six heat pumps for the extraction
- Planned installation of PV panels on the roof
- Heat recovery systems to be installed



WiredScore
WiredScore Certification

WiredScore is a digital connectivity rating system for real estate. aer is targeting a WiredScore 'Platinum' certification in order to better understand, improve and benchmark the buildings digital infrastructure and ensure best-in-class user experience for future occupants.

The WiredScore scorecard looks at five key aspects of the building's digital capabilities:

Resilience

- Looking at how robust the digital infrastructure of the asset is.
- Is there protection against damage or flood?

Future readiness

- Does your digital infrastructure have the flexibility and capacity to adapt to new technology?

Choice of providers

- Are there multiple high-speed fibre providers for tenants to choose from?

User experience

- Does the building offer occupants seamless digital connectivity?

aer will target both WiredScore Platinum and SmartScore certification. For further information on SmartScore certification please refer to page 39.

Grain House, London

Hines Europe’s new headquarters is set to open next year at Grain House in London’s Covent Garden.

The refurbishment of the building will take place over three floors, encompassing 8,300 square meters of office space and 2,000 square meters of retail and leisure amenities.

The finished building is expected to gain the green building certifications BREEAM Excellent, WELL Platinum and WiredScore Platinum.

Electricity, diesel as well as water usage will be reported during

TARGETING



construction, as will CO2 emissions from the transportation of (locally sourced) materials to the site and the removal of waste.



Embodied Carbon

- Part-refurbishment and part new build, retaining as much existing structure as possible
- Materials reused from the demolition/excavation works to reduce the volume of waste being exported from the site
- Circular economy principles will be used throughout the project to either reduce, reuse and recycle

Operational Carbon

- Sub-metering of major energy-consuming systems and tenancy areas will facilitate the monitoring of operational energy consumption
- Achieving a 40% reduction on CO2 emissions against current Part L 2013 (conservation of fuel and power in new dwellings regulation) through:
 - Good building fabric performance, improving upon Part L 2013 u values and air permeability
 - Mechanical ventilation with high-efficiency heat recovery
 - Natural ventilation to the atrium, and openable windows on the façade to reduce cooling demand
 - Low energy lighting with occupancy sensing and daylight dimming controls
 - Water efficient sanitary ware to be installed
 - Leak detection system to be installed

Ecology

- Currently the site contains no ecological interest or value, however, when operational the rooftop planting will include native species and the provision of a variety of nest boxes for local birds
- Drought-resistant planting planned to improve resilience at the property

Considerate Construction

- Carbon emissions: electricity usage and diesel use to be recorded and reported
- Using a 100% renewable energy tariff when connected to mains during construction
- Water consumption: water consumed from construction processes to be reported
- Transport emissions: CO₂ emissions for transport of materials to site and waste removed from site to be reported
- Focus on materials with locally sourced materials to reduce transport emissions



WELL Certification

A WELL Building Standard version 2 (WELL v2™) pilot is under way at Grain House with the asset targeting a 'Platinum' level. The WELL v2™ is a certificate for buildings and organisations to deliver more thoughtful and intentional spaces that enhance occupant health and wellbeing.

Amenities

- Providing access to nature through the use of indoor plants/ natural features
- Accessible roof terraces for occupiers to spend breaks and engage with their peers

Air quality

- As the building will be mechanically ventilated, all spaces will comply with CIBSE guides
- Indoor air monitors are provided in landlord areas to measure particulates, carbon dioxide, ozone and VOCs
- Display screens provided for occupants to see real-time measurement of air quality

Acoustic performance

- Pre-completion acoustic testing
- Display screens provided for occupants to see real-time measurement of air quality

Daylight and ventilation

- Maximising natural light and ventilation for occupants

Grain House is also targeting a WiredScore Platinum certification. Please see further information on WiredScore on page 33.

The Burlian

The Fund has embarked on a comprehensive reconfiguration and refurbishment of The Burlian at 80 New Bond Street, London.

With dual frontage on both New Bond Street and Oxford Street, the asset is located in one of the most desirable micro-locations in central London.

The building's c. 43,400 square feet will incorporate retail space on the lower floors and office space above. There will also be a roof terrace.

TARGETING

BREEAM[®]

Outstanding
In Construction



SmartScore



The building is targeting BREEAM Outstanding certification and will be WELL Platinum enabled.



Embodied Carbon

- Part-refurbishment and part new build, retaining as much existing structure as possible
- Materials reused from the demolition/excavation works to reduce the volume of waste being exported from the site
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- Focus on materials with locally sourced materials to reduce transport emissions



HEVF 2 has begun to pursue the new SmartScore certification. The Burlian will seek to meet the highest requirements for digital infrastructure through an app-based system, and is targeting a 'Platinum' SmartScore certification.

A SmartScore 'Platinum' building will demonstrate cutting edge innovation through the use of market leading technology, processes and automation to deliver world class outcomes.

The Burlian will deliver diverse fibre connections to the floor plates for all tenants to connect into. These smart gateways will ensure that tenants and landlord systems can easily connect into the Hines Global Data Hub and facilitate tenant smart apps.

The SmartScore certification system is broken down into two main sections and 12 sub-sections:

Section 1: User functionality

- Individual and collaborative productivity
- Health and wellbeing
- Communities and services
- Sustainability
- Maintenance and operations
- Safety and security

Section 2: Technological foundation

- Tenant digital connectivity
- Building systems
- Landlord integration works
- Governance
- Cybersecurity
- Data sharing

The Burlian is also seeking to facilitate WELL Platinum certification for incoming tenants. Please see page 37 for further information on the WELL certification.



Project Valle, Madrid

Solar power

HEVF 2 has set out a long-term plan to reduce carbon emissions by maximising the use of onsite renewable technologies. In 2021, Hines drew up a logistics solar playbook, outlining best practice guidance on how to install and maximise the potential of photovoltaic (PV) systems to attain net zero carbon goals.

A shining future in Tiel, the Netherlands



HEVF 2 is installing 3,800 solar panels on the roof of its 43,000 square meter logistics distribution centre in Tiel, the Netherlands, potentially leading to an increased in expected internal rate of return (IRR). The €1.25m investment is expected to generate 1.4 megawatts annually.

There is a huge opportunity for solar in the logistics asset class, especially with regard to providing onsite renewable electricity for tenants – in this case, Intergamma, owner of the Karwei chain of hardware stores – using the large roof spaces available.

