



# ESG Bond issuer Interview with



# Sustainable and international, Atenor is a real estate developer listed on the Euronext Brussels market.

**Atenor is a leading real estate developer at the forefront of sustainability and urbanity. Recognized for its commitment to urban resilience, Atenor stands out with an innovative approach in the development of mixed projects encompassing offices, residential, and commercial spaces, driven by its Research and Development department, Archilab. With an international presence and a diversified project portfolio, Atenor aims to generate returns for its investors through a value creation cycle starting from obsolete buildings. Listed on Euronext Brussels, Atenor stands as a key player in the real estate development sector.**





## EURONEXT INTERVIEW

**Real estate has one of the highest carbon footprints of all economic activities. According to the UN Environmental Programme, it generates around 30% of the world's annual greenhouse gas emissions and consumes nearly 40% of the world's energy. How do you plan to support the energy transition of this sector?**

First an important comment: the 28% of greenhouse gas emissions (GHGs) quoted are emitted by the operation of existing buildings. Construction and renovation represent 11%; but this results in buildings that emit fewer GHGs. That underlines the importance for real-estate developers of carrying out work on existing buildings in order to lower general GHG emissions and ensure that we can provide people with enough spaces to live and work.

Atenor's commitment to sustainability is ingrained in our business model and financial strategies. We aim to transform real-estate finance into a green endeavour by channelling investments exclusively into sustainable projects. For instance, our green finance frameworks prioritise investments in renewable energy, energy-efficient technologies, and sustainable building materials. To quantify our impact, consider our allocation towards sustainable real-estate projects of €100 million from our 2021 Green Retail Bonds issuance and our €55 million green bond (EMTN) in April 2022. These funds financed the development and refurbishment of buildings, meeting rigorous certifications like the BREEAM "Excellent" and the WELL Gold Core and Shell standards.



Green renovation is systematically considered within our acquisition strategies. Through its investments, Atenor significantly contributes to reducing the carbon footprint of the real estate sector. Our acquisition strategy focuses on improving existing assets rather than on portfolio management, emphasising renovation over new construction. By renovating existing buildings to meet high sustainability standards, such as the BREEAM certifications, we enhance their energy efficiency and increase their market value.

**Hub** – Brussels, Belgium



## What is your experience as a green bond issuer? How have you seen this market evolve since your first sustainable issuance in 2021?

Atenor is a pioneer in sustainable real estate finance. Our experience as a green bond issuer has been transformative. Since our inaugural issuance in 2021, we've witnessed substantial market evolution, driven by increasing investor demand for ESG-focused investments.

To illustrate that, our 2022 green retail bond issuance raised the maximum subscription offer at €55 million, reflecting growing investor confidence in our sustainability initiatives. This evolution aligns with broader market trends towards responsible investing. Atenor's green finance frameworks, established in 2021 and 2022, set stringent criteria for eligible projects, ensuring alignment with sustainability objectives. This green feature permits us to showcase and support our green initiatives in the field.

We have seen remarkable growth in our green bond portfolio, with cumulative funds allocated to sustainable projects exceeding €150 million by the end of 2022. This demonstrates the rising appetite for sustainable investments and underscores Atenor's leadership in this space. As a debt issuer, we intend to rely solely on green funding, whether through bonds or credit lines.

**Square 42** – Belval, Luxembourg

By 2026, our commitment entails introducing exclusively green loans. Currently, our focus is already directed towards the implementation of green loans.

Since September 2022, the market has been firmly shuttered. No real estate developers have issued any bonds since that date. Despite this, we are considering a new issue in 2025, provided circumstances allow

## While climate mitigation aims to reduce greenhouse gas emissions, adaptation urges us to prepare for and adjust to the inevitable impacts already underway. What preliminary vulnerability analysis work have you carried out, and what concrete measures have you taken to adapt to climate change?

Atenor's proactive climate adaptation strategy is exemplified by our innovative approach to integrating advanced technologies and sustainable design features into our projects. For instance, our Move'hub mixed-use development in Belgium incorporates cutting-edge measures such as geothermal energy utilisation and energy-efficient cooling systems. The geothermal energy systems at Move'hub have led to a significant reduction in carbon emissions, achieving a 30% decrease in energy consumption compared to conventional heating methods. Additionally, our energy-efficient cooling systems, including chilled beam systems and smart HVAC controls, have contributed to a 40% reduction in cooling-related energy use at this site.

Similarly, at Square42 in Luxembourg, we have prioritised sustainability by designing the office building to meet BREEAM "Excellent" standards, ensuring superior energy performance and environmental sustainability. By integrating green roofs, efficient insulation, and smart lighting systems, Square42 achieves a 25% reduction in overall energy consumption compared to traditional office buildings.





Atenor collaborates closely with climate experts to develop comprehensive long-term vulnerability scenarios for each project, assessing climate risks and outlining specific adaptation strategies tailored to local conditions. By the end of 2024, our goal is to have vulnerability plans in place for all ongoing and future developments, ensuring that Atenor remains a leader in climate resilience within the real estate sector. Through these concrete adaptation measures and strategic planning, Atenor demonstrates its commitment to environmental stewardship and long-term sustainability.

**The CSRD (Corporate Sustainability Reporting Directive) and ESRS (European Sustainability Reporting Standards) will drastically increase ESG transparency and comparability. How will these new standards help you bolster your credibility with stakeholders even further? How do you see the future of ESG in your sector?**

The implementation of CSRD and ESRS aligns perfectly with Atenor's commitment to transparency and accountability in sustainability reporting. These standards enhance our credibility with stakeholders by providing clear metrics and benchmarks for assessing our sustainability performance. Adherence to CSRD and ESRS guidelines combats greenwashing, fostering trust and transparency in the market.

Looking ahead, Atenor anticipates continued regulatory advancements, including carbon taxation initiatives and anti-greenwashing measures. The carbon tax expected in 2028 further underscores the urgency and importance of our sustainability efforts. This commitment aligns with our strategy to renovate buildings to meet 2050 sustainability targets, driving positive change in the real estate market and contributing to a more sustainable future.

Atenor's proactive approach to sustainability and adherence to rigorous standards position us as a leader in the evolving ESG landscape, ensuring continued success in a market increasingly focused on environmental responsibility and long-term value creation. By embracing these guidelines and preparing for future regulatory changes, we not only enhance our credibility but also pave the way for a more sustainable and resilient real-estate industry.



# Shaping capital markets for future generations

