



4 – 5 June 2024

CAPITAL MARKETS DAY

ESG

Dirk van Buggenhout - CSO

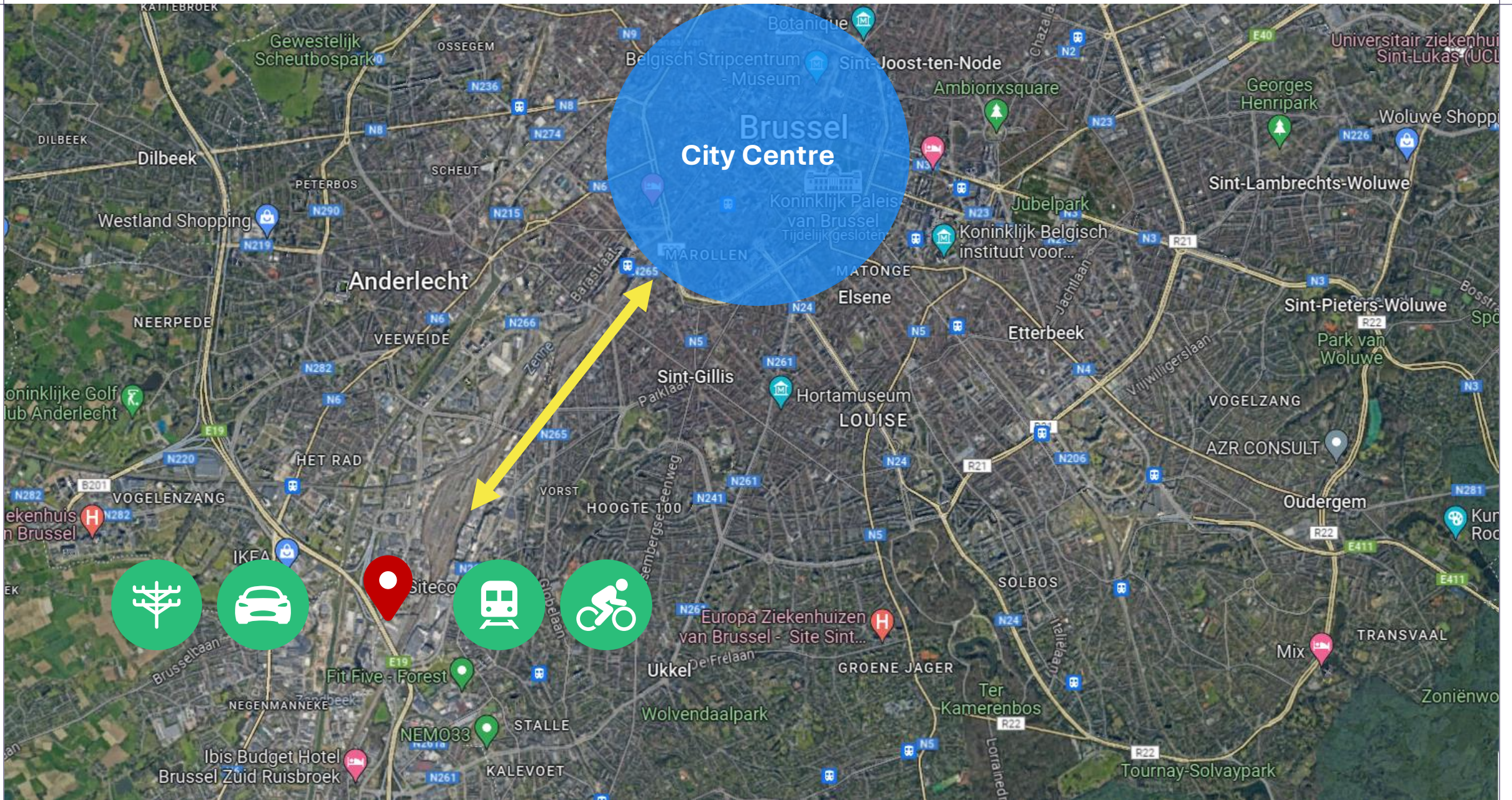


Location

Location

Location

**What makes a location
a prime location?**



Brussel
City Centre

Anderlecht

Sint-Gillis

Etterbeek

Siteco

Ukkel

Oudergem

Ibis Budget Hotel
Brussel Zuid Ruisbroek

NEMO33

STALLE

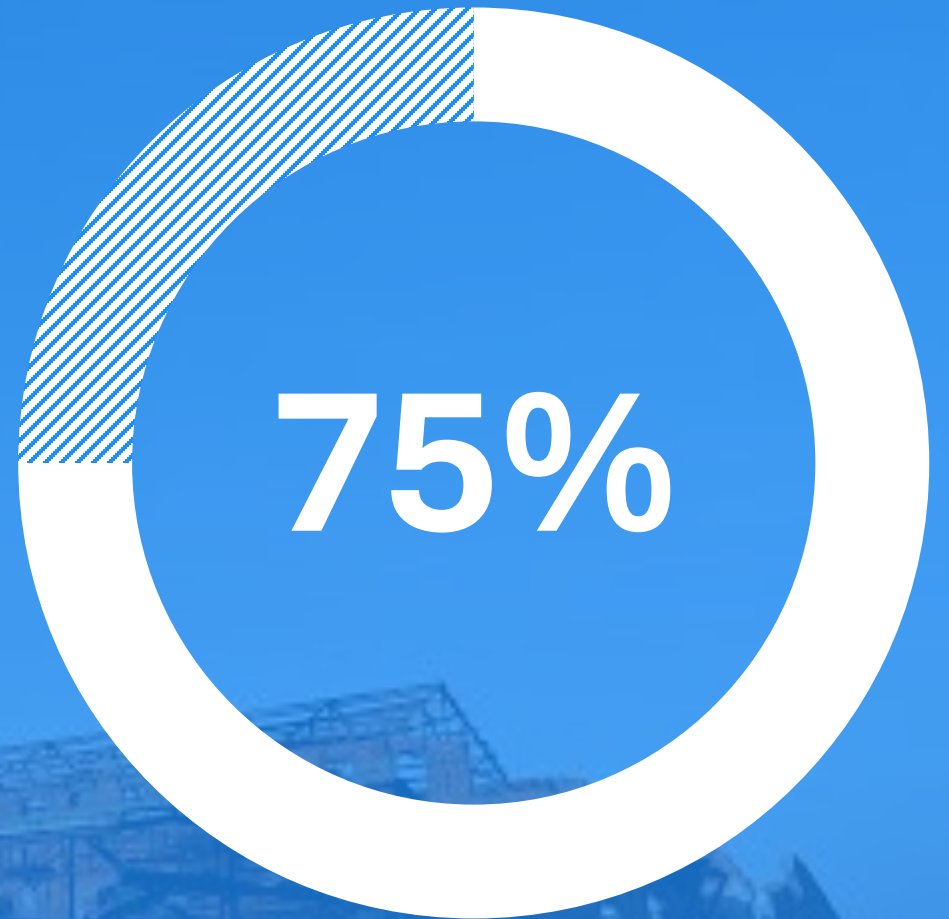
KALEVOET

Wolvendaalpark

Ter Kamerenbos

Tournay-Solvaypark

Why brownfields?



Forest



6.000 t

disposal of
contaminated rubble



9.500 t

disposal of
contaminated soil



17.500 t

reuse
crushed concrete



1.000 t

recycling
metal demolition



100 t

recycling
roofing demolition



250 t

landfill
residual waste



1t

landfill
asbestos

Transgenerational **sustainable** strategy



Location



Building



Tenancy

Sustainability facts

Montea existing portfolio

Use of local renewable energy: 95% in 2023

Targets

-55%
CO₂ in 2030

NET-ZERO
in 2050



Actions

Energy efficiency

Relighting
80% in 2023 | 100% in 2030

Additional façade insulation
(no target set)

Roof renovation with additional insulation
(no target set)

GHG reduction

Green energy contracts
68% in 2023 | 100% in 2030

Use of local renewable energy
95% in 2023 | 100% in 2024

Phasing out fossil fuel
Heat pumps 32% in 2023 | 100% in 2050

Sustainability facts

Montea developments

Energy intensity max 25 kwh/m²/year target for 2030 already achieved in 2023

Targets

-55%
CO₂ in 2030

NET-ZERO
in 2050

Actions

Energy efficiency

- Airtight building and loading docks
- Natural daylight in combination with daylight-controlled lighting
- Efficient ventilation and floor heating
- Sprinkler tank water heating

GHG reduction

- Solar plants
- Fossil free heating
- Green energy contracts
- Low carbon design and materials
- Cooling systems with natural refrigerants