Onsite renewables opportunities at Project Valle, Madrid



Located on the industrial estate of Atalayuela, in the Vallecas district of Madrid, the two assets at Project Valle are located very close to each other. The first one is a land plot that will be developed into a 21,000 square meter logistics facility while the second one will be a 10,000-square-meter turnkey facility. Both Class A logistics facilities are targeting a minimum of BREEAM Excellent certification. The large roof space available and climate conditions also make this an attractive location to explore renewables. A €289,000 investment will be made to install 495 solar panel units, which will generate 125kw of power.

Asset Certifications



aer
Munich, Germany
Office



TARGETING



The Burlian (80 New Bond Street)
London, UK
Office, Retail



TARGETING



Grain House
London, UK
Office, Retail



TARGETING



Valdebebas
Madrid, Spain
Residential, Retail



TARGETING



Milan Living Portfolio
Milan, Italy
Residential, Retail



TARGETING



Porta Vittoria
Milan, Italy
Residential, Retail

CLOSING WILL FOLLOW CP BEING COMPLETED, EXPECTED 2023
Certification options being evaluated.



CSP Logistics
Bologna, Italy
Logistics



TARGETING



FAP Portfolio
Italy
Logistics



TARGETING



Optimus Portfolio
France
Logistics

Target certification being evaluated.



Tiel Logistics
Tiel, Netherlands
Logistics



TARGETING



Project Valle
Spain
Logistics



TARGETING

Social

Grand opening of shaere at aer, Munich



At HEVF 2, our business is about more than great buildings. We are committed to creating environments where people can flourish - within our workplace, in the spaces we manage and across the communities we touch - and to prioritising positive social impact in every Hines project.

Our People

At Hines, employees are our most valued assets. We see a diverse, resilient workforce as essential to the strength of our global business, and we invest in supporting our employees through every stage of their career with us.

Supporting Employee Learning and Career Development

A fundamental element to our approach to ESG is to raise awareness and provide our teams with the resources to meaningfully integrate ESG into our everyday business. Throughout the year Hines has held a series of ESG-related trainings, targeting both specific and broad audiences, depending on the subject matter. As our focus continues to sharpen and evolve, we believe these training sessions are an essential way to support our teams in an effective ESG strategy implementation. Below is a list of the various internal trainings that have been held on either a firm-wide or Europe-wide level:

ESG-specific Training

- Quarterly European Orientation Programme – includes a 30-minute introduction session on ESG
- Annual ESG training for all European asset managers (and in-house and third party property managers)
- Annual training on tenant ESG engagement to all asset managers
- Annual ESG training for all European investment management team
- 2021 Global Strategy calls:
 - New ESG framework and firm-wide approach
 - Hines carbon commitment
 - ESG section in the new Investment Committee memorandum
- European ESG League sessions – occurring every 6 weeks with ESG representatives from across Europe

Hines European Health & Wellbeing Training

- Movement Matters
- The Fine Art of Assertiveness
- Self-Awareness
- Making Stress Work
- Making Time for Time Management
- Unconscious Bias
- Network Like a Natural
- How to Have the Best Possible Difficult Conversation

Diversity and Inclusion Training/Events

- Cultural Diversity month in October 2021
- Identifying and Combatting Unconscious Bias
- Understanding Culture workshop
- LGBTQIA+ Training

HINES EUROPE

As of 31 December 2021.

Employees

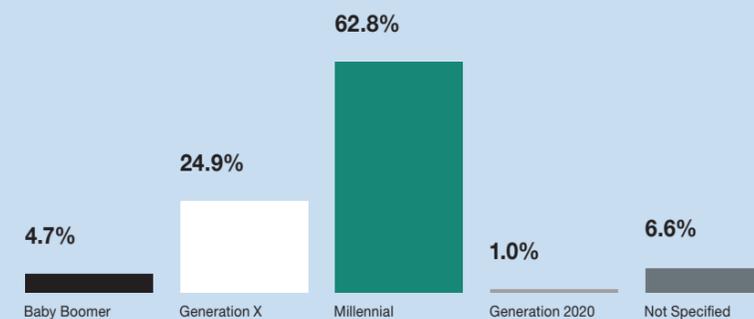
681



Europe-wide Gender Diversity



Europe-wide Generational Diversity



London Students Triumph in the Hines ULI Student Competition

For a second year, Hines and the Urban Land Institute have joined forces for the ULI Hines Student Competition – Europe. This initiative gives university and business school students across Europe an opportunity to work in teams on a challenging exercise in responsible land use.

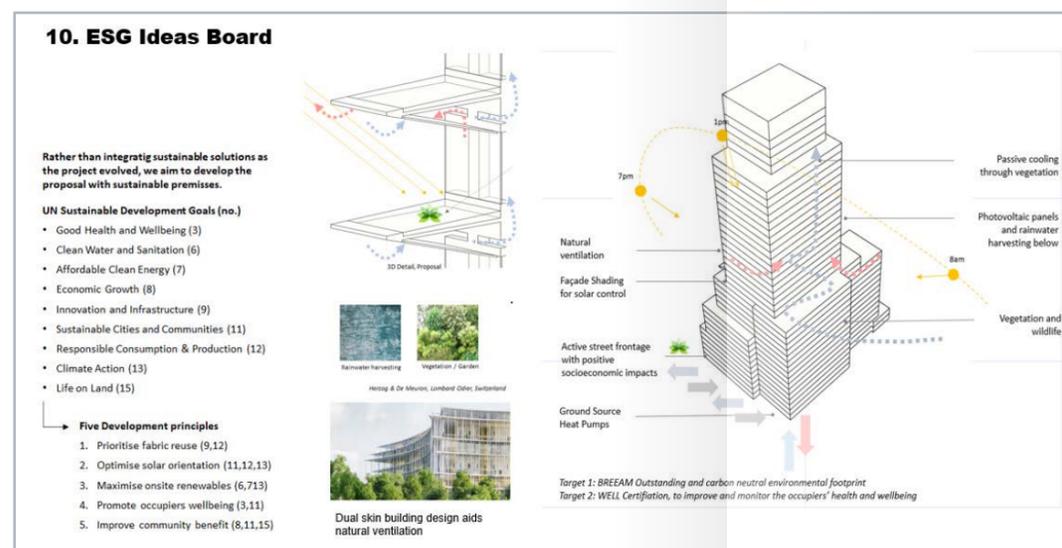
The competition, launched in Europe in 2020, aims to interest young professionals including MBA students in creating better communities, improving development patterns and increasing awareness of multidisciplinary solutions to development and design challenges.

