



BUDAPART

Green bond

Allocation and Impact report

07/06/2024

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General introduction

With the **BudaPart project**, a new neighborhood is created, unique even by international standards, in its complexity and scale, on about 54 hectares. Voted the best neighborhood development in the world in 2022, the BudaPart project launched in June 2017, is special in both its location and the high proportion of green area and water surface. The project is located in the 11th district of Budapest.

During the development of the masterplan, the primary aim was to create the best living environment based on the principles of the "15 minutes city" concept. Pedestrians were put at the center, with no ground-level parking in the area, a loop street system to avoid unnecessary incoming traffic, and efforts made to preserve and enhance green spaces, making the pedestrian areas as green as possible.

Of the total development area (23 hectares), **17 hectares is a buildable land**, so together with the future public parks, almost half of BudaPart, **20 hectares will remain to be a green space**, including the Kopaszi-Dam, and the project area implies the water area of 11 hectares. These are all pointing to a very livable, green and versatile neighborhood, where there is space for relaxation and recreation, as well as programs and services for the residents and workers of the area.

During the investment period of about 15 years, rolled out in 6 phases, a total of **15 residential** and **11 office buildings**, as well as a **hotel** will be delivered, so it is expected that nearly 3,000 apartments, 225,000 square meters of office space and around 15,000 square meters of commercial space will be created, providing residence and employment for about 25-30,000 city dwellers in the near future.



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CITADELLA
2,4 KM

PARLAMENT
4,3 KM

DEÁK TÉR
3,6 KM



54 HECTARES TOTAL AREA:
■ 11 HECTARES WATER AREA
■ 20 HECTARES PARK AREA
■ 23 HECTARES DEVELOPMENT AREA



Management statement



Kopaszi Gát Zrt. successfully issued green bonds in a volume of HUF 34.45 billion in the end of January 2022 to finance their BudaPart investment project.



Based on the commitment of the Green Finance Framework, Kopaszi Gát reports about the allocation of green proceeds and impacts once a year.



As a part of the Green Finance Framework Kopaszi Gát has set up the Green Committee (GC) to oversee and control the allocation of green proceeds during their semi-annual Committee meeting. The Green Committee published two summaries of their decisions and results during the last 12 months.



The Green Committee has approved 7 eligible green projects, with an allocation of around HUF 33 billion in the last two years.



Kopaszi Gát manages green developments with top priority. Kopaszi Gát's green strategy offers corporate-wide guideline for more sustainable operation.



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Sustainability at Kopaszi Gát

Kopaszi Gát takes great steps towards greener operation



Green Finance

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



Green Strategy

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



Guidelines of Green Strategy support efficient green allocation

Main green values of the company



Consciously taking responsibility for contributing to climate goals



Commitment to sustainability and social awareness



Commitment to reduce carbon-footprint

Green guidelines of BudaPart



Applying an environmentally conscious business model



Being environmentally and socially responsible



Consumer centrality and awareness of well-being



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Green bond in a nutshell



Main features of the issued green bond

**Auction date:
31st Jan 2022**

**Volume of issued capital
HUF 34.45 billion**

ISIN: HU0000361308

**Scheduled maturity at
2032**

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








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



Green Finance Framework







Use of Proceeds

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

About the indicators



Eligible category	Eligible projects	Impact indicators (KPIs)
Clean transportation	 Development of e-mobility	Number of electric charging stations for EVs installed Number of bicycle and electric scooter racks installed
Clean transportation	 Improvement of public transport and auxiliary infrastructure	Improved luminance for surfaces by performance materials in m ² New dedicated bicycle lanes in meter Ambient noise reduction from the transport infrastructure in db (A) Annual GHG reduced or avoided in tCO ₂
Biodiversity	 Investments for new biodiversity projects	Increase of natural landscape area in m ² and/or in % for increase
Green Buildings	 Investments for new green building projects	Preparation, design, and construction of buildings which meet recognized standards: <ul style="list-style-type: none"> • LEED (Gold or above) • EPC level achieved and the energy usage in KWh/m² per annum For residential properties: <ul style="list-style-type: none"> • EPC level achieved and the energy usage in KWh/m² per annum



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Allocation report

Green Committee during last year



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The Green Committee had two meetings during the last 12 months.

20/07/2023

22/01/2024

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







Green Committee has approved 7 projects

Green Committee has approved 7 projects. From the whole amount of proceeds, HUF 33 007 572 649 (95.8% of the total amount) was spent until 31/12/2023.

Total Allocation according to the committee's decision		Amount in HUF
Green bond proceeds – January 2022		34 450 000 000
Number of eligible investments		7
Bpart Aspius Kft. (SINUS Refinancing)	<i>Office building development</i>	8 307 188 556
Bpart Lucius Kft.	<i>Residential building development</i>	1 806 950 000
BudaPart Barbus Kft.	<i>Hotel development</i>	284 485 385
BudaPart Carassius Kft. (EXIM Refinancing)	<i>Residential building development</i>	1 200 000 000
BudaPart Carassius Kft.	<i>Residential building development</i>	1 272 654 172
BudaPart Silurus Kft.	<i>Office building development</i>	1 066 726 033
Kopaszi Gát Zrt. (BRK project)	<i>Residential building</i>	2 390 119 966
BudaPart Amarus Kft. (EXIM Refinancing)	<i>Office building</i>	7 717 646 334
Kopaszi Gát Zrt. (Amarus project)	<i>Office building</i>	8 961 802 203
Total		33 007 572 649



Allocation of the green proceeds by Eligible Project Categories

Key Information	Amount in HUF
Total amount of investments in the Eligible Project Portfolio	33 007 572 649
Distribution between Eligible Project Categories	4
 Clean transportation I.	1%
 Clean transportation II.	4%
 Biodiversity	5%
 Green Buildings	90%



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Overview of eligible green projects



Kopaszi Gát takes great steps towards greener operation

On the next slides we show you the buildings that have been developed by using the green revenues. These buildings attach to the green eligible projects.