Sustainable & flexible development

Smart use of space

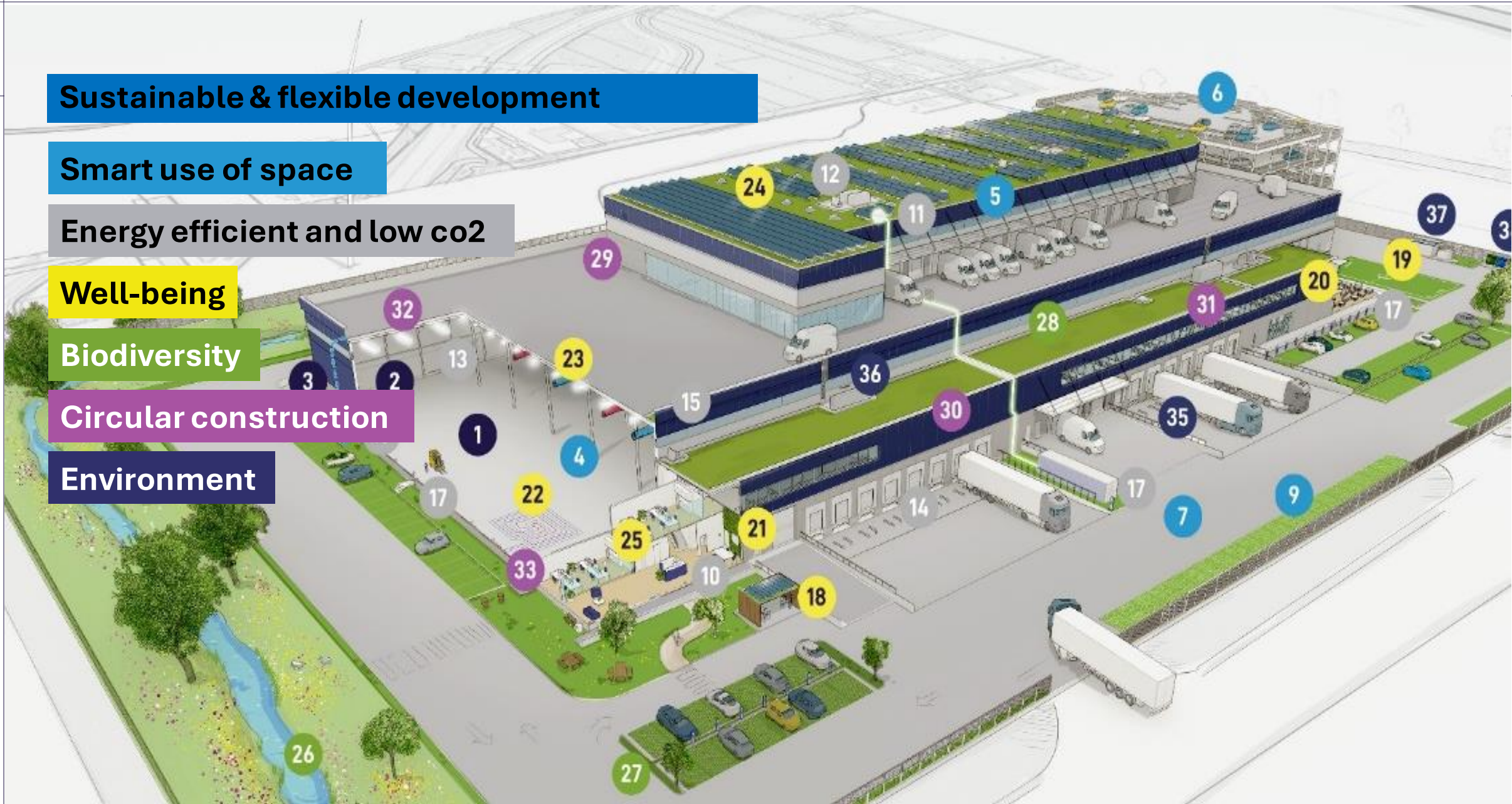
Energy efficient and low co2

Well-being

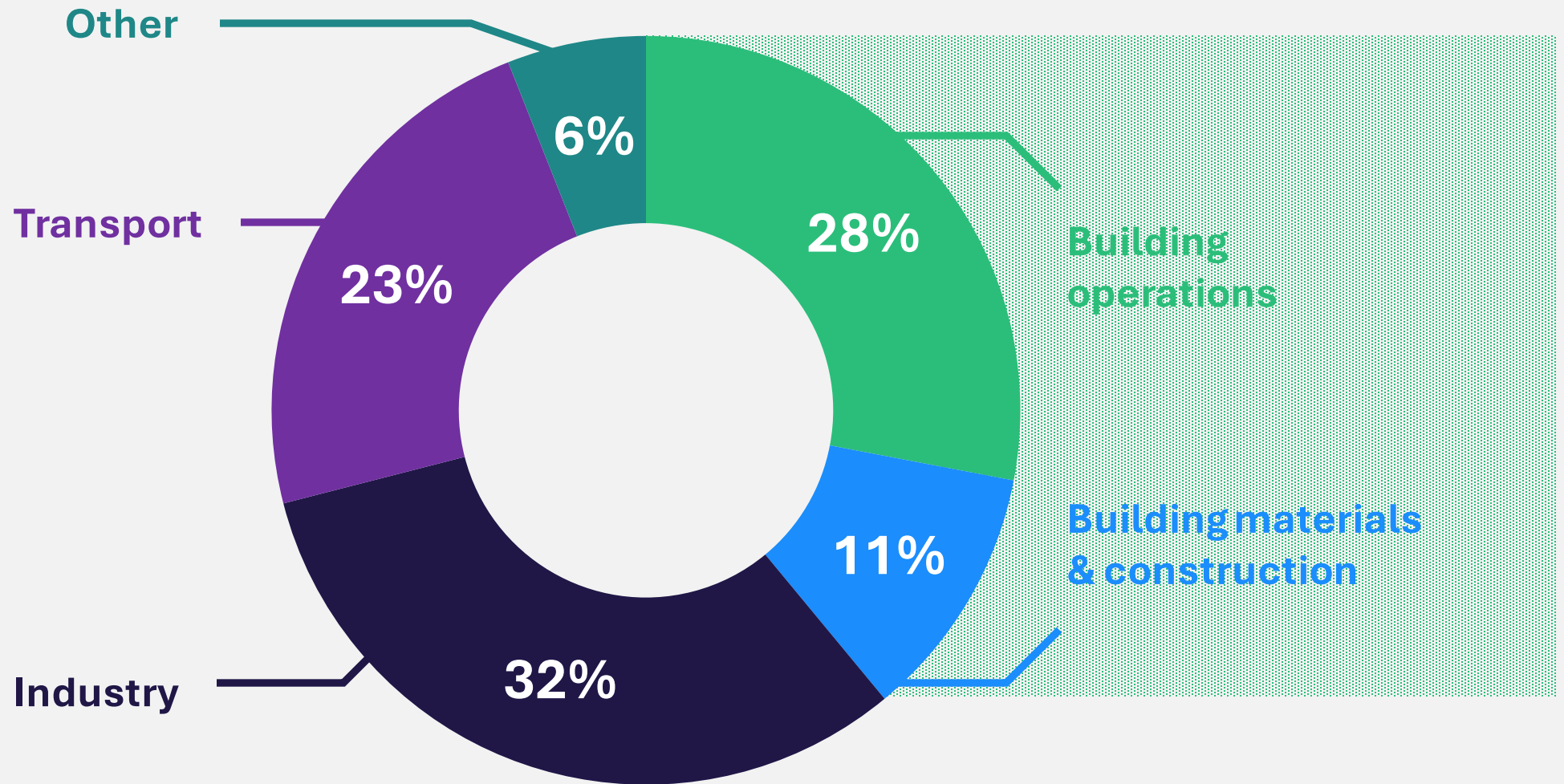
Biodiversity

Circular construction

Environment



Global CO₂ emissions



What is embodied carbon?