In 2021, teams had to present their vision of a future workplace, based on the redevelopment of an office site in Amsterdam. Supported by Hines mentors, participants had to set out the best mix of uses for the site, along with an ESG strategy and financial proposals.

The winners were Emanuel Dos Santos Rebelo, Dermot Mahony, Beatriz Vala and Yoko Yamada, from the London Business School, who beat off competition from seven other teams from across Europe.

Innovative ideas that emerged in the final included organic indoor and outdoor gardens, canopies with vegetation and wildlife, outdoor office pods embedded in nature, serviced lofts over the office space, solar chimneys, a rooftop lighthouse and an amphitheatre to connect with the local community.

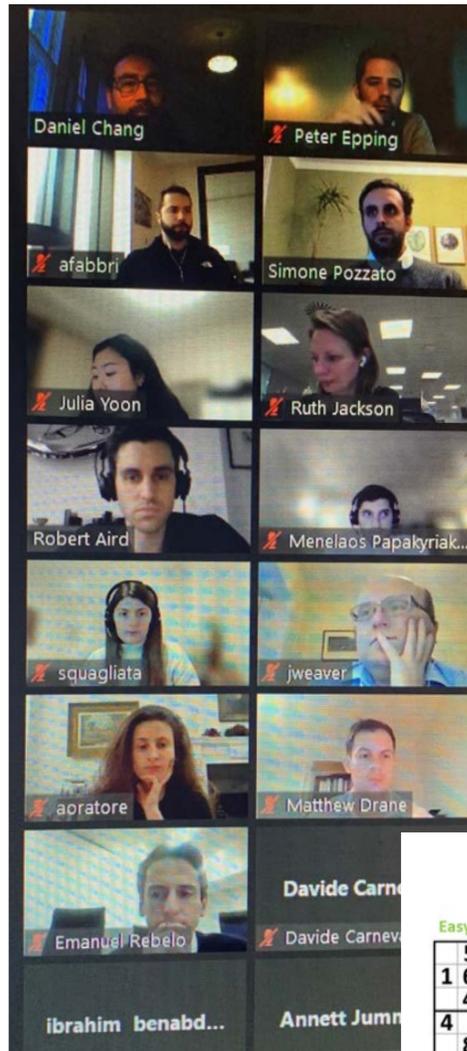
The winners of the competition, which has been running in the US since 2002, receive one year's ULI membership, a fast track to Hines' internship programme, a guided tour of a live Hines project and the opportunity to take part in project meetings in Hines' European offices.



“The competition was exceptionally tough. We saw some novel ideas, fantastic concepts and innovative thought processes about how the future of work will look, and how the real estate sector will need to adapt to multi-generational needs.”

LARS HUBER
CEO - HINES EUROPE





Employees Provide Comfort to Seniors

In December 2021, investment management team members in London helped draw up several activities booklets to ensure vulnerable, elderly and lonely people affected by the COVID-19 pandemic did not feel forgotten.

This was part of a project – in collaboration with Hines’ long-term UK charity partner HandsOn London that works with charities such as Golden Oldies in Walworth, Age UK in Yalding and Blackfriars Settlement in Southwark – that aims to connect isolated people with familiar voices and faces every week.

Our team met over Zoom to decide on content for the booklets – including positive, brain-stimulating teasers, games, puzzles, recipes and stories – and to learn more about the charities involved.

The project is part of OurCommunity project, which ensures that Gerald D. Hines’ philanthropic legacy lives on. Although the pandemic meant in-person volunteering was minimal in 2021, we are excited to be engaging employees across the firm in 2022.



Hines Stands with Ukraine

Hines unequivocally condemns this unjust, unprovoked act of war on Ukraine. This is a humanitarian tragedy, and our deepest sympathies go out to the Ukrainian people with whom we stand in solidarity.

In April 2022, Hines set up a Ukraine task force which is looking at integrating and connecting pan-European ideas, as well as creating resources for employees to help or donate. The main areas of focus for the task force are volunteering and jobs, donations (physical and financial), shelter and storage, and construction and renovation.

Hines contributed \$250,000 to support the Ukrainian people on behalf of our global workforce, plus an additional \$250,000 to match employee donations dollar for dollar. These donations were used to provide humanitarian aid in Ukraine to three non-profit organisations: the International Rescue Committee, Save the Children and the Ukrainian Red Cross Society.

HEVF 2 are looking at further initiatives to support Ukraine. One such example is at aer, where meals for refugees will be provided by the share scheme, through their community kitchen. It is also exploring the opportunity to provide emergency lodging for refugees and to use share as a contact point where volunteers can help support refugees with formalities such as registering their residency with the City of Munich.

Whilst we are conscious that this remains a drop in the ocean versus the overall tragedy we are witnessing, we are of the opinion that doing our part will set an example and hopefully spread to other institutional landlords.

HEVF 2's Tenants and Communities

Building exceptional experiences for the people in our spaces

A lot of life happens in the built environment, and we do not take that lightly at Hines. Across living, office, industrial and logistics, and retail, we strive to ensure people are thriving in Hines buildings, from the minute they walk into the spaces we develop and manage to the time they leave. It is our responsibility to provide places where people feel comfortable, valued, productive and able to prioritise their needs, and we work with our clients and tenants around the globe to make sure Hines spaces – and the communities around them to support people to flourish.

Our Proud Partnership with Social Enterprise UK

At Hines, we are proud to be an active member of Social Enterprise UK (SEUK), the largest network of social enterprises in the UK.

As a membership body for social enterprises, SEUK represents all of the major players in the UK social enterprise movement, from multimillion-pound public service providers to community organisations and retail businesses. Its purpose is to promote and share its values, and to get social enterprises on the radars of decision-makers across all sectors.

Hines is a proud member of SEUK through our UK office. We believe our prioritisation of ESG factors differentiates our company, supports innovation and, most importantly, benefits people and the planet.

One of SEUK's key campaigns is the Buy Social Corporate Challenge, the world's largest commitment to social procurement. Last year, as part of this campaign, Hines set a target to spend £100,000 through social enterprises via the services we adopt and the procurement of services at the properties we manage.

Success stories to date include Sea Change wine, which donated 10% of profits to marine conservation, and Divine Chocolate, which champions female farmers, enabling them to develop the skills and confidence needed to thrive in business and build better communities.

By using our spending power to procure responsibly, we can work with suppliers that have a positive social or environmental impact, and help to build a better world for all.



