

PRESS RELEASE

Aareal Bank provides first green loan

▪ **Re-financing of Holiday Inn Express Sydney for Pro-invest Group**

Wiesbaden, 6 July 2021 – Aareal Bank announces the closing of its first green loan governed by its “Green Finance Framework”. Acting as Arranger and Sole Lender, Aareal Bank has provided a mortgage loan of approx. AUD 39 million (approx. € 25 million) to Australia’s Pro-invest Group for the re-financing of its Holiday Inn Express Macquarie Park hotel in Sydney. The financing agreement according to the framework established at Aareal Bank during the first half of 2021 is subject to certain qualitative and quantitative environmental criteria. It contains associated covenants to which the borrower has committed and which are reviewed on a regular basis.

The asset marks Australia’s first Holiday Inn Express hotel and Pro-invest Group’s first operational hotel. Several design and development initiatives have been incorporated into the hotel, which was built in 2016, in order to significantly reduce energy and water consumption. The environmentally friendly initiatives range from sustainably produced and energy-efficient equipment, smart light- and air-conditioning management and more eco-friendly housekeeping and laundry routines to the systematic recording and auditing of consumption data. The hotel has achieved a post-construction 4.5+ star rating for both energy and water under the National Australian Built Environmental Rating System (NABERS) for four consecutive years.

Milestone in expanding a risk-conscious and ESG-orientated portfolio

“Buildings generate nearly 40% of global greenhouse gas emissions. As a financier, we are in a privileged position to ensure that the energy efficiency of buildings is taken into account or improved by existing owners”, stated Christof Winkelmann, Member of the Management Board of Aareal Bank. “In the coming years, we want to continuously increase the share of green buildings in our lending portfolio and see it as part of our corporate responsibility to actively promote social change and global developments by financing forward-looking properties.”

Pro-invest Group is an asset manager and investment firm specialising in private equity real estate and real estate asset management. Established in 2010, Pro-invest has grown to become one of the largest hotel investment platforms in Australasia. The Group is also committed to optimising the social and financial returns of its hotel portfolio for investors, enabled by industry-leading ESG practices.

Ronald Stephen Barrott Chair & CEO Pro-invest Group added: “Pro-invest views climate change as a problem that the hospitality industry must address. New purpose-built hotels are key to reducing the impact that buildings have on the environment, supported by ongoing hotel operations dedicated to reducing their carbon emissions. It is a significant

advantage for Pro-invest to be able to future-proof its hotel portfolio, not only from a technical perspective but also by introducing environmental standards and initiatives.”

Sustainalytics carried out a review of Aareal's Green Finance Framework. The ESG rating and research provider confirmed in its Second Party Opinion (SPO) that the Aareal Bank Green Finance Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2018 and Green Loan Principles 2020.

Pro-Invest Group was advised by Lander & Rogers and the financing advisory service was provided by Pro-invest Fund & Asset Management. Aareal was advised by King & Wood Mallesons and Savills.

Additional photographs for editorial use can be downloaded [here](#).

Contacts:

Christian Feldbrügge

Phone: +49 611 348 2280

christian.feldbruegge@aareal-bank.com

Hans Feiner

Phone: +49 611 348 3025

hans.feiner@aareal-bank.com

About Aareal Bank Group:

Aareal Bank Group, headquartered in Wiesbaden, is a leading international property specialist. It provides smart financings, software products, and digital solutions for the property sector and related industries, and is present across three continents: Europe, North America and Asia/Pacific. Aareal Bank AG, whose shares are included in Deutsche Börse's SDAX index, is the Group's parent entity. It manages the various entities organised in the Group's business segments: Structured Property Financing, Banking & Digital Solutions, and Aareon. The Structured Property Financing segment encompasses all of Aareal Bank Group's property financing and funding activities. Here, the Bank supports its clients in making large-volume commercial property investments. The investment properties mostly comprise office buildings, hotels, shopping centres, logistics and residential property, as well as student apartments. In the Banking & Digital Solutions segment, Aareal Bank Group supports businesses from the housing, property management and energy industries as a digitalisation partner – combining extensive advisory services and product solutions with traditional corporate banking services and deposit-taking. Subsidiary Aareon, a leading provider of ERP software and digital solutions for the European property industry and its partners, forms the third business segment. Aareon offers reliable, pioneering solutions in the fields of consulting, software and services to optimise IT-supported business processes, and to extend business models. The Aareon Smart World digital platform links businesses from the housing industry and related sectors with customers, staff and business partners, as well as connecting technical devices in apartments and buildings.