Greenhouse gas emissions associated with

- manufacturing
- transportation
- installation
- maintenance
- disposal of construction materials

Cradle to gate embodied carbon



Extraction

Manufacturing

Construction

Operational carbon



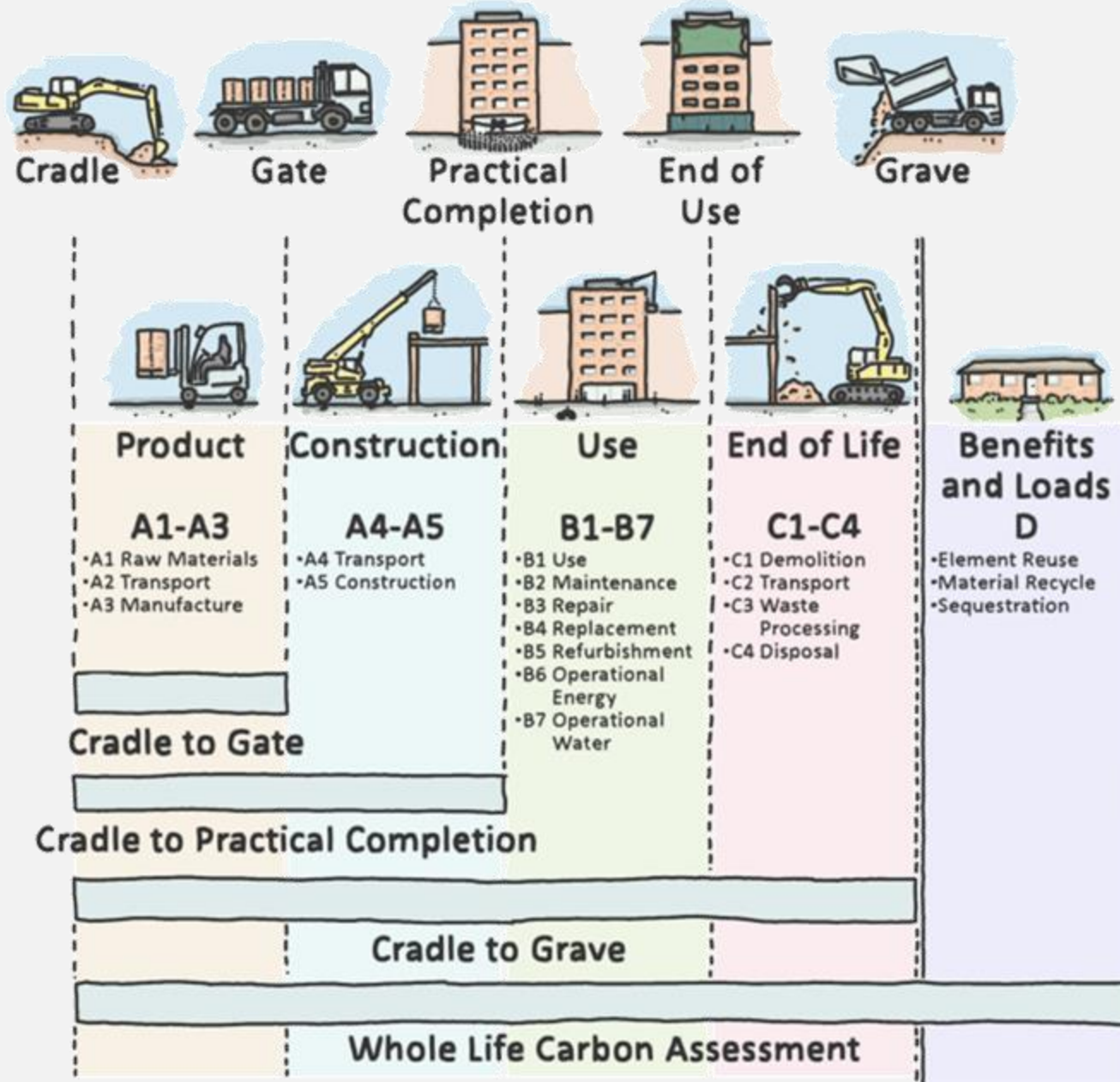
Repair

Demolition

Disposal

Recycling

End of life carbon



CIARAN MALIK

Life Cycle Assessment

A full Life Cycle Assessment includes a variety of environmental impact categories such as the **global warming potential (GWP)**, **acidification potential (ADP)**, **ozone depletion potential (ODP)** etc.

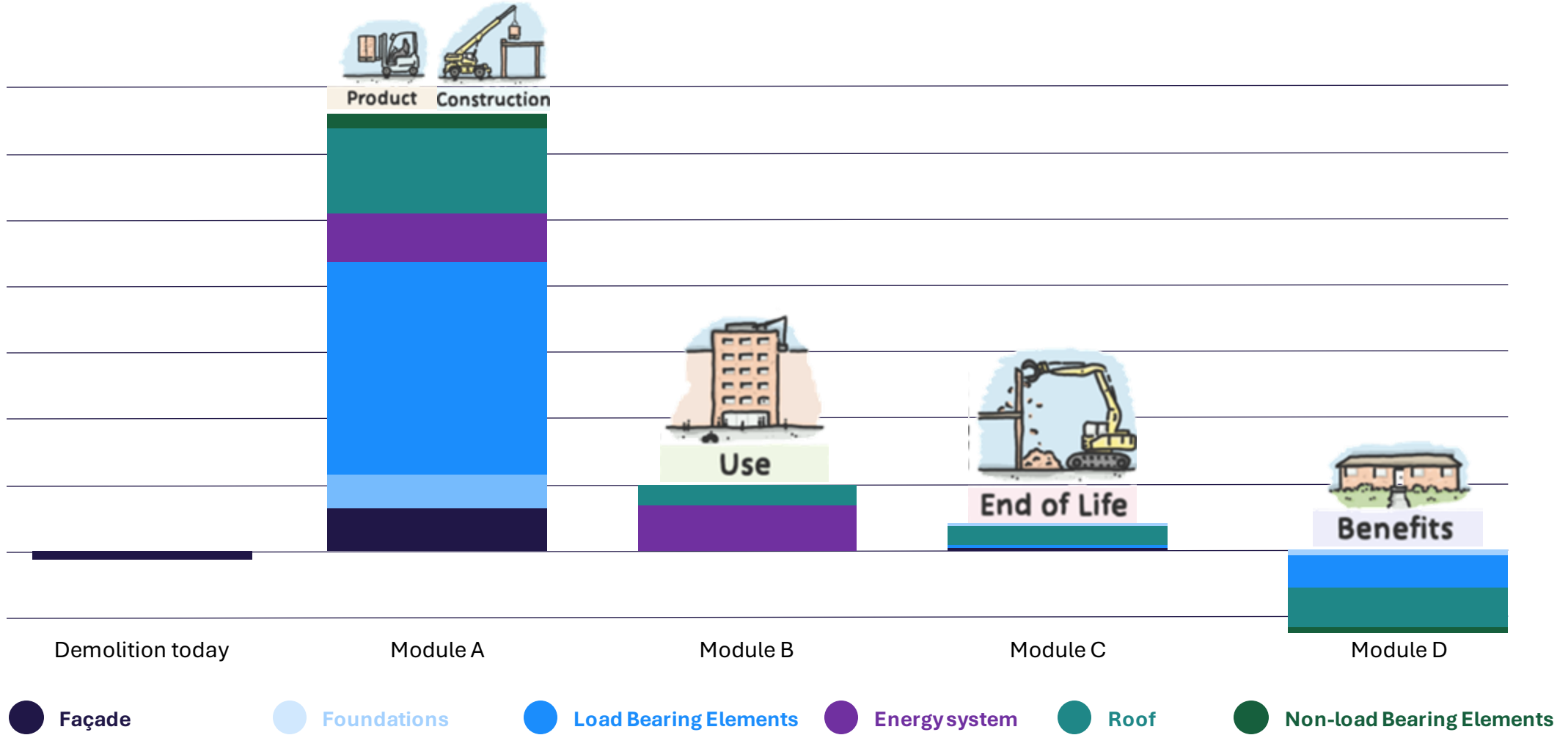


We only focus on the **global warming potential (GWP)**
also known as the **carbon impact**.

$$\text{Quantity of material} \times \text{Carbon impact of material} \\ = \text{Overall Carbon Impact}$$