Enhancing our Client Relationships

In 2021, we created the Global Client Strategy group with the sole purpose of focusing on Hines clients. Part of our Management Services platform, this team strives to elevate the client experience, ensure global coordination and collaboration, and foster a tenant-centric culture that will help us to grow our business and improve investor returns. A key focus of the team's efforts this year was increasing communication and engagement with our clients, to cultivate our relationships in a more intentional way and provide more curated, personalized care.

The client strategy group also bolstered efforts to support our living and office tenants as we all continued navigating the challenges of COVID-19. We conducted return-to-office workshops with our management teams to think creatively about ways to elevate the day-to-day experience within our spaces to help tenants feel more productive at work and in life. Teams implemented creative initiatives like pop-up shops, outdoor fitness and wellness spaces, and opportunities for tenants to safely connect with one another after a prolonged and isolated time at home.

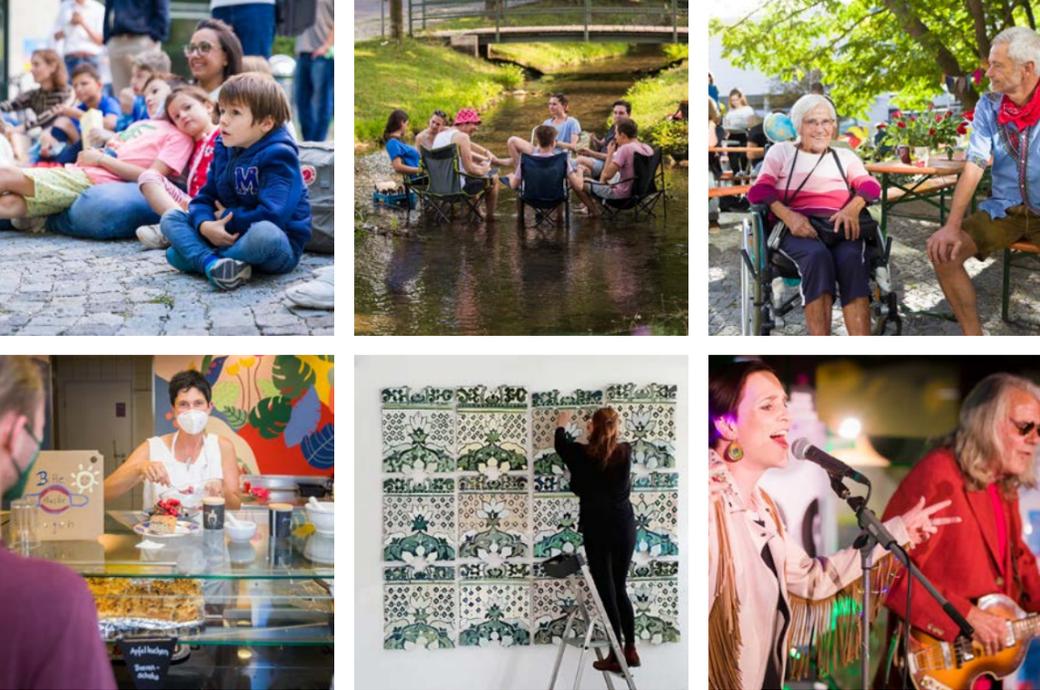
Hines Green Office and Retail Tenant Programme

The Hines GREEN OFFICE and RETAIL tenant programmes are voluntary schemes to encourage sustainability. They are designed to help tenants improve how they operate their spaces and have a positive impact on the environment and the health and wellbeing of employees.

It aims to help tenants and their employees set sustainability-related goals and improve performance in their leased spaces as well as in the building.



SUSTAINABLE GOAL	LEAD CHANGE	WEEK IMPLEMENTED	IMPACT SCORE	LIFE CYCLE SCORING	WORLD LEADER
Energy Efficiency Energy efficient products purchased in the U.S. this year save 200,000 kWh of energy. American clients save \$200 million in annual energy costs while preventing around 17 million pounds of greenhouse gases. (2021-2022)	A	21	Install occupancy light sensors in private offices, our fitness rooms, restaurants, and living spaces to automatically turn off lights when the rooms are not in use.	Y	Y
	B	21	Turn off your computer, monitor and task light when you leave the office. This reduces unnecessary power usage at the end of the day because they automatically shut when the equipment is shut off.		Y
	C	21	Set computers to energy saving mode to reduce energy needed when not in use. You can find these settings in the Power Options menu in your PC's Control Panel. A computer in the mode uses 70 to 93 times the power of a computer in standby mode.		Y
	D	1	Disable screen savers on computers to reduce energy use.		
	A	1	Reduce the time taken before your computer equipment reverts to its lowest energy mode. This can be done via the Power Options menu in your PC's Control Panel.		
	B	1	Unplug chargers, fans or any device not being used as they use energy even when turned off and not plugged in.		
	H	1	Lower blinds in the summer and close them in the winter to save energy and reduce heating or cooling loads.		Y
	H	2	Angle all non-curtain "2" or 45 degree angle to create the curtain, and that will keep the curtains closed and the blinds open. To make sure the blinds stay closed, use the remote control to close the blinds. To make sure the blinds stay open, use the remote control to open the blinds.		Y
	I	1	Coordinate with your company management team that your building authority issues a program and to make sure you change pattern in.		
	J	1	Make the most of natural light and use off lights when possible.		Y



shaere at aer - a living space to feed body and mind

In collaboration with local associations and business partners, Hines has created a temporary culinary, cultural and sustainable work/living area within the aer complex in Munich's Neuperlach district.

Located in aer's building 1, shaere is a colourful local community hub incorporating learning and workshop rooms, a cinema and a theatre, creative spaces, upcycling and repair workshops, painting venues, exercise areas and photo/video studios. It is a place where people learn, research, think, rethink, inspire, promote and share.

Last summer a graffiti project was held where several artists met to create a mural together. Within a few days, a brown construction fence was transformed into an exuberant celebration, all under the theme of the "City of the Future".

shaere has become a place for everyone, where people from all backgrounds, interests and faiths are interwoven into the tapestry of life.

Community kitchen

The building also boasts a community kitchen, located in the former canteen, which is spearheaded by local entrepreneur Günes Seyfarth. The kitchen's focus is on sustainability, with an emphasis on reducing food waste. Each day it produces up to 10,000 reasonably priced meals from saved food, which are delivered to daycare centres, schools and companies in Munich and the surrounding area.

There are plans for the community kitchen to expand its range as well as selling the products in retail stores or online. Training courses and workshops for all age groups on the topic of food and sustainability will also be offered.