The project companies are linked to the following buildings:

Name of the project company	Name of the buildings linked to the company
Bpart Aspius Kft	BOE
Bpart Lucius Kft.	BRL
BudaPart Barbus Kft.	BOG – Hotel building
BudaPart Carassius Kft.	BRG
BudaPart Silurus Kft.	BOG – Office building
BudaPart Amarus Kft.	BOH, BOIJ, BOK, BOL, BOM, BOA
Kopaszi Gát Zrt.	BRK - not yet in project company



BudaPart's current investment schedule

BUDAPART RESIDENTIAL BUILDINGS



Legend:

- Completed
- Under construction
- Planned

Eligible residential buildings

BRL



Architect	Studio A4
No. of flats	140 pcs
Handover	2024 Q1
EPC rating	BB

BRG



Architect	Óbuda Group
No. of flats	180 pcs
Handover	2023 Q4
EPC rating	BB

BRK



Architect	Óbuda Group
No. of flats	141 pcs
Squeduled Handover	2026
EPC rating	BB

BudaPart's current investment schedule

BUDAPART OFFICE BUILDINGS



Legend:

- Completed
- Under construction
- Planned

Eligible office buildings – Completed projects

BOE – BudaPart City



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

BOG – BudaPart Downtown Hotel and Office



Architect	KÖZTI
Total area	7.840 sqm
Parking spaces (incl. electric charging stations)	177 pcs
Hotel	198 rooms
Bicycle spaces	42 pcs
Total storage area	87 sqm
Handed over	2023 Q2
Leed rating	Gold



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Impact report

The table below lists the impacts that can be measured for completed and ongoing projects (I.)





In the tables below, you can see the measured values of the KPI's linked to the different eligible project categories.

Eligible Project Category	Eligible Project	KPI
Green Building 	BOE (office building in construction)	Leed Gold O+M certification recieved.
	BOIJ (office building in construction)	Leed Gold (Construction phase) certification is expected in Q1 2026.
	BOH (office building in construction)	Leed Gold (Construction phase) certification is expected in Q3 2026.
	BOK (office building in construction)	Leed Gold (Construction phase) certification is expected in Q2 2026.
	BOA (office building in construction)	Leed Gold (Construction phase) certification is expected in Q4 2025.
	BRL (residential building)	Energy usage: 37,93 kWh/m ² a
		Renewable energy ratio: 25%
	BRG (residential building)	Energy usage: 76,05 kWh/m ² a
		Renewable energy ratio: 25%
BOG (office building in construction)	Leed Gold (Construction phase) certificaiton received.	

The table below lists the impacts that can be measured for completed and ongoing projects (II.)



Eligible Project Category	Eligible Project	KPI
Clean transportation  	BOE (office building in construction)	Number of electric charging stations: 6 + 14 additional places prepared to install electric charging stations when it is necessary
		Number of bicycle racks: 76
		Annual GHG reduction: cca 2,1 t
	BRG (residential building)	Number of electric charging stations: 55
		Number of bicycle racks: 69
		Annual GHG reduction: cca 2,55 t
	Infrastructure development “C1” Phase I.	Ambient noise reduction from transport infrastructure: 2 dB(a) in 807 sq m newly created special asphalt lanes
		Improved luminance of surface by applied materials: 1920 sq m
	Infrastructure development “C1” Phase II.	Improved luminance of surface by applied materials: 3117 sq m
	Infrastructure development “D2-E2” Phase to be handed over to the Municipality of Budapest	Bicycle lane: 510 m
New bus stops: 1 pcs		

The table below lists the impacts that can be measured for completed and ongoing projects (III.)

Eligible Project Category	Eligible Project	KPI
Clean transportation  	BRL (residential building)	Number of electric charging stations: 67
		Number of bicycle racks: 53
		Annual GHG reduction: cca 1,03 t
	BRK (residential building in construction)	<i>H1 GHG reduction: cca 0,88 t</i>
	BOG (office and hotel building)	Annual GHG reduction: cca 2,05 t
	<i>BOH (office building in construction)</i>	<i>H1 GHG reduction: cca 1,045 t</i>
	<i>BOIJ (office building in construction)</i>	<i>H1 GHG reduction: cca 0,552 t</i>
	<i>BOA (office building in construction)</i>	<i>H1 GHG reduction: cca 0,458 t</i>
	<i>BOK (office building in construction)</i>	<i>H1 GHG reduction: cca 0,002 t</i>
	<i>BOL (office building in construction)</i>	<i>H1 GHG reduction: cca 0,013 t</i>
<i>BOM (office building in construction)</i>	<i>H1 GHG reduction: cca 0,019 t</i>	

The table below lists the impacts that can be measured for completed and ongoing projects (IV.)



Eligible Project Category	Eligible Project	KPI
Biodiversity 	BOE (office building)	Increase of natural landscape: 1 149 sq m
	BRL (residential building)	Increase of natural landscape: 1 267 sq m
	BRG (residential building)	Increase of natural landscape: 1 612 sq m
	Infrastructure development “C1” Phase II.	Increase of natural landscape: 711 sq m
	Infrastructure development “D2-E2” Phase to be handed over to the Municipality of Budapest	Increase of natural landscape: 2 330 sq m
	Infrastructure development „S” Phase	Increase of natural landscape: 7 300 sq m
	BudaPart Beach project	Increase of natural landscape: 4 235 sq m newly created green area, 2 130 sq m newly created sandy beach area

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