LCA: Embodied carbon analysis

Whole life cycle analysis: 355 KG CO₂/m²



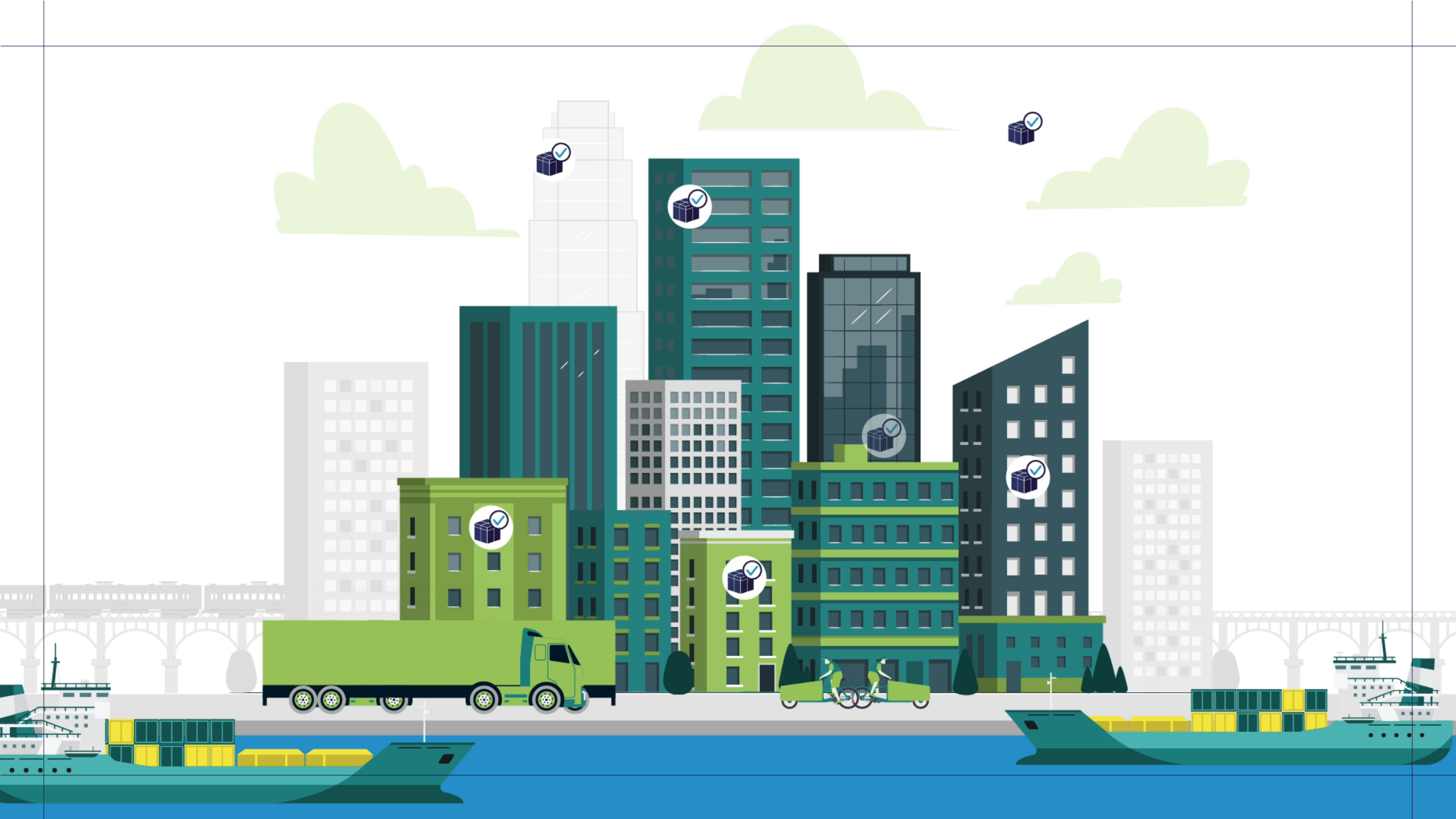
Sustainable materials



Use of low-CO₂ materials
drastically reduce
embodied carbon.







Super-insulated dock levellers



Classic loading dock



Our insulated loading docks





Smart skylights or façade lights bring in natural daylight and create a pleasant and healthy working environment.



bikesheds with charging points for e-bikes



EV-charging facilities



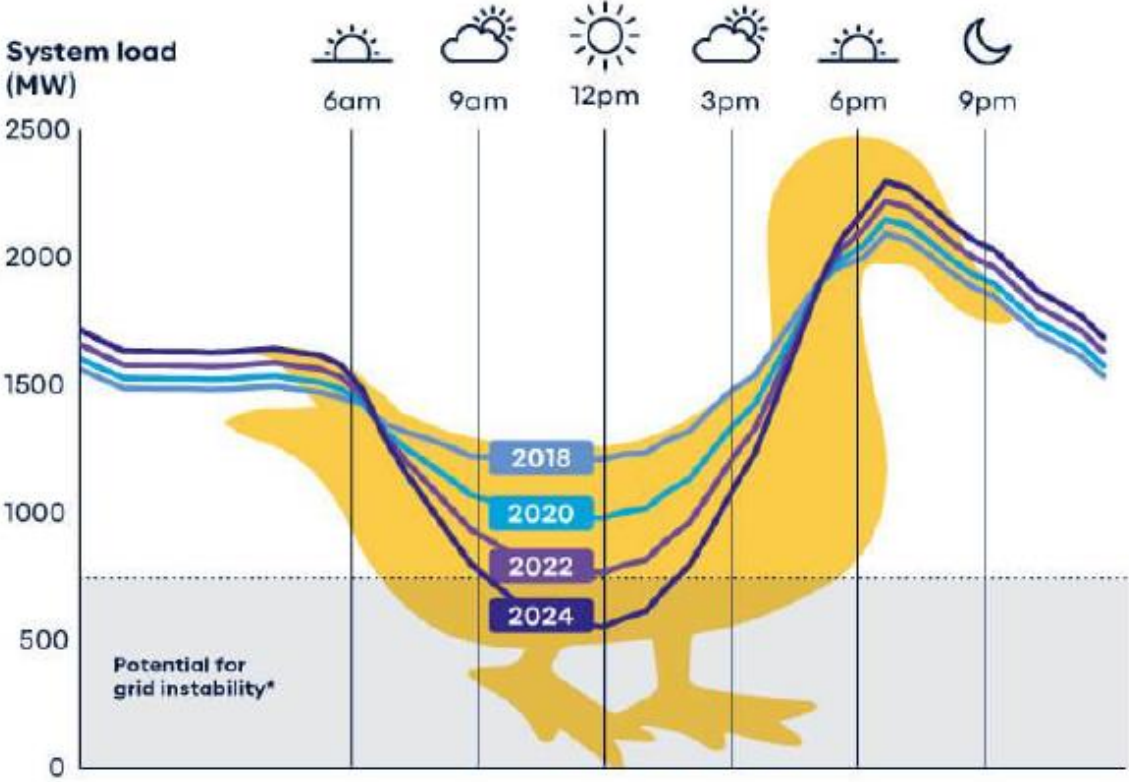
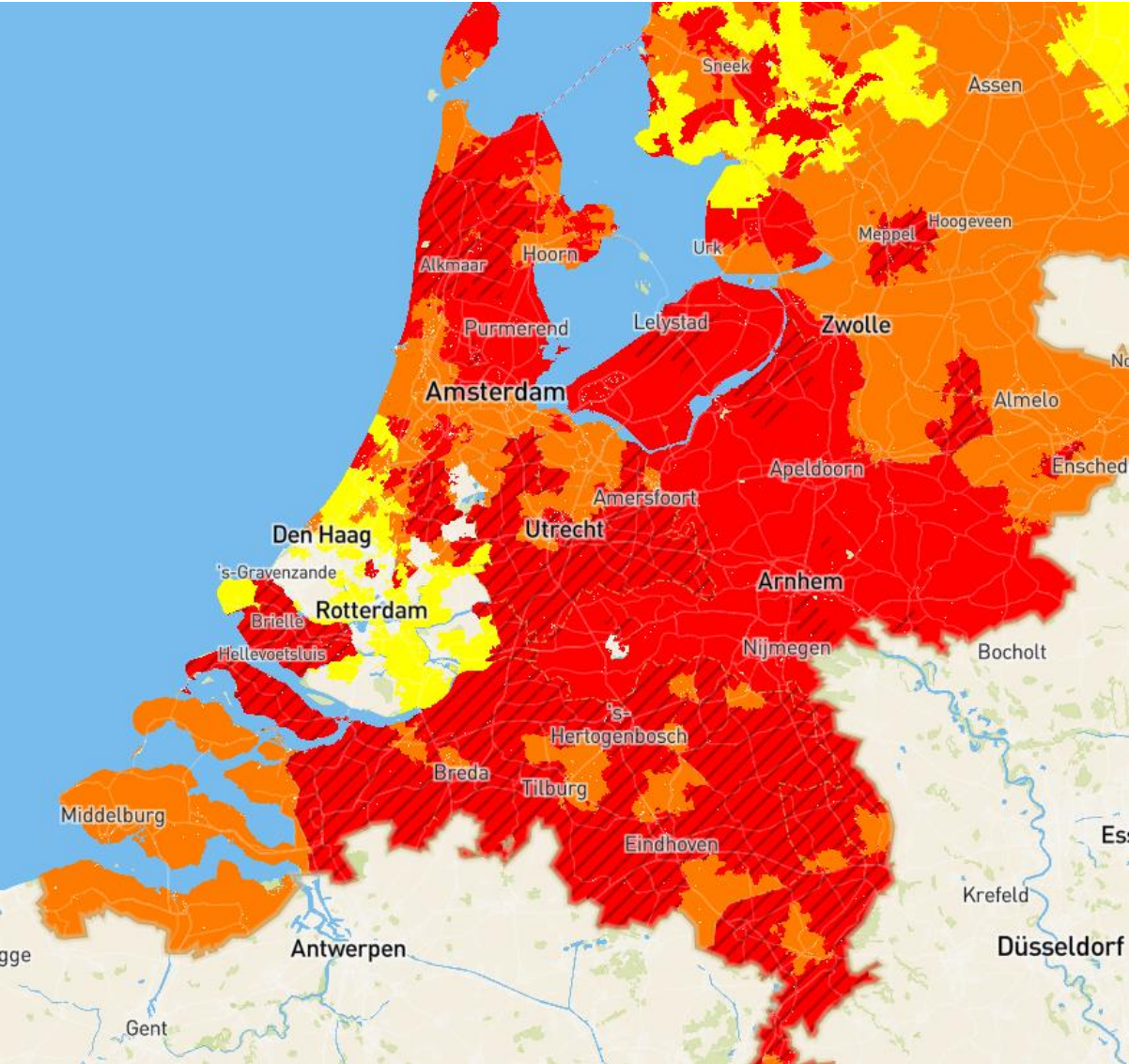
High efficient HVAC