The local Hines team stated that they are very pleased that we were able to create a collaborative and meaningful project with the interim-use concept shaere.

shaere and placemaking

shaere and the community kitchen are part of the placemaking approach to the planning, design and management of public spaces. It's a trend that gained momentum as we all trudged through a global pandemic that forced many of us to stay at home.

Placemaking focuses on elevating developments beyond simple properties, transforming them into places where creativity and community thrive. This aligns with our founder Gerald Hines' belief that buildings must be more than buildings; it's all about the people within them.



"With the community kitchen, we are now offering citizens a first real added value in their neighbourhood. It becomes a place of encounter and participation, and at the same time addresses the important issue of food waste in a responsible way. This type of project is a blueprint for the future of aer, characterised by sustainability, creativity, inspiration and productivity."

CHRISTIAN MEISTER
Managing Director
Hines Germany



Governance

Transparency with HEVF 2's ESG ambitions and implementation plans is important in order to hold ourselves accountable as we strive to make progress.

The Burlan, London



From early on HEVF 2 has had a Fund-specific ESG Policy and an ISO 14001-aligned Environmental Management System Framework to clearly set out its approach to ESG.

Improvements and achievements are then communicated regularly to our stakeholders through several forums, including employee reviews, our formalised tenant and investor meetings, as well as Fund-specific reports such as the INREV aligned annual report.

Adoption of market recognised governance frameworks and benchmarks, such as UN SDG, TCFD and participation in GRESB, help to provide the necessary context with our ESG performance.



The ESG Toolkit: Putting Sustainability First

At HEVF 2, we believe in bringing the most responsible, sustainable practices to Hines projects, enabling people to thrive in spaces that benefit them and their communities. This is why we use an ESG toolkit throughout the property life cycle, monitoring risk and regulation, and accelerating the transition to a lower-carbon asset.

Sharing best practices

Embodied Carbon Reduction Guide

Our Embodied Carbon Reduction Guide is intended to provide the background to understand embodied carbon, and the tools and processes we use to achieve our goals for reduction throughout the property life cycle.

All new Hines projects going forward will be mandated to use this framework to quantify, track and ultimately reduce embodied carbon footprints of real estate.

Logistics Solar Playbook

The Logistics Solar Playbook focuses on maximising the opportunity of solar energy at logistics assets and providing a meaningful way to reach net zero carbon goals.

Social Impact Guide

The Social Impact Guide will be used to share current internal initiatives within regional teams at Hines and external initiatives, to encourage the implementation of socially focused efforts into development projects and properties.

The Social Impact Guide will be formally rolled out in Q2 2022 and then updated biannually.

Pre-acquisition

Hines monitors ESG-related risks from the earliest stage of investment life cycle, using a sustainability due diligence checklist prior to acquisition. This list ensures that long-term ESG factors are considered and assessed through various risk criteria. It is our policy that when risks are identified, mitigation measures are evaluated – if there are significant risks we may decide not to invest.

Examples of ESG factors included in Hines' acquisition due diligence checklist are:

Environmental	Social	Governance
<ul style="list-style-type: none"> ▪ Energy efficiency (e.g. LED lighting installed) ▪ EPC ▪ Water efficiency (e.g. low flow taps) ▪ Waste separation 	<ul style="list-style-type: none"> ▪ Health and wellbeing ▪ Disability access ▪ Indoor environmental quality (IEQ) ▪ Clean transport ▪ Provision of amenities 	<ul style="list-style-type: none"> ▪ Green leases ▪ ESG policies ▪ Business conduct ▪ Anti-corruption

Hines is also in the process of rolling out an updated Investment Committee Memo template which includes a specific section on ESG including an overview of ESG risks and opportunities over the course of an asset's business plan.

Environmental Management System (EMS)

The investment management function of each Fund operates under an Environmental Management System, which is aligned to the international standard (ISO 14001:2015). The aim of this document is to provide a framework to ensure all commitments, responsibilities and objectives are clearly defined and communicated to both internal and external key stakeholders. Formal certification is now under way and is expected in 2022.

During holding period

Development brief

From the beginning of any new construction or renovation Hines issues a development brief to enable the integration of the Funds' ESG KPIs and targets.

The brief sets out the key standards to be targeted at a project level and provides a template for assessment and reporting.

Sustainability Assessment and Action Plan

Hines puts in place a Sustainability Assessment and Action Plan (SAAP) for operational assets where relevant to further facilitate asset-level improvements and ensure the management of ESG-related risks through the collection and tracking of important asset information. This tool will be in use throughout the asset's life cycle and can be used during the sale process to provide the ESG criteria of the property to a potential buyer.

Sustainability fit-out guide

Hines also provides a sustainability fit-out guide for asset managers, property managers and tenants, covering design, construction, operation and handover phases.

Climate risk assessments

All assets within the portfolio are assessed for their physical climate-risk exposure, looking ahead to the 2030-40 time frame under the RCP 8.5 carbon emissions pathway.

Hines Green Office Tenant Programme

The Hines GREEN OFFICE Tenant Programme is a voluntary scheme to encourage sustainability. It is designed to help tenants improve how they operate their spaces and have a positive impact on the environment, health and wellbeing of employees.

Green lease clauses

Hines aims to incorporate green lease clauses into any new tenancy agreement. We are currently in the process of updating our standard green lease clause to facilitate progress towards our net zero carbon targets.

At disposition

Sustainability Action and Assessment Plans

This tool will be used throughout an asset's life cycle and can be used during the disposal process to provide the ESG related criteria of the property to a potential buyer.

Climate risk assessments

Climate risk assessments are key to assessing physical and transition risk during the due diligence process. Hines having already commissioned these reports will be in a position to share these with a future purchaser at disposition, whenever feasible.

Green lease clauses

Wherever Hines has integrated a green lease clause in new or extended lease negotiation, these will implicitly be part of the tenancy documentation.

SUSTAINABLE DEVELOPMENT GOALS

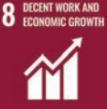
HEVF 2 and the UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) are 17 interlinked global aspirations that collectively form a blueprint to achieve a better and more sustainable future for all. They aim to address the global challenges we face today including poverty, climate change and environmental degradation.

Hines and HEVF 2 support the ambitious vision of the SDGs, and are committed to playing our part to help deliver their goals. We have mapped the focus of our ESG strategy to the UN SDGs to identify the ways in which we can contribute to their achievement. In doing so, we have identified 10 goals as the most material for our business and where we can make the greatest contribution.