Energy

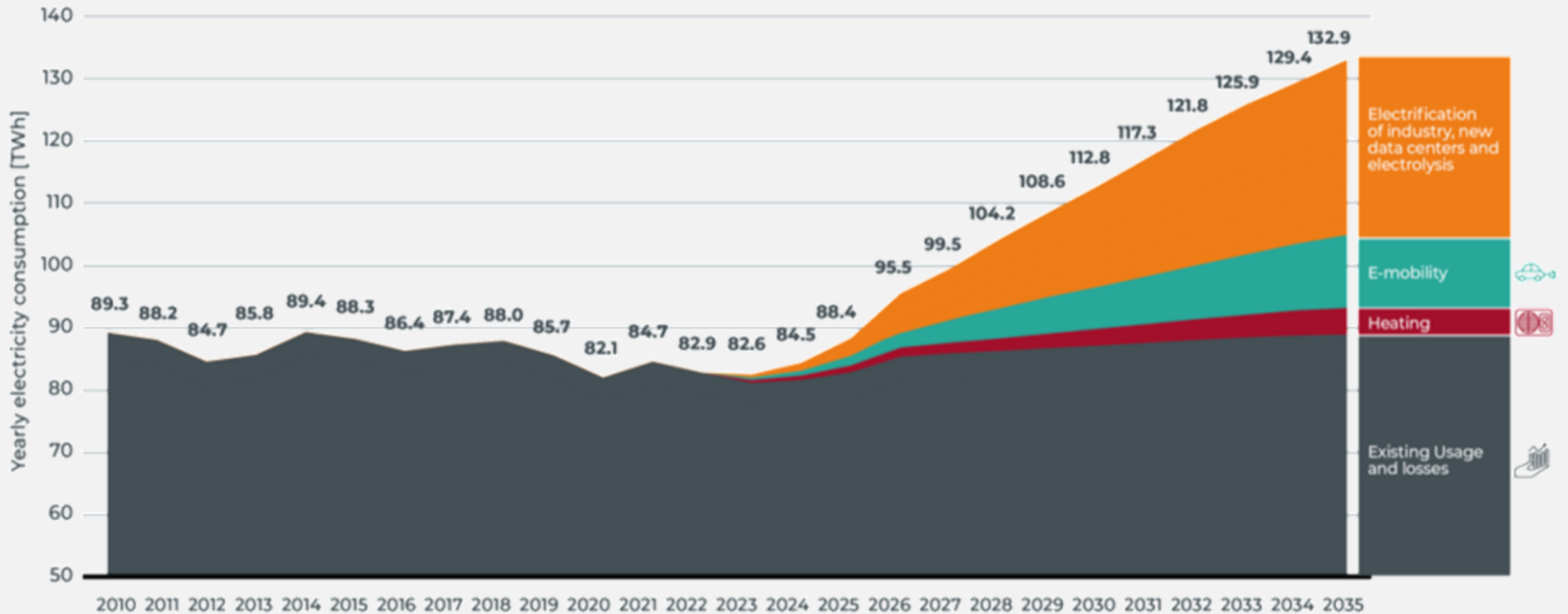
Energy

Energy

Battery Energy Storage System - Why



Yearly electricity consumption in BE



On our way to **100% renewable energy**

2023

68 MWp solar panels
→ **95%** of our
warehouses

End of 2024

87 MWp solar panels
→ **100%** of our
warehouses



NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS

Montea invest €30M in ambitious Battery Energy Storage System

Battery Energy Storage System – Locations BE

14

different BESS-locations

35 MWH

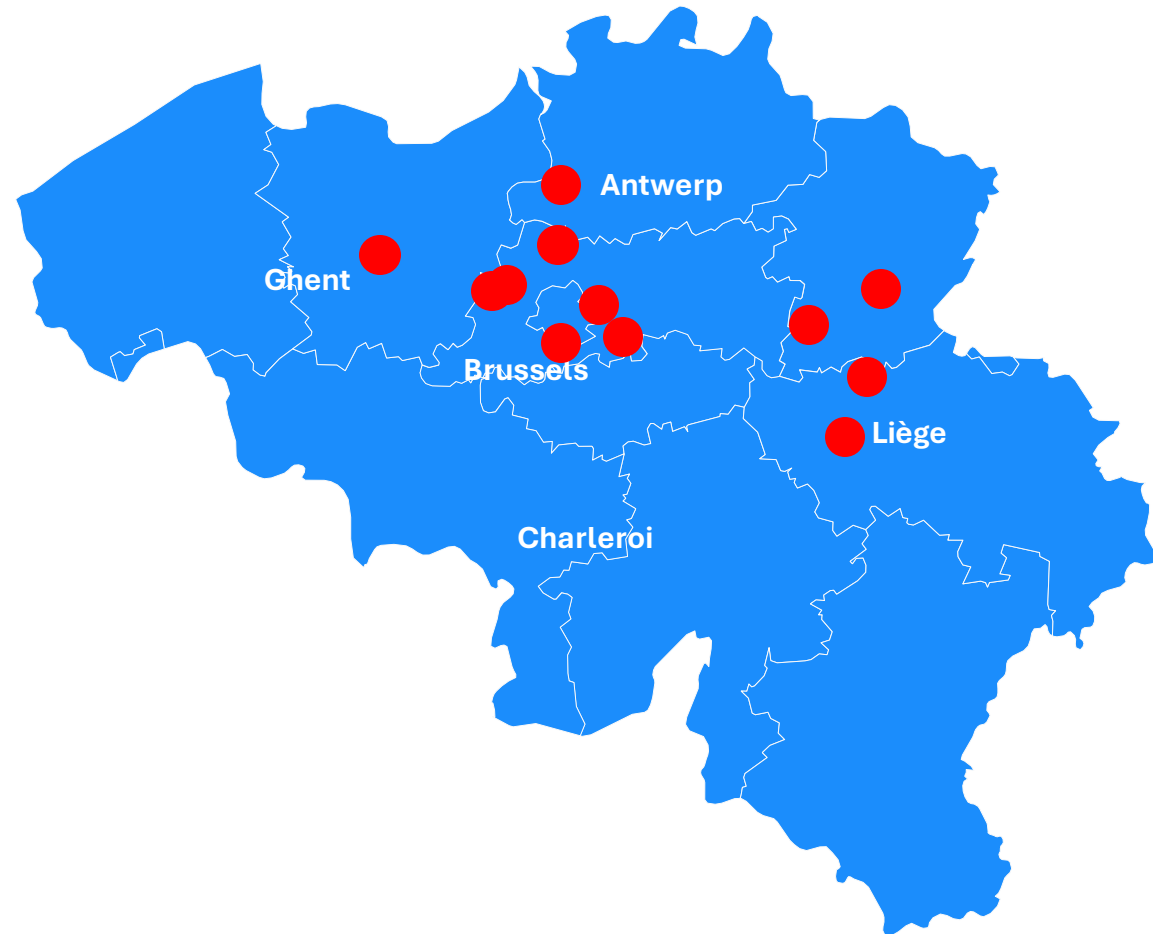
installed by the end of 2024

€17,500,000

investment

12%

min IRR



Battery Energy Storage System – Locations NL

7

different BESS-locations

21 MWH

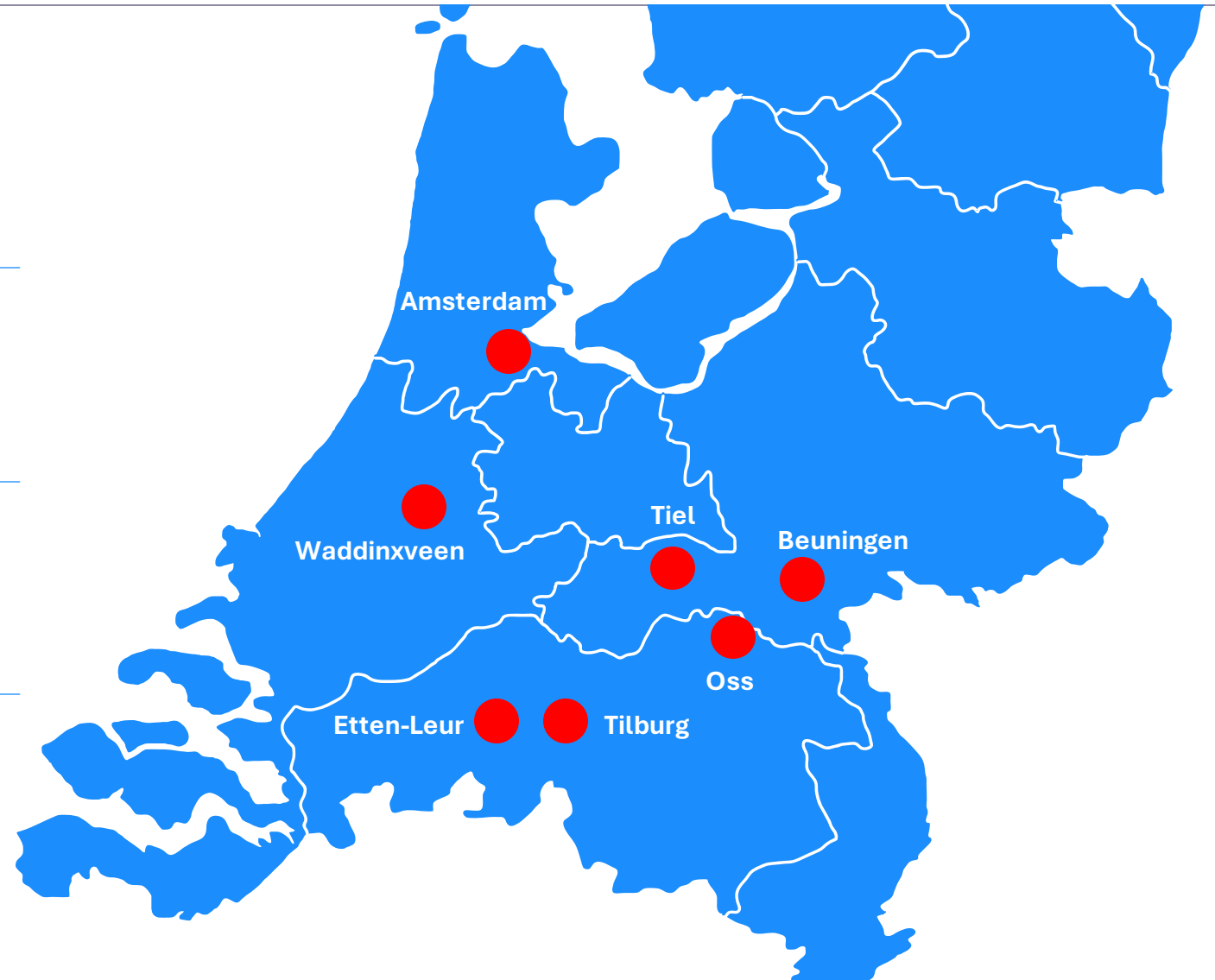
under consideration

€12,500,000

investment

12%

min IRR



CHAPTER TWO CHAPTER TWO CHAPTER TWO CHAPTER TWO CHAPTER TWO

Organisation

Organisation



Sustainability highlights

Montea Operations

On the way to net-zero

Targets Greenhouse Gas Emissions

Neutral
since 2021

NET-ZERO
in 2030

Actions

Green electricity

100%

Carbon footprint

3.5 tCO₂/FTE

in 2023 (reduction of 19% compared to 2022)

Electric fleet

61% in 2023

100% in 2027



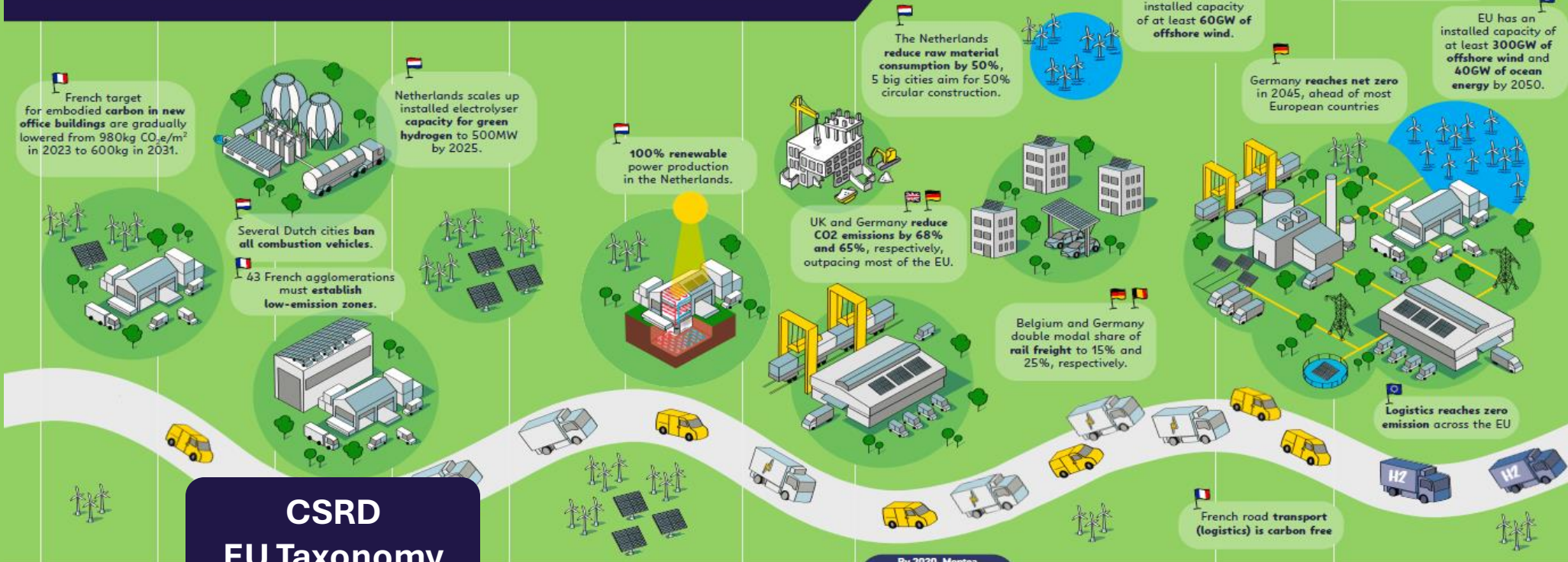
REE CHAPTER THREE CHAPTER THREE CHAPTER THREE CHAPTER THREE CH

Roadmap





Decarbonisation Timeline



CSRD EU Taxonomy

	2023	2024	2025	2026	2027	2028	2029	2030	2034-35	2040	2050
MONTEA	<p>Montea operations: 100% no fossil fuels by 2023.</p> <p>Montea existing portfolio: Use of renewable energy systems is 90% in 2023.</p>				<p>Montea operations: 100% of company cars are electric.</p>			<p>By 2030, Montea operations are net zero. Montea developments have:</p> <ul style="list-style-type: none"> - 53% reduction in CO₂ - Reduce energy intensity compared to 2022 CRREM target (1.5 °C scenario) by 74% - Use of green power & energy saving technology is 100%. - Existing portfolio has reduced operational CO₂ by 55%. 			
EU LEGISLATION											
EU TARGETS	<p>CO₂ tax on imports under the Carbon Border Adjustment Mechanism is gradually phased in, starting in October 2023 for key building materials.</p>	<p>EU Taxonomy Focus shifts from energy demand to CO₂ reduction, further discouraging fossil fuel use.</p>	<p>CSRD Comprehensive ESG data collection becomes mandatory for large companies including Montea in 2025, to be reported from 2026.</p> <p>EU Taxonomy Technical criteria added for embodied carbon and circularity, improving access to green finance for circular buildings.</p>	<p>CSDDD (planned) National CSDDD laws come into force, imposing strict environmental targets, starting in 2026 for the largest companies.</p>	<p>Emissions Trading Scheme II ETS extension to building & transport sectors will increase fuel costs. Could be brought forward to 2024.</p> <p>EPBD Lifecycle Assessments according to "EU Levels" become mandatory.</p>	<p>EPBD All new buildings must be Zero Emission (2025 for public buildings).</p>		<p>The worst-performing non-residential buildings need to be renovated to at least EPC Class E, increasing the minimum benchmark for energy efficiency. EPC A is redefined as "zero energy", EPC A+ as "energy positive".</p>	<p>"Fit for 55" Climate Act obliges the EU to reduce greenhouse gas emissions by 55% by 2030.</p> <p>Renewables reach 1/3 of power generation.</p> <p>The EU produces 10 million tonnes of green hydrogen and imports another 10 million tonnes.</p> <p>CRREM energy intensities for distribution centres start reaching their lowest point at 25kWh/m².</p> <p>Fossil fuel cars banned in the EU. Road transport emissions down by 45%.</p>	<p>Electrification of trucks and a partial shift to other transport modes achieve -90% emissions reduction for road transport.</p>	<p>Montea warehouse and distribution centres achieve net zero emissions, are fully integrated energy hubs and enable multi-modal green logistics.</p> <p>EU reaches Net Zero Carbon emissions reduced by 90% (from 2005 levels) with the remainder being absorbed through technical and natural solutions.</p> <p>Net zero embodied carbon: All used construction materials are mostly carbon free.</p>

This decarbonization timeline refers to a series of milestones created with the aim of reducing or eliminating carbon emissions from the economy to address climate change and transition us to a more sustainable, low-carbon future.