3 GOOD HEALTH AND WELL-BEING
 We are committed to designing and managing buildings that support and enhance occupiers' health and wellbeing. We obtain sustainability certificates for our buildings and including health and wellbeing requirements in our property management agreements. The health, safety and wellbeing of all Hines employees is of paramount importance to us. Hines employees are our most valuable asset, and we do our best to provide a work environment and career experience that supports them and enables them to thrive. We share our Hines Green Office and Green Retail guides with our tenants. These are designed to help tenants improve how they operate their spaces and have a positive impact on the environment, and the health & wellbeing of their employees.

5 GENDER EQUALITY
 We are dedicated to attracting, developing and promoting a talented and diverse workforce. Our OneHines initiative supports an inclusive culture in which all Hines employees feel valued and have equal opportunity to achieve their maximum potential. We believe a more diverse company is a better company. We have therefore made a concerted effort to increase gender diversity in our workforce and have set goals for continued improvement. Hines also partners with various organisations to help promote women in business, including the Forté Foundation and the ULI Women's Leadership Initiative.

8 DECENT WORK AND ECONOMIC GROWTH
 We have a comprehensive set of procedures in place to promote labour rights and ensure safe and secure working environments. These are underpinned by the Hines' Code of Conduct and the Fund's Human Rights Policy, which outline our requirements to conduct business in accordance with the highest ethical standards.

11 SUSTAINABLE CITIES AND COMMUNITIES
 We intend that our buildings contribute to the fabric of sustainable cities and communities. We strive to improve the built environment for people by creating, managing and investing in buildings that enhance the communities in which we operate. We achieve this in a number of ways, including actively participating in business-improvement districts, providing spaces in and around our buildings that enhance local communities such as "shaere" at aer, and supporting a number of local charity initiatives.

13 CLIMATE ACTION
 We are committed to playing our part and reducing the carbon footprint of our portfolio. The Fund will responsibly manage its carbon footprint across the whole lifecycle by monitoring and seeking to reduce both embodied and operational carbon where appropriate and practical, through design, material choices as well as the use of renewable energy sources and ongoing operational improvements. These efforts will be supported by the Hines Embodied Carbon Reduction Guide. In order to better understand and adapt to the impacts of climate change, we have also carried out physical climate risk assessments for assets in the portfolio which has been used to embed climate resilience into our wider risk management strategy and processes.

4 QUALITY EDUCATION
 Offering educational opportunities for our industry's future leaders is an important focus for Hines. As part of our work with the Urban Land Institute (ULI), we pledged an endowment to establish the ULI Hines Student Competition in 2002. In 2020, building on the success of the competition in the US, we launched the ULI Hines Student Competition – Europe. The competitions aim to raise interest among young people in creating better communities, improving development patterns, and increasing awareness of the need for multidisciplinary solutions to development and design challenges. We also offer a number of programmes, resources and educational opportunities to help support our employees at all stages of their career growth.

7 AFFORDABLE AND CLEAN ENERGY
 The Fund is actively exploring opportunities to incorporate on-site renewable energy generation and low-carbon technologies in our buildings. In 2021, Hines created a Logistics Solar Playbook, a guide developed to outline key considerations to progress the installation of PV systems.

9 INDUSTRY INNOVATION AND INFRASTRUCTURE
 Our ESG strategy drives innovation at Hines, providing a platform for us to engage and collaborate with like-minded partners. Our focus on sustainable building design and operation means we are committed to adopting and deploying technologies that assist in future-proofing our portfolio. One example is the innovative use of hybrid timber construction at aer, resulting in a significant embodied carbon reduction.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
 This underpins our approach to developing and operating buildings. We are committed to reducing the environmental impact of the construction process through developing a construction waste management plan for projects and also including ESG requirements in material tendering. Once operational, we are focused on operating buildings efficiently and have a comprehensive set of ESG requirements including service level requirements for property managers. We work with our tenants to reduce the environmental impact of our buildings, and provide support through the Hines Green Office and Green Retail guides, as well as our Sustainability Fit-Out guide.

17 PARTNERSHIPS FOR THE GOALS
 Collaboration is critical to achieve the Sustainable Development Goals, and it is central to maximising the impact of our ESG strategy. We have a stakeholder engagement policy in place, and aim to work closely with key stakeholders – including our occupiers, supply-chain partners, local communities and investors – to deliver enhanced ESG outcomes. To support this, we participate in a number of industry bodies and initiatives, such as GRESB and the WELL Living Lab, aimed at fostering collaboration and positively influencing the real estate industry towards a sustainable future. In 2021, we partnered with ULI on the project Fast-Track to Decarbonisation: An Integrated Roadmap for the Built Environment that focuses on decarbonisation as a global priority.

Signatory of:



What is UN PRI?

Founded in 2005, the PRI is an independent initiative and is the world's most recognised proponent of responsible investment, supported by the United Nations. PRI's mission is to create an economically efficient, sustainable global financial system that will enable long-term value creation. UN PRI aims to highlight the environmental, social and corporate governance factors (ESG). The PRI, as a non-profit, non-governmental body, encourages investors to use responsible investment to enhance returns and better manage risks.

Hines Becomes a Signatory to the UN PRI

Hines officially became a signatory to the UN Principles for Responsible Investment (PRI) in November of 2021. This is a true milestone as we continue to move forward with our ESG Strategy that was adopted at the beginning of 2021. Becoming a signatory is an important addition to our industry engagement and aligns with a key ESG objective of many of our investors and partners as we continue our capital-raising efforts.

The importance of responsible investing?

1. Materiality – responsible investing recognises that ESG factors can affect risk and return.
2. Market Demand – there is an increasing demand from beneficiaries and clients for greater transparency on how their money is invested.
3. Regulation – guidance from regulators that considering ESG factors is part of investors' duties to clients and beneficiaries.

What are the six principles of responsible investment?

Principle 1

We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2

We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3

We will seek appropriate disclosures on ESG issues by the entities in which we invest.

Principle 4

We will promote acceptance and implementation of the principles within the investment industry.

Principle 5

We will work together to enhance our effectiveness in implementing the principles.

Principle 6

We will each report on our activities and progress towards implementing the principles.

Hines, as an institutional investor, must act in the best long-term interests of our beneficiaries. These six principles will help to empower and foster a community of active owners and increase accountability to drive real climate action and impact. Hines has made significant progress in implementing these principles, especially in incorporating ESG issues into investment analysis and decision-making. Following an internal task force, run by Alfonso Munk, Hines' Chief Investment Officer - Americas, Hines has recently released an updated Investment Committee memo template which includes a new ESG section documenting key ESG attributes and associated risk and opportunities.