These targets are based on scientific assessments and international agreements, such as the Paris Agreement's goal to limit global warming to well below 2 degrees Celsius above pre-industrial levels. Transitions include the electrification of transportation, increased renewable energy adoption, and enhanced energy efficiency measures for the design of real-estate.

Our timelines serve to build public awareness, support, and engagement to drive informed choices that reduce their carbon footprint.

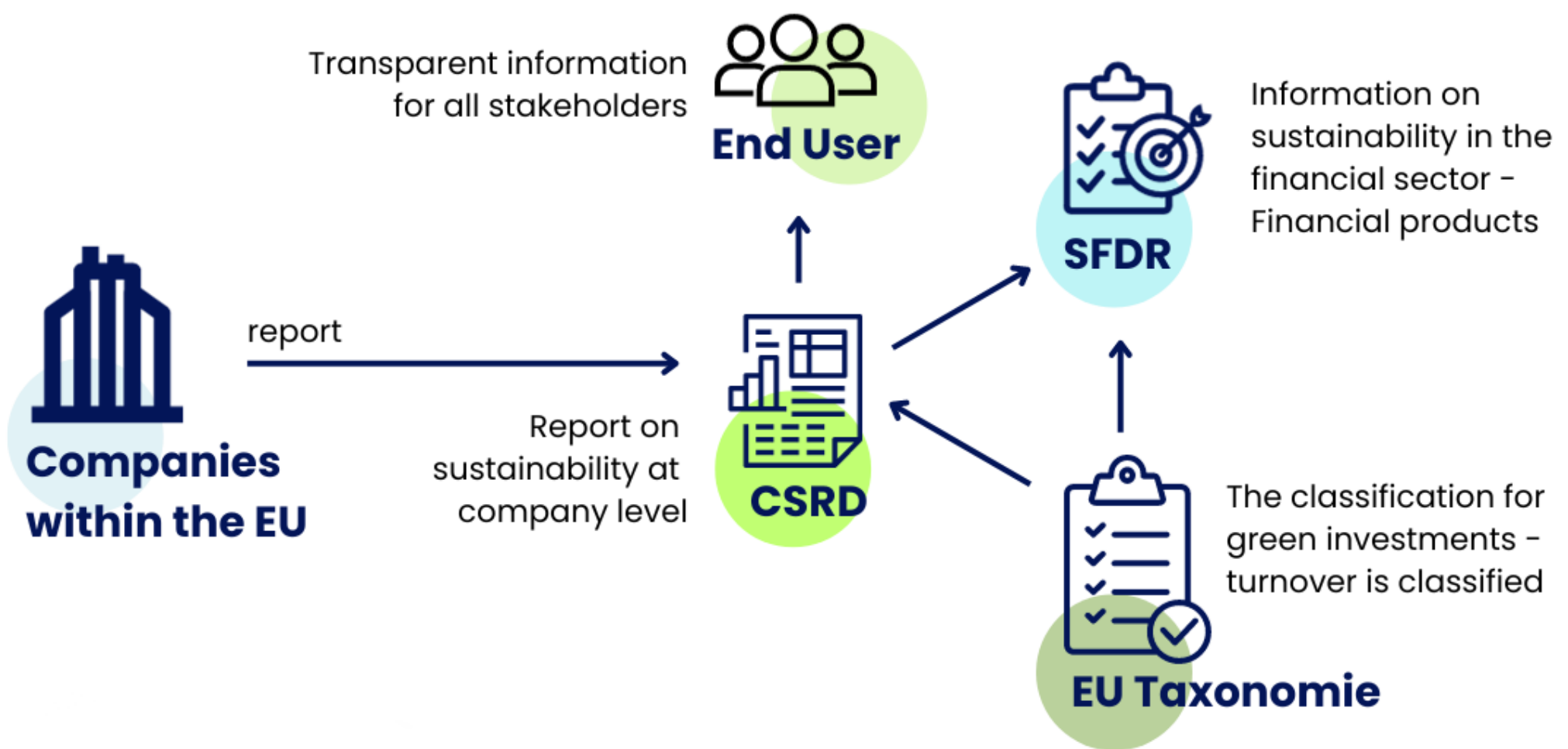
GLOSSARY
CSRD Corporate Sustainability Reporting Directive - New EU directive, soon requiring large companies to disclose a wide range of information on their sustainability performance (or lack thereof)
CSDDD Corporate Sustainability Due Diligence Directive - New EU directive, soon requiring large companies to reach certain sustainability performance targets

EPBD Energy Performance of Buildings Directive - EU directive governing building standards

EPC Energy Performance Certificate for buildings
ETS European Emissions Trading Scheme

CRREM Carbon Risk Real Estate Monitor: An EU tool designed to set a science-based decarbonisation pathway for real estate assets.

ETS European Emissions Trading Scheme. Determines price per ton of CO₂ emitted.



ESRS - overview

Cross-cutting

Topical

General	Environment	Social	Governance
<p>ESRS 1 General requirement</p>	<p>ESRS E1 Climate change</p>	<p>ESRS S1 Own workforce</p>	<p>ESRS G1 Business conduct</p>
<p>ESRS 1 General disclosures</p>	<p>ESRS E2 Pollution</p>	<p>ESRS S2 Workers in the value chain</p>	
<p>Mandatory irrespective of materiality assessment</p>	<p>ESRS E3 Water & marine resources</p>	<p>ESRS S3 Affected communities</p>	<p>Subject to materiality (assurer will check materiality assessment process)</p>
	<p>ESRS E4 Biodiversity & ecosystems</p>	<p>ESRS S4 Consumers & end-users</p>	
	<p>ESRS E5 Resource use & circular economy</p>	<p>A company may explain why the topic covered by a given standard is not material, except for climate change. (required explanation – ESRS 1, §32 & ESRS 2, §57)</p>	

Results – complete materiality matrix

Material topics

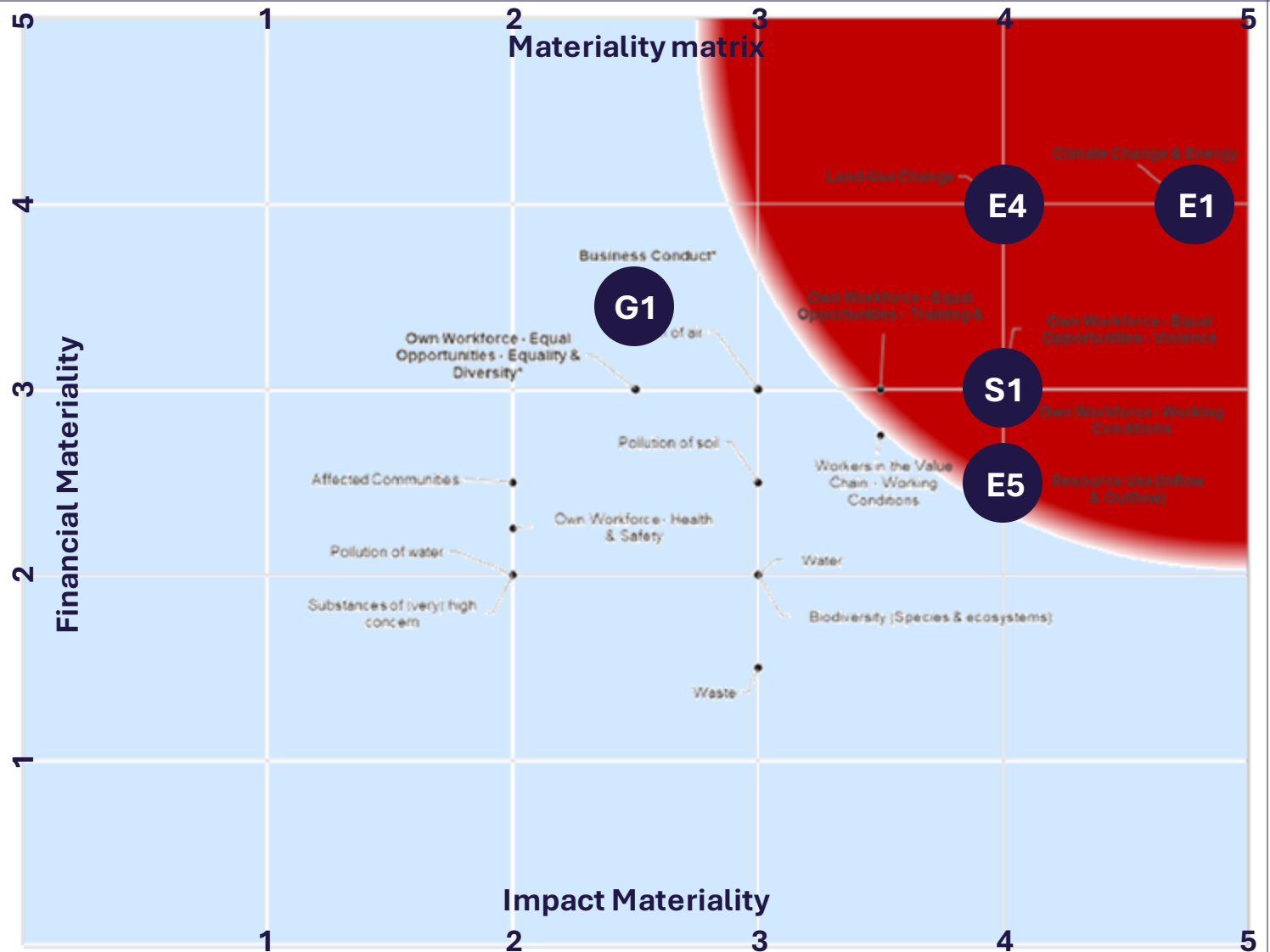
E1 – Climate Change & Energy

E4 – Land-use Change

E5 – Resource Use

S1 – Own Workforce

G1 – Business Conduct



EU Taxonomy

a tool to help companies plan for their “green” transition and report on the same time