Porta Vittoria, Milan



Hines Responsible Investment Statement

Hines is committed to performing its role as an owner and operator of real estate, and as an investment manager to our clients and partners, with the highest ethical standards. We strive to create value through real estate investments that improve the quality of the built environment and enhance the communities in which we operate. While doing so, we engage our tenants, partners, suppliers, and employees in sustainable practices to improve asset performance, conserve energy, and reduce greenhouse gas emissions.

Specifically, we:

- Operate with the highest level of ethical standards, with governance in place to ensure that these standards are followed.
- Work diligently to meet stakeholders' mutually agreed business objectives.
- Engage employees, clients, and partners to understand the needs of each and the contribution they make to Hines' business practices.
- Create a work environment that values a capable, diverse workforce, provides challenging opportunities for employees, rewards performance, and is respectful of work/life balance.
- Enhance and contribute to the communities in which we operate.
- Encourage respect for the environment, identify and implement ways to limit greenhouse gas emissions, reduce energy consumption, limit water use, and minimise waste.
- Encourage vendors and suppliers to engage in sustainable practices and consider those who do so when selecting contractors and vendors.

SPOTLIGHT ON ISO CERTIFIED ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)



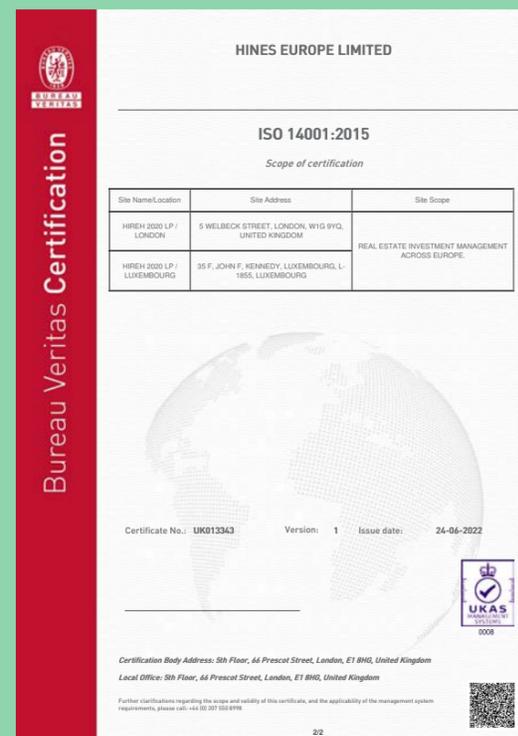
In late 2021, Hines European Investment Management initiated the process of putting in place an ISO 14001 certified Environmental Management System Framework, which was then officially obtained in the first part of 2022.

ISO 14001 is the international standard for environmental management systems (EMS) and the most widely used EMS in the world. ISO 14001 is the principal management system standard which specifies the requirements for the formulation and maintenance of an EMS.

Hines has operated a Fund EMS which has been aligned, but not certified, to ISO 14001 since 2020 for HEVF 2. Hines European Investment Management is now in the process of achieving certification to ISO 14001:2015 for its European investment management ESG activities, expected to be obtained at the end of Q2 2022.

The document sets out the Hines European Investment Management strategy and implementation roadmap for managing environmental matters relevant to its business activities. It includes roles and responsibilities, objectives and targets, monitoring and reporting procedures, communication of performance procedures and the management review process. The aim of the environmental management system framework is to provide a structure to ensure all commitments, responsibilities and objectives are clearly defined and communicated to key stakeholders, both internal and external, as appropriate.

The document can be used to signpost users to additional material, documents and processes utilised by Hines European Investment Management to effectively integrate environmental matters into the overall business strategy.



Task Force on Climate-Related Financial Disclosure (TCFD)



The Task Force on Climate-related Financial Disclosures (TCFD) seeks to establish effective climate-related disclosures that support more informed investment decisions and, in turn, enable stakeholders to better understand climate-related risks and opportunities.

HEVF 2 is working on implementing the recommendations of the TCFD in order to better understand and manage the Fund's climate-related risks and opportunities. Over the course of 2021, we have progressed to improve alignment with the TCFD recommendations for the Fund.

Hines has long integrated ESG and climate-related issues into the investment process with ambitious ESG objectives, and therefore began the process for the Fund from a strong foundation. As policy guidance and industry knowledge around assessing and disclosing the material financial impacts of climate-related issues develop, we will further integrate these best practices into existing reporting and decision-making processes to increase alignment with TCFD recommendations. HEVF 2's current approach to climate-related risks and opportunities are discussed below, structured around four sections as framed by the TCFD: Governance; Strategy; Risk Management; and Metrics and Targets. Climate risks are considered in two primary categories: Transition Risks and Physical Risks.

Through service provider 'Moody's Four Twenty Seven' (427), climate risk assessments were carried out on all existing assets, focusing on: Physical climate risk exposure assessed, looking ahead to the 2030 – 2040 timeframe under the RCP 8.5 scenario. Utilising the 427 data-driven Climate Risk Scoring Methodology, characterised risk levels through scores for six climate hazards comprised of 21 underlying risk indicators. HEVF 2's ESG strategy aims ensure that ESG factors are addressed in the design and construction phases to promote the sustainable and resilient future operation of assets. The Fund has ambitious green building certification and EPC targets for major refurbishments/developments, both of which will support the mitigation and management of transition risks.

Acquisition decisions are informed by climate resilience considerations included in the due diligence process and are used to inform business and ESG plans during asset and development management. On an ongoing basis, climate-related issues are reviewed and monitored through development plans and our active ESG-focused asset and development management contributes to the mitigation and management of identified transition and physical risks.

Evolving our approach in line with emerging industry best practices is crucial to ensure the sustained oversight and suitable management of exposure to material risks, in conjunction with identifying opportunities, across the investment life cycle and delivering resilient long-term returns.

COMPLIANCE

INREV Alignment

This ESG Review is aligned with the 2016 INREV Sustainability Reporting Guidelines.

Vehicle Long Term ESG Strategy (INREV ref: ESG-LTS 1.1)

The Fund has an ESG Policy and an environmental management system framework that is reviewed annually, and which serves as the foundation for its short and long-term Environmental, Social and Governance (ESG) strategy. Moreover, HEVF 2 has formally committed to establishing, implementing and maintaining sustainability objectives and targets as part of its strategy in order to drive continual improvement within the portfolio. To support the implementation of the ESG strategy, the Fund maintains and documents the following management procedures:

An ESG policy;

ESG objectives and targets (short and long term);

- An ESG monitoring and measurement approach;
- the identification of key roles and responsibilities of its team members; and,
- clear guidance for communication of ESG performance.

These formal ESG management documents are intended to outline and support achievement of strategic goals for HEVF 2.

ESG Regulatory Compliance (INREV ref: ESG LTS 1.2 / ESG-ANN 1.2 / ESG-POR 1.2)

HEVF 2 ensures compliance with all current and applicable regulation relating to ESG issues by actively monitoring requirements throughout the holding period and responding accordingly. At acquisition, the Sustainability Due Diligence Checklist supports identification of ESG regulatory risks among other items. During construction/ refurbishment works, local asset managers and the appointed contractors are responsible for the identification and management of relevant ESG regulatory risks.

HEVF 2 will obtain EPCs (energy ratings) for buildings once refurbished/completed to support understanding of energy efficiency performance and the associated legislative risks. Throughout the holding period, the local asset and property management teams track and report changing regulations to determine compliance implications for each asset. Furthermore, HEVF 2 seeks to obtain green building certifications for development/major refurbishment projects.

No enforcement notices have been received or applied to HEVF 2 for ESG related issues. The Fund, to the best of our knowledge, is compliant with legislation. Local development management, asset management and property management teams will continue to monitor regulatory compliance through the 2021 reporting period and identify potential impacts of changing ESG regulations through quarterly reporting.

Sustainable Finance Disclosures Regulation (SFDR)

The HEVF 2 PPM has been updated to ensure compliance with article 6 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector, namely by setting out (1) how sustainability risks are integrated into Hines investment decision-making in respect of HEVF 2 and (2) the likely impact of sustainability risks on the returns of HEVF 2.

Environmental Data (INREV ref: ESG-ENV 1.1)

All assets in the Fund are either currently undergoing redevelopment/refurbishment or are without operational control, therefore the disclosure of operational environmental performance data is not included.

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Real Estate Related Risks

Real estate investments such as those described herein, are subject to numerous risks and uncertainties, including risks inherent in private, closed end real estate investments, such as lack of liquidity, lack of diversification and dependence on key personnel of the sponsor, as well as risks inherent in the types of investments made, competition for investment opportunities, changes in market conditions, regulatory and environmental risks, entitlement and development risks and risks of tenant, purchaser or seller defaults on contractual obligations. Investors in real estate must be able to evaluate and bear the potential consequences of these and other risks, including the potential loss of their entire investment.

The characteristics of investments to be made by the strategy may vary from the characteristics of those shown herein and may not have comparable risks and returns. An investment in the strategy is speculative and involves significant risks, including loss of the entire investment and is suitable only for sophisticated investors who fully understand and are capable of bearing the risks of an investment in the strategy. The strategy will be illiquid, as there is limited to no secondary market for interests in the strategy and there are significant restrictions to transfers of interests in the strategy.

Forward Looking Statements

This document contains projected results, forecasts, estimates, targets and other "forward-looking statements" concerning proposed and existing investment Funds and other vehicles. Due to the numerous risks and uncertainties inherent in real estate investments, actual events or results, or the actual performance of any of the Funds or investment vehicles described, may differ materially from those reflected or contemplated in such forward-looking statements. Accordingly, forward-looking statements cannot be viewed as statements

of fact. The projections presented are illustrations of the types of results that could be achieved in the given circumstances if the assumptions underlying them are met, but cannot be relied on as accurate predictions of the actual performance of any existing or proposed investment vehicle.

Third Party Information

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Hines Track Record

The Hines property investments and investment programs referred to herein were made at different times, with materially different terms and in materially different market conditions than those contemplated for this investment opportunity. The results of the investment programs presented illustrate results that could be achieved in certain conditions if the underlying assumptions prove to be correct. They cannot be relied upon as accurate predictions of the actual results that will be achieved by the investment programs shown that have not yet been fully monetized or those that could be achieved by this investment opportunity. Several of Hines' prior programs experienced adverse economic developments due to global financial crisis. The adverse market conditions may have caused these programs to alter

their investment strategy, generate returns lower than expected or ultimately incur losses. Unless otherwise specified, performance figures reported herein do not reflect the impact of COVID-19 and resulting changes in economic conditions. Although the outlook is improving in certain areas of the world, considerable uncertainty still surrounds the COVID-19 and its potential effects on the population, which makes it difficult to ascertain the long-term impact it will have on commercial real estate markets.

Prior or targeted performance is not a guarantee of future results.

In considering any performance data contained herein, each recipient should bear in mind that past performance is not indicative of future results, and there can be no assurance that an investment program will achieve comparable

results or will achieve any target or estimated results. While Hines believes all performance targets and estimates to be reasonable and sound under the current circumstances, actual returns may differ materially. Nothing herein should be deemed to be a prediction or projection of future performance of the prospective investment. Returns presented on a "gross" basis do not reflect deductions for fees and expenses, which, in the aggregate, may be substantial. Target returns for the prospective investment may be denominated in a currency that is different from that of a prospective investor's home jurisdiction, and if so, they will be subject to any fluctuation in the rate of currency exchange which may have an adverse effect on the value of, price of or income or gains from an investor's investment in the prospective investment. Target returns do not reflect taxes payable by investors.

Disclaimer

The statements in this document are based on information which we consider to be reliable. This document does not, however, purport to be comprehensive or free from error, omission or misstatement. We reserve the right to alter any opinion or evaluation expressed herein without notice. Statements presented concerning investment opportunities may not be applicable to particular investors. Liability for all statements and information contained in this document is, to the extent permissible by law, excluded.

Endnotes

- 1 Assets under Management ("AUM") includes both the global Hines organisation as well as RIA AUM.
- 2 Acquired or contracted as of 31.12.2021
- 3 For an explanation of GRESB recognition categories, please refer to GRESB's reference guide [here](#).
- 4 World Green Building Council [report](#), September 2019
- 5 Asset will be WELL Platinum enabled.
- 6 Representative Concentration Pathway (RCP) 8.5 corresponds to a high greenhouse gas emissions pathway that does not include any specific climate mitigation target, referred to as the 'business as usual' scenario. It is associated with an eventual 4 degree C or greater temperature rise scenario.



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MARKETING COMMUNICATION