Environmental objectives

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection & restoration of biodiversity & ecosystems

EU Taxonomy



Make a **substantial contribution** to at least one of the six environmental objectives

AND



Do no significant harm to any of the other five environmental objectives

AND



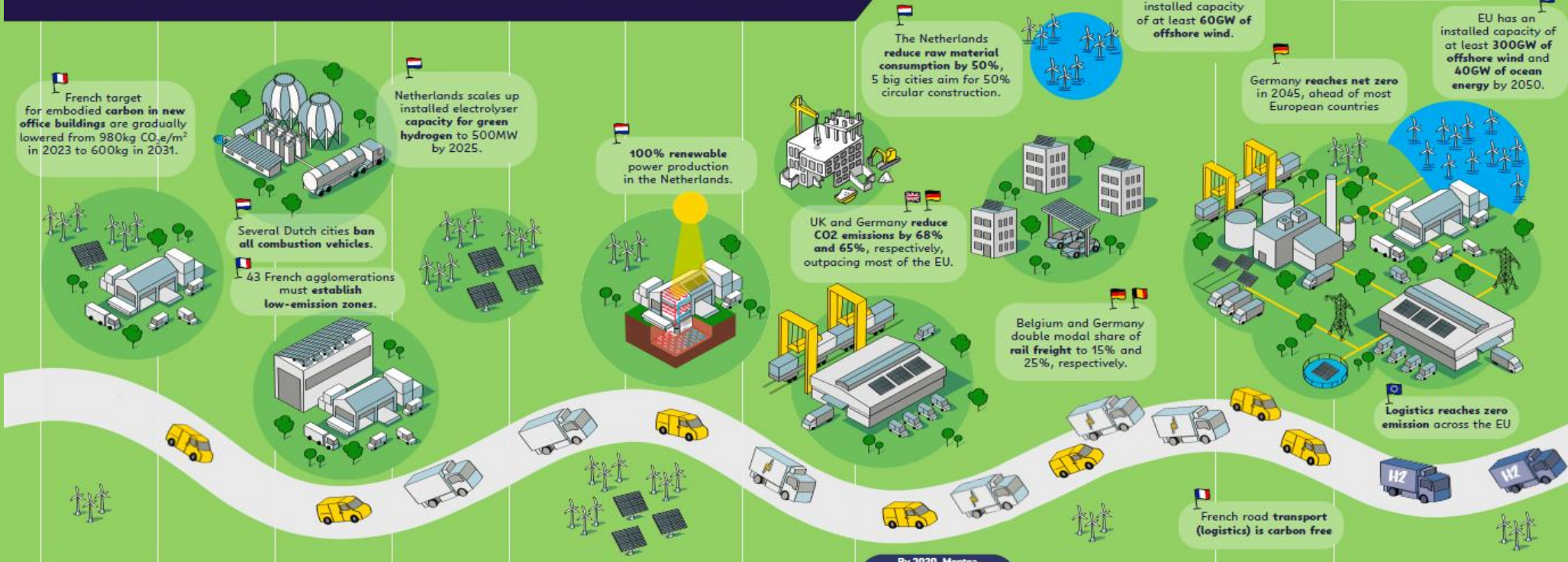
Comply with **minimum safeguards**



Comply with the **applicable technical screening** criteria



Decarbonisation Timeline



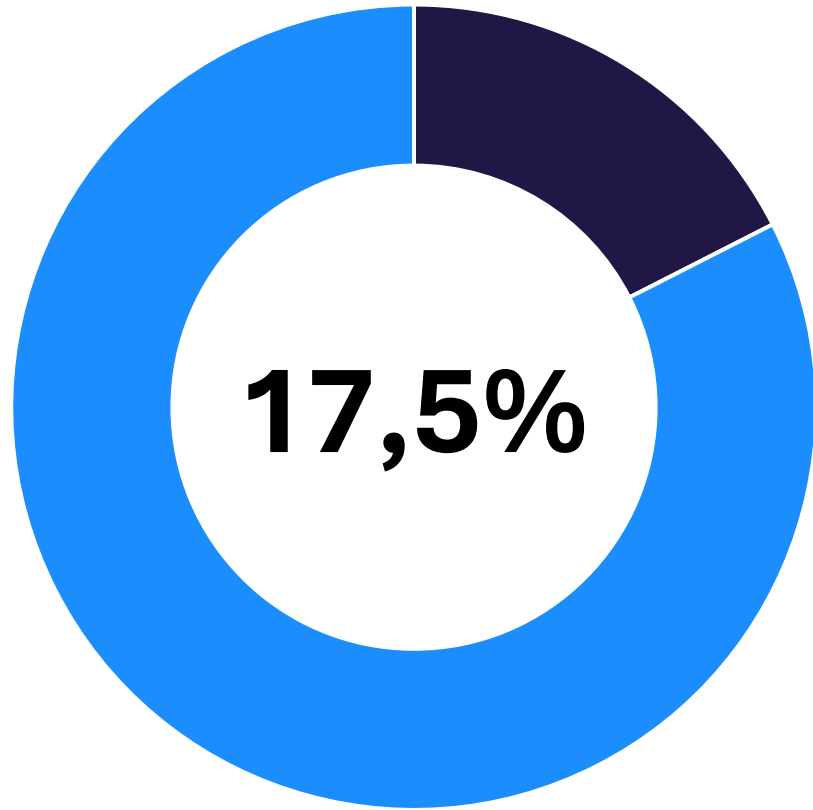
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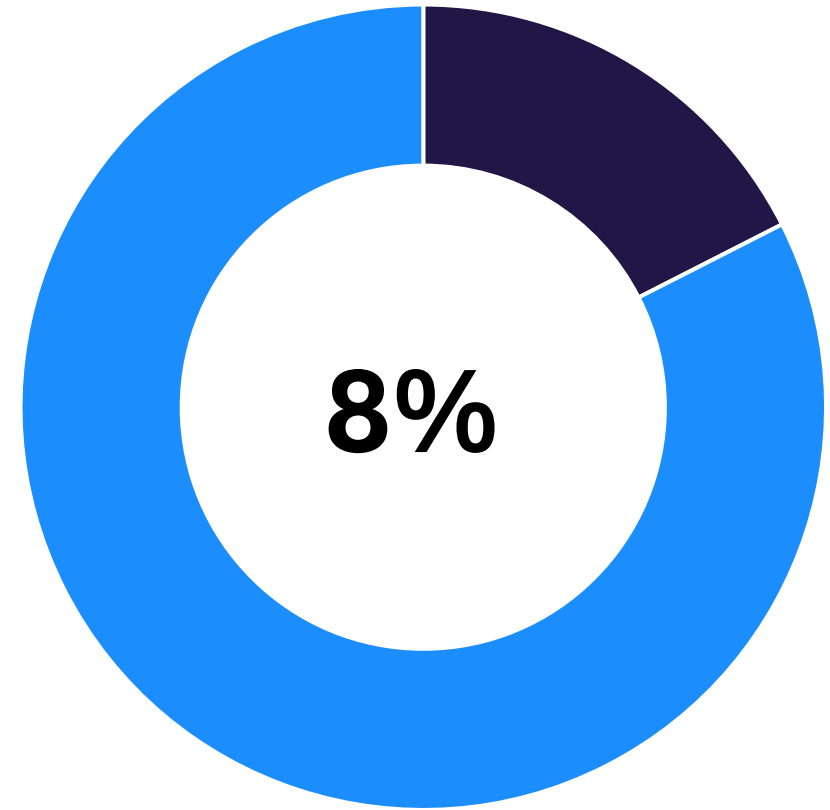
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of our entire portfolio is
zero-energy building



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zero-emission building

Brownfields



Transgenerational
strategy

SUMMARY



Energy



Organisation



EU Green Deal
aligned

Space for Sustainable Growth



Q&A

